Press release

**SIJ GROUP RECORDED SOME IMPROVEMENTS IN THE FIRST HALF OF 2026, BUT BUSINESS REMAINS UNDER PRESSURE; TRANSFORMATION CONTINUES**

Ljubljana, 31 July 2026 – **Following an extremely challenging second half of 2025, SIJ Group recorded a gradual improvement in business trends in the first half of 2026. However, the results do not yet indicate a full recovery compared to the same period last year and require the continuation of the Group's internal transformation.**

*"Following a very challenging second half of 2025, when conditions in the European steel industry and pressures on SIJ Group's operations were at their most pronounced to date, we are seeing a gradual improvement in key operating indicators in the first half of 2026. Sales revenue, adjusted EBITDA and EBIT show a positive shift compared with the previous half-year, confirming that operations are stabilising to some extent. At the same time, we remain cautious: results are still below the levels recorded in the first half of 2025, market conditions remain challenging, and we therefore remain focused on the measures carried out as part of our business transformation to support a gradual recovery — establishing SIJ Group's long-term competitiveness and resilience, as well as the entry of a strategic partner,"* said **Dr. Kristijan Bauer, Member of the Management Board and Chief Restructuring Officer**, upon the publication of the results.

SIJ Group generated EUR 492 million in sales revenue in the first half of 2026. This is lower than in the first half of 2025, when revenue amounted to EUR 518 million, but significantly higher than in the second half of 2025, when it reached EUR 412 million. Revenue development thus indicates an improvement compared to the period in which business reached its lowest level, while also confirming that demand and sales conditions have not yet returned to the levels seen at the beginning of the previous year.

A similar trend is also reflected in adjusted EBITDA[1] which amounted to EUR 19.4 million in the first half of 2026. Compared to the second half of 2025, when EBITDA was negative at EUR 10.2 million, this represents a turnaround in business performance and an improvement in operating profitability. Nevertheless, adjusted EBITDA remains slightly below the level recorded in the first half of 2025, when it amounted to EUR 20.5 million.

EBIT amounted to EUR –17.7 million in the first half of 2026. Compared to the second half of 2025, when it stood at EUR –64.4 million, it improved by EUR 46.7 million, indicating a reduction in the negative result from core operations. However, EBIT remains weaker than in the first half of 2025, when it amounted to EUR –9.2 million, meaning that the result points to gradual stabilisation, but not yet to a full recovery.

Net loss in the first half of 2026 amounted to EUR 37.9 million. It was lower than in the second half of 2025, when it reached EUR 93.9 million, but higher than in the first half of 2025, when it

[1] Adjusted EBITDA does not include one-time non-recurring costs, primary related to the restructuring.

stood at EUR 23.8 million. In addition to the continued challenging operating environment, the loss in the first half of 2026 was significantly affected by higher net financing costs, which amounted to EUR 20.2 million in the first half of the year, as well as other costs, including employee severance payments and restructuring costs.

SIJ Group is continuing its internal business transformation, through which it is transitioning to a new business model based on value chains, a leaner organisation and strengthened key business processes. Its own activities aimed at improving efficiency are complemented by broader measures at the level of the European Union and Slovenia, the effects of which are still expected to materialise. In July, stricter EU trade measures for steel imports entered into force, reducing the volume of duty-free quotas and increasing duties on excess volumes. Since the beginning of the year, the CBAM carbon border adjustment mechanism has also been in use, aimed at establishing more comparable conditions between European producers and importers from environments with less stringent climate rules. Energy costs remain one of the key challenges for the European steel industry, which is why the two largest companies of SIJ Group have also applied to the Slovenian call for incentives for cheaper electricity for electro-intensive companies, which closed a few days ago.

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*SIJ Group – Slovenian Steel Group is one of the leading producers of stainless and special steels in Europe. We are committed to global and European climate goals and operate in line with the principles of the circular economy. With our steels and products, we are a partner in Europe's green transition. In 2024, we confirmed our sustainability orientation by obtaining certification under the demanding ResponsibleSteel standard. This placed us among the most responsible and sustainable steel producers in the world. Our two largest companies are modern recycling steelworks, and our steel is recycled, as it is made from steel scrap. With 3,500 employees, we are one of the largest employers in Slovenia and a pillar of the Slovenian steel sector. We rank among Slovenia's leading exporters. Around 85% of our revenue is generated in foreign markets.*

**More information:**

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