



Press release

CHALLENGING YEAR 2025, START OF INTERNAL TRANSFORMATION IN 2026

Ljubljana, 18 May 2026 – **SIJ Group is publishing its audited consolidated operating results for 2025 and announcing a change in the Management Board of SIJ d.d.**

“In 2025, the European steel industry faced multiple pressures, resulting in the lowest production levels in more than a decade, which is reflected in our operating results. Since 2023, we have been exposed to declining demand, record pressure from imported steel from Asia, persistently high energy costs and steel tariffs. In this exceptionally challenging period for SIJ Group, with the support of key stakeholders – including the banks – we have managed to partially stabilise the Group’s financial foundations and put in place the conditions that will allow us to focus in the coming months on restructuring and the search for a strategic partner. This is crucial, as market conditions remain volatile despite the first cautious signs of stabilisation in some steel-consuming industries and EU measures to support the steel industry,” said **Andrey Zubitskiy, President of the Management Board of SIJ Group.**

According to the audited consolidated data, SIJ Group generated EUR 930 million in sales revenues in 2025, representing an 11.9% decrease compared to the previous year, and produced 433.1 thousand tonnes of steel, which is 5.2% less than in 2024. The sales structure remained stable and comparable to the previous period. The Group generated EUR 10.4 million of EBITDA and recorded a loss of EUR 117.7 million. The result was also impacted by EUR 26.8 million of one-off effects, that includes mainly asset impairments which represent non-cash items. Despite changing geopolitical conditions and business circumstances, export activity remained at a high level, reaching 87.6%, confirming the Group’s position among Slovenia’s most export-oriented companies. SIJ Group sells its products in 70 countries worldwide, with Germany and Italy remaining its largest export markets.

According to unaudited consolidated results, the SIJ Group generated EUR 237.7 million in revenue from sales in the first quarter of 2026 and produced 87 thousand tonnes of steel. EBITDA amounted to EUR 7 million and EBITDA margin 2.9%. Following a prolonged period of declining indicators, the SIJ Group observed the first signs of moderate improvement in trends in 2026. Market conditions remain challenging, and the recovery is gradual and has not yet reached the levels seen at the beginning of the previous year. Later in 2026, improvements could be driven by a recovery in market conditions, supported by EU measures and the Group’s own initiatives.

In the challenging business environment of 2025 and 2026, SIJ Group was supported by its key stakeholders. At the beginning of the year, the Group’s two largest companies, SIJ Acroni and SIJ Metal Ravne, first signed an agreement with the banks that provided a stable basis for structuring, negotiating and implementing comprehensive long-term capital structure. In mid-year, they also concluded an agreement securing EUR 25 million of additional liquidity. SIJ Group’s net financial debt amounted to EUR 321 million at the end of 2025. In March this year, SIJ Group, together with its subsidiaries and affiliated companies, successfully completed the long-term financing by signing a Senior Term and Revolving Facilities Agreement, which covers most of the Group’s existing bank debt and provides a more stable financial structure, with financial terms aligned with the long-standing challenges faced by the European steel industry.

On 11 May 2026, the SIJ Group, through its subsidiary SIJ Americas, Inc., based in the United States, also successfully secured a new senior secured revolving credit facility in the amount of USD 22.5 million. The facility will be used to finance working capital requirements and general corporate purposes of SIJ Americas, while additional liquidity will also be provided to the parent company SIJ d.d. and its subsidiaries through the refinancing of existing loans and the repayment of maturing obligations.

All of the above represent important steps for the SIJ Group in strengthening its capital structure and enable the management to focus in the coming months on implementing business restructuring and pursuing a strategic partner.

The Group will enter this phase of internal transformation with an adjusted Management Board structure, ensuring focused leadership and the effective implementation of key changes. At the end of May, Viacheslav Korchagin, Member of the Management Board and CEO, who has served the company in various roles since 2007, will be leaving SIJ Group. SIJ Group would like to thank Viacheslav Korchagin for his contribution and dedication to the Group over the years.

The Management Board will continue to operate as a collegiate body and will consist of Andrey Zubitskiy, President of the Management Board of SIJ d.d., Dr Kristijan Bauer, Member of the Management Board and Chief Restructuring Officer SIJ d.d., who will also act as the spokesperson of the Management Board, and Igor Malevanov, Member of the Management Board and Chief Financial Officer of SIJ d.d. Tibor Šimonka will retain his position as Senior Vice President of SIJ d.d.

The company also announces that the Vice-Chairman of the Supervisory Board, Miha Resman, declared his resignation effective from 14 May 2026. Despite the resignation, the Supervisory Board will continue to operate as usual and oversee the Group's operations until new member will be appointed at the shareholders' general meeting.

SIJ Group has already developed a comprehensive set of more than 45 transformation initiatives, prepared by SIJ Group employees in cooperation with Kearney consultants, and supported by the banks and owners. Preparations for a detailed implementation plan are underway and will be presented to employees and the wider public in the coming weeks.

SIJ – Slovenian Steel Group is one of Europe's leading producers of stainless steel and special steels. We are committed to global and European climate goals and operate in line with circular economy principles. With our steel and steel products, we are the right partner for facilitating the green transition in Europe. We confirmed our sustainability credentials by achieving certification to the stringent Responsible Steel standard in 2024. This positions us as one of the world's most responsible and sustainable steel producers. Our two largest companies are modern recycling steelworks, and our steel is recycled because it is made from steel scrap. With more than 3,600 employees, we are one of the largest employers in Slovenia and a pillar of the Slovenian steel sector. We are one of Slovenia's leading exporters. About 85% of our revenue is generated in foreign markets.

Find out more:

SIJ – Slovenska industrija jekla, d.d.

Mag. Sara Wagner, Head of Corporate Communications

Corporate Communications

Phone: +386 1 242 98 27

Mobile: +386 41 313 532

E-mail: sara.wagner@sij.si