

2025 Annual Report

DILLINGER 
We are Pure Steel+

Contents

Disclaimer

This is a translation for convenience. We translated the report to the best of our knowledge and belief. In case of any discrepancy between the translation and the original German version, the German version shall prevail. This translation is intended to be read in conjunction with the original German version.

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Key figures at a glance

		2024	2025	Change
Hot metal purchase	kt	2,017	1,673	– 17.1%
Crude steel production	kt	2,302	1,895	– 17.7%
Heavy plate production	kt	1,628	1,657	1.8%
in Dillingen	kt	1,139	1,107	– 2.8%
in Dunkirk	kt	489	550	12.5%
Shipments	kt	1,566	1,633	4.3%
Heavy plate, prime grade	kt	1,559	1,632	4.7%
Semi-finished product	kt	7	1	– 85.7%
Net sales	€ million	2,287	2,183	– 4.5%
Germany	€ million	1,044	1,002	
Other EU countries	€ million	845	859	
Countries outside EU	€ million	398	322	
Workforce	31/12/	3,600	3,580	
Personnel expenses	€ million	306	307	
Total assets	€ million	3,284	3,498	
Fixed assets	€ million	1,847	1,963	
Investments	€ million	49	111	
Shareholders' equity	€ million	1,919	2,019	
EBITDA	€ million	326	271	
EBIT	€ million	273	218	
Net income (result for the accounting period)	€ million	272	216	
Operating cash flow	€ million	80	353	

Members of the Supervisory Board

Heiko MAAS, Saarlouis
Chair
(as of 12/09/2025)

Chair of the Board of Directors and Board of Trustees
of Montan-Stiftung-Saar
President, Stahl-Verband-Saar e.V.

Reinhard STÖRMER, Völklingen
Chair
(until 12/09/2025)

Chair of the Board of Directors and Board of Trustees
of Montan-Stiftung-Saar

Jörg KÖHLINGER, Frankfurt
1st Deputy Chair

Trade Union Secretary and District Head
of the IG Metall Central District

Michel WURTH, Sandweiler (LU)
2nd Deputy Chair

Chair of the Board of Directors
of ArcelorMittal Luxembourg S.A.

Michael BECKER, Saarwellingen

(until 17/12/2025) 1st Deputy Chair of the Works Council
of Aktien-Gesellschaft der Dillinger Hüttenwerke
(as of 17/12/2025) Chair of the Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke

Joachim BRAUN, Le Ban St. Martin (FR)
(as of 12/09/2025)

Deputy Chair of the Board of Directors and
Board of Trustees of Montan-Stiftung-Saar

Carl DE MARÉ, De Panne (BE)

Independent Consultant Net-Zero Industries, ArcelorMittal

Lars DESGRANGES, Beckingen

Primary Authorized Representative of
IG Metall Administrative Office, Völklingen

Michael FISCHER, Dillingen

Deputy Chair of the Group Works Council of SHS - Stahl-Holding-
Saar GmbH & Co. KGaA, Chair of the Group Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke
(until 17/12/2025) Chair of the Works Council of Aktien-Gesellschaft
der Dillinger Hüttenwerke

Matthias GÜNTHER, Keispelt (LU)
(as of 17/02/2025)

General Manager, Head of Capex, Group Finance,
ArcelorMittal, Luxembourg

Nadine KLIEBHAN, Illingen

Senior Project Manager INFO-Institut Beratungs-GmbH

Wolfgang LEESE, Prof. Dr., Lindberg
(until 12/09/2025)

Managing Director and Managing Partner
WGL Verwaltung und Beratung GmbH
Member of the Board of Trustees of Montan-Stiftung-Saar

Antje OTTO, St. Ingbert

Managing Director, Stahl-Verband-Saar e. V.

Susan PULHAM, Prof. Dr., Saarbrücken

Professor, HTW Saar

Rainer SCHWICKERATH, Nalbach

(until 17/12/2025) Member of the Works Council of Aktien-Gesellschaft
der Dillinger Hüttenwerke
(as of 17/12/2025) 1st Deputy Chair of the Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke

Hans-Joachim WELSCH, Saarlouis
(as of 12/09/2025)

Member of the Board of Directors and Board of Trustees of the
Montan-Stiftung-Saar

Susanne WINGERTSZAHN, Mainz

DGB District Chairwoman Rhineland-Palatinate/Saarland

Members of the Board of Directors

Stefan Rauber

Chair

Joerg Disteldorf

Chief Human Resources Officer

Markus Lauer

(until 31/12/2025)

Chief Financial Officer and Chief Procurement Officer

Dr. Peter Maagh

Chief Technology Officer

Daniël Nicolaas van der Hout

Chief Commercial Officer

Jonathan Weber

Chief Transformation Officer

(as of 01/01/2026)

Chief Financial and Transformation Officer

Report of the Supervisory Board

The Supervisory Board of Aktien-Gesellschaft der Dillinger Hüttenwerke fulfilled the monitoring and advisory duties required by law and the articles of association with utmost care in 2025. It was regularly informed about the situation and economic development, including cost optimization and the company's risk situation, by means of written and verbal reports from the Board of the Board of Directors, at Supervisory Board meetings and in individual discussions. The Supervisory Board was informed about all projects and plans that are of particular importance to the company. In particular, the Board was informed at every meeting about the strategy and transformation process, the economic situation and current developments, and about compliance issues. All measures requiring the approval of the Supervisory Board, as well as significant transactions and fundamental questions of corporate policy, were discussed in detail with the Board of Directors.

Meetings held in the 2025 financial year comprised six ordinary meetings, three information meetings and an Annual General Meeting on 3 July. The Presiding Committee convened prior to four ordinary meetings of the Supervisory Board. The Personnel Committee met twice.

On 12 September 2025, Mr. Reinhard STÖRMER retired from his position as Chair of the Supervisory Board after more than three decades of dedicated service to Saarland's steel industry. Prof. Wolfgang LEESE also resigned from the Supervisory Board. Mr. Heiko MAAS was elected the new Chair of the Supervisory Board. The election of the new shareholder representatives to the Supervisory Board took place at the Annual General Meeting. Mr. Joachim BRAUN and Mr. Hans-Joachim WELSCH were elected to the Supervisory Board.

At the end of the year, there was a change to the Board of Directors of Aktien-Gesellschaft der Dillinger Hüttenwerke. Mr. Markus LAUER resigned from his position as a member of the Board of Directors with effect from 31 December 2025. Board of Directors member Mr. Jonathan WEBER was appointed as Chief Financial and Transformation Officer with effect from 1 January 2026. The Supervisory Board has approved the reduction in the number of positions on the Board of Directors.

On 29 September 2025, the SHS - Stahl-Holding-Saar Group (SHS Group) with its affiliated companies Dillinger (Aktien-Gesellschaft der Dillinger Hüttenwerke) and Saarlöhle (Saarlöhle Aktiengesellschaft) successfully completed the financing of its Power4Steel transformation project, one of the largest decarbonization projects in Europe. The total financing volume amounts to around € 1.7 billion. This means that financing is secured for the entire term of the investment project. The financing was provided by a consortium of leading national and international banks and combines corporate and investment financing. Investment financing is secured by the export credit agencies OeKB (Austria) and SACE (Italy). The financing is supplemented by substantial equity capital as well as direct grants from the German government and Saarland from the € 2.6 billion program for the transformation of Saarland's steel industry.

The accounts, the annual financial statements as of 31 December 2025 and the management report were audited by the auditor elected by the Annual General Meeting, KPMG AG Wirtschaftsprüfungsgesellschaft, Saarbrücken, and issued with an unqualified audit opinion.

The Supervisory Board examined the annual financial statements and the management report of Aktien-Gesellschaft der Dillinger Hüttenwerke as of 31 December 2025. The auditor took part in the discussion of the annual financial statement documents at the Supervisory Board meeting on 13 May 2026 to discuss the annual financial statements and report on the key findings of the audit. No objections were raised following the Supervisory Board's own examination of the annual financial statement documents. The annual financial statements of Aktien-Gesellschaft der Dillinger Hüttenwerke prepared by the Board of Directors were approved by the Supervisory Board at its meeting on 13 May 2026 and are thus adopted.

The Supervisory Board would like to express its thanks and appreciation to the Board of Directors, the Works Council and all employees of Aktien-Gesellschaft der Dillinger Hüttenwerke as well as the employees of its affiliated companies for their work and commitment in the reporting year.

Dillingen, 13 May 2026

The Supervisory Board

Heiko MAAS
Chair of the Supervisory Board

Report of the Board of Directors

(Management Report)

The company's fundamentals

The core business of Aktien-Gesellschaft der Dillinger Hüttenwerke, in the following referred to as Dillinger, is the manufacture and sale of heavy plate in the form of normal and pipe plate. This entails the activities of an integrated blast furnace process, including the production of coke and hot metal via the subsidiaries ZKS Zentralkokerei Saar GmbH (ZKS) and ROGESA Roheisen- und Rohstoffgesellschaft Saar mbH (ROGESA), which are held jointly with Saarstahl Aktiengesellschaft (SAG), and the production of liquid steel and semi-finished products. In downstream stages, marketing, flame-cutting and fabricating companies offer additional services and customized solutions in sales, the processing of heavy plate, and other steel products.

Dillinger holds shares in Saarstahl Aktiengesellschaft, Völklingen, and EUROPIPE GmbH, Mülheim/Ruhr. Beyond this, these companies are also involved in operating business activities with Dillinger – either through involvement in the hot metal production and buying phase or as a buyer and processor of heavy plate steel.

The direct or indirect majority shareholder of both Dillinger and Saarstahl Aktiengesellschaft is SHS - Stahl-Holding-Saar GmbH & Co. KGaA (SHS), a wholly owned subsidiary of Montan-Stiftung-Saar.

Financial report

Overall economic and industry-related conditions

The global economy demonstrated resilience in 2025. Inflation fell further in the direction of the central banks' targets, while growth weakened somewhat compared to 2024. The OECD expects global GDP growth of 3.2% in 2025 (2024: + 3.3%).

Economic weakness in the eurozone persisted in 2025 with growth rates of around 1.4%, which can be attributed to political uncertainty, trade barriers, a lack of consumer confidence, high energy prices and, ultimately, structural problems in the EU economy. According to the OECD, GDP growth in the EU is also expected to be +1.3% in 2026. The German economy stagnated in 2025 as well.¹

Steel market

Demand for steel suffered considerably from global overcapacity, unfair trade and high energy costs in particular. The outlook for the European steel market progressively deteriorated in 2025, as weak demand, a decline in the steel processing industries and a continued high proportion of imports weighed on the situation. Germany – where demand fell sharply – was particularly hard hit.

According to the current Q4 forecast from Eurofer, growth in steel consuming sectors will shrink across all sectors by 3.6% in 2025. The outlook for 2026 is slightly positive at +1.8%, mainly

due to an expected increase of 2.3% in the construction industry. Apparent steel consumption is forecast to grow by 3% in 2026.

Heavy plate market

The supply of quarto plate to the market declined by 3.5% in the first nine months of 2025. Third-country imports accounted for 22% of the market supply of heavy plate in the first nine months of the year.

Slabs from Russia, in particular, are putting pressure on European producers due to their low prices. At the same time, geopolitical uncertainties and weak development in steel-intensive industries such as construction, mechanical engineering and automotive are adding to the difficult conditions. The offshore wind industry failed to emerge as a major driver of demand in 2025. In contrast, the onshore wind industry in Germany saw growth once again. The linepipe market is also showing great promise, particularly with projects for CO₂ and hydrogen transport. Despite delays in project approvals, there are growth prospects in this sector in the medium term.

Business performance at Dillinger

The market situation in the heavy plate market has deteriorated further compared to the previous year. The combination of weak investment demand and a continuing decline in the manufacturing sector – particularly in industrial production – as well as a significant decline in the construction sector exacerbated the sluggish conditions in the steel market. As the economic recovery failed to materialize in 2025, demand for steel in Germany remained low for another year.

Imports of steel products into the EU, which were already high, increased further over the course of the year and led to an increasing share of European steel demand being met. In addition, increased import duties for steel products in the United States and the simultaneous weakening of the market situation in the German and European heavy plate market exacerbated the general conditions in the steel market.

Incoming orders for heavy plate rose slightly in 2025 to 1,640 kt compared with the previous year (+6%), with customer orders increasing particularly in the first half of the year. For 2025 as a whole, the increase is primarily attributable to higher demand for standard steel plate, particularly in the distribution and flame-cutting, specialty machinery manufacturing, and alternative energy sectors.

Based on the order backlog at the end of 2024 and higher customer orders, particularly in the first half of the year, Dillinger was able to slightly increase its shipped quantities during the financial year (+4.7%). At the same time, the significant year-over-year decline in average revenue continued due to a shift in the product mix.

Capacity utilization of the technical production facilities was in line with the order situation. Scheduled shutdowns at the rolling mills were also coordinated with production cutbacks at other

¹ OECD figures as of January 2026

technical facilities, such as the steel plant, which had to scale back operations during the summer months due to a temporary reduction in the availability of hot metal. Thanks to increased flexibility, Dillinger was able to adjust the operating modes of the systems to the adapted operating point. As expected, both hot metal purchases – which totaled 1,673 kt (2024: 2,017 kt) – and crude steel production – which totaled 1,895 kt (2024: 2,302 kt) – decreased compared with the previous year's figures. In addition to supplying slabs for the rolling mill in Dillingen, steel production also mostly covered the slab requirements of Dillinger France in Dunkirk. Production of heavy plate in the two rolling mills (1,657 kt) changed slightly by +1.8% compared to the previous year (1,628 kt), with 1,107 kt of heavy plate (2024: 1,139 kt) being produced in Dillingen and 550 kt (2024: 489 kt) in Dunkirk.

Raw material procurement costs and energy prices showed mixed trends but were mostly on the decline, although electricity costs still did not reach internationally competitive levels. However, with margin pressure expected to increase, operating results were somewhat weaker than anticipated, particularly in the first half of the year.

Despite the economic climate and the challenges in the European steel market, Dillinger was increasingly able to close out the financial year with consistently strong business performance, particularly in the second half of the year.

The cost-cutting program launched by management in 2025 played a key role in securing earnings and, at the same time, boosting Dillinger's competitiveness. Since May, work has been underway under the title "DH Future Program" to identify structural and one-time measures totaling € 100 million, which are expected to take effect in the 2025 financial year. Through a concerted effort and close management of sales and costs, measures totaling just over € 100 million were implemented by the end of the year.

The key financial indicators used for corporate management were largely in line with expectations, though earnings figures in particular fell slightly short of the original forecasts. Dillinger exceeded the forecast of sales volume at the previous year's level, posting an increase of 4.7% (73 kt) and shipment of 1,632 kt of heavy plate. The price-driven decline in net sales, increased pressure on margins, and changes in material and personnel intensity meant that, despite a significant improvement in income from participating interests, EBIT and EBITDA fell slightly more short of the prior-year figures than had been anticipated in the forecast. Even after taking into account the slightly lower net interest income, the company's overall earnings was correspondingly lower than the previous year's figure.

Earnings position

Based on the order backlog at the end of 2024 and incoming orders received in the first half of 2025, Dillinger was able to significantly increase shipped quantities from the very start of the 2025 financial year compared with the two preceding quarters. As a result, shipments of prime-grade heavy plate increased by 73 kt (+4.7%) to 1,632 kt for the year as a whole (2024: 1,559 kt). Higher sales of pipe plate in the first half of 2025 offset the

slight decline in volume in the standard steel plate segment, which was primarily due to the offshore wind sector.

In addition to weak demand for steel and the continued unfavorable economic conditions in the heavy plate market, the shift in the product mix also led to a decline in average revenues compared with the previous year. A significant decline in average net revenue had already been forecast last year for the 2025 financial year. At -9.4%, this decline was actually slightly steeper than expected. However, the decline in revenue in the pipe plate segment (-15.5%) was more pronounced after the first quarter than the overall decline in revenue in the standard plate segment (-6.6%).

Due to the higher proportion of standard plate in our product mix, net sales declined by approximately 4.5% to € 2,183 million in the current financial year (2024: € 2,287 million).

Dillinger's various geographic markets showed differing trends: While net sales declined by 4.0% in Germany and by 19.2% in non-EU countries, it increased slightly (+1.7%) in EU countries outside Germany. Germany remained Dillinger's most important market, accounting for 46% of sales, followed by France and the other EU countries, which together accounted for 39%.

The decrease in the value of finished products and work in process during the current financial year was primarily due to the planned reduction in semi-finished products and heavy plate in light of the reduced availability of hot metal resulting from the interim relining of ROGESA's blast furnace 4 and the associated decline in crude steel production. Consequently, total operating revenue decreased by € 387 million, or 16.3%, compared with the previous year, amounting to € 1,992 million in the 2025 financial year (2024: € 2,379 million).

Significantly lower out-of-period income – particularly from the reversal of provisions – resulted in other operating income being € 20 million lower than in the previous year.

Cost of materials decreased by € 308 million, or nearly 19%, in the financial year. Average prices developed as expected for a considerable proportion of material costs and were below the respective previous year's figures. This also applied to hot metal, which the company obtains exclusively from ROGESA. The annual average cost of hot metal fell again by more than 10%, driven by trends in procurement prices for key raw materials such as fuel, iron ore, and pellets. Average processing costs remained virtually unchanged from the previous year, despite the temporary shutdown of Blast Furnace 4 and lower hot metal production. Price trends for scrap, alloys, and other metallic raw materials varied widely, with the decline largely driven by changes in demand.

The trend in energy costs was also mixed. While input prices for natural gas and coke oven gas fell significantly, prices for electricity and oxygen, in particular, remained high and changed only slightly compared with the previous year. As expected, this resulted in significant expenses for the company. In addition to the decline in production at the Dillinger steel and rolling plant, the main factors contributing to the € 59 million (31%) reduction in energy costs were changes in the prices of natural gas and coke oven gas. Purchased services increased slightly compared

with the previous year (+€ 9 million, or +3%); this was primarily due to higher maintenance and repair expenses, as well as the recognition of improved production output at Dillinger France in 2025.

The margin between total operating revenue and cost of materials declined commensurately year-on-year by around € 79 million. Material intensity decreased by 1.8 percentage points compared with the previous year and stands at 68.0% (2024: 69.8%).

With personnel expenses remaining virtually unchanged at € 307 million (2024: € 306 million), personnel intensity rose from 12.9% in 2024 to 15.4% in 2025 as a result of the decline in total operating revenue. Higher wages resulting from the ongoing 2025 pay-scale adjustment starting in April 2025 were offset by the fact that the inflation adjustment bonus stipulated in the collective pay-scale agreement for 2024 was no longer payable in the current financial year. In addition, the increase in the average number of employees (+0.4%) was offset by lower personnel costs resulting from the temporary decline in production capacity utilization, as well as a smaller year-over-year increase in accruals for partial retirement. Overall, wages and salaries decreased by € 4 million, or 1.4%, compared with the previous year. During the same period, social security contributions, pension expenses, and employee benefits increased by a total of € 5 million compared with the previous year. In addition to higher health and pension insurance contributions in the current year, this was primarily due to a lower release of pension provisions compared with the same period last year.

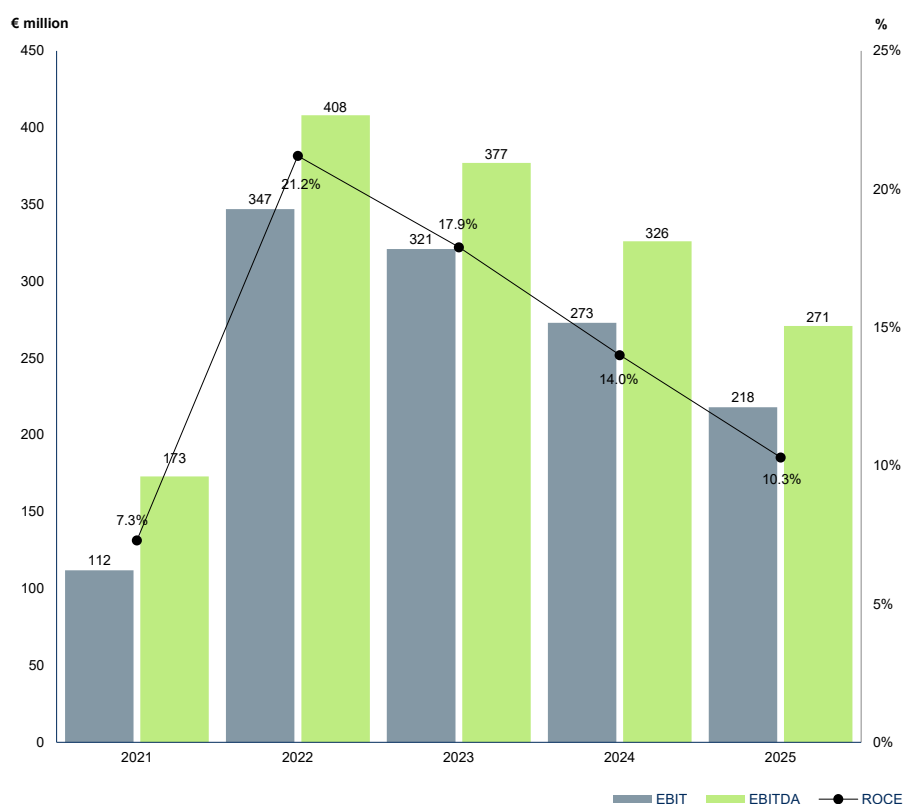
Amortization and depreciation of intangible and tangible fixed assets remained virtually unchanged at € 53 million. Other operating expenses were € 32 million higher than in the previous year. A key factor in this was the valuation of the order backlog at year-end on a break-even basis, which led to higher provisions for anticipated losses. Changes in intercompany service billing, primarily related to the Power4Steel transformation project and IT services, contributed to a moderate increase in administrative expenses (+€ 6 million).

The financial result increased by a total of € 75 million, almost entirely due to a significant improvement in income from participating interests. At the same time, income from profit-sharing and profit-transfer agreements rose by € 91 million, more than offsetting the € 15 million decline in income from investments. During the same period, net interest income fell by € 1 million compared with 2024.

In light of the very weak economy, increasing distortions of competition – including those caused by low-cost steel imports into the EU and punitive tariffs on steel imports into the US – as well as revenue growth that was already expected to be challenging and slightly below the previous year's average, earnings for the 2025 financial year fell slightly short of expectations compared with the previous year. In addition to net sales and operating results (EBIT and EBITDA), the key performance indicators also include net income. Dillinger once again closed the 2025 financial year with very strong financial results: EBIT: € 218 million (2024: € 273 million) and EBITDA: € 271 million (2024: € 326 million).

Business performance in 2025 is also reflected in the key financial figures for the asset and capital structure and for the development of returns. The return on capital employed (ROCE) amounted to 10.3% in the financial year (2024: 14.0%), while the return on sales (adjusted EBIT margin) was 12.4% (2024: 12.8%).

Change in EBIT, EBITDA and ROCE



Financial position

Dillinger generated an operating cash flow of € 353 million in the 2025 financial year. This figure is derived from cash inflows from EBITDA (€ 125 million) – adjusted for non-cash income items, dividends, and investment income – as well as from changes in working capital (€ 228 million). The change in working capital was primarily driven by a reduction in both the volume and value of inventories, as well as higher trade accounts payable as of the reporting date, which were partially offset by an increase in trade receivables.

Public grants reported as other liabilities in the previous year (€ 83 million), and additional public grants received in 2025 (€ 117 million) for the Power4Steel transformation program, covered a large portion of the capital expenditures for tangible fixed assets (€ 311 million). This resulted in a net cash outflow of € 111 million. In addition, payments made in connection with the financing activities of subsidiaries and joint ventures (€ 111 million) were offset by proceeds from the disposal of fixed and financial assets (€ 53 million), as well as from dividends, interest, and payments from affiliated companies and associated companies (€ 148 million). Cash flow from investment activities amounted to -€ 21 million, and free cash flow reached € 332 million.

Dillinger's cash flow from financing activities amounts to -€ 80 million. The company made its scheduled loan principal and interest payments during the 2025 financial year. Following successful completion and restructuring of Power4Steel's external financing, existing long-term bank loans and overdrafts were repaid ahead of schedule. This resulted in a total cash outflow of € 118 million. This was offset by cash inflows from borrowings totaling € 155 million. The company repaid loans totaling € 20 million to its majority shareholder, DHS - Dillinger-Hütte Saarstahl AG, as well as obligations under the profit and loss transfer agreement from the previous year amounting to € 97 million.

In the 2025 financial year, cash and cash equivalents increased by € 252 million, from € 344 million to € 596 million. This includes € 83 million in public grants reported as other liabilities as of the prior year's reporting date, for which the conditions for offsetting against fixed assets were not met at that time. As of 31/12/2025, cash and cash equivalents consist of cash and bank balances (€ 396 million) and the Transformation Fund, which is reported under securities (€ 200 million).

Net asset position

Most of the increase in the long-term assets of Aktien-Gesellschaft der Dillinger Hüttenwerke is related to the Power4Steel transformation program. This also includes the financial strengthening of the joint venture ROGESA, into which the company made a contribution to the capital reserve.

During the current financial year, construction activities in tangible fixed assets were primarily in connection with construction of the future electric arc furnace. In addition, contracts were awarded for the construction of the technical equipment and advance payments were made for this purpose.

This led to additions to assets, advance payments and assets under construction totaling € 320 million, of which investment grants amounting to € 200 million were recognized as a reduction in acquisition costs. Taking into account scheduled depreciation and proceed from disposals of assets, tangible fixed assets increased by € 65 million.

In addition to the contribution to the capital reserve of the joint venture ROGESA (€ 100 million), the change in financial assets was driven by write-ups of investment securities (€ 3 million) and repayments of loans (€ 50 million), which together resulted in a total increase in financial assets of € 53 million. Overall, Dillinger's long-term assets employed increased by € 117 million compared with the reporting date of the previous year and now total € 1,963 million. The fixed asset coverage ratio this year of 102.9% remained at the same level as last year's 103.9%.

At the same time, total current assets increased by € 79 million, from € 1,437 million to € 1,516 million. Higher net sales in the fourth quarter of 2025 compared with the same period of the previous year led to an increase in trade receivables (+€ 50 million) as of the reporting date. Other receivables from subsidiaries (+€ 73 million) have changed in the current year, primarily due to the capitalization of claims arising from existing profit and income transfer agreements. The change in bank balances (+€ 169 million) is described in the section on the Group's financial position.

In anticipation of the interim relining of ROGESA's blast furnace 4, the plan for the financial year primarily called for a reduction in semi-finished products to offset the temporary decline in hot metal availability. During the financial year, the company succeeded in reducing its inventory of both semi-finished and finished products. In addition to the inventory effect, the production cost of finished products and work in process also decreased, with the result that – despite a decline in advance payments received on orders from the offshore wind project business – the asset value of inventories was € 205 million lower than as of 31/12/2024.

Total assets increased by around € 214 million compared to the previous year to conclude at € 3,498 million. This growth in assets was offset by an increase in shareholders' equity resulting from the transfer of € 100 million to earnings reserves, causing the equity intensity to decline slightly from 58.4% in the previous year to 57.7% in the year under review.

The company's borrowed capital decreased by a total of € 114 million in the current financial year. The key developments are presented below, supplementing the notes in the statement of financial position.

In addition to the payments, the change in the value of pension provisions compared with the previous year's reporting date is primarily due to the updated actuarial assumptions and the increase in the contribution assessment ceilings. Higher provisions for anticipated losses on pending sales transactions accounted for the majority of the change in the value of other provisions.

Following the successful completion and restructuring of debt financing, the € 74 million increase in bank loans and overdrafts is primarily attributable to new borrowings in the second half of the year (€ 155 million), offset by scheduled and early loan repayments totaling € 81 million.

In addition to the new loans taken out in the current financial year, there are contractual assurances amounting to around € 88 million for further future payments from bank loans and overdrafts in connection with the financing of investments from Power4Steel and the conversion of steel production to the EAF process. Moreover, the company may – in consultation with other companies of the SHS Group – draw upon an amount of up to € 300 million under a loan agreement. With the restructuring of debt financing in several companies of the SHS Group, contractually defined loan conditions (covenants) must be fulfilled. However, the loan conditions are not based solely on Aktien-Gesellschaft der Dillinger Hüttenwerke, but on the entire SHS Group. As of the reporting date, the covenants were met throughout, and there are no indications that the covenants will not be met in the near future.

Higher borrowings under short-term cash management and group financing as of 31/12/2025, were the reason for the significant increase in liabilities to affiliated companies (+€ 66 million). At the same time, trade accounts payable increased by € 61 million; in particular, the company's liabilities to companies in which the company has a participating interest rose.

Investments and new construction

After deducting public grants, Dillinger's investment volume for the 2025 financial year amounted to € 111 million (2024: € 49 million). During the year under review – as in the previous year – the planning and construction measures progressed steadily for the upcoming transformation of steel production in particular. The other financial obligations outstanding as of the reporting date relate almost entirely to purchase commitments for the various subprojects and construction activities associated with the construction of the new electric arc furnace. The associated payments in the following year are secured by public grants and loan commitments, among other things.

Transformation

Site preparation for the construction of an electric arc furnace has been successfully completed, and parts of the operational infrastructure have been modified and, in some cases, rebuilt. Major construction work on the civil engineering and building projects has begun, and the construction sites for the main

buildings have been opened. The engineering of the main units is well underway; production of the first key components has already begun.

Steel plant

Notable individual investments in the steel plant included the replacement of crane runway girders in Continuous Casting Hall 5, at a cost of € 2.7 million, as well as the refurbishment of the

VD1 vacuum system and the modernization of the control system for the VD4 vacuum system in Hall 5, at a total cost of € 27.8 million.

Rolling mill

During this year's shutdown at the rolling mill, the electrical renovation of the roughing stand roller conveyor was completed at a cost of approximately € 12 million, and demolition of Building V11 began (approx. € 2 million), creating a new open space of approximately 4,000 m².

Key figures

		2021	2022	2023	2024	2025
Fixed asset coverage ratio	in %	73.2	83.3	93.5	103.9	102.9
Internal financing capability	in %	NA	> 100	> 100	> 100	> 100
Equity intensity	in %	49.6	51.2	54.9	58.4	57.7
Return on capital employed (ROCE)	in %	7.3	21.2	17.9	14.0	10.3
Debt-equity ratio	in %	12.5	10.4	7.8	5.6	8.9
EBIT margin	in %	6.5	13.6	13.5	12.8	12.4
EBITDA margin	in %	10.0	16.0	15.9	15.3	15.4
Material intensity	in %	72.3	69.1	69.9	69.8	68.0
Personnel intensity	in %	14.3	11.8	11.4	12.9	15.4

Notes

Fixed asset coverage ratio

Equity in relation to fixed assets

Internal financing capability

Operating cash flow in relation to net investments in fixed assets

Equity intensity

Equity in relation to total assets

ROCE

EBIT in relation to capital employed (average long-term capital employed)

Debt-equity ratio

Bank loans and overdrafts in relation to shareholders' equity

EBIT/EBITDA margin

EBIT/EBITDA in relation to total operating revenue. In addition to sales revenue, the change in inventories of work in process and finished products is also taken into account when calculating total operating revenue. Net sales includes only revenue for heavy plate products.

Material and personnel intensity

Material and personnel expenses in relation to total operating revenue

Changes in key non-financial performance factors

Power4Steel transformation project

The SHS Group with its affiliated companies Dillinger, Saarstahl and ROGESA, has set an ambitious goal to achieve carbon-neutral production by 2045. As part of the Power4Steel transformation project, the Group is focusing on the use of hydrogen, on electric steel production and on recycling steel scrap. To this end, a direct reduction plant (DRI) and two electric arc furnaces (EAF) are being built at the Dillingen and Völklingen production sites.

Hydrogen and electricity-based steel production will enable a significant reduction in CO₂ emissions: These are expected to be reduced by around 55% by the beginning of the 2030s. The roadmap for implementing all the measures is a challenge for the companies as construction of the new facilities and the conversion of numerous production steps is being implemented during ongoing operations. The SHS Group aims to start supplying “green” steel in 2028/2029. The new plants are expected to enable an annual capacity of up to 3.5 million metric tons of crude steel made from direct reduced iron (DRI) and scrap.

Following the EU Commission’s approval in December 2023 of € 2.6 billion in federal and state funding for the Power4Steel decarbonization project and placement of the order for the central gensets in October 2024, further milestones followed in 2025: In May, permits for the construction and operation of the DRI plant and the two EAFs in Völklingen and Dillingen were issued in accordance with the Federal Emission Control Act (BImSchG). In September, a long-term contract was concluded with Verso Energy for the annual supply of at least 6,000 metric tons of “green” hydrogen. With successful completion of the overall financing of the project, the next decisive step forward followed in October. The total financing volume amounts to around € 1.7 billion. This means that financing is secured for the entire term of the investment project.

Construction work as part of Power4Steel progressed according to plan in the reporting year. The main construction activities on the sites in Dillingen and Völklingen included:

At the Dillingen site (direct reduction plant and electric arc furnace with secondary metallurgy)

- Civil engineering and reinforced concrete work was largely completed for the new 400 kV power supply facility, and work began on the station's interior
- For the slag hall, foundation work and steel construction work were completed, and work began on the roof and wall cladding
- The foundations for the scrap hall were laid, and the steel construction work began
- In the area of Hall 5 (secondary metallurgy facility and ladle transfer), the foundation work for the “above-ground section” was completed, and work started on the “below-ground section”
- Site profiling measures and construction roads were carried out on the site and the electrical supply for the construction project was installed

- Concrete construction for the central switchgear house “S901” began
- The first excavation, foundation and concrete construction work started for the EAF hall
- A new rail yard was built and the road and track construction measures “in the curve” were largely completed
- Work began on the new water supply from the Saar

At the Völklingen site (electric arc furnace with expansion of secondary metallurgy)

- Construction of the northern slag tipping ramp began
- Concrete construction was completed and the steel construction work was started
- The raising of the hall for the future vessel repair hall was largely completed
- Construction of the EAF hall began
- Concrete construction in the central electrical and media duct area was completed and work began on the internal installations
- Earthworks including bored pile foundations and the concrete construction work in the area of the scrap hall began
- Construction of the extension to the secondary metallurgy hall began
- Concrete construction of the ladle furnace building and the functional building was largely completed
- The “S0” switchgear house was completed on site and then the interior work started
- Construction of the “S5” switch house began
- Construction of the EAF water management building started at the end of the year

In addition to the visible construction progress, operational implementation of the project progressed steadily. Among other things, metallurgical concepts were further developed in the reporting year and important progress was made toward “green” production. Key insights were gained with trial batches at the Saarstahl Ascoval site, at Saarschmiede and in the existing converter process, in order to ensure the usual high product quality is maintained using the climate-friendly process in the future.

For the period after the shutdown of the first blast furnace, the energy supply concept was further expanded and finalized, a Group-wide concept for future inbound logistics was developed for the growing logistical requirements – particularly with regard to the increased delivery of scrap by truck – and the existing areas and hall structures for the storage of spare and reserve parts at both sites were comprehensively analyzed.

Sustainability

Sustainable and responsible operation is firmly embedded in the SHS Group with its two companies Dillinger and Saarlund and is a traditional key element of corporate policy. In their comprehensive approach to sustainability, the companies acknowledge their responsibility for current and future generations of employees as well as stakeholders and aim to manufacture premium steel products using sustainable methods.

The SHS Group is committed to the goals of the Paris Climate Agreement and wants to help achieve low-carbon steel production. In its transformation process toward production of green steel, the focus is on the responsibility to people and the environment – today and in the future. Based on what has been achieved so far and with a view to a livable future for all, the companies are continuously identifying further potential for improvement and redefining ambitious targets.

The companies of the SHS Group document their achievements in the areas of economy, ecology and society with a joint sustainability report. The report is based on the GRI standards of the Global Reporting Initiative (GRI). An update of the relevant key figures is implemented through annual fact sheets. The Sustainability Report thus contributes to improving the international transparency and comparability of activities in the field of sustainability and environmental protection.

Steel fulfills the principle of sustainability more explicitly than virtually any other material. Steel is the most widely used basic industrial material and it contributes significantly to environmental and climate protection through a wide range of applications. At the end of their service life, steel products can be recycled completely and as often as required, with virtually no loss of quality, and completely returned to the industrial cycle. In addition, crude steel produced in Germany sets high standards in terms of environmental and climate protection, not least in a global comparison.

The SHS Group is also committed to Germany's stricter climate targets. The companies want to make a decisive contribution to the political and social goal of cutting carbon emissions. The aim of Saarland's steel industry is to reduce process-related carbon emissions to a technically necessary minimum in the future by gradually installing and integrating climate-friendly steelmaking technologies.

By transforming the existing blast furnace/converter process to direct reduction plants and electric arc furnaces, and by using hydrogen and carbon-free electricity in production, the goal of carbon-neutral steelmaking can be achieved by 2045 at the latest (see the section on "Power4Steel transformation project").

Branding has also been developed to visually depict the transformation project: Pure Steel+. The message of "Pure Steel+" is that Saarland's steel industry will retain its long-established global product quality, ability to innovate, and culture – even in the transformation. The + symbolizes the CO₂-reduced production process for our products.

To establish a sustainable and integrated cross-border energy system that will be required to produce green steel in the region,

the companies of the SHS Group have joined with other well-known companies to form the "Grande Region Hydrogen" European Economic Interest Grouping (EEIG). The aim of the initiative is

to link cross-sector projects for hydrogen production, use and transport.

EcoVadis, an international provider of business sustainability ratings, again awarded Dillinger a Gold rating in 2025 for its Corporate Social Responsibility (CSR) activities. The EcoVadis rating confirms the high quality of sustainability management at Dillinger.

The EcoVadis rating is based on a defined scorecard. This includes criteria of the Global Reporting Initiative, the UN Global Compact, and the International Organization for Standardization for the areas of environment, labor and human rights, ethics, and sustainable procurement. Specification of defined evaluation criteria enables companies certified by EcoVadis to be compared internationally.

In 2025, the SHS Group was again awarded the top A rating by the independent organization Carbon Disclosure Project for its commitment to climate protection and transparency, thus securing a place on the annual CDP A List. Among other things, this report serves as a status report on the commitment within the Science Based Target Initiative (SBTi). The Group has committed to meeting the targets of the Paris Climate Agreement and has defined Group-wide decarbonization targets.

Since 2023, SHS has also been a member of ResponsibleSteel, a global multi-stakeholder initiative for sustainability standards and certification involving various interest groups in the steel industry. The aim of the initiative is to be a driving force worldwide in the socially and environmentally compatible production of climate-neutral steel.

Dillinger and Saarlund are founding members of LESS AISBL and are involved in the development of the Low Emission Steel Standard (LESS). LESS is an open-technology standard for the labeling and classification of CO₂-reduced steel.

The aim is to make the decarbonization of the steel industry measurable, comparable and transparent. The potential for improvement here is not the increase in the proportion of scrap in steel products, but progress in transformative measures such as technology change, the use of green energies and the decarbonization of purchased input materials. All steel production processes, whether blast furnace process, DRI-based electric arc furnaces or secondary electric steel production, are evaluated along the percentage scrap utilization. All processes are rated in a corresponding class, despite varying CO₂ intensities.

Support for the ten principles of the UN Global Compact in the areas of human rights and labor standards, environmental and climate protection, and anti-corruption is an integral part of the long-term sustainability concept of the SHS Group. Membership in the UN Global Compact since 2020 demonstrates that the companies are effectively integrating its principles into their corporate strategy and culture as well as into their daily business practices, thereby applying and fostering the general goals of

the United Nations – particularly the sustainable development goals – in all areas of the company.

Employees

A qualified and committed workforce is the foundation of Dillinger. Their commitment and flexibility are crucial for achieving our production targets and actively shaping the transformation process in Saarland's steel industry. Decarbonization and digitalization represent the key challenges that we are tackling together with our employees.

Social responsibility and forward-looking human resource management are indispensable components of our corporate strategy. We continuously invest in occupational safety and health, promote the development of professional skills, and ensure a steady supply of new talent – particularly for new technologies and processes as part of our transformation.

Capacity utilization at the production facilities was below average in 2025, particularly due to high semi-finished product inventories from 2024 and lower rolled volumes, especially in the thick plate segment. Through consistent use of our flexibility instruments, we were able to achieve the planned production volumes throughout the year. This flexibility will continue to play a key role in successfully implementing the transformation and securing the long-term competitiveness of Dillinger.

At the end of the reporting year, Dillinger had 3,580 employees (2024: 3,600). These employees worked at Dillinger itself as well as – in the context of plant management – at ZKS and ROGESA.

The change in the number of employees is partly due to the integration of MGS employees at Dillinger and the simultaneous reduction in production staff. In addition, initial measures to restructure Saarland's steel industry were implemented in 2025 as part of the overhead program, which will be further intensified in 2026.

Safety and health

A safe and healthy work environment is given top priority at Dillinger. This was also reflected in numerous offers and measures in 2025, including Steel Safety Days with a focus on skin protection, continuation of the Group-wide "Occupational Safety Hour", implementation of inspections by the Board of Directors, and annual workshops for safety officers. Among other things, a management seminar was held in 2025 in collaboration with the German Employers' Liability Insurance Association for Wood and Metal (Berufsgenossenschaft Holz und Metall, BGHM), and company-specific occupational safety action plans with targets and measures were drawn up.

As part of the Power4Steel transformation project, the Safety and Health department is involved in the planning and construction phase as well as in preparing for the operating phase of the new plants.

Dillinger concluded 2025 with 6 accidents requiring at least one day of leave due to injury (2024: 11) and a lost time injury fre-

quency rate (LTIFR) of 1.1 (2024: 2.0; number of accidents requiring at least one day of leave due to injury per 1 million hours worked).

Workplace Health Management

Our commitment to our employees is also reflected in our Workplace Health Management (WHM) program, which offers a wide range of services and activities designed to maintain and promote employee health, well-being, and motivation, and goes far beyond what is required by law. These include sports and fitness programs, workplace social counseling, and initiatives for addiction prevention and mental health. Workshop modules on topics such as nutrition, exercise, and skin protection were held in 2025 during the trainee days, and awareness of workplace health management was raised through various monthly campaigns on the intranet.

Fostering young talent

Dillinger continues to invest in training and fostering young talent and provides vocational training at a consistently high level in order to counter a possible shortage of skilled workers resulting from demographic change. In 2025, 69 young people started their careers in the company (2024: 81). As a result, the company trained a total of 276 young workers (2024: 278), when all training class years are included. For many years now, the company has also maintained partnerships with universities in order to help support young university graduates. Currently, a total of 12 students are completing cooperative studies at the company with Saarland University of Applied Sciences (HTW saar) and Saarland University (UdS). 9 of the 12 students attend a technical program and 3 attend a commercial program.

Percentage of women

Diversity and equal opportunity are key success factors for the transformation of Dillinger. At the end of 2025, women made up 7.4% of the workforce. Although industry-specific conditions make it difficult, we are pursuing the strategic goal of significantly increasing this share – as a contribution to our innovative strength and competitiveness in an increasingly digital and climate-neutral steel production sector.

The primary strategic objectives are to

- use diversity as a driver for innovation and digital transformation
- secure skilled workers for decarbonization and new technologies
- create attractive working conditions for a diverse workforce

Our measures are designed to promote the compatibility of work and family life and to attract new talent for future fields – by increasing the percentage of female trainees and introducing flexible working time models, mobile working, and company-supported childcare. Our renewed certification as a family-friendly company underscores this commitment.

Women are increasingly taking on management responsibility – both in administration and in technology. In the context of assuming operating tasks through the majority holding company SHS - Stahl-Holding-Saar, such as in the area of

corporate staff functions, a higher percentage of female employees and managers are represented in the holding company. Consequently, the percentage of female employees in the total workforce here, at 31.3%, is significantly higher than at Dillinger.

In accordance with Section 111 (5) AktG, a target quota of 30% for supervisory boards has been set for Saarland's steel industry. Dillinger also defines a target of 15% for management functions in accordance with Section 76 (4) AktG. The analysis relates to senior management and includes the first and second levels of the hierarchy as well as the positions equivalent to the two top levels of management in terms of their importance for the company.

Research and development

The research and development departments make a significant contribution to securing and expanding the company's competitive position in the global market for heavy plate manufacturers. Research activities along the value chain – from coke and hot metal production to steel and heavy plate production – focused on process and product improvements in 2025. State-of-the-art AI methods are becoming increasingly important. In parallel to preparing for future production via the DRI/scrap/EAF process, sustainable improvement of the quality level was defined as a central focus of work in the technology and R&D areas.

Production of coke and hot metal

As part of the transformation project, hydrogen-based direct reduction was a focus of hot metal production technology. The technologists supported the project team when they had questions about the engineering details of the future DRI system. With a view to the purity of future molten steel from the EAF, the influence of coatings on iron oxide pellets was studied at the company's own laboratory facility.

With regard to the blast furnace process, the focus was on modeling the wear of the refractory lining of the blast furnaces. The technologists documented the actual refractory wear as part of the interim repair of blast furnace 4. The measured wear profile also serves to further optimize the wear models of both blast furnaces.

To reduce costs, an AI model was developed in collaboration with IT digitization and the ROGESA and ZKS operations to determine the "value in use" of coking coal.

Steel production

The Steel Plant Technology and Research unit continued its participation in 2025 in national and international research projects in combination with in-house projects. Currently, a federally funded project on decoupling CO₂ and H₂ from process gases and three international EU-funded research projects (RFCS) are being supervised on the topics of ferrous raw materials, crack formation in continuous casting and water quality to increase plant service life. RFCS² projects such as SUNSHINE are helping deal with new technologies and testing them in an industrial setting. The RFCS project EnWaRec, which was launched this

year, focuses on water quality in continuous casting with the aim of extending maintenance intervals and reducing system corrosion.

Heavy plate production

In the 2025 financial year, product-focused research and development systematically expanded microstructure-based materials development with the involvement of university research institutes and facilities. The results of this work enable development of economical, customized design specifications. The focus set in 2023 on issues relating to materials in connection with the "green" transformation was further intensified in 2025 by incorporating the results of the M2i, Mari Steel and MOWSES projects launched in 2024 into initial operational tests, some of which involved the use of molten steel from the EAF at Saarschmiede. A patent application has been filed for the concept of manufacturing heavy plates that are suitable for high-speed welding processes such as those used in offshore wind foundation structures. Another focal area is implementation of customer requirements in large-scale product developments. For example, Dillinger produced non-magnetic, corrosion-resistant heavy plate for the first time and accelerated the qualification and production of DIFENDER safety steels for both rolling mills, Dunkirk and Dillinger. Reviewing and improving the performance of design concepts for the transportation and storage of hydrogen and carbon dioxide is an integral part of the green transformation.

Raw material procurement and transport

During the course of 2025, global market prices for premium coal fell from over USD 200/t to as low as USD 165/t due to the weaker global economy, only returning to USD 200/t by the end of the year. Average prices for the year were USD 185/t, which is significantly lower than the annual average for 2024 (USD 240/t). It is not currently foreseeable that the historical highs will be exceeded again, but further downside potential is limited due to the deterioration in the cost structures of the mines (including royalties in Queensland Australia).

Supply and demand in the iron ore market are increasingly balanced. The leading index for iron ore prices (IODEX) fluctuated in a narrow range between USD 90/t and USD 110/t and, at an annual average of USD 102/t, was below the previous year's level.

The sea freight market recovered again in 2025 compared to the previous year, which was partly due to increased freight rates as a result of geopolitical uncertainties. To counteract this unpredictable dynamic, the combination of freight rates agreed for the medium to longer term, together with taking advantage of opportunities on the spot market, has proven to be a dependably successful method for ROGESA and ZKS.

The conversion of almost the entire process chain to "green" steel also has a massive impact on the raw material mix to be procured. In addition to volume shifts, new raw material qualities also have to be procured: for the DRI plant, for example, significantly higher quality DR pellets are required, and for the electric

² Research Fund for Coal and Steel

furnaces, other forms of carbon carriers and aggregates as well as electrodes and scrap are needed. In this regard, the conclusion of long-term contracts was sought and has already been successfully implemented for DR pellets.

The companies of the SHS Group transport at least 80% of their inbound and outbound products with environmentally friendly means of transport such as rail and ship. Transport costs rose sharply over the course of the year, due on the one hand to the pricing policy for rail transport and on the other to the obstructions on the waterways. The water levels on the Rhine and its tributaries fluctuated greatly over the course of the year, with high water in January and repeated periods of low water from March onward. Overall, however, there were no extreme events. Appropriate measures were taken to counteract the cost increases in the transportation market in some areas.

External risks will continue to have a major impact on logistics over the course of 2025: damage to the lock gate at the Müden lock on 8 December 2024 caused inland navigation on the Moselle to be suspended until the end of January 2025. In the summer, a passenger ship hit another gate at the lock in St. Aldegund on the Moselle.

Shipping on the Moselle was therefore suspended for over 2 months during the course of the year. Both events required a very intensive rerouting of goods flows to rail and truck transport. In addition, rail traffic was repeatedly restricted due to the very heavy construction activity on the transport corridors that are important for the SHS Group.

Environmental protection

In keeping with its corporate vision and environmental guidelines, Dillinger consistently strives for sustainable and ecologically sound resource management and production throughout the company. Extensive investment in state-of-the-art technologies helps reduce environmental impacts and continuously improves energy efficiency – not least because innovative product solutions made from steel contribute in important ways to environmental protection (see the section on “Sustainability”). In addition to the day-to-day tasks of the specialist area, the transformation construction site and regulatory requirements arising from European climate policy are among the key tasks of the financial year.

Transformation

After the operating licenses for the new plants were issued in the reporting year as part of the transformation, the detailed planning had to be implemented together with the new construction department and the plant constructors. This issue will continue to be decisive in 2026.

Environmental management

In spring 2025, the conformity of Dillinger, ROGESA and ZKS in accordance with DIN EN ISO 14001:2015 was successfully confirmed in a recertification audit of the environmental management system. As part of environmental inspections ensuring compliance with the European Industrial Emissions Directive (IED), official inspection of the corrosion protection system (including the blasting system) and the blast furnace gas power plant took place in 2025.

Incident inspection at ZKS and at ROGESA

In 2025, the annual incident inspection at ZKS and ROGESA was carried out by the State Office for Environmental Protection and Occupational Safety (LUA) and no deviations were identified. The safety report and the associated ZKS documents were finalized in 2024 in coordination with the LUA and submitted to the LUA and the Saarlouis Lower Disaster Control Authority.

Determination of product carbon footprints (PCF)

As part of the sustainability strategy, a product-specific CO₂ value was determined for the heavy plate product in accordance with the DIN ISO 14067 / IPCC AR6 GWP100 standard. An Environmental Product Declaration (EPD) is publicly available on the Dillinger website.

Corporate Carbon Footprint (CCF) for the SHS Group as a whole

In addition to product-specific emissions, the consolidated balance sheet for the entire Group is an important basis for strategic projects as well as for communication with stakeholders and sustainability indices such as SBTi, CDP and EcoVadis (see the section on “Sustainability”). As part of the climate protection objectives, the upstream chain – represented by Scope 3 emissions – was examined in greater detail and a screening of upstream chain emissions was carried out. In the CCF report, all 15 categories of the upstream and downstream value chain are considered and all relevant categories are reported accordingly.

Most significant shareholdings

ZKS Zentralkokerei Saar GmbH, Dillingen

Aktien-Gesellschaft der Dillinger Hüttenwerke und Saarstahl Aktiengesellschaft each hold an indirect 50% interest in ZKS Zentralkokerei Saar GmbH (ZKS). ZKS produces coke that is intended exclusively for use in the blast furnaces of ROGESA Roheisen- und Rohstoffgesellschaft Saar mbH. At 1,257 kt, total coke production in 2025 was slightly below the level of the previous year's production (2024: 1,290 kt) ZKS is a company without employees. Personnel required for operation of the coke plant are provided by Dillinger. Investments at ZKS in 2025 amounted to € 2.7 million (2024: € 2.5 million).

ROGESA Roheisen- und Rohstoffgesellschaft Saar mbH, Dillingen

ROGESA Roheisen- und Rohstoffgesellschaft Saar mbH (ROGESA), in which Dillinger holds a 50% stake (directly and indirectly), produces hot metal exclusively for its shareholders Aktien-Gesellschaft der Dillinger Hüttenwerke und Saarstahl Aktiengesellschaft. Operational management of ROGESA, as a company without employees, lies in the hands of Dillinger.

Hot metal production from blast furnaces 4 and 5 amounted to 3,040 kt in 2025 (2024: 3,903 kt). In the reporting year, 1,673 kt (2024: 2,017 kt) were delivered to Dillinger and 1,367 kt (2024: 1,886 kt) to Saarstahl. Investments at ROGESA in 2025 amounted to € 25.1 million (2024: € 31.4 million).

ROGESA is the sole shareholder in Gichtgaskraftwerk Dillingen GmbH & Co. KG, which leases a 90 MW power plant at the Dillingen site to the operators of the GKW – Dillinger, ROGESA and ZKS – to generate electricity.

Dillinger France S.A., Dunkirk

Dillinger France S.A. is a wholly owned subsidiary of Dillinger and operates a rolling mill in Dunkirk, where heavy plate is produced on behalf of Dillinger. Dillinger supplies semi-finished products as input material for processing.

Dillinger France's total production grew from 495 kt in 2024 to 535 kt in 2025. Production capacity utilization developed positively due to an increase in orders for pipeline projects. Improved performance (reliability and availability) in the rolling mill and in finishing shop enabled this return to higher production levels.

The investment volume amounted to around € 15 million (2024: € 17 million). In addition to investments in the rolling mill, this primarily related to renovation of the high-voltage technology, replacement of crane runway girders and the control station in the slab storage, installation of a flatness measurement system, and continuation of the project for a new office and administration building.

Sales revenue for the 2025 financial year amounted to € 148.4 million (2024: € 147.3 million). Dillinger France closed the 2025 financial year with a net income of € 10.0 million (2024: € 2.1 million), EBIT of € 11.1 million (2024: € 2.3 million), and EBITDA of € 24.8 million (2024: € 17.1 million).

The number of employees as of 31 December 2025 remained almost stable at 538 compared to 548 in the previous year.

Steelwind Nordenham GmbH, Nordenham

Steelwind Nordenham is a wholly owned subsidiary of Dillinger that operates a plant in Nordenham for the production of foundation elements for offshore wind turbines. By specializing in monopiles (beyond XXL) and single piece foundations (TP-less), Steelwind is setting standards in the offshore wind industry and actively contributing to the energy transition. Heavy plate steel in the required grades and dimensions is supplied by Dillinger and its subsidiary Dillinger France in Dunkirk. Monopiles are cost-effective foundation systems whose supporting structure is produced using heavy plates in thicknesses up to 150 mm. The structural elements have diameters of up to 11 meters, unit weights of up to 2,400 tons and lengths of up to 120 meters.

In the 2025 financial year, a total of 164 kt of heavy plate was processed in production. As a result, the plant once again achieved full capacity utilization and successfully produced components for three major offshore wind farm projects. The first half of the year was dominated by the US Sunrise project, for which 56 single-piece foundations were produced. At the beginning of the second half of the year, the first plates for the Baltic Sea project Baltica 02 2B (34 monopiles) were fed into the production process. Completion of the Polish order is scheduled for the end of the first quarter of 2026. In the fourth quarter of 2025, production was also launched of a further 50 monopiles for the British offshore wind farm Hornsea 03, which will ensure further capacity utilization in the 2026 financial year.

The total operating revenue of Steelwind Nordenham amounted to € 490.9 million in 2025 (2024: € 461.5 million). EBITDA for the 2025 financial year increased to € 169.2 million (2024:

€ 81.8 million), while EBIT amounted to € 145.4 million (2024: € 58.0 million).

EUROPIPE GmbH, Mülheim an der Ruhr

EUROPIPE GmbH manufactures and sells welded large-diameter pipe made of steel. Diameters of the large-diameter pipe range from 24 inches (610 mm) to 60 inches (1,524 mm). EUROPIPE GmbH is one of the world's leading companies in this market segment. Dillinger holds a 50% share of EUROPIPE.

The large-diameter pipes are manufactured in Mülheim an der Ruhr and coated by the EUROPIPE subsidiary MÜLHEIM PIPECOATINGS GmbH, Mülheim an der Ruhr.

At € 340 million, EUROPIPE GmbH's net sales revenue in the financial year was significantly higher than in the previous year (2024: € 263 million). Shipments increased to 215 kt (2024: 153 kt).

EUROPIPE posted incoming orders for 234 kt in 2025. The focus of the booked projects was on European onshore pipelines, which will form part of the European hydrogen network. Two projects were also booked in the USA.

In view of the increase in sales, we also succeeded in increasing the net income to € 11.8 million (2024: € 0.8 million). EUROPIPE GmbH employed a total of 390 employees at the end of 2025 (2024: 394).

EUROPIPE GmbH invested € 4.0 million (2024: € 6.8 million) in tangible and intangible assets in the financial year. Expenditures for further development of its products and the continuous improvement of production and quality assurance methods amounted to € 1.4 million (2024: € 1.7 million).

Demand for pipeline pipes is very strong in both the USA and Canada due to major LNG export projects and the large number of data centers currently under construction. The local American large-diameter pipe mills now have very long delivery times, which means that EUROPIPE has good booking opportunities for some projects in these markets in the coming year despite the high import tariffs of 50%.

As part of the updated overview of Projects of Common Interest, the EU has confirmed all major hydrogen pipeline projects for the coming years and added some new pipeline projects for CO₂. This reaffirms the EU's objective to build the infrastructure required for the energy transition in the long term. In the short term, only a limited number of projects will be put out to tender in 2026 – including Aramis, the first major European CCS project.

Positive effects are expected in the coming years from the planned implementation of the EU Commission's proposal to protect the internal market from cheap imports through stricter safeguard regulations and import duties.

Saarstahl Aktiengesellschaft, Völklingen

The difficult economic conditions had a noticeable impact on customer orders at Saarstahl. There was already a decline in orders in the second quarter, which intensified significantly from

the third quarter on. In the first half of the year, key facilities were underutilized, including the steel mill due to the planned reduction in inventories of semi-finished products, which resulted in an increase in block operations in the rolling mills and the number of employees working short-time. The company countered this situation by lowering the operating point and adjusting internal resources accordingly.

The forecasts for the 2025 financial year, which assumed significantly lower production and sales figures compared to the previous year, were confirmed: Both purchases of hot metal (1,367 kt, 2024: 1,886 kt) and crude steel production (1,567 kt, 2024: 2,183 kt) fell by around 28% over the year as a whole. Shipped quantities decreased by 17% from 1,942 kt to 1,607 kt.

Net sales for the financial year amounted to € 1,481 million (2024: € 1,858 million), EBIT was -€ 126 million (2024: -€ 60 million), and EBITDA was -€ 83 million (2024: -€ 18 million).

Saarstahl's capital expenditures for the 2025 financial year (after deducting grants) amounted to € 88 million (2024: € 55 million). During the year under review – as in the previous year – the planning and construction measures progressed steadily for the upcoming transformation of steel production in particular.

At the end of the reporting year, Saarlust employed 3,088 people (2024: 3,347). A total of 2,395 people were employed at subsidiaries and affiliated companies of Saarlust (2024: 2,268).

Risks and opportunities report

Dillinger has implemented a Group-wide risk management system (including a risk-bearing capacity analysis). The methods and tools are continuously developed and are based on recognized standards.

Organization of risk management

The risk management system at Dillinger consists in part of the risk coordinators and officers in the departments and subsidiaries. In addition, the central risk management department of SHS handles the coordinating, supporting and consolidating tasks for Dillinger.

The risk management system of Dillinger includes all measures aimed at ensuring systematic handling of risk and is focused on risk transparency, risk controllability and risk communication.

- **Risk transparency:** The aim of corporate risk management is to identify and highlight the key risks associated with business activities at the earliest possible stage. A systematic and consistent method of analysis and evaluation is used for this purpose.
- **Risk manageability:** We define this as avoiding, minimizing or transferring identified risks through new or existing risk control instruments. Transfer of risk is handled through the corporate service provider SHS Versicherungskontor GmbH, which is responsible for arranging adequate insurance coverage.
- **Risk communication:** The Board of Directors is informed about the current risk situation at regular intervals and with regard to specific events. Moreover, key risk management issues are discussed with the Supervisory Board.

A network of risk coordinators has been established worldwide to carry out the operational risk management process. Ad-hoc risk reporting has been implemented to supplement the semi-annual risk inventory. This makes it possible to generate a current overview of the risk situation at all times.

The time horizon considered in the risk inventories is not limited. The assessments are generally based on individual assessments by the departments and are not subject to any mathematical/statistical specifications.

The risk topics are analyzed, processed and regularly coordinated with the company management by the corporate risk management department of SHS in coordination with the specialist departments.

As part of the integrated governance, risk and compliance concept, the risk coordinators collect additional information for early identification of compliance risks (preventive risk analysis). Deriving measures is part of the compliance program.

As part of the comprehensive corporate governance concept, Corporate Auditing is part of the risk management system as stipulated in the German Law on Control and Transparency in Business (KonTraG) and is responsible for setting up an internal management and monitoring system. In this capacity, it is also responsible for the systematic and effective internal auditing of the risk management system.

For external reporting, the information from internal reporting is supplemented and updated. The aim is to transparently reflect the current risk situation. The risk assessment takes into account quantitative as well as non-financial, qualitative criteria. Based on this information, the risk is classified as low, medium, high or very high. These categories then reflect the current assessment of the relative extent of risk and are to be understood as a guide to the current significance of the risks for the company.

Organization of opportunity management

Opportunity management at Dillinger involves the systematic handling of opportunities and potentials. It is directly embedded into the work of the Board of Directors of Dillinger. The transformation program is contributing in important ways. The key opportunities for Dillinger are discussed in more detail in the following sections.

Strategic opportunities

Steel is indispensable for the sustainable production of renewable energies and for the development of new and climate-neutral mobility solutions. Dillinger is already producing the steels required for the energy and climate transition, among other things.

Dillinger and Saarlust are progressing according to plan in their transformation to climate-friendly steel production. One of its aims is to be able to offer its customers a high-quality portfolio of CO₂-reduced steel products in the future. By 2028/29, in addition to the established blast furnace process, the new production line with an electric arc furnace (EAF) will be built at the Völklingen site, and an EAF and a direct reduced iron (DRI)

plant for the production of sponge iron will be built at the Dillinger plant site. Following the funding commitments from the federal and state governments at the end of 2023, the ordering of the central gensets and securing of the first green hydrogen volumes (2024/25), successful completion of the overall financing in fall 2025 marks another decisive step for the success of this project. We are confident that climate protection, innovation, and competitiveness can and must go hand in hand, and through the implementation of Power4Steel, we are making a clear commitment to Germany as a production location. This is another key milestone on our path toward a CO₂-reduced future.

The availability of renewable hydrogen is also a key factor in the success of our Power4Steel decarbonization project.

Connecting Saarland's economy to Germany's core hydrogen network is essential to the project's success. The Bundesnetzagentur (Federal Network Agency) has approved the application for the hydrogen core network. The core network is to be developed in phases by 2032. The connection is a precondition for the "green" transformation of the steel industry, which is dependent on large quantities of hydrogen. In addition, the first initiatives to establish a cross-border local hydrogen infrastructure have already been implemented together with various partners from the energy/hydrogen production and infrastructure sectors. Contracts were concluded for the construction of the cross-border hydrogen network mosaHYc, which is to go into operation at the start of DRI production in Dillingen. mosaHYc is intended to ensure the transport of hydrogen to the Dillingen steel plant site so that the production of CO₂-reduced steel (Power4Steel decarbonization project) can start there.

With a connection to a higher-level German or European hydrogen network, the hydrogen volume is to be gradually increased from 6,000 tons at the outset to up to 120 kt once the project is fully operational.

The shift to the DRI/EAF process will lead to growing demand for scrap metal in general, and for high-quality scrap metal in particular. Scrap materials such as shear scrap offer great potential for increasing the use of scrap due to their availability. However, their usefulness depends heavily on the presence of contaminants and trace elements such as copper. For this reason, ROGESA, a subsidiary of Dillinger and Saarlöh, is planning an innovative processing plant for shear scrap that combines new material preparation techniques with a special AI-assisted object recognition method, and X-ray-based analytics. This innovative facility enables significant energy and emissions savings and is 20% funded by the Federal Ministry for the Environment. The plant is scheduled to begin operating in 2029.

Due to the transformation and the resulting reduction of by-product gases used for on-site energy supply, modifications to existing furnaces and the steam network will be necessary. To accommodate these changes in the energy system, electrification measures are being explored in order to reap the long-term benefits of electricity's flexibility and cost advantages. The measures examined include heat recovery systems, turbines for power generation, and electric steam generation. In addition, the electrification of furnaces is being studied.

With these plans, Dillinger aims to be a pioneer in "green" steel production in Germany and Europe. We need legislation to protect the steel industry, which is of systemic importance for Germany, and to maintain its international competitiveness by creating reliable framework conditions:

Gas, electricity and hydrogen must be available in sufficient quantities and at competitive prices. In addition, legislation to protect against cheap steel imports from third countries, especially from the Asia-Pacific region, as well as to reduce bureaucratic burdens and to introduce green lead markets are absolutely essential in order to protect and support domestic steel production. Such foundations are necessary.

The joint transformation program for Dillinger and Saarlöh is also designed to systematically tap into new growth opportunities through existing and new products, thereby enabling the companies to position themselves in promising new business segments. The transformation of Saarland's steel industry is therefore much more than "just" the conversion and expansion of facilities; rather, it will involve a complete overhaul of business models and value chains.

This includes in particular the expansion of the offshore wind business segment, in which Dillinger has been active in the production of monopiles for more than 10 years with its subsidiary Steelwind Nordenham, in addition to the actual plate production. The company's status in Europe as a solution provider in this area must be maintained and further expanded.

The recyclability of the Dillinger monopiles will be enhanced in the future. This approach helps meet the company's own scrap requirements while also increasing the proportion of recycled material in downstream products, a factor that will become increasingly important to Dillinger's customers. During the reporting year, an initial rough concept for increasing circularity was developed, which will now be refined and integrated into the business strategy starting in 2028.

In this context, Dillinger's sustainability strategy produces opportunities. The company's activities in the area of Corporate Social Responsibility (CSR) have been recognized repeatedly. The rating confirms the high quality of sustainability management at Dillinger, which is becoming increasingly important for Dillinger's business partners in particular.

Dillinger's focus on the future is underscored by the new brand design approved jointly with Dillinger in the reporting year, in which the central elements of the joint transformation brand Pure Steel+ were adopted. The new brand identities symbolize the strategic realignment of Dillinger and mark an important milestone in the development of both companies. This increases both the attractiveness of Dillinger (and Saarlöh) to customers and its attractiveness as an employer to young (management) employees.

Operational opportunities

We are positioning ourselves to successfully remain competitive in the medium and long term, concluding long-term energy supply contracts and launching an intensive sales initiative to leverage and develop new sales opportunities. To further boost competitiveness, Dillinger has launched a "DH Future Program"

aimed at improving efficiency and reducing costs. Implementation of the measures developed to increase productivity, eliminate duplicate structures and bundle sales activities is progressing steadily.

In March 2024, ROGESA launched a closed bidding process for the procurement of regionally produced "green" hydrogen. As a result of this regular tender, Verso Energy and ROGESA agreed in 2025 to an annual supply of at least 6,000 metric tons of hydrogen starting in 2029 for a period of ten years.

Verso Energy will supply hydrogen certified as Renewable Fuels of Non-Biological Origin (RFNBO) to Saarland's steel industry. The certification guarantees that the hydrogen was produced using green electricity. Using these initial quantities of hydrogen, steel scrap, and new plant technology—consisting of a direct reduction plant and an electric arc furnace at the Dillinger site, as well as an electric arc furnace at the Völklingen site—the SHS Group (as the only integrated steel producer in Germany) has the opportunity to achieve its target of reducing CO₂ emissions by up to 55% by the early 2030s.

Verso Energy will produce the hydrogen through the Carling Hydrogen Next Generation (CarlHYng) project in Carling, France. As a first step, Verso Energy plans to invest more than € 100 million in the construction of an electrolyzer there, which will be powered by electricity from renewable energy sources. The hydrogen produced is fed into the Moselle-Saar hydrogen conversion (mosaHYc) pipeline network, transported to the Dillinger steel plant, and used there to produce CO₂-reduced steel.

A new energy management system was launched in 2025. The department established for this purpose will minimize regulatory risks while also seeking to capitalize on opportunities by making production more flexible, engaging in physical hedging in the market, and adopting grid-friendly behavior.

A long-term electricity supply agreement was concluded with EnBW Energie Baden-Württemberg AG in 2024. EnBW is supplying green electricity from the "He Dreiht" offshore wind farm (scheduled to be fully operational by summer 2026) to support the transformation of Saarland's steel industry. The supply of green electricity will enable Dillinger to transform its business activities sustainably and reduce its own future CO₂ emissions during steel production. The monopiles for this wind farm were supplied by Dillinger and Steelwind Nordenham.

Offshore wind power is a key component in achieving a sustainable energy supply and, consequently, Germany's energy and climate goals. Offshore wind power is becoming an increasingly established part of Germany's electricity mix. With the amendment to the Offshore Wind Energy Act (WindSeeG) in early 2023, the expansion targets for offshore wind energy were raised. The installed capacity is to be increased to at least 30 GW by 2030, to at least 40 GW by 2035, and to at least 70 GW by 2045 in the North Sea and the Baltic Sea. The law also provides for expedited planning approval and authorization for the areas designated by the Federal Maritime and Hydrographic Agency (BSH) in order to accelerate the expansion even further.

Even though project cancellations are currently disrupting existing plans, the ambitious expansion goals are being maintained

worldwide in the long term. Offshore wind therefore remains a growth market for us (see also the sections on industries, the business environment, and the market). With the expansion of technical capabilities in heavy plate and at Steelwind Nordenham, Dillinger is very well positioned in this area and is striving for further optimizations.

On the sales side, entering into agreements and partnerships with our customers should provide further impetus to support investments in new, lower-emission steel production.

We have been committed to Germany's security for many years with our extensive DIFENDER product portfolio, which covers virtually all the needs of the defense industry, and we are actively working to strengthen its defense capabilities. In the heavy plate sector for safety technology, the aim is to meet the highest safety requirements with a minimum of weight. Dillinger is very well positioned technologically. Dillinger is tapping into new markets with its high-strength safety steels, which have been recognized and approved by both customers and regulatory authorities, such as under TL 2350-0000. Our tried-and-true security steel, "Made in Germany," is now available from stock. However, it accounts for only a small share of total steel production.

A comprehensive IT & digitalization strategy is being implemented in order to further develop from a digital perspective and thus become faster, more efficient and more competitive. This roadmap pursues a consistent modernization of the process & IT landscape and the targeted use of AI in the production environment. In addition, the established IT security measures are being continuously strengthened.

The transmission system operator Amprion is expanding its power grid in Saarland in order to enable it to supply Dillinger and other industries with more electricity in the future. The plans envisage implementation by 2029. Until then, the necessary lines and systems will be successively built.

In March 2025, the German parliament passed an amendment to the Basic Law that exempts spending on defense and security above a certain level from Germany's "debt brake" (Schuldenbremse). A special fund worth € 500 billion for infrastructure spending and climate protection was also approved. We see the goal of generating significant economic growth through economic stimulus and investment programs as an opportunity for the steel industry in Germany, among other things.

Risk report

Industry-related, external and market risks

After two years without economic growth, the federal government and economic research institutes expect only minimal growth in 2025, if any. Things are expected to pick up slightly next year. However, the so-called "Wirtschaftsweisen" (German Council of Economic Experts) has recently revised its forecasts for 2026 slightly downward. Members of the Council expect GDP growth of just 0.9% in 2026 as well—far too little for an economy like Germany's.

Demand for steel continues to suffer significantly from global overcapacity, grossly unfair trade practices, and energy costs that are far too high in this country. This is compounded by low

demand, which the World Steel Association (worldsteel) forecasts will remain at a low level in the coming year.

Alongside these highly problematic developments, the transition of energy-intensive steel production to green energy is very costly. This is particularly true for Germany, where economic conditions have been very poor for years and, as a result, demand has fallen sharply.

The pressure resulting from international trade frictions has led to devastating diversion effects for products and has intensified significantly once again in 2025. However, we expect the situation to improve in 2026 as a result of the so-called CBAM and the safeguard measures planned for the summer

Despite the escalation of the global trade conflict, forecasts are cautiously optimistic that global steel demand will bottom out in 2025 and that moderate growth will be recorded in 2026. A slight increase of 1.3% is therefore forecast for 2026, which would bring global demand to 1.772 billion metric tons. (Source: World Steel Association (worldsteel) in its latest short-term outlook).

Due to a slight improvement in the economic conditions facing European industry, the European Steel Association (Eurofer) now forecasts that apparent steel consumption will decline by only 0.2% in 2025. A potential recovery is not expected until 2026 (an increase of 0.8%). The outlook for the weighted steel industry production index (SWIP) is -0.3% for 2025, with growth of 1.9% and 2.2% projected for 2026 and 2027, respectively.

According to Eurofer, steel consumption volumes are expected to remain well below pre-COVID-19 pandemic levels. Steel imports in Q3 2025 reached a record high of 29% and averaged 27% for the year, remaining at a historically high level, while exports for 2025 plummeted by 12%, according to the association. The negative economic conditions Eurofer listed include US tariffs, persistently weak demand, and continued high energy prices.

As expected, economic uncertainties and trade conflicts have intensified following the presidential election in the United States.

In early June, the US raised tariffs on steel and aluminum imports from 25% to 50%. Recently, the US president hinted at even higher tariffs on steel imports in an effort to encourage companies to manufacture in the United States. The renewed flare-up of the trade conflict between the US and China shows that: a residual risk remains, even though the US government has concluded agreements with some trading partners.

One ray of hope for the steel industry was the "Steel and Metals Action Plan" announced by the European Union at the end of March, which aims to not only tighten existing safeguard measures but also promises a trade policy successor instrument for the period after the safeguards end in 2026. In addition, the plan calls for a revision of the Carbon Border Adjustment Mechanism (CBAM) and the creation of lead markets for "green" steel. One urgently needed measure to support the European steel industry is the European Commission's plan to expand tariffs on steel imports. Since the current mechanism expires on 1 July 2026, the EU has decided to halve the existing duty-free

quota for steel imports starting in July 2026 and to double the tariff from 25% to 50%. The European Commission aims to protect the steel industry from heavily subsidized—and therefore cheaper—competition, particularly from various third countries (Vietnam, South Korea, China, Indonesia, Turkey, etc.).

The expansion of offshore wind power is stalling: the Federal Association expects installed capacity to reach only 19.5 gigawatts by 2030. The goal of 30 gigawatts is no longer achievable. Overall, risks in the offshore wind segment are on the rise. The main factors to note here are rising financing costs, interest rate trends, the negative economic trend in the US, and increased imports from Asia.

President Trump has halted the expansion of wind farms in the US until further notice. Shortly after taking office, he signed a ban on the construction of new offshore wind farms. The executive order also prohibits the leasing of new areas at sea along nearly the entire US coastline (Outer Continental Shelf). Moreover, it calls for a comprehensive government review of the permitting processes for all onshore and offshore projects, based on their impact on national security, electricity prices, grid stability, biodiversity, and other factors. Projects already approved within the country's territory are to undergo a comprehensive review to assess the possibility of terminating existing wind farm lease agreements.

For Chinese competitors, entering the market has become easier due to significant price increases in Europe and anticipated market shortages. By rapidly expanding their production capacity and delivering strong performance, combined with massive subsidies, these competitors have been able to turn the situation to their advantage.

Some of the production facilities that have been rebuilt in Europe are facing technical problems. Since some of these plants are our customers, this poses risks to our plate deliveries to them.

Dillinger continues to focus on the monopile market in the offshore wind segment. We are countering these risks with improvements to the cost structure as well as strategic alignment of the product structure. The partnership and cooperation with a major customer was strengthened and expanded in the reporting year. The concept of low-emission steel will therefore be given greater importance in future and a circular monopile economy will be achieved. The groundwork has already been laid with various partners to use lower-emission steel from Dillinger in future offshore wind farms. The partners signed a memorandum of understanding aimed at supporting investment in new, lower-emission steel production. More than 100 offshore wind projects worldwide are already using Dillinger quality steel in their foundations.

As a manufacturer of super-heavy steel plates for the offshore wind power sector, Dillinger is indisputably one of the key players in the energy transition. To expand offshore capacities, global energy companies are relying on the dependable supply of high-quality steels from and by Dillinger. In addition to its main market in Europe, the US market is also of interest to Dillinger, although no positive effects are expected during Donald Trump's presidency.

The positive trend at the wholly owned subsidiary Steelwind Nordenham continues. Dillinger will continue to benefit in 2025 and make a significant contribution to achieving the climate goals set for Germany and Europe. By 2025, Steelwind will have delivered foundation structures for more than one gigawatt of offshore capacity. This equals the output of a nuclear power plant.

In contrast, the positive trends in the linepipe market, which had been met with high expectations, had still not materialized by 2025. One of the main causes is US tariff policy, which is having a significant negative impact on the business of Europipe, a 50% subsidiary. Other causes include numerous schedule changes and significant delays in project approvals. Nevertheless, the outlook for the expansion of global pipeline infrastructure over the next few years is cautiously optimistic. The outlook for growth in the oil and natural gas pipeline sector (primarily in the US and the Middle East) remains positive.

Overall, we assess the risks for Dillinger as **moderate**.

Regulatory risks

The European Union remains a driving force in global climate protection. Under the European Green Deal, the 27 EU member states aim to become climate-neutral by 2050. The federal government also remains committed to the goals enshrined in German and European climate legislation and, in accordance with the coalition agreement, supports the existing commitments to achieve greenhouse gas neutrality in Germany by 2045 and in the EU by 2050. It also supports the European interim climate target for 2040 of a 90% reduction compared to 1990 levels, with the ability to achieve up to 3 percentage points of that reduction through credible reductions outside the EU.

The federal government aims to ensure compliance with national climate targets by 2030 and 2045 through a "comprehensive climate protection program." It is currently developing a comprehensive climate protection program in accordance with Section 9 of the Climate Change Bill (Klimaschutzgesetz, KSG), which includes sector-specific and cross-sectoral measures designed to achieve the climate protection goals defined in Section 3 (1) KSG. In addition, the federal government specifies the measures it will take to achieve the objectives set forth in Sections 3a and 3b.

The reform of the European Emissions Trading System (EU ETS), which took effect in 2023, provides, among other things, an incremental reduction in the quantity of carbon certificates – the emission allowances – in the EU Emissions Trading System (ETS 1) by 62% by 2030 compared to 2005 (previously 43%). This will cause the price of carbon emissions to rise. At the same time, the introduction of the Carbon Border Adjustment Mechanism (CBAM) will result in a growing need for companies to purchase carbon certificates starting in 2026, as the existing carbon leakage protection measure – "free allocations" – will be phased out and completely eliminated by 2034. For Dillinger, the stricter rules for emissions trading mean that there will be a significant additional financial burden due to the allowances that have to be purchased. At the same time, we are seeing new steel plants being built on the integrated blast furnace process in countries such as China and India. This directly contradicts

policy in Germany and Europe and therefore also means a deterioration in the competitive situation of steel manufacturers in Germany and Europe.

However, Dillinger and Saarlust are pursuing a forward-looking strategy – particularly for Europe – to produce CO₂-reduced steel (see the section on "Strategic Opportunities"). The transformation currently underway aims to decarbonize Saarlust's steel industry. Starting in 2029, after the ramp-up phase is complete, up to 3.5 million metric tons of CO₂-reduced steel is expected to be produced annually in Saarlust, and by gradually increasing the use of hydrogen, up to 4.9 million metric tons of CO₂ are projected to be reduced compared to 1990 levels. This is one of the largest decarbonization projects on the continent.

The availability of renewable hydrogen will be a key factor in the success of Power4Steel, particularly in the 2030s. Dillinger and Saarlust are making steady progress in their transformation and will offer their customers a high-quality portfolio of CO₂-reduced steel products. However, policymakers must ensure that the necessary infrastructure is in place.

Starting in 2026, companies with especially high energy needs are slated to receive relief through a government-subsidized industrial electricity rate. The EU gave its general approval for an industrial electricity price in June 2025. However, our companies should not expect any further reduction in electricity costs, as they may choose between the so-called electricity price compensation or the new industrial electricity regulation; the latter applies only to 50% of electricity consumption and would be in effect for a limited time, specifically from 2026 to 2028.

Implementation of a "green steel premium" is also a precondition for the economic success of the green transformation. We are already conducting intensive market and customer outreach with this in mind – and will be further increasing our efforts in the future.

In view of these circumstances, we continue to classify the risks from regulatory requirements, developments and constant new political (bureaucratic) proposals as **high** for Dillinger.

Risks from operating activities

Production risks

Dillinger's operational production facilities may experience operational disruptions, property damage, and/or quality risks. These may be due to the complexity of the manufactured products, to the complexity of the manufacturing processes and technical operating facilities, to human error, or to force majeure. In addition, the simultaneous transformation to low-carbon steel production is increasingly tying up internal resources, which inevitably increases the risks associated with existing plant operations. Risks are mitigated through ongoing investment in state-of-the-art equipment, systematic methods, and innovative diagnostic systems for preventive and, increasingly, condition-based maintenance. In addition, the quality assurance system, which is certified in accordance with international standards, is being consistently improved.

Procurement risks

The raw materials for the bulk goods required for hot metal production are procured worldwide. The multitude of geopolitical

crises could therefore have a negative impact on the procurement situation. However, both availability and price conditions as well as transport capacities may be subject to strong fluctuations depending on the current situation and the intensity of other crises.

To minimize risk, a continuous diversification process has been implemented in the procurement of raw materials with regard to sources and qualities. Long-term supply contracts are also concluded to secure supplies. In order to minimize price risks caused by volatile markets, contractual hedging of quantities and prices is used with the respective supplier/trader (natural hedge) or with derivatives, depending on the market situation. In addition, alternative possibilities for making the use of raw materials more flexible are constantly being tested and evaluated.

The transport situation did not improve in 2025 due to infrastructure projects undertaken by Deutsche Bahn and the lock accident on the Moselle at the end of 2024. The effects of the infrastructure measures relating to climate-neutral transport are coordinated bilaterally and at association level in order to minimize the impact on our industry. The transition to new transport systems (e.g., new railcars from Innofreight) and the resulting requirements for a new unloading station (modifications to operational infrastructure) remain an integral part of operational risk management.

When providing raw materials for the production facilities, any short-term shortages of input materials have varying degrees of impact on the quality and costs of the various production facilities and steps. Operational countermeasures are used to counteract the risks on an individual basis.

Overall, security of the supply of raw materials, energy and logistical capacities in the required quantities and quality can be considered ensured over the medium term.

As part of the implementation of the obligations arising from the Supply Chain Duty of Care Act, SHS identified key business processes in 2023 and subjected its suppliers to a risk analysis. In 2025, the risk analysis was conducted for the first time using an analytical software tool. Preventive measures have been implemented. No corrective measures have been necessary so far.

IT and cyber risks

Information processing contributes in important ways to Dillinger's competitiveness. The availability of correct data and information flows is of central importance. Specific information technology areas are consolidated centrally. Risks exist in the interruptions in key production and management systems within the value chain. The risk of unavailability or to integrity can in particular arise due to system access by unauthorized third parties. In addition, the confidentiality of the data and information may be compromised by industrial espionage or sabotage, for example. There are also general threats from cybercrime and cyberfraud. The changing global boundary conditions in 2022 mean that cyber risks are on the rise.

In 2025, cyber incidents will continue to be the biggest business risk worldwide (source: Allianz Risk Barometer, 2025). Dillinger counters these risks by continuously monitoring and updating

the software used and the information technology protection systems by Group IT. At the same time, the Information Security department is being strengthened by increasing staffing levels in order to promote development of an information security management system and respond quickly and appropriately to cyber security events, including threats and incidents.

In addition to the use of the latest technologies, emergency planning and drills are part of the information security concept and, alongside practical preparation for possible incidents, serve to continuously optimize IT operating processes. It is essential for effective protection that employees have sufficient knowledge and awareness of cyber risks.

Development of the information security management system, which is based on the internationally recognized ISO 27001 standard, was stepped up in 2025. The aim is to protect Dillinger with the security measures provided for this purpose. Certification of parts of the IT infrastructure is planned for 2026. In addition, a Security Operations Center (SOC) was put into operation and further developed in technical terms.

Close cooperation between departments and data protection officers ensures that personal data is always processed in accordance with the regulations of German Data Protection Law.

Human resource risks

For Dillinger as a manufacturer of products with high technological standards and quality, qualified specialists and executives and their strong commitment to the success of the company are of primary importance.

In view of this, Dillinger places great importance on being an attractive employer. There is a general risk of losing skilled employees, and with them, expertise. The company counteracts this by providing training in various professions and retaining students through various models (working and cooperative students, other collaborations, etc.). To come into contact with suitable people, Dillinger engages in a wide range of recruiting efforts. The company also promotes collaboration across multiple generations of employees to ensure systematic knowledge transfer to those who will succeed retiring experts and managers. These efforts are supported by specially trained coaches who help to systematically record the knowledge critical to success and transfer it by means of a transfer plan to the successors of employees leaving the company. The topic of knowledge transfer is also of essential importance when it comes to job and personnel reductions resulting from synergy and optimization measures.

As part of the upcoming transformation of the steel industry, highly qualified specialists are increasingly needed and also recruited. Due to the medium- and long-term development of the labor market (including a shortage of skilled workers), a targeted and proactive approach to recruiting potential applicants is a precondition. Corresponding image and advertising campaigns – including development of the Pure Steel+ employer brand – have been initiated and must be continued, especially in the area of training.

As an employer, we attach great importance to offering our committed employees an attractive environment in which they feel

comfortable, can combine work and family life and fully develop their talents. Accordingly, Dillinger was also awarded the “Family-friendly company” seal of quality in 2025 by the Working and Living in Saarland service center (saar.is) and the Saar Chamber of Industry and Commerce.

Environmental risks

The production processes in hot metal and steel production as well as heavy fabrication involve innate process-related environmental risks including contamination of air and water. Dillinger therefore does everything it can to exclude damage caused by the product or its production through intensive quality and environmental management. For instance, the company operates an integrated management system that combines quality management, energy, workplace safety and environmental protection with incident management. In addition, the company also invests continuously in measures that increase the effectiveness of its protection of the environment and fulfill environmental requirements. However, there are still risks in the tightening of environmental constraints and regulations with requirements that may not be economically feasible with current technology.

For information on the environmental risks associated with the transformation project, please see the “Power4Steel” section.

We continue to assess the risks from cyber threats as **moderate** due to the dynamics in this area, and the other risks from operating activities as **low**.

Financial risks

Safeguarding the financial independence of the company by coordinating financial requirements is of central importance for Dillinger. To do so, the financial risks are actively managed and limited. This is supported by integrating the Finance department under the umbrella of SHS. Use of an IT-supported treasury system simplifies control and enables processes to be mapped more efficiently.

Price, volume and currency risks on the procurement side result from concluded delivery obligations for the future. To effectively contain these risks, Dillinger uses financial instruments such as forward contracts and/or derivatives as over-the-counter (OTC) or exchange-traded instruments. The company concludes financial instruments only with counterparts that have an excellent credit rating. Receivables in the area of deliveries and services are continuously monitored. Transactions are always secured by means of credit insurance. The resulting risk of default can therefore be considered low.

A steel producer’s financing of capital-intensive investments in fixed assets is always made at matching maturities, taking into account the expected capital returns and the necessary backing with equity capital. In addition, all of the key subsidiaries are incorporated in the short- and medium-term financial plan according to uniform standards. During regularly occurring analysis, both the current status and planning are incorporated into the risk management system. This ensures the necessary financial flexibility for Dillinger.

The transformation towards the production and marketing of “green” steel requires considerable financing. This is covered by a consortium of 14 banks and 2 export credit agencies.

- **Financing structure:**
 - Part of the financing is secured for a period of 12 years.
 - Other tranches must be repaid after just 5 years (or after 6 or 7 years if extended).
- **Risk factors:**
 - **Internal risks:**
 - Ensuring that the business plan is fully funded
 - Compliance with loan conditions and covenants
 - **Internal risks:**
 - Sector performance trends
 - Risk assessment and credit rating by banks
- **Other risks:**
 - Interest rate and currency risks, which are at least partially mitigated through appropriate hedging instruments.

To effectively counter these and other fundamental financial challenges of financing the “green” transformation, a project organization was created that continuously monitors the key potential risks and mitigates them with appropriate countermeasures. Key activities for this include:

- Securing the business plan and the financing concept based on it and the underlying assumptions
- Designing and acquiring a resilient financing structure including complementary and alternative components
- Creating a financing reserve to secure liquidity requirements for the “green” transformation
- Continuous monitoring and management of liquidity, interest rate and inflation risks

Independent of this, market risks can influence fluctuations of current market values or future cash flows from financial instruments. Dillinger actively counters these risks through the use of foreign exchange, interest rate and issue hedging transactions. These instruments considerably limit or completely eliminate market price risks.

In general, hedging instruments are not employed separately from the underlying performance-based transaction. They are regularly monitored and analysis is generated for control purposes. The results are incorporated into the risk management system. Any residual risk is considered low. The financial reporting of the listed hedging instruments is presented in detail in the notes to the financial statement and consolidated financial statement under notes to the balance sheet.

The hedging relationship for each risk (except loans) is at the level of an anticipatory portfolio hedge. For hedges in the area of loans, this is done at the micro-hedge level. The variable interest rate of the respective underlying transaction is swapped for a fixed interest rate (SWAP).

Ongoing financial and liquidity plans and a far-reaching cash management concept ensure the company’s liquidity at all times. The risks arising from the transformation are offset by a

number of mitigating factors that significantly reduce the risk potential:

- Current funding decision
- Established procedure for early drawdown of funding, which allows for largely liquidity-neutral processing of the subsidized disbursements
- Newly established process for monitoring funding

Overall, the financial risks are considered to be **low**.

Legal risks and compliance risks

The company is currently involved in various proceedings, the outcome of which are open. In addition, there is a risk after major proceedings have already been concluded that various civil proceedings will follow or that further settlement discussions will have to be held.

For very specific issues that reach beyond German and French jurisdictions, Dillinger also procures the expertise of external legal practitioners. This is also true for issues that carry a high risk of uncertainty.

The compliance program of the SHS Group and thus of Dillinger was continued in the past financial year by the Compliance Committee. Compliance events and publications on specific topics continue to be used preventively to encourage conduct in accordance with the rules and with integrity. The continued use of an e-learning tool means that the training content can be accessed worldwide. An independent, structured procedure for reporting and processing tips has been implemented.

The Human Rights and Environmental Risk Management Unit (BSMU) is responsible for monitoring the SHS Group's specific risk management in accordance with the Supply Chain Due Diligence Act (LkSG), which has been in force since 1 January 2023. In 2025, the focus was on the use of the software tool introduced at the end of 2024 (implementation phase), which is used to support internal and external LkSG risk analyses. Effectiveness analyses and awareness-raising measures were also carried out as standard practice and topic-specific training courses were held.

A Group Data Protection Officer (iDSB) has been appointed for the practical implementation of the General Data Protection Regulation, which came into force in May 2018. Due to an absence in the reporting year, this officer was temporarily replaced by an external data protection officer. Local data protection officers are also appointed where necessary. Online data protection training (e-learning) was carried out during 2025. Further training courses are planned for 2026. The data protection coordinators appointed by the divisions were also successfully trained in classroom instruction.

Compliance with international sanctions in connection with the Russia-Ukraine war was granted, especially in connection with the supply of raw materials, but also from a distribution perspective as far as foreseeable on the basis of a strict but justifiable interpretation of these sanctions. The risk of a lawsuit being filed by affected suppliers of the hot iron supplier ROGESA has decreased.

The risks are classified as **moderate**.

Transformation process

The interdepartmental "Power4Steel" (P4S) project group is responsible for managing and monitoring Europe's most ambitious transformation project.

Due to the enormous importance of the transformation towards the production of "green" steel for Dillinger, project-related risk management is embedded in the P4S project as a decentralized risk management system, which corresponds to that of the other areas of Dillinger.

Decentralized risk management monitors the P4S-specific risk inventory. The key developments and risks relating to the project are consolidated and reported in this section. The opportunities arising from the transformation are described in detail in the "Strategic opportunities" section. In the course of the risk assessment, the following risk areas should be mentioned at an aggregated level.

The construction project officially began in 2024. To manage the challenging technical and timeline aspects of implementing the project, the company is cooperating with experienced external business partners.

The permits under the Federal Emission Control Act (BImSchG) for the construction and operation of the direct reduction plant (DRI) and the two electric arc furnaces (EAF) in Dillingen and Völklingen have been granted. These approvals represent significant progress for the project. To date, implementation is on schedule.

Extensive funding is being provided by the federal government and Saarland to implement the transformation measures. Various control and monitoring measures have been integrated into the awarding process to ensure that the requirements of the funding providers are met and to counter the risk of repayments. One of these is the continuous, project-related auditing of the procurement process and project awards. We are also in regular contact with the authorities responsible for funding; a reporting system has been established in this regard.

During implementation, costs may rise to the point where they exceed the budget and jeopardize profitability. In the medium term, the risks associated with potential damage have been upgraded. Efforts are aimed at mitigating this risk through, among other things, detailed technical planning, strict change management, and a supplier and materials strategy.

Delays in the construction and commissioning of large-scale units lead to schedule delays and can result in significant additional costs for subsequent projects. Risks are mitigated through realistic scheduling, contract clauses that ensure adherence to deadlines through penalties, close coordination on the construction site, transparency regarding schedule risks, and participation in the plant manufacturer's procurement planning.

Countermeasures have been implemented to mitigate the risk associated with budget definition and adherence for consulting services. This includes, for example, systematic monitoring and regular meetings with the project managers.

To increase transparency during the physical construction phase, the organization has recently been restructured once again to adequately address the growing challenges on the management side. This applies to both the organization's structure and its staffing.

To ensure the availability of renewable hydrogen at affordable prices, extensive infrastructure measures must be implemented at the national and European levels; however, we have very little control over or influence on these measures. Our focus here is on the German government's national hydrogen strategy.

The use of electric arc furnaces as core components in green steel production will multiply the demand for electricity. Here too, the availability of sufficient electricity at competitive prices determines the risk situation.

With regard to the existing regulatory risks, please refer to the comments in the section on regulatory risks.

Possible plans by the EU Commission to extend the period for the free allocation of EU ETS carbon certificates pose an incalculable risk to the successful implementation of the transformation of the steel industry. The plans to decarbonize production are based on the existing climate protection regulations and thus on the assumption of rising CO₂ costs (shortage of (free) allowances, increase in prices). Changes to long-standing policy guidelines could therefore have serious consequences for the project as a whole.

We consider the risks associated with the transformation process to be **high**. We **assess** the risks associated with the technical implementation of the Power4Steel project as **moderate**.

Overall assessment of the opportunity and risk situation

The technical implementation of the Power4Steel project is an enormous challenge for the operating units involved. We likewise rate the strategic challenges arising from the continuing difficult conditions for steel production in Germany, with the economic and geopolitical environment still showing no signs of improvement, to be of great significance. In addition, there are unforeseeable regulatory changes that could adversely affect our current plans and, consequently, our business activities. Nevertheless, we see the transformation program as an opportunity to secure the future viability of Saarland's steel industry. With the approved funding of approximately € 2.6 billion, combined with the external financing secured during the reporting year, the necessary support for what is currently the most ambitious transformation project aimed at decarbonizing steel production in Europe is essentially in place.

Since 28 February 2026, an armed conflict has been underway between the United States of America (USA) and the State of Israel on one side, and the Islamic Republic of Iran on the other. This conflict has a direct impact on the global economy. An internal task force has been formed to analyze developments and their implications and to develop potential countermeasures. Direct impacts are particularly evident in energy prices and in the restricted flow of goods and services. Prices have risen for gas, electricity, and oil, as well as for transportation, and further price increases are expected depending on how the conflict unfolds

and how long it lasts. Dillinger faces the risk that it will not be able to pass on these price increases in full to its customers. Potential risks to the security of supply are considered to be low.

Under these circumstances, there are currently no identifiable risks to the company as a going concern.

Forecast report

General economic conditions

According to the OECD forecast, economic indicators point to a slowdown in global growth; the global economy is projected to grow at a below-average rate of 2.9% in 2026 (2025: +3.2%). The central banks will cut key interest rates more slowly than originally expected, which means that monetary policy will continue to have a dampening effect. Geopolitical uncertainties continue to pose a risk and could lead to a renewed rise in energy and raw material prices. Global trade is under pressure due to trade conflicts, tariffs and political instability in key regions. Growth in the US (+1.6%), the eurozone (+1.3%) and Germany (+1.1%) will be rather subdued compared to the major Asian economies such as India (+6.2%) and China (+4.8%).

Steel market

In its latest Short-Range Outlook for 2026, the World Steel Association (worldsteel) forecasts a slight recovery in global steel demand of about 1.3%. China, in particular, is weighing heavily on global steel markets. According to worldsteel, the Chinese market will continue to decline in 2026. The association expects steel demand in the eurozone to rise by about 3% in 2026, driven in particular by positive infrastructure initiatives.

Heavy plate market

Demand for heavy plate is expected to remain stable overall in 2026 across Dillinger's core sectors: offshore wind, linepipe, steel construction, and earthmoving machinery. While the development of hydrogen infrastructure in Europe is providing a boost to the linepipe sector, strong growth in the offshore wind sector is not expected to return until the coming years. The mechanical engineering sector has significantly reduced its backlog of orders, yet according to the German engineering association VDMA, it is still not taking a more positive view of its situation. In 2026, the European market will undoubtedly be shaped by key foreign trade policy decisions regarding future safeguard quotas for imports from third countries and the level of CBAM charges effective 1 January 2026. Analysts generally expect this to lead to a price increase for commodity grades that are heavily sourced from imports.

Development of Dillinger

Given the weak macroeconomic outlook and existing risks, Dillinger is not expected to see any significant growth momentum in 2026 compared with 2025. Incoming orders are expected to remain at the previous year's level due to the stable performance of the core business segments. Delays in offshore wind projects are weighing on business in the short term; however, demand for heavy plate steel for offshore wind farms, driven by environmental considerations, is still expected to remain high. The decline in volume can be partially offset by increases in other areas, particularly in trading and flame cutting (SSC). However, the change in the portfolio structure is leading to a decline in revenue.

Economic policy measures such as the introduction of the CBAM and stricter safeguard regulations are expected to have a positive impact, helping to bolster stagnant business performance in terms of both quantities and revenue.

The order backlog at the end of 2025 ensures capacity utilization through the second quarter of 2026. In addition, there are long-term framework agreements in certain segments that specify heavy plate deliveries for the entire year of 2026. Sales volumes and rolling mill production are expected to remain stable.

Following the blast furnace shutdown for interim repairs in 2025, semi-finished product inventories were significantly lower than in the previous year. A targeted buildup of semi-finished products is expected in 2026. This leads to higher steel mill utilization and lower processing costs.

The increase in production leads in turn to a greater need for emission allowances. At the same time, starting in 2026, the amount of free allowances in the EU Emissions Trading System will decrease as the second half of the current trading period begins, which will result in higher overall CO₂ costs. Additional risks exist in relation to alloying agents due to further EU safeguard measures. While the costs of electricity, natural gas, and scrap metal are expected to remain largely stable, overall raw material costs are expected to rise.

To counteract this, comprehensive cost-saving initiatives were launched in 2025; these will have a greater impact in 2026 and will be supplemented by one-time effects. Combined with improved capacity utilization, this will more than offset rising raw material costs, so that overall costs are expected to decline.

Dillinger is able to counter recent uncertainties in the energy markets resulting from the Middle East conflict by securing natural gas at fixed prices and using electricity generated at its own power plant. No shortages are expected in the supply of raw materials or in the supply chain.

Steelwind Nordenham will not be able to maintain the excellent results it achieved in 2025, but it will continue to post a significantly positive result and maintain good capacity utilization in 2026. Sales and revenue are expected to improve for trading and flame-cutting companies.

Overall, Dillinger expects stable volumes, lower revenues due to changes in the product mix, and reduced product costs for 2026. Including subsidiaries, EBIT and EBITDA are expected to be slightly higher than in 2025. Overall earnings are also expected to be slightly higher than the previous year.

Dillinger is committed to the Paris climate targets and continues to work together with Saarlouis toward the goal of carbon-neutral steel production. This gigantic project requires a comprehensive change in production and presents the companies with immense challenges. At the same time, the "Power4Steel" project to decarbonize steel production through the use of hydrogen, which is being funded with € 2.6 billion from the German federal government and the Saarland state government, offers opportunities to tap into new growth potential. Until the conversion to low-carbon steel production is complete, the companies are consistently pursuing a reduction strategy.

Dillingen/Saar, 31 March 2026

STEFAN RAUBER

**JOERG
DISTELDORF**

**DANIËL NICOLAAS
VAN DER HOUT**

DR. PETER MAAGH

JONATHAN WEBER

Annual financial statement

Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar

Balance sheet

Assets

in € thousand

	Notes	31/12/2025	31/12/2024
A. Fixed Assets	(1)		
I. Intangible assets		2,024	2,684
II. Tangible assets		671,636	607,042
III. Financial assets		1,289,699	1,236,984
		1,963,359	1,846,710
B. Current assets	(2)		
I. Inventories			
1. Raw materials and supplies		36,056	54,512
2. Work in process		185,916	320,404
3. Finished products		225,771	287,378
4. Advanced payments received for orders		-23,902	-33,028
		423,841	629,266
II. Receivables and other assets			
1. Trade accounts receivable		157,588	67,019
2. Receivables from affiliated companies		276,804	207,905
3. Receivables from companies in which the company has a participating interest		22,027	45,490
4. Other assets		40,343	60,054
		496,762	380,468
III. Securities			
Other securities		200,100	200,100
IV. Cash and bank balances		395,603	226,934
		1,516,306	1,436,768
C. Accruals and deferrals		17,842	–
D. Positive difference from asset allocation	(3)	530	204
		3,498,037	3,283,682

Shareholders' Equity and Liabilities

in € thousand

	Notes	31/12/2025	31/12/2024
A. Shareholders' equity	(4)		
I. Subscribed capital		178,500	178,500
II. Capital reserve		378,574	378,574
III. Earnings reserves		1,461,898	1,361,898
		2,018,972	1,918,972
B. Accruals and provisions	(5)		
1. Accruals for pensions and similar obligations		462,829	487,976
2. Tax provisions		227	227
3. Other accruals and provisions		236,367	206,493
		699,423	694,696
C. Liabilities	(6)		
1. Bank loans and overdrafts		180,358	106,565
2. Trade accounts payable		83,989	78,675
3. Payables to affiliated companies		415,342	349,314
4. Payables to companies in which the company has a participating interest		75,886	18,249
5. Other liabilities		24,067	117,211
		779,642	670,014
		3,498,037	3,283,682

Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar

Profit and loss statement

in € thousand	Notes	FY 2025	FY 2024
1. Net sales	(7)	2,183,436	2,287,461
2. Change in inventories and other work, capitalized	(8)	-191,693	91,502
3. Other operating income	(9)	15,348	34,569
		2,007,091	2,413,532
4. Material costs	(10)	1,353,441	1,661,517
5. Personnel expenses	(11)	307,440	306,257
6. Amortization and depreciation of intangible and tangible fixed assets		53,384	53,347
7. Other operating expenses	(12)	218,066	185,552
		1,932,331	2,206,673
8. Income from participating interests	(13)	143,719	67,407
9. Net interest income	(14)	-1,502	-590
10. Taxes on income		187	39
11. Result after tax		216,790	273,637
12. Other taxes		462	1,355
13. Compensatory payment to minority shareholders		213	213
14. Profit transferred based on a profit and loss transfer agreement	(15)	116,115	97,069
15. Net income		100,000	175,000
16. Transfers to earnings reserves		100,000	175,000
17. Retained earnings		—	—

Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar

Notes

General information

The annual financial statement of Aktien-Gesellschaft der Dillinger Hüttenwerke for the 2025 financial year were prepared in accordance with the provisions of the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG).

The company is a large corporation as defined in Section 267 (3) HGB.

In accordance with Section 265 (7)(2) HGB, some items from the balance sheet and the profit and loss statement are summarized and presented separately in the notes to the financial statement.

A control and profit transfer agreement is in place with DHS - Dillinger-Hütte Saarstahl AG. Accordingly, deferred taxes are generally recognized by the parent company in accordance with Section 274 HGB.

The company is registered at the Saarbrücken Local Court under the name Aktien-Gesellschaft der Dillinger Hüttenwerke (Société Anonyme des Forges et Acières de Dilling) under HRB No. 23001.

Accounting and valuation principles

Purchased **intangible assets and tangible fixed assets** are measured at the cost of acquisition or conversion and, where depreciable, are depreciated or amortized on a straight-line basis and, where applicable, on a non-scheduled basis. All cost items that must be capitalized as defined by Section 255 (2)(2) HGB are included in the production costs.

Government investment grants are recognized as a reduction in the acquisition or production costs of the relevant assets and result in a corresponding reduction in depreciation expense in subsequent periods.

Depreciation is calculated based on the asset's normal useful life. Purchased intangible assets and real property are depreciated on a straight-line basis, movable assets predominantly on a straight-line basis. This is based on the tax depreciation schedules. Additions are depreciated pro rata temporis. Depreciation of tangible fixed assets is calculated on a straight-line basis over their normal useful lives, or on a declining-balance basis for assets acquired between 1 January 2005, and 31 December 2007, and between 1 January 2009, and 31 December 2009.

The following useful lives were applied uniformly in the individual asset classes to determine depreciation and amortization:

	In years
Intangible assets	3 to 5
Buildings	10 to 50
Technical equipment and machinery	5 to 25
Other property, plant and equipment	3 to 20

Switching from the declining-balance method to straight-line depreciation is done in the year in which straight-line depreciation results in a higher depreciation amount.

Low-value fixed assets with acquisition costs of € 250 and € 1,000 are recorded in a single aggregate account in accordance with Section 6 (2a) of the German Income Tax Act (EStG) and depreciated over 5 years.

The tax lump-sum items in accordance with Section 6 (2a) (1) of the German Income Tax Act (EStG) for additions of low-value fixed assets in the financial year starting in 2012 were continued as scheduled during the year under review.

Fixed values are established for **spare parts and production supplies**, which are valued at 40% of their acquisition or production costs.

Shares in affiliated companies, investments and loans are carried at cost or at the lower of cost or fair value. Low-interest loans are discounted to present value. Investment securities are carried at cost. If the impairment is expected to be permanent, the asset is written down to the lower of cost or fair value. Write-ups are carried out if the reasons for write-downs no longer apply.

Raw materials and supplies are valued at the average acquisition cost, the last purchase price or the market price extrapolated from the procurement market, depending on which is lower. Necessary depreciation allowances are taken.

Finished products and work in process are recognized at the lower of cost or fair value, extrapolated from the sales market. Production costs include direct costs and overheads that must be capitalized in accordance with Section 255 (2) (2) HGB. Advanced payments received for orders are openly deducted from inventories.

Purchased emission rights are measured at cost, taking into account any necessary write-downs to the lower market price. Emission rights acquired free of charge are recognized at their pro memoria value. The provisions for the tax liability are valued in accordance with the principles for the valuation of obligations for payment in kind. Because of the requirement to return all allowances acquired free of charge for the current financial year, the fair value is not disclosed.

Receivables and other assets are stated at their nominal value. Identifiable individual risks (excluding those involving affiliated companies) are accounted for through specific allowances, while general credit risk is accounted for through a general allowance.

Other current securities are valued at cost unless a lower valuation is required.

Assets measured at fair value that are not accessible to all other creditors and serve exclusively to meet liabilities from pension obligations or comparable long-term obligations are offset against these liabilities; the associated expenses and income from the discounting of the assets to be offset are netted and reported in interest income.

Pension obligations are calculated using the internationally recognized projected unit credit method (Projected Unit Credit Method) based on biometric probabilities (Prof. Dr. Heubeck 2018 G mortality tables). According to this method, the amount of the pension obligations is calculated from the entitlement earned as of the reporting date, taking into account future salary and pension increases. Annual adjustments in the following ranges are currently assumed: 1.0% to 3.0% for salaries and pensions.

The underlying interest rate for discounting pension obligations is 2.05% (2024: 1.90%); this is the average market interest rate for the past ten financial years calculated and published by the Deutsche Bundesbank, which is based on an assumed term of 15 years. The difference, which must be disclosed in accordance with Section 253 (6) of the German Commercial Code (HGB) and is subject to a distribution restriction, amounts to -€ 10.3 million as of 31/12/2025, based on an average market interest rate over seven years.

Other provisions take into account all contingent liabilities and potential losses from pending transactions. These are recognized at the settlement amount required according to sound business judgment. This takes future price and cost increases into account. Provisions with a residual term of more than one year are discounted at the average market interest rate of the past seven financial years corresponding to their residual term.

Liabilities are recognized at the settlement amount.

Assets and liabilities in foreign currencies are generally valued in line with Section 256a HGB at the mid-market spot exchange rate on the reporting date. Terms to maturity of more than one year are recognized at the transaction price; any adjustments required due to exchange rate movements are made on the reporting date in accordance with the lowest value principle (liabilities side: highest value principle). Balance sheet items denominated in foreign currency that are part of the valuation unit for hedging foreign currency risk are valued at the mid-market spot exchange rate at the time of the transaction. Fixed assets or inventories acquired in foreign currencies are generally translated at the mid-market spot exchange rate at the time of the transaction.

If assets, liabilities and pending transactions are combined with financial instruments to offset offsetting changes in value (valuation unit), the effects are not taken into account to the extent that they offset each other within the valuation unit.

The **profit and loss statement** is prepared using the total cost method.

Notes to the balance sheet

1. Fixed assets

The development of fixed assets is shown in an appendix to the notes.

The balance sheet includes fixed values for spare parts and production supplies totaling € 25,139 thousand (2024: € 27,479 thousand) under the categories of technical equipment and machinery, as well as other property, plant, and equipment.

In the 2025 financial year, government investment grants totaling € 199,668 thousand were received to offset the acquisition and construction costs of tangible fixed assets.

The information regarding shareholdings in line with Section 285 (11) and (11a) HGB are presented in an appendix to the notes.

2. Current assets

Receivables and other assets

Information regarding allocation and affiliation

in € thousand	31/12/2025	31/12/2024
Receivables from affiliated companies	276,804	207,905
of which from trade accounts payable	(76,654)	(80,825)
Accounts receivable from companies participatory interest	22,027	45,490
of which from trade accounts payable	(18,713)	(41,520)

With the exception of other assets amounting to € 24,563 thousand (2024: € 25,442 thousand), all receivables and other assets are due within one year.

In order to improve liquidity, trade receivables are regularly sold as part of operating activities. The carrying amount of the receivables sold was € 59,277 thousand as of the reporting date (2024: € 70,514 thousand). The transaction does not give rise to any risks for the company.

3. Positive difference from asset allocation

The settlement amount (credit balance) from the provisions for partial retirement obligations, amounting to € 4,570 thousand, is offset by assets to be offset with a fair value of € 5,100 thousand. The acquisition cost of the assets to be offset amounted to € 5,100 thousand. The assets are mainly pledged fixed-term deposits.

4. Shareholders' equity

Subscribed capital

The share capital of Aktien-Gesellschaft der Dillinger Hüttenwerke, reported as subscribed capital, remains unchanged at € 178,500 thousand. It is divided into 178,500 shares, each with a nominal value of € 1,000. The shares are registered.

Capital reserve

The capital reserve remains unchanged at € 378,574 thousand.

Earnings reserves

Earnings reserves consist exclusively of other earnings reserves. The amount is € 1,461,898.

Earnings reserves have changed as follows:	€ thousand
Carried forward on 1/1/2025	1,361,898
Transfers	100,000
As of 31/12/2025	1,461,898

5. Accruals and provisions

Other accruals and provisions mainly relate to warranties, future anniversary payments to employees, personnel obligations and other risks in connection with ongoing business.

There are also provisions for deferred maintenance expenses and for modernization projects.

6. Liabilities

in € thousand	31/12/2025	of which with a remaining term			31/12/2024
		up to one year	more than one year	more than five years	
Bank loans and overdrafts	180,358	4,038	176,320	139,284	106,565
Trade accounts payable	83,989	83,989	0	0	78,675
Payables to affiliated companies	415,342	415,342	0	0	349,314
of which from trade accounts payable	(13,976)	(13,976)	(0)	(0)	(14,064)
of which other liabilities	(401,366)	(401,366)	(0)	(0)	(335,250)
Payables to companies in which the company has a participating interest	75,886	75,886	0	0	18,249
of which from trade accounts payable	(72,110)	(72,110)	(0)	(0)	(16,329)
of which other liabilities	(3,776)	(3,776)	(0)	(0)	(1,920)
Other liabilities	24,067	22,079	1,988	322	117,211
of which are taxes	(4,597)	(4,597)	(0)	(0)	(7,001)
of which are part of social security	(854)	(854)	(0)	(0)	(774)
	779,642	601,334	178,308	139,606	670,014

In 2024, all liabilities – with the exception of bank loans and overdrafts totaling € 76,047 thousand and other liabilities totaling € 2,090 thousand – had a remaining term of up to one year. In 2024, total liabilities with a remaining term of more than one year amounted to € 78,137 thousand, and those with a remaining term of more than five years amounted to € 9,820 thousand, of which € 9,465 thousand was owed to banks and € 355 thousand consisted of other liabilities.

Advance payments received for orders are offset against inventory.

Of the liabilities reported, the following are secured by liens on fixed assets:

in € thousand	31/12/2025	31/12/2024
Bank loans and overdrafts	175,358	106,565
Other liabilities	50	53
	175,408	106,618

Other financial obligations

As of 31/12/2025, the total amount of other financial obligations to third parties was € 559,566 thousand.

These consist of annual obligations arising from rental and lease agreements in subsequent years (€ 3,379 thousand) as well as obligations from outstanding purchase orders related to capital expenditures and repair projects (€ 556,187 thousand) as of the reporting date of 31/12/2025.

In addition, there are obligations to an associated company arising from a lease agreement with an annual liability of approximately € 3,122 thousand.

Shares in investment assets

As of 31/12/2025, shares of more than 10% were held in domestic investment funds in accordance with Section 1 (10) KAGB. The investment funds consist primarily of bonds, shares in bond funds, and cash and cash equivalents. The asset value is € 797,219 thousand, which is 14.7% below the fair value as of 31/12/2025. Dividends totaling € 1,743 thousand were paid out for the financial year.

Contingent liabilities

As of the reporting date, the company had liabilities arising from warranty agreements of € 30 thousand (2024: € 11 thousand).

There is joint and several liability in the amount of € 240,629 thousand for projects undertaken by the subsidiary Steelwind Nordenham GmbH, Nordenham. Based on the current status of the projects, we do not expect to be held liable under these liability arrangements.

Aktien-Gesellschaft der Dillinger Hüttenwerke has issued guarantees to its subsidiaries in favor of a pension fund in the amount of € 6,287 thousand. It is not currently expected that this option will be utilized.

Notes to the profit and loss statement

7. Net sales

Breakdown of net sales by region and product group

in € thousand	FY 2025	FY 2024
Germany	1,001,882	1,044,034
France	93,533	86,755
Other EU countries	765,966	758,178
Countries outside EU	322,055	398,494
	2,183,436	2,287,461

in € thousand	FY 2025	FY 2024
Steel flat products	1,955,759	2,035,513
Semi-finished product	701	4,084
Other services	226,976	247,864
	2,183,436	2,287,461

8. Change in inventories and other work, capitalized

in € thousand	FY 2025	FY 2024
Decrease/increase in inventories of finished products and work in process	- 196,095	90,361
Other own work, capitalized	4,402	1,141
	- 191,693	91,502

9. Other operating income

The following **out-of-period** income is recognized:

in € thousand	FY 2025	FY 2024
Income from the reversal of provisions	9,521	25,722
Other income	527	3,418
	10,048	29,140

Other operating income includes income from currency translation of € 164 thousand (2024: € 2,140 thousand).

10. Material costs

in € thousand	FY 2025	FY 2024
Cost of raw materials, consumables and supplies	1,020,637	1,337,839
Expenses for purchased services	332,804	323,678
	1,353,441	1,661,517

In the interest of consistent Group reporting and appropriate presentation, € 30,577 thousand was reclassified from the previous year's figures from purchased services to other operating expenses and the material intensity indicator was recalculated accordingly.

11. Personnel expenses

in € thousand	FY 2025	FY 2024
Wages and salaries	255,297	258,979
Social security contributions and expenses for pensions and other benefits	52,143	47,278
of which for pensions	(-3,921)	(-7,270)
	307,440	306,257

12. Other operating expenses

Other operating expenses include expenses relating to prior periods of € 1,546 thousand (2024: € 154 thousand) and expenses from currency translation of € 1,636 thousand (2024: € 834 thousand).

13. Income from participating interests

in € thousand	FY 2025	FY 2024
Income from participations	6,895	21,937
of which from affiliated companies	(4,305)	(3,922)
Income from profit and loss transfer agreements	144,810	55,943
of which from affiliated companies	(144,810)	(55,943)
Expenses from transferred losses	-7,986	-10,473
of which from affiliated companies	(-7,986)	(-10,473)
	143,719	67,407

14. Net interest income

in € thousand	FY 2025	FY 2024
Income from other securities and loans classified as financial assets	5,187	6,450
of which from affiliated companies	(324)	(292)
Other interest and similar income	10,890	17,178
of which from affiliated companies	(2,396)	(5,020)
of which from the discounting of provisions	(1,238)	(739)
Depreciation of financial assets	0	-2,975
Interest and similar expenses	-17,579	-21,243
of which to affiliated companies	(-10,438)	(-11,434)
of which from the discounting of provisions	(-49)	(-4,147)
	-1,502	-590

Net interest income includes interest expenditures of € 49 thousand (2024: € 7 thousand) resulting from the discounting of provisions in line with Section 246 (2)(2) HGB. The corresponding cover assets generated interest income of € 32 thousand (2024: € 114 thousand).

15. Profit transferred based on a profit and loss transfer agreement

Based on the existing profit and loss transfer agreement, the profit generated, after taking into account the allocations to earnings reserves, must be transferred to DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar.

Other disclosures

Members of the Supervisory Board

Heiko MAAS, Saarlouis
Chair
(as of 12/09/2025)

Chair of the Board of Directors and Board of Trustees
of Montan-Stiftung-Saar
President, Stahl-Verband-Saar e.V.

Reinhard STÖRMER, Völklingen
Chair
(until 12/09/2025)

Chair of the Board of Directors and Board of Trustees
of Montan-Stiftung-Saar

Jörg KÖHLINGER, Frankfurt
1st Deputy Chair

Trade Union Secretary and District Head
of the IG Metall Central District

Michel WURTH, Sandweiler (LU)
2nd Deputy Chair

Chair of the Board of Directors
of ArcelorMittal Luxembourg S.A

Michael BECKER, Saarwellingen

(until 17/12/2025) 1st Deputy Chair of the Works Council
of Aktien-Gesellschaft der Dillinger Hüttenwerke
(as of 17/12/2025) Chair of the Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke

Joachim BRAUN, Le Ban St. Martin (FR)
(as of 12/09/2025)

Deputy Chair of the Board of Directors and
Board of Trustees of Montan-Stiftung-Saar

Carl DE MARÉ, De Panne (BE)

Independent Consultant Net-Zero Industries, ArcelorMittal

Lars DESGRANGES, Beckingen

Primary Authorized Representative of IG Metall
Administrative Office, Völklingen

Michael FISCHER, Dillingen

Deputy Chair of the Group Works Council of SHS - Stahl-Holding-
Saar GmbH & Co. KGaA, Chair of the Group Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke
(until 17/12/2025) Chair of the Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke

Matthias GÜNTHER, Keispelt (LU)
(as of 17/02/2025)

General Manager, Head of Capex, Group Finance,
ArcelorMittal, Luxembourg

Nadine KLIEBHAN, Illingen

Senior Project Manager INFO-Institut Beratungs-GmbH

Wolfgang LEESE, Prof. Dr., Lindberg
(until 12/09/2025)

Managing Director and Managing Partner
WGL Verwaltung und Beratung GmbH
Member of the Board of Trustees of Montan-Stiftung-Saar

Antje OTTO, St. Ingbert

Managing Director, Stahl-Verband-Saar e. V.

Susan PULHAM, Prof. Dr., Saarbrücken

Professor, HTW Saar

Rainer SCHWICKERATH, Nalbach

(until 17/12/2025) Member of the Works Council of Aktien-Gesellschaft
der Dillinger Hüttenwerke
(as of 17/12/2025) 1st Deputy Chair of the Works Council of
Aktien-Gesellschaft der Dillinger Hüttenwerke

Hans-Joachim WELSCH, Saarlouis
(as of 12/09/2025)

Member of the Board of Directors and Board of Trustees of the
Montan-Stiftung-Saar

Susanne WINGERTSZAHN, Mainz

DGB District Chairwoman Rhineland-Palatinate/Saarland

Members of the Board of Directors

Stefan Rauber

Chair

Joerg Disteldorf

Chief Human Resources Officer

Markus Lauer

(until 31/12/2025)

Chief Financial Officer and Chief Procurement Officer

Dr. Peter Maagh

Chief Technology Officer

Daniël Nicolaas van der Hout

Chief Commercial Officer

Jonathan Weber

Chief Transformation Officer (until 31/12/2025),

Chief Financial and Transformation Officer (as of 01/01/2026)

Total compensation amounts to € 438 thousand for members of the Supervisory Board, € 2,645 thousand for current members of the Board of Directors, and € 1,646 thousand for former members of the Board of Directors. A total of € 28,043 thousand has been set aside to cover pension obligations to former members of the Board of Directors and their dependents.

The average number of employees amounted to:

	FY 2025	FY 2024
Wage-earning employees	2,784	2,761
Salaried employees	831	838
Average total employees in accordance with Section 267 (5) HGB	3,615	3,599
Apprentices and trainees	297	244
Total	3,912	3,843

The fee paid to the auditor of the annual financial statements is included in the consolidated financial statement of DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar.

Aktien-Gesellschaft der Dillinger Hüttenwerke has entered into a profit and loss transfer agreement with DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar, effective 1/1/2001. Under this agreement, Aktien-Gesellschaft der Dillinger Hüttenwerke undertakes to transfer all of its profits to DHS - Dillinger-Hütte Saarstahl AG. The latter, in turn, undertakes to cover losses in accordance with the provisions of Section 302 of the German Stock Corporation Act (AktG).

Aktien-Gesellschaft der Dillinger Hüttenwerke is part of the DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar. Because DHS - Dillinger Hütte Saarstahl AG prepares an exempting consolidated financial statement and group management report in accordance with Section 291 of the German Commercial Code (HGB) as of 31/12/2025, which incorporates Aktien-Gesellschaft der Dillinger Hüttenwerke, Aktien-Gesellschaft der Dillinger Hüttenwerke is not required to prepare a consolidated financial statement or a group management report.

The consolidated financial statement and the group management report are submitted electronically to the authority responsible for maintaining the business registry for entry into the registry. Both are also available at the headquarters of DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar.

DHS - Dillinger Hütte Saarstahl AG, Dillingen/Saar, has informed us that it holds a majority stake in our company.

Aktien-Gesellschaft der Dillinger Hüttenwerke is the general partner of Dillinger Hütte und Saarstahl Vermögensverwaltungs- und Beteiligungs-OHG, Dillingen/Saar.

Supplementary statement

As of the end of the financial year, there are no discernible effects on the asset, financial and earnings positions of the 2025 annual financial statement resulting from the war in Iran that began in February 2026.

However, the company assumes that business performance in 2026 will most likely be influenced primarily by the broader regional impacts in the Middle East and the resulting restrictions on the flow of goods and services as well as on energy supply. At the time of preparing the 2025 financial statements, the extent of the impact for the 2026 financial year cannot yet be sufficiently quantified, so that no reliable statements can be made regarding the significance for the future asset, financial and earnings positions. Please also refer to the comments in the management report.

Dillingen/Saar, 31 March 2026

STEFAN RAUBER

JOERG DISTELDORF

DR. PETER MAAGH

**DANIËL NICOLAAS
VAN DER HOUT**

JONATHAN WEBER

Development of fixed assets

in € thousand		Acquisition and production costs				31/12/2025
		01/01/2025	Additions	Disposals	Transfers	
I. Intangible assets						
	Purchased licenses, computer software	23,633	108	-	193	23,934
		23,633	108	-	193	23,934
II. Tangible assets						
1.	Land and buildings	402,298	1,067	8	396	403,753
2.	Technical equipment and machinery	1,966,253	17,253	9,648	18,340	1,992,198
3.	Other property, plant and equipment	191,864	5,504	3,732	3,415	197,051
4.	Prepayments on tangible assets and assets under construction	60,182	96,751	-	22,344	134,589
		2,620,597	120,575	13,388	- 193	2,727,591
III. Financial assets						
1.	Shares in affiliated companies	238,394	-	22	-	238,372
2.	Loans to affiliated companies	13,084	-	1,844	-	11,240
3.	Participating interests	257,329	100,546	-	-	357,875
4.	Loans to companies in which the company has a participating interest	51,500	-	39,000	-	12,500
5.	Investment securities	607,106	-	-	-	607,106
6.	Other loans	76,081	60	9,555	-	66,586
		1,243,494	100,606	50,421	-	1,293,679
		3,887,724	221,289	63,809	-	4,045,204

in € thousand		Amortization and depreciation			Net book value	
		01/01/2025	Additions	Disposals	31/12/2025	31/12/2024
I.	Intangible assets					
	Purchased licenses, computer software	20,949	961	-	21,910	2,024
		20,949	961	-	21,910	2,024
II.	Tangible assets					
1.	Land and buildings	305,646	7,362	6	313,002	96,652
2.	Technical equipment and machinery	1,541,440	39,396	9,138	1,571,698	420,500
3.	Other property, plant and equipment	166,469	5,665	879	171,255	25,796
4.	Prepayments on tangible assets and assets under construction	-	-	-	-	134,589
		2,013,555	52,423	10,023	2,055,955	671,636
III.	Financial assets					
1.	Shares in affiliated companies	-	-	-	-	238,372
2.	Loans to affiliated companies	-	-	-	-	11,240
3.	Participating interests	-	-	-	-	357,875
4.	Loans to companies in which the company has a participating interest	-	-	-	-	12,500
5.	Investment securities	6,508	-	2,530	3,978	603,128
6.	Other loans	2	-	-	2	66,584
		6,510	-	2,530	3,980	1,289,699
		2,041,014	53,384	12,553	2,081,845	1,963,359
						1,846,710

List of shareholdings

	Share of equity in %			Shareholders' equity	Results 2025
	Direct	Indirect	Total	in € thousand	in € thousand
1. Affiliated companies					
Saarlux Stahl GmbH & Co. KG, Stuttgart	53.0		53.0	10,542	- 53
Dillinger Hütte Vertrieb GmbH, Stuttgart	100.0		100.0	4,210	¹⁾
Ancofer Stahlhandel GmbH, Mülheim/Ruhr	100.0		100.0	26,031	¹⁾
Jebens GmbH, Korntal-Münchingen	100.0		100.0	19,838	¹⁾
VAAS Großmechanik GmbH, Altlußheim		100.0	100.0	802	- 161
Steelwind Nordenham GmbH, Nordenham	100.0		100.0	92,700	¹⁾
GreenSteel EAF Dillingen GmbH, Dillingen	100.0		100.0	100	¹⁾
Dillinger France S.A., Grande-Synthe/France	100.0		100.0	95,010	9,965
AncoferWaldram Steelplates B.V., Oosterhout / Netherlands	100.0		100.0	62,475	- 557
Ancofed S.A.R.L., Grande-Synthe / France		100.0	100.0	109	15
Trans-Saar B.V., Rotterdam/Netherlands	100.0		100.0	3,097	376
Dillinger Nederland B.V., Dordrecht	100.0		100.0	156	97
Dillinger International S.A., Paris/France	100.0		100.0	1,475	131
Dillinger Middle East FZE, Dubai / UAE	100.0		100.0	37,056	759 ²⁾
Dillinger Middle East for Steel Products LLC-SPC / UAE		100.0	100.0	190	- 41 ²⁾
Dillinger Italia S.R.L., Milan / Italy	100.0		100.0	200	12 ³⁾
¹⁾ A profit and loss transfer agreement exists.					
²⁾ Currency of the country converted into € thousand using the mid-market spot exchange rate on 31/12/2025.					
³⁾ Previous year's figure					

	Share of equity in %			Shareholders' equity	Results 2025	
	Direct	Indirect	Total	in € thousand	in € thousand	
2. Participating interests						
Dillinger Hütte und Saarstahl Vermögensverwaltungs- und Beteiligungs-OHG, Dillingen	50.0		50.0	270,140	5,181	
ZKS Zentralkokerei Saar GmbH, Dillingen		50.0	50.0	137,212		1)
ROGESA Roheisen- und Rohstoffgesellschaft Saar mbH, Dillingen	24.5	25.5	50.0	501,637		1)
ROGESA Beteiligungsgesellschaft mbH, Dillingen		50.0	50.0	3,173	47	
GreenSteel DRI Dillingen GmbH, Dillingen		50.0	50.0	100		1)
Dillinger Hafen-Umschlagsgesellschaft mbH, Dillingen		50.0	50.0	2,096	502	3)
Kalksteingrube Auersmacher GmbH, Völklingen		50.0	50.0	2,946	-	
Gichtgaskraftwerk Dillingen GmbH & Co. KG, Dillingen		50.0	50.0	32,367	- 945	
Verwaltungsgesellschaft GKW Dillingen mbH, Dillingen		50.0	50.0	242	9	
Saar Industrietechnik GmbH, Dillingen		50.0	50.0	66		1)
Saar Rail GmbH, Völklingen		50.0	50.0	5,200		1)
Saar Stahlbau GmbH, Völklingen		50.0	50.0	7,118	1,491	1)
Dillinger Saarstahl America LLC., Wilmington	50.0		50.0	110	42	2) 3)
Dillinger Saarstahl UK Ltd., Scunthorpe/UK	50.0		50.0	344	204	2) 3)
Dillinger Saarstahl Nordic AB, Alingsås/Sweden	50.0		50.0	44	18	2) 3)
Dillinger Iron & Steel Trade (Shanghai) Co. Ltd./China	50.0		50.0	302	42	2) 3)
Dillinger Saarstahl BeLux SA, Liège/Belgium	50.0		50.0	8,328	140	2) 3)
Dillinger Saarstahl Turkey Demir Celik San. ve Tic. Ltd. Şti., Istanbul/Turkey	50.0		50.0	114	22	2) 3)
Dillinger Saarstahl Malaysia Sdn. Bhd, Petaling Jaya/Malaysia	50.0		50.0	68	2	2) 3)
Dillinger Saarstahl Spain S.A., Sant Just Desvern Barcelona/Spain	50.0		50.0	887	64	3)
Dillinger Espana S.L.U., Madrid/Spain	50.0		50.0	887	64	3)
Aceros Saar Mexico SA de CV, San Pedro Garza García/Mexico	50.0		50.0	93	22	3)
EUROPIPE GmbH, Mülheim/Ruhr	50.0		50.0	136,782	11,807	
EUROPIPE France S.A., Grande-Synthe		50.0	50.0	-116	-	
MÜLHEIM PIPECOATINGS GmbH, Mülheim/Ruhr		50.0	50.0	17,786	- 422	
Saarstahl AG, Völklingen	25.1		25.1	2,353,250	-92,107	4)
1) A profit and loss transfer agreement exists.						
2) Currency of the country converted into € thousand using the mid-market spot exchange rate on 31/12/2025.						
3) Previous year's figure						
4) Group result						

Cash flow statement

in € thousand	FY 2025	FY 2024
1. Result for the accounting period	216,328	272,282
2. Write-downs/(Write-ups) on fixed assets	50,854	56,322
3. Increase/(Decrease) in provisions	5,965	-53,216
4. Increase/(Decrease) in inventories, trade accounts receivable and other assets not allocated to investment or financing activities	161,861	-25,419
5. Increase/(Decrease) in trade accounts payable as well as other liabilities not allocated to investment or finance activities	60,104	-99,597
6. Profit and loss on the disposal of fixed assets	129	-47
7. Interest expenditures/-income not allocated to investment or finance activities	1,453	-2,392
8. Other income from shareholdings	-143,719	-67,407
9. Income tax expense	187	40
10. Income tax payments	-38	-249
11. Operating cash flow	353,124	80,317
12. Payments for investments in intangible assets	-108	-238
13. Proceeds from disposals of tangible fixed assets	3,166	1,823
14. Proceeds from public grants for intangible assets and tangible fixed assets	199,668	80,654
15. Payments for investments in tangible fixed assets	-311,165	-129,731
16. Proceeds from disposals of financial assets	50,492	14,420
17. Payments for investments in financial assets	-100,606	-5,175
18. Proceeds/(Payments) resulting from financial investments as part of short-term financial resource management	69,473	109,223
19. Interest received	15,847	22,961
20. Received dividends and profit and loss transfers	63,056	39,047
21. Payments due to compensation obligations	-10,473	-6,927
22. Cash flow from investment activities	-20,650	126,057
23. Free cash flow	332,474	206,374
24. Proceeds from loans	155,219	0
25. Payments from the amortization of bonds and loans	-81,426	-29,809
26. Interest paid	-36,596	-17,449
27. Proceeds/(Payments) resulting from financial investments as part of short-term financial resource management of DHS	-20,264	0
28. Dividends paid to shareholders	-97,282	-116,732
29. Cash flow from financing activities	-80,349	-163,990
30. Net change in cash funds	252,125	42,384
31. Cash funds at the start of the period	343,578	301,194
32. Cash funds at the end of the period	595,703	343,578

in € thousand	31/12/2025	31/12/2024	31/12/2023
Cash and bank balances	395,603	226,934	251,094
Other securities	200,100	200,100	50,100
Current liabilities from public grants	0	-83,456	0
Cash funds	595,703	343,578	301,194
Net change in cash funds	252,125	42,384	

Note: This is a translation of the German original. Solely the original text in German language is authoritative.

Independent auditor's report

To Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar

Report on the Audit of the Annual Financial Statements and of the Management Report

Opinions

We have audited the annual financial statements of Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar, which comprise the balance sheet as at December 31, 2025, the statement of profit and loss and the statement of cash flows for the financial year from January 1 to December 31, 2025, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of Aktien-Gesellschaft der Dillinger Hüttenwerke, Dillingen/Saar for the financial year from January 1 to December 31, 2025.

In accordance with the German legal requirements, we have not audited the content of the corporate governance statement pursuant to Section 289f (4) HGB [*Handelsgesetzbuch: German Commercial Code*] (disclosures on the quota for women on executive boards), which is included in Section "Frauenanteil" of the management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31, 2025 and of its financial performance for the financial year from January 1 to December 31, 2025 in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the management report does not cover the content of the statement on corporate governance referred to above.

Pursuant to Section 322 (3) sentence 1 HGB [*Handelsgesetzbuch: German Commercial Code*], we declare that our audit has

not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Section 317 HGB and the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the management report.

Other Information

Management and/or the Supervisory Board are responsible for the other information. The other information comprises the corporate governance statement pursuant to Section 289f (4) HGB (disclosures on the quota for women on executive boards).

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the management report information audited for content or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Management Report

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, management is responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement,

whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The supervisory board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report,

whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report 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 or of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- Conclude on the appropriateness of the management's 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 the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. 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 be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by management in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Saarbrücken, 24. April 2026

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Jeromin
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