

**ACCIAIERIE
VENETESPA**

**INTEGRATED
FINANCIAL
STATEMENTS**

2025



INTEGRATED
FINANCIAL
STATEMENTS **2025**

Headquarters in Padua (PD - 35127), Riviera Francia 9
Share Capital: €126,000,000.00 fully paid-up
Registered with the Padua Chamber of Commerce, Industry, Crafts and Agriculture
Tax Code and registration in the Register of Companies No.: 00224180281

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Letter to Stakeholders

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Letter to Stakeholders

We are living through very difficult times, characterised by winds of war that have been ongoing for more than two years and that tend to worsen and broaden with the passage of time. Conflicts fought with weapons have recently been joined by trade wars which, acting on tariffs and monetary levers, do not shed blood but make everyone poorer. Within this extremely difficult context, our company has managed not only to maintain a positive balance, but to continue its path of sustainability and growth with conviction and investments.

The words you have just read are exactly the same ones I used last year. It is, unfortunately, very sad that the past 12 months have brought no change, with the inevitable continuation of destruction, death and suffering. Although the context has therefore been very challenging, we have once again managed to maintain the financial stability that allows us to continue on our path of development.

2025 was, in fact, a very important year in terms of growth for both internal and external operations. As regards internal operations, the new wire rod rolling mill in Sarezzo came into operation and the complex work to rebuild the melting furnace at the Padua plant was commenced. In both cases, the most advanced solutions are being used to ensure high-quality production within safety, environmental and energy parameters that meet the highest standards available on the market from a technological perspective.

As regards external growth, two major acquisitions have been made as part of a drive towards the vertical integration of our production. With the acquisition of 60% of Euro Sider Scalo, we have strengthened our trading activities in areas where we were already present through CIA – Centro Italiano Acciai, improving our ability to serve customers with small batches and gaining greater visibility into product development requests from the end-user market. With the acquisition of TSP – Trafileries San Paolo, a decision that should be seen as complementing the new wire rod mill train in Sarezzo, we have entered a new and promising market for us: wire drawing. In both cases, the aim is to get ever closer to end users and thus increase margins in areas less affected by the turbulence that characterises primary production markets.

In line with a path that always strives for continuous improvement, in 2025 we continued our activities centred on two principles that are fundamental to us: safety and sustainability.

The Safety in Action project has made progress; launched in Padua in 2024, it has now been rolled out to all the group's sites, fostering widespread engagement to ensure that all workers feel they are active participants in the prevention of everyday risks and in the process of continuously improving working conditions.

On sustainability, following the start of the refurbishment of the Padua kiln, we have updated and refined our Decarbonisation Plan, which envisages 150 million in investment by 2030 through initiatives focusing on energy efficiency, the circular economy and the transition to low CO₂ energy sources.

I would like to conclude by mentioning what has always been our greatest asset: our people. I am referring both to those who have been with us for some time and to the people we have recruited in recent years, either directly or through acquisitions. In the autumn of 2025, the first edition of a Master's programme organised in collaboration with CUOA was launched, involving 27 high-potential managers and forming part of a human resources development programme for a forward-looking company. The Master's programme is the pinnacle of a range of initiatives aimed at young people, ranging from the now well-established Acciaierie Venete Academy to more recent initiatives such as the Young Engineers Project, the ITS course in Padua and the IFTS Future for Steel training initiative in Brescia.

But from the perspective of our workforce and their families, the most important event took place on 21 September when, for the first time in our history, we organised an Open Day in Padua. From morning to evening, 1,400 employees and their families from all the Group's plants joined us. It was an intense, engaging and exciting day that made me feel what we are: one big family.

Alessandro Banzato
Chair of the Board of Directors





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MANAGEMENT REPORT TO THE 2025 ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

◆ SUSTAINABILITY REPORT

◆ FINANCIAL STATEMENTS

◆ CONSOLIDATED STATEMENTS



1. GROUP STRUCTURE

The Acciaierie Venete Group is one of Europe's leading producers of high quality steel products for the automotive, agricultural and earthmoving machinery, energy, mechanical engineering, oil & gas and construction sectors.

The Group consists of fourteen companies operating in an integrated manner across the entire steel industry supply chain.

The Holding Company Acciaierie Venete SpA is responsible for the production of raw or semi-finished steel, which it distributes directly to customers or through its own distribution companies.

Padana Rottami Srl and Maltauro Rottami Srl trade and process ferrous and non-ferrous scrap, the main raw material for steel production.

Centro Italiano Acciai Srl and Euro Sider Scalo Srl (a company acquired in January 2025) carry out certain processes such as cutting to size and end-facing; finally, they market the Group's products, offering smaller batches with rapid delivery.

Esti Srl produces wear-resistant steel parts, such as blades for shovel buckets, excavators and snowploughs.

Venete Siderprodukte AG specialises in selling products in Central European markets, providing sales support, marketing, credit management and quality control.

Setrans Srl is active in the logistics sector, offering road and rail transport services.

A.V.E. - Acciaierie Venete Energia Srl deals with the design, construction and management of plants for the production of electricity from renewable sources.

Fin.Steel Srl is the owner of an industrial building leased to the Holding Company and of equity investments in Valle Zignago Srl – Società Agricola, which manages a vast plot of land of over 800 hectares used for fishing, hunting and farming, and in Olmo Immobiliare Srl, which owns buildings mainly used for representative offices, as well as a non-controlling interest in Nord Est Multimedia Srl, a company that operates in the publishing sector, including online, of daily newspapers, periodicals, books and magazines.

Trafilerie San Paolo Srl (a company acquired in April 2025) is engaged in the production of high-quality drawn, peeled and rolled wire rod for fasteners, special parts and components with high mechanical performance.

Finally, Acciaierie Venete France Sasu, a company incorporated under French law in 2024, markets the Group's products in the French market.

2. BUSINESS

2.1. Macroeconomic Situation
2.2. Steel Market
2.3. Business Model and Competitive Advantages

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2.1. Macroeconomic Situation

During the 2025 financial year, the global economy recorded GDP growth of approximately 3.3–3.4%, demonstrating overall resilience in a context characterised by high geopolitical uncertainty and a gradual readjustment of international financial conditions. Economic activity was mainly sustained by the contribution of high-tech investments, particularly in sectors linked to artificial intelligence, as well as by financial conditions that, on the whole, remained favourable for most of the year.

Geographically, growth showed significant differences across the main economic areas. In the United States, GDP grew by 2.1%, driven by domestic demand and investments. In China, growth stood at around 5.0%, driven mainly by exports, against a backdrop of weaker domestic demand, particularly in the real estate sector. Emerging and developing economies as a whole recorded growth of around 4.4%, confirming their role as the main driver of global expansion, albeit with varying trends across different countries.

Over the same period, the euro area recorded GDP growth of

1.4%, an improvement on 2024 but still at modest levels. This performance was influenced by moderate external demand, persistent structural constraints and the lagged effects of the previous energy shock. Inflation has gradually normalised, although pressures on service prices and labour costs remain, showing greater rigidity than goods prices.

Against this backdrop, the Italian economy recorded GDP growth of 0.5% in 2025, which was below the euro area average and represented a slight slowdown compared with the previous year. Economic activity was influenced by weak domestic demand, a modest contribution from highly innovative investments and less favourable trends in foreign trade. The disinflationary process continued in the domestic context as well, albeit with persistent pressures in the services sector.

Overall, the macroeconomic picture for 2025 is characterised by resilient but concentrated growth, driven by a limited number of countries and sectors, and by medium-term prospects still influenced by structural and geo-economic factors.

2.2. Steel Market

2025 ended as a challenging year for the global steel industry, characterised by a still fragile macroeconomic environment, persistent geopolitical tensions and final demand that had only partially stabilised. According to data released by the World Steel Association, global crude steel production fell by 2% compared to 2024, standing at 1,803.8 million tonnes. This negative result was largely due to the significant slowdown in production in China, the world's leading producer, which ended the year with a 4.4% decline, confirming a phase of structural downsizing in the Chinese steel cycle.

In the European context, 2025 represented another difficult year for the steel industry. Data compiled by Eurofer indicate that crude steel production in the European Union fell to 126.2 million tonnes, a reduction of around 3% compared to 2024, reaching one of the lowest levels in recent decades. This trend reflects a combination of structural factors: continued weak domestic demand, low capacity utilisation rates and a gradual reduction in production capacity, against a backdrop of growing competitive pressure from non-EU producers.

On the demand side, however, there are some signs of stabilisation. According to Eurofer estimates, after three consecutive years of contraction, apparent steel consumption in the EU showed a moderate rebound in 2025, amounting to approximately +2.4%. The improvement was particularly evident in the

second half of the year and was driven both by the comparison with the exceptionally low volumes of 2024 and by a tentative recovery in some national markets. Despite this, consumption levels remain significantly lower than pre-pandemic levels, highlighting the still fragile nature of the recovery.

A key factor in the balance of the European market in 2025 was the further increase in the penetration of imports. Eurofer data show that over the course of the year, the share of imported steel reached record levels, rising to 29% of apparent consumption in the third quarter. In particular, there has been a significant increase in imports of long and flat products from countries such as Turkey, China and Indonesia, contributing to a widening of the EU's trade deficit and squeezing the profitability of European producers, who are already penalised by structurally higher energy costs compared to their international competitors.

Against this generally weak backdrop for Europe, Italy has stood out for its relatively more positive performance. According to figures released by Federacciai, Italian crude steel production reached 20.7 million tonnes in 2025, marking a 3.7% increase compared with 2024. More specifically, long steel production stood at 12.3 million tonnes, showing growth of 5.6%, whilst flat steel products recorded a more modest increase of 3.9%, reaching 8.9 million tonnes. The result highlights the resilience and adaptability of the national steel

2. BUSINESS

industry, underpinned by the flexible structure of its plants and its strong specialisation in long products. The significant rebound in production recorded in December was decisive, enabling growth for the full financial year to be consolidated.

In summary, 2025 is shaping up to be a year of transition for the steel market. Whilst signs of structural weakness persist at

global and European level, Italy proves to be holding up better. However, the outlook for the sector remains closely linked to the evolution of industrial demand, international trade policies and energy cost trends, factors that will continue to have a decisive influence on the steel industry in the coming years.

2.3. Business Model and Competitive Advantages

The Group operates in the special steels sector, focusing on high-quality and special long steels intended for a wide range of applications, including the automotive, oil & gas, earthmoving, agricultural, mechanical and wire drawing sectors. The Parent Company leads an integrated production chain, in which the vertical integration of the process – from the selection of raw materials to processing, through to logistics and distribution – ensures high quality standards, operational reliability, continuity of supply of key resources and full traceability throughout the supply chain.

The business model is based on highly customised production, focused on bespoke solutions capable of ensuring reliability, performance and safety throughout the entire value chain. This approach is supported by an integrated control system, constant monitoring of the production phases and continuous investment in technical, metallurgical and plant engineering expertise, so as to meet the high performance requirements demanded by a qualified industrial clientele.

One of the Group's distinctive pillars is commercial diversification, understood as the distribution of sales across a variety of application sectors, geographical areas and customer types. This strategy helps to mitigate exposure to sector-specific economic cycles and allows for a balance between higher value-added production and higher turnover production, with benefits in terms of plant utilisation and production flexibility. In 2025, against a backdrop of selective demand and intense competition, this diversification has facilitated more robust management of the product mix and greater continuity in the order book.

In the 2025 context, the monitoring of exogenous cost variables (scrap, energy and alloying elements) and the adoption of contractual instruments consistent with the industrial nature of the business were key factors enabling more orderly management. Against a cost environment that was generally more favourable than in 2024, the Group was able to operate by enhancing the quality of its product mix and the technical strength of its offering, helping to maintain margins, albeit narrow ones, in a market that remains volatile, unpredictable and characterised by sudden changes.

Acciaierie Venete also stands out for its lean and flexible organisational structure, capable of ensuring rapid decision-making and adaptation to market conditions. This structure helps to keep fixed costs down, improve operational efficiency and maintain a high level of responsiveness to customer needs and competitive dynamics. Overall, the business model adopted has proven to be resilient and sustainable, capable of generating value even in contexts of high uncertainty and significant external pressures.



3. STRATEGY AND INVESTMENTS

During the financial year, two significant acquisitions were completed, in line with a strategy of progressive vertical integration and strengthening of the Group's competitive position.

The acquisition of a 60% stake in Euro Sider Scalo Srl has enabled the Group to expand its commercial scope, gaining access to market segments not directly served by its production operations whilst improving its ability to meet evolving customer demand and requirements.

At the same time, the acquisition of 100% of Trafilerie San Paolo Srl forms part of the development of the downstream supply chain, in synergy with the new wire rod mill train in Sarezzo, and aims to strengthen the Group's presence in high value-added drawn steels, contributing to the diversification of the product range and the Group's future growth.

With regard to technical fixed assets, in 2025 the Group allocated €56,592,000 to investments in tangible assets, of which €52,624,000 related to the Parent Company, launching various projects designed to ensure strong competitiveness in a constantly changing market.

For the year 2025, the Parent Company has launched a project for the complete modernisation of the melting area at the Padua steelworks. The project, involving an investment of €76,445,000, involves the replacement of the EAF furnace and associated auxiliary equipment, the addition of a new FTP dust abatement system and the modernisation of the WTP water treatment plant.

The main objectives of the project are:

- Application of the "zero man around" concept to the EAF furnace area;
- Improved dust collection thanks to the new FTP and a more widespread distribution of collection points;
- Reduction in consumption.

The project will be carried out in several phases spanning 2025 and 2026, given the complexity associated with the various areas of intervention.

As part of the overall strategy to reduce natural gas consumption and consequently emissions, Acciaierie Venete has continued to develop the process of replacing ladle and tundish plungers heaters with more efficient and safer models for 2025: the steelworks in Padua and Sarezzo were the sites involved in 2025.

This gradual modernisation process is enabling not only the introduction of more efficient burners but also appropriate real-time energy monitoring systems.

At the Padua steelworks, during the 2025 winter shutdown, the casting overhead crane was replaced, switching from the existing one with a capacity of 160 tonnes to the new one with a maximum capacity of 200 tonnes.

The Odolo plant has installed a laser-based dimensional measuring system in the rolling mill, representing an investment of €365,000 thanks to Industry 4.0 contributions, which enables continuous monitoring of the product during the rolling process.

Other companies in the steel sector have mainly invested in upgrading cutting equipment and machinery, as well as in warehouse support facilities.

The investments made by the companies Padana Rottami Srl, Maltauro Srl, and Setrans Srl mainly concerned the purchase of transport and internal handling equipment. Padana Rottami has launched the project to implement the new SAP management system, with commissioning scheduled for 2026.



4. RESEARCH AND DEVELOPMENT

Group companies are strongly committed to introducing technologies that improve process quality and product innovation. Since 2019, the Corporate Research and Development Centre has been active at the Holding Company, which deals with research and development activities both internally and in cooperation with qualified external entities.

Reference may be made to the Sustainability Report for an in-depth description of the projects carried out in 2025.

With regard to the individual Group companies that prepare their financial statements in accordance with OIC standards, the cost incurred for research and development expenditure, in view of Art. 2426(5) of the Italian Civil Code, OIC Accounting Standard 24 and in accordance with Art. 108 of Presidential Decree 917/86 (TUIR) as amended, has been treated as an operating expense and charged in full to the income statement.

At the consolidated level as well, the costs incurred for research and development activities do not meet the requirements of IAS 38 and have therefore been recognised as an operating expense.

5. DEFINITION OF ALTERNATIVE PERFORMANCE INDICATORS

5.1. Acciaierie Venete Group Consolidated Financial Statements
5.2. Separate financial statements of the Holding Company Acciaierie Venete SpA

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5.1. Acciaierie Venete Group Consolidated Financial Statements

In order to provide a clearer and more complete view of economic and financial performance, alternative performance indicators are defined, indicating the items of the consolidated financial statements used for their calculation. The Consolidated Financial Statements referred to have been prepared in accordance with International Financial Reporting Standards.

EBITDA

Measures the company's operating performance without the effects of depreciation, amortisation, provisions and asset write-downs. It is calculated by excluding the items "Amortisation and write-downs of tangible and intangible assets" and "Net impairment of financial assets" from the operating result.

Trade Net Working Capital

Represents the net financial requirement generated by the company's operating cycle and is calculated as follows:

Inventories + Trade receivables – Trade payables

Non-Trade Net Working Capital

Includes financial assets and liabilities that are not closely related to the company's operating cycle. It is calculated as follows:

- + Current tax receivables
- + Other Current Assets
- Employee benefit obligations
- Provisions for risks and charges
- Deferred tax liabilities
- Other non-current liabilities
- Current tax liabilities
- Other current liabilities

Net Invested Capital

Represents the total resources employed in the business and is the sum of Non-current Assets, Trade Net Working Capital and Non-Trade Net Working Capital.

Net Financial Position

Measures the difference between financial assets and financial liabilities and is the sum of the following items:

- + Current financial assets
- + Cash and cash equivalents
- Non-current financial payables
- Non-current lease liabilities
- Current financial payables
- Current lease liabilities

5.2. Separate financial statements of the Holding Company Acciaierie Venete SpA

In order to provide a clearer and more complete view of economic and financial performance, alternative performance indicators are defined, indicating the items of the financial statements used for their calculation. The financial statements referred to were prepared in accordance with the provisions of the Italian Civil Code. If direct reference to the financial statements is not possible, reference to the Explanatory Notes to the Financial Statements is indicated.

EBITDA

Measures the company's operating performance without the effects of depreciation, amortisation, provisions and asset write-downs. It is calculated by excluding the items "Depreciation, amortisation and write-downs" and "Provisions for risks and charges" from the difference between value and production costs.

Net Fixed Assets

Represents the carrying amount of fixed assets, net of accumulated depreciation and is the sum of the following items:

- + Intangible fixed assets
- + Tangible fixed assets
- + Equity investments
- + Non-current receivables from others
- + Other fixed-term securities

Trade Net Working Capital

Represents the net financial requirement generated by the company's operating cycle and is calculated as follows:

- + Inventories
- + Receivables from customers
- + Advances
- + Trade receivables from Group companies¹
- Accounts payable to suppliers including advances²
- Trade payables to Group companies¹

Non-Trade Net Working Capital

Includes financial assets and liabilities that are not closely related to the company's operating cycle. This is the sum of the following items:

- + Non-current receivables from subsidiaries over 12 months
- + Other receivables from Group companies¹
- + Tax receivables and prepaid taxes
- + Receivables from others other than advances to suppliers and financial receivables³
- + Financial derivative assets
- + Accrued income and prepaid expenses
- Provisions for risks and charges
- Provision for employee severance indemnity
- Other payables to Group companies¹
- Tax liabilities
- Payables to social security and welfare institutions
- Other payables
- Accrued expenses and deferred income

Net Invested Capital

Represents the total resources employed in the business and is the sum of Non-current Assets, Trade Net Working Capital and Non-Trade Net Working Capital.

Net Financial Position

Measures the difference between financial assets and financial liabilities and is the sum of the following items:

- + Non-current receivables from subsidiaries within 12 months
- + Financial receivables from Group companies¹
- + Financial receivables from others⁴
- + Securities in current assets
- + Financial assets for centralised treasury management
- + Cash and cash equivalents
- Payables to banks
- Financial payables to Group companies¹

1. Reference to the Explanatory Notes to the Financial Statements can be made for a breakdown of receivables from and payables to Group companies between trade, financial and other.
2. The value of advances to suppliers is shown in the table "Receivables from others" in the Explanatory Notes to the Financial Statements.
3. This is equal to the sum of the following items in the table "Receivables from others" in the Explanatory Notes to the Financial Statements: Amounts due from employees, Receivables from social security institutions, Receivables from insurance companies for reimbursements on claims, Receivables from third parties for dividends and Other receivables.
4. These are bank certificates of deposit, see the relevant section in the Explanatory Notes.



6. PERFORMANCE AND FINANCIAL RESULTS

6.1. Acciaierie Venete Group
6.2. Holding Company Acciaierie Venete SpA

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During the 2025 financial year, the European steel sector continued to face a complex environment, characterised by macroeconomic uncertainty, uneven demand and high levels of competition, particularly from non-EU producers, with repercussions on forward visibility and the predictability of customer supply. In this scenario, demand has been predominantly short-term in nature, with a general caution in stock management and increasing selectivity in purchasing decisions.

The trend in the main exogenous cost variables therefore played a central role in the analysis of operations.

In 2025, average scrap prices were lower than in the previous year, with a generally less volatile trend. Similarly, energy costs showed a generally more favourable trend compared to 2024, albeit with a concentration of pressures in the first two months of the year followed by a period of normalisation. This trend was also supported by the implementation of mitigation and compensation measures, such as the Energy Release scheme and the TESI fund, which are discussed in detail in the Parent Company's Notes to the Financial Statements.

Other commodities showed mixed trends. Refractory materials recorded modest increases, in the region of 2–3%, whilst the price of electrodes continued the downward trend that began in previous years, a trend that was also confirmed in the early stages of 2026. Common ferro-alloys remained broadly stable in the first part of the financial year, before showing a significant increase in the fourth quarter against a backdrop of regulatory uncertainty. High-grade ferro-alloys showed a gradual decline in prices over the course of the year, followed by the first signs of a reversal in the early months of 2026.

Labour costs continued the upward trend already observed in previous financial years, affecting both skilled and unskilled workers.

On the price side, the average selling price in 2025 showed a generally more consistent and predictable trend compared with the previous financial year. After a start to the year still characterised by uncertainty and consolidation, a gradual normalisation was observed in the spring, followed by a largely stable trend in the middle of the year. In the final quarter, a natural decline emerged, consistent with market seasonality and the gradual cooling of demand. At the same time, margins on current costs showed a slight overall improvement, with a trend that, having overcome the rigidity seen at the start of the year, remained positive in the middle and final stages of the financial year.

From a commercial perspective, the sales mix gradually rebalanced in 2025, with a greater focus on selected segments of the portfolio, consistent with a demand environment that continued to favour the more structured industrial sectors and

penalise those components most exposed to the price dynamics typical of the retail sector. In this context, the presence of established supply relationships and the prevalence of contractual arrangements consistent with the industrial profile of the customer base have helped to make the management of prices and margins more routine.

In summary, the 2025 financial year closed with an improvement in margins compared to the previous year, against a backdrop of average selling prices lower than in 2024. This trend was only partially offset by the reduction in scrap purchase prices, which, although lower than in the previous financial year, fell less sharply than sales prices. Sales volumes remained broadly stable until the end of the third quarter, showing an acceleration in the latter part of the year, which contributed to the overall recovery in profitability. Against this backdrop, the Group's margins rose slightly, reflecting a better structural balance between cost dynamics, commercial policies and activity levels.

The result from financial operations remained positive, although it showed a reduction compared with the 2024 financial year. This decline is mainly attributable to the decrease in income from investments, resulting from both the general fall in interest rates and lower amounts invested. The substantial investment programme led to a reduction in investments compared with the previous year; at the same time, the securities investment portfolios underwent a realignment process aimed at adapting to the changed conditions in the financial markets.

Despite this, the Net Financial Position remained largely positive and consistent with a sound financial profile, confirming the Group's ability to support development programmes and meet its financial commitments in the medium-long term.

6.1. Acciaierie Venete Group

Revenues by geographical area (in thousands of euros)

	Financial year ended					
	2025	Ratio %	2024	Ratio %	Change	Change %
Italy	858,289	71.3%	810,166	69.6%	48,123	5.9%
Germany	133,908	11.1%	137,909	11.8%	(4,000)	(2.9%)
Spain	29,093	2.4%	29,965	2.6%	(872)	(2.9%)
France	28,029	2.3%	29,629	2.5%	(1,600)	(5.4%)
Austria	24,946	2.1%	24,051	2.1%	895	3.7%
Hungary	20,993	1.7%	17,868	1.5%	3,125	17.5%
Poland	19,508	1.6%	16,909	1.5%	2,599	15.4%
United Kingdom	15,705	1.3%	15,820	1.4%	(114)	(0.7%)
Slovenia	14,721	1.2%	18,700	1.6%	(3,979)	(21.3%)
Croatia	11,847	1.0%	12,914	1.1%	(1,067)	(8.3%)
Czech Republic	9,860	0.8%	5,869	0.5%	3,991	68.0%
Other EU countries	20,807	1.7%	21,716	1.9%	(909)	(4.2%)
Other non-EU countries	15,696	1.3%	22,309	1.9%	(6,613)	(29.6%)
Total Revenue	1,203,403	100%	1,163,824	100%	39,579	3.4%

Condensed reclassified Income Statement (in thousands of euros)

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Revenues	1,203,403	100.0%	1,163,824	100.0%
Net operating costs	(1,142,433)	(94.9%)	(1,110,604)	(95.4%)
EBITDA	60,970	5.1%	53,220	4.6%
Depreciation, amortisation and write-downs	(52,328)	(4.3%)	(46,582)	(4.0%)
Operating Profit	8,642	0.7%	6,638	0.6%
Net financial income/(expenses)	4,447	0.4%	8,684	0.7%
Income/(expenses) from fair value changes and disposal of financial assets	4,705	0.4%	7,039	0.6%
Earnings before taxes - EBT	17,794	1.5%	22,361	1.9%
Income Taxes	(2,614)	(0.2%)	(3,166)	(0.3%)
Net profit for the year	15,180	1.3%	19,195	1.6%
- of which Net profit for the year attributable to the Group	15,061	1.3%	18,500	1.6%
- of which Net profit for the year attributable to non-controlling interests	119	0.0%	695	0.1%



Reclassified Balance Sheet

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Net Fixed Assets	423,781	362,803
<i>Inventories</i>	398,774	329,138
<i>Trade receivables</i>	335,550	288,662
<i>Trade payables</i>	(215,279)	(185,914)
Trade Net Working Capital	519,045	431,886
Non-Trade Net Working Capital	1,665	(13,852)
Net Invested Capital	944,491	780,837
Net Financial Position	(136,326)	(286,144)
Shareholders' equity	1,080,817	1,066,981
Total Sources	944,491	780,837

Net Financial Position

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Cash and cash equivalents	74,057	183,679
Current financial assets	183,637	204,545
Liquid assets	257,694	388,224
Current financial payables	(61,155)	(48,851)
Current lease liabilities	(3,424)	(4,197)
Current financial debt	(64,579)	(53,048)
Net current financial position	193,115	335,176
Non-current financial payables	(48,398)	(45,701)
Non-current lease liabilities	(8,391)	(3,331)
Non-current financial debt	(56,789)	(49,032)
Total net current financial position	136,326	286,144

For more details on the change in the Net Financial Position during the year, reference can be made to the Consolidated Cash Flow Statement.

6.2. Holding Company Acciaierie Venete SpA

Revenues by geographical area

(in thousands of euros)

	Financial year ended					
	31/12/2025	Ratio %	31/12/2024	Ratio %	Change	Change %
Italy	831,957	76.0%	813,972	74.4%	17,985	2.2%
Germany	110,568	10.1%	118,850	10.9%	(8,282)	(7.0%)
Spain	26,625	2.4%	27,539	2.5%	(913)	(3.3%)
France	22,695	2.1%	25,398	2.3%	(2,703)	(10.6%)
Austria	21,211	1.9%	21,734	2.0%	(523)	(2.4%)
Hungary	19,049	1.7%	16,444	1.5%	2,605	15.8%
Poland	12,484	1.1%	11,328	1.0%	1,156	10.2%
Croatia	11,516	1.1%	12,799	1.2%	(1,283)	(10.0%)
United Kingdom	10,809	1.0%	10,943	1.0%	(134)	(1.2%)
Czech Republic	5,976	0.6%	4,483	0.4%	1,493	33.3%
Slovenia	5,278	0.5%	5,001	0.5%	277	5.5%
Other EU countries	7,114	0.7%	8,480	0.8%	(1,366)	(16.1%)
Other non-EU countries	10,033	0.9%	17,170	1.6%	(7,136)	(41.6%)
Total revenue	1,095,315	100%	1,094,140	100%	1,176	0.1%

The Company's steel mills produced:

1.393 million tonnes
in 2024

1.492 million tonnes
in 2025



Condensed reclassified Income Statement

(in thousands of euros)

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Revenues from sales and services	1,095,315	100.0%	1,094,140	100.0%
Net operating costs	(1,040,293)	(95.0%)	(1,063,746)	(97.2%)
EBITDA	55,022	5.0%	30,393	2.8%
Depreciation, amortisation and write-downs	(54,949)	(5.0%)	(53,257)	(4.9%)
Operating Profit	73	0.0%	(22,864)	(2.1%)
Net financial income/(expenses)	8,686	0.8%	21,561	2.0%
Value adjustments on financial assets	(141)	(0.0%)	1,838	0.2%
Earnings before taxes - EBT	8,618	0.8%	536	0.0%
Income Taxes	(685)	(0.1%)	5,662	0.5%
Net profit	7,933	0.7%	6,198	0.6%

Reclassified Balance Sheet

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Net Fixed Assets	407,479	368,554
<i>Inventories</i>	299,803	279,056
<i>Trade receivables</i>	321,641	278,084
<i>Trade payables</i>	(259,224)	(227,341)
Trade Net Working Capital	362,219	329,800
Non-Trade Net Working Capital	33,616	4,081
Net Invested Capital	803,315	702,434
Net Financial Position	(188,344)	(298,933)
Shareholders' equity	991,659	1,001,368
Total Sources	803,315	702,434

Net Financial Position

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Non-current receivables from subsidiaries within 12 months	363	5,125
Financial receivables from Group companies	28.507	24.733
Financial receivables from others	24.800	39.000
Securities in current assets	150.055	147.335
Cash and cash equivalents	61.721	173.326
Payables to banks	(68.414)	(76.394)
Financial payables to Group companies	(8.687)	(14.193)
Net Financial Position	188.344	298.933

For more details on the change in the Net Financial Position during the year, reference can be made to the Cash Flow Statement.



7. SIGNIFICANT TRANSACTIONS AND EVENTS DURING THE FINANCIAL YEAR



During 2025, the Group completed two major acquisitions with the aim of integrating the supply chain and expanding its product portfolio.

Acquisition of Euro Sider Scalo Srl

On 31 January 2025, the Parent Company completed the acquisition of 60% of the share capital of Euro Sider Scalo Srl, a company active in the trade of special steel bars with operational offices in the province of Brescia. The remaining 40% remains under the ownership of the Pastorelli family, which will continue to exercise management functions through the Managing Director. The operation allows the Group to expand its commercial offer, accessing markets that are not directly served by production, in terms of type of specifications and purchase volumes. In addition, the integration with Euro Sider Scalo Srl, a company that has long been active in synergy with the Group, will contribute to the strengthening of the offer and the consolidation of customer relationships through more flexible commercial and technical solutions. The transaction is consistent with the Group's strategy aimed at strengthening its commercial presence in high value-added outlet sectors.

Acquisition of Trafilerie San Paolo Srl

On 18 April 2025, the Parent Company acquired 100% of the share capital of Trafilerie San Paolo Srl, a company specialising in steel wire drawing and recognised in the market for its high quality standards. This acquisition is part of the Group's broader strategic path of verticalisation, aimed at strengthening its presence in the high quality steel wire drawing segment, favouring the integration of the production chain and the expansion of the product portfolio. The transaction is in line with the investments recently made, including the new rolling mill at the Sarezzo plant, which allows for the production of a complete range of wire rod for wire drawing. Trafilerie San Paolo Srl will continue to operate whilst maintaining its quality standards, benefiting from the Group's technical, industrial and commercial synergies.

8. RISK MANAGEMENT OF THE GROUP AND HOLDING COMPANY

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8.1. Strategic Risks

8.1.1. Fluctuation of the price of raw materials

Volatility of energy costs

In 2025, energy and gas prices on wholesale markets were well above pre-energy crisis levels and higher than in 2024: The PUN (Single National Price) index remained stable in the first quarter, before falling in the spring months, thanks to the contribution from renewables. During the summer months, the index returned to growth, maintaining a largely sideways trend in the autumn.

Gas prices, on the other hand, fell gradually, reaching their lowest levels towards the end of the year, although the start of winter saw average temperatures, thanks to significant LNG supplies. In the final months of the year, electricity prices did not follow the decline seen in the gas market due to the steady rise in CO₂ market prices since the summer. In this regard, there has been significant speculative activity by hedge funds, often linked to energy and environmental indices.

For most of the year, the national electricity price depended on thermal power generation, and consequently on the trend in gas and CO₂ prices, with a significant contribution from renewables only in April and May. Finally, there was an increase in dispatching costs, in particular the contribution linked to the *Capacity Market*.

To support energy-intensive businesses, despite significant legislative delays, *Energy Release 2,0* was launched in 2025, a scheme that combines, on the one hand, cost mitigation and the decarbonisation of energy-intensive businesses with the supply of renewable energy at a price close to the marginal value, and, on the other hand, incentives for the construction of new renewable capacity. This instrument, together with the expansion of the TESI fund to offset the indirect costs of CO₂ in the cost of electricity supply, and the contribution from *Interconnector*, has made it possible to mitigate the energy costs incurred for production.

The Energy Management function constantly monitors trends in the energy and gas markets, managing volatility through hedging contracts, supporting regulatory instruments, and by scheduling production during times when prices are lower.

Scrap cost

During the 2025 financial year, the ferrous scrap market showed an overall stable trend, with price volatility lower than the sector's historical average. This equilibrium stemmed from moderate demand from the steel industry,

influenced by the weakness of the finished products markets, persistently high energy costs and competition from imports of semi-finished products from non-EU countries, against a backdrop of structurally limited scrap availability. In this context, supply and demand were broadly in balance, helping to limit price fluctuations during the financial year.

The Group partially mitigates the risk related to scrap procurement by maintaining a significant presence in the market through its subsidiaries Padana Rottami Srl and Maltauro Rottami Srl, and by expanding its network of suppliers both in Italy and internationally.

8.1.2. Concentration of customers and business relations

The structure of the Group's customer base is founded on long-standing and structured business relationships, with a significant proportion of index-linked contracts, in which sales prices are tied to the performance of objective variables such as scrap, ferro-alloy and energy prices.

This contractual approach represents an important tool for safeguarding profit margins, as it helps to reduce the volatility of financial results arising from fluctuations in key raw materials, facilitating more orderly management of commercial relationships even in unstable market conditions.

This model further strengthens the overall solidity of the business, relying on established relationships with low contractual risk, developed with loyal counterparties selected for their financial strength and operational continuity. This results in improved visibility in industrial and budget planning, a more efficient allocation of resources and reduced exposure to speculative or purely cyclical phenomena.

From a strategic perspective, commercial diversification continues to support the development of stable and long-lasting industrial relationships with a diverse ecosystem of customers, reducing dependence on individual operators or key markets and helping to strengthen the Group's competitive position.

In summary, customer diversification and the structure of commercial relationships constitute a structural advantage, which translates into more balanced growth, more robust risk management and a greater ability to generate value in a stable and sustainable manner over time.

8.2. Operational risks

8.2.1. Industrial risks

As part of the Group's risk analysis policy, all foreseeable risks pertaining to industrial activities and related processes have been identified, quantified and periodically reviewed. Appropriate insurance policies have been taken out to cover them.

Each identified risk is correlated with monitoring activities and a series of possible improvement actions. Strengths, exceptional know-how and critical issues are collected by the relevant departments of the Parent Company Acciaierie Venete, with a view to sharing established best practices across all Group companies, thereby mitigating residual risk.

During 2025, the Group's Risk Management structure, as shown below, was formalised.



Function/Business Department	Roles and responsibilities in risk management
CFO of Acciaierie Venete Group	Manages relations with brokers and insurance companies, gathering the needs of policyholders and managing policy renewals.
HSE Manager of Acciaierie Venete Group System Manager of SSAE Integrated Management Representative of AESS Management EMAS Contact	Supports the CFO in managing relationships; Liaises with plants and subsidiaries to ensure compliance with technical requirements and the dissemination of best practices, raising the Group's standards; Drafts the operating procedures incorporated into the Integrated Management System, necessary to delegate responsibilities to the various functions involved (e.g. reporting incidents, out-of-service notifications, training); Manages the internal audit programme and oversees the completion of forms; Manages claims involving significant amounts or characterised by technical complexity.
Technical Director of Acciaierie Venete Group	Heads the group's technical department; Supports plants and subsidiaries in defining technical specifications for investments.
Administrative Department	Manages the administrative and accounting aspects of existing policies, liaising in particular with the CFO, HSE Manager and the various staff responsible for claims management.
Director of Information Systems of Acciaierie Venete	Heads the IT department (hardware and software); Oversees cybersecurity and GDPR compliance.
Head of Human Resources of Acciaierie Venete	Heads the Personnel Department; Manages the opening of claims in the RCO sector.
Credit Management Office of Acciaierie Venete	Manages customer relationships in the credit sector.
Claims Management Office of Acciaierie Venete	Handles the opening of minor claims, liaising with plant departments; Coordinates with the HSE Manager on technical matters.
HSE Staff of Acciaierie Venete Claims management officers at Acciaierie Venete plants	They collect evidence to support the opening of the claim and forward the documentation to the administrative office.
Administrative Department and Technical Department of subsidiaries Staff responsible for claims management of subsidiaries	They gather evidence to support the opening of a claim and manage the claim opening process, liaising with the relevant departments at the plants; They coordinate with the HSE Manager on technical and methodological aspects.

All assessments, with the active assistance of our Broker, are constantly updated, including through specific technical visits carried out jointly with the Insurance Companies' technicians.

Periodically, a third party company is entrusted with the task of carrying out an appraisal in order to adjust the insured values to the actual new values of the company's assets.

8.2.2. Business interruption

The main risk factors related to the unavailability of production sites and their business continuity are constantly investigated and analysed.

To mitigate these risks, business continuity procedures are in place, aimed at eliminating predisposing risk factors in terms of probability of occurrence and implementing protections to limit their impact.

Operating multiple sites with three steel mills and seven rolling mills, the Holding Company is better able than other competitors to cope with the production unavailability of one of its plants. For over a year, the subsidiaries have been included in the scope of business continuity assessments, involving the relevant senior management and with the aim of implementing a business continuity management system compliant with the requirements of ISO 22301.

Several actions were taken to mitigate the risk of business interruption, simulating how to cope with the case of a forced interruption of one of our plants by diverting production to the others, or alternatively by purchasing material from third-party suppliers.

The Parent Company and the companies Centro Italiano Acciai Srl and Esti Srl are also covered against indirect

business interruption risks by a specific insurance policy. There are plans to extend this specific cover for indirect risks to other group companies as well.

8.2.3. Litigation risks and other insurance coverage

Group companies operate in sectors that entail the risk of involvement in environmental disputes, with employees, with suppliers, with the public administration and with other entities.

In line with the Group's insurance management policies, each company systematically carries out an in-depth investigation of the types of risks relevant and the insurance coverage opportunities offered by the market.

In addition to the aforementioned coverage for industrial risks (All risks) and Third Party Liability/Employer's Liability/Civil Liability products, it is worth mentioning the insurance coverage for Pollution risks and the civil liability of Directors, Statutory Auditors and Managers, as well as the coverage reserved for personnel with managerial qualifications required by law.

Each Group company monitors the development of disputes and, if insurance coverage is not possible or is insufficient, makes appropriate allocations to the Risk Provisions in its individual financial statements.

PILLARS OF STRATEGY
FOR LOSS PREVENTION OPERATIONS MANAGEMENT IN AV

01

Centralised offices
to create synergies and control

Centralising expertise and resources to generate synergies, standardise activities and ensure effective and consistent control.

02

Active continuous
improvement processes

Promote dynamic processes of continuous improvement to increase operational effectiveness and adapt to change.

03

Extension of
reports / corrective actions

Extend the culture of reporting and the adoption of timely corrective actions to prevent risks and improve performance.

04

Internal audit programme
extended to the entire group

Implement an internal audit programme covering all group entities to ensure compliance, transparency and the sharing of best practices.



8.3. Financial risks

8.3.1. Credit risk

The credit risk arising from the Group's business transactions with counterparties is managed and controlled through procedures for lending and monitoring customer credit. It is the Group's policy to select solid and reliable customers, establishing lasting relationships with the latter. The risk of a customer failing to fulfil a financial obligation on time is systematically analysed, assigning the counterparty a credit line that is constantly monitored; for certain counterparties and under particular risk conditions, secured forms of payment are required. The quality of the Group's customer portfolio and credit management procedures is demonstrated by the extremely limited credit losses recorded in recent years.

In addition, a credit risk coverage policy has been in place for some time with a leading international company, which covers most of the credit lines granted to the Holding Company's customers. Similar policies have been taken out for Esti Srl, Centro Italiano Acciai Srl, Euro Sider Scalo Srl and Trafileries San Paolo Srl. For certain customers of Padana Rottami Srl and Maltauro Rottami Srl and Trafileries San Paolo Srl, credit is guaranteed by assigning the receivables without recourse to leading factoring companies.

8.3.2. Liquidity risk

Liquidity management, funding needs and cash flows are monitored on a daily basis, with the Group's Centralised Treasury managing resources efficiently. Thanks to the Group's operational flows and solid capitalisation, it is able to obtain the financial resources needed for operations in a timely manner and on favourable terms.

8.3.3. Foreign exchange rate risk

Foreign exchange risk has a limited impact relative to the size of the Group, as the majority of transactions with foreign counterparties are conducted in euros. The risk arising from

foreign currency transactions outstanding at 31 December 2025 was partially reduced by entering into certain hedging contracts.

As regards the Parent Company, as at 31 December 2025, three Euro/Dollar exchange rate derivative contracts were in force, maturing between May and July 2026, with a total notional amount of €2,125 thousand and a negative fair value of €25 thousand. The company Esti Srl historically operates with forward contracts to mitigate the effects of fluctuations in the Euro/Dollar exchange rate. As at 31 December 2025, there were six outstanding derivative contracts on the Euro/Dollar exchange rate, with a total notional value of €950 thousand, varying maturities up to mid-April 2026 and a slightly negative fair value. For further details, please refer to the Parent Company's Notes to the Financial Statements and the Explanatory Notes to the Consolidated Financial Statements.

8.3.4. Interest rate risk

The Group is exposed to the risk of changes in interest rates with regard to both the receipt of financial sources and the use of liquidity. Short-term debt is regulated at the 1-month or 3-month Euribor rate, while long-term debt is regulated at the 3-month or 6-month Euribor rate.

On the investment side, floating-rate bonds, if sold, could generate capital losses in the event of significant rate increases. However, the company's business strategy for this type of instruments is to hold them in the portfolio until maturity.

Trafileries San Paolo has entered into four Interest Rate Swap derivative contracts, linked to four variable-rate loans. For each contract, the notional value is aligned with the outstanding debt, the maturity date coincides with that of the related loan and the fair value is positive. For further information, please refer to the Explanatory Notes to the Consolidated Financial Statements.

8.4. Other risks

Legal risks and risks related to innovation, environmental sustainability and governance have been analysed in the appropriate sections of the Sustainability Report.



9. OTHER INFORMATION

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9.1. Organisation and Human Resources

The number of employees on the payroll in December 2025 is as follows:

Acciaierie Venete SpA

	31/12/2025	31/12/2024	Variazione	Variazione %
Blue-collar workers	1,037	1,052	(15)	(1.43%)
White-collar workers	336	329	7	2.13%
Managers	31	34	(3)	(8.82%)
Executives	18	18	0	0.00%
Temporary workers	35	41	(6)	(14.63%)
Total workforce	1,457	1,474	(17)	(1.15%)

Acciaierie Venete Group

	31/12/2025	31/12/2024	Variazione	Variazione %
Blue-collar workers	1,238	1,188	50	4.21%
White-collar workers	430	395	35	8.86%
Managers	38	38	0	0.00%
Executives	23	21	2	9.52%
Temporary workers	59	52	7	13.46%
Total workforce	1,788	1,694	94	5.55%

The increase in the Group's workforce in 2025 compared with 2024, totalling 94 employees, is mainly attributable to business combinations (113 employees).

Acciaierie Venete SpA

	Numero medio 2025	Numero medio 2024	Variazione	Variazione %
Blue-collar workers	1,042	1,044	(2)	(0.19%)
White-collar workers	331	326	5	1.53%
Managers	33	32	1	3.13%
Executives	18	18	0	0.00%
Temporary workers	46	37	9	24.32%
Total workforce	1,470	1,457	13	0.89%

Acciaierie Venete Group

	Numero medio 2025	Numero medio 2024	Variazione	Variazione %
Blue-collar workers	1,230	1,178	52	4.41%
White-collar workers	417	391	26	6.65%
Managers	41	35	6	17.14%
Executives	23	21	2	9.52%
Temporary workers	59	48	11	22.92%
Total workforce	1,770	1,673	97	5.80%

The increase in the Group's average number of employees in 2025 compared with 2024, totalling 97 employees, is mainly attributable to business combinations (90 employees).

9.2. Relations with related parties

The Holding Company Acciaierie Venete has commercial and financial relations with its subsidiaries; there are also commercial and financial relations with the parent company Parsid SpA, the latter relating to the national IRES tax consolidation.

The prices of the transferred goods and services and the terms of payment are ordinary market prices. There were no transactions with related parties that were atypical or unusual with respect to normal business operations. Details of the economic and financial effects of related party transactions as at 31 December 2025 can be found in the relevant section of the explanatory notes to the financial statements.

At Group level, transactions with related parties are part of the ordinary course of business of Group companies and do not qualify as either atypical or unusual. These transactions are settled at arm's length. Some Group companies have tax-related dealings with the parent company, Parsid SpA, relating to the national IRES tax consolidation scheme. For details on the economic and equity effects of transactions carried out in 2025 with related parties, excluding the fully consolidated companies whose transactions are omitted, please refer to the relevant section of the explanatory notes to the consolidated financial statements.

9.3. Treasury shares and shares in parent companies

It is declared that, as at 31 December 2025, no treasury shares or shares in parent companies were held by Group companies, including through trust companies or intermediaries; similarly, there were none at the end of the previous year.

It is further declared that no treasury shares were acquired or disposed of during 2025, not even through trust companies or intermediaries.



9.4. Foreseeable development of operations

At the end of February 2026, a war broke out in the Middle East, causing significant disruptions to energy supply and transit chains and increased volatility in the commodities markets. The latest macroeconomic assessments indicate that the conflict could negatively affect growth prospects and generate temporary inflationary pressures, through rising energy prices, deteriorating financial conditions and an impact on investment decisions. The effects are more pronounced for net energy-importing economies, including the euro area and Italy. A high level of uncertainty remains regarding the evolution of the conflict and the timing of market normalisation, with potential implications for the macroeconomic and operating environment in the coming periods.

The outlook for the steel market in 2026 remains tentative, but is moving towards gradual stabilisation. According to the World Steel Association, global demand for steel in the 2025-2026 two year period is expected to be close to its cyclical minimum point, following a prolonged phase of structural adjustments, with only moderate growth in 2026 and a more pronounced recovery expected from 2027 onwards. Geographically, the slowing of the contraction in China and the still robust performance of the main emerging markets, particularly India, are helping to contain global volatility, whilst a gradual recovery is expected in the European Union, supported by investment in infrastructure and defence, but exposed to the risk of further shocks to energy costs.

Against this backdrop, the special steels sector could show signs of improvement as early as the second half of 2026. The entry into force on 1 January 2026 of the CBAM ("climate tariff") mechanism and the new safeguard measures, together with a satisfactory level of order intake, suggest a revival in demand between the third and fourth quarters, laying the foundations for a more structured recovery in 2027. In particular, the review of safeguard measures in the steel sector for the period 2025–2026 could affect market competition dynamics, particularly in relation to non-EU import flows. The reduction in overall quotas, the increase in out-of-quota tariffs and the introduction of stricter product traceability criteria (the "melted & poured" principle) are aimed at limiting triangulation and dumping and could contribute to a more balanced competitive environment.

In this context, the full implementation of the CBAM represents a further significant development and requires importers to declare embodied emissions and purchase CBAM certificates, the price of which is linked to the ETS. If properly implemented, the mechanism has the potential to reduce competitive imbalances between European producers and non-EU suppliers, particularly in the speciality and commodity

trade segments, which have historically been more exposed to competition based on cost differentials and lower environmental standards. However, uncertainties remain regarding the implementation arrangements, the time frame for full implementation and the indirect effects on market prices.

Further areas of focus for 2026 concern the automotive sector. The European Union's recent revision of the timetable for the ban on internal combustion engines could have varying impacts across the supply chain. On the one hand, a more gradual and pragmatic approach to the transition could mitigate disruptions in demand and support the resilience of certain traditional industrial segments; on the other hand, risks remain linked to regulatory uncertainty and the redefinition of industrial strategies by vehicle manufacturers, with possible repercussions on supply volumes and mixes.

Overall, the outlook for 2026 remains characterised by a high degree of heterogeneity in external factors and still limited visibility in the short term. However, the gradual clarification of the European regulatory framework, together with the initial effects of trade defence measures and border carbon adjustments, could help create more favourable conditions for a gradual rebalancing of the market. In this context, the adaptability of businesses across the supply chain, industrial and commercial flexibility, and positioning in higher value-added segments will continue to be key factors in selectively capitalising on opportunities for recovery and mitigating the risks associated with a still-evolving scenario.

With regard to the expected evolution of the scrap market, the introduction of the aforementioned CBAM Adjustment Mechanism could facilitate a partial recovery in European production and a consequent strengthening of demand for scrap. Given the role of cast iron and pre-reduced iron as materials that are partly alternative to scrap, a reduction in imports of these could exert additional pressure on demand and prices for ferrous scrap. In light of these factors, the outlook for 2026 points to an improvement in market sentiment, with expectations of volume growth and a gradual strengthening of prices, albeit within a context still influenced by developments in the international geopolitical landscape and persistent Chinese production overcapacity. Finally, further factors supporting steel demand could stem from increased investment in the defence sector, particularly with regard to special steels, an area in which certain European countries, including Germany, are most active.

As regards energy costs, 2026 began with a rise in wholesale gas prices due to a winter that was relatively colder than previous ones, particularly in certain geographical areas; this

led to a significant reduction in European gas stocks and, at times, a contraction in LNG supplies.

This situation was compounded by the recent crisis in the Middle East, with the partial closure of the Strait of Hormuz, which led to a sharp rise in gas and oil prices. These increases were immediately reflected in electricity prices, albeit mitigated by the contribution of renewables in early spring.

The main trends for 2026 will therefore be shaped by the duration of the Iranian conflict, the strain on the gas market during the storage filling season, the potential revision of the ETS regulations currently under discussion at the European Commission, and the contribution of renewables to the national electricity mix.

From a treasury point of view, it is estimated to maintain a largely active net financial position and a financial management that allows for a positive contribution to the company's profitability.

Padua, 22 May 2026
The Administrative Body

Alessandro Banzato,
Chair





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SUSTAINABILITY REPORT 2025





Mission

Thanks to the passion of our people and a constant drive for innovation and sustainability, we support the needs of customers and partners by offering special steels that generate a unique and recognisable value along the entire supply chain.



Vision

Growing and innovating in harmony with the world, but remaining faithful to the simplicity that has allowed us to become great.

Values



◆ Respect for the rules

In our organisation rules are essential to express freedom and balance in the market and within the working environment. Respect for others and everything around us is an absolute must for us.

◆ Team spirit

Team spirit is our go-to strategy: you can't go it alone if you want to win. "We" comes before all else.

◆ Passion

For us, passion means putting our hearts into everything we do: every step, every process, is the result of a drive for quality and innovation. At Acciaierie Venete the dedication of individuals comes together to strive for ever more challenging achievements.

◆ Safety

The attentive training of our staff and the controls we have in place ensure the maximum safety of our employees and the communities that host our facilities. Health, welfare, environmental quality and working conditions are key issues for Acciaierie Venete.

◆ Development

In a constant race for improvement, we innovate to build a better future with courage. We count on our solid foundations to ensure growth and sustainable development.

◆ Sustainability

Attention to the environment is our priority. Acciaierie Venete is actively developing product and process solutions capable of reducing pollutant emissions, maximising the principles of the circular economy.

◆ Reliability

Reliability is our core value. Quality, reliability and solidity are the characteristics that have always distinguished us, and that today allow us to earn the trust of our customers, suppliers and partners.

10. THE ACCIAIERIE VENETE GROUP: ORGANISATIONAL STRUCTURE AND CORPORATE IDENTITY

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10.1. The corporate structure of the Acciaierie Venete Group

Acciaierie Venete SpA has always made a constant and determined effort to strengthen its corporate structure, pursuing a strategy of expansion both upstream and downstream. The objective was to create a solid, integrated and highly competitive value chain, able to face market challenges with efficiency and resilience.

Upstream, the Group has acquired key companies such as Padana Rottami Srl and Maltauro Rottami Srl, which are essential to guarantee a constant and timely supply of scrap, a crucial raw material for the production process. Thanks to these acquisitions, Acciaierie Venete has consolidated its control over the supply chain, ensuring direct and optimised management of resources.

Downstream, the Group has expanded its distribution network through strategic acquisitions, such as Centro Italiano Acciai Srl and Esti Srl, which deal with the processing and distribution of steel produced by Acciaierie Venete, responding in a targeted manner to specific market needs. In addition, it strengthened its commercial presence with the acquisition of Venete Siderprodukte AG, which handles the sale of processed steel in the foreign market, thus completing the distribution and marketing cycle.

A further step forward was taken in June 2023, when the Group acquired Setrans Srl, a transport company, with the aim of optimising logistics management and enhancing strategies related to the transfer of goods, thus ensuring greater efficiency in supply chain management.

During 2025, the Group finalised two major acquisitions, with the aim of integrating the production chain and expanding its product portfolio:

- 60% of Euro Sider Scalo Srl, a company specialising in the trade of special steel bars and based in Cividate Camuno (BS), has been acquired;
- 100% of Trafilerie San Paolo Srl, a company based in Molteno (CO) specialising in the production of metal wires, has been acquired.

Trafilerie San Paolo, founded in 1966 and based in Molteno, specialises in the cold drawing of low- and medium-carbon steels and alloys. Over time, the company has developed a solid specialisation in the processing of cold-forming steel, establishing itself as a leading player in the sector.

This growth has been accompanied by constant investment in plant, advanced annealing and peeling technologies, the expansion into special steels, and the adoption of the main international quality and management standards.

The opening of the new production hub in Molteno marks a significant phase of industrial development, with modern facilities focused on efficiency, safety and sustainability.

Technological innovation and environmental responsibility drive the development of Trafilerie San Paolo. The company constantly invests in advanced plant solutions to improve production performance and reduce the impact of processes, with an approach focused on energy efficiency, safety and responsible resource management.

A central feature of the plant is the “Energy Saving” automatic pickling line, with a production capacity of up to 450 tonnes per day. The plant incorporates flue gas extraction and abatement systems, sulphuric acid regeneration for solution recovery and waste reduction, thermally efficient insulated tanks

and optimised water consumption, contributing significantly to reducing environmental impact. All heat treatment furnaces are equipped with heat recovery systems integrated into the burners to improve combustion efficiency. The plant is equipped with a photovoltaic system (currently being upgraded) and low-energy LED lighting.

Sustainability also extends to supply chain management. Trafilerie San Paolo sources from European companies, mainly Italian, and incorporates environmental criteria into its supplier assessment, giving priority to organisations committed to energy transition initiatives. Where possible, it favours the use of pre-reduced and recycled materials, contributing to the reduction of the overall environmental impact.

Founded in 1987, Euro Sider Scalo is now a leading player in the trade of special steels and mechanical tubes for the mechanical engineering sectors - including gears, gearboxes, earth-moving machinery, industrial vehicles and the automotive industry - as well as the oil & gas and hot-forming sectors.

The company has been operating for over thirty years, offering its customers proven expertise, a high level of specialisation and in-depth knowledge of materials, carefully selected from the best steelworks in Europe and abroad. This approach ensures compliance with the highest quality standards demanded by the market.

The presence of two strategic warehouses in the province of Brescia, located in Cividate Camuno and Flero and equipped with state-of-the-art technology for product management and processing, ensures efficient, rapid and flexible supply.

Acciaierie Venete places great importance to safeguarding the ecosystems in which it operates, paying attention to both the use of land and the environmental effects of its activities, constantly striving to reduce them.

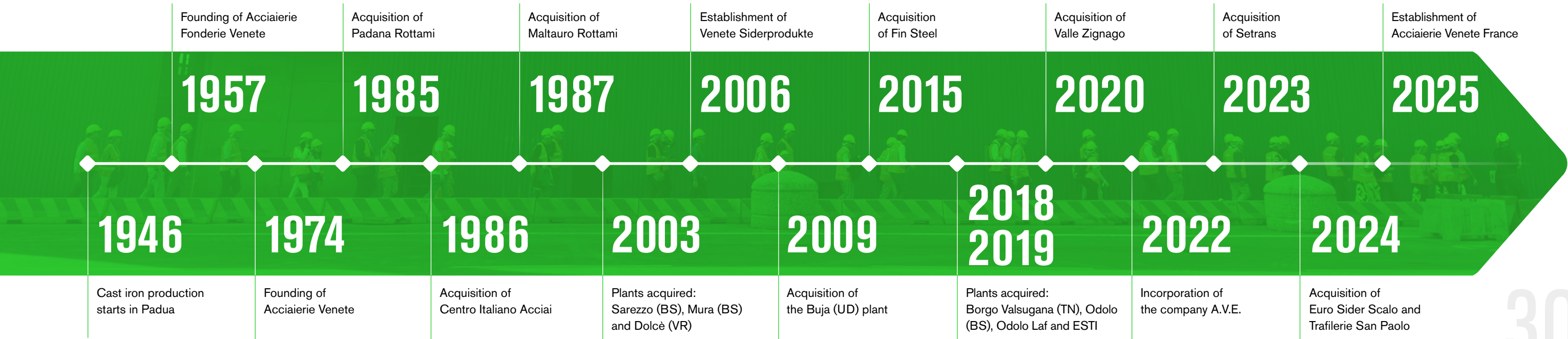
With respect for the land and the environment, elements deeply linked to the Group's cultural and geographical identity, in 2020 Acciaierie Venete chose to acquire the Valle Zignago Agricultural Company.

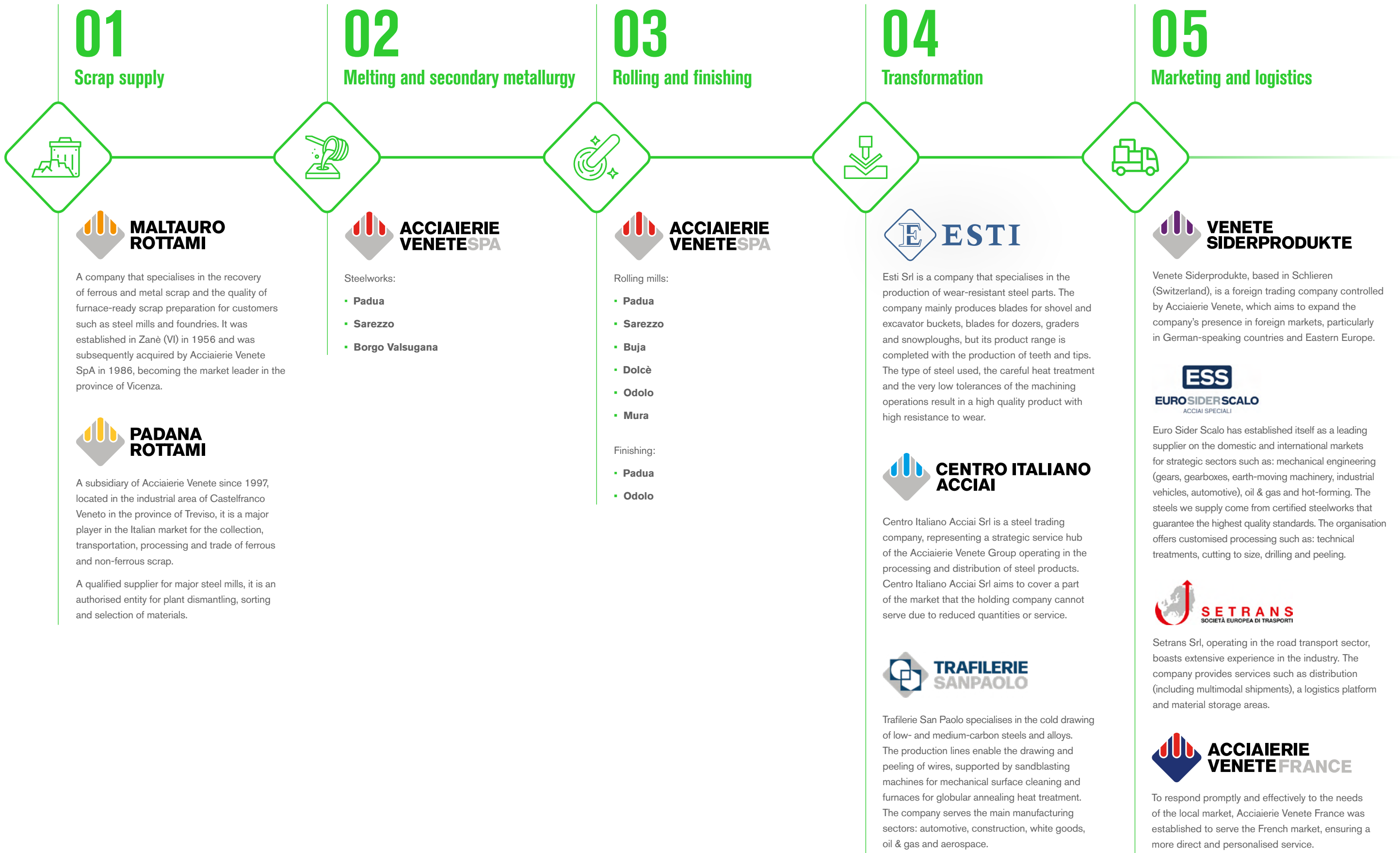
Valle Zignago represents the northern boundary of the valley complex of Caorle, in the province of Venice, and includes 400 hectares of aquatic areas, salt marshes (typical flat formations of lagoons), sub-watersheds and rural roads; 410 hectares designated for agricultural use and 4.5 hectares dedicated to residential and agricultural buildings.

At the heart of this solid and articulated structure is Acciaierie Venete SpA, which continues to produce raw and semi-finished steel, distributed directly to customers or through its own distribution companies.

The Group has three steel mills at the sites of: Padua, Sarezzo and Borgo Valsugana; seven rolling mills in the localities of: Padua, Sarezzo, Buja, Dolcè, Mura and Odolo. Thanks to this strategic vision and targeted acquisitions, Acciaierie Venete was able to build a diversified and integrated corporate structure, capable of responding promptly and competently to market challenges, while maintaining high quality standards at every stage of the production and distribution process.

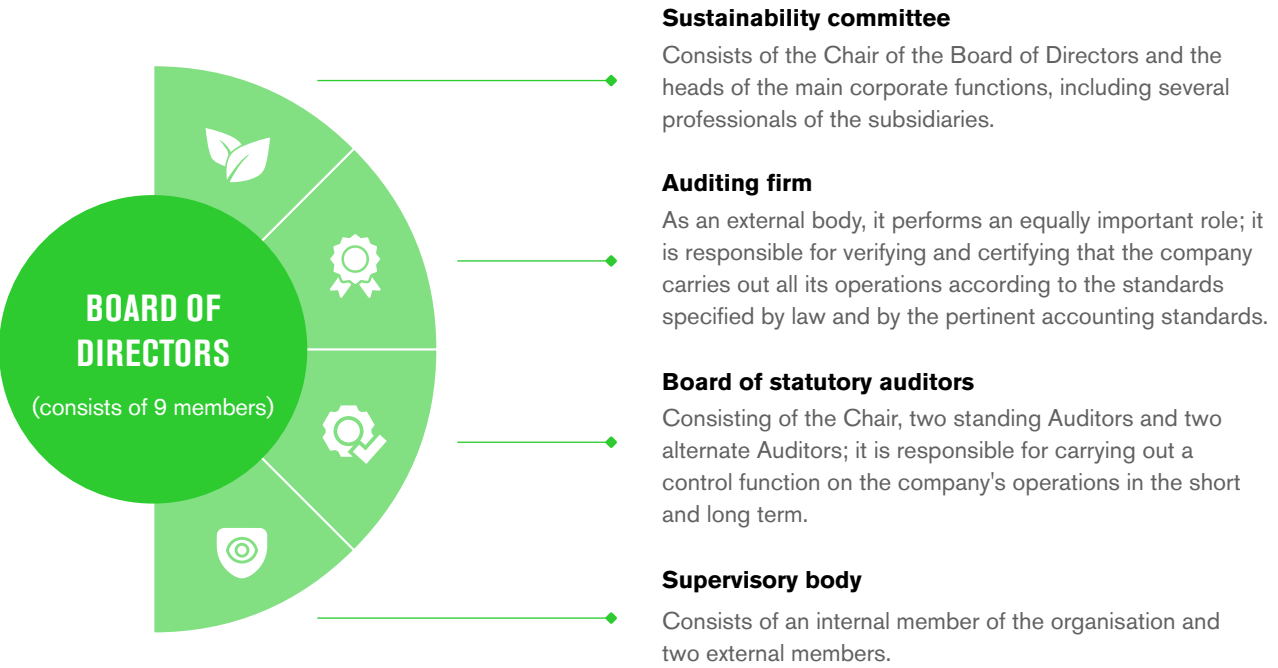
Acciaierie Venete operates mainly in Italy, with a consolidated presence in the regions of Lombardy, Veneto, Trentino-Alto Adige, Emilia-Romagna and Friuli-Venezia Giulia. However, thanks to the marketing and distribution activities carried out by the supply chain, the steel produced by the Group finds markets in more than 20 European countries, significantly expanding its customer portfolio and consolidating its position at an international level. This commercial expansion allows Acciaierie Venete to extend its sales network, thus meeting the needs of the European market and strengthening its competitiveness.



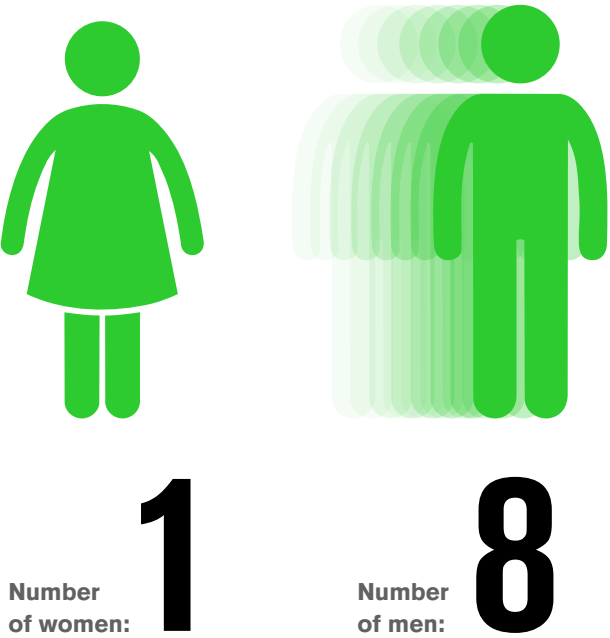




10.2. The Corporate Governance of Acciaierie Venete



Composition of the board of directors



The governance of Acciaierie Venete SpA grants the Board of Directors the central role of overseeing and controlling the organisational, administrative and accounting structure of the Holding Company and its subsidiaries.

This body meets at least four times a year and is responsible for the ordinary and extraordinary management of the company as well as risk management.

Within the Board of Directors, one member is between 30 and 50 years old, while the remaining members are over 50 years old and are divided between executive directors (33%) and independent directors (66%).

The Board of Statutory Auditors monitors compliance with legal requirements in corporate governance, supervises the methods of financial reporting and ensures its proper management. The Board consists of three women (one of whom serves as a standing auditor) and two men: the chairman and a standing auditor.

The Supervisory Board supervises the application of the Organisational, Management and Control Model as well as the Code of Ethics; The work done is shared with the managers of the various company functions, and is periodically brought to the attention of the Board of Statutory Auditors and the Board of Directors for assessment and approval.

10.3. ESG Governance

Sustainability Committee

During 2025, the Sustainability Committee was reorganised in light of organisational changes and acquisitions.

The Committee, chaired by the Chief Executive Officer, is currently composed of the heads of the following functions: external relations and sustainability, as well as the CFO, procurement, finance and control, human resources, quality, information systems and the technical department; this represents a key strategic body within the management of corporate sustainability. The committee has a broad and qualified membership, with the presence of the main company management contributing their specific expertise to guide the company towards sustainability goals.

In addition to the CEO and the CSO (Chief Sustainability Officer), who assume leadership and coordination roles, the committee sees the active participation of various departments, including the Administration, Finance and Control Department, which handles the economic and financial aspects related to sustainability investments. The Procurement Department contributes to ensuring that supplies and procurement processes comply with sustainability criteria.

The Quality and R&D Department is responsible for product and business process innovation, in line with the environmental and quality standards required by the market. In addition,

the Information Systems Department ensures that the technology infrastructure effectively supports sustainability initiatives by integrating advanced technologies to optimise operations.

The Human Resources Management approach is followed by HR Management, which promotes staff training and awareness of environmental and social issues, while HSE Management deals with health, safety and the environment, ensuring that operations comply with environmental and safety regulations.

Energy Management monitors and optimises energy consumption, working to reduce the environmental impact of corporate operations.

Finally, the Committee also includes a representative (director) from each subsidiary.

In this manner, Acciaierie Venete's Sustainability Committee plays a crucial role in integrating the company's strategies with the requirements of a sustainable economy, promoting a shared and transversal approach that involves all company areas and subsidiaries.

Another strategic activity of the Committee is the identification and proposal of new ESG-related initiatives, which are then implemented by the relevant company departments.

10.4. Risk management

The Acciaierie Venete Group has implemented an effective risk management system, which has proven to be a key factor in maintaining the value of the company over time. In order to optimise this value, the Company has implemented an Enterprise Risk Management process aimed at integrated risk management, through systematic actions of Control, Reduction, Contractual Transfer and Elimination of risks.

Monitoring, mitigation and management activities are carried out on a daily and ongoing basis by the various corporate functions and Bodies.

The Acciaierie Venete Group operates in the steel industry and has identified a number of risk categories, classified as follows:

Financial risks

- Credit risks
- Liquidity risk
- Interest rate risk
- Foreign exchange rate risk

Strategic risks

- Innovation
- Sustainability
- Fluctuation of the price of raw materials
- Concentration of customers and business relations

Operational risks

- Industrial risks
- Risks related to product quality
- Worker health and safety in the workplace
- Business Interruption
- Cybersecurity
- Litigation risks

Legal and compliance risks

- Antitrust

10.4.1. . Organisation, Management and Control Model (OMC) PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/2001 and Supervisory Body

The Organisation, Management and Control Model (OMC) is a document approved by the Board of Directors which sets out the general principles and specific rules designed to prevent the commission of the predicate offences for which companies are liable under Italian Legislative Decree 231/2001.

The Code of Ethics and the Organisational Model adopted in 2010 were also systematically reviewed throughout 2025 by the Supervisory Body, composed of two external members and one internal member of our organisation.

2025 saw a major revision of the Organisational Model, the General and Special sections of which were rewritten and subsequently approved by the Board of Directors in March. The Company's Code of Ethics was also completely revised, and the new version was approved and issued in March 2025. This document now also applies to subsidiaries.

During 2025, the Organisational Model of the subsidiary Padana Rottami was also revised, and the OMCs of Esti Srl, Maltauro Rottami Srl and Centro Italiano Acciai Srl were implemented.

The work carried out by the Supervisory Body, in consultation with the heads of the various company departments, is periodically brought to the attention of the Board of Directors and the Board of Statutory Auditors for their consideration.

During 2025, the Supervisory Body carried out a total of eleven audits, which covered, at least once, each of the Company's production plants and, on three occasions, the administrative headquarters, in relation to matters pertaining to the predicate offences provided for by the aforementioned legislation.

It should be noted that, with a view to the ongoing maintenance of the Organisational Model, which also takes into account the expansion of the range of offences covered, steps were taken during 2025 to analyse Law No. 147 of 3 October 2025, converting Decree-Law No. 116/25 (the so-called "Terra dei Fuochi" decree), containing "Urgent provisions to combat illegal waste-related activities, for the remediation of the area known as Terra dei Fuochi, and regarding assistance to the population affected by natural disasters."

Legislators have amended certain provisions of Italian Legislative Decree 152/2006 (Consolidated Environmental Act), the Criminal Code and the Code of Criminal Procedure, tightening the penalties for illegal waste-related activities, reclassifying the main administrative offences as criminal offences, and providing for the applicability of deferred arrest in flagrante delicto and undercover operations in relation to almost all major environmental offences.

With regard to the administrative liability of legal entities, the reform under consideration has amended Art. 25-undecies of Italian Legislative Decree 231/01, increasing the penalties for the environmental offences already included, adding the newly introduced offences referred to in Articles 255-bis and 255-ter of the Consolidated Environmental Act (T.U.A.) and the offences referred to in Articles 452-septies, 452-terdecies, 452-quaterdecies of the Italian Criminal Code and 256-bis of the Consolidated Environmental Act, and extending the applicability of disqualification sanctions in the event of the entity's conviction for certain environmental offences provided for in Art. 25-undecies.

10.4.2. Antitrust Compliance Programme

Acciaierie Venete considers compliance with antitrust regulations a priority, convinced that this represents not only a duty but also an opportunity to enhance its competitiveness in the market.

Compliance with antitrust rules therefore underpins the Group's ethics; over the years, the Group has become increasingly aware of this issue, establishing an antitrust compliance programme and organising regular internal seminars. The programme began in 2017 with the addition of the position of Antitrust Compliance Officer (ACO) to the organisational chart, a person responsible for monitoring and maintaining all the functions performed within the system in line with the antitrust model adopted.



In June 2025, the fourth edition of the antitrust compliance seminar was held, involving 54 people from the group in training and audit activities.

As in previous years, various awareness-raising and information initiatives were carried out in the field, using news reports concerning sanctions or investigations by national or European authorities to refresh the principles studied and highlight the risks the company faces in the event of improper conduct.

All new hires assigned to areas exposed to critical issues relating to competition and the market have been provided with

an information pack detailing the activities carried out and the Antitrust Manual.

Over the years, the Group has never been subject to any investigation, let alone sanctions, by the Antitrust Authority, and during the financial year 2025 there were no legal proceedings relating to anti-competitive behaviour, trust activities or monopolistic practices.

During 2025, the Italian Antitrust Authority finally authorised, following notification by Acciaierie Venete, the acquisitions of 60% of Euro Sider Scalo and 100% of Trafilerie San Paolo.

ANTITRUST OPERATIONAL GUIDE

“At Acciaierie Venete, we make compliance with the rules a core value.”

Alessandro Banzato

- 01
- Staff of the Acciaierie Venete Group shall refrain from any contact (emails, phone calls, WhatsApp messages, lunches and meetings) with competitors, unless authorised to do so by the Antitrust Compliance Officer (ACO).
- 02
- Group staff, if and when they meet competitors, shall discuss only general matters, never exchanging information on price lists (basic and/or supplementary) and other commercial terms, production, stock levels, order books, mutual customers, costs and closures (“sensitive data”).
- 03
- Group staff shall not exchange or share with competing third parties sensitive data that is disaggregated, or aggregated but relating to markets with fewer than five competitors, unless such data is historical (>12 months). Where data is disaggregated but >6 months old, prior authorisation must be sought from the ACO. If disaggregated for <6 months, sharing will always be prohibited. Market intelligence remains lawful.
- 04
- The Group’s staff do not ask their suppliers or customers shared with other competing companies for sensitive data concerning those companies.
- 05
- Before attending meetings organised by associations, consortia or chambers of commerce, Group staff must have the agenda approved by the ACO; they may then attend the meetings, limiting their own and others’ contributions to the items on the agenda without sharing any sensitive data. Otherwise, they will have to leave the meeting and report this to the ACO.
- 06
- Group staff shall refrain from interfering in the commercial policies of competitors, suppliers or retailers.
- 07
- Group staff monitor the language used in their internal and external emails, avoiding topics or terminology that could subsequently be misinterpreted by the antitrust authorities.
- 08
- Group staff are required to (i) attend antitrust training sessions, (ii) consult the ACO immediately in cases of doubt (aco@acciaierievenete.com), (iii) cooperate fully with the competition authorities in the event of inspections, failing which disciplinary sanctions may be imposed (reprimand, demotion and even dismissal in the most serious cases),

Padua, 1 June 2025

10.5. Economic value

In 2025, the Acciaierie Venete Group generated value of more than 1.3 billion euros.

The Acciaierie Venete Group produces wealth and contributes to the economic growth of the social and environmental context in which it operates. This contribution is measured in terms of added value produced and distributed to stakeholders.

(in thousands of euros)

Economic value generated	1,305,153
Economic value distributed	1,255,135
Economic value withheld	50,018

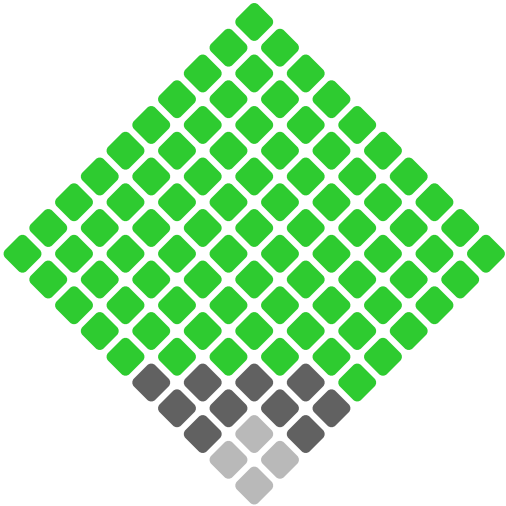
Analysis of distributed economic value (in thousands of euros)

Operating costs	1,086,960
Value distributed to employees	125,827
Remuneration distributed to the Public Administration, suppliers, shareholders and local communities	30,278

Division between distributed, retained and generated economic value

The value directly distributed in 2025 exceeded 1.2 billion euros, broken down as follows:

- Operating costs distributed to suppliers (mainly of raw materials) amounted to 1 billion euros.
- Remuneration and employee benefit obligations totalled 125 million euros.
- Transfers to the Public Administration, lenders, shareholders and the community amounted to 30 million euros.



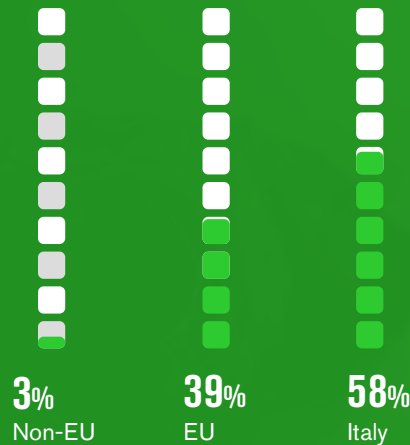
1 billion euros
Operating costs

125 million euros
Value distributed to employees

30 million euros
Value distributed to the Public Administration, suppliers, shareholders and local communities



Breakdown of revenues by geographical area



Investments

The investment plan plays a crucial role in increasing production efficiency, improving process quality and increasing safety within the Group. The interventions implemented in recent years and those planned have proved to be essential for achieving the objectives set. Investments can be divided into four main areas:

- **HSE:** investments that enable continuous improvement of safety standards, investments that aim to reduce environmental impact and CO₂ emissions through the purchase of specific technologies, and finally investments that aim to optimise water use, reduce consumption and improve wastewater treatment, contributing to the sustainable use and protection of water resources;
- **renovation/maintenance works,** allow the renovation of plant, machinery and facilities necessary to business continuity;
- **efficiency improvement/cost reduction,** through technologies and solutions to reduce waste and increase efficiency.
- **product/process quality improvement,** allowing for retaining the competitive advantage gained over time.

In 2025, just under €57 million was invested in tangible fixed assets, demonstrating the company's commitment to keeping pace with technological and sustainable developments.

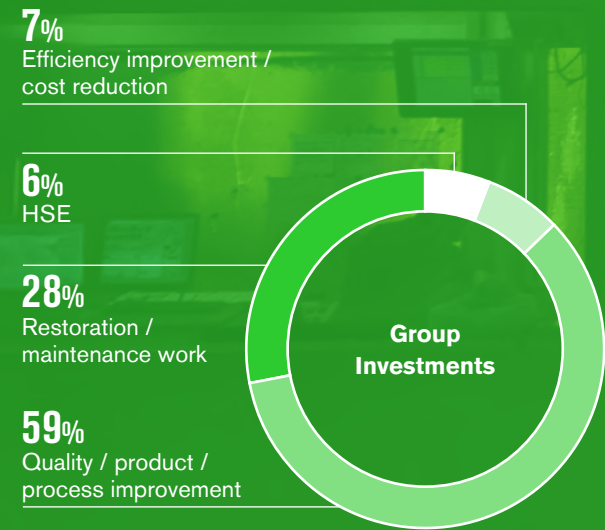
€56,592 thousand

Group Investments
(2025)

The Acciaierie Venete Group incurred additional costs of about €1.5 million for strategic consulting on improving safety culture and operational excellence.

€1.5 million

Costs for strategic consulting
(2025)



10.6. Cybersecurity

During 2025, Acciaierie Venete further strengthened its cybersecurity management system, in a global context characterised by the constant increase and evolution of cybercrime threats. Measures for prevention, monitoring and incident response have been consolidated, with particular attention to operational resilience and the protection of the company's information assets. The annual "vulnerability assessment" was carried out by an independent third party, aimed at the proactive identification of any areas of infrastructural weakness. The cooperation agreement with the Telecommunications Police regarding the sharing of information on cyber threats and cybercrime has been confirmed.

In 2025, the NIS2 Directive also came into force, followed by the relevant national transposition framework, which applies to Acciaierie Venete and certain Group companies classified as "essential entities" by the National Cybersecurity Agency (ACN). From the end of 2025, the first steps were taken to comply with the requirements of the legislation, including the definition of internal responsibilities, the review of organisational controls and the establishment of a multi-year compliance plan. These activities will continue in subsequent financial years in line with the official implementation timetable set out in the legislation.

At the same time, the training and awareness programme for all Group staff continued, with modules focusing on the main risk factors.

Training Programme:

▪ Clean Desk

Paying attention to your workstation and ensuring that critical or sensitive information is not left accessible to unauthorised persons is fundamental to guaranteeing information security, data protection and compliance with privacy regulations.

▪ Smart Working

With the widespread adoption of smart-working, even if understood primarily as teleworking or remote working, it has become necessary to focus attention on this particular issue. Working outside the reassuring confines of one's own office exposes all users to increased cyber risks.

▪ Social Collaboration

Remote working has led to a rapid increase in the use of information-sharing and collaboration tools, such as video conferencing. This use has gone beyond the professional sphere to become firmly established in the personal sphere as well, with many risks.

▪ Smishing & Vishing

This is another specific Phishing technique that targets users via messaging systems such as WhatsApp, Messenger, Telegram and SMS, or via telephone calls. To understand how even messaging systems, which are in some ways considered "secure," can harbour dangerous pitfalls.

▪ Spear Phishing

We return to the topic of Phishing with Spear Phishing, a sophisticated technique that targets a specific individual or a specific group of individuals. In this type of attack, the focus is on the preparatory techniques required to gather sensitive information through deception.

▪ Ransomware

It is the most insidious form of malware, the one that causes the most damage and subjects individuals and organisations to a form of blackmail from which it is difficult to escape. This technique is becoming increasingly widespread and aggressive, and in recent times there has been a growing number of serious attacks linked to this technique.

▪ Multi-Factor Authentication

Encouraging the use of the most advanced authentication systems is useful both for strengthening the overall security of individuals and organisations, and for informing users about the new techniques hackers use to try to bypass these systems, exploiting the human factor.

▪ Fake News

Fake news is a dangerous phenomenon that can have negative repercussions for both individuals and organisations. To protect oneself, it is essential to recognise it, by initiating investigative processes that help develop a critical attitude towards information.

▪ IOT Device

Appliances, cameras, wearable devices, and cars are becoming increasingly smart and communicating with us. Every interconnected device can become a potential security vulnerability if appropriate measures are not taken.

▪ Bluetooth & WiFi

Two technological components that are now indispensable for ensuring connectivity on the move, personal mobility and digital transformation, but which can harbour pitfalls if not approached with awareness.

Information Classification

Information classification is one of the key factors in information security management, but it is also one of the factors least understood by users. Its importance is not only fundamental to compliance with standards and regulations but also to the protection of Personally Identifiable Information.

Data Protection

We return to the topic of data protection, in a sense that concerns security, and more specifically privacy and the relationship with the various regulations on quality and information security. The content covered is original and more sophisticated than that at the first level.

Group training statistics

Participants	
Acciaierie Venete	410
Centro Italiano Acciai	18
Padana Rottami	15
Esti	32
Maltauro Rottami	8
Setrans	15
Euro Sider Scalo	21

In 2025, Acciaierie Venete continued with the structured adoption of Artificial Intelligence (AI) strategy launched in 2023, extending the integration of AI-based solutions into management, industrial and information systems governance processes. The aim is to promote operational efficiency, the enhancement of information assets and the dissemination of

technical know-how across plants, whilst maintaining strict compliance with regulatory and security requirements.

In October 2025, Revision 4 of Company Procedure 18 “Use of Company IT Tools” was approved and published, introducing a specific chapter dedicated to the use of Artificial Intelligence systems. The procedure governs the use of AI tools made available by the Company, in compliance with Regulation (EU) 2024/1689 (AI Act) and current data protection and cybersecurity regulations, with particular attention to the risks associated with the unauthorised disclosure of confidential company data and the use of unauthorised external tools (“shadow AI”).

Key initiatives completed in 2025 include: the adoption of the Copilot platform for Microsoft 365 as a collaborative AI tool integrated into document management and corporate collaboration environments. The security platforms adopted by the Group incorporate Artificial Intelligence engines for advanced event correlation, proactive threat identification and the automatic activation of containment measures.

At the industrial level, pilot projects based on machine learning and deep learning algorithms have been launched, including the automatic analysis of defects in laminates using image recognition, object detection solutions to prevent unsafe behaviour in factories, and an Energy Intelligence project aimed at forecasting energy consumption based on production load.

By the end of 2025, the acquisition of the SAP Integration Suite and SAP Business Data Cloud platforms, equipped with the SAP Joule AI engine, was also completed; these will form the basis for further developments in business intelligence and process analysis in 2026. In line with the provisions of Procedure 18 and the European regulatory framework, the Company will continue in 2026 with training and awareness-raising initiatives aimed at all organisational levels, with a view to promoting the informed, responsible and traceable use of Artificial Intelligence technologies.

A supply chain that winds through several activities operating in perfect synergy, where each subsidiary contributes its own unique essence to the overall strength of the Group. At the centre, Acciaierie Venete: with a clear and determined vision, it drives a steel value chain with a sustainable approach, with the dual aim of ensuring maximum responsiveness and flexibility to the demands of its partners and efficient management of production processes.

10.7. Our steel supply chain

The Group, our strength

The Acciaierie Venete Group operates with an integrated approach in the steel sector, starting with the selection and processing of scrap and the procurement of energy covered by Guarantees of Origin (GO). This path continues, downstream from the steelworks, with the provision of an extraordinarily varied range of semi-finished and finished products, tailored to the specific needs of our customers, both Italian and foreign.

The steel we produce

In its simplest conception, steel is an alloy of iron and carbon in which the content of the latter does not exceed 2%. If these two elements are added to others, such as nickel, copper, aluminium, manganese or chromium, we speak of alloy steels, endowed with superior chemical, physical and mechanical characteristics. Acciaierie Venete specialises in the production of low-alloy steels, where no element other than iron and carbon exceeds 5%. Depending on the downstream applications within the supply chain, the steels we produce, also known as special steels or engineering steels, must meet strict criteria for elasticity, ductility, toughness and fatigue resistance, and are manufactured to order in accordance with the processing and application requirements specified by our customers.

Our products

The Acciaierie Venete range is among the most extensive on the European market in terms of quality, shapes, dimensions and supply conditions. As producers of long products, our range includes countless product categories, primarily comprising continuous casting products, such as blooms and billets, and rolled products, such as round bars, billets, square bars, edge bars, wire rod, flat products and profiles such as angles and U-irons. Our company specialises in the production of case-hardening, tempered, micro-alloyed, improved workability steels, and the production of numerous other steels aimed at specific markets or needs, such as boron steels, spring steels and those for the bearings industry. Added to this complexity is the possibility of combining multiple further treatments on the material, such as thermal annealing and cold working processes, including peeling, rolling or chamfering.

Reference markets

With its production of semi-finished, rolled and verticalised products, Acciaierie Venete is strongly focused on the specialities sector, designing and manufacturing steels to meet the high engineering and quality standards required by all industries using special steels.

Sectors include automotive, earthmoving, agricultural machinery, the energy sector (oil & gas and wind power), general mechanical engineering, the construction sector and the various uses of merchant rolls.

Through a dense network of established business relationships with our customers who forge, stamp, draw or process steel by cold turning, we serve many of the global market's most important user brands. Gears, gearwheels, bearings, flanges and bolts are just a few examples of the components Acciaierie Venete manufactures.

Much of the material leaving our plants plays a part, directly

or indirectly, in our daily lives: it might be found under a car's gear knob, in a motorbike's wheel, in an automatic coffee machine, or enabling the transport of gas and the production and distribution of electricity.

Our mission is to offer reliable and durable semi-finished products that contribute to the success of our partners in the value chain and safeguard the quality of life of the people who interact with our steel in their daily lives.

Our decision to continuously improve processes, products and services has led the company to implement a Quality System in compliance with the requirements of UNI ENI ISO 9001:2015.

At the date of this document, all production units where design and production of alloy and non-alloy steel products are carried out have implemented this management system. Moreover, the sites in Padua and Sarezzo are certified to IATF 16949:2016, which is specific to the automotive sector.

10.7.1. Our steels for a sustainable future

SteelNovo: integrating ESG principles into the industrial model

SteelNovo represents the evolution of Acciaierie Venete's sustainability journey and the formalisation of a business model that structurally integrates ESG principles into corporate strategies. The brand identifies a coordinated set of operational, technological and organisational choices aimed at reducing environmental impact, protecting people, ensuring transparency in sustainability data and strengthening the relationship with the local community.

The initiative forms part of a broader strategy to create value in the medium to long term, responding to growing demands for sustainability from key markets and anticipating developments in regulatory and supply chain standards. In this context, Acciaierie Venete continues to invest in cutting-edge electric arc furnace (EAF) technologies, the recovery and recycling of internal resources, energy and process efficiency, and the increased use of renewable sources, with the aim of consolidating its position as a reliable industrial partner in the supply of sustainable and certifiable steels, consistent with decarbonisation pathways.

The SteelNovo platform includes the Lumen and Materia product lines, which make specific environmental attributes of the materials offered measurable and verifiable.

Lumen: steel produced using electricity from renewable sources

Lumen refers to the range of steels produced at the Padua plant using only electricity from renewable sources. This approach enables the elimination of Scope 2 emissions and a



reduction of up to 30% in the product's overall carbon footprint, whilst maintaining the same technical and quality characteristics.

The Lumen range meets the needs of customers and industrial supply chains that are most focused on decarbonisation, particularly the automotive sector. The offering is accompanied by a calculation of the product's carbon footprint in accordance with ISO 14067, providing customers with official, verifiable data specific to each supply, in support of environmental traceability and transparency requirements.

Materia: certification of recycled content

The Materia range comprises steels certified under the REMADE® scheme, which independently and verifiably certifies the guaranteed minimum recycled content. Acciaierie Venete has obtained REMADE® certification for various families of cast and rolled steels, with qualification levels of A+ (≥90% recycled material) and A (≥80%).

These products automatically comply with the Minimum Environmental Criteria (MEC) for public procurement and with regulations providing incentives for the use of recycled materials. The decision to certify the recycled content serves a dual purpose: on the one hand, to offer the market steels with high environmental traceability; on the other, to highlight the contribution of recycling and the circular economy to reducing the carbon footprint of steel products.

For every supply of REMADE®-certified steel, the customer receives dedicated documentation, an official label and full traceability in accordance with the RINA technical specifications, ensuring full interoperability with sustainable procurement processes.

ReMade: Certified recycled material

For the specific steel used in the manufacture of coffee machines, Acciaierie Venete has obtained REMADE® accredited certification with an A+ label, the highest level of recognition, certifying that more than 90% of the material used is scrap metal. The REMADE® certification was awarded following the successful outcome of an independent third-party audit conducted by RINA.

Acciaio espresso - the project

The *Acciaio Espresso* project stems from the collaboration between the De' Longhi Group and Acciaierie Venete, two manufacturing companies with similar industrial visions, which share a common commitment to sustainability and make circularity a concrete operational principle. The initiative is a tangible example of how partnerships based on shared values

can generate responsible innovation, improve environmental performance and strengthen ties with the local community.

Thanks to the involvement of Padana Rottami and CIA - Centro Italiano Acciai, both subsidiaries of the Acciaierie Venete Group, an agreement has been launched for the circular management of mechanical processing scrap, namely the waste resulting from the production of De' Longhi coffee machines.

The outlined process involves the scrap, generated by the turning of steel bars supplied by Acciaierie Venete and processed at De' Longhi's factories, being collected for reprocessing by Padana Rottami and reintroduced into the cycle for the production of new bars.

These bars are then transferred directly from CIA to De' Longhi, ensuring circularity and continuity of the flow.

Thanks to this process, manufacturing scraps are not downgraded to scrap for reuse in a secondary supply chain, but are instead utilised as a quality raw material in a virtuous production cycle. This shift in perspective transforms waste into a valuable resource, demonstrating how sustainability objectives can transcend sectoral barriers and business differences, even along the same value chain.

The Acciaio Espresso project operates within a bespoke supply chain, comprising key stakeholders who are connected and coordinated across the region.

Born from a shared vision of innovation through sustainable production practices, the initiative is a cutting-edge and fully integrated business model.

The aim is to create a direct circular flow between the two companies, ensuring the recovery and full utilisation of materials, a concrete example of how industry can reduce its environmental impact and optimise resources.

Acciaio Espresso is an opportunity to promote a steel production method which, by its very nature, embodies the concept of circularity. It is based, in fact, on the ability to give new life to scrap metal through recycling. The circular economy is one of the strategic pillars defined in the Decarbonisation Plan, through which the company aims to reduce Scope 1 and 2 emissions by more than half by 2030.

Acciaio Espresso symbolises a shared approach to sustainability, where technical excellence, environmental responsibility and a drive for innovation come together to achieve common goals.



Pilot case at the heart of a PhD programme

The project benefits from the support of a PhD research project, aimed at quantifying the economic and environmental benefits resulting from the adoption of circular models. The Research Group of the Department of Engineering and Information Science at the University of Trento has in fact collaborated with Acciaierie Venete and De' Longhi throughout the duration of the Acciaio Espresso project. The agreement led to the development of a longitudinal scientific study, with the aim of investigating the impact that the adoption of circular practices has on various technical, managerial and relational aspects among stakeholders throughout the entire production chain. The project, in fact, constitutes an important pilot case that has made it possible to explore how the introduction of the circular economy influences the dynamics of power and interdependence between suppliers and customers, creating strong and lasting bonds based on mutual trust and collaboration to achieve the project's objectives.

10.7.2. Certified quality

In November and December 2025, the renewal audit according to the IATF 16949 standard was performed, and the inspection to maintain the qualification of steels for the automotive industry was successful.

A total of 56 internal audits were also carried out, in accordance with the annual programme issued and revised, with an average score of 97.3. Audits were also performed both by external entities and by Group customers. The quality of our products, which meet top standards in the industry, make Acciaierie Venete steel one of the most qualified in the European market for engineering steels, steels designed for mechanical engineering and similar applications that require rigorous levels of technological characteristics, including ductility, toughness and fatigue strength.

Quality avails itself of the support of the various Plant Managers, who implement the practices defined at a regional level. At a Group level there is a quality management manager who coordinates laboratory tests, technical support for customers, feasibility of orders, product certification and technological offers. In other words, this function oversees the products' manufacturing and transformation processes, evaluating the strengths, weaknesses, threats and opportunities for each product made in order to ensure customer satisfaction and product safety with respect to intended uses.

All products are accompanied by a test certificate that attests to the results of quality tests conducted in the laboratory and the absence of radioactive contamination. This document makes it possible to trace the product's main production steps.

Moreover, the traceability and safety of Acciaierie Venete's products is guaranteed by aluminium or plastic plates containing qualitative indications of the product, such as: the casting number, the section, the steel brand. Over the coming years, investments are also planned in the field of digital product traceability.

Acciaierie Venete's Integrated Environment and Energy Management System is built on three cornerstones.

THE PILLARS OF ACCIAIERIE VENETE'S INTEGRATED MANAGEMENT SYSTEM



In order to guarantee high quality standards and support the distribution and knowledge of the Environmental Policy at all levels of the organisation, the Group continuously spreads its fundamental principles both internally, through regular meetings with department heads and internal training and auditing, and externally, with the involvement of service providers on behalf of the company.

The position of Product Safety Officer (Produktichereitsbeauftragten) was confirmed. This position was established on the one hand to respond to the requests of some leading

customers in the automotive sector, but also anticipating the increasingly stringent Italian, German and European regulations on product safety. The Product Safety Officer supervises production for the automotive sector at the Riviera Francia plant in Padua.

The delegated role entails the following responsibilities and powers:

- Analyses and defines production processes and sets priorities for the prevention of defects during product development.
- Works with production for the preparation and subsequent implementation of Failure Mode and Effects Analysis (FMEA).
- Works with production to design and develop products, leveraging lessons learned.
- Coordinates execution, ensuring the correct implementation of periodic checks of production processes and the product itself, especially aspects relating to the safety of the product shipped to the customer.
- Assesses the likelihood of failure of safety-related aspects of defined products.
- Verifies the implementation and effectiveness of the containment measures and corrective actions implemented following any customer complaints.

The Product Safety Officer reports directly to the Managing Director, and, as part of his/her duties as Group Quality Manager, has the authority to suspend the production of the aforementioned products if there are issues that could potentially affect or reduce product safety levels or otherwise cause damage to the company's image. Therefore, the Product Safety Officer is also responsible for coordinating the controls and tests that are deemed necessary to ensure the required product safety levels. As in previous years the achievement of the Quality Department's quality objectives was encouraged through the payment of a performance bonus linked to the quality of the work done, the production carried out and the days of absence of workers.



11. SUSTAINABILITY OF THE ACCIAIERIE VENETE GROUP

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11.1. Material topics and the ESG programme

Acciaierie Venete has become increasingly aware of the importance of gearing its activities towards more sustainable practices, responding to increasingly urgent environmental, social and governance challenges.

As stakeholders' expectations continue to evolve and their interest in ESG topics increases, the Group has decided to further intensify its commitment to an increasingly responsible business transformation. With awareness and renewed vigour, the Acciaierie Venete Group has set itself the objective of aligning its business with contemporary challenges, seriously and proactively tackling the path towards a production of special steels that is not only efficient, but also sustainable, in harmony with the principles of sustainability and responsibility that are currently central to the global community and stakeholders.

For Acciaierie Venete, sustainability is a key factor that guides the company's decisions, aiming to minimise its impact on the environment, society and the economy. Sustainability has become the common denominator for all decisions and innovation processes within the Group, influencing not only the production of special steels, but also long-term strategies in all areas of operation.

The Acciaierie Venete Group adopts a sustainable approach that guides all its activities, promoting respect for the principles of environmental and social responsibility throughout the entire supply chain. While being aware of the complexity of global sourcing dynamics, the company constantly strives to extend these values to the less directly controllable phases.

This allows sustainability to be not just a goal, but a value that permeates all of Acciaierie Venete's business operations, becoming a determining factor in achieving long-term results for the company, its stakeholders and the environment.

E – Environment

The Group is focused on the efficient use of resources, recycling and circularity, the constant reduction of greenhouse gas emissions, the adoption of renewable energy sources and the increasing attention to safeguarding our host environment, with the aim of continuing to offer quality products with a progressively lower carbon footprint.

Special attention is paid to water management, a crucial aspect for an industry that relies heavily on water resources for its production processes. Acciaierie Venete has adopted water recirculation policies, minimising wastage and optimising consumption to reduce environmental impact, ensure long-term resource sustainability and avoid the depletion of reservoirs.

Waste management is another pillar of sustainability, with a constant search for solutions to recover and recycle materials. The Acciaierie Venete Group is committed to minimising waste production, promoting circular economy practices and ensuring that the majority of waste generated is directed to recovery, contributing to the reduction of the overall environmental impact.

S – Social

The Acciaierie Venete Group designs, plans and implements actions that positively impact society, promoting diversity and inclusion within our organisation, ensuring fair and sustainable working conditions, and supporting the communities we operate in through initiatives that can involve and possibly improve the lives of the people around us.

G – Governance

In implementing its growth programmes and operational strategies for the future, a profound change of its governance structure has been initiated, with the definition of new roles, tools and practices capable of promoting transparency, ethics and accountability to every choice made. The Group operates with the highest standards of integrity, so as to ensure business management that respects the rights of our employees, our customers and all other stakeholders.

Aware of the fundamental importance of all this, the ultimate goal of the Acciaierie Venete Group is to embrace ESG policies to the point of making them an integral part of the Group's culture and identity, in the full conviction that sustainability, in its broadest sense, represents a value to be preserved, defended and further developed for the future of the next generations.

11.1.1. Materiality analysis

Materiality analysis is a fundamental step in the sustainability reporting process, as it enables the identification of the economic, environmental and social issues most relevant to the organisation and its stakeholders, in accordance with the GRI Standards. During the reporting year, the organisation deemed it necessary to update the impact materiality matrix, with the aim of further improving the effectiveness of this strategic tool and ensuring its constant alignment with changes in the operating environment, stakeholder expectations and corporate priorities. The approach adopted is divided into four main phases, described below.

Understanding the context

In the initial phase, the organisation carried out an analysis of its internal and external environment in order to understand the main factors influencing its business activities and related business relationships. This analysis included an internal assessment of the company's operations and strategies, as well as a review of sustainability reports and public information from the main competitors operating in the steel sector. This preliminary work provided an initial overview of the relevant issues and potential economic, environmental and social impacts.

Identification and assessment of impacts

Subsequently, a targeted consultation was launched with representatives from various company departments, with the aim of gathering expert and specialist input on potentially relevant sustainability issues. For each identified issue, the scope of impacts was defined, distinguishing between those attributable to activities carried out directly by the organisation and those linked to the value chain, both upstream and downstream.

The identified impacts were then assessed in terms of significance, taking into account criteria such as the magnitude and scope of the impact, the degree of irreversibility and the probability of occurrence. This assessment was conducted in accordance with the impact materiality approach set out in the GRI Standards.

Based on the results obtained from the first two phases, the organisation has identified a long list of impacts, both positive and negative, that are potentially relevant.

Management involvement

The preliminary results of the analysis were shared with company management through dedicated activities, with the crucial support of the Chief Sustainability Officer (CSO). This phase aimed to ensure transparency in the process, promote strategic alignment on sustainability issues and ensure cross-functional involvement in setting priorities.

Stakeholder consultation and definition of material topics

In the final phase, the identified impacts were verified and validated through the involvement of internal and external stakeholders. In particular, internal stakeholders such as employees, plant managers and employee representatives were involved, as well as external stakeholders, including customers, suppliers and trade associations.

The issues identified as potentially material were shared via a structured questionnaire, designed to gather feedback and assess the perceived significance of the impacts.

The method used to gather feedback from the various stakeholders was the distribution of ad hoc questionnaires, which served to confirm or modify the issues initially identified as relevant internally. As required by reporting standards, stakeholders - both internal and external to the company - were involved, as well as "users of sustainability reporting," such as banks.

Within the questionnaires, stakeholders were asked to rate each impact mapped for each issue as relevant or not; they were then given the opportunity to add new issues or related comments, in order to make this tool increasingly inclusive.

The stakeholders who took part in the survey were: a sample of internal employees, members of the Sustainability Committee, trade associations, customers, suppliers, local communities, a sample of employees from subsidiaries, the media and, finally, banks and insurance companies.

The results of the consultation were subsequently presented to the company's management for final approval.

Based on the evidence that emerged, the most significant impacts were prioritised for reporting purposes and the final list of material topics was defined, which serves as the reference for this Sustainability Report.

The update of the impact materiality matrix carried out during the year did not result in any significant changes.

Some topics have been removed, including: customer satisfaction, supply chain management, innovation and ESG products, raw material scarcity, business model resilience, and risk prevention and management.

No new topics have been added, but through a refinement of the internal methodology, the impacts deemed strategic for the business have been reviewed and selected.



Topic	Impact	Description	P/N	Scope
CLIMATE CHANGE	Direct and indirect greenhouse gas emissions	The organisation's steel production generates direct greenhouse gas emissions (Scope 1 GHG emissions), mainly carbon dioxide and methane, resulting from on-site production and combustion processes.	N	M/G/V
		The organisation uses a significant amount of energy purchased from the grid to carry out its steel production activities and, as a result of its production activities, contributes to indirect greenhouse gas emissions (Scope 2 GHG emissions) and atmospheric pollution.	N	M/G/V
		The Organisation indirectly generates climate-changing gas emissions along its value chain (Scope 3 GHG emissions), both upstream (taking into account emissions along its supply chain) and downstream of its activities, including the distribution and end-of-life of the products it markets.	N	M/G/V
POLLUTION	Emissions into the atmosphere	Throughout the entire production chain, right up to the delivery of the finished product, the organisation generates air pollutants, which can have an impact on the surrounding environment.	N	M/G/V
WATER	Water consumption	Steel production requires large quantities of water, both for cooling the plants and upstream for the extraction of raw materials, putting pressure on water resources.	N	G
CIRCULAR ECONOMY	Waste generation	The organisation's activities generate waste.	N	G/V
	Circularity enhancement	The Group contributes to the circular economy in the following phases: sourcing of raw materials, where possible, and management of by-products and finished products.	P	M/G/V
OWN WORKFORCE	Attraction/development and retention	The organisation promotes the continuous development of staff skills through targeted training programmes, with the aim of strengthening specialist knowledge and supporting professional growth. The organisation is committed to implementing corporate welfare schemes to improve staff satisfaction and retention.	P	G
	Dialogue with social partners	Ongoing dialogue with the social partners with a view to improving working conditions and safeguarding contractual and wage rights.	P	G
	Health and safety	Risk of accidents occurring in the workplace.	N	G

Topic	Impact	Description	P/N	Scope
NON-GRI	Product quality	The organisation ensures high quality standards through inspections, technological innovation and the training of specialist staff, thereby improving competitiveness, reducing the risk of non-compliance and contributing to production efficiency	P	G/V
NON GRI	Digitisation	The organisation is investing in the digitisation of operational and administrative processes with the aim of reducing the consumption of material resources, in order to increase efficiency.	P	G
NON GRI	Cybersecurity	Cyber threats, such as external attacks or unauthorised access, could compromise the operational continuity of internal activities, cause system disruptions, lead to the loss or disclosure of sensitive data, and result in significant reputational damage.	N	M/G/V
CORPORATE CONDUCT	Compliance with laws and regulations	The organisation has a positive impact on society, employees, customers and suppliers, actively supporting behaviour that promotes sustainable ethical business practices in accordance with applicable laws.	P	M/G/V
		During the course of its activities, the Organisation is exposed to the risk of corruption and breaches of its Code of Ethics and Conduct, thereby failing to meet the commitments made to its stakeholders	N	M/G/V
	Value creation	The organisation acts in accordance with current regulations, promoting sustainable economic development in the areas where it operates. Through targeted initiatives and investments, it contributes to the progress of local communities, creating shared value at an economic, social and environmental level.	P	M/G/V

Legend:

P: Positive N: Negative M: Upstream G: Group V: Downstream



11.2. Update to Acciaierie Venete’s Decarbonisation Plan

The steel industry plays a significant role in contributing to greenhouse gas emissions, and consequently its influence on climate change cannot be considered negligible.

To address this need, Acciaierie Venete drafted its Decarbonisation Plan in 2023 and published it in 2024. During 2025, this plan was revised to include an update on the measures implemented and an assessment not only of the environmental impact but also of the economic impact.

From 2022, the year taken as the baseline, to the present day, the geopolitical landscape has changed profoundly. The European steel market has rebounded following the post-Covid recovery, with some strategic European supply chains facing significant difficulties. This situation has been exacerbated by the ongoing energy crisis, developments in US economic policy, and aggressive policies in non-EU steel markets, and has been further burdened by excessive bureaucracy following the Green Deal, creating a climate of uncertainty that does not favour long-term planning by companies.

Against this changing backdrop, the notion is taking shape that environmental sustainability cannot be separated from the economic and social sustainability of initiatives. The revision of the decarbonisation plan was therefore based on this principle.

Furthermore, there is currently considerable uncertainty at European level regarding the adoption of the Green Steel accreditation methodology. The European steel industry comprises two distinct production routes: the primary route based on coal with blast furnace and basic oxygen furnace (BF-BOF) and the recycling route based on electric arc furnace (EAF). The latter accounts for 45% of EU steel production, comprising both carbon and stainless steels, and is already electrified, circular and low in CO2. The latter should therefore be recognised, promoted and preserved as a key element of the European strategy on climate, industry and resilience. Instead, the main voluntary accreditation schemes for Green Steel, currently under review by the Commission, provide for a “sliding scale” approach, including the German *LESS*, *Responsible Steel* and the IEA mechanism. This approach does not benefit electric furnace producers, as it rewards the effort to reduce emissions by a certain percentage rather than the actual carbon footprint.

As a result of this uncertainty, Acciaierie Venete has not yet established a verification and certification scheme for its decarbonisation efforts.

Following this analysis, an assessment was carried out of the progress of the planned measures, which led to the updating of the reduction strategy.

The analysis was structured around five main categories of

measures: energy efficiency, certificates and market instruments for energy from renewable sources, direct production from renewable sources, replacement of high-carbon materials, and special projects and innovative solutions.

DECARBONISATION PLAN



Energy efficiency

The primary driver for decarbonisation, enabling the reduction of both direct and indirect emissions. It is generally characterised by a significant investment, which pays for itself within a limited time frame (depending on the process). The absolute impact in terms of emissions reduction is generally limited.



Certificates and market instruments

Currently applicable only to indirect Scope 2 emissions, they are also evolving rapidly in the use of certificates for renewable fuels; therefore, with an impact on Scope 1. They do not involve investment costs, but rather operational costs. They enable a significant percentage reduction in emissions. Their use is heavily influenced by regulatory changes.



Special projects and innovative solutions

These are projects that would be carried out in any case for the purposes of technological renewal, plant upgrading or product quality improvement. These involve significant investments, which is not always matched by a commensurate impact on emission reduction



Direct generation from renewable sources

These are investments aimed at generation from renewable sources (photovoltaic), in the case of Acciaierie Venete on-site. In this case, the investment is significant, at the expense of limited O&M costs, for a small percentage reduction in Scope 2 emissions.



Replacement of material with high carbon content

In this case too, the cost is mainly operational, net of investments in the systems used in the melting furnace. The reduction in process emissions, however, is limited both in terms of applicability and in terms of the extent of the reduced emissions.

Following a review of the plan, which involved not only verifying the degree of completion of the measures already planned but also identifying further emission reduction actions, the 2030 emissions scenario was developed. This scenario assumes the implementation of all measures defined during the update process, in accordance with the planned deadlines, and enables an estimate of the evolution of GHG emissions over the plan’s time horizon.

11.3. The production process

Steel is mainly obtained using two different production processes: an electric furnace (EAF) as at Acciaierie Venete, and what is called the primary process. The former involves melting ferrous scrap, exploiting steel’s potential recyclability to the fullest, while the primary process BF-BOF (Blast Furnace + Basic Oxygen Furnace), mainly uses iron ore and hard coal, both of which are products of primary mining. Derived from agglomeration and coking plants respectively, these materials will then be melted in the blast furnace to obtain pig iron, which in turn is fed into oxygen converters for steel production.

The electric furnace cycle is much simpler and more compact because it is limited to the direct smelting of ferrous scrap through the heating of electrodes and, to a lesser extent, the chemical energy triggered by the injection of gas.

The difference between the two processes has significant industrial and environmental implications. The complexity of the integrated cycle requires significant investment and a large workforce, whereas the EAF process requires less capital, less space and offers greater production flexibility. In addition, blast furnace melting generates around 2.5 tonnes of CO2 for every tonne of steel produced, compared to 0.1-0.2 tonnes emitted by the electric furnace: an impact 12 to 25 times greater.

In a nutshell, beyond operational differences, the electric furnace process is a virtuous example of a circular economy, allowing scrap and waste materials to be fed back into the production cycle and become new steel.

11.3.1. Scrap: our circularity

The recyclability of steel makes it possible for the Italian steel sector to be classified as a “circular economy”. This material is 100% recyclable and can be continuously reused without losing its fundamental properties. The core concept behind the circular economy is due to the fact that steel is continuously transformed according to its end use. According to the Bureau of International Recycling (BIR), steel is considered the most recycled material in the world. Moreover, the recycling of steel products at the end of their life cycle is supplemented by

Thanks to these assessment criteria, Acciaierie Venete will be able to direct its strategic choices in a targeted and measurable way, ensuring that the Decarbonisation Plan produces concrete results, actively contributing to the construction of a more sustainable and responsible future for the steel sector and the entire community.

the scrap coming directly from steel production and transformation processes that is put back immediately into the cycle. To speak of steel as a simply recyclable material is in reality reductive because it can in fact be classified as a “permanent material.” Unlike many other simply recyclable materials, steel is a durable material that can be recast over and over again without ever losing any of its intrinsic properties like strength, versatility and formability, which make it irreplaceable in an array of applications.

The use of 1 tonne of ferrous scrap results in the following savings (Source: BIR):

1,100 Kg of iron

630 Kg of coal

55 Kg of limestone

2.3 m³ of landfill space saved



The origin of scrap

Ferrous scrap is considered a basic raw material for the steel industry, which produces it by means of an electric arc furnace. The main sources of recovery are the manufacturing industry, industrial demolition and municipal collections. Once collected, the scrap is processed for reintroduction to the market. The processing of ferrous scrap Waste is carried out by authorised and specialised companies, which through standard operating procedures for processing change the raw material from Waste to "Non-Waste" (Reg. 333/2011 End of Waste) regenerating/recovering both an economic and productive value. This legislation aims to stimulate recycling markets within the European Union. To treat ferrous scrap as "non-waste," it is essential to perform treatments such as cutting, shredding, and de-pollution to prepare the material for final use in melting or steel-processing plants.

Radiometric testing

With the ultimate aim of avoiding unintentional releases of radioactive sources, the Acciaierie Venete Group has adopted a series of internal procedures to progressively reduce the risk of these entering the production cycle and contaminating it.

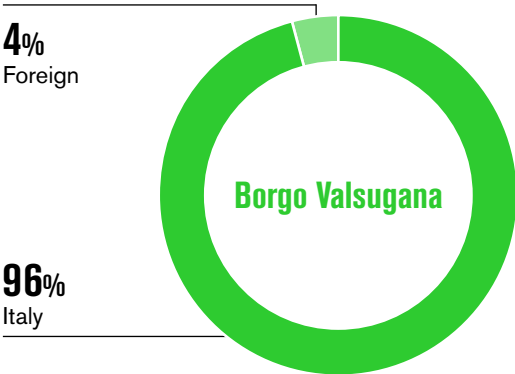
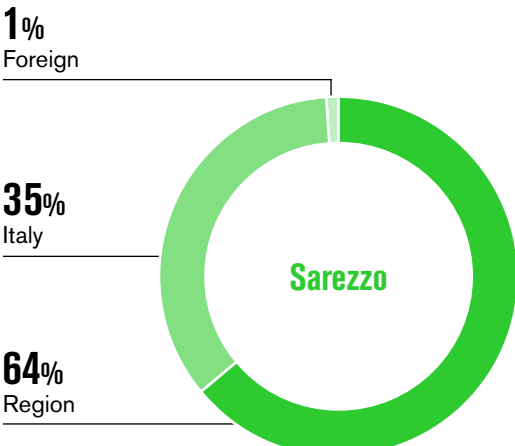
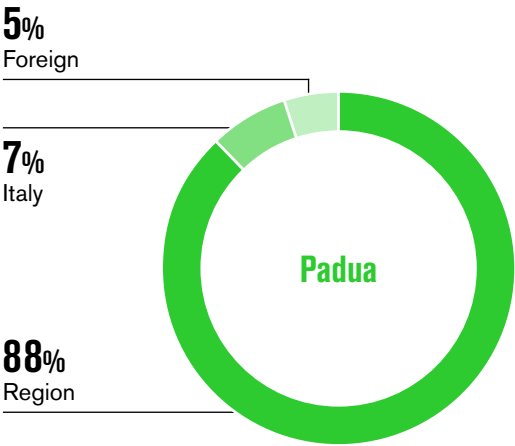
Radiometric testing is regulated by specific operating procedures and instructions in force at the production sites, drawn up by the technical/operating personnel in cooperation with the appointed Qualified Expert. This documentation defines how incoming and outgoing material, as well as certain intermediate stages of work processes, are to be controlled.

In addition to the timely monitoring of operations, there are periodic educational activities, training and simulation of emergency scenarios, all aimed at ensuring an effective supervision of aspects and optimisation of prevention systems.

During 2025, no accident events occurred, the regulations in force were met and the planned training and simulation programmes were adhered to.

Scrap supplies by geographical area

Breakdown of scrap suppliers by geographical area according to the percentage of economic value distributed. When reference is made to the "region" label on the charts, the location of the suppliers is considered to coincide with the region in which the plant in question is located.



11.4. Our commitments to stakeholders

The social aspect of ESG strategies focuses on the impacts of company operations in dealings with employees, suppliers, customers, local communities, along the supply chain and with society as a whole. Acciaierie Venete Group's present and future objective within this policy is not only to recognise that the activities undertaken have a real impact on people's lives, but also to proactively organise initiatives that aim to contribute to the well-being of the very social fabric the company operates in, both within and beyond the confines of its own plants. For this reason, the Group has long been dedicated to social projects of various kinds, even before the recent adoption of ESG principles, since these issues have always been considered as important to the company's industrial development as they are for its environmental impact.

11.4.1. The sustainable supply chain

During 2025, Acciaierie Venete SpA continued its efforts to make the entire value chain more sustainable, strengthening its ESG approach throughout the entire production process. The initiative was shaped by the desire to extend the sustainability assessment upstream of the organisation, with the aim of standardising the level of adherence to ESG principles among all suppliers and promoting a cooperative approach based on shared values. Indeed, the Acciaierie Venete Group considers itself accountable to its stakeholders, and recogni-

ses that responsible supply chain management is fundamental to achieving long-term sustainability goals.

The supply chain assessment project was launched in 2023, when an ad hoc questionnaire was designed in collaboration with CRIBIS (CRIF SpA) to assess suppliers deemed strategic to the business⁵. This tool makes it possible to define the level of sustainability of suppliers through specific criteria linked to ESG issues, thus ensuring that each business partner aligns with the standards and objectives set by the Group.

Through the Synesgy platform, Acciaierie Venete assigns each supplier an ESG score, which serves as an indicator of their performance. Subsequently, an action plan is drawn up for each supplier, aimed at improving their relative positioning, thus incentivising continuous attention and evolution towards increasingly responsible practices. This process not only ensures that suppliers adhere to the Group's core principles, but also fosters a constructive dialogue that helps strengthen the entire supply chain in a sustainable manner.

This allows Acciaierie Venete to consolidate its commitment to integrated sustainability, while helping to steer suppliers towards a more sustainable approach, consistent with global challenges and the expectations of an ever-changing environment.



5. Following a careful internal analysis, 82 suppliers were assessed as highly strategic

11.4.2. Acciaierie Venete and Findynamic: together to support the supply chain

The Dynamic Discount partnership that Acciaierie Venete started with Findynamic in 2019 continues.

For Acciaierie Venete, Dynamic Discount is an effective supplier integration and retention tool, capable of expanding the supplier network and strengthening existing relationships with the supply chain, improving efficiency and payment flexibility.

More specifically, the collaboration programme allows Acciaierie Venete's suppliers to have access to credit with a discount on the rate applied of around 20% compared to the average market rate. To date, 180 SMEs have been involved, which together represent more than 50% of the suppliers that meet the necessary requirements to be able to take advantage of the benefits of the service.

The initiative also encompasses Acciaierie Venete's active commitment to ESG as it aims to promote the sustainable aspect of supply chain financial support, especially for small and medium-sized enterprises (SMEs).

11.5. Sustainable innovation

The Italian steel industry is aware of the decisive role of innovation in ensuring future competitiveness, which is why it requires proper encouragement and financing. Indeed, the sector is constantly studying the best available technologies and continuously improving processes and products in order to maintain high quality standards.

Acciaierie Venete aims to play an active role in the introduction of technologies that guarantee process quality, product innovation and improved sustainability performance in terms of environmental protection and occupational health and safety (OHS). As in 2024, in 2025 Acciaierie Venete continued to focus its efforts on the company's research and development, which have largely involved the Technical and Quality Departments in some important projects. As already noted, in 2019 the company's Research and Development Centre was set up in order to deal in a structured manner with studies and independent research carried out in collaboration with qualified external bodies. The consolidated centre is continuing its activities, both at the plant level and in broader projects, while also remaining committed to the field of research for environmental sustainability.

The main studies delved into certain phases of the steel production process in order to improve its quality and perfor-

11.4.3. Believing in young companies – Le Village

Acciaierie Venete is a partner of LeVillage, an ecosystem that supports the development of start-ups and accelerates their innovation.



This project is the result of an ongoing collaboration between:

Startups and young innovative companies: growing within LeVillage, seeking synergies that enable them to innovate both the market and themselves.

Partners: Italian and foreign companies participating in the project as investors and that collaborate in the ongoing development of the young companies.

Enablers: entities from the world of innovation that can be either public, such as Universities, Institutes etc., or private, such as Incubators or other Funds. They are fundamental to the evolution of the start-up life cycle.

Credit agricole: International banking institution, founder of the project and present in 49 countries. International ecosystem currently established in France, Italy and Luxembourg has more than 44 clusters, totalling more than 1200 start-ups and 830 partner companies.

mance. Experience in the production of high-purity steels was acquired by obtaining further targeted approvals for certain product lines. As regards the process, in addition to continuing research into the effects of different cooling rates on the microstructure of steels, a new calibration has been developed, with the contribution of colleagues from the Rolling Mills for the production of the >200 mm range.

Below are the most significant initiatives and some partnerships in innovative projects:

11.5.1. Artificial intelligence

Since 2019, Acciaierie Venete's Research and Development Centre has been involved in projects related to digitisation as a field of study and, in 2025 it continued on a larger scale with further research activities in the area of Industry 4.0, in particular for applications using artificial intelligence tools. In this case, the SRC Group has explored various activities to fit under the umbrella of these new technologies. In fact, the team attended various meetings in the area to network with companies and start-ups proposing the implementation of these advanced techniques. In the wake of these meetings, various discussion tables were set up for the incorporation of ML and AI techniques on various aspects of industrial processes. We

will continue with a systematic approach to topics for which an industrial partner is currently being identified for: algorithmic management of production planning and AI-managed internal logistics. Others will be evaluated and the foundations laid for long-term collaborations in this emerging field as well.

The Vision AI project for surface defects in the air conditioning sector was launched in the second half of 2025, initially focusing on preventive data architecture.

Company research and development centre

Application of OES-PDA techniques for determining inclusion status in real time

Thanks to recent investments in the most modern OES-PDA tools as part of the Industry 4.0 development programme, the R&S team has intensified its sampling plan aimed at measuring inclusion density during the various steps of the production process. The ultimate objective remains to develop one or more models that allow corrective actions to intervene promptly in the production process and to improve the final micro-inclusive properties of the steel produced. For this reason, a Master's thesis project was launched in 2025 and will continue into the following year.

Development of production methods for steels with high purity requirements "clean steel"

2025 saw the consolidation of efforts on this project. In fact, this process aims to satisfy customers operating in the steel sector with high, stringent purity requirements. The success of the first tests continued and is confirming what was decided in 2020 to support the plant engineering necessary for a reliable process. Throughout 2025, the new plant has undergone continuous fine-tuning and the new production methods have proven their effectiveness.

Feasibility study for a verticalised subcritical treatment plant with the Padua LAM1 rolling mill

During 2025, the study for a new cooling cycle for material rolled by the Padua LAM1 rolling mill continued. While there is currently only one cooling bed, experimental furnaces have been used to study the results that can be obtained by installing active and passive furnaces in series with the existing cooling bed. These furnaces would allow the residual thermal energy of the rods to be utilised, leading to significant savings in terms of consumption and emissions, and would also avoid further heat treatment that would normally have to be carried out afterwards. Throughout 2025, discussions continued with potential suppliers, in conjunction with the Technical Department and plant management. This project was the subject of a degree thesis in 2025.

Development of a protocol for the characterisation of oxide mixtures

In 2025, a new instrument was introduced to measure various physical and tribological properties of materials such as casting dust and slag from liquid steel production. This study will enable greater quality control over production with a view to reducing the quantity of non-compliant products.

Support for the specialised education of university students

Since 2004, every year Acciaierie Venete has hosted graduating students to complete their thesis work and internships. These studies and research generally concern metallurgy or other fields closely related to the company's steelmaking processes.

ESTEP

Participation in activities promoted by the European steel platform

At the beginning of 2020 Acciaierie Venete joined ESTEP, a platform that brings together steel producers and related technologies at a European level. In 2025 the efforts continued with the updating of the CSP and the monitoring of the RFCS and HE calls. In any case the main activity remains work on the Clean Steel Partnership, but also several virtual meetings were held to network between producers with the aim of creating international projects under the aegis of the European Union.

CLEAN STEEL PARTNERSHIP

Participation in the drafting of roadmaps for decarbonisation

Participation in the drafting of roadmaps for decarbonisation.

Acciaierie Venete has previously participated, in various capacities, in the drafting of the "Clean Steel Partnership" (CSP), a European-level document aimed at creating a united front within the steel industry to raise funds as part of the Green Deal decarbonisation project promoted by the European Union. Throughout 2025, Acciaierie Venete SpA participated in meetings and seminars that resulted in important financing opportunities. Within CSP producers and technology suppliers talk to each other with the aim of conceiving international projects aimed at the development and implementation of new techniques and plants that allow the production and processing of steel while reducing greenhouse gas emissions.

HYDRA

Hydrogen as an alternative energy vector

Acciaierie Venete continues to participate in the Hydra IT06

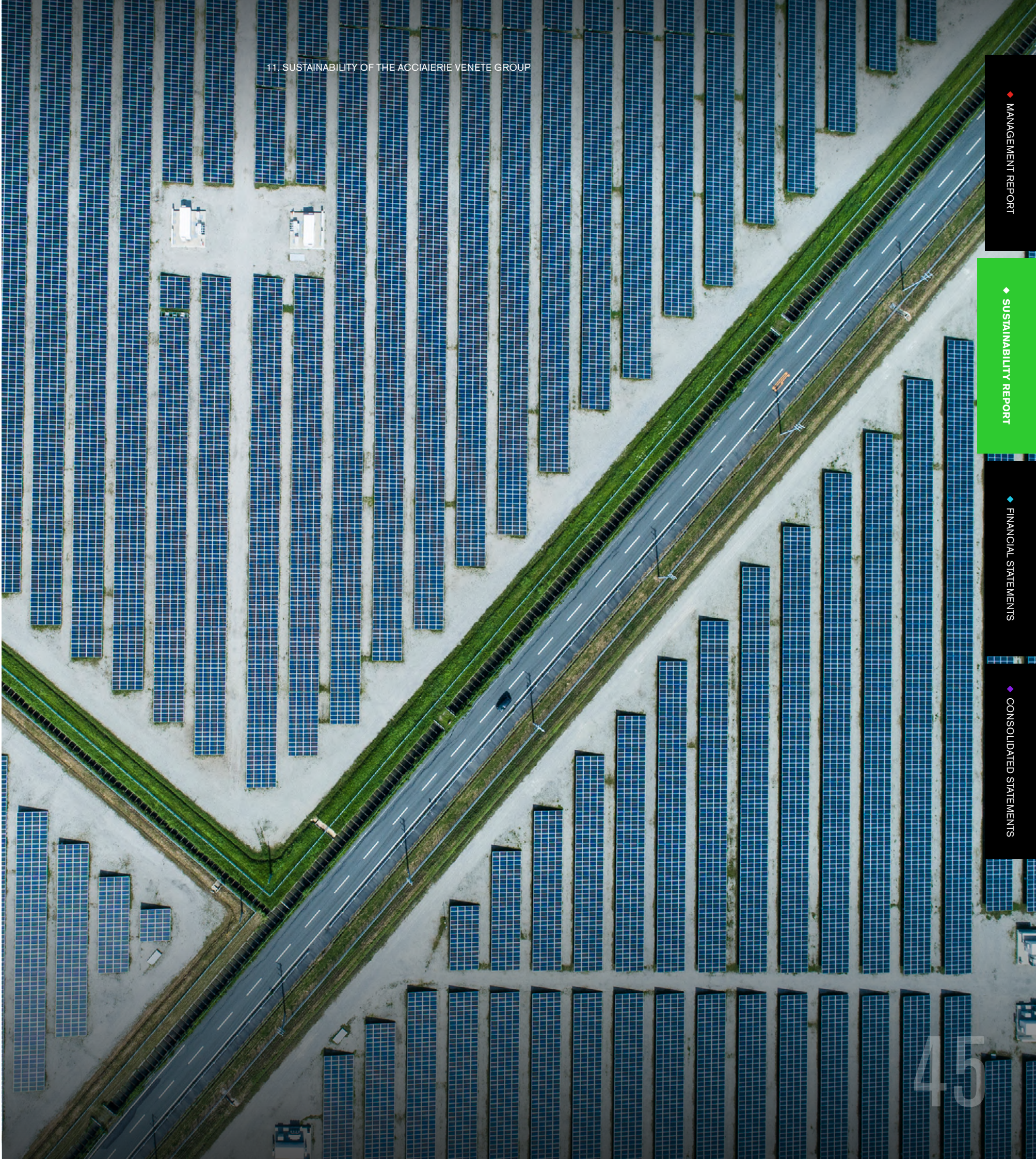


project under the auspices of the RINA research centre. The project aims to switch energy sources from fossil fuels to hydrogen produced from renewable sources for the decarbonisation of the production cycle. Green steel is a priority for Europe, and more and more users are paying attention to the way steel is produced for their raw material. This ambitious goal is leading the company to move more and more towards a sustainable way of making steel, and thus to study a wide variety of topics in support of the production of a steel that can one day be called carbon free. In 2025, the submission of various steel samples representative of our production mix to RINA was completed; we are now awaiting the test results to assess interactions with hydrogen at various levels.

HYDAM

Effects of hydrogen in steel from continuous casting to finished product

Acciaierie Venete is part of a Europe-wide consortium for participation in an RFCS project: <https://www.hydram.eu/>. The project, drafted and submitted in 2023, was approved and financed in 2024. Other players from Spain, Austria and Belgium participated. This project focuses on the study of the behaviour and effects of hydrogen on steel from continuous casting to the finished product understood both as rolled bars and as final goods, in the case of this project these are fasteners. In 2025, not only was the bulk of the work focused on preparing the samples to be sent to the various partner organisations, but the second meeting was also held at the Padua plant, hosting delegations from all participating companies.



12. HUMAN RESOURCE MANAGEMENT

12.1. Employees: our strength
12.2. Training

047
049



12.1. Employees: our strength⁶

For the Acciaierie Venete Group, human resources are the fundamental element on which the company's competitive advantage is based.

We believe, in fact, that the development of people, their involvement and the ability to offer concrete opportunities to increase professional skills, linked to career development opportunities are the most important critical success factors. The Group's human resource management policies are defined based on these strategic assumptions.

In the context defined above, a fundamental role is played by the professional skills development system, which has been structured to encourage the acquisition and consolidation of the professional skills needed both to ensure an adequate performance of the role assigned and to guarantee a foundation of skills to base professional development plans on.

Group employees by geographic area

	2025	2024
Brescia	674	641
Lecco	70	0
Verona	69	74
Padova	624	628
Udine	51	52
Trento	118	123
Modena	31	31
Treviso	67	69
Vicenza	19	18
Venezia	6	6
Totale	1,729	1,642

At the end of 2025, the Acciaierie Venete Group had 1,729 employees, up from 1,642 in 2024, representing an overall increase of 87 staff members. Of these, 1,422 are employed by the Parent Company.

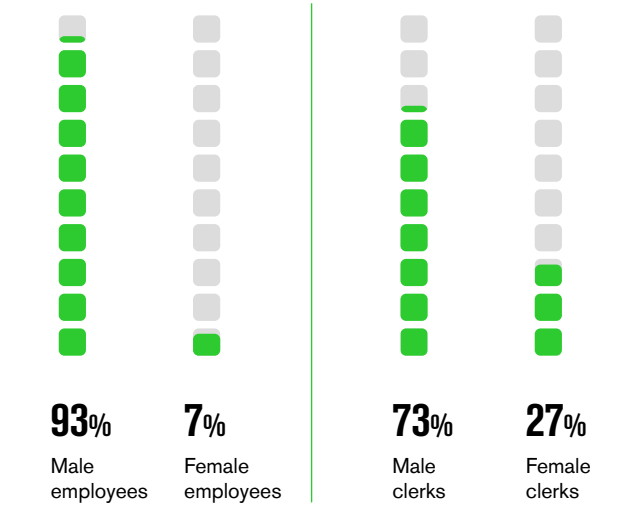
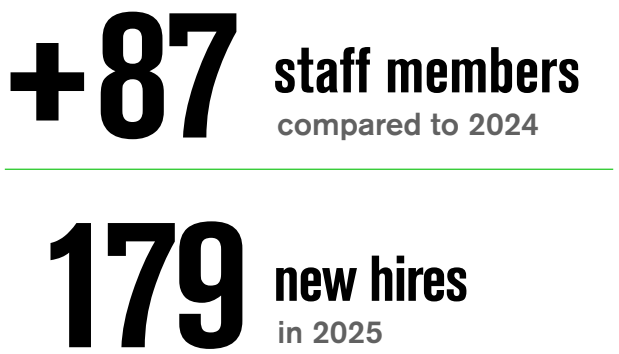
In addition to its permanent employees, the Group also employs 54 workers on temporary contracts.

During 2025, there were 194 terminations compared with

179 new hires. It is worth noting that 82 of the new recruits, or 46%, are under 30, confirming the Group's commitment to recruiting young talent and ensuring generational renewal.

97% of employees are on permanent contracts, a figure that reflects the company's commitment to promoting job stability and consolidating long-term working relationships with its staff.

The Acciaierie Venete Group has engaged the services of non-employee workers, whose work is subject to the organisation's control; as at 31 December 2025, there were 65 such staff members.



Hiring

Employees by age and gender

	2025			2024		
	Men	Women	Total	Men	Women	Total
< 30 years	77	5	82	77	4	81
between 30 and 50 years	68	7	75	81	6	87
> 50 years	21	1	22	24	1	25
Totale	166	13	179	182	11	193

Terminations

Employees by age and gender

	2025			2024		
	Men	Women	Total	Men	Women	Total
< 30 years	56	2	58	33	3	36
between 30 and 50 years	70	4	74	63	3	66
> 50 years	58	4	62	46	0	46
Totale	184	10	194	142	6	148

% Turnover (hires)

Employees by age and gender

	2025		2024	
	Men	Women	Men	Women
< 30 years	4.7%	0.3%	4.8%	0.3%
between 30 and 50 years	4.1%	0.4%	5.1%	0.4%
> 50 years	1.3%	0.1%	1.5%	0.1%

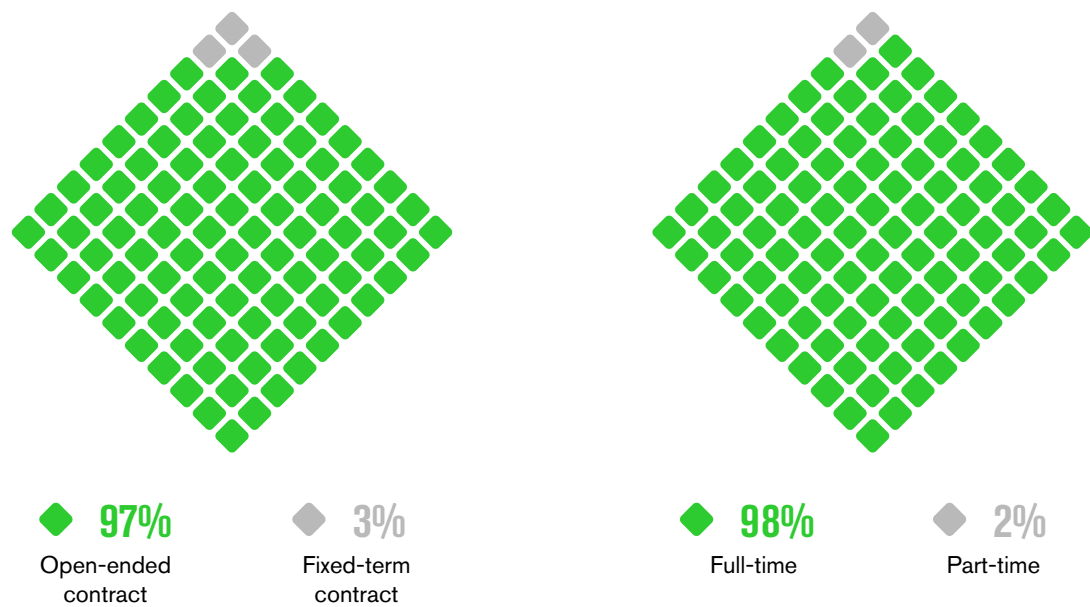
% Turnover (terminations)

Employees by age and gender

	2025		2024	
	Men	Women	Men	Women
< 30 years	3.4%	0.1%	2.1%	0.2%
between 30 and 50 years	4.3%	0.2%	3.9%	0.2%
> 50 years	3.5%	0.2%	2.9%	0.0%

6. All employees of the Acciaierie Venete Group are covered by the national collective bargaining agreement





Human Resources Training and Development

A company that invests in the training of its human resources is a company that is making long-term plans for its organisation.

Throughout 2025, 28,214.5 hours of theoretical classroom training were provided.

The training system consists of the following elements:

Acciaierie Venete Academy

This is a training course, aimed at all young graduates of the Group, structured on three areas of expertise: metallurgy, digitalisation and soft skills.

- Metallurgy: this module explores topics relating to the production process of special steels.
- Digitalisation: this module explores the structural and organisational aspects of corporate information systems.
- Soft Skills: this module explores topics relevant to the development of organisational and managerial skills.

The objectives of the project are manifold:

- offer our high-potential resources the chance to learn the basic professional skills necessary to support their career development;
- encourage the creation of a networking system among the Group's young graduates by stimulating the exchange of skills and experience;
- create team building opportunities and therefore a chance to increase cohesion of the company's future management.

The overall duration of the training programme is five years, for a total of 480 hours of training (i.e. 96 hours per year) plus five specialised modules of 24 hours each, for a grand total of 600 hours over the five-year period.

Acciaierie Venete Corporate Master

The advanced training programme launched by the company is complemented by the Acciaierie Venete Corporate Master's programme, launched in collaboration with CUOA Business School, which builds on the Academy programme to become a further element of professional development.

The Master's programme, inspired by CUOA's EMBA programme but adapted to the specific needs of Acciaierie Venete, adopts an executive format with monthly sessions, also delivered digitally, to facilitate a balance with work commitments; the programme is structured into twelve training modules totalling 500 hours of training.

The project helps to strengthen a sense of belonging, promote team building and develop a shared managerial language within the organisation.

The Master's programme is aimed at employees with at least five years' experience, selected from various business functions, including both talent from the Academy and individuals already in positions of responsibility or identified as high potential.

The programme stands out for the high level of customisation of its content, developed in line with the company's strategy, values and business model.

The programme represents an important tool for professional growth and engagement for participants, as well as a strategic element in the company's talent attraction and retention policies; currently, the Master's programme has 27 students.

Young Engineers Project

The project envisages the hiring of young engineers with recent university degrees who will be placed within the management staff of the production departments, alternating periods of theoretical training as part of the Academy curriculum with periods of on-the-job training, in order to train future forepersons and plant managers. Twenty-five young engineers are currently involved in the project.

ITS Course

During 2025, Acciaierie Venete strengthened its commitment to the technical and professional training of young people, consolidating its collaboration with the ITS Academy Meccatronico Veneto.

The project involves students in the "Innovation of Mechanical Processes and Products" course, a programme that aims to train highly qualified technicians capable of integrating technological and management skills to meet the needs of modern industry.

In December 2024, Acciaierie Venete welcomed two ITS students, whilst in December 2025 it took on an ITS student for a work placement at the Padua plant.

During the internship, which lasts two years, the students:

- are placed side by side with experienced maintenance workers in order to acquire the operational skills necessary for their professional development;
- develop skills in managing production processes, analysing plant performance data and using advanced technologies.

This initiative represents an important growth opportunity both for the students, who can consolidate their skills in the field, and for Acciaierie Venete, which has the opportunity to train young talent and invest in the company's future resources.

IFTS future for steel

This is a one-year training course managed in cooperation with three other steel companies in Brescia (Asonext SpA; Duferdofin SpA and Feralpi SpA), during which the students are given 400 hours of theoretical training (at the Don Bosco institute in Brescia) alternating with 800 hours of on-the-job training to provide the skills required for the job of electromechanical maintenance technician.

In 2023, one trainee was trained; in 2024, three trainees

were trained; in 2025, five trainees were enrolled.

For the 2025/2026 academic year, two trainees have been enrolled and are currently undertaking their training programme.

In order to maximise the involvement and enhancement of human resources, the following organisational projects have been implemented:

Continuous improvement project

In order to cope with the increasing levels of competition in the steel market, a competitive strategy was developed based on the ability to combine the improvement of product quality levels with the need to increase the efficiency of production processes, as well as with the constant improvement of workplace health and safety and environmental protection levels.

The project has a number of objectives, correlated with each other by elements of systemic interaction that involve the entire company, understood as a set of human resources, plant structures and, finally, company procedures and standards.

It is within this context that a structured system has been put in place aimed at encouraging the involvement of human resources who are asked to put forward proposals having the objective of ensuring the improvement of the company's operational processes.

The system is based on two concepts:

- the conviction that Human Resources directly involved in operational activities, are able to identify changes, suitable for bringing about an (organisational or process) improvement in the way activities are carried out;
- the consideration that the system of continuous improvement is more effective when implemented through multiple limited initiatives that, precisely thanks to their reduced impact, are more easily assimilated in the organisational behaviour of each individual employee rather than through a few large projects with an inevitably slower and less widespread adoption.

An essential element of the project is the process of providing feedback on the improvement proposals. The area manager who receives the proposal must provide feedback to the person who submitted the idea, updating them on the progress of the proposal, and, at the end of the evaluation process, letting them know the reasons why it was considered technically feasible or otherwise.

The project envisages the establishment of an internal technical committee whose task is to verify the technical feasibility and economic viability of the improvement proposals, and based on these elements to define the amount of the bonus to be paid to the proposer.

Given the importance that the Company attaches to the issues of health and safety at work and environmental protection, it was decided that proposals for improvement that address these issues will receive a bonus that is higher than proposals related to quality, efficiency and productivity levels.

Employer branding: meeting future talents

In 2025, Acciaierie Venete participated in a number of events in order to get in touch with young professionals and promote career opportunities. In addition to involving university students and undergraduates, the company also gave presentations to secondary school students, with the aim of bringing young graduates closer to the world of steel and technical professions. Some of the events in which we participated are listed below:

- "Company presentation at the University of Padua": held on 16 April 2025, this event provided an opportunity to meet students and recent graduates, particularly those studying engineering. During the meeting, two colleagues who have embarked on a significant career development journey at Acciaierie Venete also shared their experiences;
- "Meet Your Future": an event organised in collaboration with the University of Padua on 15 May 2025, which offered the opportunity to connect with students and graduates interested in entering the workforce;
- "Opportunità Futuro": held on 19 May 2025 at the ITT Buonarroti in Trento, during which the company met numerous young students who were particularly interested and motivated to embark on a career path, thereby strengthening dialogue with the younger generation. Throughout the year, the collaboration with the institute continued, with the company taking part in presentations aimed at students, with the aim of introducing young people to the industrial sector and the career opportunities offered by the Group.
- "Convivium – Engineering Italy": held in Brescia on 22 May 2025, it brought together engineering students and industry professionals. Acciaierie Venete participated by offering information on career opportunities and interacting with young talent;
- "Career Day in collaboration with Le Village": an event held on 6 June 2025 that enabled us to connect with numerous students and graduates interested in pursuing a career with the company;
- Recruiting Day: participation in various recruitment events, including projects promoted by the Friuli Venezia Giulia Region to support recruitment activities in the area;
- "IES – Engineering, Economics, STEM": held on 6 November 2025, an event aimed at students and graduates

in STEM disciplines, during which over 70 students interested in learning about the company were met;

- "Domani Lavoro": a fair held in Brescia on 6, 7 and 8 November 2025, dedicated to bringing together companies and candidates, in which Acciaierie Venete participated for recruitment and employer branding activities;
- "Incontriamo gli Ingegneri del Futuro": organised by Confindustria Veneto Est on 3 December 2025, it involved students from degree courses in Mechanical Engineering, Chemical and Materials Engineering, and Civil and Industrial Safety Engineering. Acciaierie Venete presented its career opportunities whilst connecting with young talent.

These initiatives allowed Acciaierie Venete to come into contact with various professional figures, promoting the company culture and the career opportunities offered.

The active involvement of university students and graduates has helped strengthen the company's image as a reference point for training and talent development in the industrial segment.

We protect the well-being of our employees

Every person is unique and enhancing their individuality means promoting their professional development and organisational well-being. In an increasingly dynamic and interconnected working environment, diversity, inclusion and equal opportunities are key strategic levers for the sustainable growth of companies and society.

We are convinced that investing in these values not only strengthens the social role of our Company, but also contributes concretely to the development of talent, competitiveness and innovation.

This is why we are committed to creating a fair and accessible working environment where every person, regardless of gender, age, ability or any other personal characteristic, can fully express their potential and find real opportunities for growth.

Working towards a more inclusive future means building a stronger company, capable of facing global challenges with resilience and strategic vision.

12.2. Training

	2025	2024
Training hours for executives	472	113
Men	460	113
Women	12	-
Training hours for managers	1,197	374
Men	1,181	374
Women	16	-
Training hours for clerks	12,187	8,750
Men	10,258	7,122
Women	1,929	1,628
Training hours for workers	14,388	13,007
Men	14,373	12,989
Women	15	18
Total	28,244	22,244

Average Training Hours 2025

	Men	Women	Total
Executives	20.9	12.0	20.5
Managers	32.8	8.0	31.5
White-collar workers	32.8	16.5	28.3
Blue-collar workers	11.7	2.1	11.6

Average Training Hours 2024

	Men	Women	Total
Executives	5.9	-	5.4
Managers	10.4	-	9.8
White-collar workers	24.4	15.7	22.2
Blue-collar workers	11.0	2.6	10.9



Guiding principles

For us, the definition of non-discrimination is: “All employees of the Acciaierie Venete Group must be evaluated solely based on their professional skills and expertise. Any form of discrimination based on political orientation, trade union, religion, nationality, ethnicity, language, disability, gender and age is therefore rejected. Similarly, bullying and sexual harassment will not be tolerated”.

Equal opportunities and equal dignity: “In the Acciaierie Venete Group, diversity is considered a value that must be recognised. Equal treatment and equal opportunities must therefore be guaranteed for all types of diversity. Personal conditions relating to the balance between people’s private and professional lives (pregnancy, maternity, paternity, part-time, flexible working, etc.) must not become instruments for discriminatory treatment”.

Work-life balance: “The Acciaierie Venete Group is committed to launching new initiatives aimed at supporting work-life balance, taking the real needs of its employees into account”.

Creation of an inclusive working environment: “The Acciaierie Venete Group is committed to implementing initiatives for employees aimed at ensuring that all have the opportunity to participate in company processes without any form of obstacle related to country, gender, religion, culture, personal beliefs, orientation, disability, age or any other form of diversity, creating an environment capable of fostering the manifestation of the personal and ‘unique’ potential of each person and of using it as a strategic lever for achieving organisational objectives”.

Feeling like a part of many communities

The Acciaierie Venete Group’s plants and production units are located in 10 Italian municipalities, spread across five regions: Veneto, Lombardy, Trentino Alto Adige, Friuli-Venezia Giulia and Emilia Romagna.

A member of several regional and trade associations, Acciaierie Venete is linked to the local area and its host communities from both a production and business point of view. At the local level, our company participates in Confindustria delegations while, at the national level, it plays a representative role in the steel sector with the appointment of our Chair as Vice-Chair of Federacciai. Membership in the Confindustria system has also led Acciaierie Venete to adopt the values and commitments contained in Confindustria’s Charter of Environmental Sustainability Principles as an integral part of its activities and growth processes. Being part of many communities also means actively contributing to their social and cultural life, participating in events and initiatives that take many forms but at the same time are deeply connected with the area where Acciaierie Venete is established.

For historical reasons, the Holding Company retains a particularly close bond with Padua, where it was founded and has grown over the past 69 years in full harmony with the city and its residents.

The common thread linking the parent company to Padua has been evident in initiatives ranging from sport to artistic and cultural heritage, via the scientific sphere and a constant commitment to social issues.

In the sporting arena, the partnership with Petrarca Rugby has now been successful for over a decade. Also in the sporting arena, it is worth noting that on 20 January 2026, through its subsidiary Fin.Steel, Acciaierie Venete acquired a 68.25% stake in Calcio Padova.

The long-standing collaboration with the RFX Consortium for Advanced Nuclear Research also continues. Founded in 1958 with a small group from the University of Padua, RFX became a CNR research centre in the 1970s, operating within the framework of the European Nuclear Fusion Programme. Its evolution continued until 1996 when it was transformed from a small entity into a larger consortium, which was also participated in by the Ente per le Nuove Tecnologie, l’Energia e l’Ambiente (Enea - Agency for New Technologies, Energy and the Environment), the Istituto Nazionale di Fisica Nucleare (INFN - National Institute of Nuclear Physics) and Acciaierie Venete.

In 2013, Acciaierie Venete became part of the share capital of Fabbrica Attività & Relazioni Intergenerazionali, in a project that led to the founding of the Opera Immacolata Concezione Foundation (OIC) and whose objective is to foster relations between the elderly and children.

One of the most recent collaborations is with the Foundation for Advanced Biomedical Research, established in Padua in 1996 with the aim of promoting and carrying out research activities within the university and healthcare sectors of the North-East. Through its operational arm – the Veneto Institute of Molecular Medicine (VIMM) – the Foundation represents a hub of excellence at an international level for what it does in the sphere of cellular and molecular biology. Its goals include learning about the causes of many diseases that are incurable today and the study of new therapeutic strategies.

Finally, in 2024, an agreement was signed with the Municipality of Padua for the full funding of the restoration works on the historic Caffè Pedrocchi, one of the city’s iconic landmarks. In 2025, funding was provided for the design phase of the complex project, whilst the actual restoration work is expected to begin in the second half of 2026.

In 2025, there were also several initiatives to support the communities hosting our facilities. In addition to the usual initiatives supported in Sarezzo and Borgo Valsugana, we

have partnered with the Municipality of Odolo to build a pavement starting from the factory exit and running down most of Via Garibaldi. A project aimed at ensuring the safety of local residents.

This paragraph is entitled “feeling part of many communities,” but in turn the Acciaierie Venete Group is a community of people who work together, even if at different production sites. To emphasise this sense of cohesion and family, a big party was organised in Padua on 21 September, attended by employees and their families. For the first time in our history, we therefore organised an Open Day at the Padua plant, which was attended by 1,400 employees and their families from all the Group’s plants.



13. MANAGEMENT OF ENVIRONMENTAL IMPACTS



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13.1. Environmental sustainability as a conscious choice

Steel is a key alloy for most industrial sectors, from transport to infrastructure and housing, from manufacturing to agriculture and energy. This central role makes it a key element in the transition to new sustainable and environmentally friendly urban and infrastructure models. In this sense, therefore, steel producers play a decisive role both in responding to sustainable production demands and in monitoring and managing the positive and negative externalities of their supply chain. Well aware of this fact, over the last 50 years the industry has implemented energy efficiency processes and employed new technologies, reducing its energy consumption per tonne of steel produced by two-thirds. In the case of Acciaierie Venete, constant monitoring and control of the energy performance of its production plants made it possible in 2025 to maintain the levels of the previous year, adopting strategies and investment plans aimed at reducing energy intensity per unit of product. The need to make the steel sector more sustainable, particularly from an environmental point of view, derives from international and European legislation and growing demands and pressure from the various stakeholders (investors and the financial community, suppliers, governments, the public and local communities, etc.), which are increasingly interested in understanding how companies in this sector are preparing to respond to the challenges posed by climate change. This is a very important industrial orientation for the whole sector, now focused on sustainability, starting with the redefinition of the entire product life cycle, from the extraction of the raw material to its recycling.

The Acciaierie Venete Group is determined to continue and strengthen its commitment to a more sustainable economic system over time, convinced that steel represents a fundamental basis for present and future generations. This awareness has led the company to adopt a management system certified to the UNI EN ISO 14001:2015 standard and compliant with the EMAS Regulation, focused on respect for and protection of the environment and its resources.

To date, this system has been applied to all the activities of Acciaierie Venete SpA's production plants and is progressively being integrated with a health and safety management system that complies with the UNI ISO 45001:2018 standard. As at 2019, all plants are certified according to UNI EN ISO 14001 and UNI EN ISO 50001.

In line with European and National Directives concerning the prevention and control of pollution, Acciaierie Venete adopts the best available plant, management and control techniques

(so-called BAT, "Best Available Techniques"), which are both economically and technically sustainable.

The use of these technologies contributes to a significant reduction in the environmental impacts of production processes, with a focus on reducing air emissions, water discharges, waste management and energy consumption. Acciaierie Venete also continues to strictly adhere to environmental regulations, maintaining best practices in all its plants to protect the environment and ensure the health and safety of its workers in 2025.

The HSE (Health, Safety & Environment) Staff is the function that promotes the actions contained in the Health, Safety, Environment and Energy Policy, ensuring compliance with the company's strategic guidelines. A continuous improvement programme is drawn up for each plant, including the objectives to be achieved (with related intermediate goals), the implementation methods, the person in charge, the people involved and the related costs. Constant, structured monitoring of environmental performance ensures early detection of any changes followed by the adoption of preventive or corrective measures.

In the middle of each month, all HSE Acciaierie Venete personnel meet on an itinerant basis in the Group's production plants to discuss the previous month's performance and plan improvement initiatives. The day is divided between an inspection and an office discussion with sharing of results, considerations and proposals, with the aim of increasing the company's preventive measures and the skills of personnel.

In order to ensure constant monitoring of the environmental impacts while at the same time ensuring a systemic and periodic review of the Environmental Management System, during the three-year period in question (2023-2024-2025), internal audits were conducted at all production sites thanks to which it was possible to identify, analyse and resolve the anomalies found. During 2025, all planned recertification and periodic third-party audits were successfully completed, with no major non-conformities.

13.2. Safety at work

Acciaierie Venete has always placed great care in the prevention of risks that undermine workers' safety. Acciaierie Venete's management policies envisage a constant attention to workplaces in order to continuously improve the work conditions. In order to ensure compliance with each of the elements that make up the corporate safety system, Acciaierie Venete has adopted a procedure aimed at defining responsibilities, tasks and criteria for managing the system itself, in particular with regard to supervisory activities on the correct implementation of the relevant regulations in force, as well as the company procedures and standards, the implementation of which is entrusted to the Plant Managers/Employers.

Moreover, in order to make the prevention and protection of workers more structured, the executives, managers and supervisors are responsible for constantly monitoring all aspects inherent to ensure safety, such as the use of Personal Protective Equipment (PPE), compliance with safety procedures, attention to the protection of the work environment, ergonomic conditions, and the efficiency of equipment and plants.

Constant monitoring of these aspects is guaranteed, an approach that makes it possible to reduce risks and therefore

to prevent accidents, as well as ensuring continuous improvement in levels of work safety and environmental protection. Any conditions or conduct that deviate from company procedures and practices are examined by the Health and Safety Officer in order to define the action to be taken to prevent a recurrence of such an event, giving priority to raising awareness and engaging employees.

The success of a good safety policy is also determined by the degree of involvement of its employees, and this is why, as already mentioned in the previous pages, at Acciaierie Venete all employees receive specific training and education on safety at work.

During 2025, the process of updating the Organisational and Management Model in accordance with Legislative Decree 231/2001 was completed, involving all heads of company departments. The General Section of the Model is available to all stakeholders on the company website.

The Code of Ethics and Conduct was revised in March 2025 and is in force across all companies within the Acciaierie Venete Group.

Work-related injuries		Data referring to all Group employees	
	Unit of measurement	2025	2024
Total hours worked	hours	2,990,183	2,730,809
Total recorded accidents	no.	85	68
<i>of which accidents while travelling to/from work</i>	no.	-	-
<i>of which serious injuries (injuries causing more than 6 months of absence)</i>	no.	-	-
Total fatal accidents	no.	-	-
Total recorded accidents	no.	85	68
Mortality rate	%	0	0
Serious injury rate	%	0	0
Injury rate	%	28.4	24.9



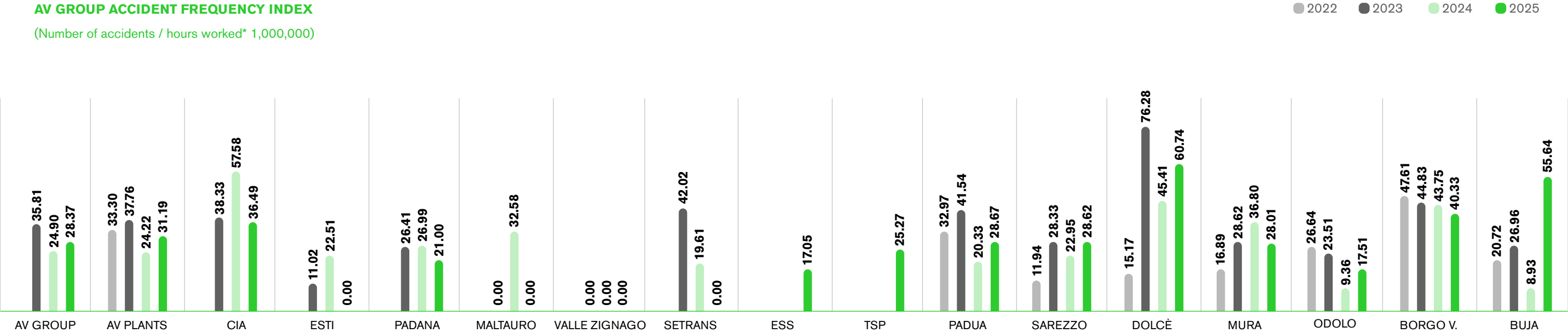
There were no serious accidents across the Acciaierie Venete Group, either in 2025 or in the previous year.

As regards, however, workers not employed by the Group (temporary staff, interns and casual workers), there were 8 accidents in 2025, none of which were serious.

It should be noted that in October 2025, at the Borgo Val-sugana plant, a third-party lorry driver was involved in a fatal accident. The relevant authorities are still conducting investigations to ascertain the circumstances of the incident.

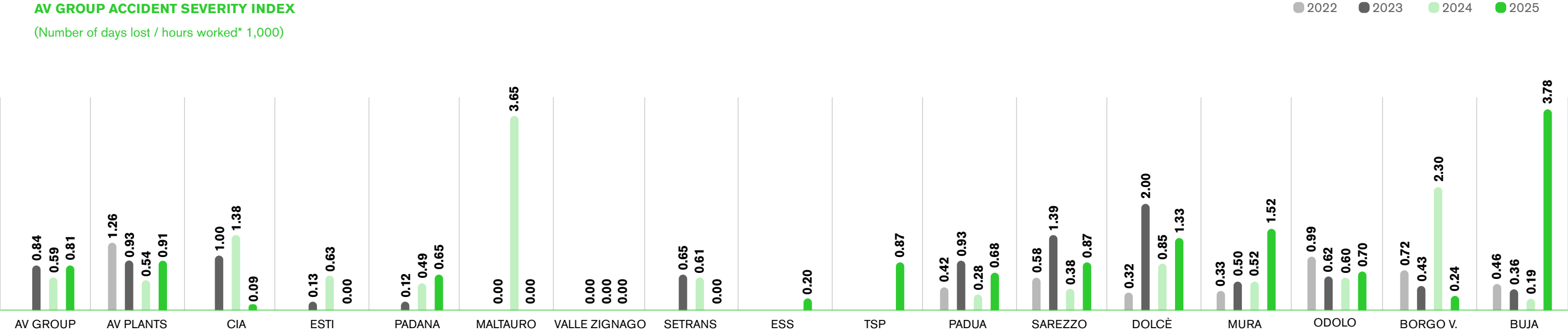
AV GROUP ACCIDENT FREQUENCY INDEX

(Number of accidents / hours worked* 1,000,000)



AV GROUP ACCIDENT SEVERITY INDEX

(Number of days lost / hours worked* 1,000)



An examination of the graphs has made it possible to formulate the following objective observations:

- more than half of Acciaierie Venete's production plants achieved their best-ever or second-best-ever results in 2025;
- the steelworks in Borgo Valsugana, which is also the registered office of Acciaierie Venete, has achieved a steady improvement in its accident rate for the fourth consecutive year;
- all Group subsidiaries monitored since 2023 achieved their best results in 2025;
- both subsidiaries acquired over the last two years achieved results in 2025 that were below the Group average;
- the main negative trends occurred at the Buja and Dolcè plants, the two Acciaierie Venete plants with the lowest number of accidents. In these cases, as was the case at Maltauro in 2024, a single significant event had a major impact on the performance for the whole year.

In order to analyse in detail the trend in accidents and the effectiveness of the various improvement measures recently implemented, specific performance indicators have been introduced and closely monitored since the start of this year:

- Overall, Group, Plant and Department frequency/severity index;
- Frequency/severity index for accidents >40 days;
- Number of near misses, broken down by department and on a weekly basis;
- Number of medical treatments, broken down by department and on a monthly basis;
- Number of accidents involving external staff, broken down by department and on a monthly basis;
- Number of work permits issued, broken down by department and on a weekly basis;
- Number of departmental meetings, broken down by department and on a weekly basis;
- Number of operational routines (SIF checklists and safety dialogues), broken down by department and on a weekly basis.

Focus on Acciaierie Venete SpA

In continuation of what was started in the previous year, the year 2025 was characterised by a significant process of reviewing the company's activities, aided by the adoption of new prevention and protection tools and the joint planning of projects that will have a positive impact on the control of health/safety aspects.

Employers, the Prevention and Protection Service Manager for Safety (RSPP), the Workers' Safety Representative (RLS), supervisors and workers were involved in carrying out these activities. The reports resulted in tangible prevention/protection measures being analysed and implemented/ scheduled. These measures may consist in changes to work phases, mechanical/electrical/automation work, as well as revisions to existing documentation for operational improvements.

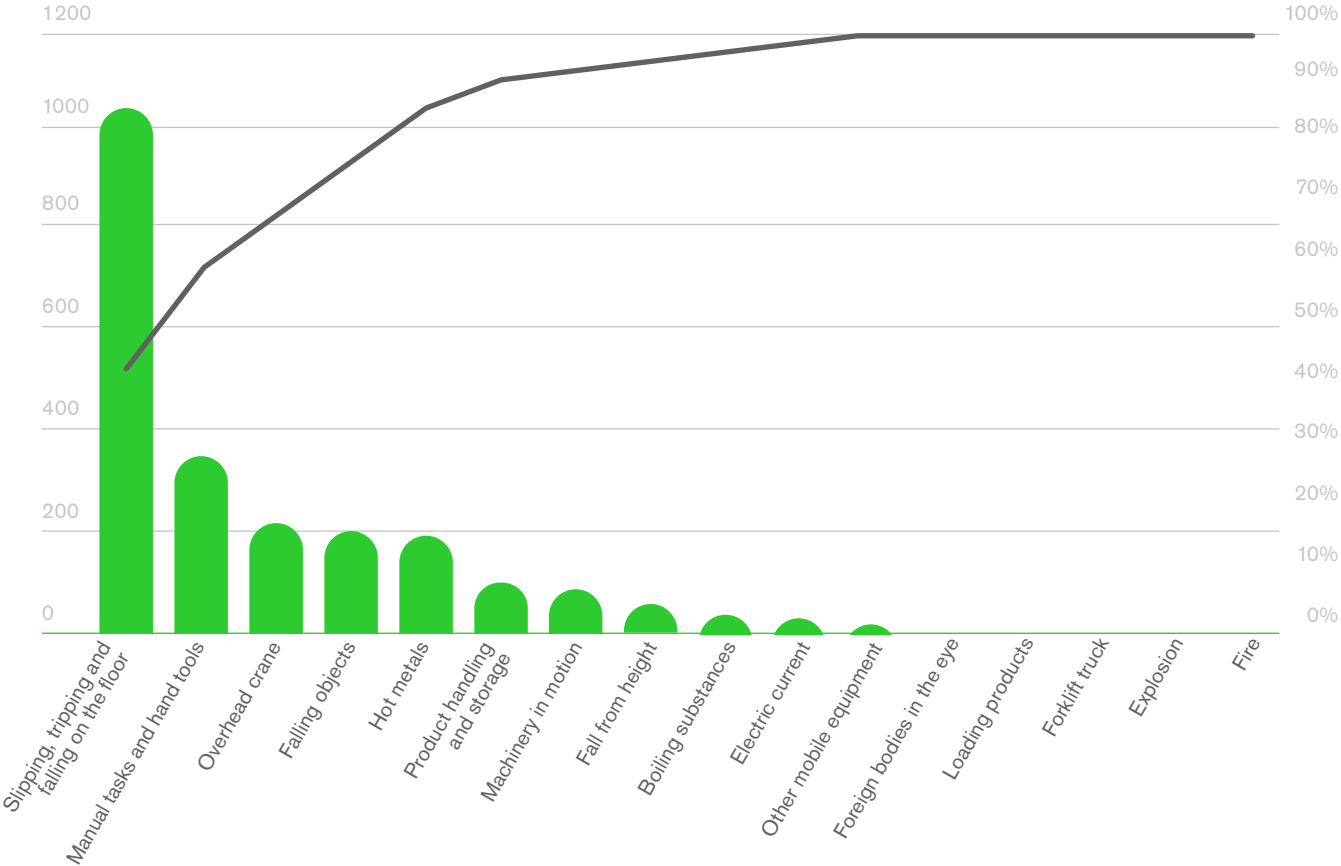
Accident management and root cause analysis

Timely and systematic management of accident incidents forms the basis of our prevention approach. In all cases, the following procedure is followed by:

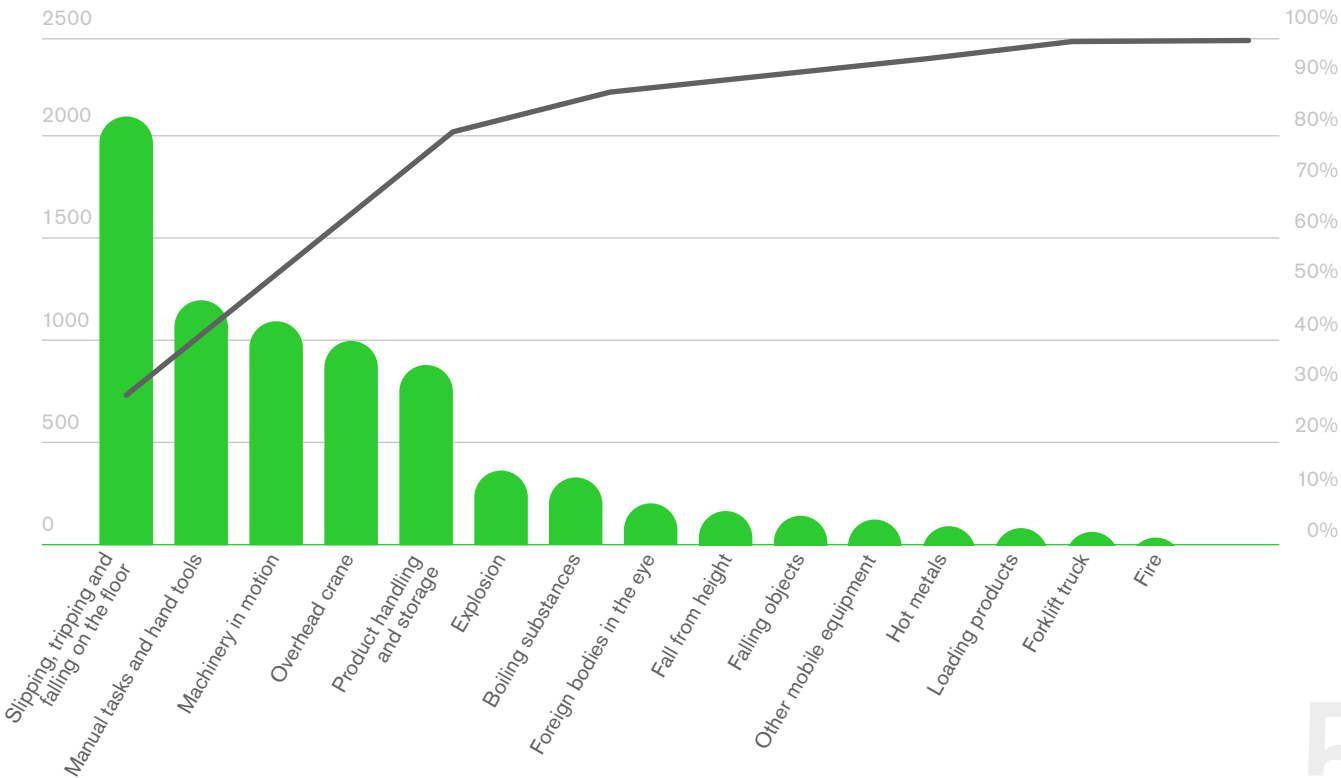
- immediate intervention by internal teams to manage the incident and implement immediate corrective actions;
- notification to the Employer and the plant's HSE department;
- investigation of the incident by the plant's HSE department, including an on-site inspection and interviews with relevant staff;
- completion of the investigation form, designed to collect all relevant information in a systematic manner; mandatory application of investigation methods such as the "5 Whys" and "Root Cause Analysis";
- upon return from injury, interview the worker with any necessary amendments or additions to the investigation form;
- sharing the survey form with the Group HSE Manager, for further analysis and possible extension of preventive/corrective actions to other Group entities;
- review of all accidents and major near misses during the monthly HSE meetings held on a rotating basis across all production sites of the Acciaierie Venete Group.

The analysis of causes set out below is carried out within the scope of Acciaierie Venete. Accident statistics are also compiled monthly, taking into account the age of the injured person, the department concerned, the location of the injury and the type of injury.

Analysis of causes and severity of accidents 2025



Analysis of causes and severity of accidents 2021–2024



The root causes have varied considerably over the years; today, they are largely linked to slipping, tripping and falling on level ground rather than to structural, organisational and/or plant-related deficiencies. The “Safety in Action” project described below also aims to reduce incidents linked solely to worker behaviour, such as distractions, or to the tidiness and cleanliness of the workplace. Specifically, the following objective observations can be made:

- During 2025, the proportion of accidents resulting from slipping, tripping and falling on level ground reached almost half of the total, compared with around 30% in previous years;
- During 2025, accidents related to fire, explosion and involving forklift trucks were avoided, all of which are situations with a high potential for SIF (Serious Injuries and Fatalities).

Safety in Action Project

Project Objectives

The main objective of the multi-year “Safety in Action” project is to initiate and continuously improve a cultural shift that will take Acciaierie Venete to a more advanced level of maturity in the field of safety. This means developing an environment in which safety is perceived as a shared value, integrated into daily activities and actively promoted by all levels of the company. The aim is for all workers, regardless of their role, to feel responsible for their own and others' safety, actively intervening to prevent risks and improve working conditions.

Actions implemented

A key aspect of the project is the increasing involvement of workers in improving safety, in terms of risk perception and concrete actions. Workers not only apply the established procedures, but actively participate in their optimisation, reporting critical issues, proposing ideas and contributing to the implementation of practical solutions. This direct participation creates an increasing sense of shared responsibility and strengthens a corporate culture in which safety is perceived as a concrete value and not just a regulatory obligation.

Ensuring systematic approaches to day-to-day management in the field of health and safety represents a functional path to collective growth, drawing on the unique characteristics of the individuals within the Group and the many strengths and weaknesses identified and shared in a structured manner.

Several concrete actions have already been implemented as part of the project; we list some of the most significant below, which are also shown in the adjacent infographic.

Operational rituals in the field

A structured mode of observation in the field was introduced: each organisational level participates in safety discussions directly in operational areas, observing ongoing activities and discussing best practices with workers. This approach encourages open dialogue and increased awareness of existing risks. To make this possible, a training and mentoring programme was launched involving 1,050 people from Acciaierie Venete.

KEY OBJECTIVES



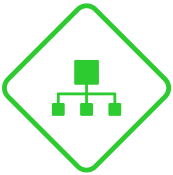
Golden Rules
and awareness campaigns



7 champions trained



Development and implementation of **Work Permits**



Drafting of 9 **procedures for all plants**

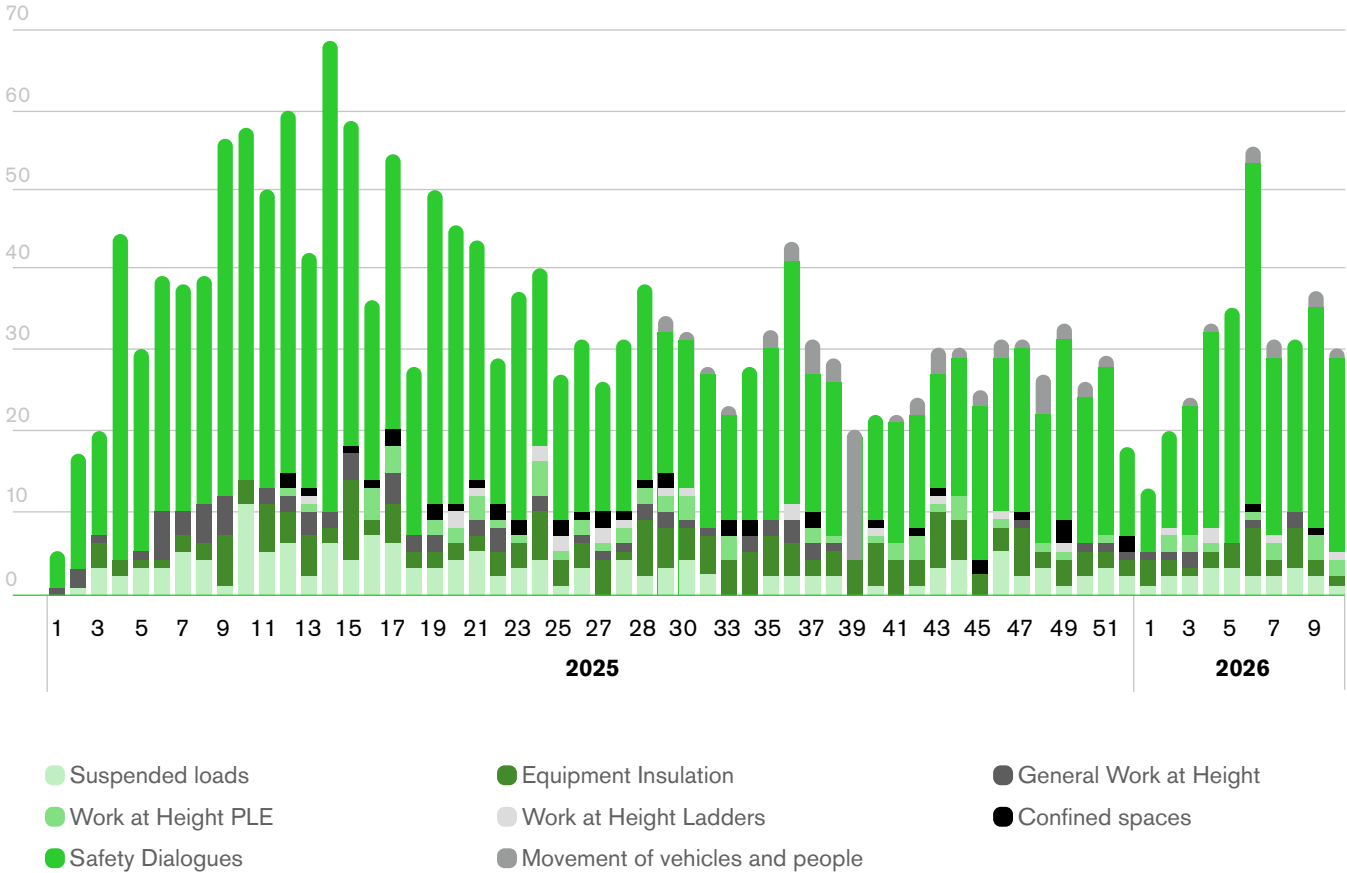


Implementation of new **Leading KPIs**



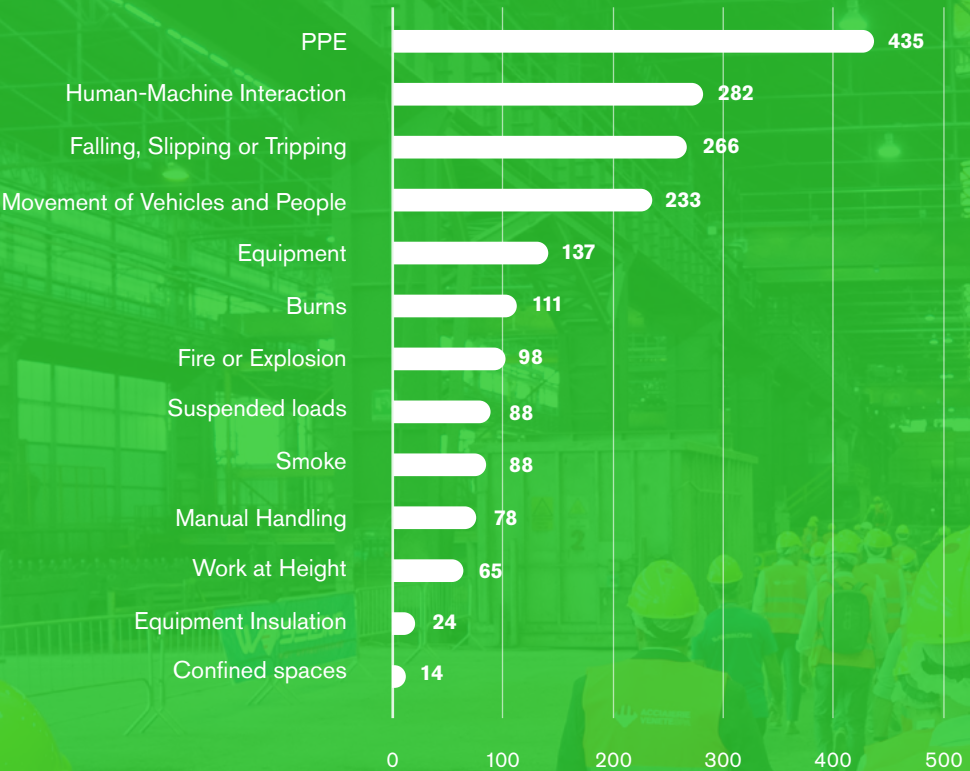
Risk reduction through physical improvements in the field

Number of routines per week
All plants (Department Managers & Supervisors)

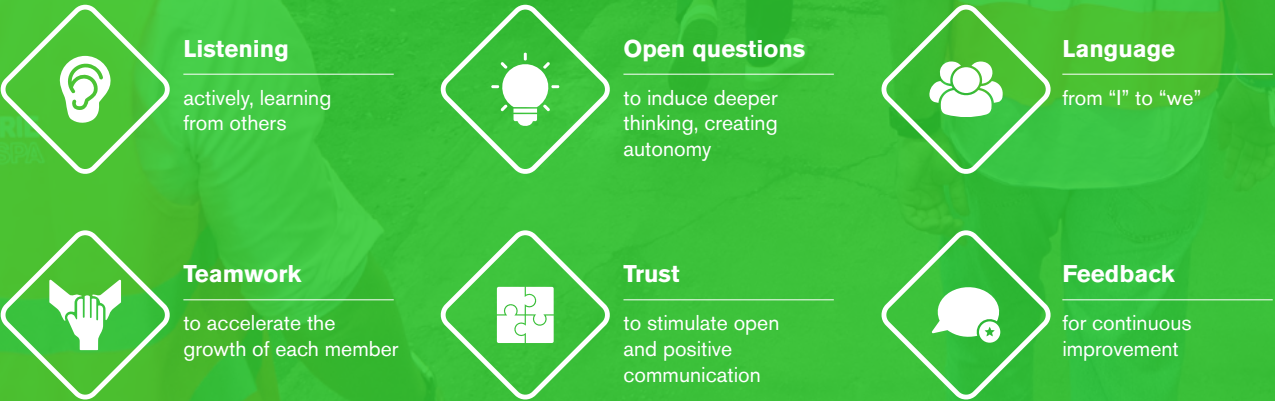


Greater influence on key risks

Risk situations identified and mitigated by AV staff across all plants (department heads, supervisors, shift managers and support staff)

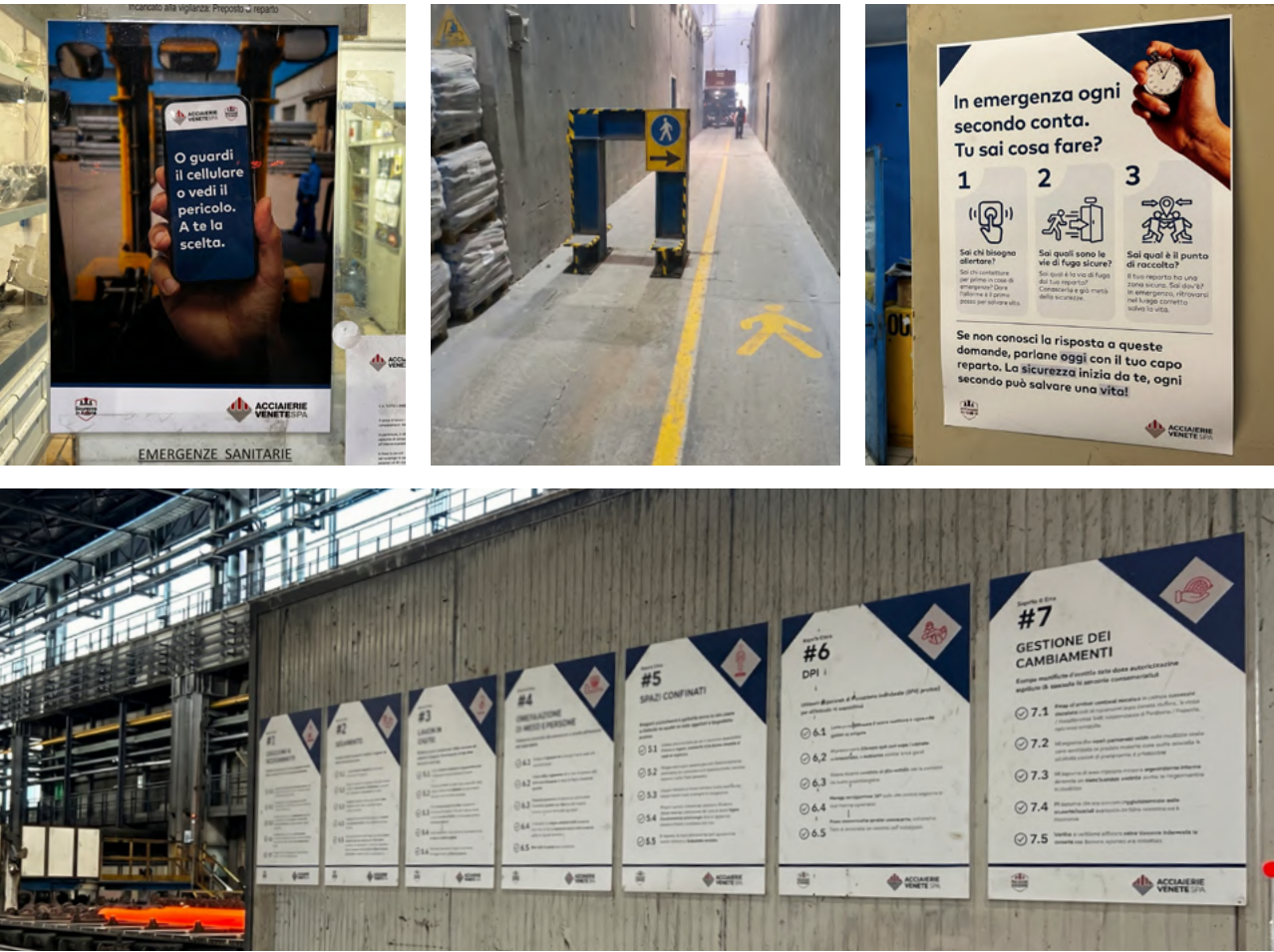


In order to transform the safety culture, a structured mode of on-the-job coaching is used, among other tools, based on the following key elements.



Communication tools

Aware of the strategic importance of effective communication, we have developed and implemented various forms of awareness-raising and information sharing. Not only have we made the best use of existing tools, but we have also combined infographics, leaflets, promotional items, monthly newsletters and other forms of communication that have proven effective, encouraging employees to participate in the company's prevention system.



One of the most relevant aspects of the project to drive cultural transformation concerns the implementation of a specific structured programme for the concrete and active involvement of company management. The aim is in fact to ensure that both operational and management areas are linked by a single mindset based on risk management, embedded in, represented and expressed by each corporate function.

Standardisation of procedures

To promote a shared safety culture and strengthen cohesion between the various plants, dedicated workshops were held, involving selected teams from all plants. These meetings had a twofold objective: on the one hand, to make uniform and standardise basic operating procedures, ensuring greater consistency, efficiency and safety in daily activities; on the other hand, to create opportunities for comparison and collaboration between colleagues from different plants, encouraging the sharing of experiences and strengthening team spirit. Open dialogue and joint work have made it possible to enhance the skills of each individual, stimulating a stronger sense of belonging and helping to make safety an increasingly shared value at all levels of the company.

Next steps

In the previous financial statement, the company intended to consolidate and expand the project, with the aim of rolling it out to all plants by 2025. Planned actions include:

- expansion of training and mentoring to more workers;
- enhanced operational rituals in the field to ensure continuous communication and improved safety conditions;
- strengthening of involvement practices to make workers increasingly involved in decisions that affect their safety.

All actions were implemented during the year, with the extension also being rolled out to subsidiaries.

The ultimate goal remains to build an environment where safety is a key element of the corporate culture, with concrete benefits for all employees and for the overall sustainability of the company.

Project for EMAS certification

The Acciaierie Venete plants in Padua at Riviera Francia, Via Olanda and Via Pellico, as well as the plants in Buja, Dolcè, Mura and Odolo, have obtained EMAS certification.

The registrations were issued by the Ecolabel Ecoaudit Committee - EMAS Section (ISPRA) following the technical opinions of the local ARPA and the certifier RINA, and maintained certification during 2024.

It should be noted that, as of 2025, the Borgo Valsugana plant has obtained EMAS registration, whilst the Sarezzo plant has initiated the process, with the aim of completing the certification process during the current year.

Acciaierie Venete undertook this initiative at the end of 2020, involving all managers in the various production, administrative and management processes.

The in-depth analyses performed ensured the identification and verification of numerous company performance indicators related to the environmental aspects characteristic of the steel production cycle, ranging from the preparation of raw material (scrap) to cold processing, from steel mills to out-of-furnace treatments, continuous casting and rolling mills.

A detailed presentation was sent again to all workers explaining the purpose and methods of the certification, as well as an exhaustive summary of the performance indicators taken as a reference for EMAS.



13.3. The energy we consume

The consumption of energy is a relevant environmental indicator, especially for energy-intensive sectors like the steel industry. Electricity is the main energy source in the steelworks, used to ensure the proper functioning of electric furnaces, equipment and production auxiliaries. This is followed by natural gas, used as fuel in reheating furnaces, heat treatments and within the steelworks. Diesel consumption, on the other hand, is residual, mainly related to the handling of construction equipment.

As far as the consumption of natural Gas and Electricity is concerned, Acciaierie Venete SpA covers 99% of the Group's entire requirements. The analysis will therefore focus on the Holding Company.

The energy consumption of the Acciaierie Venete Group is shown in the chart below, in Gigajoules (GJ).

Note that for the time frame under analysis energy consumption was directly proportional to production volumes.

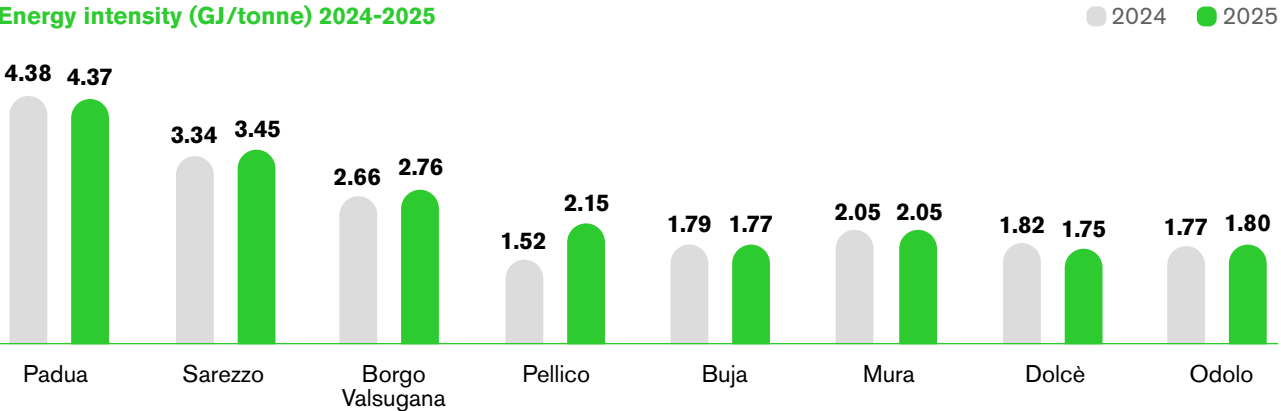
The indicator of energy intensity per tonne produced should be read for comparison with intra-plant years. In fact, there is a substantial difference between the plants in terms of type of production and equipment, which does not allow for a direct comparison. Looking at the data for the year 2025, there is a general confirmation of the value from the previous year, with slight changes both positive and negative. These deviations are due to numerous factors: management of critical periods for energy prices, type of scrap, plant configurations and energy efficiency measures.

Non-renewable energy sources

	u.m.	2025	2024
Natural gas	GJ	2,915,958	2,647,062
Diesel	GJ	103,023	102,880
Petrol	GJ	14	27
Electricity (from district heating)	GJ	248	197
Electricity	GJ	3,831,455	3,539,293

Renewable energy sources

	u.m.	2025	2024
Electricity from renewable sources produced and consumed	GJ	2,258,837	1,174,867
of which share covered by GO	GJ	688	569



Given the impact of energy costs on the product, Acciaierie Venete has a dedicated Energy Management department, whose tasks include identifying opportunities for energy savings and managing the energy management system: all Acciaierie Venete sites are in fact certified to the ISO 50001 standard.

During 2025, energy efficiency measures planned in previous years were completed, such as the replacement of ladle heating stations at the steelworks in Padua and Sarezzo, and the improvement of automation for the combustion process in the Odolo reheating furnace. As regards the reduction in electricity consumption, work was carried out on the compressed air systems. The total estimated annual savings amount to 32 toe/year of electricity and 198 toe/year of gas, which are added to the interventions already in progress. These include the intervention on the rolling mill in Padua, incentivised through the White Certificates mechanism (5,765 White Certificates obtained for 2025). Overall, the corresponding estimate for the reduction of climate-changing gas emissions corresponds to 474 tonCO₂/year in scope 1 and 48 tonCO₂/year in scope 2.

Raw materials

Unrecycled	u.m.	2025	2024
Coke	t	12,525	14,518
Recycled	u.m.	2025	2024
Scrap	t	1,560,895	1,468,993

Materials associated with processes

Unrecycled	u.m.	2025	2024
Argon	m ³	1,700,248	1,478,054
Nitrogen	m ³	1,798,365	1,775,651
Oxygen	m ³	53,205,035	49,968,501
Oils	Kg	337,622	310,306

Semi-finished products

Unrecycled	u.m.	2025	2024
Ferroalloys	t	41,626	37,384
Lime	t	55,910	52,260

7. The figures shown in the table relate to the Acciaierie Venete Group, except for the figures for Nitrogen and Oxygen, although the Parent Company accounts for the majority of the total. The materials in the table are of non-renewable origin.

In addition, the Company has embarked on a path aimed at strengthening the energy monitoring system of the plants, in order to constitute an effective and widespread tool aimed at reporting on the efficiency interventions carried out and analysing possible improvement scenarios.

Renewable sources

During 2024, Acciaierie Venete signed agreements for the installation of four on-site photovoltaic systems at its own plants and those of its subsidiaries, with the aim of reducing electricity taken from the grid, and consequently indirect costs and emissions. For these, the electricity generated in 2025 amounts to 3.7 GWh/year.

Materials associated with production processes⁷

Scrap and coke are the raw materials used in steel production. Over the last two years, there has been a decrease in the tonnes of material purchased, which is directly related to the trend in production performance without showing any significant departure.

Sustainability in the production cycle

The production cycle is closely linked to sustainability, which is why every year the company implements process solutions that allow it to respect the environment, the air and the biodiversity of the land.

The most important initiatives are closely related to production processes and aim to improve Acciaierie Venete's operational eco-efficiency. The projects are grouped into sustainability macro-objectives:

Recovery of ladle drips	Contributes significantly to the process of optimising resources in the production cycle. In particular, it allows the recovery of production residues, metal and their heat, the latter being used to help superheat the scrap in the furnace, thus improving the efficiency of the melting process. This approach not only reduces waste, but also enables a more sustainable use of resources, optimising both energy and materials used. It leads to a reduction in the consumption of raw materials such as lime, in the recovery of ladle drips about 50% of the white slag is CaO still reactive, and finally it reduces waste production
Magnesia-based refractories recovery from demolition of ladle, tundish and electric furnace	Spent refractories from demolition are screened and then re-introduced into the production cycle, or recycled externally, this process reduces raw material consumption and waste production
Recovery of ladle and tundish plungers in aluminous material	At the end of use they are collected and recycled externally
Use of alternative foaming additives to carbons	Use of recycled materials as an alternative slag foaming additive to coal to reduce CO ₂ emissions
New energy recovery units for ladle heating	The installation allows for the reduction of natural gas consumption and will allow a higher level of homogeneity in the reheating of refractories and a lower thermal drop at tapping
Ladle mapping system with thermal monitoring and reheating cycle	Industry 4.0 project to increase production process efficiency
Black slag recovery	Thanks to a feasibility study, it has been shown how this material can validly replace the more valuable natural aggregates normally used in infrastructure. A specific industrial recovery process, calibrated to the volumes of waste produced by steel mills, has been developed. Black slag, suitably treated, is transformed into a high-performance aggregate, currently used in road paving
White slag recovery	The white slag from the steel refining process is reintroduced into the production process and exploited in the same way as a natural material, helping to increase the development of the circular economy. To date, Acciaierie Venete is supporting research and experimentation projects for the recovery of white slag through international collaborations with leading research institutes



13.4. Waste management

The minimisation of waste – especially waste sent for disposal – clearly shows the correct and effective management of incoming resources. Although Acciaierie Venete's production process is virtuous in the way it reuses incoming secondary raw materials, the activities carried out at the plants generate waste as an output, like heavy waste from scrap sorting operations, black and white slag, flue gas abatement dust and rolling flakes. On the other hand, many paths for the recovery of residues from steel production processes are now established practices among operators in the sector, which have also been carried out for years by Acciaierie Venete in compliance with current environmental regulations, having the advantage of minimising the consumption of raw materials and allowing the recovery of materials that would otherwise become waste.

During 2025, the total volume of waste increased compared with the previous year.

	u.m.	2025		2024	
		Hazardous	Non Hazardous	Hazardous	Non Hazardous
Recovery	tonne	25,565.6	360,934.1	25,316.7	350,942.2
Disposal	tonne	6,078.2	23,966.2	6,398.2	25,218.5
Storage	tonne	0	0	0.4	1,188.3
Total	tonne	31,643.8	384,900.3	31,715.3	377,349.0

13.5. Water management

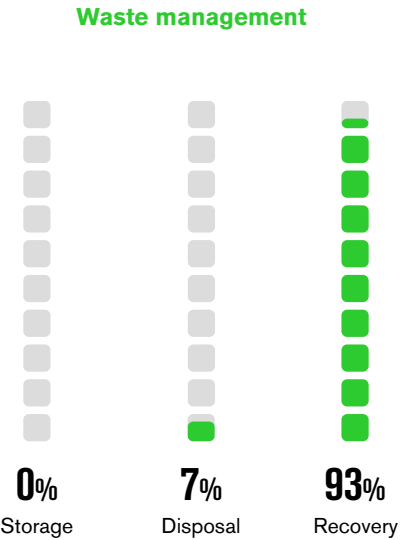
The focus on sustainable use of water is a primary objective for companies operating in the steel sector. The proper management of water is an essential practice to mitigate the environmental impact of industries on the planet. Water is a fundamental resource for the steel production process, in particular for the cooling of the plants. The continuous use of cooling systems, which push water recirculation up to 98%, has led to a constant improvement in performance. Acciaierie Venete SpA accounts for more than 95% of the main indicators in the Group's water balance, both for water withdrawn and water discharged. In the subsidiaries, water is hardly ever used for industrial purposes (except for some cutting operations), but mainly for civil use. In this regard, strategies to reduce consumption are focused on the holding company. 2025 saw a further reduction in water consumption, due to

improved water resource management resulting from prudent investment in plant and staff.

Breakdown of water consumption by supply source

The Acciaierie Venete Group manages water resources in an integrated and responsible manner, adopting a diversified supply method that includes various sources, as well as careful control of discharges in compliance with current environmental regulations.

The Group's plants, such as those in Sarezzo, Borgo Valsugana, Mura and Odolo, source their water mainly from surface water bodies such as rivers and streams, which are used to meet industrial water needs, particularly for cooling processes.



In addition, almost all plants are also supplied through artesian wells, drawing water from groundwater.

For civil needs, such as use in company premises and toilets, all plants resort to drawing water from consortium aqueducts. Although this type of supply represents a smaller percentage than natural sources, it still ensures a continuous and secure supply for non-industrial needs.

The subsidiaries of the Acciaierie Venete Group source their water exclusively from consortium aqueducts, using water mainly for civil purposes.

With regard to the management of discharges, almost all plants release water into surface water bodies, after having subjected it to strict control and treatment. Wastewater

treatment operations are carried out in accordance with current environmental permits, in order to comply with environmental quality standards and minimise the impact on the aquatic ecosystem. One aspect common to all plants is the management of discharges to sewers, which mainly concern civil waste water.

This integrated management of water resources and discharges allows the Acciaierie Venete Group to optimise the use of water, reduce environmental impact and comply with water protection regulations, contributing significantly to the sustainability of its industrial activities.

Water withdrawal⁸

Source	u.m.	2025	2024
Surface water (e.g. lakes, rivers, seas)	1000l	522,929	387,620
Aquifers	1000l	790,552	1,092,534
Third-party water resources	1000l	97,391	66,872
Total water withdrawn	1000l	1,410,872	1,547,026

Water discharge

Source	u.m.	2025	2024
Surface water (e.g. lakes, rivers, seas)	1000l	935,194	1,166,832
Third-party water resources	1000l	101,508	72,270
Authorised ground discharge	1000l	52,652	74,318
Total water discharged	1000l	1,089,354	1,313,420

Water consumption

	u.m.	2025	2024
Total water consumed	1000l	321,518	233,606

8. With regard to water withdrawal in areas subject to water stress, the Acciaierie Venete Group uses the Aqueduct Tool, software developed by the World Resources Institute (WRI), to map areas that may be at risk. The WRI tool can be accessed via the following link: <https://www.wri.org/our-work/project/aqueduct>. According to the "Baseline – Water stress," no sites were found to be in areas of extreme water stress. The sites located in the Brescia area are characterised by a medium-high level of water stress; those situated in the Veneto region, excluding Dolcè which is in an area with low-medium risk, Trentino-Alto Adige and Friuli Venezia Giulia are characterised by a medium-high level; and finally, for the plant located in the Emilia-Romagna region, the risk is low-medium. The site located in the province of Lecco is in a low-risk area.



Emissions from our production processes

In the steel production process, it is essential to use high energy consumption which inevitably leads to the emission of certain quantities of greenhouse gases into the atmosphere. We can divide this type of emissions into direct (combustion process emissions at different stages of the production cycle) and indirect (those used for electricity consumption). For the steel industry using electric arc furnace technology, most emissions are mainly indirect and derive from the production of electricity in order to melt the steel scrap inside the electric

furnaces of its plants. By contrast, the emission of greenhouse gases from steel production and transformation (e.g. rolling process) are mainly due to the combustion of natural gas in heating furnaces or for heat treatments.

The changes in the results, in some cases significant, are mainly attributable to the methodology of collecting the data of the concentrations at the emission points, in most cases annually or half-yearly. The measured values, all complying with existing authorisations, are multiplied with the stable operating hours.

Type of pollutant	u.m.	2025	2024
NOx	Kg	881,831	1,046,997
SOx	Kg	1,118,435	871,703
Dust	Kg	8,362	14,258
CO	Kg	495,783	753,366

13.6. Greenhouse gas emissions

The recently updated emissions reduction strategy is based on three pillars: awareness of one's own emissions impact, the decarbonisation plan and the monitoring of actions taken.

To enhance the organisation's impact monitoring, since 2022 Acciaierie Venete has flanked the "historical" accounting linked to the Emission Trading System (ETS) directive, and the reporting linked to the integrated environmental system, with the organisation's Carbon Footprint according to the ISO 14064-1 scheme. This certification made it possible to deepen the accounting of indirect emissions (Scope 3) and to build the basis for defining specific KPIs linked to product macro-categories with a cradle-to-gate approach. The monitoring activity also implemented the impact analysis of specific products with the first product carbon footprint being obtained in 2023 and subsequent certification according to ISO 14067 - Systematic Approach scheme, during 2024. To date, Acciaierie Venete is therefore able to produce specific Carbon Footprints on products required by the market.

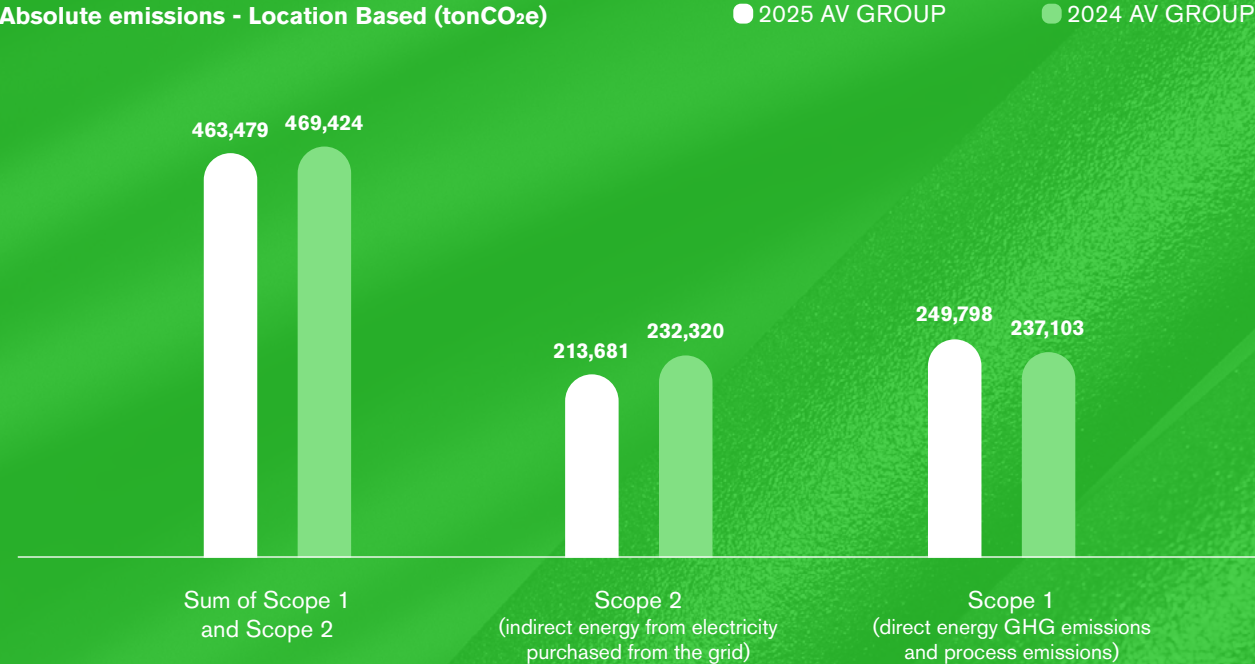
The GHG accounting proposed within the financial statements, according to GRI guidelines, includes a quantification of Scope 1 through emissions from stationary and process combustion (certified within the ETS, with the exception of the Pellico and Buja plants), emissions from mobile combustion and fugitive emissions. Indirect emissions linked to the

purchase of energy carriers (Scope 2) are calculated using two approaches:

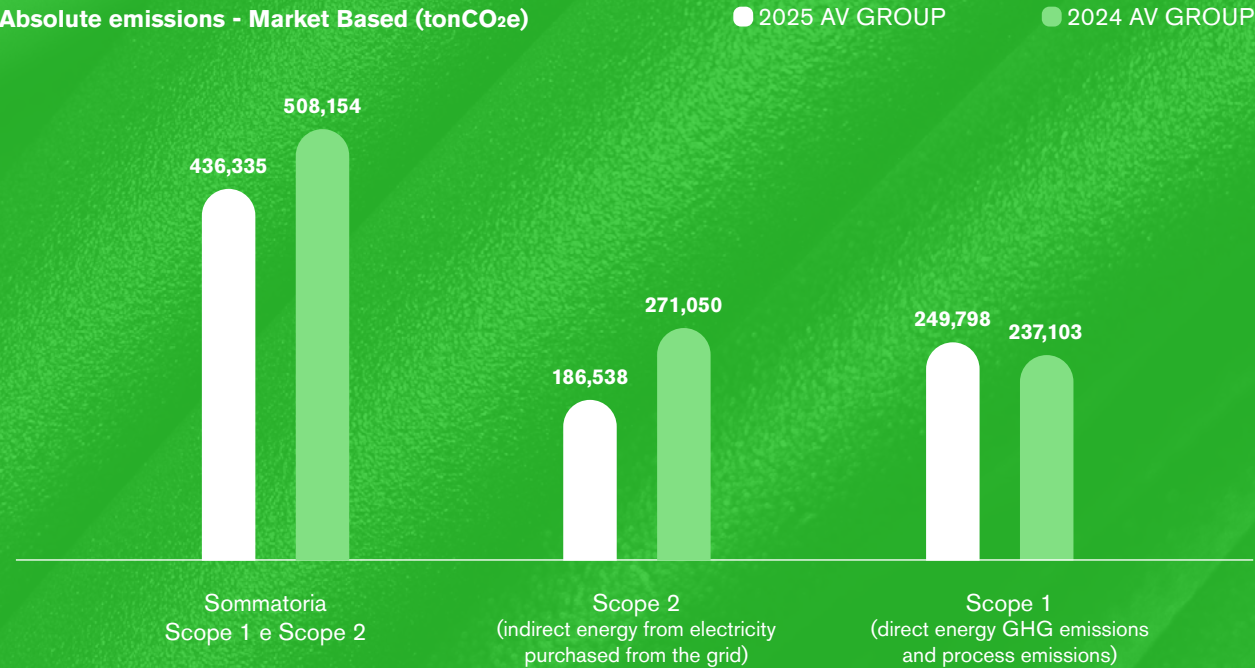
- Market-based, which considers the electricity supply taking into account the amount of renewable energy purchased and certified through Guarantees of Origin, while the remaining energy supply is valued at the residual mix, i.e. the emission factor of the Italian thermoelectric park;
- Location-based, which considers the average emission factor associated with the national energy mix, thus including renewables.

The graph below shows the Acciaierie Venete Group's total emissions for 2025, calculated according to the Location-based approach. Emissions are presented both as the sum of Scope 1 and 2 emissions and broken down by scope, with a comparison to the previous year's values. The sum of Scope 1 and 2 emissions for 2025 amounts to 463,479 tonnes CO₂eq,

13. MANAGEMENT OF ENVIRONMENTAL IMPACTS



Considering the Market-based approach, emissions in 2025 amount to 436,335 tonnes CO₂eq. The difference between the two reporting methods is attributable to the different valuation of the share of electricity from renewable sources.

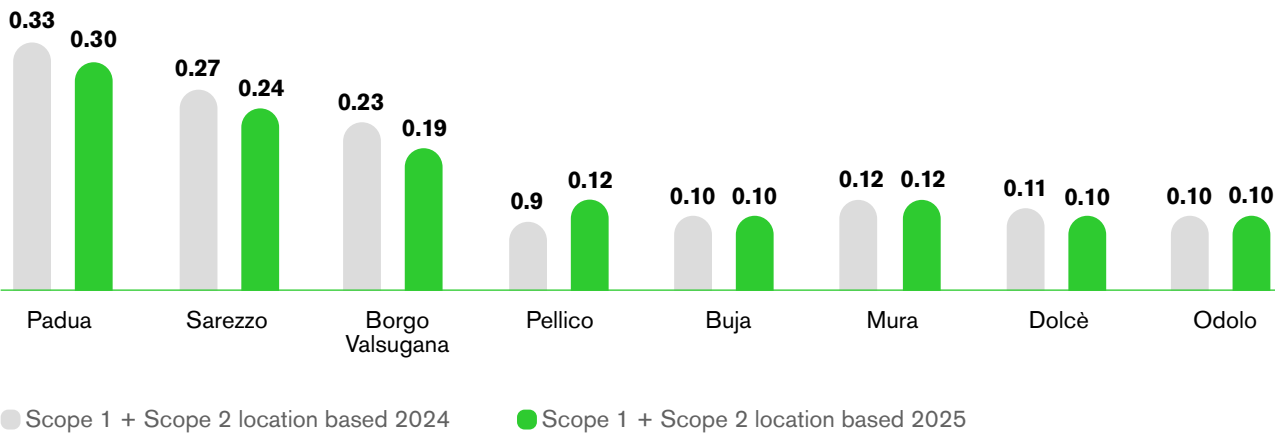


The following graphs show the emission intensity for each plant, calculated by relating Scope 1 and 2 emissions to the quantity of tonnes of product produced, considering both the Location-based and Market-based approaches. For a correct reading of the intensity indicators, it is important to consider that the activities undertaken vary between plants, depending on the specific production and plant. For this reason, the comparison of values must be made between years within the

same plant, avoiding a direct comparison between different sites, given their heterogeneity in terms of production and plant configuration.

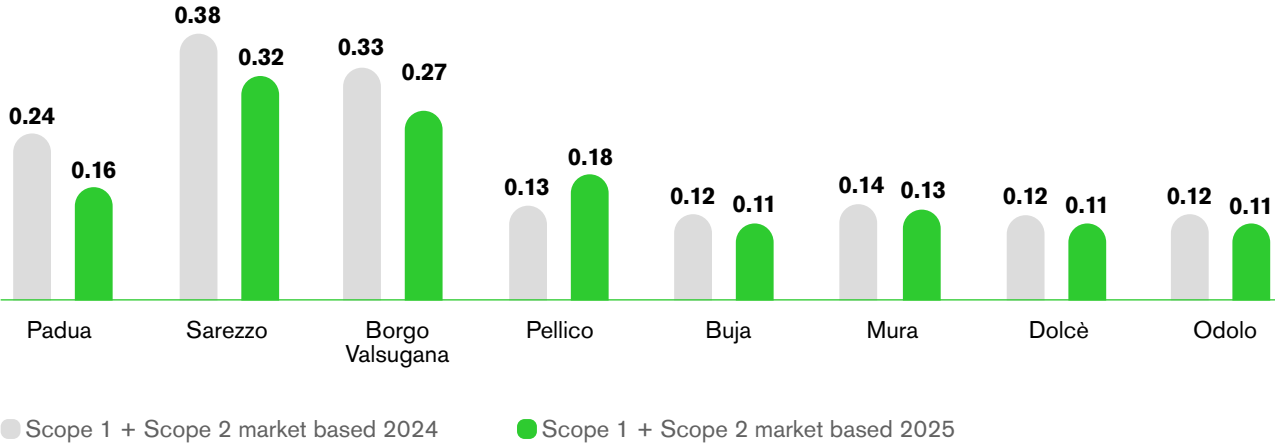
The Location-Based emission intensity charts show a slight reduction, attributable to the progressive decarbonisation of the national electricity grid's energy mix and energy efficiency measures.

Emission intensity of Acciaierie Venete - Location Based (tonCO₂e/ton)



Using the Market-Based approach, the reduction is more pronounced, thanks to the increase in the share of renewable energy consumed.

Emission intensity of Acciaierie Venete - Market Based (tonCO₂e/ton)



The principles for defining the content and quality of the report

The Sustainability Report of the Acciaierie Venete Group aims to report on issues relevant to the Group and its main stakeholders. It is prepared in accordance with the GRI Sustainability Reporting Standards, the most recent and widely used non-financial reporting standards defined in 2016 and partly revised in 2021 by the Global Reporting Initiative (GRI), according to the “with reference to” option.

This document has been prepared in accordance with the principles for defining the contents of the Report suggested by the GRI:

- **Completeness:** the material topics addressed in the Report are covered in their entirety and represent the most relevant environmental, social and economic aspects for Acciaierie Venete's business, thus allowing a complete assessment of the Company's performance in the reporting year.
- **Sustainability context:** the Acciaierie Venete Group's performance presented in this document is part of the broader sustainability context of the Company's business. To ensure the quality of the information included, Report quality principles have been followed in the preparation of the Report as suggested by the GRI.
- **Accuracy:** the level of detail of the contents reported in this Sustainability Report is adequate for understanding and assessing the Acciaierie Venete Group's sustainability performance during the reporting period.
- **Clarity:** the choice of clear and accessible language and the use of graphs and tables to represent the Company's performance make this Report usable and easy to understand for stakeholders.
- **Comparability:** the indicators presented in the Report are reported for the two-year period 2024-2025, where available, and accompanied by a comment on their performance so that the information can be checked and compared by the external auditors.
- **Verifiability:** The information is presented in a clear, accessible manner and is verified by an external auditing firm.
- **Balance:** the contents of this document give a balanced account of Acciaierie Venete's performance during the reporting period.
- **Timeliness.**

This document is the seventh edition of Acciaierie Venete Group's Sustainability Report and contains a description of the initiatives and activities for 2025.

The collection of performance indicators and the frequency of reporting are annual.

The reporting boundary includes the Acciaierie Venete Group. The reporting year to which the information and data included in this section refer is 2025 and runs from 01/01/2025 to 31/12/2025.

The description and scope of the impact of each issue in the Acciaierie Venete Group's value creation chain is given for each issue.

Padua, 22 May 2026
The Administrative Body
Alessandro Banzato,
Chair



Methodological Note

Below are methods used for some of the main indicators reported in this Sustainability Report.

Employees

The calculation of personnel takes into account the number of employees as at 31 December of the relevant year for all companies of the Acciaierie Venete Group.

For companies acquired during the course of the reporting year, the pro rata figures for the period following the acquisition were taken into account for GRI 401-1.

Turnover rate

The turnover rate (incoming, outgoing and total) is calculated as the number of hirings during the year compared to the number of people in Group companies on 31 December of the previous year.

For companies acquired during the reference year, the pro rata figures for the period following the acquisition were taken into account.

Accident indices

The accident indices have been calculated as follows:

- Fatality index: number of fatal accidents/hours worked* 1,000,000
- Serious accident rate: number of accidents resulting in time off work
- Greater than 6 months (excluding fatal accidents) / hours worked* 1,000,000
- Recorded accident index: number of accidents during the year / hours worked x 1,000,000
- Severity index: number of days lost / hours worked* 1,000

For companies acquired during the reference year, the pro rata figures for the period following the acquisition were taken into account.

Energy consumption

The conversion factors used to equalise energy consumption are summarised in the table below.

For companies acquired during the reference year, the pro rata figures for the period following the acquisition were taken into account.

Greenhouse gas emissions

For companies acquired during the reporting year, annual figures were used for GRI 305.

Greenhouse gas emissions have been calculated according to the principles set out in the international standard ISO 14064-1. In particular, it should be noted that the only greenhouse gas considered was carbon dioxide (CO₂). The emission factors used for the calculation of CO₂ emissions were determined as follows:

- Direct emissions (Scope 1): Scope 1 emissions from facilities covered by the ETS were added to emissions related to the consumption of natural gas and diesel, using the emission factors listed in the Table of National Standard Parameters, published by the Italian Ministry of the Environment. The CO₂eq emissions linked to the quantities of refrigerant gases lost during the year are also added to these (source: Defra, 2025).
- Indirect emissions (Scope 2): indirect emissions from electricity consumption were calculated according to both the location-based and market-based approaches. The calculation used the emission factors published by ISPRA in the document “Emission factors for electricity production and consumption in Italy – 2024”.

The following conversion and emission factors were used for the calculations:

Conversion/emission factor	Source
Electricity conversion factor to toe: 0.187 toe/MWh	MiSE Circular of 18 December 2014
Natural gas to toe conversion factor: 0.836 toe/1,000 Sm ³	MiSE Circular of 18 December 2014
Electricity Emission Factor (Location-based approach)	“Emission Factors for Electricity Production and Consumption in Italy,” ISPRA, 2024*
Electricity Emission Factor (Market-based approach)	“Emission Factors for Electricity Production and Consumption in Italy,” ISPRA, 2024*
Emission factor of natural gas	“Table of National Standard Parameters,” ISPRA UNFCCC national report, 2025



GRI content index

The Acciaierie Venete Group has reported the information mentioned in this GRI content index for the period 01 January 2025 – 31 December 2025 with reference to GRI Standards.

GRI 1 used: GRI 1 - Fundamental Principles-Version 2021.

GRI Standard	Information	Indicator description	Page
GRI2	2-1	Organisational details	30
	2-2	Entities included in the organisation's sustainability reporting	31-32
	2-3	Reporting period	63
	2-4	Review of information	-
	5-5	External assurance	-
	2-6	Activities, value chain and other business relationships	31
	2-7	Employees	47-48-49
	2-8	Workers who are not employees	47
	2-9	Governance structure and composition	32
	2-13	Delegation and responsibility for managing impacts	32-33
	2-14	Role of the highest governance body in sustainability reporting	32-33-34
	2-17	Collective knowledge of the highest governance body	32-33-34
	2-22	Statement on sustainable development strategy	36-37/40
	2-23	Policy commitments	28
	2-27	Compliance with laws and regulations	There were no instances of non-compliance with laws and regulations during 2025.
	2-28	Membership in associations	43-44-45/50
	2-29	Approach to stakeholder engagement	43-44-45
	2-30	Collective agreements	47
GRI 3	3-1	Process to determine material topics	40
	3-2	List of material topics	41
	3-3	Management of material topics	----
GRI 201	201-1	Economic value directly generated and distributed	34

GRI Standard	Information	Indicator description	Page
GRI 203	203-1	Infrastructure investments and services supported	35
GRI 204	204-1	Proportion of spending made to local suppliers	43
GRI 205	205-1	Operations assessed to determine risks related to corruption	33-34
	205-2	Communication and training on anti-corruption regulations and procedures	33-34
	205-3	Confirmed incidents of corruption and measures taken	During 2025, there were no proven cases of corruption.
GRI 206	206-1	Legal actions for anti-competitive behaviour, anti-trust activities, and monopoly practices	33
GRI 301	301-1	Materials used by weight and volume	58
	301-2	Materials used that originate from recycling	58
GRI 302	302-1	Energy consumption within the organisation	57
	302-3	Energy intensity	57-58
GRI 303	303-1	Interactions with water	59
	303-3	Withdrawal	59
	303-4	Discharge	59
	303-5	Consumption	60
	305-1	Direct emissions Scope 1	60
GRI 305	305-2	Indirect emissions Scope 2	60
	305-4	GHG emission intensity	61
	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	60
	306-3	Waste generated	59
GRI 306	306-4	Waste not landfilled	59
	306-5	Waste delivered to landfill	59
GRI 401	401-1	New employee hires and employee turnover	47
GRI 403	403-9	Work-related injuries	52-53-54-55-56-57
GRI 404	404-1	Average hours of training per year per employee	49
GRI 404	404-3	Percentage of employees receiving regular performance and personal development reviews	49



FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025

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Balance Sheet

(in euros)

	Financial year ended	
	31/12/2025	31/12/2024
B) FIXED ASSETS	408,784,128	374,803,730
I - Intangible fixed assets	1,908,258	1,897,047
3) industrial patents and use of intellectual property rights	1,501,866	1,508,404
4) concessions, licences, trademarks and similar rights	52,866	90,626
6) intangible fixed assets in progress and advances	178,785	155,592
7) other	174,741	142,425
II - Tangible fixed assets	271,714,032	273,927,359
1) land and buildings	97,712,713	88,012,294
2) plant and equipment	136,729,827	126,618,700
3) industrial and commercial equipment	2,031,373	2,005,818
4) other assets	3,111,411	2,774,378
5) intangible fixed assets in progress and advances	32,128,708	54,516,169
III - Financial fixed assets	135,161,838	98,979,324
1) equity investments in	111,171,361	64,394,445
a) subsidiaries	103,187,268	56,410,352
d-bis) other companies	7,984,093	7,984,093
2) receivables	17,421,176	28,228,370
a) from subsidiaries	1,305,000	6,250,000
due within the following year	362,500	5,125,000
due beyond the following year	942,500	1,125,000
d-bis) from others	16,116,176	21,978,370
due within the following year	-	9,052,000
due beyond the following year	16,116,176	12,926,370
3) other securities	6,569,301	6,356,509

	Financial year ended	
	31/12/2025	31/12/2024
C) CURRENT ASSETS	965,127,175	982,525,632
I - Inventories	299,802,504	279,056,214
1) raw, ancillary and consumable materials	51,555,761	54,396,081
4) finished goods and merchandise	248,246,743	224,660,133
II - Receivables	425,138,586	364,874,958
1) from customers	263,413,858	248,135,257
due within the following year	263,413,858	248,135,257
2) from subsidiaries	58,653,531	38,936,394
due within the following year	58,653,531	38,936,394
4) from parent companies	14,626,323	16,380,567
due within the following year	14,626,323	16,380,567
5-bis) Tax credits	4,967,521	14,342,695
due within the following year	3,573,353	12,823,995
due beyond the following year	1,394,168	1,518,700
5-ter) Prepaid taxes	3,702,898	2,481,471
5-quater) from others	79,774,455	44,598,574
due within the following year	79,774,455	44,598,574
III - Financial assets not constituting fixed assets	178,465,542	165,268,145
5) financial derivative assets	-	1,313,030
6) other securities	150,055,007	147,335,157
Financial assets for centralised treasury management	28,410,535	16,619,958
IV - Cash and cash equivalents	61,720,543	173,326,315
1) bank and postal deposits	61,715,023	173,319,371
3) cash and cash equivalents	5,520	6,944
D) ACCRUED INCOME AND PREPAID EXPENSES	2,931,541	4,542,253
TOTAL ASSETS	1,376,842,844	1,361,871,615



Liabilities

(in euros)

	Financial year ended	
	31/12/2025	31/12/2024
A) SHAREHOLDERS' EQUITY	991,659,001	1,001,367,548
I - Capital	126,000,000	126,000,000
III - Revaluation reserves	39,131,300	39,131,300
IV - Legal reserve	17,535,000	17,225,000
VI - Other reserves, separately indicated	13,665,894	13,336,255
Merger surplus reserve	13,336,256	13,336,256
Reserve for unrealised exchange gains	35,171	-
Miscellaneous other reserves	294,467	(1)
VII - Reserve for expected cash flow hedging transactions	-	946,695
VIII - Profits (losses) carried forward	787,393,661	798,530,581
IX - Profit (loss) for the year	7,933,146	6,197,717
B) PROVISIONS FOR RISKS AND CHARGES	7,790,512	3,755,053
1) for pensions and similar obligations	460,031	436,797
2) for taxes, including deferred taxes	2,104,229	2,460,756
3) derivative financial instruments liabilities	25,732	-
4) other	5,200,520	857,500
C) EMPLOYEE SEVERANCE INDEMNITY	3,655,755	4,003,271
D) PAYABLES	370,786,868	349,142,303
4) payables to banks	68,413,948	76,393,737
due within the following year	32,456,879	37,940,052
due beyond the following year	35,957,069	38,453,685
6) advances	331,243	877,466
due within the following year	331,243	877,466
7) payables to suppliers	176,420,201	155,422,772
due within the following year	176,420,201	155,422,772
9) payables to subsidiaries	91,943,433	86,234,037
due within the following year	91,943,433	86,234,037

	Financial year ended	
	31/12/2025	31/12/2024
11) payables to parent companies	-	450,800
due within the following year	-	450,800
12) tax liabilities	6,697,758	4,403,293
due within the following year	6,697,758	4,403,293
13) payables to social security and welfare institutions	9,202,421	8,234,433
due within the following year	9,202,421	8,234,433
14) other payables	17,777,864	17,125,765
due within the following year	17,277,864	17,125,765
due beyond the following year	500,000	-
E) ACCRUED EXPENSES AND DEFERRED INCOME	2,950,708	3,603,440
TOTAL LIABILITIES	1,376,842,844	1,361,871,615



Income Statement

(in euros)

	Financial year ended	
	31/12/2025	31/12/2024
A) VALUE OF PRODUCTION	1,203,707,423	1,157,586,344
1) revenues from sales and services	1,095,315,240	1,094,139,598
2) changes in inventories of work in progress, semi-finished and finished products	23,586,610	881,272
4) increases in fixed assets for internal work	50,638	20,402
5) other revenues and income	84,754,935	62,545,072
contributions for current expenses	38,415,975	11,724,148
other	46,338,960	50,820,924
B) COSTS OF PRODUCTION	1,203,634,049	1,180,450,195
6) raw, ancillary, consumable materials and goods	922,741,050	910,895,913
7) for services	99,116,456	95,382,391
8) for use of leased assets	7,232,209	6,733,544
9) for personnel	106,252,794	97,874,983
a) wages and salaries	75,920,963	69,929,494
b) social security expenses	24,645,509	22,601,449
c) severance indemnity	5,083,090	4,777,431
e) other costs	603,232	566,609
10) depreciation, amortisation and write-downs	54,608,326	53,042,615
a) amortisation of intangible fixed assets	759,986	775,547
b) depreciation of tangible fixed assets	53,848,340	52,267,068
11) changes in inventories of raw, ancillary and consumable materials and goods	2,840,320	7,651,402
12) provisions for risks and charges	340,600	214,705
14) other operating expenses	10,502,294	8,654,642
DIFFERENCE BETWEEN VALUE AND PRODUCTION COSTS (A - B)	73,374	(22,863,851)
C) FINANCIAL INCOME AND EXPENSES	8,686,205	21,561,015
15) income from equity investments	553,902	11,152,817
from subsidiaries	518,182	11,120,717
other	35,720	32,100

	Financial year ended	
	31/12/2025	31/12/2024
16) other financial income	10,909,976	13,553,424
b) from securities held as fixed assets other than equity investments	1,363,098	11,503
c) from securities held as current assets that are not equity investments	5,239,677	5,828,169
d) income other than the above	4,307,201	7,713,752
from subsidiaries	587,148	742,227
other	3,720,053	6,971,525
17) interest and other financial expenses	2,527,515	3,081,647
from subsidiaries	147,160	285,900
other	2,380,355	2,795,747
17-bis) foreign exchange gains and losses	(250,158)	(63,579)
D) VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES		
18) revaluations	484,546	2,005,044
c) of securities held as current assets that are not equity investments	484,546	1,710,578
d) of derivative financial instruments	-	294,466
19) write-downs	625,845	166,702
a) of equity investments	-	32,825
c) of securities held as current assets that are not equity investments	600,113	133,877
d) of derivative financial instruments	25,732	-
TOTAL VALUE ADJUSTMENTS TO FINANCIAL ASSETS AND LIABILITIES (18-19)	(141,299)	1,838,342
EARNINGS BEFORE TAXES - EBT (A-B+-C+-D)	8,618,280	535,506
20) current, deferred and prepaid income taxes for the year	685,134	(5,662,211)
current taxes	1,992,318	-
taxes relating to previous financial years	(95,566)	837,101
deferred and prepaid taxes	(1,211,618)	(789,493)
income (expenses) from joining the tax consolidation/tax transparency scheme	-	5,709,819
21) profit (loss) for the year	7,933,146	6,197,717



Cash flow statement, indirect method

(in euros)

	Financial year ended	
	31/12/2025	31/12/2024
A) CASH FLOWS FROM OPERATING ACTIVITIES	4,269,853	87,989,267
Profit (loss) for the year	7,933,146	6,197,717
Income Taxes	685,134	(5,662,211)
Interest payable/(receivable)	(6,827,101)	(9,539,740)
(Dividends)	(553,902)	(11,152,817)
(Gains)/Losses on disposal of assets	(1,750,595)	(1,006,928)
1) Profit (loss) for the year before income tax, interest, dividends and capital gains/losses on disposals	(513,318)	(21,163,979)
Adjustments for non-monetary items not offset in net working capital	59,465,170	52,166,226
Allocations to provisions	5,065,500	1,032,251
Depreciation of fixed assets	54,608,326	53,042,615
Impairment write-downs	-	32,825
Value adjustments to financial assets and liabilities of derivative financial instruments not involving monetary movements	25,732	(294,466)
Other adjustments increase/(decrease) for non-monetary items	(234,388)	(1,646,999)
2) Cash flow before changes in net working capital	58,951,852	31,002,247
Changes in net working capital	(69,616,354)	46,124,963
Decrease/(Increase) in inventories	(20,746,290)	6,770,130
Decrease/(Increase) in receivables from customers	(15,278,601)	34,586,504
Increase/(Decrease) payables to suppliers	20,997,429	18,525,634
Decrease/(Increase) in accrued income and prepaid expenses	1,610,712	(238,855)
Increase/(Decrease) in accrued liabilities and deferred income	(652,732)	(796,809)
Other decreases/(Other increases) in net working capital	(55,546,872)	(12,721,641)
3) Cash flow after changes in net working capital	(10,664,502)	77,127,210
Other adjustments	14,934,355	10,862,057
Interest received/(paid)	6,827,101	9,539,740
(Income taxes paid)	-	(33,153)
Dividends received	8,553,902	3,135,917
(Use of provisions)	(446,648)	(1,780,447)

	Financial year ended	
	31/12/2025	31/12/2024
B) CASH FLOWS FROM INVESTING ACTIVITIES	(85,694,571)	(74,456,853)
Tangible fixed assets		
(Investments)	(52,624,302)	(79,539,689)
Disposals	1,197,965	910,814
Intangible fixed assets		
(Investments)	(776,660)	(1,127,569)
Financial fixed assets		
(Investments)	(41,075,846)	(12,985,498)
Disposals	2,871,843	1,909,768
Short-term financial assets		
(Investments)	(50,885,992)	(53,229,130)
Disposals	55,598,421	69,604,451
C) CASH FLOWS FROM FINANCING ACTIVITIES	(30,181,054)	(10,977,383)
Third-party financing		
Increase/(Decrease) short-term payables to banks	(7,003)	(71,381)
New loans	30,000,000	40,000,000
(Repayment of loans)	(43,028,251)	(18,135,952)
Equity financing		
(Dividends and interim dividends paid)	(17,145,800)	(32,770,050)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A ± B ± C)	(111,605,772)	2,555,031
Cash and cash equivalents at the beginning of year	173,326,315	170,771,284
Bank and postal deposits	173,319,371	170,766,349
Cash and cash equivalents	6,944	4,935
Cash and cash equivalents at year-end	61,720,543	173,326,315
Bank and postal deposits	61,715,023	173,319,371
Cash and cash equivalents	5,520	6,944



EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

Explanatory notes, introductory section
Drafting criteria
Preparation of the financial statements
Valuation criteria applied
Other information

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Explanatory notes, introductory section

Dear Shareholders,

These financial statements, submitted for your examination and approval, show a profit for the year of €7,933,146.

Drafting criteria

The financial statements of Acciaierie Venete SpA for the year ended 31 December 2025 have been prepared in accordance with the provisions of the Italian Civil Code, as reformed by Legislative Decree No. 139/15 in implementation of European Directive 2013/34, and by applying the Italian accounting standards issued by the Italian Accounting Standards Board in their most up-to-date version. It consists of the Balance Sheet (prepared in accordance with the format provided for by Articles 2424 and 2424-bis of the Italian Civil Code), the Income Statement (prepared in accordance with the format provided for by Articles 2425 and 2425-bis of the Italian Civil Code), these Explanatory Notes to the Financial Statements, which provide the information required by Article 2427 of the Italian Civil Code and other provisions of the Italian Civil Code on financial statements and previous laws, and the Cash Flow Statement, which is an integral part of the information on the financial statements for the period.

The Management Report also provides the additional information deemed necessary for a true and fair view of the equity and financial position and the economic performance.

Preparation of the financial statements

Basis of preparation

The criteria used in the preparation of the financial statements for the year ended 31/12/2025 do not differ from those used in the preparation of the financial statements for the previous year with regard to valuation.

The continuity of application of the valuation criteria over time is in fact a necessary element for the comparability of the company's financial statements over the various financial years.

The valuation of items in the financial statements has been made on the basis of the general criteria of prudence and accruals-based accounting in view of a going concern principle, as well as taking into account the economic function of the asset or liability item considered.

The application of the principle of prudence entailed the individual valuation of the components of individual items or asset or liabilities items, to avoid offsetting between losses that should have been recognised and profits that should not have been recognised because they were unrealized.

In accordance with the accrual principle, the effect of transactions and other events has been recognised in the accounting and attributed to the financial year to which these transactions and events relate, and not to the year in which the related cash movements (receipts and payments) materialised.

The valuation, taking into account the economic function of the asset or liability item, considering that it expresses the principle of substance over form, which is mandatory where not expressly contradictory to other specific rules on financial statements, allows items to be recognised and presented taking into account the substance of the transaction or contract.

Structure and content of the financial statements

The balance sheet, income statement, cash flow statement and accounting information contained in these explanatory notes to the financial statements are consistent with the accounting records from which they were directly derived.

Exceptional cases pursuant to Art. 2423, paragraph 5, of the Italian Civil Code

No exceptional cases have arisen that would have necessitated recourse to the derogations referred to in Art. 2423, paragraphs 4 and 5, of the Italian Civil Code.

Changes in accounting standards

No exceptional cases have arisen that would have necessitated recourse to the derogations referred to in Article 2423-bis, paragraph 2, of the Italian Civil Code.

Correction of material errors

No material errors arising from previous financial years were identified during the financial year.

Comparability and adaptation issues

There are no assets and liabilities that fall under more than one item in the balance sheet.

Pursuant to Article 2423-ter, paragraph 5, of the Italian Civil Code, it is hereby stated that the 2025 financial statements do not contain any income statement items that have a different classification compared to the previous financial year.

Valuation criteria applied

Pursuant to Art. 2427, paragraph 1, no. 1 of the Italian Civil Code, the most significant valuation criteria adopted in accordance with the provisions of Art. 2426 of the Civil Code are set out below, with particular reference to the items in the financial statements for which the law permits different valuation and adjustment criteria or for which no specific criteria are provided.

Intangible fixed assets

Intangible fixed assets are entered in the financial statements, where required, with the consent of the Board of Statutory Auditors at purchase or production cost, which is always lower than the durable value at year-end.

They are depreciated according to their presumed useful life, taking into account the limits imposed by Art. 2426 of the Italian Civil Code, starting from the financial year in which they are available for use, by means of depreciation as follows:

Assets	Coefficients
Start-up and expansion costs	20.0%
Intellectual property rights	20% - 33.33%
Concessions, licences and trademarks	16.66% - 20.0% - 25.0% - 33.33%
Goodwill	20.0%
Other	6.66% - 5.0% - 8.3% - 10.0% - 11.1% - 12.5% - 20.0% - 33.3%

At each financial statement date, the Company assesses whether there is any indication that an intangible asset may have suffered an impairment in value, as required by OIC 9. If such an indication exists, the recoverable amount is estimated and an impairment loss is recognised only if it is lower than the corresponding net book value. If, in subsequent financial years, the circumstances justifying any write-downs made no longer apply, a reversal of the write-down is recorded up to the original carrying amount.



Tangible fixed assets

Tangible fixed assets, plant and equipment are recognised at their purchase or production cost, including ancillary expenses incurred, subject to revaluations pursuant to Law 576/75, Law 72/83 and Law 413/91, Law 2/2009, Law 126/2020 and those relating to the allocation of merger deficits determined in 1989, 1990 and 2009 as detailed below.

In the 2008 financial year, the revaluation of industrial buildings was carried out, pursuant to Italian Legislative Decree No. 185/2008 (converted into Law No. 2/2009) for a total amount of €18,064,807, an amount that as at 31 December 2025 amounted to €17,801,532 as a result of certain disposals; the revaluation was carried out within the limits indicated by an independent appraisal that determined the current use

value of the industrial buildings owned by the company as at 31/12/2007.

In the 2020 financial year, in accordance with the provisions of Art. 110 of Italian Legislative Decree No. 104/2020 (converted into Law No. 126/2020) as well as Articles 11, 13, 14 and 15 of Law No. 342/2000, the company revalued certain assets relating to the "Plant and Equipment" category for a total amount of €105,290,000; the amount as at 31 December 2025 was €104,512,164 following certain disposals.

The depreciation of capital assets used in carrying out core business activities, which have not yet been fully depreciated, is deemed to be appropriate in view of their actual use, depreciation and residual possibility of economic use in the business. The depreciation coefficients applied are as follows:

Groups	Assets	Coefficients
PLANTS	Industrial land and buildings	5.0%
	Light construction	10.0%
THERMAL POWER PLANTS	Power plant buildings	4.0%
	General installations	12.0%
GENERAL INSTALLATIONS	Purification plants	15.0%
	General canteen installations	8.0%
SPECIFIC INSTALLATIONS	Large specific installations	17.5%
	Production equipment	25.0%
	Specific power plant installations	9.0%
FURNACES	Furnaces	15.0%
EQUIPMENT	Power plant equipment	10.0%
	Plant equipment	25.0%
VEHICLES	Internal transport vehicles	20.0%
	Vehicles	25.0%
FURNITURE AND FURNISHINGS	Canteen furniture and furnishings	10.0%
	Office furniture and furnishings	12.0%
ELECTRONIC MACHINES	Electronic machines	20.0%

Newly acquired assets are depreciated from the financial year in which they are placed in the production process; for assets whose use began in the current financial year, the calculated depreciation coefficients have been reduced by half. Assets not yet completed or ready for use are classified under fixed assets under construction and advances. Minor equipment purchased during the year, also in view of its insignificance, has been depreciated at 100%.

Tangible fixed assets are shown in the financial statements grouped by homogeneous categories.

At each financial statement date, the Company assesses whether there is any indication that a tangible fixed asset may have suffered an impairment in value, as required by OIC 9. If such an indication exists, the recoverable amount is estimated and an impairment loss is recognised only if it is lower than the corresponding net book value. If, in subsequent financial years, the circumstances justifying any write-downs made no longer apply, a reversal of the write-down is recorded up to the original carrying amount.

Financial fixed assets

These consist of various equity investments, financial receivables and deposits paid by the company, the latter valued at nominal value, considered representative of their presumed realisable value.

Equity investments are recorded at purchase price or fair value at the time of incorporation, including any ancillary costs.

If, in subsequent years, the conditions for impairment losses on financial assets no longer apply, a reversal of the impairment loss is made within the limits of the original recognised cost.

Financial receivables are measured at amortised cost or nominal value when the effects of applying amortised cost are presumed to be immaterial and therefore when transaction costs, fees and other differences between initial value and maturity are not significant and also when the interest rates applied are not significantly different from market rates.

Security deposits recorded as financial fixed assets are stated at nominal value.

There are also shares in closed-end investment funds recorded at purchase cost, written down if necessary, in the event of permanent impairment in value.

Inventories

These consist of raw materials, ancillary and maintenance materials and finished goods. The valuation is carried out at the lower of weighted average purchase cost and market value for raw materials, ancillary materials and maintenance, and

at the lower of production cost and market value for finished products.

Receivables recorded as current assets

Receivables are recognised in the financial statements according to the amortised cost method, taking into account the time factor, and the estimated realisable value. Specifically, the initial recognition value is represented by the nominal value of the receivable, net of all premiums, discounts and allowances, and including any costs directly attributable to the transaction that generated the receivable. Any transaction costs, commission income and/or expenses and any difference between initial value and nominal value at maturity are included in the calculation of amortised cost using the effective interest method.

A specific provision for doubtful accounts is established to cover possible risks of insolvency, the adequacy of which is verified periodically and, in any case, at the end of each financial year, taking into consideration both the write-off situations that have already arisen or are considered probable, and the general economic, sector and country risk conditions.

For short-term receivables (i.e. with a maturity of less than 12 months), the effects of any potential divergence between the amortised cost valuation and the nominal value of such receivables are deemed immaterial, pursuant to Article 2423, paragraph 4, of the Italian Civil Code; the nominal value is therefore taken as the reference carrying amount, reduced where necessary to the estimated realisable value if lower.

Financial assets not constituting fixed assets

Derivative financial instruments

Derivative financial instruments are recognised from the date the contract is signed, from when the Company is subject to the related rights and obligations. Pursuant to Article 2426, paragraph 1, number 11-bis of the Italian Civil Code and Italian Accounting Body - OIC 32, derivative financial instruments, even if embedded in other financial instruments, are measured at fair value both at initial recognition and at each subsequent the end of the financial statements reporting period. The change in fair value with respect to the previous year is recognised in the financial statements in a different manner depending on whether or not the derivative transaction qualifies as (and is effectively designated as) a financial risk hedge.

- Transactions not qualifying (or not designated) as hedges
- If the transaction does not qualify (or is not designated) as a hedge, changes in fair value are recognised on the income



statement in Section D) “Value adjustments to financial assets and liabilities.” Pursuant to Article 2426, paragraph 1, number 11-bis of the Italian Civil Code, profits arising from the valuation of derivative financial instruments not designated as hedges are set aside in non-distributable equity reserves.

▪ **Transactions qualifying (and designated) as hedges**

The derivative is designated as a hedge if it meets all the requirements of Italian Accounting Body - OIC 32. The type of hedge adopted is intended to limit exposure to the risk of variability in cash flows attributable to a recognised asset or liability in the financial statements, firm commitments, or highly probable forecast transactions. The company initially recognises the cash flow hedging instrument, linked to a recognised asset or liability, an irrevocable commitment or a highly probable forecast transaction, in the balance sheet at fair value; changes in fair value are recognised with an offsetting entry in item A) VII “Reserve for expected cash flow hedges,” in the latter case, for the hedging component considered effective, while for the ineffectiveness component, calculated for hedging relationships that do not qualify as simple, section D) of the income statement. The economic component is recognised during the term of the hedge and charged to revenues/expenses or financial income/expenses, depending on the risk hedged, for the share attributable to the financial year. At each financial year-end, the fair value attributed to the subcription is adjusted to the presumed realisable value.

Other securities included in current assets

This category includes securities not intended to be held permanently by the Company.

Securities are stated at purchase or subscription cost, plus directly attributable ancillary costs or, if lower, at realisable value based on market trends. This lower value, if any, will not be maintained in subsequent financial statements if the relevant conditions are no longer met. Year-end valuation is carried out on a security-by-security basis.

Centralised treasury management

The financial receivables arising from the cash pooling relationship with subsidiaries were classified under item “C.III.7 Financial assets for centralised treasury management” under Financial assets not constituting fixed assets in line with Italian Accounting Body - OIC 14.

Cash and cash equivalents

The item “Cash and cash equivalents” includes only cash and cash equivalents, current accounts and short-term deposits

readily convertible into cash for a known amount. These are recorded in the financial statements at their nominal value.

Accrued income and prepaid expenses

Accrued income and prepaid expenses include income pertaining to the financial year but payable in subsequent years and costs incurred before the end of the reporting period but pertaining to subsequent years.

The valuation is carried out according to the accrual principle.

Shareholders' equity

The items are presented in the financial statements at their carrying amounts in accordance with the provisions of accounting standard OIC 28.

Provisions for risks and charges

These provisions include provisions not included in those adjusting asset items.

These consist of the Provision for Supplementary Agents' and Sales Representatives' Indemnity, determined in accordance with the law and current contracts, the Provision for deferred taxes, derivative Financial Instruments payable and other provisions detailed below.

These are liabilities of certain or probable existence for which the amount and date of occurrence could not be determined at the date of the financial statements, formulated on estimates of contingencies based on the information available. The allocations reflect the best estimate that can be made on the basis of the available elements.

Risks for which the occurrence of a liability is only possible are disclosed in the explanatory notes, without making an allocation to a provision for risks and charges.

Employee severance indemnity

The item severance indemnity includes the amount employees would be entitled to receive in the event of termination of employment at the end of the financial statements reporting period. The seniority indemnities constituting the aforementioned item, i.e., the accrual for the year and the annual revaluation of the pre-existing provision, are determined in accordance with the regulations in force. The severance indemnity is entered under item C of the liabilities and the related provision under item B9 of the income statement.

The amendments made to the TFR regulations by Law No. 296 of 27 December 2006 (“2007 Budget Law”) and subse-

quent implementing Decrees and Regulations, modified the accounting criteria applied to the severance indemnities (TFR) accrued as at 31 December 2006, and those accruing as at 1 January 2007, inasmuch as with the establishment of the “Fund for the disbursement of severance indemnity to private sector employees pursuant to Article 2120 of the Italian Civil Code” (Treasury Fund managed by INPS on behalf of the State), employers with at least 50 employees are obliged to pay to said Treasury Fund the severance indemnity (TFR) accrued in respect of those employees who have not chosen to contribute their severance pay to a supplementary pension fund.

Payables

Payables are recognised in the financial statements according to the amortised cost method, taking into account the time factor, and the estimated realisable value. Specifically, the initial recognition value is the nominal value of the payable debt, net of transaction costs and all premiums, discounts and allowances directly resulting from the transaction that generated the debt. Any transaction costs, commission income and/or expenses and any difference between initial value and nominal value at maturity are included in the calculation of amortised cost using the effective interest method.

For short-term payables (i.e. with a maturity of less than 12 months), as well as in any case for those where transaction costs, commissions paid between the parties and any other difference between the initial value and the value at maturity are immaterial, the effects of any potential divergence between the measurement at amortised cost and the nominal value of such liabilities are deemed immaterial, pursuant to Article 2423, paragraph 4, of the Italian Civil Code; the latter is therefore taken as the reference carrying amount.

Accrued expenses and deferred income

The item accrued expenses and deferred income includes costs pertaining to the financial year that are payable in subsequent years and income incurred before the end of the reporting period but pertaining to subsequent years.

The valuation is carried out according to the accrual principle.

Criteria for conversion of values expressed in foreign currencies

During the year, monetary items denominated in foreign currencies were converted by applying the exchange rate of the day on which the receivable or payable arose.

Exchange differences realised on the collection of receivables and the payment of payables in foreign currencies are recognised in the Income Statement.

Assets and liabilities in foreign currencies, with the exception of financial assets, are converted at the exchange rate at the end of the reporting period, and the related exchange rate gains and losses are recognised in the Income Statement. Any net profit is set aside at the time of approval of the Financial Statements, for the portion not absorbed by any loss for the year, in a special reserve that cannot be distributed until the subsequent realisation.

Financial fixed assets, consisting of equity investments, which are recognised at cost in foreign currency, are recorded at the exchange rate at the time of their acquisition or at the lower rate at the end of the reporting period if the reduction is deemed to be permanent.

The table below shows the exchange rates used to translate balance sheet items in foreign currencies at year-end compared to the previous year.

Currency	31/12/2025	31/12/2024
	Actual exchange rate	Actual exchange rate
US dollar	1.17500	1.03890
Swiss franc	0.93140	0.94120
Pound sterling	0.87260	0.82918
Canadian dollar	1.60880	1.49480



Income Statement items

It should be noted that, since the previous financial statements, the company has applied accounting standard OIC 34 relating to the recognition and measurement of revenue.

Positive and negative income components comply with the principles of prudence and accrual-based accounting in accordance with legal provisions.

Revenue from sales of products is recognised at the time of transfer of ownership, which is normally identified with the transfer of risks or the delivery and shipment of goods.

Revenue from services is recognised when the service is rendered, while revenue of a financial nature is recognised on an accrual basis.

Similarly, purchase costs are recognised on the date of transfer of ownership, which for materials is normally identified with the transfer of risk or receipt of the goods. For services, this refers to their completion.

Revenues and income, expenses and charges are shown net of returns, discounts and rebates.

Income Taxes

Income taxes have been determined on the basis of a prudent application of current legislation. Prepaid taxes are shown under item C II 4 ter "Credit for prepaid taxes" and deferred tax liabilities are shown under item B2 "Provision for taxes, including deferred taxes." In the Income Statement, prepaid taxes and deferred taxes are shown under item "Income Taxes."

The company participates in the national tax consolidation scheme as a consolidated company. This regime allows IRES (Italian Corporate Income Tax) to be determined on a taxable basis corresponding to the algebraic sum of the positive and negative taxable amounts of the individual participating companies, jointly with the company Parsid SpA, the latter as consolidating company.

The economic relations, as well as the mutual responsibilities and obligations, between the consolidating company and the subsidiary are defined in the specific Consolidation Rules for Parsid SpA Group Companies.

Taxes payable are recognised under "Payables to parent companies" net of advances paid, withholding taxes incurred and, in general, tax credits.

The item "Receivables from Parent Company" includes the receivable for compensation of the IRES (Italian Corporate Income Tax) loss or surplus that the consolidating company must pay to the company pursuant to the provisions of the consolidation agreement.

During 2025, the tax consolidation was carried out by the Holding Company Parsid SpA with the following companies: Acciaierie Venete SpA, Padana Rottami Srl, Centro Italiano Acciai Srl, Fin.Steel Srl, Maltauro Rottami Srl, Esti Srl, Acciaierie Venete Energia Srl, Setrans Srl and Valle Zignago Srl.

Our Company, as provided for by Italian Legislative Decree 209/2023, issued to implement the EU Directive No. 2523/2022, as from the tax period 2024, falls within the scope of application of the "Global Minimum Tax," i.e. a global minimum taxation regime applicable to companies located in Italy that are part of a multinational or national group with annual revenues equal to or greater than €750 million, in order to guarantee a minimum tax level for large multinational or national groups of companies.

The minimum level of taxation is achieved by the application of a supplementary tax ("Pillar Two OECD") if the effective tax rate in each jurisdiction does not reach 15%.

It should be noted that, based on the estimates made, the Group is not required to pay a supplementary tax for the 2025 financial year.

Commitments, risks and guarantees

Risks relating to guarantees granted, whether personal or collateral, for the debts of other parties have been disclosed in a specific section of the explanatory notes to the financial statements in an amount equal to the amount of the guarantee given.

The criteria applied in the valuation of financial statement items are in accordance with Art. 2426 of the Italian Civil Code.

Other information

The specific sections of the explanatory notes to the financial statements illustrate the criteria used to implement Art. 2423, paragraph 4, in the event of non-compliance with detection, evaluation, submission and disclosure requirements, when such non-compliance would have an immaterial effect on the true and fair representation.

The principles and recommendations published by the Organismo Italiano di Contabilità - Italian Accounting Body (OIC) have been observed in order to give a true and fair view of the financial position and results of operations for the year.

The Company, as required by Italian Legislative Decree No. 14/2019 (Corporate Crisis and Insolvency Code), adopts an organisational, administrative and accounting structure appropriate to the nature of the business also based on the timely detection of any business crisis and the taking of appropriate initiatives.



EXPLANATORY NOTES, ASSETS

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Fixed assets	075
Current assets	080
Accrued income and prepaid expenses	085

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080
085



The movements in the individual financial statement items are analysed in detail below, where required by current legislation.

Fixed assets

Intangible fixed assets

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
1,908,258	1,897,046	11,212

Movements of intangible fixed assets

(in euros)

	Industrial patents and use of intellectual property rights	Concessions, licences, trademarks and similar rights	Goodwill	Intangible fixed assets in progress and advances	Other	INTANGIBLE FIXED ASSETS
Initial historical cost	8,153,124	318,328	482,611	155,592	208,179	9,317,834
Provision for initial	(6,644,720)	(227,703)	(482,611)	-	(65,754)	(7,420,788)
Value as at 31 December 2024	1,508,404	90,625	-	155,592	142,425	1,897,046
Acquisitions	511,617	27,725		173,885	63,433	776,660
Transfers from (a) other item (historical cost)	145,228	-	-	(150,692)	-	(5,464)
Retirements (historical cost)	(829,960)	(91,310)	-	-	(44,295)	(965,565)
Retirements (depreciation provision)	829,961	91,311	-	-	44,295	965,567
Depreciation	(663,384)	(65,485)	-	-	(31,117)	(759,986)
Final historical cost	7,980,009	254,743	482,611	178,785	227,317	9,123,465
Provision for final depreciation	(6,478,143)	(201,877)	(482,611)	-	(52,576)	(7,215,207)
Value as at 31 December 2025	1,501,866	52,866	-	178,785	174,741	1,908,258

“*Industrial patents and use of intellectual property rights*” amount to €1,501,866. Increases amounted to €656,845, of which €511,617 related to investments for the year. These investments mainly relate to the development of management applications and the purchase of software licences.

“*Concessions, licences and trademarks*” amounted to €52,866. Increases amounted to €27,725.

The item “*Goodwill*” is fully amortised and arose from the merger by incorporation of BVS Srl in 2019 (which included

this accounting item originating from the acquisition of a business unit carried out by BVS in 2018).

“*Intangible fixed assets in progress and advances*” amounted to €178,785. In the financial year 2025, there were increases in the amount of €173,885 and transfers to other items for entry into service in the amount of €150,692.

“*Other intangible fixed assets*” amounted to €174,741. In the 2025 financial year, the increases amounted to €63,433.



Tangible fixed assets

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
271,714,032	273,927,359	(2,213,327)

Movements of tangible fixed assets

(in euros)

	Land and buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Intangible fixed assets in progress and advances	TANGIBLE FIXED ASSETS
Initial historical cost	175,434,460	505,753,333	11,650,255	10,865,652	54,516,169	758,219,869
Revaluations	29,111,975	117,494,717	-	5,531	-	146,612,223
Provision for initial depreciation	(116,534,141)	(496,629,350)	(9,644,437)	(8,096,805)	-	(630,904,733)
Value as at 31 December 2024	88,012,294	126,618,700	2,005,818	2,774,378	54,516,169	273,927,359
Acquisitions	8,854,177	15,884,457	1,047,957	1,077,108	25,760,603	52,624,302
Transfers from (a) other item (historical cost)	8,230,967	39,787,421	32,080	17,120	(48,062,124)	5,464
Retirements (historical cost)	(207,303)	(4,067,611)	(77,801)	(400,290)	(85,940)	(4,838,945)
Retirements (revaluations)	(592,443)	(301,279)	-	-	-	(893,722)
Retirements (depreciation provision)	791,476	3,468,840	77,308	400,290	-	4,737,914
Depreciation	(7,376,455)	(44,660,701)	(1,053,989)	(757,195)	-	(53,848,340)
Final historical cost	192,312,301	557,357,600	12,652,491	11,559,590	32,128,708	806,010,690
Revaluations	28,519,532	117,193,438	-	5,531	-	145,718,501
Provision for final depreciation	(123,119,120)	(537,821,211)	(10,621,118)	(8,453,710)	-	(680,015,159)
Value as at 31 December 2025	97,712,713	136,729,827	2,031,373	3,111,411	32,128,708	271,714,032



“**Land and buildings**” are equal to €97,712,713.

Total investments for the financial year included under item amount to €17,085,144, of which €8,854,177 relates to new acquisitions, and €8,230,967 relating to the entry into service of assets classified as “Fixed assets in progress” in the previous financial year, mainly relating to the building housing the new rolling mill at the Sarezzo plant.

Notable acquisitions include:

- the completion of works on the aforementioned building, for €1,896 thousand;
- the purchase, for €4,316 thousand, of a building adjacent to the plant, also in Sarezzo;
- the remaining amount relates mainly to restoration and improvement works on other buildings (Padua for €1,010 thousand, Sarezzo for €848 thousand, other plants for €785 thousand).

There were also disposals of almost fully depreciated assets with a historical cost of €207,303, assets that had been revalued by €592,443.

“**Plant and equipment**” amounted to €136,729,827.

During the financial year, total investments amounted to €55,671,878, of which €15,884,457 related to new acquisitions and €39,787,421 related to transfers from fixed assets in progress carried forward from the previous financial year and completed during the current financial year; these transfers relate mainly to the new rolling mill at the Sarezzo plant (€30,452 thousand), three new annealing furnaces at the Padua plant (€2,596 thousand) and a straightening machine, also at the Padua plant (€1,054 thousand).

The new acquisitions (€15.9 million) mainly relate to the completion of the wire rod rolling line (€4 million), improvements to rolling mills (€6 million) and improvements to steelworks and continuous casting facilities (€2.3 million).

There were also disposals of assets not fully depreciated with a historical cost of €4,067,611, assets that had been revalued by €301,279. The net effect of these disposals resulted in the recognition of capital gains of €965 thousand and capital losses of €828 thousand.

“**Industrial and Commercial Equipment**” amounted to €2,031,373.

Total investments in this category amounted to €1,080,037, of which €1,047,957 related to new acquisitions and €32,080 related to transfers from fixed assets in progress in the previous year.

Furthermore, there were also disposals of almost fully depreciated assets with a historical cost of €77,801.

The item “Other Assets” amounted to €3,111,411.

Total increases in this category amounted to €1,094,228 for the year, of which €1,077,108 related to new acquisitions and €17,120 related to transfers from fixed assets in progress in the previous year.

Furthermore, in the 2025 financial year, there were disposals of fully depreciated assets with a historical cost of €400,290.

The item “**Other Assets**” amounted to €3,111,411.

Total increases in this category amounted to €1,094,228 for the year, of which €1,077,108 related to new acquisitions and €17,120 related to transfers from fixed assets in progress in the previous year.

Furthermore, in the 2025 financial year, there were disposals of fully depreciated assets with a historical cost of €400,290.

“**Fixed assets in progress and advances**” amounted to €32,128,708.

This item refers to amounts paid as advances for the supply of equipment.

Increases for the financial year falling within this category amount to €25,760,603 and relate to down payments and advances on investments in progress, mainly concerning the construction of the new melting furnace at the Padua plant (€16 million) and a new rolling line in Padua (€4.5 million).

The item decreased by €48,062,124 due to the entry into operation of assets under the items “Buildings”, “Plant and Equipment”, “Industrial and Commercial Equipment” and “Other Assets”.

For further details on the investments made, please refer to the section “Investments” in the Management Report.

Total revaluations of tangible fixed assets at year-end

(Ref. Art. 2427, first paragraph, No. 2, Italian Civil Code)

Pursuant to Article 10 of Law No. 72/1983, listed below are the tangible fixed assets recorded in the company's financial statements as at 31/12/2025 on which monetary revaluations and departures from civil law valuation criteria have been made.

As already highlighted in the introduction to these explanatory notes, tangible fixed assets were revalued on the basis of laws (special, general or sector laws) and no discretionary or voluntary revaluations were carried out, with the revaluations carried out being limited to the objectively determined value in use of said fixed asset. Amounts are shown in thousands of euros.

(in euros)

	Law 576/1975	Law 72/1983	Law 413/1991	Italian Legislative Decree 185/2008	Law 126/2020	Reallocation of merger deficit 1990	Reallocation of merger deficit 2009	Total revaluations made
Land and buildings	121,000	360,000	3,429,637	17,801,532	-	6,807,363	-	28,519,532
Plant and equipment	-	1,168,709	-	-	104,512,164	11,357,769	154,796	117,193,438
Other assets	5,531	-	-	-	-	-	-	5,531
Total	126,531	1,528,709	3,429,637	17,801,532	104,512,164	18,165,132	154,796	145,718,501

Financial fixed assets

	Balance as at 31/12/2025	Balance as at 31/12/2024	Change
	135,161,838	98,979,324	36,182,514

Changes in equity investments, other securities and derivative financial instruments assets (in euros)

	Equity investments in subsidiaries	Equity investments in other companies	Total equity investments	Other securities
Cost	56,410,352	10,485,461	66,895,813	6,356,508
Provision for write-downs	-	(2,501,368)	(2,501,368)	-
Value as at 31 December 2024	56,410,352	7,984,093	64,394,445	6,356,508
Increases for acquisitions	46,776,916	-	46,776,916	1,718,500
Decreases due to disposals (at book value)	-	-	-	(1,505,707)
Total changes	46,776,916	-	46,776,916	212,793
Cost	103,187,268	10,485,461	113,672,729	6,569,301
Provision for write-downs	-	(2,501,368)	(2,501,368)	-
Value as at 31 December 2025	103,187,268	7,984,093	111,171,361	6,569,301



Equity investments in subsidiaries

The changes in this item during 2025 are detailed below.

Acquisition of Euro Sider Scalo Srl

On 31 January 2025, the Parent Company completed the acquisition of 60% of the share capital of Euro Sider Scalo Srl, a company active in the trade of special steel bars with operational offices in the province of Brescia. The remaining 40% remains under the ownership of the Pastorelli family, which will continue to exercise management functions through the Managing Director. The operation allows the Group to expand its commercial offer, accessing markets that are not directly served by production, in terms of type of specifications and purchase volumes. In addition, the integration with Euro Sider Scalo Srl, a company that has long been active in synergy with the Group, will contribute to the strengthening of the offer and the consolidation of customer relationships through more flexible commercial and technical solutions. The transaction is consistent with the Group's strategy aimed at strengthening its commercial presence in high value-added outlet sectors.

The contractually agreed price for the sale is €18,500 thousand, including a payment of €500 thousand, to be paid by 31 January 2027 provided there are no contingent liabilities incurred by Euro Sider Scalo Srl and not reimbursed by the seller.

A deposit of €4 million was paid during 2024.

Acquisition of Trafilerie San Paolo Srl

On 18 April 2025, the Parent Company acquired 100% of the share capital of Trafilerie San Paolo Srl, a company specialising in steel wire drawing and recognised in the market for its high quality standards. This acquisition is part of the Group's broader strategic path of verticalisation, aimed at strengthening its presence in the high quality steel wire drawing segment, favouring the integration of the production chain and the expansion of the product portfolio. The transaction is in line with the investments recently made, including the new rolling mill at the Sarezzo plant, which allows for the production of a complete range of wire rod for wire drawing. Trafilerie San Paolo Srl will continue to operate whilst maintaining its quality standards, benefiting from the Group's technical, industrial and commercial synergies.

The contractually agreed purchase price is €25,400 thousand, including a sum of €1,500 thousand already paid into an escrow account, which will be released by 31 December 2030 in favour of the seller, provided there are no contingent liabilities incurred by Trafilerie San Paolo Srl and not reimbursed by the seller.

A deposit of €5 million was paid during 2024.

The increases in the item "Investments in subsidiaries" are detailed below:

(in euros)

	Euro Sider Scalo Srl	Trafilerie San Paolo Srl	Total increases in investments
Consideration for the purchase of the shareholding	18,500,000	(*) 23,900,003	42,400,003
Incidental charges	141,297	285,616	426,913
Payments on capital account	-	3,950,000	3,950,000
Total increases	18,641,297	28,135,619	46,776,916

(*) amount excluding the escrow deposit, classified under financial fixed assets – receivables from others.

Shareholdings in other subsidiaries remained unchanged compared to the previous year.

Equity investments in other companies

During 2025, there were no changes relating to equity investments in other companies.

Changes and maturity of non-current receivables

(in euros)

	Financial year ended		Change	Share due within the financial year	Share due beyond the financial year	Of which with residual maturity over 5 years
	31/12/2025	31/12/2024				
Non-current receivables from subsidiaries	1,305,000	6,250,000	(4,945,000)	362,500	942,500	-
Non-current receivables from others	16,116,176	21,978,370	(5,862,194)	-	16,116,176	-
Total non-current receivables	17,421,176	28,228,370	(10,807,194)	362,500	17,058,676	-

Non-current receivables from subsidiaries, refer to, in the amount of €1,305,000, an interest-bearing loan granted to the subsidiary Acciaierie Venete Energia Srl, of which €362,500 is due within the next financial year and €942,500 is due beyond the next financial year; the decrease compared with the previous financial year relates to the repayment of the €5 million loan previously granted to the subsidiary Maltauro Rottami Srl.

Non-current receivables from others refer to:

- for the amount of €1,505,717, to an interest-bearing escrow account opened during the 2025 financial year for the acquisition of the subsidiary Trafilerie San Paolo Srl;
- for the amount of €14,610,459, with an expected duration of more than 12 months, consisting of security deposits on supply and service contracts amounting to €140,355, receivables from Terna for advances on the Interconnector contract amounting to €725,868, and receivables from

Terna for the Guarantee Fund amounting to €7,384,241, a receivable of €1,061,760 under a collective guarantee from Gestore Servizi Energetici (GSE), relating to the "Energy Release 2.0" contract, described in the section "Other revenue and income", and receivables from Metal Interconnector SCpA. for non-interest-bearing shareholder loans amounting to €5,298,235.

The reduction in this item compared with the previous financial year is mainly due to the deposit of €4 million paid in 2024 for the acquisition of 60% of Euro Sider Scalo Srl, which was reclassified as equity investments during the financial year following the completion of the acquisition; furthermore, the decrease is due to the payment in 2024 of €5 million as an escrow deposit set up for the acquisition of Trafilerie San Paolo Srl.

With regard to receivables due beyond the financial year, any significant discounting effects have been taken into account.



Details of long-term equity investments in subsidiaries

The following table sets out the equity investments in subsidiaries, as well as the additional information required by Article 2427 of the Italian Civil Code, based on the relevant financial statements approved by the Boards of Directors and/or Shareholders' Meetings, relating to the financial year ended 31 December 2025.

In cases where the carrying amount of equity investments exceeds the corresponding proportion of the companies' shareholders' equity, the directors have assessed whether this difference represents a permanent impairment, concluding that, based on the results achieved and those expected from the respective companies, there is no need to recognise any impairment losses.

	City, if in Italy, or foreign country	Tax Code (for Italian companies)	Capital in euros	Profit (Loss) for the last financial year in euros	Shareholders' equity in euros	Share held in euros	Share held in %	Book value or corresponding credit
A.V.E. - Acciaierie Venete Energia Srl	Padua Riviera Francia 9	05455190289	100,000	122,639	292,823	292,823	100.00%	200,000
Acciaierie Venete France Sasu (ex Ascoven Sasu)	Paris (FR) Avenue Victor Hugo 71		10,000	8,047	18,047	18,047	100.00%	10,000
Centro Italiano Acciai Srl	Modena Via P. Cavalli 35	01321520288	1,350,000	736,951	22,739,599	22,739,599	100.00%	697,994
Esti Srl	Idro (BS) Via Baicc 5	01903150983	1,500,000	3,433,482	23,481,238	23,481,238	100.00%	9,112,075
Euro Sider Scalo Srl		04604120982	2,000,000	5,119,907	34,683,813	20,810,288	60.00%	18,641,296
Fin.Steel Srl	Padua Riviera Francia 9	02006990283	10,000,000	130,952	34,142,712	34,142,712	100.00%	29,530,758
Maltauro Rottami Srl	Zanè (VI) Via M. Pasubio 71	01873860249	500,000	521,679	11,759,106	9,524,876	81.00%	3,538,244
Padana Rottami Srl	Castelfranco Veneto (TV) Via per S. Floriano 13	01348930262	3,500,000	1,573,376	44,490,054	44,490,054	100.00%	697,568
Setrans Srl	Brescia Via S. Zeno 406	03026070171	1,000,000	848,073	15,602,228	9,361,337	60.00%	12,510,142
Trafilerie San Paolo Srl	Molteno (LC) Viale Lombardia 8	03142480155	3,000,000	(1,426,262)	2,999,181	2,999,181	100.00%	28,135,619
Venete Siderprodukte AG	Schlieren (CH) Zürcherstrasse 39d		186,695	92,597	588,991	353,395	60.00%	113,572
Total								103,187,268



Details of equity investments in other companies

Equity investments in other companies remained unchanged during 2025 and are set out below:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
C.E.I.P. Consortium Scarl	50,000	50,000	-
Conai Consortium	5	5	-
Geostorage Consortium	4,075	4,075	-
RFX Consortium	10,329	10,329	-
Tera Consortium	23,417	23,417	-
Metal Interconnector ScpA	6,896,667	6,896,667	-
SBE Varvit SpA	999,600	999,600	-
Total	7,984,093	7,984,093	-

Value of financial assets

	Balance as at 31/12/2025	Balance as at 31/12/2024	Change
	6,569,301	6,356,508	212,793

The amount, totalling €6,569,301, relates to €7 thousand from the subscription to an Italian closed-end investment fund named FSI Mid-Market Growth Equity Fund.

The Fund's investment objective is to invest in Italian companies, mainly with an annual turnover between €100 and €1,000 million, with the aim of promoting and strengthening the growth of these companies, both through internal lines and through acquisitions. The Fund has a duration of 10 years, and Acciaierie Venete has committed to pay a total of €10 million, which will be requested by the manager according to the investment needs that will gradually accrue. During 2025, payments totalling €91 thousand were called for and a partial repayment of €1,235 thousand was made.

Another Italian closed-end investment fund named FSI Mid-Market Growth Equity Fund II was subscribed in 2022. During 2025, payments of €1,468 thousand were requested and a partial refund of €271 thousand was made. As at 31/12/2025, the amount stands at €4,645 thousand.

The remaining amount, equal to €1,917 thousand, refers to a further Italian closed-end investment fund, named Alcedo V. For this fund, Acciaierie Venete is committed to pay a total of €3 million; payments of €160 thousand were requested during 2025.

Current assets

Inventories

	Balance as at 31/12/2025	Balance as at 31/12/2024	Change
	299,802,504	279,056,214	20,746,290

The valuation criteria adopted are unchanged from the previous year and explained in the first part of these Explanatory Notes.

The inventories as at 31/12/2025 were verified by means of a physical inventory under the supervision of the department heads. Inventories, valued at the lower of cost and market value, are valued using the weighted average cost method.

The increase is mainly due to the increase in production compared to the previous financial year. It should be noted that the tests performed on product rotation did not reveal any obsolete materials.

The following table sets out information regarding changes in inventories:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Raw, ancillary and consumable materials	51,555,761	54,396,081	(2,840,320)
Finished goods and merchandise	248,246,743	224,660,133	23,586,610
Total	299,802,504	279,056,214	20,746,290



Receivables recorded as current assets

Changes and maturity of receivables recorded as current assets

The following table sets out information regarding changes in receivables recorded as current assets and, where significant, information regarding their maturity.

(in euros)

	Due within the following year	Due beyond the following year	Total nominal value	(Provisions for risks / write-downs)	Net value
From customers	269,414,882	-	269,414,882	(6,001,025)	263,413,857
From subsidiaries	58,653,531	-	58,653,531	-	58,653,531
From parent companies	14,626,323	-	14,626,323	-	14,626,323
Tax Credits	3,573,353	1,394,168	4,967,521		4,967,521
Prepaid taxes			3,702,898		3,702,898
From others	79,774,456	-	79,774,456	-	79,774,456
Total	426,042,545	1,394,168	431,139,611	(6,001,025)	425,138,586

Receivables from customers amount to €263,413,858 and are stated at their estimated realisable value net of an adjustment provision. The increase compared with the previous financial year is due to normal business dynamics.

In the financial year 2025, €610,820 was utilised for doubtful

accounts and no further provision for write-downs was set aside as the existing provision is sufficient.

The provision for write-downs as at 31 December 2025 therefore amounts to €6,001,025.

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Receivables from customers	269,414,883	254,747,102	14,667,781
Provision for write-downs	(6,001,025)	(6,611,845)	610,820
Total receivables from customers	263,413,858	248,135,257	15,278,601

Receivables from subsidiaries amounting to €58,653,531, consist of trade receivables of €58,554,175, interest accrued in the centralised treasury management from Padana Rottami Srl of €83,304 and from Centro Italiano Acciai Srl of €3,134, interest income accrued on the interest-bearing loan to Accia-

ierie Venete Energia Srl amounting to €10,058, and a group VAT receivable from Acciaierie Venete Energia Srl amounting to €2,860. They are broken down as follows:

(in euros)

	Trade receivables	Financial receivables	Other receivables	Total
A.V.E. - Acciaierie Venete Energia Srl	-	10,058	2,860	12,918
Centro Italiano Acciai Srl	6,399,110	3,134	-	6,402,244
Esti Srl	6,482,888	-	-	6,482,888
Euro Sider Scalo Srl	3,695,115	-	-	3,695,115
Fin,Steel Srl	4,020	-	-	4,020
Maltauro Rottami Srl	1,982	-	-	1,982
Padana Rottami Srl	2,937,321	83,304	-	3,020,625
Setrans Srl	14,932	-	-	14,932
Trafilerie San Paolo Srl	12,628,905	-	-	12,628,905
Venete Siderprodukte AG	26,389,902	-	-	26,389,902
Total receivables from subsidiaries	58,554,175	96,496	2,860	58,653,531

Receivables from subsidiaries increased compared with the previous financial year, due both to normal business dynamics and to the receivables arising from the two newly acquired companies, Trafilerie San Paolo Srl and Euro Sider Scalo Srl.



Receivables from the parent company in the amount of €14,626,323, refer to trade receivables in the amount of €4,000 and the net receivable for IRES 2025 accrued in the context of the tax consolidation in the amount of

€14,622,323. This receivable has decreased compared with the previous financial year as a result of the liability for IRES 2025, as discussed below in the section on taxes.

(in euros)

	Trade receivables	Other receivables	Total
Parsid SpA	4,000	14,622,323	14,626,323
Total receivables from parent companies	4,000	14,622,323	14,626,323

Tax credits, amounting to €4,967,521, are broken down as follows: (in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Credits from the Italian Customs Agency for defiscalisation of diesel fuel	402,700	160,862	241,838
Credits from tax authorities for self-assessment of IRES (Italian Corporate Income Tax) by foreign subsidiaries	30,763	30,763	-
Credits from tax authorities for Ecobonus tax credits	-	7,920,000	(7,920,000)
Credits from tax authorities for investments in capital goods	2,030,771	3,142,108	(1,111,337)
Credits from tax authorities for energy savings	-	3,613	(3,613)
Credits from tax authorities for IRAP (Italian Regional Production Tax)	1,075,020	1,532,551	(457,531)
Other tax credits	34,099	34,098	1
Total tax credits within 12 months	3,573,353	12,823,995	(9,250,642)
Credits from tax authorities for investments in capital goods	58,472	179,391	(120,919)
Credits from tax authorities for provisional registration on assessment	1,322,695	1,322,695	-
Credits from tax authorities for energy savings	13,001	16,614	(3,613)
Total tax credits beyond 12 months	1,394,168	1,518,700	(124,532)
Total tax credits	4,967,521	14,342,695	(9,375,174)

Credits for investments in capital goods are broken down as follows:

- credit for 4.0 assets provided for by Law 160/2019 and recognised in 2021, with a remaining amount of €179,391, fully offsetable within the following financial year;
- credit for 4.0 assets provided for by Law 178/2020 and recognised in 2023, with a remaining amount of €1,804,546, of which €1,794,146 is offsetable within the following financial year and €10,400 is offsetable beyond the financial year;
- credit for goods 4.0 provided for by Law 178/2020 and recognised in 2025, with a total and remaining amount of €105,306, of which €57,234 is offsetable within the following financial year and €48,072 is offsetable beyond the financial year.

The IRAP (Italian Regional Production Tax) credit of €1,075,020 relates to the remaining 2024 IRAP credit, net of the 2025 IRAP liability.

Credits from the tax authorities of €1,322,695 relate to payments made in 2023 for provisional entry on the tax roll following contested assessment notices relating to 2013 and 2014 (litigation pending before the Court of Cassation); there were no changes during the financial year.

Other tax credits refer to tax credits of various types.

The significant reduction in tax credits compared with the previous financial year is mainly due to the Ecobonus tax credits purchased in 2024 and fully utilised in the 2025 financial year.

The **credit from prepaid taxes**, amounting to €3,702,898 refers to taxes calculated on the following items deductible in future years starting from 2026: (in euros)

	Taxable amount as at 31/12/2024	Deferred tax assets as at 31/12/2024	Effect on Income Statement	Taxable amount as at 31/12/2025	Deferred tax assets as at 31/12/2025
Provision for Supplementary Agents' and Sales Representatives' Indemnity	95,971	26,776	(8,097)	66,331	18,679
Amortisation of goodwill	294,929	82,285	(6,783)	268,117	75,502
Amortisation on revaluation deductible in future years	3,554,206	991,623	10,959	3,560,306	1,002,582
Provision for charges on Energy Release contribution	-	-	629,128	2,234,120	629,128
Provision for risks from claims	457,500	127,643	(3,035)	442,500	124,608
Provision for purchase of greenhouse gas allowance	-	-	504,741	1,792,410	504,741
Provisions for risks on receivables - taxed	4,756,434	1,141,544	127	4,756,964	1,141,671
Provision for legal fees	400,000	111,600	94,387	731,489	205,987
Total		2,481,471	1,221,427		3,702,898



Receivables from others, amounting to €79,774,455, are broken down as follows: (in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Advances to suppliers	275,174	316,132	(40,958)
Amounts due from employees	72,478	68,092	4,386
Receivables from social security institutions	532,581	1,026,206	(493,625)
Receivables from insurance companies for reimbursements on claims	-	4,155,303	(4,155,303)
Miscellaneous receivables in the energy sector	54,056,491	-	54,056,491
Receivables from third parties for dividends	15,303	16,900	(1,597)
Certificates of deposit and time deposits	24,800,000	39,000,000	(14,200,000)
Receivables for credit cards	6,268	-	6,268
Other receivables	16,160	15,941	219
Other receivables within 12 months	79,774,455	44,598,574	35,175,881
Total other receivables	79,774,455	44,598,574	35,175,881

As at 31/12/2025, the company holds bank certificates of deposit and term deposits amounting to €24,800,000, down compared to the previous financial year, which are recorded under “receivables from others,” in accordance with the provisions of OIC 14.

It should be noted that as at 31/12/2025, there are miscellaneous receivables relating to the energy sector amounting to €54,056,491, consisting mainly of:

- receivables from Acquirente Unico SpA, amounting to €20,976 thousand, relating to the contribution from the Fund for the Energy Transition in the Industrial Sector, for the reimbursement of certain components of indirect costs on the purchase of electricity;
- receivables relating to electricity and natural gas interruptibility contracts amounting to €14,689 thousand;
- receivables for the sale of electricity amounting to €2,295 thousand;

- receivables from the Energy Services Operator (GSE), relating to the “Energy Release 2.0” contract, amounting to €16,088 thousand.

The increase in the item “Other receivables” compared with the previous financial year is due to the higher contribution from the Energy Transition Fund as well as the new “Energy Release 2.0” grant contribution described in the section “Other revenue and income.” It should be noted that both contributions were received in the first few months of 2026.

Breakdown of receivables recorded as current assets by geographical area

The following table shows the breakdown by geographical area of receivables recorded as current assets. (in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Italy	250,016,974	237,873,832	12,143,142
EU	15,146,409	13,048,953	2,097,456
Non-EU	4,251,500	3,824,317	427,183
Total receivables from customers	269,414,883	254,747,102	14,667,781
Italy	32,263,630	23,588,210	8,675,420
Non-EU	26,389,901	15,348,184	11,041,717
Total receivables from subsidiaries	58,653,531	38,936,394	19,717,137
Italy	14,626,323	16,380,567	(1,754,244)
Total receivables from parent companies	14,626,323	16,380,567	(1,754,244)



Financial assets not constituting fixed assets

Changes in financial assets not constituting fixed assets

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
178,465,542	165,268,145	13,197,397

The following table sets out information regarding changes in financial assets that do not constitute fixed assets:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Financial derivative assets	-	1,313,030	(1,313,030)
Other non-current securities	150,055,007	147,335,157	2,719,850
Financial assets for centralised treasury management	28,410,535	16,619,958	11,790,577
Total	178,465,542	165,268,145	13,197,397

Financial derivative assets

The item "Financial derivative assets" has been written off as the hedging derivative relating to the purchase of electricity was closed out during 2025.

Other securities

The amount as at 31/12/2025 is €150,055,007.

The company maintained the diversification of treasury investments in this financial year as well.

As at 31/12/2025, total financial instruments amounted to €152 million, of which €51 million in a bond portfolio of 32

securities with an average maturity of 4.74 years and a BBB-average rating; €59 million in investment fund units, €36 million in Credit Linked Certificates, €2.5 million in Certificates with underlying shares, €2.5 million in insurance policies, and €764 thousand in other types of investments.

As at 31 December 2025, there was an improvement in prices and this allowed for a reduction of €923,798 in the provision for write-down of securities based on a comparison between the carrying value and the market value at the end of the financial year; as at 31/12/2025, a provision for write-down of securities of €1,772,053 was in place to cover the lower market value of securities at year-end compared to their purchase cost.

Financial assets for centralised treasury management

As at 31/12/2025, the following amounts were recorded for receivables from subsidiaries related to centralised treasury management:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Receivables from Padana Rottami Srl for cash pooling	25,139,787	12,029,116	13,110,671
Receivables from Centro Italiano Acciai Srl for cash pooling	3,270,748	4,590,842	(1,320,094)
Financial assets for centralised treasury management	28,410,535	16,619,958	11,790,577

The change from the previous year is closely related to the financial needs of the various group companies.

Cash and cash equivalents

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
61,720,543	173,326,314	(111,605,771)

The following table sets out information regarding changes in cash and cash equivalents.

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Bank and postal deposits	61,715,023	173,319,371	(111,604,348)
Cash and cash equivalents	5,520	6,943	(1,423)
Total cash and cash equivalents	61,720,543	173,326,314	(111,605,771)

Bank deposits include short-term deposit accounts for €15 million, readily releasable at the company's request, with the only penalty being the rate.

The reduction in cash and cash equivalents compared with the previous financial year is mainly due to investments made

during the financial year in equity investments and the increase in net working capital. Reference may be made to the cash flow statement for further information on changes in cash and cash equivalents.



Accrued income and prepaid expenses

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
2,931,541	4,542,253	(1,610,712)

The composition and changes in the individual items are shown below:
(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Accrued income	2,509,896	3,666,820	(1,156,924)
Prepaid expenses	421,645	875,433	(453,788)
Total accrued income and prepaid expenses	2,931,541	4,542,253	(1,610,712)

Accrued income and prepaid expenses are broken down as follows:
(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Interest income on current accounts, securities and time deposits	2,472,332	3,665,731	(1,193,399)
Other accrued income	37,564	1,089	36,475
Total accrued income	2,509,896	3,666,820	(1,156,924)
Service fees and leases	363,578	392,298	(28,720)
Fees on bank and insurance guarantees	40,960	52,762	(11,802)
EUA emission allowances for subsequent years	-	350,791	(350,791)
Other prepaid expenses	17,107	79,582	(62,475)
Total prepaid expenses	421,645	875,433	(453,788)
Total accrued income and prepaid expenses	2,931,541	4,542,253	(1,610,712)

All of the above-stated amounts are expected to be due within twelve months, with the exception of prepayments on guarantees in the amount of €27 thousand and others of various kinds in the amount of €5 thousand. No amount has a duration greater than five years.



EXPLANATORY NOTES, LIABILITIES AND SHAREHOLDERS' EQUITY

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The movements in the individual financial statement items are analysed in detail below, where required by current legislation.

Shareholders' equity

Changes in equity items

Shareholders' equity at year-end was €991,659,001.

The shareholders' meeting of 26 June 2025 resolved to allocate the profit for the financial year 2024 of €6,197,717 as follows:

- €310,000 to increase the Legal Reserve;
- €35,171 to the Reserve for unrealised foreign exchange gains;
- €294,466 to the Reserve for gains on fair value measurement of non-hedging derivatives;
- €5,558,080 to Retained earnings.

The same Shareholders' Meeting resolved to distribute reserves (retained earnings) amounting to €16,695,000.

Furthermore, the amount of the reserve for hedging expected cash flows, included in equity reserves, was written off, given the closure of the related hedging derivative on the purchase of electricity.

Changes in the reserve, as required by Article 2427-bis, paragraph 1 of the Italian Civil Code, as well as Italian Accounting Body - OIC 32, are shown below.

(in euros)

Reserve for expected cash flow hedging transactions	
Value as at 31 December 2024	946,695
Changes during the year	
Decrease due to change in fair value	(1,313,030)
Deferred tax effect	366,335
Value as at 31 December 2025	-



The detailed description of the derivatives is highlighted in the specific paragraph below.

The following tables show the changes in the individual items making up the Shareholders' Equity during the year:

(in euros)

	Value as at 31 December 2024	Allocation of operating result for the previous year		Other changes		Operating result	Value as at 31 December 2025
		Allocation of dividends	Other destinations	Decreases	Other movements		
Capital	126,000,000	-	-	-	-	-	126,000,000
Revaluation reserves	39,131,300	-	-	-	-	-	39,131,300
Legal reserve	17,225,000	-	310,000	-	-	-	17,535,000
OTHER RESERVES							
Merger surplus reserve	13,336,256	-	-	-	-	-	13,336,256
Fair value reserve on non-hedging derivatives	-	-	294,466	-	-	-	294,466
Reserve for foreign exchange gains	-	-	35,171	-	-	-	35,171
Total other reserves	13,336,255	-	329,637	-	1	-	13,665,893
Reserve for expected cash flow hedging transactions	946,695	-	-	(946,695)	-	-	-
Profits (losses) carried forward	798,530,581	-	5,558,080	(16,695,000)	-	-	787,393,661
Profit (loss) for the year	6,197,717	-	(6,197,717)	-	-	7,933,146	7,933,146
Total	1,001,367,548	-	-	(17,641,695)	1	7,933,146	991,659,000



To facilitate a better understanding of changes in equity, the movements in equity items for the previous financial year are highlighted below:

(in euros)

	Value as at 31 December 2023	Allocation of operating result for the previous year		Other changes		Operating result	Value as at 31 December 2024
		Allocation of dividends	Other destinations	Decreases	Other movements		
Capital	126,000,000	-	-	-	-	-	126,000,000
Revaluation reserves	39,131,300	-	-	-	-	-	39,131,300
Legal reserve	12,600,000	-	4,625,000	-	-	-	17,225,000
OTHER RESERVES							
Extraordinary reserve	-	-	-	-	(1)	-	(1)
Merger surplus reserve	13,336,256	-	-	-	-	-	13,336,256
Total other reserves	13,336,256	-	-	-	(1)	-	13,336,255
Reserve for expected cash flow hedging transactions	1,481,265	-	-	(534,570)	-	-	946,695
Profits (losses) carried forward	742,563,273	-	70,142,308	(14,175,000)	-	-	798,530,581
Profit (loss) for the year	92,407,308	(17,640,000)	(74,767,308)	-	-	6,197,717	6,197,717
Total	1,027,519,402	(17,640,000)	-	(14,709,570)	(1)	6,197,717	1,001,367,548



Availability and use of shareholders' equity

Shareholders' equity items are broken down as follows according to their origin, possibility of use, distributability and use in the previous three financial years (Article 2427, first paragraph, No. 7-bis, Italian Civil Code).

(in euros)

	Amount	Origin/ nature	Possibility of use	Available quota	Summary of uses in the three previous years	
					to cover losses	for other reasons
Capitale	126,000,000	Capital	-	-	-	-
Revaluation reserves	39,131,300	Capital	A-B-C	39,131,300	-	63,000,000
Legal reserve	17,535,000	Profits	B	17,535,000	-	-
OTHER RESERVES						
Extraordinary reserve	1		-	-	-	-
Merger surplus reserve	13,336,256	Capital	A-B-C	13,336,256	-	-
Fair value reserve on non-hedging derivatives	294,466	Profits	A-B	294,466	-	-
Reserve for foreign exchange gains	35,171	Profits	A-B	35,171	-	-
Total other reserves	13,665,893			13,665,893	-	-
Profits (losses) carried forward	787,393,661	Profits	A-B-C	787,393,661	-	81,900,000
Total	983,725,854			857,725,854	-	144,900,000
Residual distributable quota				839,861,217		

Legend:

A: for capital increase B: to cover losses C: for distribution to shareholders D: for other statutory restrictions E: other

The residual revaluation reserve under Law 126/2020, totalling €39,131,300, may be distributed to shareholders in accordance with the provisions of the second and third paragraphs of Article 2445 of the Italian Civil Code. With regard to the possible utilisation of the revaluation reserve to cover losses, no distribution of profits may be made in the financial years following such utilisation until the revaluation reserve has been reinstated or reduced by a corresponding amount

by resolution of the extraordinary shareholders' meeting. If allocated to shareholders, this reserve contributes to the company's taxable income pursuant to Article 13, paragraph 3, of Law 342/2000.

Please note that the above-stated restrictions also apply to the amount of €63,000,000 of revaluation reserve under Law 126/2020 charged to a share capital increase in 2023.

Provisions for risks and charges

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
7,790,512	3,755,053	4,035,459

(in euros)

	Provision for pensions and similar obligations	Provision for taxes, including deferred taxes	Derivative financial instruments liabilities	Other funds	Total provisions for risks and charges
Value as at 31 December 2024	436,797	2,460,756	-	857,500	3,755,053
Provision during the year	23,234	9,809	25,732	4,367,132	4,425,907
Use during the year	-	(366,336)	-	(24,111)	(390,447)
Total changes	23,234	(356,527)	25,732	4,343,021	4,035,460
Value as at 31 December 2025	460,031	2,104,229	25,732	5,200,521	7,790,513



B 1) Provision for pensions and similar obligations

L'importo di Euro 460,031 comprende esclusivamente il Fondo Indennità suppletiva di clientela, previsto dalla Legge e dal vigente Contratto degli Agenti e Rappresentanti di Commercio, Nell'esercizio 2025 c'è stato un accantonamento di Euro 23,234 mentre non vi sono stati utilizzi,

B 2) Provision for taxes, including deferred taxes

The amount of €2,104,229 relates to:

- B2-1) Provision for taxes on disputes €1,826,033

In the 2025 financial year, the provision remained unchanged.

The provision is allocated to cover risks arising from a

2013/2014 IRES/IRAP dispute for which the company has filed an appeal with the Court of Cassation against an unfavourable ruling by the Court of Justice of Second Instance of Venice.

It should be noted that on the assets side, tax credits include payments made for the provisional registration of this litigation for a total amount of €1,322,695.

- B2-2) Deferred taxes €278,196

The provision relates to deferred tax on capital gains arising in 2022 and 2025 and to the taxable portion of dividends not received in 2025. As at 31/12/2025, the provision for deferred taxes was made up as follows:

(in euros)

	Taxable amount as at 31/12/2024	Deferred tax assets as at 31 December 2024	Effect on Income Statement	Effect to Shareholders' equity	Taxable amount as at 31/12/2025	Deferred tax assets as at 31 December 2025
Capital gains to be taxed	717,432	172,184	105,828	-	1,158,383	278,012
Unclaimed dividends	400,845	96,203	(96,019)	-	765	184
Fair value of cash flow hedging derivatives	1,313,030	366,335	-	(366,335)	-	-
Totale		634,722	9,809	(366,335)		278,196

B 3) Derivative financial instruments liabilities

The item "Derivative financial instrument liabilities", amounting to €25,732, represents the fair value of Euro/Dollar exchange rate derivatives not designated as hedges. Please refer to the information on derivative financial instruments in the specific section below.

B 4) Provisions for future risks and charges

The amount of €5,200,520 includes:

- a provision for litigation risks of €731,489 set aside for charges arising from pending lawsuits or penalties for which an outlay is expected. During 2025, the provision was utilised for €9,111 and a further provision of €340,600 was set aside;
- a provision for risks from claims of €442,500 set aside against possible charges related to claims borne by the

Company, for the portion not covered by insurance policies. During the course of 2025, the provision was utilised in the amount of €15,000 while no further provision was set aside;

- a provision for risks, set aside in the current financial year in the amount of €1,792,410, relating to the deficit in greenhouse gas emission allowances generated during the financial year;
- a provision for charges, set aside in the current financial year in the amount of €2,234,120, relating to commissions under the "Energy Release 2.0" contract to which our company has been a party since 2025; these commissions correspond to the consideration payable to the parties responsible for developing generation capacity from renewable sources, as provided for in the contract and the addenda signed with the Energy Services Operator (GSE). For further information, please refer to the comments in the section "Other revenue and income".

Employee severance indemnity

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
3,655,755	4,003,271	(347,516)

The provision for severance indemnities existing at year-end, as a result of the implementation of the reform of the supplementary pension schemes provided for by Italian Legislative Decree No. 252/2005, and subsequent amendments introduced by Law No. 296/2006, represents the entire liability accrued as at 31/12/2006 towards employees in accordance with current legislation and collective labour and supplementary company agreements, revalued until 31/12/2025 in

accordance with the law and shown net of the substitute tax on revaluations, pursuant to Art. 11, paragraph 3 and 4, Italian Legislative Decree No. 47/2000.

In the financial year 2025, the company paid the amount of €4,655,064 to the supplementary pension schemes and the Treasury Fund. The composition and changes in the individual items are shown below:

(in euros)

Employee severance indemnity	
Value as at 31 December 2024	4,003,271
Provision during the year	75,021
Use during the year	(422,537)
Total changes	(347,516)
Value as at 31 December 2025	3,655,755

Payables

Balance as at al 31/12/2025	Balance as at 31/12/2024	Change
370,786,868	349,142,303	21,644,565



Changes and maturity of payables

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Payables to banks	68,413,948	76,393,738	(7,979,790)
Advances	331,243	877,466	(546,223)
Payables to suppliers	176,420,201	155,422,772	20,997,429
Payables to subsidiaries	91,943,433	86,234,037	5,709,396
Payables to parent companies	-	450,800	(450,800)
Tax liabilities	6,697,758	4,403,293	2,294,465
Payables to social security and welfare institutions	9,202,421	8,234,433	967,988
Other payables	17,777,864	17,125,764	652,100
Total	370,786,868	349,142,303	21,644,565

Payables to banks, amounting to €68,413,948, are broken down as follows:

Payables to banks within 12 months: €32,456,879 consists entirely of the portion of the loans due by 31.12.2026.

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Payables to banks for credit cards	-	2,648	(2,648)
Payables to banks for current accounts	-	2,648	(2,648)
Credito Emiliano	10,000,000	-	10,000,000
Monte dei Paschi di Siena	-	20,000,000	(20,000,000)
Short-term loans	10,000,000	20,000,000	(10,000,000)
Banca Valsabbina	1,997,412	-	1,997,412
Cassa Depositi e Prestiti	11,428,571	11,428,571	-
Credito Emiliano	4,866,792	2,346,043	2,520,749
Deutsche Bank	4,164,104	4,162,790	1,314
Medium/long-term loans due within 12 months	22,456,879	17,937,404	4,519,475
Total payables to banks within 12 months	32,456,879	37,940,052	(5,483,173)

Payables to banks beyond 12 months: € 35,957,069

Bank payables due beyond 12 months relate to the medium/long-term portion of loans with credit institutions described in the table below; it should be noted that the interest applied is variable and linked to 3/6-month Euribor.

(in euros)

	Activation date	Maturity date	Original debt	Residual debt	Portion due within 12 months	Portion due beyond 12 months
Banca Valsabbina	30/04/2025	27/04/2031	20,000,000	19,991,761	1,997,412	17,994,349
Cassa Depositi e Prestiti	22/09/2022	22/09/2026	40,000,000	11,428,571	11,428,571	-
Credito Emiliano	15/04/2024	15/04/2029	20,000,000	17,622,452	4,866,792	12,755,660
Deutsche Bank	24/03/2022	22/03/2028	25,000,000	9,371,164	4,164,104	5,207,060
Total			105,000,000	58,413,948	22,456,879	35,957,069

The Deutsche Bank loan activated in 2022 and with a term of 6 years, has a residual debt as at 31/12/2025 of €9,371,164, of which €4,162,104 matures by 2026 and €5,207,060 matures between 2027 and 2028.

The Cassa Depositi e Prestiti loan activated in 2022 and with a term of 4 years, has a residual debt as at 31/12/2025 of €11,428,571, the full amount of which is due by 2026.

The Credem loan activated in 2024 and with a term of 5 years, has a residual debt as at 31/12/2025 of €17,622,452, of which €4,866,792 is due by 2026 and €12,755,660 is due between 2027 and 2029.

The Banca Valsabbina loan activated in 2025 and with a

term of 6 years, has a residual debt as at 31/12/2025 of €19,991,761, of which €1,997,412 is due by 2026 and €17,994,349 is due between 2027 and 2031.

Payables to banks have decreased overall compared with the previous financial year.

Payables to suppliers amounted to €176,420,201, an increase over the previous year due to normal industry dynamics.

Payables to subsidiaries, in the amount of €91,943,433, include €83,078,990 trade payables and €8,686,638 financial payables. The breakdown by company is as follows:

(in euros)

	Trade payables	Financial payables	Other payables	Total
A.V.E. - Acciaierie Venete Energia Srl	24,343	-	-	24,343
Acciaierie Venete France Sasu	19,903	-	-	19,903
Centro Italiano Acciai Srl	1,361	476	25,405	27,242
Euro Sider Scalo Srl	3,550	-	-	3,550
Esti Srl	42,738	8,686,162	-	8,728,900
Maltauro Rottami Srl	12,102,123	-	-	12,102,123
Padana Rottami Srl	62,568,874	-	149,267	62,718,141
Setrans Srl	7,972,650	-	-	7,972,650
Trafilerie San Paolo Srl	9,583	-	-	9,583
Valle Zignago Srl	-	-	3,133	3,133
Venete Siderprodukte AG	333,865	-	-	333,865
Total payables to subsidiaries	83,078,990	8,686,638	177,805	91,943,433



Other payables to subsidiaries refer entirely to group VAT payables.

There are no **payables to parent companies**.

Tax liabilities, of €6,697,758 are broken down as follows:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Payables to tax authorities for group VAT	2,134,868	390,450	1,744,418
Payables to tax authorities for withholding tax	4,557,248	4,006,029	551,219
Other tax liabilities	5,642	6,814	(1,172)
Total tax liabilities	6,697,758	4,403,293	2,294,465

Payables to social security and welfare institutions, amounting to €9,202,421 consist of:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Payables to social security institutions for contributions	8,232,326	7,495,333	736,993
Payables to INAIL	40,221	-	40,221
Payables to INPS for employee severance pay	254,274	75,683	178,591
Other payables to social security institutions	675,600	663,417	12,183
Total payables to social security institutions	9,202,421	8,234,433	967,988

The **other payables**, amounting to €17,777,864, consist of:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Variable consideration on corporate acquisitions	500,000	-	500,000
Payables to Board of Directors and Board of Statutory Auditors	56,160	65,520	(9,360)
Accrued payables to employees	13,080,131	12,025,945	1,054,186
Payables to employees for wages and salaries	3,804,390	3,535,728	268,662
Payables to INPS and other institutions	220,393	190,951	29,442
Payables for credit cards	2,726	-	2,726
Other payables	114,064	1,307,621	(1,193,557)
Total other payables	17,777,864	17,125,765	652,099



Variable consideration on corporate acquisitions refers to the variable price component relating to the purchase of the 60% stake in Euro Sider Scalo Srl. This amount will be paid by 31/01/2027, provided there are no contingent liabilities incurred by Euro Sider Scalo Srl and not reimbursed by the seller.

Payables – Distinguished by maturity

The following is a breakdown of payables by due date:

(in euros)

	Financial year ended		Change	Share due within the financial year	Share due beyond the financial year	Of which with residual maturity over 5 years
	Value as at 31 December 2025	Value as at 31 December 2024				
Payables to banks	68,413,948	76,393,738	(7,979,790)	32,456,879	35,957,069	1,999,912
Advances	331,243	877,466	(546,223)	331,243	-	-
Payables to suppliers	176,420,201	155,422,772	20,997,429	176,420,201	-	-
Payables to subsidiaries	91,943,433	86,234,037	5,709,396	91,943,433	-	-
Payables to parent company	-	450,800	(450,800)	-	-	-
Tax liabilities	6,697,758	4,403,293	2,294,465	6,697,758	-	-
Payables to social security and welfare institutions	9,202,421	8,234,433	967,988	9,202,421	-	-
Other payables	17,777,864	17,125,764	652,100	17,277,864	500,000	-
Total payables	370,786,868	349,142,303	21,644,565	334,329,799	36,457,069	1,999,912

All payables shown in the balance sheet are short-term, with the exception of the long-term portion of payables to banks and other liabilities (the amount relating to the acquisition of Euro Sider Scalo Srl, as previously analysed). Payables with a maturity of more than five years are highlighted in the table.

Breakdown of payables by geographical area

The breakdown of **payables to suppliers, to subsidiaries and to the parent company** as at 31/12/2025 by geographical area is shown in the table below:

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Italy	149,189,200	143,901,748	5,287,452
EU	16,155,456	8,977,465	7,177,991
Non-EU	11,075,545	2,543,559	8,531,986
Total payables to suppliers	176,420,201	155,422,772	20,997,429
Italy	91,589,666	86,213,366	5,376,300
EU	19,903	-	19,903
Non-EU	333,864	20,671	313,193
Total payables to subsidiaries	91,943,433	86,234,037	5,709,396
Italy	-	450,800	(450,800)
Total payables to parent companies	-	450,800	(450,800)

Payables secured by collateral on corporate assets

No payables are secured by collateral on corporate assets.



Accrued expenses and deferred income

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
2,950,708	3,603,440	(652,732)
(in euros)		

	Financial year ended		Change
	31/12/2025	31/12/2024	
Accrued expenses	352,212	218,047	134,165
Deferred income	2,598,496	3,385,393	(786,897)
Total accrued expenses and deferred income	2,950,708	3,603,440	(652,732)

The breakdown of the item is as follows:

	Financial year ended		Change
	31/12/2025	31/12/2024	
Interest payable and bank fees	324,769	212,251	112,518
Other accrued expenses	27,443	5,796	21,647
Total accrued expenses	352,212	218,047	134,165
Tax credit for capital expenditure in future financial years	2,598,496	3,385,393	(786,897)
Total deferred income	2,598,496	3,385,393	(786,897)
Total accrued expenses and deferred income	2,950,708	3,603,440	(652,732)

The presumed duration of accrued expenses and deferred income is greater than twelve months for €1,731,469, of which €7,899 has a duration greater than five years.



EXPLANATORY NOTES, INCOME STATEMENT

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Value of production

Before analysing the individual items, please note that comments and additional information concerning the nature of the economic activity carried out, the economic performance for the year, events subsequent to the date of the financial statements, relations with subsidiary, associated, parent and affiliated companies, and the outlook for operations, are set forth in the Management report, prepared pursuant to Art. 2428 of the Italian Civil Code.

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
1,203,707,423	1,157,586,344	46,121,079

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
1) Revenues from sales and services	1,095,315,240	1,094,139,598	1,175,642	0.11%
2) Change in inventories of work in progress, semi-finished and finished products	23,586,610	881,272	22,705,338	2,576.43%
4) Increases in fixed assets for internal work	50,638	20,402	30,236	148.20%
5) Other revenues and income	84,754,935	62,545,072	22,209,863	35.51%
Total Value of Production	1,203,707,423	1,157,586,344	46,121,079	3.98%

Breakdown of revenues from sales and services by category of activity

Revenues from sales and services (item A1), amounting to €1,095,315,240, are broken down as follows:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Gross sales revenue from steel	1,087,654,726	1,085,748,551	1,906,175	0.18%
Gross sales revenue from processing waste and scrap sales	10,134,295	10,443,738	(309,443)	(2.96%)
Variable fees	(2,473,781)	(2,052,691)	(421,090)	20.51%
Total revenues from sales and services	1,095,315,240	1,094,139,598	1,175,642	0.11%

Breakdown of revenues from sales and services by geographical area

The geographical breakdown of the turnover in 2025 is as follows:

(in euros)

	Financial year ended				Change	Change %
	31/12/2025	Ratio	31/12/2024	Ratio		
Italy	831,957,145	75.96%	813,971,864	74.39%	17,985,281	2.21%
EU	242,516,083	22.14%	252,055,398	23.04%	(9,539,315)	(3.78%)
Non-EU	20,842,012	1.90%	28,112,336	2.57%	(7,270,324)	(25.86%)
Total revenues from sales and services	1,095,315,240	100.00%	1,094,139,598	100.00%	1,175,642	0.11%

The item **Other revenues and income**, of €84,754,935 includes:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Contributions	39,308,177	12,632,222	26,675,955	211.17%
Rental income	12,119	9,467	2,652	28.01%
Capital gains on disposal of assets	1,031,292	645,752	385,540	59.70%
Revenue from insurance reimbursements	731,848	4,703,227	(3,971,379)	(84.44%)
Revenue from sale of electricity	17,965,724	20,532,633	(2,566,909)	(12.50%)
Revenue from the allocation Energy Efficiency Certificates	961,022	2,040,487	(1,079,465)	(52.90%)
Revenue from training course reimbursements	130,499	168,987	(38,488)	(22.78%)
Revenue related to electricity and natural gas interruptibility contract	22,332,553	18,679,420	3,653,133	19.56%
Extraordinary income	290,536	786,102	(495,566)	(63.04%)
Income from third-party processing	243,712	139,051	104,661	75.27%
Income from equipment leasing	42,000	42,000	-	0.00%
Sale of miscellaneous materials	1,157,904	610,086	547,818	89.79%
Other revenues and income	547,549	1,555,638	(1,008,089)	(64.80%)
Total other revenues and income	84,754,935	62,545,072	22,209,863	35.51%



The significant increase in the “grant contributions” item was due to the new grant contribution awarded in 2025 for Energy Release 2.0, amounting to €17,150 thousand, as well as the increase in the grant contribution awarded in relation to the Energy Transition Fund pursuant to Article 27 of Italian Legislative Decree 30/2013 aimed at offsetting indirect energy costs, amounting to €20,976 thousand, which increased compared to the amount recorded in 2024 (€11,589 thousand) as the resources made available by the authorities increased; this grant contribution was received in full in February 2026.

In particular, it is specified that the new Energy Release 2.0 contribution, governed by Article 1 of Decree-Law No. 181 of 9 December 2023, converted with amendments by Law No. 11 of 2 February 2024, has resulted in the Company being granted a financial benefit, calculated as the difference between the market price of electricity and the price set by the GSE for the 2025 financial year, but which will also apply to the subsequent financial years 2026 and 2027. In accordance with the opinion of the Italian Accounting Board dated 22 December 2025, this benefit has been classified as an operating grant, as the Company has transferred to third parties (through the signing of specific Addendum agreements entered into in February and March 2026) the obligations relating to the development of new generation capacity from renewable sources and the repayment of the advance energy.

Costs of production

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
1,203,634,049	1,180,450,195	23,183,854

For the analysis of the financial performance for the financial year, please see the Management Report.

The contribution was therefore recognised in the 2025 financial year as the right to receive it arose following the GSE's notification of the successful outcome of the allocation procedure and the signing of the Energy Release contract, also taking into account events occurring after the end of the financial year in accordance with OIC 29. The contribution gave rise to a receivable from the GSE of €16,088 thousand, recognised in other receivables net of the collective guarantee described below. This receivable is due to be collected in full in March 2026.

Similarly, during the financial year, remuneration of €2,234 thousand was recognised for third parties delegated with implementation obligations; this amount was provided for in provisions for expenses (given that the Addenda were signed in 2026), with a corresponding entry for service costs consistent with the nature of the cost as required by OIC 12.

Finally, it should be noted that, as mentioned above, part of the recognised contribution is retained by the GSE as a collective guarantee until the delegate has fulfilled the obligations to build the new generation capacity. As at 31 December 2025, in respect of the portion of the contribution accrued for the 2025 financial year, the amount of this guarantee is €1,061,760, recognised under long-term receivables from others (GSE), taking into account any discounting effects where significant.

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Raw, ancillary and consumable materials and goods	922,741,050	910,895,913	11,845,137	1.30%
Services	99,116,456	95,382,391	3,734,065	3.91%
Use of leased assets	7,232,209	6,733,544	498,665	7.41%
Wages and salaries	75,920,963	69,929,494	5,991,469	8.57%
Social security expenses	24,645,509	22,601,449	2,044,060	9.04%
Employee severance indemnity	5,083,090	4,777,431	305,659	6.40%
Other personnel costs	603,232	566,608	36,624	6.46%
Amortisation of intangible fixed assets	759,986	775,547	(15,561)	(2.01%)
Depreciation of tangible fixed assets	53,848,340	52,267,068	1,581,272	3.03%
Change in raw material inventories	2,840,320	7,651,402	(4,811,082)	(62.88%)
Provisions for risks	340,600	214,705	125,895	58.64%
Other operating expenses	10,502,294	8,654,642	1,847,652	21.35%
Total	1,203,634,049	1,180,450,195	23,183,854	1.96%

The **costs of raw, ancillary, consumable materials and goods**, amounting to €922,741,050, include:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Raw materials	638,368,164	634,404,364	3,963,800	0.62%
Electricity, methane	185,305,842	173,237,088	12,068,754	6.97%
Ancillary and refractory materials	61,074,352	55,970,191	5,104,161	9.12%
Finished products	18,660,448	27,373,928	(8,713,480)	(31.83%)
Maintenance and consumables	19,332,244	19,910,342	(578,098)	(2.90%)
Total cost of raw, ancillary, consumable materials and goods	922,741,050	910,895,913	11,845,137	1.30%



Costs of services, amounting to €99,116,456, include:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Other utilities	581,816	510,187	71,629	14.04%
Bank, insurance and postal fees and charges	140,862	248,662	(107,800)	(43.35%)
Personnel costs	2,788,797	2,167,380	621,417	28.67%
Temporary employment cost	370,159	260,579	109,580	42.05%
Directors' and statutory auditors' fees	1,194,421	977,467	216,954	22.20%
External processing	2,060,062	1,968,298	91,764	4.66%
General and industrial maintenance	29,278,878	28,981,995	296,883	1.02%
Insurance premiums	3,570,249	3,410,105	160,144	4.70%
Third-party services	18,700,495	17,231,013	1,469,482	8.53%
Commissions and related contributions	1,085,943	1,748,348	(662,405)	(37.89%)
Industrial waste disposal	11,068,184	11,765,911	(697,727)	(5.93%)
Transport	28,105,858	25,896,396	2,209,462	8.53%
Other costs for services	170,732	216,050	(45,318)	(20.98%)
Total costs for services	99,116,456	95,382,391	3,734,065	3.91%

The **costs for use of leased assets**, amounting to €7,232,209, include:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Rental fees for industrial and commercial properties	660,241	659,407	834	0.13%
Rental fees for plant and equipment	6,076,906	5,564,365	512,541	9.21%
Car rental fees	495,062	509,772	(14,710)	(2.89%)
Total costs for use of leased assets	7,232,209	6,733,544	498,665	7.41%

Personnel costs amounted to €106,252,794.

This item includes the total expenditure for employees including category upgrades, merit improvements, contingency bonuses, the cost of untaken leave, provisions by law and collective agreements, supplementary company agreements and performance bonuses.

Below are the details of the items and their changes:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Wages and salaries	75,920,963	69,929,494	5,991,469	8.57%
Social security expenses	24,645,509	22,601,449	2,044,060	9.04%
Employee severance indemnity	5,083,090	4,777,431	305,659	6.40%
Other costs	603,232	566,609	36,623	6.46%
Total personnel costs	106,252,794	97,874,983	8,377,811	8.56%

The average number of personnel in 2025 was 1,470 compared to 1,457 in 2024. The increase recorded during the financial year relates to the adjustment of the National Collective Labour Agreement and the increase in the number of personnel.

For all other information on personnel, reference may be made to the “Other Information” section and the Management Report.

Other operating expenses, amounting to €10,502,294, consist of:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Purchase of greenhouse gas emission allowances	2,143,202	1,236,999	906,203	73.26%
Single Municipal Tax	1,364,801	1,313,297	51,504	3.92%
Manufacturing tax and energy surtax	664,577	631,583	32,994	5.22%
Taxes, dues, fees, and contributions	760,654	658,818	101,836	15.46%
Capital losses on disposal of assets	828,080	160,818	667,262	414.92%
Extraordinary expenses	116,835	103,830	13,005	12.53%
Membership fees and consortium contributions	617,274	687,142	(69,868)	(10.17%)
Entertainment, advertising and trade fair expenses	3,297,389	2,582,261	715,128	27.69%
Miscellaneous costs	709,482	1,279,894	(570,412)	(44.57%)
Total other operating expenses	10,502,294	8,654,642	1,847,652	21.35%

The increase for the year is mainly due to the higher purchase of greenhouse gas emission allowances compared with the previous financial year.



Financial income and expenses

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
8,686,205	21,561,015	(12,874,810)

The item **Financial income**, is broken down as follows:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Dividends from equity investments in subsidiaries	518,182	11,120,717	(10,602,535)	(95.34%)
Dividends from equity investments in other companies	35,720	32,100	3,620	11.28%
Income from equity investments	553,902	11,152,817	(10,598,915)	(95.03%)
Coupons and interest on securities	4,822,429	5,299,616	(477,187)	(9.00%)
Capital gains on securities transactions	417,248	528,553	(111,305)	(21.06%)
Financial income from securities recorded as current assets	5,239,677	5,828,169	(588,492)	(10.10%)
Interest income from cash pooling and loans	587,148	668,119	(80,971)	(12.12%)
Other financial income from subsidiaries	-	74,108	(74,108)	(100.00%)
Financial income from subsidiaries	587,148	742,227	(155,079)	(20.89%)
Interest income on bank current accounts	2,688,586	5,693,114	(3,004,528)	(52.77%)
Income from investments in closed-end funds held as fixed assets	1,363,098	-	1,363,098	-
Financial income on purchase of Ecobonus tax credits	950,000	867,000	83,000	9.57%
Financial income on fixed-term securities	-	11,503	(11,503)	(100.00%)
Other financial income	81,033	410,224	(329,191)	(80.25%)
Rebates and discounts	434	1,186	(752)	(63.41%)
Other financial income	5,083,151	6,983,027	(1,899,876)	(27.21%)
Total financial income	10,909,976	13,553,423	(2,643,447)	(19.50%)

Income from investments in subsidiaries amounting to €518,182 comprises €38,182 in dividends paid by the subsidiary Venete Siderprodukte AG and €480,000 in dividends paid by the subsidiary Setrans Srl.

The significant reduction compared with income from equity investments in the previous financial year is mainly due to the fact that in 2024 the subsidiary Esti Srl had paid a dividend of €10 million.

Breakdown of interest and other financial expenses by debt type

The item **Financial expenses**, is broken down as follows:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Cash pooling interest expense	147,160	285,900	(138,740)	(48.53%)
Financial expenses from subsidiaries	147,160	285,900	(138,740)	(48.53%)
Interest expenses on bank current accounts	257,119	5,738	251,381	4,380.99%
Interest expenses on loans	1,864,850	2,733,972	(869,122)	(31.79%)
Capital Loss on disposal of equity investments	223,825	6,559	217,266	3,312.49%
Payable Rebates and discounts	57	40	17	42.50%
Other interest expenses	34,504	49,438	(14,934)	(30.21%)
Other financial expenses	2,380,355	2,795,747	(415,392)	(14.86%)
Total financial expenses	2,527,515	3,081,647	(554,132)	(17.98%)

Foreign exchange gains and losses

Foreign exchange gains and losses are detailed below:

(in euros)

	Valuation part	Realised part	Total
Foreign exchange gains	17,508	281,892	299,400
Foreign exchange losses	62,601	486,956	549,557

The amounts compared with those of the previous financial year are as follows:

(in euros)

	Financial year ended		Change	Change %
	31/12/2025	31/12/2024		
Foreign exchange gains	299,400	326,063	(26,663)	(8.18%)
Foreign exchange losses	(549,558)	(389,642)	(159,916)	41.04%
Total foreign exchange gains and losses	(250,158)	(63,579)	(186,579)	293.46%



Value adjustments on financial assets and liabilities

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
(141,299)	1,838,343	(1,979,642)

Revaluations

Revaluation of securities recorded as current assets €484,546

Revaluations from securities held as current assets that are not equity investments.

Write-downs

Revaluation of securities recorded as current assets €600,113

The write-down relates to securities held as current assets that are not equity investments.

Impairment of derivative financial instruments €25,732

The impairment relates to negative change in fair value of Euro/Dollar exchange rate derivatives not designated as hedges.

Amount and nature of individual revenue/expense items of exceptional magnitude or impact

Revenues of exceptional magnitude or impact

In accordance with the provisions of Article 2427, paragraph 1, point 13 of the Italian Civil Code, it should be noted that in the 2025 financial year, no revenues and/or costs of exceptional magnitude or impact were recorded, with the exception of

the contribution for Energy Release 2.0 amounting to €17,150 thousand, previously discussed in the section “Other revenues and income”; this type of contribution will also be provided for the financial years 2026 and 2027.

Current, Deferred and Prepaid Income Taxes for the year

Balance as at 31/12/2025	Balance as at 31/12/2024	Change
685,134	(5,662,211)	6,347,345

(in euros)

	Current taxes	Taxes relating to previous financial years	Deferred taxes	Prepaid taxes	Total
IRES (Italian Corporate Income Tax)	1,534,787	(95,566)	9,809	(1,030,366)	418,664
IRAP (Regional Tax on Production)	457,531	-	-	(191,061)	266,470
Total income tax	1,992,318	(95,566)	9,809	(1,221,427)	685,134

The prepaid and deferred taxes schedules, showing the information required by Art. 2427, paragraph 1, number 14, letters a) and b) of the Italian Civil Code, are shown in the description of prepaid and deferred taxes.

The item “taxes relating to previous financial years” of

€95,566 refers to a reduction in IRES relating to previous financial years recognised in 2025.

According to Italian Accounting Body - OIC 25, the provision for taxes for the year can be reconciled with the result shown in the financial statements as follows:

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Earnings before taxes	8,618,280		535,506	
Theoretical tax 24%	2,068,387	24.00%	128,521	24.00%
Non-deductible costs	208,292	2.42%	226,456	42.29%
Non-taxable income	(343,913)	(3.99%)	(2,764,633)	(516.27%)
Taxes relating to previous financial years	(95,566)	(1.11%)	837,101	156.32%
Increased deductibility of depreciation	(1,131,425)	(13.13%)	(2,776,759)	(518.53%)
Other effects	(287,111)	(3.33%)	(1,330,038)	(248.37%)
Tax at effective rate	418,664	4.86%	(5,679,352)	(1,060.56%)

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Earnings before taxes	8,618,280		535,506	
Theoretical tax 3.9%	336,113	3.90%	20,885	3.90%
Income/expenses not relevant for IRAP purposes	3,810,608	44.22%	2,912,922	543.96%
Non-deductible costs	119,564	1.39%	136,092	25.41%
Non-taxable income	(53,279)	(0.62%)	(35,460)	(6.62%)
Deductible labour costs	(3,951,308)	(45.85%)	(3,631,536)	(678.15%)
Other effects	4,772	0.06%	614,238	114.70%
Tax at effective rate	266,470	3.09%	17,141	3.20%



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Employment data

Below, is information concerning personnel, pursuant to Art. 2427, paragraph 1, No. 15, Italian Civil Code:

	Average number 2025	Average number 2024	Change	Change %
Executives	18	18	-	0.00%
Managers	33	32	1	3.13%
White-collar workers	331	326	5	1.53%
Blue-collar workers	1,042	1,044	(2)	(0.19%)
Temporary workers	46	37	9	24.32%
Total for personnel	1,470	1,457	13	0.89%

Fees, advances and credits granted to directors and statutory auditors and commitments undertaken on their behalf

Remuneration to corporate bodies

The following is the information concerning the remuneration due to the Directors and members of the Board of Statutory Auditors, pursuant to Art. 2427, paragraph 1, No. 16, Italian Civil Code:

Remuneration	(in euros)
Directors	1,040,000
Statutory Auditors	63,000

Fees to statutory auditor or auditing firm

The following is the information concerning fees to the auditing firm, pursuant to Art. 2427, paragraph 1, No. 16 bis, Italian Civil Code:

Remuneration	(in euros)
Statutory audit of annual accounts	84,597
Other services	18,915
Total	103,512

The fee contractually defined and approved by resolution of the Shareholders' Meeting payable to the statutory auditing firm for the audit of Acciaierie Venete SpA amounts to €84,597, including the contractually provided for ISTAT adjustment and the reimbursement of expenses incurred and recognised up to a contractually agreed limit. The amount includes fees for the audit of both the statutory and consolidated financial statements.

Other services include the limited review of the sustainability report.

Details on other financial instruments issued by the company

The company has not issued any financial instruments.

Commitments, guarantees and contingent liabilities not disclosed in the balance sheet

In accordance with the provisions of Art. 2427, paragraph 1, No. 9) of the Italian Civil Code, the following information is provided on commitments, guarantees and contingent liabilities not stated in the balance sheet.

	Financial year ended	
	31/12/2025	31/12/2024
Guarantees and collateral	64,101,913	57,204,002



(in euros)

	Financial year ended	
	31/12/2025	31/12/2024
Co-surety issued for VAT credit refund for the subsidiary A.V.E Acciaierie Venete Energia Srl	151,168	-
Co-surety issued for VAT credit reimbursement of subsidiary Centro Italiano Acciai Srl	14,408,257	13,422,098
Co-surety issued for VAT credit reimbursement of subsidiary Padana Rottami Srl	10,994,445	10,108,796
Co-surety issued for VAT credit reimbursement of subsidiary Valle Zignago Srl	459,150	404,163
Co-surety issued for VAT credit reimbursement of Acciaierie Venete SpA	7,793,424	7,243,643
Comfort letters in the interest of Maltauro Rottami Srl	500,000	500,000
Comfort letters in the interest of Padana Rottami Srl	17,117,280	21,217,280
Comfort letters in the interest of Trafileries San Paolo Srl	7,000,000	-
Other guarantees issued to third parties related to business relations	3,046,340	1,676,172
Other guarantees issued to Public Administration bodies	2,631,849	2,631,849
Total	64,101,913	57,204,002

Commitments

As at 31/12/2025, a cash pooling agreement was in place with Banca Intesa between the Holding Company Acciaierie Venete and the subsidiaries Centro Italiano Acciai Srl, Padana Rottami Srl and Esti Srl; the agreement provides for the provision of certain overdraft facilities and the daily clearing of the positive or negative balances arising in the subsidiaries with the consequent transfer of funds to the Holding Company.

A 10-year Italian closed-end investment fund called FSI Mid-Market Growth Equity Fund is also in place, to which the company is committed to pay a total of €10 million, which will be requested by the manager according to investment needs as they accrue. As at 31/12/2025, a commitment of €910 thousand remained.

In addition, in 2021, the company subscribed to an additional Italian closed-end investment fund called Alcedo V, to which the company committed to pay a total of €3 million. As at 31/12/2025, a commitment of €1,083 thousand remained.

In 2022, the company subscribed to a third Italian closed-end investment fund called FSI Mid-Market Growth Equity Fund II, for which the total commitment amounts to €15 million. As at 31/12/2025, a commitment of €10,355 thousand remained.

Contingent liabilities

The Company has not assumed any contingent liabilities that have not been recognised in the financial statements.



Disclosure of transactions with related parties

The following is information on transactions with related parties, pursuant to Art. 2427, paragraph 1, No. 22-bis of the Italian Civil Code, which refer to transactions with the parent/consolidating company Parsid SpA and with directly or indirectly controlled companies.

Transactions between companies belonging to the Acciaierie Venete group and with other related parties, both of a commercial and financial nature, are carried out at normal market conditions.

(in euros)

Related party	Nature of relationship	Trade receivables	Financial receivables	Other receivables	Trade payables	Financial payables	Other payables
Parsid SpA	Parent company	4,000	-	14,622,323	-	-	-
A.V.E. - Acciaierie Venete Energia Srl	Subsidiary	-	1,315,058	2,860	24,343	-	-
Acciaierie Venete France Sasu	Subsidiary	-	-	-	19,903	-	-
Centro Italiano Acciai Srl	Subsidiary	6,399,110	3,273,882	-	1,361	476	25,405
Esti Srl	Subsidiary	6,482,888	-	-	42,738	8,686,162	-
Euro Sider Scalo Srl	Subsidiary	3,695,115	-	-	3,550	-	-
Fin,Steel Srl	Subsidiary	4,020	-	-	-	-	-
Maltauro Rottami Srl	Subsidiary	1,982	-	-	12,102,123	-	-
Olmo Immobiliare Srl	Subsidiary	-	-	-	-	-	-
Padana Rottami Srl	Subsidiary	2,937,321	25,223,091	-	62,568,874	-	149,267
Setrans Srl	Subsidiary	14,932	-	-	7,972,650	-	-
Trafilerie San Paolo Srl	Subsidiary	12,628,905	-	-	9,583	-	-
Valle Zignago Srl	Subsidiary	-	-	-	-	-	3,133
Venete Siderprodukte AG	Subsidiary	26,389,902	-	-	333,865	-	-
Total		58,558,175	29,812,031	14,625,183	83,078,990	8,686,638	177,805



(in euros)

Related party	Nature of relationship	Revenues from sales and services	Cost of raw materials, goods, etc.	Cost for use of leased assets	Cost for services	Financial Income/ (Expenses)	Other Income/ (Expenses)
Parsid SpA	Parent company	-	-	-	-	-	4,000
A.V.E. - Acciaierie Venete Energia Srl	Subsidiary	-	249,648	-	-	45,241	-
Acciaierie Venete France Sasu	Subsidiary	-	-	-	118,030	-	-
Centro Italiano Acciai Srl	Subsidiary	23,895,682	5,300	-	1,448	35,008	56,704
Esti Srl	Subsidiary	45,115,579	718	-	53,472	(144,148)	62,647
Euro Sider Scalo Srl	Subsidiary	9,505,034	4,245	-	-	-	7,044
Fin,Steel Srl	Subsidiary	-	-	500,000	-	-	4,020
Maltauro Rottami Srl	Subsidiary	-	50,469,560	-	5,869	171,381	4,182
Olmo Immobiliare Srl	Subsidiary	-	-	-	-	-	(80,000)
Padana Rottami Srl	Subsidiary	9,713,140	259,566,378	6,800	142,690	315,221	978,837
Setrans Srl	Subsidiary	-	-	-	20,636,346	-	99,030
Trafilerie San Paolo Srl	Subsidiary	9,866,235	-	-	8,275	17,286	5,359
Valle Zignago Srl	Subsidiary	-	-	-	-	-	-
Venete Siderprodukte AG	Subsidiary	161,289,071	-	-	-	-	-
Total		259,384,741	310,295,849	506,800	20,966,130	439,989	1,141,823

The Group to which Acciaierie Venete SpA belongs, falls within the scope of application of the so-called “Pillar Two” regulations, which aim to guarantee a minimum level of taxation (“Global Minimum Tax”) for groups that meet certain predefined parameters.

The application of the Global Minimum Tax, envisaged by Directive No. 2022/2523 of 15 December 2022 (implementing the OECD/G20 Pillar Two proposal), was implemented in

Italy by Italian Legislative Decree No. 209 of 27 December 2023, with effect from the financial years starting from 31 December 2023 (from 2024 for “entities” whose financial year begins before the effective date of the Pillar Two rules but whose financial statements are closed after that date).

All related obligations are the responsibility of the consolidating company Parsid SpA Reference to the Explanatory Notes to the Financial Statements may be made for further details.



Information on agreements not reflected in the Balance Sheet

The disclosure provisions of Article 38 number o-sexies of Italian Legislative Decree 127/91 concern so-called off-balance sheet agreements, i.e. agreements that do not appear in the Balance Sheet, nor are they likely to result in entries in the Balance Sheet classes or among the Memorandum Accounts. These agreements specify the following:

- (i) Nature/type;
- (ii) Economic objectives;

(iii) Equity financial and economic effects, provided that the risks and/or benefits arising therefrom are significant and the information provided is functional and/or necessary for a more reliable assessment of the Group's equity, financial and economic situation in the reporting period.

In light of the requirements of the aforementioned article, it is hereby certified that the Company has not entered into any off-balance sheet agreements during the financial year, nor does it have any in place as at 31 December 2025.

Information on significant events occurring after the end of the financial year

There are no significant events occurring after the end of the financial year that may have an impact on the financial statements as at 31 December 2025.

Acquisition of Calcio Padova Spa

On 19 January 2026, through the sub-holding company Fin. Steel Srl, which holds all non-steel assets, the group acquired a majority stake, amounting to 68.25%, in the football club Calcio Padova. The team, commonly known as “Padova,” is the city’s sporting emblem and plays in Serie B, the second tier of the Italian league.

The acquisition aims to further strengthen the bond between the company and the local area, foster a greater sense of belonging, including an emotional connection, to the city, and unite the passion for sport with that for Acciaierie Venete, thereby creating a socio-economic driver that will benefit the entire region.

Padova also makes a significant contribution to the community through its ownership of a small amateur club, the “Padova Football Academy,” which enables children from Padua to engage with the world of sport in a professional and regulated manner.

From an organisational perspective, Padova Football Club is a structurally autonomous entity which, like all other clubs within the group, will be managed according to the same accounting and management criteria that characterise Acciaierie Venete Spa.

Establishment of Acciaierie Venete Iberia SL

Acciaierie Venete Iberia, a company 100% owned by Acciaierie Venete, commenced operations in March 2026.

Acciaierie Venete Iberia is dedicated to marketing the Group’s products in the Iberian market and was established with the aim of providing a more direct presence in this geographical area, ensuring a prompt service that is better aligned with the specific

needs of local customers.

Entry into force of the CBAM (Carbon Border Adjustment Mechanism)

As also reported in the Management Report, following a transitional phase (2023-2025) based solely on reporting, the CBAM (the EU mechanism that applies a “climate duty” to imports from non-EU countries, to ensure that foreign products also bear the cost of CO₂ emissions) has been fully operational since 2026 with the introduction of payments. Although there are still uncertainties regarding its implementation, the CBAM can reduce competitive imbalances with non-EU suppliers and, in the steel sector, help to boost European production.

Conflict in the Middle East

On 28 February 2026, the United States of America and Israel launched a joint military operation against Iran, aimed at curbing Iran’s nuclear programme and reducing its military capability and geopolitical influence in the Middle East. Reference may be made to the Management Report for an in-depth analysis of the trend of the sector in which the company operates for the financial year 2026.

Contributions

It should be noted that in February and March 2026, Addendum agreements were entered into to transfer to third parties the obligations relating to the development of new generation capacity from renewable sources and the return of energy provided in advance under the “Energy Release 2.0” scheme”.

During the same months, the company received the full amount of this contribution, amounting to €16.1 million, as well as the contribution linked to the Energy Transition Fund, amounting to €20.1 million.

Companies that prepare the financial statements of the largest/smallest set of companies of which they are part as subsidiaries

According to law, the information pursuant to Article 2427, first paragraph, No. 22 quinquies and sexies) of the Italian Civil Code is provided.

Larger set

Company name	Parsid SpA
City (if in Italy) or foreign country	Padova
Tax Code (for Italian companies)	04125140287
Place of Filing of Consolidated Financial Statements	at the registered office

Information on derivative financial instruments pursuant to Art. 2427-bis of the Italian Civil Code

Derivative financial instruments

Pursuant to Art. 2427-bis of the Italian Civil Code, which requires the disclosure of the fair value and information on the extent and nature of each category of derivative financial instruments entered into by the company, broken down by class taking into consideration aspects such as the characteristics of the instruments themselves and the purpose of their use. The data of the instruments in place is highlighted below.

The fair value of derivatives not designated as hedges has been recognised under Balance Sheet Assets C III 5) Derivative financial instruments – assets and Balance Sheet Liabilities B 3) Derivative financial instruments – liabilities, with a corresponding entry under Income Statement D) Value

adjustments to financial assets. This value is appropriate at the end of each financial year.

In October 2025, however, the company closed the hedging derivative it had in place, which had been entered into to protect against price risk for the purchase of electricity.

Consequently, the amounts previously recognised under Current Assets C III 5) Derivative financial instruments – assets were written off, with a corresponding entry in the Reserve for hedging expected cash flows, recorded net of deferred tax.

Relevant information concerning derivative financial instruments is reported below.

(in euros)

	Financial year ended		Change
	31/12/2025	31/12/2024	
Financial derivative assets	-	1,313,030	(1,313,030)
Derivative financial instruments liabilities	(25,732)	-	(25,732)
Total	(25,732)	1,313,030	(1,338,762)



(in euros)

	Fair value as at 31/12/2024	Change during the financial year recognised in the income statement	Change during the financial year recognised in the shareholders' equity	Fair value as at 31/12/2025	Maturity
Derivative financial instruments of cash flow hedging					
DXT Commodities SAElectricity price hedging swap Quantity 3MW Baseload	1,313,030	-	(1,313,030)	-	31/10/2025
Derivative financial instruments not designated as hedging					
Intesa Sanpaolo Forward purchase of USD no. 411589586 Notional value USD 850,000	-	(10,164)	-	(10,164)	29/05/2026
Intesa Sanpaolo Forward purchase of USD no. 411589581 Notional value USD 850,000	-	(10,431)	-	(10,431)	30/06/2026
Intesa Sanpaolo Forward purchase of USD no. 411589578 Notional value USD 425,000	-	(5,137)	-	(5,137)	31/07/2026
Total	1,313,030	(25,732)	(1,313,030)	(25,732)	

Information pursuant to Art. 1(125) of Law No. 124 of 4 August 2017

With reference to Art.1, paragraph 125, Law no. 124 of 2017, we expressly refer to the data resulting for our company from the “National Register of State Aid.”

It should be noted, however, that the Company has benefited from the following aid for 2025:

- defiscalisation of diesel fuel granted by the Italian Customs Agency for €50,397;

- a contribution received from Acquirente Unico for the energy transition in the industrial sector amounting to €20,976,283;
- a contribution relating to the aforementioned “Energy Release 2.0” amounting to €17,150,220, received in the early months of 2026.

Proposed allocation of profits or coverage of losses

It is proposed to the Shareholders' Meeting that the operating result for the financial year be allocated as follows:

Operating result as at 31/12/2025	€	7,933,146
5% to Legal reserve	€	397,000
to Retained earnings	€	7,536,146

These explanatory notes have been prepared in accordance with the Italian Civil Code and accounting standards. In order to comply with the obligations of publication in the Companies

Register, once approved, it will be converted to XBRL format; therefore, some formal changes may be made to make this note compatible with the filing format.



EXPLANATORY NOTES, FINAL SECTION



Dear Shareholders,

These financial statements, consisting of the Balance Sheet, Income Statement, Cash Flow Statement and Explanatory Notes to the Financial Statements give a true and fair view of the company's financial position and of operations for the financial year and correspond to the accounting records. We therefore invite you to approve the draft financial statements as at 31/12/2025, together with the proposed allocation of the profit for the financial year, as prepared by the Board of Directors.

The Financial Statements are true and fair and correspond to the accounting records.

Padua, 22 May 2026
The Administrative Body

Alessandro Banzato,
Chair

CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025



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Consolidated Statement of Financial Position

(in thousands of euros)

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
NON-CURRENT ASSETS		423,781	362,803
Property, plant and equipment	8.1	325,751	288,586
Right-of-use assets	8.2	13,447	8,286
Investment properties	8.3	11,887	11,824
Intangible assets	8.4	30,630	14,673
Non-current financial assets	8.5	29,903	28,352
Deferred tax assets	8.6	11,946	10,507
Other non-current assets	8.7	217	575
CURRENT ASSETS		1,059,444	1,045,605
Inventories	8.8	398,774	329,138
Trade receivables	8.9	335,550	288,662
Current financial assets	8.5	183,637	204,545
Current tax receivables	8.10	17,012	18,966
Cash and cash equivalents	8.11	74,057	183,679
Other Current Assets	8.7	50,414	20,615
TOTAL ASSETS		1,483,225	1,408,408

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
SHAREHOLDERS' EQUITY	8.12	1,080,817	1,066,981
Share Capital	8.12	126,000	126,000
Reserves and retained earnings/(losses)	8.12	914,570	913,922
Group share of net profit for the year	8.12	15,061	18,500
Total shareholders' equity attributable to the Group	8.12	1,055,631	1,058,422
Shareholders' equity attributable to non-controlling interests	8.12	25,186	8,559
NON-CURRENT LIABILITIES		77,481	63,275
Non-current financial payables	8.13	48,398	45,701
Non-current lease liabilities	8.2	8,391	3,331
Employee benefit obligations	8.14	6,515	6,266
Provisions for risks and charges	8.15	3,668	2,397
Deferred tax liabilities	8.6	5,751	1,675
Other non-current liabilities	8.16	4,758	3,905
CURRENT LIABILITIES		324,927	278,152
Current financial payables	8.13	61,155	48,851
Current lease liabilities	8.2	3,424	4,197
Trade payables	8.17	215,279	185,914
Current tax liabilities	8.10	3,139	2,223
Other current liabilities	8.16	41,930	36,967
Total liabilities		402,408	341,427
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		1,483,225	1,408,408



Consolidated Income Statement

(in thousands of euros)

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
Revenues	9.1	1,203,403	1,163,824
Other income	9.2	58,706	50,643
Change in inventories of finished goods, semi-finished goods and work in progress		29,229	1,549
Costs of raw, ancillary, consumable materials and goods	9.3	(794,038)	(766,961)
Cost for services	9.4	(298,475)	(275,054)
Personnel costs	9.5	(125,827)	(110,859)
Other operating costs	9.6	(12,089)	(9,962)
Increases in fixed assets for internal work		61	40
Net impairment losses on financial assets	9.7	(171)	1,339
Amortisation and write-downs of tangible and intangible assets	9.8	(52,157)	(47,921)
Operating Profit		8,642	6,638
Financial income	9.9	9,049	12,884
Financial expenses	9.10	(4,602)	(4,200)
Income/(expenses) from fair value changes and disposal of financial assets	9.11	4,705	7,039
Earnings before taxes - EBT		17,794	22,361
Income Taxes	9.12	(2,614)	(3,166)
Net profit for the year		15,180	19,195
<i>of which Net profit for the year attributable to the Group</i>		<i>15,061</i>	<i>18,500</i>
<i>of which Net profit for the year attributable to non-controlling interests</i>		<i>119</i>	<i>695</i>

Consolidated Statement of Comprehensive Income

(in thousands of euros)

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
Net profit for the year (A)		15,180	19,195
a) Other comprehensive income items that will not be subsequently reclassified to income statement:			
Actuarial gains and losses on employee benefits	8.14	85	60
Gains and losses on equity securities measured at fair value with changes in other comprehensive income items	8.5	(114)	(4)
Tax effect on other comprehensive income items that will not be subsequently reclassified to income statement	8.6	4	(16)
Total other comprehensive income items that will not be subsequently reclassified to income statement		(25)	40
b) Other comprehensive income items that will be subsequently reclassified to income statement:			
Gains and losses on financial assets (other than equity securities) measured at fair value through other comprehensive income items	8.5	(317)	637
Gains and losses on hedging financial instruments	8.5	(1,314)	(741)
Tax effect on other comprehensive income items that will be subsequently reclassified to income statement	8.6	509	29
Total other comprehensive income items that will be subsequently reclassified to income statement		(1,122)	(75)
Total other comprehensive income items, net of tax effect (B)		(1,147)	(35)
TOTAL COMPREHENSIVE NET PROFIT FOR THE YEAR (A)+(B)		14,033	19,160
<i>of which Net profit for the year attributable to the Group</i>		<i>13,903</i>	<i>18,466</i>
<i>of which Net profit for the year attributable to non-controlling interests</i>		<i>130</i>	<i>694</i>



Statement of changes in Consolidated Shareholders' Equity

(in thousands of euros)

	Explanatory notes	Share Capital	Reserves and retained earnings/(losses)	Group share of net profit for the year	Total shareholders' equity attributable to the Group	Shareholders' equity attributable to non-controlling interests	TOTAL SHAREHOLDERS' EQUITY
Balance as at 31/12/2023	8.12	126,000	835,970	109,801	1,071,771	8,433	1,080,204
Allocation of net profit for the previous year		-	109,801	(109,801)	-	-	-
Distribution of dividends	8.12	-	(31,815)	-	(31,815)	(568)	(32,383)
Total transactions with shareholders		-	(31,815)	-	(31,815)	(568)	(32,383)
Net profit for the year		-		18,500	18,500	695	19,195
Other comprehensive income items		-	(34)	-	(34)	(1)	(35)
Total comprehensive net profit for the year		-	(34)	18,500	18,466	694	19,160
Balance as at 31/12/2024	8.12	126,000	913,922	18,500	1,058,422	8,559	1,066,981
Allocation of net profit for the previous year		-	18,500	(18,500)	-	-	-
Distribution of dividends	8.12	-	(16,694)	-	(16,694)	(345)	(17,039)
Recognition of non-controlling interests from acquisition of Euro Sider Scalo Srl	7	-	-	-	-	16,842	16,842
Total transactions with shareholders		-	(16,694)	-	(16,694)	16,497	(197)
Net profit for the year		-	-	15,061	15,061	119	15,180
Other comprehensive income items		-	(1,158)	-	(1,158)	11	(1,147)
Total comprehensive net profit for the year		-	(1,158)	15,061	13,903	130	14,033
Balance as at 31/12/2025	8.12	126,000	914,570	15,061	1,055,631	25,186	1,080,817



Consolidated Cash Flow Statement

(in thousands of euros)

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
Earnings before taxes - EBT		17,794	22,361
Adjustments for:			
Amortisation and write-downs of tangible and intangible assets	9.8	52,157	47,921
Losses/(gains) on disposal		(206)	(271)
Financial expenses/(income)	9.9 - 9.10	(4,447)	(8,684)
Net impairment losses on financial assets	9.7	171	(1,339)
Expenses/(income) from fair value changes and disposal of financial assets	9.11	(4,685)	(7,039)
Net allocations to provisions	8.14 - 8.15	3,040	2,087
Cash flow from operating activities before changes in net working capital		63,824	55,036
Change in inventories	8.8	(24,091)	2,724
Change in trade receivables	8.9	(21,895)	40,471
Change in trade payables	8.17	10,590	16,070
Change in other assets and liabilities		(28,214)	(13,423)
Use of provisions for risks and charges and employee benefit obligations	8.14 - 8.15	(796)	(1,285)
Income taxes paid	9.12	(2,426)	(805)
Net cash flow generated/(absorbed) by operating activities [A]		(3,008)	98,788
Investments in properties, plant and equipment	8.1	(56,592)	(87,728)
Disposal of property, plant and equipment	8.1	1,520	768
Investments in intangible assets	8.4	(913)	(2,360)
Disposal of intangible assets	8.4	-	972
Investments in investment properties	8.3	(63)	(11)
Investments in financial assets	8.5	(58,997)	(101,594)
Disposal of financial assets	8.5	71,108	91,115

	Explanatory notes	Financial year ended	
		31/12/2025	31/12/2024
Cash flow for acquisitions of subsidiaries, net of cash acquired	7	(31,730)	-
Dividends received	9.9	38	32
Interest received	9.9	9,842	12,176
Net cash flow generated/(absorbed) by investing activities [B]		(65,787)	(86,630)
Activation of financial payables	8.13	53,036	46,592
Repayment of financial payables	8.13	(67,861)	(17,137)
Repayment of lease liabilities	8.2	(5,502)	(4,294)
Interest paid	9.10	(3,010)	(3,438)
Dividends paid to shareholders of the Holding Company	8.12	(17,145)	(32,770)
Dividends paid to non-controlling interests in subsidiaries	8.12	(345)	(568)
Net cash flow generated/(absorbed) by financing activities [C]		(40,827)	(11,615)
Total net cash flow generated/(absorbed) [A]+[B]+[C]		(109,622)	543

Cash and cash equivalents at beginning of year	8.11	183,679	183,136
Total change in cash and cash equivalents		(109,622)	543
Cash and cash equivalents at the end of the year	8.11	74,057	183,679



EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2025



1. GENERAL INFORMATION

Acciaierie Venete SpA (hereinafter, referred to as **“Acciaierie Venete”**, the **“Company”** or the **“Parent Company”**) and its subsidiaries (hereinafter, referred to as **“Acciaierie Venete Group”** or the **“Group”**) operate primarily in the steel sector. More in detail, the Group's activities are carried out through the following companies:

- Acciaierie Venete SpA, the Holding Company that deals with the production of raw or semi-finished steel, which it distributes directly to customers or through its own distribution companies;
 - Centro Italiano Acciai Srl, a company that markets the Group's products to customers that require smaller batches and faster delivery times than a steel company can normally provide. The company also performs some machining operations (cutting to size and end milling) that allow it to express further added value compared to a traditional steel sales warehouse;
 - Venete Siderprodukte AG, a company that markets the Group's products mainly in Central European markets, offering sales support services such as marketing, credit management and quality control;
 - Esti Srl, a company that produces wear-resistant steel parts, including blades for shovel and excavator buckets and for snowploughs;
 - Padana Rottami Srl, a company that trades and processes ferrous and non-ferrous scrap in its production units in Castelfranco Veneto (TV) and Padua;
 - Maltauro Rottami Srl, a company engaged in trading and processing ferrous and non-ferrous scrap;
- Setrans Srl, logistics company operating in the field of road transport and rail logistics services;
- A.V.E. - Acciaierie Venete Energia Srl, a company whose main corporate purpose is the design, construction and management of plants for the production of electricity from renewable sources;
 - Fin.Steel Srl, a company that owns an industrial property currently leased to Acciaierie Venete SpA, the entire shareholdings in the companies Valle Zignago Srl – Società Agricola and Olmo Immobiliare Srl, and a minority shareholding in the company Nord Est Multimedia SpA;
 - Valle Zignago Srl – Società Agricola, a company that owns a vast estate of over 800 hectares, half of which consists of a hunting and fishing valley and the other half of land used for agriculture;
 - Olmo Immobiliare Srl, a company holding several buildings primarily used for representative purposes;

- Acciaierie Venete France S.a.s.u., a company that markets the Group's products in the French market;
- Euro Sider Scalo Srl, a company that markets products purchased by the Group and from third-party suppliers to customers requiring smaller batches and faster delivery times than those normally provided by a steel company. The company also performs some machining operations (cutting to size and end milling) that allow it to express further added value compared to a traditional steel sales warehouse;
- Trafilerie San Paolo Srl, a company specialising in the production of high-quality drawn, peeled and rolled wire rod for fasteners, special parts and components with high mechanical performance.

Acciaierie Venete is a company incorporated and domiciled in Italy, with its registered office in Padua (PD), Riviera Francia 9, and organised in accordance with the laws of the Republic of Italy.



2. SUMMARY OF ACCOUNTING STANDARDS ADOPTED

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2.1. Basis for preparation

These consolidated financial statements of the Company for the year ended 31 December 2025 (hereinafter, referred to as “**Consolidated Financial Statements**”) have been prepared in compliance with the *International Financial Reporting Standards*, issued by the *International Accounting Standards Board*, and adopted by the European Union (hereinafter, referred to as the “**International Financial Reporting Standards**” or “**EU-IFRS**”).

It should be noted that the Group availed itself of the option provided for by Italian Legislative Decree No. 38 of 28 February 2005, as subsequently amended, which regulates the exercise of the options provided for by Article 5 of European Regulation No. 1606/2002 on international accounting standards, and voluntarily adopted the EU-IFRS.

These Consolidated Financial Statements have been prepared in accordance with International Financial Reporting

Standards endorsed by the European Commission and in force as at 31 December 2025. EU-IFRS means all “*International Financial Reporting Standards*,” all “*International Accounting Standards*” (IAS) and all interpretations of the “*IFRS Interpretations Committee*” (IFRIC), formerly known as the “*Standing Interpretations Committee*” (SIC).

The application of International Accounting Standards was also made with reference to the: “*Framework for the preparation and submission of financial statements*” and no exceptions were made to the application of EU-IFRS.

These Consolidated Financial Statements are audited by the audit firm PricewaterhouseCoopers SpA, the Company’s statutory auditor.

The main accounting policies and standards applied in the preparation of the Consolidated Financial Statements are shown below.

2.2. General standards of preparation

These Consolidated Financial Statements consist of the mandatory financial statements required by IAS 1, namely the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Shareholders’ Equity and the Consolidated Statement Cash Flow Statement, as well as the related explanatory notes.

The Group has chosen to present the consolidated income statement by nature of expense, while assets and liabilities in the consolidated statement of financial position are divided into current and non-current.

An asset is classified as current when:

- That asset is expected to be realised, or held for sale or consumption, during the normal course of business;
- It is held primarily for the purpose of trading;
- It is assumed to be realised within twelve months from the reporting period;
- It consists of cash or cash equivalents (unless it cannot be exchanged or used to settle a liability for at least twelve months after the reporting period).

All other assets are classified as non-current. In particular, IAS 1 includes tangible assets, intangible assets and financial assets of a long-term nature among non-current assets.

A liability is classified as current when:

- It is expected to be extinguished in the normal operating cycle;

- It is held primarily for the purpose of trading;
- It will be extinguished within twelve months from the reporting period;
- There is no unconditional right to defer its settlement for at least twelve months after the reporting period. The terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for the production process and their realisation in cash or cash equivalents. When the normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

The consolidated cash flow statement is prepared using the indirect method.

These Consolidated Financial Statements have been prepared in euros, the Company’s functional currency. The financial statements and related explanatory notes are expressed in thousands of euros, unless otherwise noted.

These Consolidated Financial Statements have also been prepared:

- on a going concern basis;
- on an accrual basis, in accordance with the principle of relevance and materiality of information, the prevalence of substance over form, and with a view to fostering consi-

stency with future submissions. Assets and liabilities, as well as income and expenses, are not offset against each other, unless permitted or required by the International Accounting Standards;

- based on the historical cost criterion, except for the valuation of financial assets and liabilities (such as derivative financial instruments, the securities portfolio and investments in equity instruments) where the application of the fair value criterion is mandatory.



2.3. Consolidation Criteria and Methodologies

Scope of Consolidation

The Consolidated Financial Statements include the balance sheet and profit and loss account results of the Holding Company and the companies over which it directly or indirectly exercises control.

The following table lists the companies included in the scope of consolidation as at 31 December 2025 and 2024, indicating their registered office, functional currency and percentage of ownership:

Company name	Registered office	Functional currency	Percentage of (direct and indirect) ownership of the Holding Company	
			As at 31 December 2025	As at 31 December 2024
Holding Company:				
Acciaierie Venete SpA	Padua	€	N/A	N/A
Subsidiaries directly controlled by the Holding Company - consolidated on a line-by-line basis:				
A.V.E. - Acciaierie Venete Energia Srl	Padua	€	100%	100%
Fin.Steel Srl	Padua	€	100%	100%
Centro Italiano Acciai Srl	Modena	€	100%	100%
Esti Srl	Idro (BS)	€	100%	100%
Maltauro Rottami Srl	Zanè (VI)	€	81%	81%
Padana Rottami Srl	Castelfranco Veneto (TV)	€	100%	100%
Setrans Srl	Brescia	€	60%	60%
Venete Siderprodukte AG	Schlieren (CH)	€	60%	60%
Acciaierie Venete France Sasu (ex Ascoven Sasu)	Parigi (FR)	€	100%	100%
Euro Sider Scalo Srl	Cividate Camuno (BS)	€	60%	N/A
Trafilerie San Paolo Srl	Molteno (LC)	€	100%	N/A
Subsidiaries indirectly controlled by the Holding Company - consolidated on a line-by-line basis:				
Olmo Immobiliare Srl	Concordia Sagittaria (VE)	€	100%	100%
Valle Zignago Srl - Società Agricola	Concordia Sagittaria (VE)	€	100%	100%

2. SUMMARY OF ACCOUNTING STANDARDS ADOPTED

The following table summarises the main financial statement data of the companies included in the Group's scope of consolidation:

(in migliaia di Euro)

Company name	Share Capital as at 31 December 2025	Shareholders' equity as per latest approved financial statements	Net profit for the year as per latest approved financial statements
A.V.E. - Acciaierie Venete Energia Srl	100	293	113
Fin.Steel Srl	10,000	34,143	131
Acciaierie Venete France Sasu (ex Ascoven Sasu)	10	18	8
Centro Italiano Acciai Srl	1,350	22,740	737
Esti Srl	1,500	23,481	3,422
Euro Sider Scalo Srl	2,000	34,684	5,120
Maltauro Rottami Srl	500	11,759	522
Olmo Immobiliare Srl	2,958	3,121	19
Padana Rottami Srl	3,500	44,490	1,573
Setrans Srl	1,000	15,602	848
Trafilerie San Paolo Srl	3,000	2,999	(1,426)
Venete Siderprodukte AG	187	589	92
Valle Zignago Srl - Società Agricola	394	6,222	(234)

The closing date of the financial statements date of the companies belonging to the scope of consolidation is 31 December, which coincides with the reporting date of the Holding Company's financial statements.

During the financial year, changes in the scope of consolidation relate to:

- The acquisition of 60% of Euro Sider Scalo Srl;
- The acquisition of 100% of Trafilerie San Paolo Srl.

Please refer to paragraph 7 “Business combinations” for further details.

Consolidation methodologies – for subsidiaries

Subsidiaries are consolidated on a line-by-line basis.

Subsidiaries are companies over which the Holding Company has control. The Holding Company controls a company when it is exposed to variability in the company's results and has the power to influence those results through its power over the company. Specifically, the Holding Company controls an investee if, and only if, the Holding Company has:

- power over the investee (i.e. holds valid rights that give it the current ability to direct the relevant business activities of the investee entity);
- exposure or rights to variable returns arising from the relationship with the investee entity;
- the ability to exercise its power over the investee entity to affect the amount of its returns.



Generally, control is presumed to exist when the Holding Company holds, whether directly or indirectly, more than half of the voting rights, also taking into account potential voting rights that are exercisable or convertible.

Control is obtained when the Holding Company is exposed to or entitled to variable returns. The Holding Company considers all relevant facts and circumstances in determining whether it controls the investee entity, including any:

- contractual agreements with other holders of voting rights;
- rights arising from contractual agreements;
- voting rights and potential voting rights of the Holding Company.

The Holding Company reconsiders whether or not it has control of an investee if facts and circumstances indicate that there have been changes in one or more of the three elements relevant to determining control.

Consolidation of a subsidiary begins when the Holding Company obtains control and ceases when the Holding Company loses control. The assets, liabilities, revenues and expenses of the subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Holding Company obtains control until the date the Holding Company no longer exercises control over the company.

The profit (loss) for the year and each of the other components of the income statement are allocated to the shareholders of the parent company and the non-controlling interests, even if this means that the non-controlling interests have a negative balance. When necessary, appropriate adjustments are made to the financial statements of subsidiaries to ensure

compliance with the group's accounting policies.

Changes in shareholdings in a subsidiary that do not result in a loss of control are accounted for in shareholders' equity.

The financial statements of subsidiaries used for consolidation purposes are prepared with reference to the same accounting period and using the same accounting standards as the parent company. All intercompany balances and transactions, including any unrealised gains and losses arising from transactions between Group companies, and dividends are fully eliminated. The comprehensive income of a subsidiary is allocated to non-controlling interests, even if this implies that the non-controlling interests have a negative balance.

If the Holding Company loses control of a subsidiary, said Holding Company:

- eliminates the assets (including any goodwill) and liabilities of the subsidiary;
- eliminates the carrying amounts of any non-controlling interests in the former subsidiary;
- eliminates cumulative exchange differences recognised in shareholders' equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any retained interest in the former subsidiary;
- recognises any gain or loss in the income statement;
- reclassifies the parent company's share of items previously recognised in the comprehensive income statement to income statement or retained earnings, as appropriate.

Due to the lack of other consideration given to acquire an asset at the time of purchase or replacement. Subsequent to initial recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost includes charges directly incurred to make possible their use, as well as any dismantling and removal charges that will be incurred as a result of contractual obligations requiring the asset to be restored to its original condition.

Charges incurred for maintenance and repairs of an ordinary and/or cyclical nature are charged directly to the income statement when incurred. Costs related to the expansion, modernisation or improvement of structural elements owned or used by others are capitalised to the extent that they meet the

requirements to be classified separately as an asset or part of an asset.

The depreciation criteria used for property, plant and equipment is the straight-line method, over the useful life of the

assets. The annual depreciation rates applied by the Group for the various categories of property, plant and equipment are shown below:

Groups	Assets	Annual depreciation rates
PLANTS	Industrial land and buildings	3.0% - 5.0%
	Developed land	3.0%
	Light construction	10.0%
THERMAL POWER PLANTS	Power plant buildings	3.0% - 4.0%
GENERAL INSTALLATIONS	General installations	6.0% - 7.5% - 10.0% - 12.0% - 15.0%
	Purification plants	15.0%
	General canteen installations	8.0%
SPECIFIC INSTALLATIONS	Large specific installations	17.5%
	Machinery	10.0% - 15.0% - 30.0%
	Production equipment	12.5% - 25.0%
	Specific power plant installations	9.0%
	Alarm system	30.0%
FURNACES	Furnaces	15.0%
EQUIPMENT	Power plant equipment	10.0%
	Plant equipment	25.0%
	Miscellaneous equipment	15.0% - 20.0% - 30.0% - 100.0%
VEHICLES	Internal transport vehicles	20.0%
	Vehicles	12.0% - 20.0%
	Cars	25.0%
FURNITURE AND FURNISHINGS	Canteen furniture and furnishings	10.0%
	Office furniture and furnishings	12.0% - 15.0%
ELECTRONIC MACHINES	Electronic machines	20.0%

2.4. Accounting standards and valuation criteria

The standards adopted with reference to the classification, recognition, measurement and derecognition of the various asset and liability items, as well as the criteria for recognising income components, are explained below.

Property, plant and equipment

Property, plant and equipment is only recognised when the following conditions occur simultaneously:

- It is probable that the future economic benefits attributable to the asset will be enjoyed by the enterprise;
- the cost can be reliably determined.

Property, plant and equipment are initially measured at cost, defined as the cash or cash equivalent paid or the fair va-



Leasehold improvements are classified under "Property, plant and equipment". Their depreciation period corresponds to the lower of the residual useful life of the tangible fixed asset and the residual term of the lease contract, taking into account the renewal period, if any, dependent on the tenant.

At the end of each reporting period, the Group verifies whether there have been significant changes in the expected characteristics of the economic benefits deriving from capitalised property, plant and equipment and if so, it changes the depreciation criteria, which is considered as a change of estimate in accordance with IAS 8, and is consequently accounted for prospectively, with recognition of the impact of the change on the financial year in which the change takes place and on future financial years.

The value of property, plant and equipment is derecognised when they are disposed of or when the enterprise expects that no economic benefit will flow from their disposal.

Assets for rights-of-use and liabilities for leases

In accordance with IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control, for a specified period of time and in exchange for consideration, the use of an identified asset. In order to assess whether the contract confers the right to control the use of an identified asset for a certain period of time, over the period of use, it is necessary to assess whether the lessee has the right to obtain substantially all of the economic benefits from the use of the identified asset and has the right to direct the use of the identified asset. The contract is reassessed to see whether it is, or contains, a lease only if the terms and conditions of the contract are changed.

For a contract that is, or contains, a lease, each lease component is separated from the non-lease components unless the Group applies the practical expedient in paragraph 15 of IFRS 16. Said practical expedient allows the Group to choose, for each class of underlying asset, not to separate the non-lease components from the lease components and to account for each lease component and the associated non-lease components as a single lease component. It should be noted that the Group has chosen not to apply the practical expedient, and has therefore chosen to separate the non-lease components from the lease components.

The lease term is determined as the non-voidable period of the lease, to which both of the following periods are added:

- periods covered by an option to extend the lease if the Group is reasonably certain to exercise the option; and
- periods covered by the lease termination option if the Group has reasonable certainty that it will not exercise the option.

In assessing whether the Group has reasonable certainty to exercise the lease extension option or not to exercise the lease termination option, all relevant facts and circumstances that create an economic incentive for the Group to exercise the lease extension option or not to exercise the lease termination option are considered. The Group redetermines the lease term in the event of a change in the non-voidable period of the lease.

In particular, with respect to the lease term, the Group has adopted the following approach:

- for real estate leases, only the first renewal period is considered as reasonably certain, unless there are particular contractual clauses, facts or circumstances, which would lead to additional renewals being considered or determine the end of the lease; for leases already renewed at least once, only the remaining period of the current renewal is considered; and
- for the lease of cars and industrial equipment, only the original term is considered.

On the effective date of the contract, the Group recognises the right-of-use asset and the related lease liability.

On the effective date of the contract, the right-of-use asset is measured at cost. The cost of the right-of-use activity includes:

- the amount of the initial valuation of the lease liability;
- the lease payments made on or before the effective date net of lease incentives received;
- initial direct costs incurred by the Group; and
- the estimated costs to be incurred by the Group in decommissioning and removing the underlying asset and restoring the site where it is located or restoring the underlying asset under the terms and conditions of the lease, unless such costs are incurred in producing inventories.

At the effective date of the contract, the Group assesses the lease liability at the current value of unpaid lease payments at that date. Lease payments due include the following amounts:

- fixed payments, net of any leasing incentives to be received;
- variable lease payments that depend on an index or rate, measured initially using an index or rate at the effective date;
- the amounts that the Group is expected to pay by way of residual value guarantees;
- the exercise price of the call option, if the Group is reasonably certain to exercise the option; and
- lease termination penalty payments, if the lease term takes into account the lessee's exercise of the lease termination option.

Lease payments are discounted using the lease's implied interest rate if it can be readily determined. If this is not possible,

the Group uses its marginal financing rate, which is the incremental interest rate the Group would have to pay to obtain a loan with the same term and for the amount as the lease.

Specifically, with regard to the discount rate, the Group used as the marginal financing rate a single interest rate representative of the cost that the Group would incur to finance the purchase of the assets over a period of time consistent with the contractual term.

Subsequent to initial recognition, the right-of-use asset is measured at cost:

- net of accumulated depreciation and accumulated impairment losses; and
- adjusted for any restatement of the lease liability.

The right-of-use asset is depreciated over the lease term or, if the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if it is reasonably certain that the option to purchase the underlying asset will be exercised at the end of the lease term, over the useful life of the underlying asset.

Subsequent to initial recognition, the lease liability is assessed:

- increasing the carrying amount to account for interest on the lease liability;
- decreasing the carrying amount to reflect lease payments made; and
- restating the carrying amount to reflect any new or revised lease valuations or review of lease payments due for fixed leasing in substance.

For lease amendments that do not qualify as a separate lease, the right-of-use asset is restated (upward or downward), consistent with the change in the lease liability at the date of the amendment. The lease liability is restated in accordance with the new terms of the lease contract using the discount rate at the date of the amendment.

It should be noted that the Group avails itself of two exemptions provided by IFRS 16, with reference to short-term leases (i.e. leases with a term of 12 months or less from the effective date) and leases of low-value assets (i.e. if the value of the underlying asset, when new, is indicatively less than USD 5,000). In such cases, the right-of-use asset and the related lease liability are not recognised and the lease payments are recognised in the income statement under "Cost of services" on a straight-line basis over the lease term or on another systematic basis if more representative of how the lessee receives the benefits.

Investment properties

Real estate (land or building - or part of a building - or both) held for the purpose of earning rental income or for capital appreciation or for both reasons is classified in a special financial statement item called "Investment property" in accordance with IAS 40.

Investment properties are initially measured at cost and are stated net of accumulated depreciation and any impairment losses.

Business combinations and goodwill

A business combination is a transaction, or other event, whereby an acquirer gains control of one or more businesses. According to the provisions of IFRS 3, all business combinations are accounted for by applying the acquisition method, which considers a business combination from the perspective of the acquirer and, consequently, assumes that an acquirer must be identified in every business combination. The acquisition date is the date on which the acquirer obtained control of the other combined companies or businesses. A balance sheet of the acquiree must be available at the acquisition date for the consolidation of the results in the consolidated income statement and the assessment of the fair value of the assets and liabilities acquired, including goodwill.

The Group uses the acquisition method of accounting for business combinations. According to this method:

- the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair values of the assets transferred and liabilities assumed by the Group at the acquisition date and the equity instruments issued in exchange for control of the acquiree business. Incidental transaction costs are recognised in the income statement as they are incurred;
- at the acquisition date, the identifiable assets acquired and liabilities assumed are recognised at fair value at the acquisition date, except for deferred tax assets and liabilities, assets and liabilities relating to employee benefits and assets held for sale which are recognised in accordance with the relevant accounting standards;
- goodwill is determined as the excess of the sum of the consideration transferred in the business combination, the value of equity attributable to non-controlling interests and the fair value of any previously held investment in the acquired entity over the fair value of the net assets acquired and liabilities assumed at the acquisition date. If the value of the net assets acquired and liabilities assumed at the acquisition date exceeds the sum of the consideration transferred, the value of any non-controlling interests in shareholders' equity and the fair value of any previously held equity interest in the acquiree, said excess is reco-

gnised immediately in the income statement as income arising from the completed transaction;

iv. any contingent consideration provided for in the business combination contract is measured at fair value at the acquisition date and included in the value of the consideration transferred in the business combination for the purposes of determining goodwill.

In the case of business combinations that occur in stages, the previously held equity interest in the acquiree is remeasured at fair value at the date control is acquired and any resulting gain or loss is recognised in the income statement.

If the initial values of a business combination are incomplete at the end of the reporting period at which the business combination is effected, the Group reports in its consolidated financial statements the provisional values of items for which recognition cannot be completed. These provisional values are adjusted during the assessment period to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the value of the recognised assets and liabilities at that date.

Goodwill acquired in a business combination is not amortised. The Group verifies annually, and whenever there is an indication that the value of the asset may be impaired, that goodwill arising in the consolidated financial statements as a result of the line-by-line consolidation of direct and indirect investments is not impaired (so-called impairment test).

Intangible assets

An intangible asset is an asset that simultaneously meets the following conditions:

- is identifiable;
- is non-monetary;
- it lacks physical consistency;
- is under the control of the reporting business;
- is expected to produce future economic benefits for the business.

If an asset does not meet the above-stated requirements to qualify as an intangible asset, expenditure incurred to acquire the asset or to generate it internally is recognised as an expense when it is incurred.

Intangible assets are initially recognised at cost. The cost of externally acquired intangible assets includes the purchase price and any directly attributable costs.

Internally generated goodwill is not recognised as an asset in the same way as intangible assets arising from research (or the research phase of an internal project).

An intangible asset arising from the development or the development phase of an internal project is recognised only if the following conditions are met:

- the technical feasibility of completing the intangible asset so that it is available for use or sale;
- the intention to complete the intangible asset for use or sale;
- the ability to use or sell the intangible asset;
- the way in which the intangible asset is capable of generating future economic benefits and, in particular, the existence of a market for the product of the intangible asset or for the intangible asset itself or, if it is to be used for internal purposes, its usefulness;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the asset;
- the ability to reliably assess the cost attributable to the intangible asset during its development.

Intangible assets are measured using the cost method. The cost model requires that after initial recognition an intangible asset should be carried at cost less accumulated depreciation and any accumulated impairment losses.

The amortisation criterion used for intangible assets is the straight-line method, over their useful life. The annual amortisation rates applied by the Group for the various categories of intangible assets are shown below:

2. SUMMARY OF ACCOUNTING STANDARDS ADOPTED

Assets	Annual depreciation rates
Intellectual property rights	20% - 33.33%
Concessions, licences and trademarks	16.66% - 20.0% - 25.0% - 33.33%
Customer relationships	6.67%
Multi-year charges Metal Interconnector consortium	10.0%

Intangible Assets - Environmental Certificates

The Holding Company Acciaierie Venete SpA receives greenhouse gas emission rights free of charge, in line with the provisions of the European Emission Trading System. Allowances are received on an annual basis and must be surrendered to the relevant national authority based on actual emissions during the year. If the allowances received free of charge are not sufficient to cover the actual emissions produced, the missing allowances are purchased and recognised at acquisition cost within the item "Intangible Assets." Costs related to greenhouse gas emissions are recognised on an accrual basis, in proportion to the emissions produced during the financial year, and are recognised within the item "Other operating costs" with an offsetting entry in a provision for risks and charges. The intangible assets, corresponding to the certificates purchased, are eliminated as an offsetting entry to the reduction of the provision for risks and charges at the time the certificates are delivered to the competent authority.

Impairment of assets with a finite useful life and goodwill

In the presence of specific indicators of impairment, and at least on an annual basis with regard to goodwill, assets with a finite useful life (property, plant and equipment, intangible assets and right-of-use assets) and goodwill are subject to an impairment test. The test consists of estimating the recoverable amount of the asset and comparing it with the relevant net book value. The recoverable amount of an asset is the higher of (i) its fair value less costs to sell and (ii) its value in use, the latter being the present value of the estimated future cash flows for said asset.

For the purpose of assessing impairment, assets are aggregated at the lowest level for which independent cash flows are separately identifiable ("cash generating unit" or "CGU"). An impairment loss is recognised in the income statement if the carrying amount of the asset, or of the CGU to which it is allocated, is greater than its recoverable amount. Impairments of a CGU are recognised first as a reduction in the carrying

amount of any goodwill allocated to it and then as a reduction in the carrying amount of other assets, in proportion to their carrying amount and within the limits of their relative recoverable amount.

If the conditions for a previously recognised impairment loss are no longer met, except for goodwill, the carrying amount of the finite useful life assets is reinstated through the income statements, to the extent of the net carrying amount that the assets in question would have had if the impairment loss had not been recognised and the related amortisation had been recognised. Conversely, an impairment loss recognised for goodwill cannot be reversed in subsequent periods.

Financial assets

Upon initial recognition, financial assets are recognised at fair value and are subsequently classified in one of the following categories:

- a. financial assets measured at amortised cost;
- b. financial assets measured at fair value with an impact on comprehensive income (and therefore with an impact in a specific reserve within shareholders' equity);
- c. financial assets measured at fair value with impact on the income statement.

a) Financial assets measured at amortised cost

Financial assets that meet both of the following conditions are included in this category:

- the financial asset is held according to a business model whose objective is achieved through the collection of contractually agreed cash flows ("Hold to Collect" business model); and
- the contractual terms of the financial asset provide, at certain dates, for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (so-called "SPPI test" passed).



Upon initial recognition, these assets are recognised at fair value, including transaction costs or income directly attributable to the instrument. Subsequent to initial recognition, financial assets are measured at amortised cost, using the effective interest rate method.

b) Financial assets measured at fair value with impact on comprehensive income

Financial assets that meet both of the following conditions are included in this category:

- the financial asset is held in accordance with a business model whose objective is achieved either through the receipt of the contractually agreed cash flows or through the sale of the financial asset ("Hold to Collect and Sell" business model); and
- the contractual terms of the financial asset provide, at certain dates, for cash flows represented solely by payments of principal and interest on the amount of principal to be repaid (so-called "SPPI test" passed).

Also included in this category are shareholdings, not qualifying as control, associate and joint control, that are not held for trading purposes, for which the option to designate at fair value with impact on comprehensive income has been exercised. In accordance with the provisions of IFRS 9, with regard to these shareholdings, the amounts recognised with an offsetting entry in shareholders' equity are not subsequently transferred to the income statement, even in the event of disposal. The only component attributable to the equity securities in question that is recognised in profit or loss is the related dividends. For equity securities included in this category that are not quoted in an active market, cost is used as an estimate of fair value only on a residual basis and limited to a few circumstances, i.e. when the most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements and cost represents the best estimate of fair value in said range.

c) Financial assets measured at fair value with impact on the income statement.

This category includes financial assets other than those classified as "Financial assets measured at amortised cost" and "Financial assets measured at fair value with impact on the comprehensive income."

Derecognition of financial assets

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised in the first instance (e.g. removed from the Group statement

of financial position) when:

- the rights to receive cash flows from the asset are extinguished; or
- the Group has transferred to a third party the right to receive cash flows from the asset or has assumed a contractual obligation to pay them in full and without delay, and:
 - transferred substantially all risks and benefits of ownership of the financial asset; or
 - has neither transferred nor retained substantially all the risks and benefits of the asset, but has transferred control thereof.

In cases where the Group has transferred the rights to receive the cash flows from an asset or has entered into an agreement under which it retains the contractual rights to receive the cash flows from the financial asset, but assumes a contractual obligation to pay the cash flows to one or more beneficiaries (pass-through), it assesses whether and to what extent it has retained the risks and benefits of ownership. If it has neither transferred nor retained substantially all of the risks and benefits or has not lost control thereof, the asset continues to be recognised in the Group's financial statements to the extent of its continuing involvement in said asset. In this case, the Group also recognises an associated liability. The transferred asset and associated liability are measured to reflect the rights and obligations that remain with the Group.

Derivative financial instruments

Derivative financial instruments are accounted for in accordance with IFRS 9.

At the contract date, derivative financial instruments are initially recognised at fair value, either as financial assets measured at fair value with impact on the income statement when the fair value is positive or as financial liabilities measured at fair value with impact on the income statement when the fair value is negative.

If financial instruments are not accounted for as hedging instruments, changes in fair value recognised after initial recognition are treated as income statement items for the period. If, on the other hand, the derivative instruments meet the requirements to be classified as hedging instruments, subsequent changes in fair value are accounted for according to specific criteria, specified below.

A derivative financial instrument is classified as a hedge if the relationship between the hedging instrument and the hedged item is formally documented, including the risk management objectives, the strategy for undertaking the hedge and the methods that will be used to verify its prospective and retrospective effectiveness. The effectiveness of each hedge

is verified both at the inception of each derivative instrument and during its life, and in particular at each financial instruments reporting period or interim reporting date. Generally, a hedge is considered highly "effective" if, either at inception or during its life, changes in the fair value, in the case of a fair value hedge, or in the expected future cash flows, in the case of a cash flow hedge, of the hedged item are substantially offset by changes in the fair value of the hedging instrument.

IFRS 9 provides for the possibility of designating the following three hedging relationships:

- fair value hedge: where the hedge relates to changes in the fair value of assets and liabilities recognised in the balance sheet, both changes in the fair value of the hedging instrument and changes in the hedged item are recognised in the income statement;
- cash flow hedge: in the case of hedges intended to neutralise the risk of changes in cash flows arising from the future fulfilment of contractual obligations defined at the balance sheet date, changes in the fair value of the derivative instrument recognised after initial recognition are accounted for, limited to the effective portion only, in comprehensive income and therefore in an equity reserve. When the economic effects of the hedged item occur, the portion recognised in other comprehensive income is transferred to the income statement. If the hedge is not perfectly effective, the change in fair value of the hedging instrument attributable to the ineffective portion of the hedge is recognised immediately in the income statement;
- hedge of a net investment in a foreign operation (net investment hedge).

If the tests do not confirm the effectiveness of the hedge, from that time the accounting is discontinued and the hedging derivative contract is reclassified to either financial assets measured at fair value with impact on the income statement or financial liabilities measured at fair value with impact on the income statement. The hedging relationship also ceases when:

- the derivative expires, is sold, terminated or exercised;
- the hedged item is sold, expires or is redeemed;
- It is no longer highly probable that the hedged future transaction will occur.

Trade receivables

Trade receivables are initially recognised at fair value and are subsequently measured at amortised cost, taking into account the time factor. Specifically, the initial recognition value is represented by the nominal value of the receivable, net of all premiums, discounts and allowances, and including any costs directly attributable to the transaction that generated

the receivable. Any transaction costs, commission income and/or expenses and any difference between initial value and nominal value at maturity are included in the calculation of amortised cost using the effective interest method.

For short-term receivables (i.e. with a maturity of less than 12 months), the effects of potential divergence between the amortised cost valuation and the nominal value of said receivables are assumed to be irrelevant.

Impairment of financial assets

The Group recognises an impairment loss ("expected credit loss" or "ECL") for all financial assets represented by debt instruments not measured at fair value through the income statement. ECLs are based on the difference between the contractual cash flows due under the contract and all cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows arising from the enforcement of collateral held or other credit guarantees that are an integral part of the contractual terms.

Expected losses are recognised in two steps. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, credit losses arising from estimated default events that are possible within the next 12 months ("12-month ECL") must be recognised. For credit exposures for which there has been a significant increase in credit risk since initial recognition, expected losses must be recognised in full over the remaining life of the exposure, regardless of when the event of default is expected to occur ("Lifetime ECL").

For trade receivables, the Group applies a simplified approach in calculating expected losses. Therefore, the Group does not monitor changes in credit risk, but recognises the expected loss in full at each reporting date.

Inventories

Inventories are goods:

- held for sale during the normal course of business;
- used in production processes for sale;
- in the form of materials or supplies of goods to be used in the production process or in the provision of services.

The Group's inventories consist of raw, ancillary and maintenance materials and finished products. The valuation is carried out at the lower of weighted average purchase cost and net realisable value for raw, ancillary and maintenance materials, and at the lower of production cost and net realisable value for finished products.

When the net realisable value is less than the cost, the surplus is immediately written off in the income statement.

Inventories - Biological assets

The subsidiary Valle Zignago Srl – Società Agricola carries out agricultural activities and applies IAS 41 “Agriculture” to biological assets and agricultural produce until harvest.

The item “Biological assets,” included under “Inventories,” includes the value at the end of each period of crops that will be harvested in subsequent periods. Biological assets are measured at fair value less estimated point-of-sale costs. In some cases, fair value may be approximated by the costs incurred up to the balance sheet date to prepare fields for cultivation or ripen produce, particularly when only minor biological transformation has occurred since the initial cost was incurred or when biological transformation is not expected to have a material impact on price.

Cash and cash equivalents

Cash and cash equivalents are recorded at either nominal value or amortised cost, depending on their nature. Other cash equivalents represent short-term, highly liquid financial assets that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value, with an original maturity or at the time of purchase not exceeding 3 months.

Trade payables and other financial liabilities

Trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost, taking into account the time factor. Specifically, the initial recognition value is the nominal value of the payable debt, net of transaction costs and all premiums, discounts and allowances directly resulting from the transaction that generated the debt. Any transaction costs, commission income and/or expenses and any difference between initial value and nominal value at maturity are included in the calculation of amortised cost using the effective interest method.

For short-term payables (i.e. with a maturity of less than 12 months), as well as in any case for those in which transaction costs, commissions paid between the parties and any other difference between the initial value and the value at maturity are insignificant, the effects of potential divergence between the amortised cost valuation and the nominal value of said payables are assumed to be irrelevant.

Trade payables and other financial liabilities are classified as current liabilities unless the Group has an unconditional right to defer their payment for at least twelve months after the relevant financial statements date.

Trade payables and other financial liabilities are removed from the financial statements when they are extinguished and when the Group has transferred all risks and charges relating

to the instrument.

Employee benefit obligations

a) Short-term benefits

Short-term benefits include benefits that are expected to be settled in full within twelve months after the end of the period in which the employees render the related services. Short-term benefits mainly include wages, salaries and social security contributions, holiday and sick leave benefits, and any incentive plans.

Short-term benefits are not discounted to present value and the amount not yet paid at the financial statements reporting date is recognised within “Other current liabilities.”

b) Post-employment benefits

Post-employment benefits include pension benefits (e.g., pensions and lump-sum payments upon retirement), benefits payable upon termination of employment based on applicable regulations (e.g., severance indemnity for the Group's Italian companies) and other post-employment benefits such as life insurance and medical care.

Post-employment employee benefit obligations are divided between those based on defined contribution plans and those based on defined benefit plans, depending on the benefits provided:

- in defined contribution plans, the Group's legal or constructive obligation is limited to the amount of contributions to be paid to the provision based on the agreement. The amount of post-employment benefits received by the employee is determined, therefore, by the amount of contributions paid by the Group (and sometimes by the employee) to a post-employment benefit plan or to an insurance company, together with the returns from the investment of the contributions. Consequently, the actuarial risk (that benefits are lower than expected) and the investment risk (that the invested assets are insufficient to meet expected benefits) fall, in substance, on the employee;
- in defined benefit plans, on the other hand, the Group's obligation is to provide the agreed benefits for current and former employees and the actuarial risk (that the benefits will be more expensive than expected) and investment risk fall, in substance, on the Group.

With reference to the Group's Italian companies, pursuant to Law No. 296 of 27 December 2006 (2007 Finance Act), the following is noted:

- the TFR (severance indemnity) provision, limited to the amounts accruing from 1 January 2007 for companies with more than 50 employees, regardless of the destination op-

tion chosen by the employee, represents a defined contribution plan that does not require actuarial calculation;

- TFR severance indemnity benefits accrued since 1 January 2007 and allocated to supplementary pensions, in the case of companies with fewer than 50 employees, represent a defined contribution plan that does not require actuarial calculation;
- the TFR (severance indemnity) provision, limited to the portion accrued up to 31 December 2006 for all companies, as well as the portions accrued from 1 January 2007 and not allocated to supplementary pensions for companies with less than 50 employees, represent a defined benefit plan that requires actuarial calculation.

The accounting for defined benefit plans is characterised by the use of actuarial assumptions to determine the value of the obligation. Said valuation is entrusted to an external actuary and is carried out annually. For discounting purposes, the Group uses the projected unit credit method, which involves the projection of future disbursements on the basis of historical statistical analyses and the demographic curve and the financial discounting of these flows on the basis of a market interest rate. Specifically, programme service costs are accounted for under “Personnel costs,” while interest expense accrued on the obligation is accounted for under “Financial expenses.” Actuarial gains and losses, arising from changes in actuarial assumptions, are recognised with an offsetting entry to shareholders' equity (in the item: “Reserve for actuarial gains/losses on employee benefit obligations”) as required by IAS 19. The liability for defined benefit plans is recognised within the item “Employee Benefit Obligations.”

c) Employee termination benefits

Benefits payable to employees for termination of employment result from the Group's decision to terminate employment or from an employee's decision to accept an offer, by the Group, of benefits in exchange for termination of employment.

The Group recognises the cost of these benefits as a liability on the financial statements at the earliest date between:

- the time at which the Group can no longer withdraw the offer of such benefits;
- the time at which the Group recognises the costs of a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits due.

d) Other long-term benefits

Other long-term benefits are employee benefit obligations that are not payable in full within 12 months after the end of

the period in which the employees rendered their services. Other long-term benefits, if any, are discounted to present value (but without recognising any revaluation in other comprehensive income) and the amount not yet paid at the financial statements reporting date is recognised within “Other non-current liabilities.”

Provisions for risks and charges

In accordance with IAS 37, provisions for risks and charges are recognised for losses and charges of a given nature, whose existence is certain or probable, but whose amount and/or date of occurrence cannot be determined.

Provisions are recognised only when a current obligation (legal or constructive) exists for a future outflow of economic resources as a result of past events and it is probable that such an outflow will be required to settle the obligation. This amount represents the best estimate of the expenditure to settle the obligation. The rate used in determining the present value of the liability reflects current market values and takes into account the specific risk associated with each liability.

When the financial effect of time is significant and the payment dates of the obligations can be reliably estimated, the provisions are measured at the present value of the expected outlay using a rate that reflects market conditions, the change in the cost of money over time and the specific risk associated with the obligation. The increase in the value of the provision caused by changes in the cost of money over time is recognised as a financial expense.

Risks, for which the occurrence of a liability is only possible, are disclosed in the appropriate disclosure section on contingent liabilities and no provision is made for them.

Revenues

Revenue is recognised when the following conditions of IFRS 15 are met:

- the contract with the customer has been identified;
- the contractual obligations (“performance obligations”) contained in the contract were identified;
- the price was determined;
- the price was allocated to the individual contractual obligations contained in the contract;
- the contractual obligation contained in the contract has been fulfilled.

In particular, revenue is recognised when control of the goods is transferred to the customer, taking into account Incoterms and other contractual clauses. Generally, the transfer of con-

trol occurs upon shipment or delivery of the goods. Revenue is recognised in an amount that reflects the consideration the Group expects to receive in exchange for those goods.

The Group considers whether there are other promises in the contract that represent contractual obligations on which a portion of the transaction consideration is to be allocated. In determining the price of the transaction for the sale of products, the Group considers the possible effects of variable consideration and significant financial components.

Recognition of government grant contributions

Government grant contributions are recognised on an accrual basis in relation to costs incurred when there is a reasonable certainty that the Group will comply with the conditions for obtaining the grant and that the grant will be received, and if the value of the grant contribution can be reliably determined.

Government grant contributions are recognised as deferred income within "Other non-current liabilities" and "Other current liabilities" for the long-term and short-term portion of these grant contributions, respectively. Deferred income is then recognised within "Other income" in the income statement on a straight-line basis over the useful life of the assets to which the grant relates.

Government operating grants are recognised in the income statement under "Other income."

Recognition of costs

Costs are recognised in the income statement on an accrual basis.

Dividends

Dividends distributed are shown as a movement in shareholders' equity in the financial year in which they are approved by the shareholders' meeting.

Dividends received are recognised in the financial statements on an accrual basis in the financial year in which, as a result of the resolution passed by the shareholders' meeting of the investee company to distribute the profit or any reserves, the Group's right to collect them arises.

Income Taxes

Current taxes are calculated on the basis of taxable income for the year, applying the tax rates in force at the financial statements reporting date. Current taxes for the year and prior years, to the extent that they have not been paid, are recognised as a liability. Current tax receivables and payables, for the current and prior periods, are determined based on the

amount expected to be recovered from or paid to the tax authorities, respectively, by applying tax rates and tax laws that have been enacted or substantively enacted by the financial statements reporting date.

Deferred tax assets and liabilities are distinguished into:

- deferred tax assets, which are the amounts of income taxes recoverable in future years related to deductible temporary differences, unused tax loss carryforwards and unused tax credit carryforwards; and
- deferred tax liabilities, i.e., the amounts of income taxes payable in future periods in reference to taxable temporary differences.

To calculate the amount of deferred tax assets and deferred tax liabilities, the tax rate is applied to identified taxable or deductible temporary differences, i.e. unused tax losses and unused tax credits.

At each financial statements date, both deferred tax assets not recognised in the financial statements and deferred tax assets recognised in the financial statements are remeasured in order to verify the existence of the assumption of the probability of recovery of such items.

Deferred tax assets and deferred tax liabilities are offset if, and only if:

- there is a legally enforceable right to set off current tax receivables against current tax liabilities; and
- deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either: (i) the same taxable entity; or (ii) different taxable entities that intend to settle current tax liabilities and current tax assets on a net basis, or realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or deferred tax assets are expected to be settled or recovered.

Furthermore, in the presence of uncertainties in the application of tax regulations, the Group: (i) in cases where it considers it probable that the tax authority will accept the uncertain tax treatment, determines the income taxes (current and/or deferred) to be recognised in the financial statements in accordance with the tax treatment applied or expected to be applied in the tax return; (ii) in cases where it considers it unlikely that the tax authority will accept the uncertain tax treatment, reflects this uncertainty in determining the income taxes (current and/or deferred) to be recognised in the financial statements.



3. RECENTLY ISSUED ACCOUNTING STANDARDS



Standards issued but not yet in force

Standards and interpretations that had already been issued but not yet in force at the date of preparation of these Consolidated Financial Statements are shown below. The Group intends to adopt these standards and interpretations, where applicable, when they come into force; in the financial statements as at 31 December 2025, the following standards have not been adopted:

Accounting standard/ amendment	Description
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	The IASB amended IFRS 9 “Financial instruments” following the post-implementation review of classification and measurement requirements. The amendments include guidance on the classification of financial assets, including those with potential characteristics, and specifically address requirements that have arisen for the classification of certain financial assets related to ESG issues. The IASB also amended IFRS 7 “Financial Instruments: Disclosures,” requiring entities to provide additional disclosures about financial assets and financial liabilities with certain contingent features. These amendments will be effective for annual periods beginning on or after 1 January 2026 and early application is permitted. No significant impact on the Group's consolidated financial statements is expected.
Renewable energy contracts - Amendments to IFRS 9 and IFRS 7	The IASB has made the following amendments to allow electricity contracts dependent on renewable energy sources to be recognised correctly in the financial statements: - clarification on the application of “own use” requirements; - amendment to hedge accounting requirements where these contracts are used as hedging instruments if certain conditions are met; - introduction of additional disclosure requirements to enable investors to understand the impact of these contracts on a company's financial performance and future cash flows. These changes will be effective from 1 January 2026. No significant impact on the Group's consolidated financial statements is expected.
Annual improvements to IFRS accounting standards – Volume 11	On 18 July 2024, the IASB issued annual improvements to IFRS accounting standards - Volume 11. It contains amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. The IASB's annual improvements are either limited changes to the text of an IFRS standard or correct minor unintended outcomes, oversights or conflicts between the requirements of the standards. The changes contained in the annual improvements to IFRS – Accounting Standards Volume 11 concern: - IFRS 1 “First-time Adoption of International Financial Reporting Standards - Hedge Accounting at the date of first-time adoption”; - IFRS 7 “Financial Instruments: Disclosures.” I. Income or loss on disposals II. Disclosure of differences between fair value and transaction price III. Details on credit risks - IFRS 9 “Financial Instruments”: I. Derecognition of lease liabilities II. Transaction price - IFRS 10 “Consolidated financial statements - Determination of a ‘de facto’ agent” - IAS 7 “Statement of cash flows - Cost method.” These changes will be effective from 1 January 2026. No significant impact on the Group's consolidated financial statements is expected.

3. RECENTLY ISSUED ACCOUNTING STANDARDS

Accounting standard/ amendment	Description
IFRS 18 Submission and disclosure of financial statements	In April 2024, the IASB issued IFRS 18, which replaces IAS 1 “Submission of financial statements.” IFRS 18 introduces new requirements for the submission within the statement of profit or loss, including specific totals and subtotals. In addition, entities are required to classify revenues and expenses included in the statement of profit or loss in one of the following five categories: operating, financial, income tax and discontinued operations. The standard also requires disclosure of new performance measurement indicators defined by management, based on the subtotal of revenues or expenses, and includes new requirements for the aggregation and disaggregation of financial information based on identified items in the financial statements and explanatory notes. IFRS 18 will be effective from 1 January 2027 and early application is permitted. The Group is currently assessing the impact on its consolidated financial statements.
IFRS 19 Non-Publicly owned subsidiaries: Submission	In May 2024, the IASB issued IFRS 19, which allows certain entities defined by the standard as “eligible” to elect to apply reduced disclosure requirements within the financial statements, while still meeting the recognition, measurement and submission requirements of other IFRSs. To be eligible, at the end of its reporting period, an entity must be a subsidiary as defined in IFRS 10, may not have public accountability and must have a parent company (ultimate or intermediate) that prepares consolidated financial statements that are available to the public and comply with IFRSs. IFRS 19 will be effective from 1 January 2027 and early application is permitted. No significant impact on the Group's consolidated financial statements is expected.



4. ESTIMATES AND ASSUMPTIONS



The preparation of financial statements requires the directors to apply accounting standards and methodologies that, in certain circumstances, are based on difficult and subjective valuations and estimates based on historical experience and assumptions that are from time to time considered reasonable and realistic under the circumstances.

The application of these estimates and assumptions affects the amounts reported in the financial statements, such as the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, as well as the disclosures provided. The final results of items in the financial statements for which the above estimates and assumptions have been used could differ, even significantly, from those reported in the financial statements that reflect the effects of the occurrence of the event being estimated, due to the uncertainty that characterises the assumptions and conditions on which the estimates are based.

The areas that require greater subjectivity on the part of the directors in the preparation of estimates and for which a change in the conditions underlying the assumptions used could have a significant impact on the Group's financial results are set out below.

a. Impairment of assets with a finite useful life: property, plant and equipment, right-of-use assets, investment property and other intangible assets with a finite useful life are tested for a reduction in value, which must be recognised through impairment, when there are indicators that it will be difficult to recover their net carrying amount through use. Verification of the existence of the above-stated indicators requires the directors to exercise subjective valuations based on information available within the Group and in the market, as well as historical experience. In addition, if it is determined that a potential impairment may have occurred, the Group proceeds to determine the impairment using valuation techniques deemed appropriate. The correct identification of elements indicating the existence of a potential impairment of property, plant and equipment, right-of-use assets, investment property and other intangible assets, as well as the estimates used to determine the latter, depend on factors that may vary over time, influencing the valuations and estimates made by the directors.

b. Allowance for doubtful accounts: the determination of this provision reflects management's estimates related to the historical and expected solvency of receivables, the ageing of receivables, expected losses and losses recognised in previous financial years.

c. Provision for risks and charges: the identification of the existence or non-existence of a current obligation (legal or implicit) is the result of a complex process based on the probability of loss. The directors assess such phenomena on a case-by-case basis in conjunction with an estimate of the amount of economic resources required to fulfil the obligation. When the directors consider that the occurrence of a liability is only possible, the risks are disclosed in the disclosure section on commitments and risks, without giving rise to any provision.

d. Useful life of assets with a finite useful life: the useful life is determined when the asset is recognised in the financial statements. Useful life assessments are based on historical experience, market conditions and expectations of future events that could affect useful life, including changes in technology. As a result, it is possible that the actual useful life may differ from the estimated useful life.

e. Deferred tax assets: deferred tax assets are recognised to the extent that it is probable that there will be adequate future taxable profit against which temporary differences or tax losses, if any, can be utilised

f. Leasing: the amount of the lease liability and consequently of the related right-of-use assets depends on the determination of the lease term. This determination is subject to management's assessment, particularly with regard to the inclusion or non-inclusion of the periods covered by the lease renewal and termination options in the lease agreements. These assessments will be reviewed upon the occurrence of a significant event or significant change in circumstances affecting management's reasonable certainty of exercising an option not previously considered in determining the lease term or not exercising an option previously considered in determining the lease term.

g. Defined benefit plans: the cost of defined benefit plans and the present value of the defined benefit obligation are determined using actuarial valuations. Actuarial valuations require the development of various assumptions, such as mortality and disability rates, the rate of inflation, the rate of benefit increases and the rate of salary increases, which may differ from actual future developments. Due to the complexity of the valuation and its long-term nature, these estimates are extremely sensitive to changes in assumptions.

h. Climate change: climate change is a factor of increasing im-

portance also for the steel sector, with potential direct and indirect impacts on the Group's business. In particular, the increase in the frequency of extreme weather events (heat waves, floods, droughts) may affect the operational continuity of plants and logistics, leading to possible interruptions in the supply chain or in the distribution of finished products. In addition, the gradual transition to a low-carbon economy could lead to regulatory and fiscal changes, with significant effects on energy costs and investments required for plant upgrades, energy efficiency and a reduction in CO₂ emissions. The Group is closely monitoring these developments, also from an ESG perspective, in order to prepare appropriate and sustainable industrial and environmental strategies in the medium to long term.



5. FINANCIAL RISK MANAGEMENT

5.1. Credit risk
5.2. Liquidity risk
5.3. Market risk
5.4. Capital Management

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The Group's activities are potentially exposed to the following risks: credit risk, liquidity risk and market risk.

5.1. Credit risk

Credit risk represents the Group's exposure to the risk of potential losses arising from the failure of counterparties to meet their obligations.

Trade receivables recognised in the financial statements are all due within 12 months and are related to the Group's normal operations. The breakdown of receivables by geographical area, including subsidiaries, shows a concentration of 98% of the total in the European Union area at 31 December 2025 (97% at 31 December 2024).

The credit risk arising from the Group's normal business operations with commercial counterparties is managed and controlled as part of the procedures for lending and monitoring the credit standing of customers. The Group's policy is aimed at selecting solid and reliable customers, creating consolidated historical relationships with them. The risk of a customer failing to fulfil a financial obligation on time is systematically analysed, assigning the counterparty a credit line that is constantly monitored; with some counterparties and for particular risk conditions, secured forms of payment are required from customers. The soundness of the Group's customer base and credit management procedures is evidenced by the very

The following section provides qualitative and quantitative reference information on the incidence of these risks on the Group.

limited credit losses recorded in recent years.

It should also be noted that a Credit Risk coverage policy has been in place for some time with a leading international company, which largely covers all credit allowances granted to the Holding Company's customers. Similar policies have been taken out for Esti Srl, Centro Italiano Acciai Srl, Euro Sider Scalo Srl and Trafilerie San Paolo Srl. For certain customers of Padana Rottami Srl and Maltauro Rottami Srl and Trafilerie San Paolo Srl, credit is guaranteed by assigning the receivables without recourse to leading factoring companies.

Credit management activities consist of articulated and frequent reporting as well as periodic meetings with the sales force, the broker and the credit insurance company.

The following table provides a breakdown of trade receivables as at 31 December 2025 and 2024, grouped by past due, gross of the allowance for doubtful accounts:

(in thousands of euros)

	Outstanding	Overdue from 1 to 30 days	Overdue from 91 to 120 days	Overdue over 120 days	Total
As at 31 December 2025					
Gross trade receivables	331,410	10,532	487	483	342,912
Allowance for doubtful trade receivables	(5,339)	(1,053)	(487)	(483)	(7,362)
Total trade receivables	326,071	9,479	-	-	335,550
As at 31 December 2024					
Gross trade receivables	281,615	13,210	962	711	296,498
Allowance for doubtful trade receivables	(5,069)	(1,094)	(962)	(711)	(7,836)
Total trade receivables	276,546	12,116	-	-	288,662

5.2. Liquidity risk

Liquidity risk may arise from the difficulty in obtaining the financial resources necessary for the Group's operations in a timely manner and on satisfactory economic terms.

With reference to this risk, considering the nature of the business in which it operates and the operating cash flows historically generated, the Group has no difficulty in raising the funds necessary to meet the commitments deriving from its liabilities according to the envisaged time-frame. The management of liquidity, funding requirements and cash flows are monitored on a daily basis; it should be noted that a Group Centralised Treasury has been in operation for some time in

order to manage the available resources more efficiently.

In general, the Group shows an appropriate correlation between short-term assets and liabilities and medium to long-term assets and liabilities. The cash flows from operations and excellent capitalisation allow the Group to meet maturing financing needs and to maintain current credit allowances in the short and medium to long term.

The breakdown by maturity of payables and other financial liabilities as at 31 December 2025 and 2024, based on expected cash flows, is shown in the following tables:

(in thousands of euros)

	Maturity of cash flows				Total expected cash flows	Book value
	Within 1 year	From 1 to 2 years	From 3 to 5 years	Over 5 years		
As at 31 December 2025						
Financial payables (non-current and current)	62,745	18,691	29,929	2,025	113,390	109,553
Lease liabilities (non-current and current)	3,782	2,546	4,264	2,519	13,111	11,815
Trade payables	215,279	-	-	-	215,279	215,279
Other liabilities (non-current and current)	46,688	-	-	-	46,688	46,688
Total	328,494	21,237	34,193	4,544	388,468	383,335
As at 31 December 2024						
Financial payables (non-current and current)	51,225	23,950	23,820	332	99,327	94,552
Lease liabilities (non-current and current)	4,386	1,773	1,649	62	7,870	7,528
Trade payables	185,914	-	-	-	185,914	185,914
Other liabilities (non-current and current)	34,138	-	-	-	34,138	40,872
Total	275,663	25,723	25,469	394	327,249	328,866



5.3. Market risk

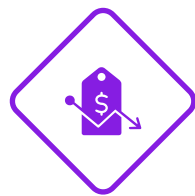
The Group is potentially exposed to the following market risks during the course of its operations:



Exchange rate risk



Interest rate risk



Price risk

Foreign exchange rate risk

Exchange rate risk may be generated by commercial and financial transactions carried out in a currency other than the functional currency of individual Group companies (transactional exchange rate risk). Fluctuations in exchange rates between the time when the commercial/financial relationship originates and the time when the transaction is finalised (collection/payment) can lead to exchange rate gains or losses.

As the Group also operates in international markets, it is exposed to exchange rate risk. However, the exposure to this risk can be defined as limited, as business relations are mainly settled in euros. The exposure to exchange rate risk, compared to the size of the company, is therefore not significant. Specifically, as at 31 December 2025 and 2024, there were foreign currency transactions outstanding, limited in value and number, the risk of which has been mitigated through hedging transactions.

The Group sometimes makes use of derivative financial instruments to hedge the exchange rate risk on foreign currency transactions. The following table summarises the key information regarding foreign exchange derivative financial instruments outstanding as at 31 December 2025 and 2024:

Foreign exchange derivative financial instruments	Maturity date	Notional value	Fair value <i>(in thousands of euros)</i>
As at 31 December 2025			
Unicredit - Forward purchase USD no. MTY107200082	05/01/2026	USD 200,000	2
Unicredit - Forward purchase USD no. TY110890853	14/04/2026	USD 200,000	0
Total positive fair value (financial assets)			2
Unicredit - Forward purchase USD no. MTY108314772	15/01/2026	USD 150,000	1
Unicredit - Forward purchase USD no. MTY110219307	04/02/2026	USD 100,000	1
Unicredit - Forward purchase USD no. MTY110219296	25/02/2026	USD 150,000	1
Unicredit - Forward purchase USD no. MTY110403585	20/03/2026	USD 150,000	1
Intesa Sanpaolo - Forward purchase of USD no. 411589586	29/05/2026	USD 850,000	10
Intesa SanPaolo - Forward purchase USD no. 411589581	30/06/2026	USD 850,000	10
Intesa SanPaolo - Forward purchase USD no. 411589578	31/07/2026	USD 425,000	5
Total negative fair value (financial payables)			29

Foreign exchange derivative financial instruments	Maturity date	Notional value	Fair value <i>(in thousands of euros)</i>
As at 31 December 2024			
Unicredit - Forward purchase USD no. FWD0096255020	23/01/2025	USD 250,000	9
Unicredit - Forward purchase USD no. FWD0097269744	21/02/2025	USD 200,000	3
Total positive fair value (financial assets)			12

Interest Rate Risk

Group companies regularly assess their exposure to the risk of changes in interest rates and are not subject to significant risks.

The items exposed to changes in interest rates are, from the point of view of raising financial sources, short-term and long-term bank debt. 53% of short-term debt (revolving) is subject to variable rates (1- or 3-month EURIBOR) and has a maturity of less than 12 months. 92% of medium/long-term debt is subject to variable rates (3/6-month EURIBOR). Considering the Group's active treasury position, it should be noted that the amount of liabilities and the interest expense accruing on these can in any case be considered marginal.

From the point of view of cash utilisation, for assets with me-

dium-term maturities such as bonds in the portfolio, capital losses could arise if they are sold before maturity if there are significant increases in interest rates. In this circumstance, however, it is normally company policy to carry these bonds to maturity.

Similarly, for cash invested in investment funds, capital losses may arise in the event of a fall in the price of securities; in this circumstance, too, the company's policy is not to dispose of the financial instrument at a loss and to wait as far as possible for the price of these securities to rise.

The Group uses derivative financial instruments to hedge the interest rate risk on certain variable-rate loans. The following table summarises the key information relating to interest rate financial instruments outstanding as at 31 December 2025:

Interest rate derivatives	Maturity date	Notional value	Fair value <i>(in thousands of euros)</i>
As at 31 December 2025			
Banco BPM - Interest Rate Swap 00048656	21/08/2026	EUR 229,610	2
Intesa Sanpaolo – Interest Rate Swap 35299216	18/05/2026	EUR 85,710	1
Unicredit – Interest Rate Swap MMX_27515612	31/01/2027	EUR 229,954	4
Unicredit – Interest Rate Swap MMX_35920405	30/06/2028	EUR 654,829	0
Total positive fair value (financial assets)			7



The Group's exposure to interest rate risk was measured through a sensitivity analysis that considered non-current and current financial payables, cash and cash equivalents and non-current and current financial assets. As part of the assumptions made, the effects on the Group's consolidated income statement and consolidated shareholders' equity for the years ended 31 December 2025 and 2024 arising from a hypothetical change in market interest rates that discount and depreciate by 50bps, respectively, were assessed. The

calculation method applied the change assumption to the point balances of the assets and liabilities under analysis and to the interest rate remuneration of these variable-rate assets and liabilities. This analysis is based on the assumption of a general, instantaneous change in the level of reference interest rates.

The following table summarises the results of the analysis performed:

(in thousands of euros)

	Impact on net profit and shareholders' equity, net of tax effect(*)	
	- 50 bps	+ 50 bps
Year ended 31 December 2025	37	(37)
Year ended 31 December 2024	(573)	573

(*) It is noted that a positive sign indicates a higher result and an increase in shareholders' equity; a negative sign indicates a lower result and a decrease in shareholders' equity.

Price risk

The Group is exposed to price risk with particular reference to its electricity requirements.

To protect itself against this risk, the Parent Company has entered into a hedging contract for its electricity requirements, which expires in October 2025. The contract partially covers the amount of energy usually purchased to meet its needs. The above-stated contract, which is linked to the purchase of energy produced and fed into the grid from a photovoltaic source plant, provides for the regulation of the differential between the fixed price recognised by the company and the variable

price collected equal to the hourly value of the PUN (Single National Price). This contract allows the price to be set, for the agreed quantity, by hedging the risk of rising energy prices.

The fair value of the contract is calculated based on the forward energy prices recorded at the end of each year. The fair value of the contract, having a positive value, was recognised as a financial asset, with a balancing entry in a special equity reserve ("Reserve for expected cash flow hedges") recognised net of deferred taxes.

The following table summarises the main information relating to this contract:

(in thousands of euros)

DXT Commodities SA - Electricity price hedging swap	
Maturity date	31/10/2025
Notional value	Quantity 3MW Baseload
Fair value as at 31 December 2025 (in thousands of euros)	-
Fair value as at 31 December 2024 (in thousands of euros)	1,313

5.4. Capital Management

The positive profitability that has characterised the Group for over a decade, coupled with the prudent management of working capital, has resulted in a structural positive net financial position for years. The Group continues to pursue the diversification of its treasury investments while maintaining a constant level of investment risk, which must not be below BBB- on average. At the beginning of 2026, the Group's active financial position remained almost constant and is still largely positive.

Maintaining a positive net financial position ensures business continuity even in the face of catastrophic events such as those we have experienced in recent years.

The Group also regularly monitors financial obligations established by third parties, as described in Note 8.13 "Financial payables (non-current and current)" to which reference should be made.



6. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES AND FAIR VALUE DISCLOSURES



Categories of financial assets and liabilities

The following table provides a breakdown of financial assets by category, in accordance with the provisions of IFRS 9, as at 31 December 2025 and 2024:

	Financial year ended	
	31/12/2025	31/12/2024
<i>(in thousands of euros)</i>		
FINANCIAL ASSETS:		
Financial assets measured at amortised cost:		
Non-current financial assets	7,671	6,914
Other non-current assets	-	6
Trade receivables	335,550	288,662
Current financial assets	27,324	51,834
Cash and cash equivalents	74,057	183,679
Other Current Assets	40,342	5,683
Total financial assets measured at amortised cost	484,944	536,778
Financial assets measured at fair value with changes in other comprehensive income items:		
Non-current financial assets	6,888	7,003
Current financial assets	44,273	51,497
Total financial assets at fair value through changes in other comprehensive income items	51,161	58,500
Financial assets measured at fair value with changes on the income statement:		
Non-current financial assets	15,344	14,435
Current financial assets	112,040	101,214
Total Financial assets measured at fair value with changes on the income statement	127,384	115,649
TOTAL FINANCIAL ASSETS	663,489	710,927

The following table provides a breakdown of financial liabilities by category, in accordance with the provisions of IFRS 9, as at 31 December 2025 and 2024:

	Financial year ended	
	31/12/2025	31/12/2024
<i>(in thousands of euros)</i>		
FINANCIAL LIABILITIES:		
Financial liabilities measured at amortised cost:		
Non-current financial payables	48,398	45,701
Non-current lease liabilities	8,391	3,331
Other non-current liabilities	500	-
Current financial payables	61,126	48,851
Current lease liabilities	3,424	4,197
Trade payables	215,279	185,914
Other current liabilities	30,263	29,181
Total financial liabilities measured at amortised cost	367,381	317,175
Financial liabilities measured at fair value with changes on the income statement:		
Current financial payables	29	-
Total financial liabilities measured at fair value with changes on the income statement	29	-
TOTAL FINANCIAL LIABILITIES	367,410	317,175

Given the short-term characteristics of trade receivables and trade payables, the Group believes that the carrying values, net of the related allowance for doubtful accounts for trade receivables, may represent a good approximation of fair value.

With regard to lease liabilities, taking into consideration the contractual terms and expiry dates, it is deemed that the fair

value does not differ significantly from the related carrying amount.

Non-current and current financial payables are settled or valued at market rates and therefore the relative fair value is deemed to be substantially in line with current book values.



Fair value disclosures

In relation to assets and liabilities recognised in the consolidated statement of financial position and measured at fair value, IFRS 13 requires these values to be classified on the basis of a hierarchy of levels, reflecting the significance of the inputs used in determining fair value. Below is a classification of the fair values of financial instruments based on the following hierarchical levels:

- Level 1: fair values determined by reference to quoted prices (unadjusted) in active markets for identical financial instruments. Therefore, in Level 1 the emphasis is on determining the following elements: (a) the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market for the asset or liability; (b) the entity's ability to enter into a transaction with the asset or liability at the price in that market at the valuation date.

- Level 2: fair value determined using valuation techniques with reference to observable variables in active markets. Inputs for this level include: (a) quoted prices for similar assets or liabilities in active markets; (b) quoted prices for identical or similar assets or liabilities in inactive markets; (c) data other than observable quoted prices for the asset or liability, for example: interest rates and yield curves observable at commonly quoted intervals, implied volatilities, credit spreads, market-corroborated inputs.

- Level 3: fair value determined using valuation techniques with reference to unobservable market variables.

The following table summarises the financial assets and liabilities measured at fair value, broken down by the levels of the hierarchy, as at 31 December 2025 and 2024:

(in thousands of euros)

	Book value	Level 1	Level 2	Level 3
As at 31 December 2025				
Non-current financial assets	22,232	-	15,247	6,985
Current financial assets	156,313	151,821	1,706	2,786
Current financial payables	29	-	29	-
As at 31 December 2024				
Non-current financial assets	21,438	-	14,341	7,097
Current financial assets	152,711	143,272	1,325	8,114

Financial assets measured at fair value classified as Level 1 of the hierarchy consist mainly of listed securities relating to bonds, Italian government securities and units of open-end investment funds.

Financial assets measured at fair value classified as Level 2 of the hierarchy consist mainly of units of closed-end investment funds and listed securities relating to bonds.

Financial assets measured at fair value classified as Level 3 in the hierarchy consist mainly of insurance policies and investments in other companies.

It should be noted that during the financial year there were no transfers between the different levels of the fair value hierarchy.



7. BUSINESS COMBINATIONS

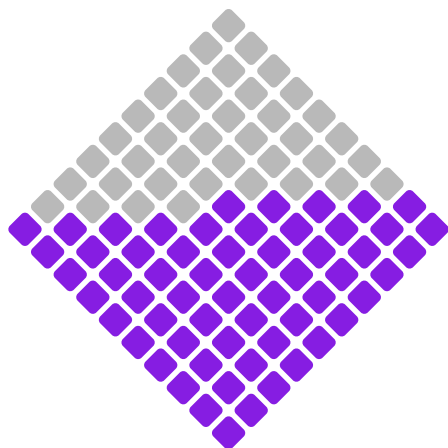


Acquisition of Euro Sider Scalo Srl

On 31 January 2025, the Parent Company completed the acquisition of 60% of the share capital of Euro Sider Scalo Srl, a company active in the trade of special steel bars with operational offices in the province of Brescia. The remaining 40% remains under the ownership of the Pastorelli family, which will continue to exercise management functions through the Managing Director. The operation allows the Group to expand its commercial offer, accessing markets that are not directly served by production, in terms of type of specifications and purchase volumes. In addition, the integration with Euro Sider Scalo Srl, a company that has long been active in synergy with the Group, will contribute to the strengthening of the offer and the consolidation of customer relationships through more flexible commercial and technical solutions. The transaction is consistent with the Group's strategy aimed at strengthening its commercial presence in high value-added outlet sectors.

The contractually agreed price for the sale is €18,500 thousand including a payment of €500 thousand to be paid by 31 January 2027 only in the absence of contingent liabilities incurred by Euro Sider Scalo Srl that are not reimbursed by the seller.

A deposit of €4 million was paid during 2024.



◆ 60%

◆ 40%

Share capital acquired by the Group

Share capital of the Pastorelli family

18,500

thousands of euros

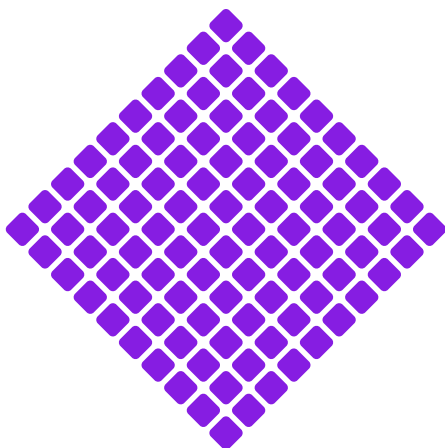
Contractually agreed price for the sale

Acquisition of Trafilerie San Paolo Srl

On 18 April 2025, the Parent Company acquired 100% of the share capital of Trafilerie San Paolo Srl, a company specialising in steel wire drawing and recognised in the market for its high quality standards. This acquisition is part of the Group's broader strategic path of verticalisation, aimed at strengthening its presence in the high quality steel wire drawing segment, favouring the integration of the production chain and the expansion of the product portfolio. The transaction is in line with the investments recently made, including the new rolling mill at the Sarezzo plant, which allows for the production of a complete range of wire rod for wire drawing. Trafilerie San Paolo Srl will continue to operate whilst maintaining its quality standards, benefiting from the Group's technical, industrial and commercial synergies.

The contractually agreed purchase price is €25,400 thousand, including a sum of €1,500 thousand already paid into an escrow account, which will be released by 31 December 2030 in favour of the seller, provided there are no contingent liabilities incurred by Trafilerie San Paolo Srl and not reimbursed by the seller.

A deposit of €5 million was paid during 2024.



◆ 100%

Share capital acquired by the Group

25,400

thousands of euros

Contractually agreed purchase price

7. BUSINESS COMBINATIONS

The following table sets out the details of the assets and liabilities acquired in relation to both business combinations in accordance with IFRS 3:

(in thousands of euros)

	Fair value at date of acquisition of control
NON-CURRENT ASSETS	41,803
Property, plant and equipment	25,830
Right-of-use assets	7,649
Intangible assets	8,312
Non-current financial assets	12
CURRENT ASSETS	75,416
Inventories	45,545
Trade receivables	25,164
Current financial assets	18
Current tax receivables	529
Cash and cash equivalents	2,618
Other Current Assets	1,542
TOTAL ASSETS	117,219
NON-CURRENT LIABILITIES	18,934
Non-current financial payables	5,845
Non-current lease liabilities	5,858
Employee benefit obligations	527
Provisions for risks and charges	71
Deferred tax liabilities	6,633
CURRENT LIABILITIES	48,548
Current financial payables	23,226
Current lease liabilities	1,186
Trade payables	18,775
Current tax liabilities	4,357
Other current liabilities	1,004
TOTAL LIABILITIES	67,482
TOTAL NET ASSETS ACQUIRED	49,737
Non-controlling interests	(16,842)
TOTAL NET ASSETS ACQUIRED BY THE GROUP	32,895



Non-controlling interests at the date of acquisition, amounting to €16,842 thousand, were recognised at an amount equal to the non-controlling interests' proportionate share of the net identifiable assets of the acquired company, as allowed by IFRS 3, paragraph 19.

The following table summarises the calculation of goodwill arising from the two business combinations in accordance with IFRS 3:

(in thousands of euros)

Advance payments made in the previous year	9,052
Amount paid in the current year	34,348
Amounts payable	500
Total consideration	43,900
Net assets acquired attributable to the Group measured at fair value	32,895
Goodwill	11,005

The net assets acquired also include the so-called “Non-contractual customer relationships,” which are described in detail in paragraph 8.4 below.

It should be noted that the consideration for the transaction indicated in the table above does not include transaction costs related to the acquisitions, amounting to a total of €427 thousand, which, in accordance with the provisions of IFRS 3, have been recognised in the income statement for the year under the heading “Costs for services.”

The following table shows the net cash flow for the year arising from acquisitions:

(in thousands of euros)

Consideration paid	(34,348)
Cash and cash equivalents acquired	2,618
Net cash flow (investing activities)	(31,730)

In the financial year ended 31 December 2025, the two companies contributed to the Group's revenue and other income in the amount of €65,908 thousand and to the Group's net profit for the year in the negative amount of €1,936 thousand from the date of acquisition.

To complete the disclosure, it should be noted that if the business combinations had taken place on 1 January 2025, the Group's revenue and other income would have amounted to €1,218,739 thousand, i.e. approximately €15.3 million higher, and the Group's net profit for the year would have amounted to €14,905 thousand, i.e. approximately €156 thousand lower.



8. EXPLANATORY NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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8.1. Property, plant and equipment

The following table provides details and changes in "Property, Plant and Equipment" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Land and buildings	Plant and equipment	Industrial and commercial equipment	Other assets	Tangible assets under construction and advances	Total
Historical cost as at 31 December 2024	260,567	545,114	13,219	33,279	55,399	907,578
Investments	9,376	17,428	1,215	2,619	25,954	56,592
Business combinations	15,550	9,587	191	84	418	25,830
Reclassifications	8,486	40,415	32	(101)	(48,962)	(130)
Decreases	(895)	(4,225)	(85)	(1,663)	(469)	(7,337)
Historical cost as at 31 December 2025	293,084	608,319	14,572	34,218	32,340	982,533
Depreciation provision at 31 December 2024	(136,110)	(446,938)	(11,027)	(24,917)	-	(618,992)
Depreciation	(8,993)	(31,182)	(1,164)	(2,602)	-	(43,941)
Reclassifications	-	-	-	148	-	148
Decreases	887	3,397	86	1,633	-	6,003
Depreciation provision at 31 December 2025	(144,216)	(474,723)	(12,105)	(25,738)	-	(656,782)
Net book value as at 31 December 2024	124,457	98,176	2,192	8,362	55,399	288,586
Net book value as at 31 December 2025	148,868	133,596	2,467	8,480	32,340	325,751

The item "Land and buildings" mainly includes the value of industrial land, civil and industrial buildings, as well as land owned for the performance of agricultural activities by the subsidiary Valle Zignago Srl Investments relating to this item in the financial year ended 31 December 2025 relate pri-

marily to the purchase of a building adjacent to the Parent Company's Sarezzo plant, amounting to €4,316 thousand, to construction works relating to the wire rod rolling mill (at the Parent Company's Sarezzo plant) amounting to €1,896 thousand, and to improvements to buildings amounting to

€3,164 thousand.

The business combinations relate to the building in Molteno, owned by Trafilerie San Paolo Srl.

The item "Property, plant and equipment" mainly includes the value of general and specific plant and machinery, as well as furnaces and their appurtenances. Investments relating to this item include improvements and spare parts for rolling mills amounting to €5,957 thousand, improvements and spare parts for smelting and continuous casting plants amounting to €2,297 thousand, costs relating to the purchase of the wire rod rolling mill at the Parent Company's Sarezzo plant amounting to €4,003 thousand, and other minor investments totalling €5,171 thousand.

The business combinations relate to Trafilerie San Paolo for €8,927 thousand, and Euro Sider Scalo Srl for €660 thousand.

The item "Industrial and commercial equipment" mainly includes the value of industrial and small equipment. Investments relating to this item mainly refer to the purchase of laboratory analysis equipment amounting to €473 thousand.

The item "Other assets" mainly includes the value of vehicles, furniture and office equipment. Investments under this heading relate mainly to transport equipment amounting to €939 thousand and electronic equipment amounting to €812 thousand.

The item "Tangible assets under construction and advances" includes the carrying amount of assets under construction related to:

- the construction of the new melting furnace at the Parent Company's Padua plant, amounting to €16,369 thousand;
- construction works related to the systems currently being installed, amounting to €889 thousand;
- general plant and equipment amounting to €3,654 thousand;
- specific plant and equipment amounting to €10,678 thousand;
- furnaces and related ancillary equipment amounting to €123 thousand;
- other investments amounting to €439 thousand.

As at 31 December 2025, the Group had not identified any indicators of impairment in relation to property, plant and equipment.

It should be noted that as at 31 December 2025, there are no restrictions on the ownership of property, plant and equipment as security for liabilities.



8.2. Assets for rights-of-use and liabilities for leases

The item “Assets for right-of-use leases,” amounting to €13,447 thousand as at 31 December 2025 (€8,286 thousand as at 31 December 2024), relates to assets for right-of-use leases recognised in accordance with the provisions of IFRS 16 and mainly relating to rental contracts, rental and leasing of indu-

strial equipment, buildings and motor vehicles.

The following table provides details and changes in “Ri-ght-of-use assets” for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Property	Cars	Industrial and commercial equipment	Total
Historical cost as at 31 December 2024	3,081	1,005	10,696	14,782
Investments	305	347	3,273	3,925
Business combinations	3,727	-	3,922	7,649
Decreases	(232)	(245)	(7,880)	(8,357)
Historical cost as at 31 December 2025	6,881	1,107	10,011	17,999
Depreciation provision at 31 December 2024	(952)	(376)	(5,168)	(6,496)
Depreciation	(499)	(340)	(4,374)	(5,213)
Decreases	63	205	6,889	7,157
Depreciation provision at 31 December 2025	(1,388)	(511)	(2,653)	(4,552)
Net book value as at 31 December 2024	2,129	629	5,528	8,286
Net book value as at 31 December 2025	5,493	596	7,358	13,447

The increases and decreases in the item “industrial and commercial equipment” relate mainly to the Parent Company.

As at 31 December 2025, the Group had not identified any

indicators of impairment in respect of right-of-use assets.

The following table summarises the value of lease liabilities as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Non-current lease liabilities	8,391	3,331
Current lease liabilities	3,424	4,197
Total lease liabilities	11,815	7,528

Reference may be made to Explanatory note 5.2 “Liquidity Risk” for a maturity analysis of cash outflows related to rental, hire and lease agreements.

The following table sets forth the costs recognised within the consolidated income statement related to rental, hire and lease agreements held by the Group, which acts primarily as lessee, for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Amortisation of rights-of-use assets	5,213	4,313
Interest expenses for leasing	439	325
Cost for use of leased assets	2,439	2,190
- of which:		
Variable fees	547	278
Short-term leasing costs	734	737
Lease costs of low-value assets	228	318
Costs for services on leases	908	831
Other minor costs	22	26

Lease and rental costs recognised in the income statement (i.e. without the recognition of the right-of-use asset and the related lease liability) mainly refer to:

- costs for variable consideration that do not depend on an index or rate under industrial equipment rental, hire and lease agreements, which have been recognised in the income statement in accordance with paragraph 38 of IFRS 16;
- rental costs with a duration of less than 12 months, which were recognised in the income statement as permitted by IFRS 16, paragraph 5;
- lease costs of low-value underlying assets (i.e. if the value of the underlying asset, when new, is indicatively less than USD 5,000), which were recognised in the income statement as permitted by IFRS 16, paragraph 5;
- other sundry costs, mainly referring to ancillary costs to contracts such as the non-deductible VAT portion and the service component related to car rental contracts.



8.3. Investment property

The following table provides details and changes in "Investment property" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Land	Total
Historical cost as at 31 December 2024	11,824	11,824
Investments	63	63
Historical cost as at 31 December 2025	11,887	11,887
Net book value as at 31 December 2024	11,824	11,824
Net book value as at 31 December 2025	11,887	11,887

This item includes only land owned by the subsidiary Valle Zignago Srl – Società Agricola and held for the purpose of generating rental income or for capital appreciation.

As at 31 December 2025, the Group had not identified any indicators of impairment in relation to investment property.



8.4. Intangible assets

The following table provides details and changes in "Intangible assets" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Industrial Patent and use of Intellectual Property Rights	Concessions, licences, trademarks and similar rights	Intangible assets in progress and advances	Goodwill	Customer relationships	Other intangible fixed assets	Total
Historical cost as at 31 December 2024	8,199	339	305	-	-	17,288	26,131
Investments	535	32	274	-	-	72	913
Business combinations	172	-	-	11,005	8,043	97	19,317
Reclassifications	145	-	(151)	-	-	136	130
Decreases	(774)	(92)	(14)	-	-	(1,402)	(2,282)
Historical cost as at 31 December 2025	8,277	279	414	11,005	8,043	16,191	44,209
Depreciation provision at 31 December 2024	(6,677)	(243)	-	-	-	(4,538)	(11,458)
Depreciation	(776)	(67)	-	-	(536)	(1,624)	(3,003)
Reclassifications	-	-	-	-	-	(148)	(148)
Decreases	774	93	-	-	-	163	1,030
Depreciation provision at 31 December 2025	(6,679)	(217)	-	-	(536)	(6,147)	(13,579)
Net book value as at 31 December 2024	1,522	96	305	-	-	12,750	14,673
Net book value as at 31 December 2025	1,598	62	414	11,005	7,507	10,044	30,630

The item "Industrial patent and use of intellectual property rights" mainly include the value of application software and software licences. Investments relating to this item, amounting to €535 thousand for the year ended 31 December 2025 (€808 thousand for the year ended 31 December 2024), mainly include costs for software licences and application development.

The items "Intangible Assets in progress and advances" and "Other intangible fixed assets" mainly include deferred charges related to the Metal Interconnector consortium. The purpose of this consortium is to make investments in the so-called Metal Interconnector project through the construction of interconnection power lines with foreign countries and has the aim of granting the consortium members the purchase

of electricity at lower prices than the market. These deferred charges were initially recognised within the item "Intangible assets in progress and advances" and subsequently reclassified within the item "Other intangible fixed assets" when the related interconnection power line came into operation; taking into account that the transport right is recognised to the consortium members for a period of 10 years, these de-

ferred charges were amortised over this period. The carrying amount of these deferred charges in the financial statements is €9,613 thousand as at 31 December 2025 (of which €136 thousand is classified under the heading "Intangible assets in progress and prepayments" and €9,477 thousand under the heading "Other intangible fixed assets"), €11,142 thousand as at 31 December 2024 (of which €136 thousand is clas-



sified under “Intangible assets in progress and prepayments” and €11,006 thousand under “Other intangible assets”).

As part of the Purchase Price Allocation (PPA) relating to the acquisition of the stake in Trafilerie San Paolo Srl, as described in paragraph 7 “Business combinations,” the Group identified, among the acquired intangible assets, the so-called “Non-contractual customer relationships” (listed in the table above as “Customer relationships”), which represent the economic value attributable to the non-contractual relationships maintained by the acquired company with its customers as at the acquisition date. In particular, these “relationships” take the form of revenue derived from the supply of steel laminates and drawn products of high metallurgical quality, intended for a portfolio of medium-to-high-profile industrial customers; the company operates primarily on a contract basis and through ongoing supply relationships, offering customised technical solutions tailored to the customer’s specific applications.

The non-contractual customer relationship has been recognised under intangible assets separately from goodwill as it meets the identifiability criteria set out in IFRS 3 – Business Combinations, in particular paragraph B33, according to which customer relationships, even in the absence of formal contractual obligations, may be recognised as intangible assets if they are separable or arise from legal or contractual rights.

“Non-contractual customer relationships” are initially recognised at fair value at the acquisition date and are subsequently amortised on a straight-line basis over their estimated useful life, determined as 15 years, based on the expected period of economic benefit generation and commencing in 2025, the year of the company’s acquisition.

The item “Other intangible assets” also includes the value of greenhouse gas emission allowances purchased, amounting to €351 thousand as at 31 December 2025 (€1,588 thousand as at 31 December 2024).

As at 31 December 2025, the Group had not identified any indicators of impairment in relation to the intangible assets listed above.

The item “Goodwill” includes the amount recognised as a result of business combinations, as described in paragraph 7 “Business combinations.” This amount represents the excess of the consideration provided for in the contracts (measured at fair value at the acquisition date) over the value of the net assets acquired, measured at fair value as required by IFRS3.

In particular, the value as at 31 December 2025, amounting to €11,005 thousand, relates to the acquisition of Trafilerie San Paolo Srl.

Following initial recognition, goodwill is not subject to amortisation but is tested for impairment at least annually in accordance with the procedures described in the previous section

“Impairment of assets with a finite useful life and goodwill.”

For the purposes of IAS 36, the Group has therefore carried out a specific impairment test to assess the recoverability of this recognised goodwill.

In this context, the business linked to the company Trafilerie San Paolo Srl is identified as a “CGU” (Cash Generating Unit).

The impairment test was carried out by determining the value in use using the discounted cash flow (DCF) method, applying discount rates net of the tax effect:

- The cash flows used for the application of the DCF are those included in the five-year business plan approved by the Board of Directors of Trafilerie San Paolo Srl on 23 February 2026 and reviewed by the Parent Company’s Board of Directors on 13 March 2026;
- The growth rate applied (g) is 2%, equal to the average of the global growth forecast from 2026 onwards as indicated by leading financial market operators, and a WACC of 8.51% as determined by a specialist appointed by the Parent Company.

The cash flows were discounted on the basis of a weighted average cost of capital that reflects current market assessments of the cost of capital. The value identified is 8.51%.

A sensitivity analysis was also carried out to determine the variation in the value assigned to the underlying assumptions which, after taking into account any changes induced by such a change on the other variables used, results in the recoverable amount being equal to its carrying amount.

This analysis showed that only significant deviations in the achievement of the Group’s business objectives, in interest rate levels and in perpetual growth rates would reduce the recoverable amount to a level close to its carrying amount; it is therefore not necessary, as required by IAS 36, to report the effects of a “sensitivity” analysis in this note.

In assessing the underlying assumptions:

- Past trends relating to costs, revenues and cash flows were taken into account in order to determine the estimates subsequently incorporated into the Business Plan, and
- External sources were also used to determine appropriate values for the G and WACC rates.

The impairment test therefore did not result in any impairment losses to be recognised against goodwill. For a description of the single CGU, please refer to the previous section “Impairment test.”

8.5. Financial assets (non-current and current)

The following table provides a breakdown of the items “Non-current financial assets” and “Current financial assets” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Units of closed-end investment funds	15,247	14,341
Equity investments in other companies	6,985	7,097
Security deposits and down payments	271	126
Receivables from others	7,400	6,788
Total non-current financial assets	29,903	28,352
Securities portfolio	156,304	151,386
Certificates of deposit and time deposits	24,800	39,000
Financial derivative assets	9	1,325
Receivables interest income on current accounts, securities and time deposits	2,509	3,710
Security deposits and down payments	-	9,107
Receivables from others	15	17
Total current financial assets	183,637	204,545
TOTAL	213,540	232,897



Units of closed-end investment funds

The following table provides details and changes in the item "Units in closed-end investment funds" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	FSI Mid-Market Growth Equity Fund	Alcedo V Fund	FSI Mid-Market Growth Equity Fund II	Total
Balance as at 31/12/2024	9,351	1,706	3,284	14,341
Investments	91	160	1,468	1,719
Disposals/repayments	(2,589)	-	(271)	(2,860)
Change in fair value through the income statement	1,105	184	758	2,047
Balance as at 31/12/2025	7,958	2,050	5,239	15,247

(in thousands of euros)

	FSI Mid-Market Growth Equity Fund	Alcedo V Fund	FSI Mid-Market Growth Equity Fund II	Total
Balance as at 31/12/2023	7,968	952	1,543	10,463
Investments	70	674	2,525	3,269
Disposals/repayments	(1,082)	-	(828)	(1,910)
Change in fair value through the income statement	2,395	80	44	2,519
Balance as at 31/12/2024	9,351	1,706	3,284	14,341

This item includes the following investments made by the Holding Company:

- subscription of units of an Italian closed-end investment fund named FSI Mid-Market Growth Equity Fund. The fund's investment objective is to invest in Italian companies, mainly with an annual turnover between €100 million and €1,000 million, with the aim of promoting and strengthening the growth of these companies, both through internal lines and through acquisitions. This fund has a duration of 10 years, and the Holding Company has committed to pay a total of €10 million, which will be requested by the manager based on the investment needs that will gradually accrue.
- subscription of units of an Italian closed-end investment fund named FSI Mid-Market Growth Equity II Fund. For this fund, the Holding Company pledged a total of €15 million.
 - subscription of units of an Italian closed-end investment fund named Alcedo V. For this fund, the Holding Company committed to pay a total of €3 million.

Financial derivative assets

Current financial derivative assets include:

- For €7 thousand, the fair value of interest rate hedging contracts relating to four loans taken out by Trafilerie San Paolo Srl prior to its acquisition by the Group. The fair value of these contracts, having a positive value, was recognised under financial assets, with a balancing entry in a special equity reserve ("Reserve for expected cash flow hedges") recognised net of deferred taxes. For further details, reference may be made to Explanatory note "5.3 Market Risk – Price Risk";

- For €2 thousand, the positive fair value of derivative contracts on the Euro/USD exchange rate not designated as hedging instruments. For further details, reference may be made to Explanatory note "5.3 Market Risk – Foreign Exchange Risk".

Equity investments in other companies

The following table shows the breakdown of the item "Investments in other companies" as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Nord Est Multimedia SpA	6,000	6,000
SBE Varvit SpA	888	1,003
Consortium C.E.I.P Scarl	50	50
Tera Consortium	23	23
RFX Consortium	10	10
Geostorage Consortium	4	4
Consortium of corn and cereal growers of Basso Livenza	6	6
Banca di Credito Cooperativo della Valtrompia	1	1
Banca di credito Cooperativo di Brescia	1	-
Other minor consortia/companies (*)	2	-
Total	6,985	7,097

(*) CONAI Consortium, Primo Maggio Cooperative, Confapi Lombardia Fidi, FAI Services Cooperative, BCC Brianza e laghi.

Equity investments in other companies are shown below: (i) an equity investment representing 13.5% of the share capital of Nord Est Multimedia SpA, held through the subsidiary Fin.Steel Srl; (ii) a stake representing 0.1025% of the share capital of SBE Varvit SpA; and (iii) stakes in various consortia and other minor companies.

Receivables from others

Receivables from others included under non-current financial assets comprise, for €7,384 thousand, the Parent Company's receivable from Terna SpA for the provision set up to guarantee the commitments undertaken by the successful bidders for the financing of the interconnectors.



Securities portfolio

The following table shows the breakdown of the item “Securities portfolio” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Bond portfolio	52,228	55,650
Units of open-end investment funds	61,698	59,219
Insurance policies	2,786	8,114
Other investments	39,592	28,403
Total	156,304	151,386

The following table shows changes in the "Securities portfolio" item for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Securities portfolio
Balance as at 31/12/2024	151,386
Investments	31,717
Disposals/repayments	(29,160)
Change in fair value through the income statement	2,678
Change in fair value in other comprehensive income statement items	(317)
Balance as at 31/12/2025	156,304

This item exclusively includes a portfolio of securities held by the Holding Company for the purpose of diversifying treasury investments.

As at 31 December 2025, the bond portfolio consists of 32 securities with an average maturity of 4.7 years and an average rating of BBB- (35 securities with an average maturity of 4.7 years and an average rating of BBB as at 31 December 2024).



8.6. Deferred tax assets and liabilities

The following tables provide details and changes in deferred tax assets for the years ended 31 December 2025 and 2024:

Deferred tax assets

(in thousands of euros)

	Balance as at 31/12/2024	Provisions and releases to income statement	Business combinations	Provisions and releases in other comprehensive income items	Balance as at 31/12/2025
Amortisation of goodwill	82	(6)	-	-	76
Directors' remuneration paid in the following year	4	(4)	-	-	-
Derecognition of intra-group margins on the sale of inventories	297	69	-	-	366
Fair value of cash flow hedging derivatives	-	-	3	(3)	-
Fair value of financial assets	-	-	-	27	27
Provisions for risks and charges	280	1,218	-	-	1,498
Provisions for risks on receivables - taxed	1,204	72	-	-	1,276
Interest expense deductible in future periods	-	356	-	-	356
Leasing	1,894	5,615	-	-	7,509
Tax losses	-	224	484	-	708
Adjustment to the value of intangible assets	516	406	76	-	998
Adjustment of the value of tangible assets	12,284	(4,334)	224	-	8,174
Maintenance expenses in excess of deductible amount	53	(19)	-	-	34
Other temporary differences	48	(288)	416	3	179
Total gross deferred tax assets	16,662	3,309	1,203	27	21,201
Offset against deferred tax liabilities	(6,155)				(9,255)
Total net deferred tax assets	10,507	3,309	1,203	27	11,946

Deferred tax assets are recognised for temporary differences that will become deductible in future years.



The following tables provide details and changes in deferred tax liabilities for the years ended 31 December 2025 and 2024:

Deferred tax liabilities

(in thousands of euros)

	Balance as at 31/12/2024	Provisions and releases to income statement	Business combinations	Provisions and releases in other comprehensive income items	Balance as at 31/12/2025
Unclaimed dividends	96	(96)	-	-	-
Fair value of cash flow hedging derivatives	366	-	-	(364)	2
Fair value of financial assets	3,359	368	-	(145)	3,582
Provisions for risks and charges	57	2	-	-	59
Leasing	2,307	1,515	10	(4)	3,828
Capital gains to be taxed	209	110	-	-	319
Inventory value adjustment	-	(1,956)	4,365	-	2,409
Adjustment to the value of intangible assets	-	(150)	2,244	-	2,094
Adjustment of the value of tangible assets	-	(46)	1,149	-	1,103
Tax deferral reserves	1,407	95	-	-	1,502
Other temporary differences	29	(15)	68	26	108
Total gross deferred tax liabilities	7,830	(173)	7,836	(487)	15,006
Offset against deferred tax assets	(6,155)				(9,255)
Total net deferred tax liabilities	1,675	(173)	7,836	(487)	5,751

Deferred tax assets and liabilities have been recognised with reference to the period in which the temporary differences that gave rise to them will be recovered, applying the IRES and IRAP rates in force.

Based on the taxable results forecast in the business plan, there are no critical issues in the recovery of the balance of deferred tax assets.

8.7. Other assets (non-current and current)

The following table provides a breakdown of the items “Other non-current assets” and “Other current assets” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Tax Credits	113	421
Accrued income and prepaid expenses	104	148
Other non-current receivables	-	6
Total other non-current assets	217	575
Tax Credits	9,459	13,964
Advances to suppliers	936	353
Receivables from social security institutions	601	1,055
Amounts due from employees for salary advances	84	69
Accrued income and prepaid expenses	612	968
Miscellaneous receivables in the energy sector	37,972	-
Other current receivables	750	4,206
Total other current assets	50,414	20,615
TOTAL	50,631	21,190

Tax Credits

The following table shows the breakdown of the item “Tax credits” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Credits from tax authorities for Ecobonus	-	7,920
Tax credits for investments in capital goods	2,623	4,441
Tax credits for energy savings	15	23
Tax credits for seismic bonus	-	64
Credits from tax authorities for VAT	6,373	1,593
Credits for excise duties	515	287
Other tax credits	46	57
Total	9,572	14,385

Accrued income and prepaid expenses

This item mainly includes: (i) prepayments on insurance premiums, fees on bank and insurance guarantees and service fees and (ii) other minor accrued income.

Miscellaneous receivables in the energy sector

The receivables in question are mainly attributable to the parent company and relate to:

- Receivables from Acquirente Unico SpA, amounting to €20,976 thousand, relating to the contribution from the Fund for the Energy Transition in the Industrial Sector, for the reimbursement of certain components of indirect costs on the purchase of electricity;
- Receivables relating to electricity and natural gas interruptibility contracts amounting to €14,689 thousand;
- Receivables for the sale of electricity amounting to €2,295 thousand.



8.8. Inventories

The following table shows the breakdown of the “Inventories” item as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Finished goods and merchandise	323,289	253,525
Work in progress and semi-finished products	41	-
Raw, ancillary and consumable materials	74,593	75,613
Biological assets	34	-
Advances	817	-
Total	398,774	329,138

The increase for the year is mainly due to the effect of inventories acquired from the new companies included in the scope of consolidation, as discussed in paragraph 7 above, “Business combinations,” as well as the related increase in production compared with the previous financial year.

It should be noted that tests performed on product turnover did not reveal any significant amounts of obsolete stock.

The item “Work in progress and semi-finished products” includes only the valuation of processing activities carried out by Trafilerie San Paolo Srl on third-party materials that have not yet been completed.

The item “Biological assets” includes only the value of crop advances of the subsidiary Valle Zignago Srl – Società Agricola.

8.9. Trade receivables

The following table shows the breakdown of the item “Trade receivables” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Trade receivables from customers	342,908	296,494
Trade receivables from parent companies	4	4
Allowance for doubtful trade receivables	(7,362)	(7,836)
Total	335,550	288,662

The item “Trade receivables from parent companies” includes only trade receivables of the Parent Company from the parent company Parsid SpA.

The increase in trade receivables compared with the previous year is linked to the trend in revenue recorded during the financial year; the increase is mainly attributable to the Parent

Company (an increase of €14.3 million) and to the contribution of the two corporate acquisitions (€26.2 million) discussed in paragraph 7 above, “Business combinations.”

Trade receivables are stated net of the related allowance for doubtful accounts, the movement of which during the financial year is shown in the following table:

(in thousands of euros)

Allowance for doubtful trade receivables	
Balance as at 31/12/2024	7,836
Provisions	171
Uses/Releases	(645)
Balance as at 31/12/2025	7,362

La seguente tabella riporta la suddivisione della voce “Crediti commerciali” per area geografica al 31 dicembre 2025 e 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Italy	294,960	260,059
EU	42,556	28,842
Non-EU	5,396	7,597
Total	342,912	296,498

It is noted that there are no receivables with a maturity of more than 5 years.



8.10. Current tax receivables and payables

The following table provides a breakdown of the items “Current tax receivables” and “Current tax payables” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Receivables from parent companies for tax consolidation	15,409	17,386
Credits from tax authorities for IRES (Italian Regional Production Tax)	475	47
Credits from tax authorities for IRAP (Italian Regional Production Tax)	1,127	1,533
Receivables from foreign countries for direct taxes	1	-
Total current tax receivables	17,012	18,966
Payables to parent companies for tax consolidation	1,861	1,857
Payables to tax authorities for IRES	1,069	366
Payables to tax authorities for IRAP	206	-
Payables to foreign countries for direct taxes	3	-
Total current tax payables	3,139	2,223

The item "Receivables from parent companies for tax consolidation" exclusively includes receivables from the parent company Parsid SpA for tax consolidation, relative to the transfer

of the IRES credit pertaining to the companies adhering to the tax consolidation regime, and mainly attributable to the Holding Company.

8.11. Cash and cash equivalents

The following table shows the breakdown of the item “Cash and cash equivalents” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Bank and postal deposits	74,044	183,667
Cash and cash equivalents	13	12
Total	74,057	183,679

This item includes only positive balances on current bank accounts and cash and cash equivalents. It should be noted that bank deposits include short-term restricted accounts, which can be released immediately upon request by the companies with only a penalty on the interest rate, amounting to €17,300

thousand (€69,800 thousand as at 31 December 2024).

For further details on the development of cash and cash equivalents during the year, please refer to the consolidated cash flow statement.

8.12. Shareholders’ equity

The following table shows the breakdown of the item “Shareholders’ equity” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Share Capital	126,000	126,000
Legal reserve	17,535	17,225
Reserve for expected cash flow hedges	23	947
Reserve for actuarial gains/losses on employee benefit obligations	116	63
Profits /(losses) carried forward	902,133	900,666
Other shareholders’ equity reserves	(5,237)	(4,979)
Group share of net profit for the year	15,061	18,500
Total shareholders’ equity attributable to the Group	1,055,631	1,058,422
Share capital and reserves attributable to non-controlling interests	25,067	7,864
Net profit for the year attributable to non-controlling interests	119	695
Total shareholders’ equity attributable to non-controlling interests	25,186	8,559
TOTAL	1,080,817	1,066,981



Shareholders' equity attributable to the Group

Share Capital

This item includes only the share capital of the Parent Company, which is represented as follows as at 31 December 2025 and 2024:

	Financial year ended	
	31/12/2025	31/12/2024
Number of ordinary shares (A)	6,300,000	6,300,000
Nominal value in units of euros (B)	20	20
Total share capital in units of euros [(A)*(B)]	126,000,000	126,000,000

The Holding Company's share capital is fully subscribed and paid up. It should be noted that the extraordinary shareholders' meeting of the Holding Company, held on 18 December 2023, issued a resolution on a free share capital increase from €63,000 thousand to €126,000 thousand through the allocation to capital of the Revaluation Reserve Law 126/2020.

Legal reserve

This item exclusively includes the Holding Company's legal reserve, established pursuant to Art. 2430 of the Italian Civil Code.

Reserve for actuarial gains/losses on employee benefit obligations

This item represents the cumulative amount of the effects of the actuarial components of the provision for employee severance indemnity measured in accordance with IAS 19.

Other shareholders' equity reserves

This item mainly includes revaluation reserves, the reserve generated at the date of first-time adoption of EU-IFRS (1

January 2023) and the reserve for cumulative gains and losses on financial assets measured at fair value with changes in other items in the comprehensive income statement.

Shareholders' equity attributable to non-controlling interests

This item represents the non-controlling interests' share of the equity of subsidiaries not wholly owned by the Parent Company, attributable to the subsidiaries Setrans Srl, Maltauro Rottami Srl, Venete Siderprodukte AG and the newly acquired Euro Sider Scalo Srl, which led to an increase in shareholders' equity attributable to non-controlling interests, as at the acquisition date, of €16,694 thousand, as reported in the Statement of Changes in Consolidated Shareholders' Equity.

The following tables show the key financial information for each subsidiary in respect of which non-controlling interests were recognised as at 31 December 2025 and 2024. Please note that the amounts shown below refer to the accounting balances of each subsidiary prior to intra-group eliminations and consolidation adjustments; the net profit refers to the pro-rata result from the acquisition of control.

(in thousands of euros)

	As at 31 December 2025				Total Non-controlling Interests
	Maltauro Rottami Srl	Setrans Srl	Venete Siderprodukte AG	Euro Sider Scalo Srl	
Accounting data of subsidiaries:					
Total Assets	20,514	25,007	28,951	69,840	
Total Liabilities	8,753	9,399	28,362	28,820	
Total Shareholders' Equity	11,761	15,608	589	41,020	
Net profit for the year	523	839	97	(894)	
Non-controlling interests:					
Shareholders' equity attributable to non-controlling interests	2,235	6,243	221	16,488	25,186
Net profit for the year attributable to non-controlling interests	99	336	43	(358)	119

(in thousands of euros)

	As at 31 December 2024			
	Maltauro Rottami Srl	Setrans Srl	Venete Siderprodukte AG	Total Non-controlling Interests
Accounting data of subsidiaries:				
Total Assets	28,885	23,100	21,164	
Total Liabilities	17,648	7,548	20,610	
Total Shareholders' Equity	11,237	15,552	554	
Net profit for the year	1,261	876	44	
Non-controlling interests:				
Shareholders' equity attributable to non-controlling interests	2,135	6,221	203	8,559
Net profit for the year attributable to non-controlling interests	240	350	105	695



The following table shows the reconciliation of the Holding Company's net profit and shareholders' equity with the consolidated net profit and shareholders' equity (attributable to the Group) as at and for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	As at and for the year ended 31 December 2025		As at and for the year ended 31 December 2024	
	Net profit for the year	Shareholders' equity	Net profit for the year	Shareholders' equity
Net profit for the year and shareholders' equity of the Holding Company	7,933	991,659	6,198	1,001,368
Operating results of subsidiaries	10,535	10,535	9,209	9,209
Capital and reserves of subsidiaries	-	189,607	-	146,516
Derecognition of the carrying value of equity investments in subsidiaries	(427)	(129,048)	-	(80,411)
Intercompany dividends	(518)	-	(11,116)	-
Intercompany transactions	(166)	(980)	1,026	(814)
Cancellation of the Energy Release 2.0 contribution	(10,716)	(10,716)	-	-
Adjustment of the value of property, plant and equipment	12,018	(1,585)	11,816	(15,995)
Inventory value adjustment	(5,042)	6,195	(2)	(121)
Goodwill arising from business combinations	-	11,005	-	-
Adjustment to the value of intangible assets	(1,404)	2,864	(1,116)	(1,334)
Adjustment to the value of financial assets measured at fair value	2,839	11,260	3,316	8,680
Other effects arising from the application of IFRS	221	1,797	(135)	1,291
Other consolidation entries	(93)	(1,776)	(1)	(1,408)
Net profit for the year and consolidated shareholders' equity	15,180	1,080,817	19,195	1,066,981
Net profit for the year and non-controlling interests	119	25,186	695	8,559
Net profit for the year and group shareholders' equity	15,061	1,055,631	18,500	1,058,422

Distribution of reserves and dividends by the Holding Company

The Holding Company's shareholders' meeting of 26 June 2025, when approving the financial statements for the year ended 31 December 2024, issued a resolution to distribute an amount of €16,695 thousand, or €2.65 per share, in the form of dividends.

8.13. Financial payables (non-current and current)

The following table provides a breakdown of the items “Non-current financial payables” and “Current financial payables” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Medium- to long-term loans	48,398	45,701
Total non-current financial payables	48,398	45,701
Short-term loans	15,450	20,000
Medium- to long-term loans	26,821	19,789
Payables to banks for current accounts/advances/SBF	17,791	4,041
Payables from centralised treasury management	616	5,021
Derivative financial instruments liabilities	29	-
Payables to factoring companies	448	-
Total current financial payables	61,155	48,851
TOTAL	109,553	94,552



Medium- to long-term loans

The following tables provide details of medium- to long-term loans as at 31 December 2025 and 2024:

As at 31 December 2025 (in thousands of euros)

	Activation date	Maturity date	Interest rate	Original debt	Residual debt	Amount due within 12 months	Amount due beyond 12 months
Cassa Depositi e Prestiti	29/09/2022	22/09/2026	Variable	40,000	11,429	11,428	1
Deutsche Bank	24/03/2022	22/03/2028	Variable	25,000	9,371	4,164	5,207
Credem	15/04/2024	15/04/2029	Variable	20,000	17,623	4,867	12,756
Banca Valsabbina	27/10/2025	27/04/2031	Variable	20,000	19,991	1,997	17,994
Banca Valsabbina	26/06/2024	26/06/2030	Variable	3,000	2,715	575	2,140
Intesa Sanpaolo	11/10/2021	29/09/2028	Fixed	10,000	4,284	1,428	2,856
SACE Simest	31/12/2021	31/12/2027	Fixed	480	240	120	120
Banca Popolare di Sondrio	01/01/2022	01/01/2027	Fixed	2,000	504	403	101
Unicredit	30/04/2022	31/03/2026	Fixed	2,000	125	125	-
Intesa Sanpaolo	26/09/2025	30/09/2030	Variable	7,000	6,984	432	6,552
Intesa Sanpaolo	18/05/2020	18/05/2026	Variable	1,000	86	86	-
Unicredit	12/06/2024	30/06/2028	Variable	1,000	654	249	405
Unicredit	07/01/2021	31/01/2027	Variable	1,000	229	183	46
Banco BPM	21/08/2020	21/08/2026	Fixed	1,500	241	241	-
BCC Brianza e Laghi	18/10/2023	18/10/2026	Variable	500	145	145	-
Banca Popolare di Sondrio	02/12/2020	01/01/2027	Fixed	1,000	275	254	21
Banca Popolare di Sondrio	27/05/2024	01/06/2028	Variable	500	323	124	199
Total				135,980	75,219	26,821	48,398

As at 31 December 2024 (in thousands of euros)

	Activation date	Maturity date	Interest rate	Original debt	Residual debt	Amount due within 12 months	Amount due beyond 12 months
Banche Venete Riunite	19/03/2021	18/03/2025	Fixed	500	32	32	-
Cassa Depositi e Prestiti	22/09/2022	22/09/2026	Variable	40,000	22,858	11,429	11,429
Deutsche Bank	24/03/2022	22/03/2028	Variable	25,000	13,534	4,163	9,371
Intesa Sanpaolo	11/10/2021	29/09/2028	Fixed	10,000	5,711	1,427	4,284
Credem	15/04/2024	15/04/2029	Variable	20,000	19,999	2,346	17,653
Banca Valsabbina	26/06/2024	26/06/2030	Variable	3,000	2,996	272	2,724
SACE Simest	31/03/2021	31/12/2027	Fixed	480	360	120	240
Total				98,980	65,490	19,789	45,701

The following Group loans are subject to compliance with economic and financial covenants:

- Intesa Sanpaolo, signed in 2021, in relation to the ratios between i) Net Financial Position and EBITDA and ii) Net Financial Position and Shareholders' Equity. The data below are calculated on the basis of the consolidated financial statements of Parsid SpA;
- SACE Simest, signed in 2021, in relation to the ratio of Shareholders' Equity to Fixed Assets and on the basis of the percentage incidence of foreign turnover compared to the total turnover resulting from the VAT return. The data below are calculated on the basis of the individual financial statements of Esti Srl;
- Cassa Depositi e Prestiti, signed in 2022, in relation to the ratios between i) Net Financial Position and EBITDA and ii) Net Financial Position and Shareholders' Equity. The data below are calculated on the basis of the consolidated financial statements of Acciaierie Venete SpA;

- Deutsche Bank, signed in 2022, in relation to the ratios between i) Net Financial Position and EBITDA and ii) Net Financial Position and Shareholders' Equity. The data below are calculated on the basis of the financial statements of Acciaierie Venete SpA.

As at 31 December 2025 and 2024, these economic-financial covenants were met. It should also be noted that the economic-financial forecasts as at 31 December 2026 show that these economic-financial covenants have also been met for the financial year 2026.

There are no bank debts denominated in foreign currency and no debts secured by mortgages.



Short-term loans

This item includes the following lines:

(in thousands of euros)

	Maturity date	Balance as at 31/12/2025
Banco di Desio	31/10/2026	3,000
BPER	16/04/2026	1,700
Banca Popolare di Sondrio	18/02/2026	750
Credem	16/04/2026	10,000
Total		15,450

Payables from centralised treasury management

This item exclusively includes the receivables arising from the cash-pooling relationship between the subsidiary Venete Siderprodukte AG and SIPRO Siderprodukte AG.

designated as hedging financial instruments. For further details, reference may be made to Explanatory note “5.3 Market Risk – Foreign Exchange Risk”.

Derivative financial instruments liabilities

This item exclusively includes the negative fair value of derivative contracts on the Euro/USD exchange rate that are not

The following table shows the changes in liabilities arising from financing activities, with separate disclosure of liabilities arising from cash flows and non-cash liabilities, for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial payables (non-current and current)	Lease liabilities (non-current and current)
Balance as at 31/12/2024	94,552	7,528
Repayment of financial payables	(67,860)	-
Activation of financial payables	53,035	-
Business combinations	29,071	7,044
Change in fair value through the income statement	29	-
Change in fair value in other comprehensive income statement items	(10)	-
Other changes	736	37
Lease repayments	-	(5,502)
New leases	-	2,708
Balance as at 31/12/2025	109,553	11,815

8.14. Employee benefits

The following table shows the movements in the “Employee benefits” item for the financial year:

(in thousands of euros)

	Employee benefit obligations
Balance as at 31/12/2024	6,266
Business combinations	527
Provisions (service cost)	330
Financial expenses	205
Actuarial losses/(gains) (*)	(85)
Uses	(728)
Balance as at 31/12/2025	6,515

(*) Of which €29 thousand relates to actuarial gains from experience and €56 thousand relates to actuarial gains from changes in financial assumptions.



This item exclusively includes the provision for severance indemnity for employees of the Group's Italian companies. The value of the liability for severance indemnity that falls under the definition of defined benefit plans according to IAS 19 was determined according to actuarial logic. The main assumptions used to determine the value of the liability as at 31 December 2025 and 2024 are set out below:

	As at 31 December 2025	As at 31 December 2024
A) DEMOGRAPHIC ASSUMPTIONS		
Probability of death	ISTAT 2022	RG48 mortality tables published by the State General Accounting Office
Probability of incapacity	INPS tables by age and gender	
Retirement age	100% upon reaching AGO requirements	
Frequency of Employee Severance Indemnity (TFR) advances	Acciaierie Venete SpA: 3% Centro Italiano Acciai Srl: 1% Esti Srl: 3% Maltauro Rottami Srl: 5% Padana Rottami Srl: 2% Valle Zignago Srl: 5% Olmo Immobiliare Srl: 5% Setrans Srl: 4% Trafilerie San Paolo Srl: 2.5% Euro Sider Scalo Srl: 2%	Acciaierie Venete SpA: 3% Centro Italiano Acciai Srl: 1% Esti Srl: 3% Maltauro Rottami Srl: 5% Padana Rottami Srl: 2% Valle Zignago Srl: 5% Olmo Immobiliare Srl: 5% Setrans Srl: 4%
	Acciaierie Venete SpA: 10% Centro Italiano Acciai Srl: 10% Esti Srl: 10% Maltauro Rottami Srl: 5% Padana Rottami Srl: 3% Valle Zignago Srl: 5% Olmo Immobiliare Srl: 5% Setrans Srl: 20% Trafilerie San Paolo Srl: 5% Euro Sider Scalo Srl: 10%	Acciaierie Venete SpA: 10% Centro Italiano Acciai Srl: 10% Esti Srl: 10% Maltauro Rottami Srl: 5% Padana Rottami Srl: 3% Valle Zignago Srl: 5% Olmo Immobiliare Srl: 5% Setrans Srl: 20%
Turnover frequencies		

B) ECONOMIC-FINANCIAL ASSUMPTIONS:

Annual discount rate	3.37%	3.18%
Annual inflation rate	2.00%	2.00%
Annual rate of increase in Employee Severance Indemnity (TFR)	3.00%	3.00%
Annual rate of actual wage increase	0.50%	0.50%

It should be noted that as at 31 December 2025 and 2024, the Iboxx Corporate AA index with a duration of 7–10 was used as a reference for the discount rate.

The sensitivity analysis was performed considering the base scenario described above and increasing and decreasing the annual turnover rate, annual inflation rate and annual discount rate by 1.00%, 0.25% and 0.25%, respectively. The liability values thus obtained are summarised in the table below:

The following table shows a sensitivity analysis, as at 31 December 2025 and 2024, relating to the main actuarial assumptions adopted in the calculation of employee benefits.

(in thousands of euros)

	Annual turnover rate		Annual inflation rate		Annual discount rate	
	+1.00%	-1.00%	+0.25%	-0.25%	+0.25%	-0.25%
As at 31 December 2025	6,528	6,500	6,572	6,459	6,436	6,596
As at 31 December 2024	6,273	6,258	6,313	6,219	6,199	6,334

The following table shows the estimated future disbursements of employee benefit plans as at 31 December 2025 and 2024:

(in thousands of euros)

	Estimated future disbursements	
	As at 31 December 2025	As at 31 December 2024
Year 1	1,357	1,210
Year 2	851	1,076
Year 3	910	710
Year 4	1,031	799
Year 5	753	873
Total	4,902	4,668

Contributions to defined benefit plans planned for the following year amounted to €331 thousand as at 31 December 2025 (€264 thousand as at 31 December 2024).

The average financial duration of the defined benefit plan obligation is 8 years as at 31 December 2025 (8 years as at 31 December 2024).



8.15. Provisions for risks and charges

The following table shows the movements in the item “Provisions for risks and charges” for the financial year:

(in thousands of euros)

	Provision for supplementary agents' and sales representatives' indemnity	Provision for obligation to deliver greenhouse gas emission allowance	Provision for litigation risks	Provision for risks from claims	Total
Balance as at 31/12/2024	243	1,237	460	457	2,397
Business combinations	71	-	-	-	71
Provisions/Releases	22	2,143	340	-	2,505
Uses	(46)	(1,237)	(9)	(13)	(1,305)
Balance as at 31/12/2025	290	2,143	791	444	3,668

The item "Provision for supplementary agents' and sales representatives' indemnity" includes only the liability for the supplementary customer indemnity, as provided for by current legislation and the contract for commercial agents and representatives, attributable to the Parent Company and the subsidiaries Centro Italiano Acciai

Srl, Euro Sider Scalo Srl and Trafilerie San Paolo Srl. This liability was discounted in accordance with IAS 37. The main assumptions used to determine the value of the liability as at 31 December 2025 and 2024 are set out below:

	As at 31 December 2025	As at 31 December 2024
A) DEMOGRAPHIC ASSUMPTIONS		
Probability of death	ISTAT 2022	RG48 mortality tables published by the State General Accounting Office
Probability of incapacity	INPS tables by age and gender	
Annual frequency of termination for corporate reasons	5.00% 1.00% (Euro Sider Scalo Srl)	5.00%
Annual frequency of voluntary resignations	5.00% 1.00% (Euro Sider Scalo Srl)	5.00%
B) ECONOMIC-FINANCIAL ASSUMPTIONS		
Annual discount rate	3.37%	0.44%

The item "Provision for obligation to deliver greenhouse gas emission allowance" includes only the liability representing the obligation to deliver greenhouse gas emission allowances in accordance with current regulations.

The item "Provision for litigation risks" exclusively includes a provision set aside for charges arising from pending lawsuits or penalties for which an outlay is expected.

The item "Provision for risks from claims" exclusively includes a provision set aside for probable claims-related expenses.

8.16. Other liabilities (non-current and current)

The following table provides a breakdown of the items “Other non-current liabilities” and “Other current liabilities” as at 31 December 2025 and 2024:

	Financial year ended	
	31/12/2025	31/12/2024
Accrued expenses and deferred income	4,258	3,905
Other non-current liabilities	500	-
Total other non-current liabilities	4,758	3,905
Tax liabilities	9,939	5,889
Accrued expenses and deferred income	1,729	1,897
Advances from customers	389	931
Payables to employees	18,926	16,823
Payables to social security and welfare institutions	10,314	9,015
Dividends payable to shareholders	-	451
Payables to Board of Directors and Board of Statutory Auditors	140	143
Other current liabilities	493	1,818
Total other current liabilities	41,930	36,967
TOTAL	46,688	40,872

Accrued expenses and deferred income

This item mainly includes deferred income for tax credits pertaining to future years, mainly attributable to assets related to Industry 4.0 whose benefits will be recognised in the income statement over the useful life of the assets to which they relate. Accrued expenses and deferred income with a duration of more than five years amount to €481 thousand (€90 thousand as at 31 December 2024).



Tax liabilities

The following table shows the breakdown of the item “Tax liabilities” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Payables to tax authorities for withholding tax	5,407	4,588
Payables to tax authorities for VAT	4,516	1,270
Payables to tax authorities for substitute taxes	10	24
Other tax liabilities	6	7
Total	9,939	5,889

Payables to social security and welfare institutions

The following table shows the breakdown of the item “Payables to social security and welfare institutions” as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Payables to INPS for contributions	9,488	8,236
Payables to INAIL	45	26
Other payables to social security institutions	781	753
Total	10,314	9,015

Advances from customers

This item exclusively includes advances received from customers for future supplies and mainly refers to the Holding Company and the subsidiary Esti Srl.

8.17. Trade payables

This item exclusively includes trade payables to suppliers. The following table shows the breakdown of the item “Trade payables” by geographical area as at 31 December 2025 and 31 December 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Italy	184,027	173,091
EU	19,262	9,841
Non-EU	11,990	2,982
Total	215,279	185,914

The increase in trade payables compared with the previous year is related to normal business trends; the increase is mainly attributable to the Parent Company (an increase of €20.9 million) and to the contribution of the two corporate acquisitions (€8.5 million) discussed in paragraph 7 above, “Business combinations.”



9. EXPLANATORY NOTES TO THE CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

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9.1. Revenue

The following table sets forth the details of "Revenues" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Steel sales	1,168,493	1,117,760
Scrap sale	32,523	45,312
Other product and service lines	2,387	752
Total	1,203,403	1,163,824

The increase in revenue compared with the previous financial year was due to market trends affecting the sector, which are discussed in the Management Report to which reference is made.

The following table shows the breakdown of "Revenues" by geographical area for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Italy	696,811	810,166
EU	469,550	315,530
Non-EU	37,042	38,128
Total	1,203,403	1,163,824

It should be noted that the contribution to revenue from the two corporate acquisitions discussed in paragraph 7 above, "Business combinations," amounts to €65,403 thousand.

9.2. Other income

The following table provides a breakdown of "Other income" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Contributions	23,366	13,834
Income from electricity/gas interruptibility service	22,333	18,679
Revenues from transport and logistics services	7,610	7,656
Revenues from the sale of energy efficiency certificates	961	2,040
Capital gains on disposal of assets	1,039	583
Reimbursements (insurance, damages from third parties, miscellaneous)	1,071	5,025
Sale of miscellaneous materials and contract work	891	154
Rental income and leases	136	133
Income from agricultural activities	370	319
Other miscellaneous income	929	2,220
Total	58,706	50,643

The item "Grant contributions" includes:

- grant contributions for the energy transition in the industrial sector amounting to €20,976 thousand (€11,598 thousand for the financial year ended 31 December 2024);
- grant contributions relating to the tax credit for investments in ordinary capital goods and 'Industry 4.0' and 'seismic bonus' totalling €1,670 thousand (€1,726 thousand for the financial year ended 31 December 2024);
- grant contributions relating to the diesel tax credit amounting to €606 thousand (€413 thousand for the financial year ended 31 December 2024);

- other minor grants amounting to €114 thousand (€97 thousand for the financial year ended 31 December 2024).

The item "Income from electricity/gas interruptibility service" includes the income recognised by some energy and gas suppliers for subscribing to the interruptibility service.

It should be noted that, among other revenues, the contribution from the two corporate acquisitions amounts to €505 thousand.



9.3. Costs of raw materials, ancillary materials, consumables and goods

The following table provides a breakdown of "Costs for raw, ancillary, consumables materials and goods" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Scrap, cast iron, ferro-alloys and other raw materials	643,607	651,110
Ancillary and refractory materials	64,107	58,784
Semi-finished, finished products and goods	62,110	31,845
Consumables and maintenance materials	21,597	21,069
Total costs (gross of changes in inventories)	791,421	762,808
Change in inventories of raw, ancillary and consumable materials and goods	1,358	4,153
Total	792,779	766,961

The reduction in costs for scrap, cast iron, ferro-alloys and other raw materials compared with the previous financial year is closely linked to the decline in revenue from scrap sales.

It should be noted that, within raw material costs, the con-

tribution from the two corporate acquisitions amounts to €40,505 thousand.

The overall increase in this item is linked to higher purchase volumes compared with the previous financial year.

9.4. Costs for services

The following table provides a breakdown of "Costs for services" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Electricity and methane	169,067	153,256
Transport	46,320	42,245
General and industrial maintenance	32,088	30,935
Third-party services	11,499	10,805
Waste disposal	11,357	11,965
Cost for use of leased assets	2,439	2,190
Insurance premiums	4,413	3,839
External processing	3,997	3,371
Commissions and related contributions	1,717	2,046
Personnel services	3,629	2,646
Temporary agency fees	639	424
Utilities	898	703
Fees to Statutory Auditors	110	226
Technical Consultancy	3,711	3,984
Administrative, legal and commercial consultancy	5,262	5,028
Fees to Audit firm	145	216
Other costs for services	1,184	1,175
Total	298,475	275,054

The increase in this item compared with the previous financial year is mainly due to higher costs for electricity and natural gas, as well as higher transport costs.

It should be noted that the contribution from the two company

acquisitions to service costs amounts to €6,218 thousand.

For details of item "Lease and rental costs," reference may be made to Explanatory Note 8.2 "Right-of-use assets."



9.5. Personnel costs

The following table provides a breakdown of "Personnel costs" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Wages and salaries	85,900	76,589
Social security expenses	28,433	25,016
Employee severance indemnity	5,733	5,166
Temporary employment costs	2,751	1,714
Directors' costs	2,338	1,755
Other personnel costs	672	619
Total	125,827	110,859

The item "Directors' costs" includes the remuneration of directors of Group companies and related social security costs.

The following table summarises the average number of Group employees by category for the years ended 31 December 2025 and 2024:

	Average current year number	Average previous year number	Change	Change %
Blue-collar workers	1,230	1,178	52	4.41%
White-collar workers	417	391	26	6.65%
Managers	41	35	6	17.14%
Executives	23	21	2	9.52%
Temporary workers	59	48	11	22.92%
Total workforce	1,770	1,673	97	5.80%

The increase in the Group's average number of employees in 2025 compared with 2024, totalling 122 employees, is mainly attributable to business combinations (115 employees).

9.6. Other operating costs

The following table provides a breakdown of "Other operating costs" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Greenhouse gas emission allowances	2,143	1,237
Single Municipal Tax	1,746	1,615
Manufacturing tax and energy surtax	673	632
Other taxes, dues, fees, and contributions	1,020	1,604
Losses on disposal of assets	853	314
Membership fees and consortium contributions	696	714
Entertainment, advertising and trade fair expenses	3,633	2,781
Other operating expenses	1,325	1,065
Total	12,089	9,962

The year-on-year increase compared with the previous financial year is mainly attributable to the item "greenhouse gas emission allowances," relating exclusively to the parent

company, and to "entertainment, advertising and trade fair expenses," relating mainly to the Parent Company.

9.7. Net impairment losses on financial assets

The following table provides a breakdown of "Net impairment losses on financial assets" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Net impairment of trade receivables	171	(1,339)
Total	171	(1,339)

In the 2024 financial year, the net effect of write-downs and write-ups was positive, mainly due to the partial relea-

se of the provision for credit risks of the subsidiary Padana Rottami Srl.



9.8. Amortisation and write-downs of tangible and intangible assets

The following table provides a breakdown of "Amortisation and write-downs of tangible and intangible assets" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Depreciation property, plant and equipment	43,941	41,246
Amortisation of intangible assets	3,003	2,362
Amortisation of rights-of-use assets	5,213	4,313
Total	52,157	47,921

As at 31 December 2025, there were no impairments of tangible and intangible assets.

9.9. Financial income

The following table provides a breakdown of the item "Financial income" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Coupons and interest income on securities	4,709	5,234
Interest income on bank current accounts	2,876	5,938
Dividends from equity investments in other companies	36	32
Foreign exchange gains	372	386
Other financial income	1,056	1,294
Total	9,049	12,884

The decrease compared with the previous financial year relates to lower interest income on bank current accounts, mainly of the Parent Company.

9.10. Financial expenses

The following table provides a breakdown of the item "Financial expenses" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Interest expenses on loans	2,424	2,855
Interest expenses on bank current accounts	730	118
Interest expenses on employee benefit obligations	205	190
Interest on lease liabilities	439	325
Foreign exchange losses	676	564
Other financial expenses	128	148
Total	4,602	4,200

It should be noted that the contribution of the two corporate acquisitions to the item "financial expenses" amounts to €1,027 thousand.

9.11. Income/(expenses) from fair value changes and disposal of financial assets

The following table provides details of the item "Income/(expenses) from fair value changes and disposal of financial assets" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Change in fair value of securities	4,724	5,981
Change in fair value of derivative financial instruments	(39)	309
Change in fair value of equity investments in other companies	-	(33)
Capital gains on securities transactions	328	789
Losses on securities transactions	(308)	(7)
Total	4,705	7,039



The item "Change in fair value of derivative financial instruments" includes only the change in fair value of derivative contracts on the Euro/USD exchange rate not designated as hedging financial instruments. For further details, reference may be made to Explanatory note "5.3 Market Risk – Foreign Exchange Risk".

9.12. Income taxes

The following table provides a breakdown of the item "Income taxes" for the years ended 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
IRES (Italian Corporate Income Tax)	5,103	2,709
IRAP (Regional Tax on Production)	1,182	492
Current taxes on foreign companies	22	13
Direct taxes for previous years	(143)	775
Deferred tax assets/liabilities	(3,482)	5,010
(Income)/Expenses from tax consolidation	(68)	(5,833)
Total	2,614	3,166

Current income taxes are calculated on the basis of the forecast of the charge for the year determined in accordance with current tax regulations. The income tax rates currently in force and used to calculate current taxes are 24% for IRES and 3.9% for IRAP; in certain regions (Veneto), the surcharges applicable to the IRAP rate have been taken into account.

Deferred tax assets have been recognised (based on the IRES rate of 24.0% and the IRAP rate of 3.9%, taking into account any regional surcharges) on deductible temporary differences for the financial year to the extent that it was considered reasonably certain that, in the financial years in which the aforementioned temporary differences will reverse, of a taxable income not less than the amount of the differences that will be reversed. For details of the item "Deferred Tax Assets/Deferred Tax Liabilities," reference may be made to Explanatory Note 8.6 "Deferred Tax Assets and Deferred Tax Liabilities."

It should be noted that the Parent Company and the companies Centro Italiano Acciai Srl, Fin.Steel Srl, Padana Rottami Srl, Maltauro Rottami Srl, Esti Srl, Acciaierie Venete Energia Srl, Valle Zignago Srl and Setrans Srl (from the 2024 finan-

cial year) participate in the national tax consolidation scheme as consolidated companies. This regime allows IRES (Italian Corporate Income Tax) to be determined on a taxable basis corresponding to the algebraic sum of the positive and negative taxable amounts of the individual participating companies, jointly with the parent company Parsid SpA, the latter as consolidating company. The economic relations, as well as the mutual responsibilities and obligations, between the consolidating company and the consolidated companies are defined in the specific Consolidation Rules for Parsid SpA Group Companies.

The following tables show the reconciliations between the theoretical IRES and IRAP tax rates and the effective tax rates for the years ended 31 December 2025 and 2024:

Reconciliation of theoretical/actual IRES tax rate

(in thousands of euros)

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Earnings before taxes - EBT	17,794		22,361	
Theoretical taxes	4,271	24.0%	5,367	24.0%
Non-deductible costs	438	2.5%	300	1.3%
Non-taxable income	(483)	(2.7%)	(367)	(1.6%)
Taxes relating to previous financial years	(143)	(0.8%)	775	3.5%
Increased deductibility of depreciation	(1,186)	(6.7%)	(2,871)	(12.8%)
Other effects	(537)	(3.0%)	(1,341)	(6.0%)
Total	2,360	13.3%	1,863	8.3%

Reconciliation of theoretical/actual IRAP tax rate

(in thousands of euros)

	Financial year ended			
	31/12/2025	%	31/12/2024	%
Earnings before taxes - EBT	17,794		22,361	
Theoretical taxes	694	3.9%	872	3.9%
Income/expenses not relevant for IRAP purposes	4,554	25.6%	3,817	17.1%
Non-deductible costs	203	1.1%	188	0.8%
Non-taxable income	(88)	(0.5%)	(80)	(0.4%)
Deductible labour costs	(4,578)	(25.7%)	(4,040)	(18.1%)
Other effects	(531)	(3.0%)	546	2.4%
Total	254	1.4%	1,303	5.8%

The overall tax burden is expected to remain in line with the previous year, at 14.7% in 2025 compared to 14.2% in 2024.



Pillar Two – Global Minimum Tax

The Group, in accordance with the provisions of Legislative Decree 209/2023, issued for the transposition of EU Directive No. 2523/2022, from the tax period 2024 falls within the scope of application of "Global Minimum Tax." This global minimum tax regime is applicable to companies located in Italy that are part of a multinational or domestic group with annual revenues of €750 million or more. The main objective of this legislation is to ensure a minimum tax level for large multinational or domestic groups of companies. The minimum level of taxation is achieved through the application of a supplementary tax, known as the "OECD Second Pillar," where the effective tax rate in each jurisdiction does not reach 15%.

It should be noted that, based on the estimates made, the Group is not required to pay a supplementary tax for the 2025 financial year.

All obligations relating to the application of the regulations rest with the consolidating entity, Parsid SpA.



10. TRANSACTIONS WITH RELATED PARTIES

10. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties, carried out on an arm's length basis and identified on the basis of the criteria defined by IAS 24, are set out below.

Relations with the parent company Parsid SpA

With regard to relations with the parent company Parsid SpA, it should be noted that:

- Trade receivables as at 31 December 2025 and 2024 include receivables from the parent company Parsid SpA amounting to €4 thousand and €4 thousand respectively;
- Current tax receivables as at 31 December 2025 and 2024 include tax consolidation receivables from the parent company Parsid SpA amounting to €15,409 thousand and €17,386 thousand respectively;
- Other current liabilities as at 31 December 2025 and 2024 include liabilities for dividends payable to the parent company Parsid SpA amounting to €0 thousand and €451 thousand respectively;
- Current tax liabilities as at 31 December 2025 and 2024 include tax liabilities arising from tax consolidation with the parent company Parsid SpA amounting to €1,861 thousand and €1,857 thousand respectively;
- Other income for the financial years ended 31 December 2025 and 2024 includes revenue from services provided to the parent company Parsid SpA amounting to €4 thousand and €4 thousand respectively.

Relations with Top Management

With reference to relations with Top Management, it should be noted that:

- Other current liabilities as at 31 December 2025 and 2024 include short-term benefits amounting to €771 thousand and €754 thousand respectively;
- Employee benefits as at 31 December 2025 and 2024 include severance benefits amounting to €133 thousand and €130 thousand respectively;
- Personnel costs for the financial years ended 31 December 2025 and 2024 include remuneration to directors and senior management amounting to €5,458 thousand and €5,111 thousand.

Relations with other related parties

With reference to relations with other related parties, it should be noted that:

- current financial liabilities as at 31 December 2025 and 2024 include payables arising from centralised treasury management to SIPRO Siderprodukte AG amounting to €616 thousand and €5,021 thousand respectively;
- service costs for the years ended 31 December 2025 and 2024 include costs to SIPRO Siderprodukte AG in the amount of €3,299 thousand and €2,926 thousand, respectively.



11. COMMITMENTS, GUARANTEES GIVEN AND CONTINGENT LIABILITIES



11. COMMITMENTS, GUARANTEES GIVEN AND CONTINGENT LIABILITIES

a) Commitments

Commitments for subscriptions of investment fund units

The following table summarises the outstanding commitments for subscriptions to investment fund units as at 31 December 2025 and 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
FSI Mid-Market Growth Equity Fund	910	1,001
Alcedo V Fund	1,083	1,242
FSI Mid-Market Growth Equity Fund II	10,355	11,553
Total	12,348	13,796

During 2017, the Holding Company subscribed to units of an Italian closed-end investment fund called FSI Mid-Market Growth Equity Fund, with a duration of 10 years, to which the Holding Company is committed to pay a total of €10 million, which will be requested by the manager according to the investment needs that will gradually accrue.

During the course of 2021, the Holding Company subscribed to units of an additional Italian closed-end investment fund called Alcedo V, to which the Holding Company committed to pay a total of €3 million.

During 2022, the Holding Company subscribed to units of a third Italian closed-end investment fund called FSI Mid-Market Growth Equity Fund II, for which the total commitment amounts to €15 million.

b) Guarantees provided

The following table shows details of the guarantees and collateral outstanding as at 31 December 2025 and 31 December 2024:

(in thousands of euros)

	Financial year ended	
	31/12/2025	31/12/2024
Guarantee issued for VAT credit compensation	33,655	31,179
Third party assets at subsidiary Setrans Srl	6,758	6,870
Third party assets at subsidiary Trafileries San Paolo Srl	127	0
Guarantees issued to third parties in connection with business relations	5,664	4,980
Guarantees issued to Public Administration Bodies	5,632	4,013

c) Contingent liabilities

The Group has not assumed any contingent liabilities that have not been recognised in the financial statements.

12. DISCLOSURE ON REMUNERATION TO CORPORATE BODIES

12. DISCLOSURE ON REMUNERATION TO CORPORATE BODIES

The total remuneration due to the members of the Board of Directors and the Board of Statutory Auditors of the parent company, including for positions in subsidiaries, amounted to €1,303 thousand for directors and €63 thousand for statutory auditors in the financial year ending 31 December 2025 (€1,103 thousand for directors and €63 thousand for auditors in the financial year ended 31 December 2024).



13. DISCLOSURE ON FEES TO AUDITING FIRM

13. DISCLOSURE ON FEES TO AUDITING FIRM

The following table shows the fees payable to the audit firm for the statutory audit of the annual financial statements and the consolidated financial statements, as contractually defined and approved by the shareholders' meeting (including the contractually agreed ISTAT adjustment and the reimbur-

sement of recognised expenses incurred up to a contractually agreed limit), as well as for other audit services, tax advisory services and other services other than statutory audit provided to the Group for the financial years ended 31 December 2025 and 2024:

(in thousands of euros)

	Entity that provided the service	Recipient	Financial year ended
			31/12/2025
Audit Services	Pricewaterhouse Coopers SpA	Acciaierie Venete SpA (financial statements audit services)	85
	Pricewaterhouse Coopers SpA	Acciaierie Venete SpA (consolidated financial statements audit services)	9
	Network Pricewaterhouse Coopers	Acciaierie Venete SpA	19
Services other than audit	Network Pricewaterhouse Coopers	Acciaierie Venete SpA	49
Total			162



14. COMPANIES THAT PREPARE THE FINANCIAL STATEMENTS OF THE LARGEST/SMALLEST SET OF COMPANIES OF WHICH THEY ARE PART OF AS SUBSIDIARIES



14. COMPANIES THAT PREPARE THE FINANCIAL STATEMENTS OF THE LARGEST/SMALLEST SET OF COMPANIES OF WHICH THEY ARE PART OF AS SUBSIDIARIES

The following table shows the name and registered office of the company preparing the consolidated financial statements of the largest and smallest set of companies of which they are a part as a subsidiary, as well as the place where the copy of the consolidated financial statements is available:

Larger set

Company name	Parsid SpA
City (if in Italy) or foreign country	Padua
Tax Code (for Italian companies)	04125140287
Place of Filing of Consolidated Financial Statements	at the registered office

15. INFORMATION ON PUBLIC SUBSIDIES AND GRANTS

15. INFORMATION ON PUBLIC SUBSIDIES AND GRANTS

With reference to Art.1, paragraph 125, Law no. 124 of 2017, we expressly refer to the data resulting for each company of the Group from the "National Register of State Aid."

It should be noted, however, that the Group companies benefited from the following public subsidies and grants for the year 2025:

- a grant received for energy transition in the industrial sector in the amount of €20,976,283;
- defiscalisation of diesel fuel granted by the Italian Customs Agency for €280,253;
- contribution exemptions for new hires amounting to €42,793;
- incentives for the permanent recruitment of NEETs amounting to €23,900;
- training grants of €16,768.



16. SIGNIFICANT EVENTS AFTER YEAR-END

16. SIGNIFICANT EVENTS AFTER YEAR-END

There are no further significant events that occurred after the end of the financial year that may have an impact on the financial statements as at 31 December 2025.

Acquisition of Calcio Padova SpA

On 19 January 2026, through the sub-holding company Fin. Steel Srl, which holds all non-steel assets, the group acquired a majority stake, amounting to 68.25%, in the football club Calcio Padova. The team, commonly known as "Padova," is the city's sporting emblem and plays in Serie B, the second tier of the Italian league.

The acquisition aims to further strengthen the bond between the company and the local area, foster a greater sense of belonging, including an emotional connection, to the city, and unite the passion for sport with that for Acciaierie Venete, thereby creating a socio-economic driver that will benefit the entire region.

Padova also makes a significant contribution to the community through its ownership of a small amateur club, the "Padova Football Academy," which enables children from Padua to engage with the world of sport in a professional and regulated manner.

From an organisational perspective, Padova Football Club is a structurally autonomous entity which, like all other clubs within the group, will be managed according to the same accounting and management criteria that characterise Acciaierie Venete SpA.

Establishment of Acciaierie Venete Iberia SL

Acciaierie Venete Iberia, a company 100% owned by Acciaierie Venete, commenced operations in March 2026.

Acciaierie Venete Iberia is dedicated to marketing the Group's products in the Iberian market and was established with the aim of providing a more direct presence in this geographical area, ensuring a prompt service that is better aligned with the specific needs of local customers.

Entry into force of the CBAM (Carbon Border Adjustment Mechanism)

As also reported in the Management Report, following a transitional phase (2023-2025) based solely on reporting, the CBAM (the EU mechanism that applies a "climate duty" to imports from non-EU countries, to ensure that foreign products also bear the cost of CO₂ emissions) has been fully operational since 2026 with the introduction of payments. Although there are still uncertainties regarding its implemen-

tation, the CBAM can reduce competitive imbalances with non-EU suppliers and, in the steel sector, help to boost European production.

Conflict in the Middle East

On 28 February 2026, the United States of America and Israel launched a joint military operation against Iran, aimed at curbing Iran's nuclear programme and reducing its military capability and geopolitical influence in the Middle East. Reference may be made to the Management Report for an in-depth analysis of the trend of the sector in which the company operates for the financial year 2026.

Contributions

In the first few months of 2026, the Parent Company received the full amount of the contribution relating to the Energy Transition Fund, totalling €20.1 million.

For further information on the performance of the sector in which the company operates for the year 2026, please refer to the Management Report.

Padua, 22 May 2026
The Administrative Body
Alessandro Banzato,
Chair





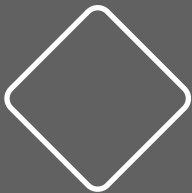
REPORTS

◆ MANAGEMENT REPORT

◆ SUSTAINABILITY REPORT

◆ FINANCIAL STATEMENTS

◆ CONSOLIDATED STATEMENTS



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ACCIAIERIE VENETE S.p.A.

Headquarters in Padua, Riviera Francia 9 - Share Capital €126,000,000.00

Register of Companies – Tax Code 0022418 0281

Report of the board of statutory auditors on the financial statements for the year ended 31 december 2025 pursuant to article 2429, paragraph 2, of the italian civil code

To the shareholders' meeting of Acciaierie Venete S.p.A.

Subject: Report of the Board of Statutory Auditors on the financial statements for the year ended 31 December 2025 pursuant to Art. 2429, paragraph 2, of the Italian Civil Code

This report has been approved collectively and in time for its filing at the company's registered office within fifteen days prior to the date of the first call of the shareholders' meeting called to approve the financial statements.

The governing body has made available the following documents approved on 22.05.2026, relating to the financial year ended 31 December 2025:

- draft financial statements, complete with explanatory notes and financial statements;
- management report.

The directors, pursuant to Art. 25 of Italian Legislative Decree No. 127/1991, have prepared the consolidated financial statements of the Group.

As the Board of Statutory Auditors is not responsible for statutory auditing, it carried out the supervisory activities on the financial statements and consolidated financial statements provided for in Rule 3.8. of the "Standards of conduct for the Board of Statutory Auditors of unlisted companies" and in Rule 3.9. of the "Standards of conduct for statutory auditors of unlisted companies," consisting of a comprehensive review to verify that the financial statements and consolidated financial statements have been properly prepared. Verification of compliance with accounting data is, in fact, the responsibility of the statutory auditor.

Knowledge of the company, risk assessment and report on the tasks assigned.

Given the consolidated knowledge that the Board of Statutory Auditors declares to have regarding the company in terms of its activities and organisational and accounting structure, also taking into account the size and issues of the company, it is reiterated that the planning phase of the supervisory activity, in which the intrinsic risks and critical issues with respect to the two parameters mentioned above must be assessed, was implemented by confirming the accuracy of the information already known based on information acquired over time.

It was therefore possible to confirm that:

- the typical activity carried out by the company did not change during the financial year under review and is consistent with the company's corporate purpose;
- the organisational structure and IT facilities remained substantially unchanged;
- human resources have remained essentially unchanged;
- the above-stated findings are indirectly confirmed by a comparison of the figures reported in the income statement for the last two financial years. It can also be noted that the company operated in 2025 in terms comparable to the previous financial year and, consequently, our audits were carried out on this basis, having verified the substantial comparability of the values and results with those of the previous financial year.

This report therefore summarises the activities relating to the disclosure required by Art. 2429, paragraph 2, of the Italian Civil Code, and more specifically:

- the operating results for the financial year;
- the activities carried out in fulfilment of the duties required by law;
- comments and proposals regarding the financial statements, with particular reference to any use by the governing body of the exemption provided for in Art. 2423, paragraph 4, of the Italian Civil Code;
- any complaints received from shareholders pursuant to Art. 2408 of the Italian Civil Code.

The activities carried out by the Board of Statutory Auditors covered the entire financial year, during which the meetings referred to in Art. 2404 of the Italian Civil Code were held regularly; minutes of these meetings were drawn up and duly signed for unanimous approval.

Supervisory activities pursuant to Articles 2403 et seq. of the Italian Civil Code

During its periodic audits, the Board of Statutory Auditors reviewed the company's operations, paying particular attention to contingent and/or extraordinary issues in order to identify their economic and financial impact on the results for the period and on the balance sheet, as well as any risks, including those arising from credit losses, which are monitored on a regular basis.

The Board of Statutory Auditors periodically assessed the adequacy of the company's organisational and functional structure.

Throughout the financial year, it was found that:

- the internal administrative personnel responsible for recording company events remained essentially unchanged from the previous financial year;
- the level of technical expertise remains adequate for the type of ordinary company events to be recorded and can boast full knowledge of company issues;
- the external consultants and professionals responsible for accounting, tax, corporate and labour law assistance have not changed and therefore have historical knowledge of the business and of the management issues, including extraordinary ones, that have affected the results of the financial statements

Information has been obtained from the supervisory body and no critical issues have emerged with regard to the organisational model that need to be highlighted in this report.

The information required by Art. 2381, paragraph 5, of the Italian Civil Code was provided by the Chief Executive Officer at intervals even shorter than the minimum six months, both at scheduled meetings and during individual visits by members of the Board of Statutory Auditors to the company's registered office.

Based on the information flows acquired, there were no transactions with related parties that could be defined as atypical or unusual, nor were there any intra-group transactions or transactions with related parties carried out in conflict with the interests of the company.

In conclusion, based on the findings of the activities carried out during the financial year, the Board of Statutory Auditors can state that:

- the decisions taken by the shareholders and the governing body were in accordance with the law and the articles of association and were not manifestly imprudent or such as to compromise the integrity of the company's assets;
- exhaustive information was obtained on the general performance of operations and their foreseeable development, as well as on the most significant transactions, in terms of size or characteristics, carried out by the company;
- the transactions carried out were also in compliance with the law and the articles of association and did not potentially conflict with the resolutions passed by the shareholders' meeting or compromise the integrity of the company's assets;
- no comments were made regarding the adequacy of the company's organisational structure, the adequacy of the administrative and accounting system, or the reliability of the latter in correctly representing management facts;



- during the supervisory activities described above, no other significant facts emerged that would require disclosure in this report;
- no complaints were received pursuant to Art. 2408 of the Italian Civil Code or Art. 2409 of the Italian Civil Code;
- no complaint has been filed with the court pursuant to Art. 2409 of the Italian Civil Code;
- there is no news nor have any reports been received from the person responsible for the statutory audit pursuant to and for the purposes of Art. 25-octies of Italian Legislative Decree No. 146 of 12 January 2019;
- no reports have been made to the governing body pursuant to and for the purposes of Article 25 – octies of Italian Legislative Decree No. 14 of 12 January 2019;
- no reports were received from public creditors pursuant to and for the purposes of Article 25 – novies of Italian Legislative Decree No. 14 of 12 January 2019;
- no reports have been received from banks and financial intermediaries pursuant to and for the purposes of Art. 25 – decies of Italian Legislative Decree No. 14 of 12 January 2019;
- during the financial year, the Board of Statutory Auditors did not issue any opinions or observations as required by law.

We obtained, including through participation in meetings of the Board of Directors, written information on the composition of the Group and on shareholdings as defined in Art. 2359 of the Italian Civil Code and Art. 26 of Italian Legislative Decree No. 127/1991.

Acciaierie Venete S.p.A. is required to prepare consolidated financial statements. These consolidated financial statements have been prepared, following approval by the governing body, in accordance with IFRS accounting standards. The independent auditors of the separate and consolidated financial statements of the Acciaierie Venete Group issued their report on 25 May 2026 expressing their positive opinion.

Comments and proposals regarding the financial statements and their approval

The draft financial statements for the year ended 31 December 2025 have been approved by the governing body and consist of the balance sheet, income statement, cash flow statement and explanatory notes to the financial statements.

In addition:

- the governing body has also prepared the management report pursuant to Art. 2428 of the Italian Civil Code;
- said documents were delivered to the Board of Statutory Auditors in time for filing at the company's registered office, accompanied by this report;
- the statutory audit of the financial statements has been entrusted to Price Waterhouse Coopers S.p.A., which prepared its report pursuant to Art. 14 of Italian Legislative Decree No. 39 of 27 January 2010 on 25 May 2026, expressing a positive opinion.

The draft financial statements have been examined, and the following additional information is provided:

- the criteria used to evaluate assets and liabilities are not substantially different from those adopted in previous financial years and comply with the provisions of Art. 2426 of the Italian Civil Code, as amended by Italian Legislative Decree 139/2015;
- attention was paid to the approach taken in the draft financial statements and their overall compliance with the law in terms of their preparation and structure, and in this regard there are no comments to be highlighted in this report;
- compliance with the legal provisions governing the preparation of the management report has been verified and, in this regard, there are no comments to be highlighted in this report;
- in preparing the financial statements, the governing body did not deviate from the provisions of the law pursuant to Art. 2423, paragraph 4, of the Italian Civil Code;
- the financial statements have been verified as accurate and consistent with the facts and information that came to light during the performance of the duties of the Board of Statutory Auditors, and no further comments are made in this regard;

- commitments, guarantees and contingent liabilities have been fully disclosed.

Operating results for the financial year

The operating results ascertained by the governing body for the financial year ended 31 December 2025 is positive for €7,933,146.

With regard to the governing body's proposal on the allocation of the operating results, the Board of Statutory Auditors has no comments to make.

Conclusions

Based on the above and to the Board of Statutory Auditors' best knowledge, as further verified by periodic checks, it is unanimously believed that there are no reasons preventing the approval of the draft financial statements for the year ended 31 December 2025 as prepared and submitted by the governing body.

Padua, 03 June 2026
The Board of Statutory Auditors

Dr. Alberto Sichirollo
Dr. Barbara Marazzi
Attorney Oliviero Edoardo Pessi



Independent Auditor’s Report on the separate and consolidated financial statements



Independent auditor’s report in accordance with article 14 of
Legislative Decree 39/2010

To the Shareholders of

Acciaierie Venete SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Acciaierie Venete SpA (the “Company”), which comprise the balance sheet as of 31 December 2025, the income statement and statement of cash flows for the year then ended and related notes.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in compliance with the Italian laws governing the criteria for their preparation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the financial statements” section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial

PricewaterhouseCoopers SpA

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

Responsibilities of the directors and the board of statutory auditors for the financial statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian laws governing the criteria for their preparation and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Company’s ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Company’s financial reporting process.

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 auditor’s 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 International Standards on Auditing (ISA Italia) 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 the financial statements.





As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;
- we obtained 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;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- we concluded on the appropriateness of the 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;



- we evaluated 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 communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, 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 identified during our audit.

Report on compliance with other laws and regulations

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010

The directors of Acciaierie Venete SpA are responsible for preparing a report on operations of the Company as of 31 December 2025, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations with the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Acciaierie Venete SpA as of 31 December 2025.

Moreover, in our opinion, the report on operation is prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Trento, 25 May 2026

PricewaterhouseCoopers SpA

Signed by

Alberto Michelotti

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



Independent Auditor’s Report on the Sustainability Statement



Independent practitioner’s report on the Sustainability Report
2025

To the Board of directors of Acciaierie Venete SpA

We have been engaged to undertake a limited assurance engagement on the Sustainability Report of Acciaierie Venete SpA (hereinafter the “Company”) and its subsidiaries (hereinafter also the “Group” or “Acciaierie Venete Group”) for the year ended 31 December 2025.

Responsibilities of the directors for the Sustainability Report

The directors of Acciaierie Venete SpA are responsible for the preparation of the Sustainability Report in accordance with the “Global Reporting Initiative Sustainability Reporting Standards” issued by GRI - Global Reporting Initiative (the “GRI Standards”), as illustrated in the “Methodological note” section of the Sustainability Report.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a sustainability report that is free from material misstatement, whether due to fraud or error.

The directors are also responsible for defining the sustainability performance targets of the Group, as well as for identifying its stakeholders and material topics to be reported on.

Our independence and quality management

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

PricewaterhouseCoopers Business Services Srl

Società a responsabilità limitata a socio unico
Sede legale: Milano 20145 Piazza Tre Torri 2 Tel. 02 725091 Cap. Soc. Euro 100.000,00 i.v. - C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 06234620968 –
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Alessandro Volta 13A Tel. 0471 066650 - Brescia 25121 Viale Duca d'Aosta 26 Tel. 030 3697501 - Cagliari 09125 Viale Diaz 29 Tel. 070 6848774 - Firenze 50121
Viale Gramsci 15 Tel. 055 2482811 Fax 055 2482899 - Genova 16121 Piazza Piccopietra 9 Tel. 010 29041 - Napoli 80121 Via del Mille 16 Tel. 081 36181 - Padova
35138 Via Vicenza 4 Tel. 049 873431 Fax 049 8734399 - Palermo 90141 Via Marchese Ugo 60 Tel. 091 6256313 Fax 091 7820221 | 90139 Via Roma 457 Tel. 091
6752111 - Parma 43121 In Via Piacense 15 Tel. 0521 275911 Fax 0521 781844 - Pescara 65127 Piazza Ettore Troilo 8 - Roma 00154 Largo Fochetti 29 Tel. 06
6920731 - Rubano 35030 Via Belle Putte 36 - Torino 10122 Via Santa Maria 11 Tel. 011 5773211 Fax 011 5773299 - Trento 38121 Viale della Costituzione 33 Tel. 0461
237004 Fax 0461 239077 | 38121 Via Adalberto Libera 13 - Treviso 31100 Viale Felissent 90 Tel. 0422 315711 Fax 0422 315798 - Udine 33100 Piazza Belloni 9/10 -
Verona 37135 Via Francia 21/C Tel. 045 8263001

Società soggetta all'attività di direzione e coordinamento della PricewaterhouseCoopers Italia Srl

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Our firm applies the International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the Sustainability Report with the requirements of the GRI Standards. We conducted our work in accordance with International Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the Sustainability Report is free from material misstatement.

Therefore, the procedures performed were less in extent than those performed in a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, mainly of personnel of the Group responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

- analysis of the process of definition of the material topics reported on in the Sustainability Report, with reference to the method applied in the analysis and understanding of the Group’s environment, the identification and prioritisation of the actual and potential impacts, and the internal validation of the results of the process;
- comparison between the data and the economic-financial information reported in paragraph “10.5. Economic Value” of the Sustainability Reporting and the data and information included in the Group’s consolidated financial statements;
- understanding of the processes underlying the generation, collection and management of significant qualitative and quantitative information included in the Sustainability Report.





Moreover, we held meetings and interviews with the management personnel of Acciaierie Venete SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, aggregation, processing and submission of non-financial data and information to the function responsible for the preparation of the Sustainability Report.

Lastly, for material information, considering the activities and characteristics of the Group:

- at the parent company level Acciaierie Venete SpA:
 - a. with reference to the qualitative information presented in the Sustainability Report, we carried out interviews and obtained supporting documentation to verify its consistency with available evidence;
 - b. with reference to quantitative information, we performed both analytical procedures and limited tests to verify, on a sample basis, the accuracy of data aggregation;
- for Sarezzo (Italy) site of Acciaierie Venete SpA and the subsidiary Trafilerie San Paolo Srl, which we selected on the basis of their activities, their contribution to performance indicators and their location, we carried out site visits, interviews and meetings during which we met the persons in charge and obtained documentary evidence, on a sample basis, regarding the correct application of the procedures and calculation methods applied for the indicators.

Limited assurance conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Acciaierie Venete Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Methodological note” section of the Sustainability Report.

Padova, 25 may 2026

PricewaterhouseCoopers Business Services Srl

Signed by

Paolo Bersani

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.



INTEGRATED
FINANCIAL
STATEMENTS **2025**

Headquarters in Padua (PD - 35127), Riviera Francia 9

Share Capital: €126,000,000.00 fully paid-up

Registered with the Padua Chamber of Commerce, Industry, Crafts and Agriculture

Tax Code and registration in the Register of Companies No.: 00224180281