

Interim Report FY25

VULCAN.

At Vulcan, our unwavering commitment to exceptional customer service and lean operations, fueled by a culture of team work and continuous improvement, empowers us to navigate challenging economic landscapes.

This shared dedication is driving us to further refine our processes and elevate service levels across many facets of our business.

Despite the headwinds in the first half of FY25, we mitigated these pressures to achieve a 10% return on capital employed. Our priorities remain unchanged for the second half of FY25 and beyond: focusing on what we can control, strengthening our foundation, and positioning Vulcan to capitalise on future opportunities and benefit from an economic recovery.



Appendix 4D – Half Year Report

Details of the company and reporting periods

| | |
|---|--|
| Name of entity | Vulcan Steel Limited ("Vulcan") |
| ARBN | 652 996 015 (incorporated in New Zealand) |
| Current reporting period | Half year ended 31 December 2024 ("1H FY25") |
| Previous corresponding reporting period | Half year ended 31 December 2023 ("1H FY24") |
| Release date | 11 February 2025 |

Result for announcement to the market

| Financial Performance (NZ\$ million, unless stated) | | | 1H FY25 | 1H FY24 |
|--|------|---------|---------|---------|
| Revenue from ordinary activities | Down | -13% to | 493.0 | 564.0 |
| EBITDA ¹ before significant items ⁴ | Down | -30% to | 56.9 | 81.8 |
| EBIT ² before significant items ⁴ | Down | -46% to | 32.0 | 59.1 |
| Net financing costs | Down | -11% to | -18.3 | -20.6 |
| Profit before tax and significant items ⁴ | Down | -64% to | 13.7 | 38.5 |
| Income tax | Down | -64% to | -4.6 | -12.4 |
| NPAT ³ from ordinary activities before significant items ⁴ | Down | -65% to | 9.2 | 26.1 |
| Significant items | - | - | 0.0 | 0.0 |
| NPAT from ordinary activities after significant items | Down | -65% to | 9.2 | 26.1 |
| Earnings per share after significant items (cents) | Down | -65% to | 7.0 | 19.9 |

Net Tangible Assets (NTA, NZ\$ per share)

| As at | 31 Dec 24 | 31 Dec 23 |
|---|-----------|-----------|
| NTA per share attributable to Vulcan shareholders | 1.19 | 1.18 |

Dividends (NZ cents per share)

| | FY25 | | | FY24 | | |
|-------------------------|--------|-------------|------------|--------|-------------|------------|
| | Amount | Imputation* | Franking** | Amount | Imputation* | Franking** |
| Interim ordinary | 2.5 | 20% | 100 | 12.0 | 100% | 100% |
| Final ordinary dividend | - | - | - | 12.0 | 30% | 100% |

| | |
|--|---------------|
| Record date for determining entitlements to 1H FY25 interim dividend | 14 March 2025 |
| 1H FY25 Interim dividend payment date | 27 March 2025 |

* At 28% corporate tax rate in New Zealand.

** At 30% corporate tax rate in Australia.

Commentary on the results for the period

Additional disclosure requirements and supporting information for the Appendix 4D are contained within Vulcan's FY25 Half Year Report. This Appendix should be read in conjunction with Vulcan's Half Year Financial Report and other related releases.

This announcement was approved for release by Vulcan Board of Directors.

1. EBITDA – Earnings Before Interest, Tax, Depreciation and Amortisation.

2. EBIT – Earnings Before Interest and Tax.

3. NPAT – Net Profit After Tax attributable to shareholders.

4. Profit before significant items is a non-IFRS measure reported to provide a greater understanding of the underlying business performance of Vulcan.

The above disclosures are extracted or derived from the financial report for the period ended 31 December 2024, which has been reviewed by Deloitte. The Independent Auditor's Review Report provided by Deloitte is included in Vulcan's Half Year Report for the period ended 31 December 2024.

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01

OVERVIEW

Recovery ahead



Performance highlights

High service levels, enhanced sales efforts, and cost discipline have helped Vulcan navigate a challenging trading environment.

REVENUE

NZ\$493m¹

-12.6% on NZ\$564m in 1H FY24

GROSS PROFIT \$/TONNE

-5.3%

1H FY25 on 1H FY24

GROSS MARGIN

35.2%

-0.2% vs 35.4% in 1H FY24

EBITDA²

NZ\$57m

-30.5% on NZ\$82m in 1H FY24

NPAT³

NZ\$9m

-64.8% on NZ\$26m in 1H FY24

OPERATING CASH FLOW

NZ\$81m

- 23.4% vs NZ\$105m in 1H FY24

CUSTOMERS TRANSACTED WITH VULCAN⁴

22,612

+0.1% on 22,579 in 2H FY24

SALES VOLUME

109,217t

-8.3% on 119,122 tonnes in 1H FY24

INTERIM DIVIDEND (TOTTALLING NZ\$3.2m)

NZ 2.5c

vs NZ12.0c in 1H FY24

Half year operating and financial review *continued*

Vulcan (ASX; VSL, NZX: VSL) an Australasian industrial product distributor and value-added processor recorded a sound performance under difficult economic conditions for the six months ended 31 December 2024 (1H FY25, the first half of the 2025 financial year).

Overview

Statutory basis

- Revenue of NZ\$493.0 million, down 12.6% from NZ\$564.0 million in 1H FY24
- EBITDA of NZ\$56.9 million, down 30.5% from NZ\$81.8 million in 1H FY24
- NPAT of NZ\$9.2 million, down 64.8% on NZ\$26.1 million 1H FY24
- EPS of 7.0 NZ cents, down 12.9 NZ cents from 19.9 NZ cents in 1H FY24
- Net cash inflows from operating activities of NZ\$80.7 million, down NZ\$24.6 million from NZ\$105.3 million 1H FY24

The first half results continued to be challenging. Although inflation rates have eased and New Zealand interest rates have fallen, the economic conditions on both sides of the Tasman continue to be demanding. New Zealand has been in recession between March and September 2024 whilst Australia's GDP growth was less than 1% over the past 12 months. These difficult trading conditions are reflected in a NZ\$71.0 million or 12.6% drop in revenue for the Group, with Australia down 10.1% and New Zealand down 17.4%. The drop in sales reflected the drop in sales value per tonne and total tonnes sold which was down 8.3% to 109,217 tonnes from 1H FY24 of 119,122 tonnes.

Overall, gross profit per tonne decreased 5.3% in 1H FY25 compared to 1H FY24 reflecting the weaker trading conditions.

Active trading accounts¹ in 1H FY25 remained steady compared to 2H FY24, reflecting greater sales effort and more trading days in the first half of the financial year. Attrition in our aluminium customer base, which was mostly expected, was offset by the addition of active customers in other product categories. This performance is particularly positive during difficult trading conditions and bodes well for the future.

Following the successful rollout of 8 hybrid sites in FY24, a further 5 were implemented in 1H FY25. The expanded offering will be beneficial for our customers in these locations and is expected to improve our financial performance over time.

| NZ\$m (unless stated) | EBITDA | | EBIT | | NPAT | | EPS (NZ cents) | |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|----------------|-------------|
| | 1H FY25 | 1H FY24 | 1H FY25 | 1H FY24 | 1H FY25 | 1H FY24 | 1H FY25 | 1H FY24 |
| Statutory basis | 56.9 | 81.8 | 32.0 | 59.1 | 9.2 | 26.1 | 7.0 | 19.9 |
| - Operating leases | -22.0 | -19.8 | -6.2 | -5.7 | 1.6 | 2.8 | 1.2 | 2.2 |
| Adjusted pre-IFRS 16 basis | 34.9 | 62.0 | 25.8 | 53.4 | 10.8 | 28.9 | 8.2 | 22.0 |

Half year operating and financial review *continued*

Steel

Steel revenue fell NZ\$42.4 million (16.8%) to NZ\$209.9 million in 1H FY25, down from NZ\$252.3 million. Sales tonnes decreased to 77,060 tonnes in 1H FY25, down 8.8% from 84,486 tonnes in 1H FY24. Average revenue per tonne also declined NZ\$263 (8.8%) to NZ\$2,723 in 1H FY25 from NZ\$2,986 in 1H FY24. The New Zealand volume decline was significantly larger relative to Australia, although the state of Victoria faced a notably weaker performance than other Australian regions.

Gross profit per tonne in 1H FY25 was down approximately 15% compared with 1H FY24. Despite the reduction in gross profit dollars per tonne over recent reporting periods, the current levels remain above FY21.

Operating expenditure (OPEX) excluding depreciation for the Steel segment declined by approximately NZ\$1.2 million in 1H FY25 compared to 1H FY24 despite the inflationary pressure on the company's unit cost base.

Overall, Steel EBITDA margin declined 4.5% to 10.5% in 1H FY25 from 15.0% in 1H FY24. As a result, the Steel EBITDA decreased by NZ\$15.8 million to NZ\$22.0 million in 1H FY25.

| Steel, NZ\$m | 1H FY25 | 1H FY24 | % change |
|----------------------------|---------|---------|----------|
| Revenue | 209.9 | 252.3 | -16.8% |
| EBITDA ¹ | 22.0 | 37.8 | -41.8% |
| Sales volume (000 tonnes) | 77.1 | 84.5 | -8.8% |
| Revenue/tonne (\$) | 2,723 | 2,986 | -8.8% |
| EBITDA margin ¹ | 10.5% | 15.0% | -4.5% |

1. Post NZ IFRS 16 basis (accounting for leases).

Metals

Metals revenue decreased NZ\$28.6 million (9.2%) to NZ\$283.1 million in 1H FY25 from NZ\$311.7 million in 1H FY24. Sales tonnes decreased to 32,157 tonnes in 1H FY25, down 7.2% from 34,636 tonnes in the 1H FY24. Average revenue per tonne decreased NZ\$196 (2.2%) to NZ\$8,804 in 1H FY25 from NZ\$9,000 in 1H FY24.

Gross margin percentage was steady in 1H FY25 compared with 1H FY24.

OPEX excluding depreciation for Metals segment declined by approximately NZ\$0.7 million in 1H FY25 compared to 1H FY24 despite the inflationary pressure on the company's unit cost base. Overall, Metals EBITDA margin declined 1.3% to 15.7% in 1H FY25 from 17.0% in 1H FY24. As a result, the Metals EBITDA decreased by NZ\$8.6 million to NZ\$44.4 million in 1H FY25.

| Metals, NZ\$m | 1H FY25 | 1H FY24 | % change |
|----------------------------|---------|---------|----------|
| Revenue | 283.1 | 311.7 | -9.2% |
| EBITDA ¹ | 44.4 | 53.0 | -16.2% |
| Sales volume (000 tonnes) | 32.2 | 34.6 | -7.2% |
| Revenue/tonne (\$) | 8,804 | 9,000 | -2.2% |
| EBITDA margin ¹ | 15.7% | 17.0% | -1.3% |

1. Post NZ IFRS 16 basis (accounting for leases).

Half year operating and financial review *continued*

Operating expenditure (OPEX)

OPEX (excluding depreciation, and amortisation) decreased NZ\$1.4 million (1.2%) to NZ\$116.5 million in 1H FY25 from NZ\$117.9 million in 1H FY24. This reflects lower distribution costs due to reduced volume and improved logistics. This has been partially offset by the continuing impact of inflation on costs.

Despite the decrease in costs, the reduction in sales volume resulted in the OPEX costs per tonne increasing to NZ\$1,069.6, up 8.0%. While this reflects the negative impact of lower volume and cost-to-serve associated with product-mix, management continues to look for opportunities to improve efficiencies to reduce the impact of lower volume and inflationary pressures. Employee numbers increased 24 to 1,307 as the Group continued to ensure a superior level of service is maintained for its customers.

| OPEX, NZ\$m | 1H FY25 | 1H FY24 | % change |
|---------------------------------------|--------------|--------------|--------------|
| Employee benefits | 73.9 | 71.5 | 3.3% |
| Selling & distribution (S&D) | 11.6 | 15.0 | -22.6% |
| Occupancy costs | 7.2 | 7.0 | 3.3% |
| General & admin. (G&A) | 23.8 | 24.5 | -2.7% |
| Operating expenses¹ | 116.5 | 117.9 | -1.2% |
| Staff numbers (at period end) | 1,307 | 1,283 | 1.9% |
| Sales volume (000 tonnes) | 109.2 | 119.1 | -8.3% |
| Total OPEX/tonne (\$) | 1,069.6 | 989.9 | 8.0% |

1. Exclude Depreciation & Amortisation.

Cash flows

OPERATING CASH FLOWS

Cash generated from operations recorded a net NZ\$80.7 million inflow in 1H FY25 compared to NZ\$105.3 million achieved in 1H FY24. Operating cash flows in 1H FY25 included a reduction of working capital primarily due to a NZ\$25.7 million drop in trade and other receivables and a reduction of NZ\$15.7 million in inventory on hand. This excludes goods in transit which has no working capital effect as it is off-set by an increase in trade and other payables. Included in 1H FY24 was a NZ\$53.6 million reduction in working capital primarily driven by a reduction in inventory levels.

The net cash flows from operating activities of NZ\$80.7 million were used for capital expenditure of NZ\$14.1 million, down NZ\$0.3 million on 1H FY24 due to the timing of development of hybrid sites, a dividend payment of NZ\$15.8 million, lease liability payment of NZ\$13.5 million, with the remainder used to reduce bank debt by NZ\$52.8 million.

| NZ\$m | 1H FY25 | 1H FY24 | % change |
|---|-------------|--------------|---------------|
| Receipts from customers | 518.7 | 591.1 | -12.2% |
| Payments to suppliers & employees | -403.2 | -442.0 | -8.8% |
| Net interest paid | -16.2 | -12.1 | 34.1% |
| Tax paid | -10.1 | -23.4 | -56.9% |
| Lease interest paid | -8.5 | -8.3 | 2.8% |
| Net cash flows from operating activities | 80.7 | 105.3 | -23.4% |
| Capital expenditure | -14.1 | -14.4 | -2.2% |
| Lease liability payments | -13.5 | -11.5 | 17.8% |
| Dividends | -15.8 | -40.1 | -60.5% |

Half year operating and financial review *continued*

Balance sheet

WORKING CAPITAL

Net working capital excluding tax payable decreased to NZ\$312.2 million on 31 December 2024 down from NZ\$361.3 million on 30 June 2024. This was due to a NZ\$23.7 million drop in trade and other receivables from reduced trading activity and a NZ\$26.7 million increase in creditors due to the timing of payment for inventory purchases with a higher level of stock in transit. Inventory on hand excluding stock in transit at the end of IH FY25 declined NZ\$15.7 million from the end of FY24, reflecting ongoing optimisation to reflect market conditions.

NET BANK DEBT

Since 30 June 2024, net bank debt dropped NZ\$34.3 million to NZ\$241.5 million. The reduction in net bank debt was due to the decrease in working capital primarily due to reduced trade and other receivable levels and continued positive operating cash flows, offset by a NZ\$15.8 million dividend payment.

Our banking syndicate continues to be supportive. As announced on 21 October 2024, the banks have agreed to provide a relaxation of the existing banking covenant thresholds until 31 December 2025.

In December 2024, the Group rolled a NZ\$250 million tranche of its bank debt that was due to expire in 2025. The expiry dates for the new tranches were spread over 2026 through 2028 to better manage the Group's refinancing risk with approximately one third of the Group's debt now coming due in each year 2026 through 2028.

CAPITAL EMPLOYED

Total funds employed have reduced from NZ\$447.9 million on 30 June 24 to NZ\$410.8 million on 31 December 24. This primarily reflects the NZ\$34.3 million lowering of net bank debt which was funded through a reduction in trading cash flows and working capital.

Dividends

The Board has declared a 2.5 NZ cents per share interim dividend. This dividend will be fully franked at 30% tax rate for Australia resident shareholders, and 20% imputed at 28% tax rate for New Zealand resident shareholders. Australian-domiciled shareholders may benefit from their entitlement to receive an amount in supplementary dividend payment as an offset against New Zealand non-resident withholding tax payable on this imputed interim dividend.

| NZ\$m | 31 Dec 24 | 30 Jun 24 | % change |
|--|--------------|--------------|---------------|
| Trade and other receivables | 121.1 | 144.8 | -16.4% |
| Inventories | 362.0 | 360.6 | 0.4% |
| Less trade and other payables | -170.8 | -144.1 | 18.6% |
| Working capital excluding tax items | 312.2 | 361.3 | -13.6% |
| Property, plant and equipment | 101.8 | 95.7 | 6.3% |
| Intangibles | 12.8 | 13.4 | -4.7% |
| Right-of-use assets | 248.7 | 254.8 | -2.4% |
| Other assets and liabilities | 21.9 | 13.0 | 68.2% |
| Lease liabilities | -286.6 | -290.3 | -1.3% |
| Net bank debt | -241.5 | -275.8 | -12.4% |
| Net assets/shareholders funds | 169.2 | 172.1 | -1.7% |
| Capital employed | 410.8 | 447.9 | |

Half year operating and financial review

Environmental, social and governance (ESG)

Vulcan released its first climate related disclosure (CRD) report under the Aotearoa New Zealand Climate statements as part of its annual report in August 2024. We continue to build on this base work as we look to further embed those disciplines into our business-as-usual activities.

The Group is also working through the initial Australian CRD reporting requirements to ensure it complies with any additional reporting requirements.



Half year operating and financial review *continued*

Outlook

Trading was difficult in the first six months of the current financial year with New Zealand being in a recession and the Australian economy also remaining well below sub-trend economic growth. The Steel segment was impacted particularly hard on both sides of the Tasman.

The lowering of interest rates in New Zealand has boosted confidence for the future, although at present general activity remains subdued. Certain segments and regions are showing signs of stabilisation and recovery. Customer channel checks, pre-sales activity combined with the Reserve Bank of New Zealand's reduction in the official cash rate since August 2024, point to improving market volume in the 2025 calendar year. Trading volumes in New Zealand are anticipated to begin to recover from the second or third quarter of the 2025 calendar year.

In Australia, expectations are for the Metals segment to remain relatively steady helped by further improvement as additional hybrid sites are commissioned during the 2025 calendar year. The Queensland and Western Australian markets are expected to perform better in 2025 compared with 2024. The Steel segment volume is anticipated to face continued challenges, especially in Victoria in the near term.

- ▶ **Trading volumes in New Zealand are anticipated to begin to recover from the second or third quarter of the 2025 calendar year.**



Our principles

- ▶ We believe that by creating the right environment we inspire the delivery of amazing results.

Provide an enjoyable workspace

We want our employees to genuinely enjoy the work they do. Aside from having well resourced, high standard facilities, we aim to create a workplace where everyone feels listened to, valued and supported in reaching their full potential.

Promote a safe working environment

By nature, working with steel has inherent risks, therefore ensuring our employees' safety is our primary, ongoing priority. Not only do we want our employees to get home safely to their families every night, we also want them to feel psychologically safe and supported while at work.

Be financially prosperous

This enables us the freedom to invest in our business and people to ensure we're thriving, not just surviving. It gives us the ability to determine our future success from which everyone can prosper.

Remain ambitious

Ambition is about being courageous enough to try, knowing that while we may not always succeed, we will learn, grow, adapt and ultimately find a better way. Innovation isn't without risk, and we're here to support our employees in stepping outside of the box and striving for greatness.

Balance the above

We know that balancing the above is critical to our success.

Our ethos

Team first, with respect for the individual

We've got an "everyone supports the team, and the team supports everyone" culture. No one person is more important than another, therefore we value and respect everyone's individual perspectives and ensure that all decision making reflects what's best for the team.

Each person responsible with minimum misunderstanding

We trust everyone to have complete responsibility and autonomy within their role. Our employees don't have someone looking over their shoulder and should feel empowered and enabled to do their job to the best of their ability, in a way that works best for them.

Relaxed, professional and committed

Work should be somewhere our employees enjoy going every day. We don't take ourselves too seriously and our relaxed, yet committed environment ensures everyone feels comfortable asking questions, receiving feedback and supporting one another.

- ▶ **At Vulcan we hold ourselves to the highest standards in our work, how we do it and how we treat one another.**

Support our local communities

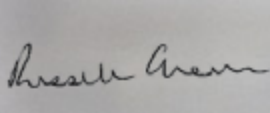
Our people's health and happiness directly depends on the health and happiness of those around them. These extended networks of friends and families across New Zealand and Australia, are our local communities. Through understanding their challenges and opportunities, and helping support, uplift, and improve the lives of these people, we hope to foster meaningful and lasting change.

Clear profit centre goals

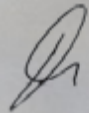
Everyone has a clear understanding of their responsibilities and goals and has the resources and decision-making authority to achieve them.

Thank you

Our culture – our principles and ethos – remains critical to delivering further successes. On behalf of the Board, we thank our team, customers, suppliers and shareholders for their ongoing commitment and support.



Russell Chenu
CHAIRMAN



Rhys Jones
CHIEF EXECUTIVE OFFICER
MANAGING DIRECTOR



03 / FINANCIALS

Financial Statements

Consolidated Condensed Interim Statement of Comprehensive Income (unaudited)

FOR THE SIX MONTHS TO 31 DECEMBER 2024

| NZ\$000's | Notes | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 |
|---|-------|--------------------------|--------------------------|
| Revenue | 5 | 492,988 | 564,002 |
| Cost of sales | | (319,593) | (364,290) |
| Gross profit | | 173,395 | 199,712 |
| Selling and distribution expenses | 6 | (11,578) | (14,950) |
| General and administrative expenses | 6 | (130,140) | (125,647) |
| Total operating expenses | | (141,718) | (140,597) |
| Other income | 5 | 329 | 28 |
| Operating profit before financing costs | | 32,006 | 59,143 |
| Financing income | | 116 | 180 |
| Financing expenses | | (18,382) | (20,782) |
| Net financing costs | | (18,266) | (20,602) |
| Profit before tax | | 13,740 | 38,541 |
| Tax expense | | (4,557) | (12,430) |
| Profit after tax | | 9,183 | 26,111 |
| Other comprehensive Income | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of foreign operations | | 1,164 | (2,662) |
| Fair value gain/(loss) on cash flow hedges | | 1,275 | (1,479) |
| Tax effect of movement in cash flow hedges | | (372) | 430 |
| Other comprehensive income/(loss), net of tax | | 2,067 | (3,711) |
| Total comprehensive income | | 11,250 | 22,400 |
| Attributable to: | | | |
| Owners of Vulcan Steel Limited | | 11,250 | 22,400 |
| Basic earnings per share | 10 | \$0.07 | \$0.20 |
| Diluted earnings per share | 10 | \$0.07 | \$0.20 |

Consolidated Condensed Interim Statement of Financial Position (Unaudited)

AS AT 31 DECEMBER 2024

| NZ\$000's | Notes | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 | Audited 30 Jun 2024 |
|--------------------------------------|-------|--------------------------|--------------------------|------------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | | 8,964 | 4,016 | 24,112 |
| Trade and other receivables | | 121,069 | 141,329 | 144,827 |
| Inventories | | 361,967 | 378,661 | 360,646 |
| Tax receivable | | 8,191 | 13,200 | 3,703 |
| Derivative financial instruments | | 3,653 | - | - |
| Total current assets | | 503,844 | 537,206 | 533,288 |
| Non-current assets | | | | |
| Property, plant and equipment | | 101,758 | 91,264 | 95,681 |
| Right-of-use assets | | 248,737 | 257,462 | 254,748 |
| Intangible assets | | 12,773 | 14,133 | 13,402 |
| Deferred tax assets | | 10,028 | 7,664 | 9,312 |
| Total non-current assets | | 373,296 | 370,523 | 373,143 |
| TOTAL ASSETS | | 877,140 | 907,729 | 906,431 |
| LIABILITIES | | | | |
| Current liabilities | | | | |
| Trade and other payables | | 170,831 | 144,563 | 144,098 |
| Derivative financial instruments | | - | 2,198 | 67 |
| Lease liabilities | | 28,313 | 23,802 | 25,236 |
| Total current liabilities | | 199,144 | 170,563 | 169,401 |
| Non-current Liabilities | | | | |
| Lease liabilities | | 258,278 | 266,265 | 265,070 |
| Interest-bearing liabilities | | 250,474 | 301,648 | 299,904 |
| Total non-current liabilities | | 508,752 | 567,913 | 564,974 |
| TOTAL LIABILITIES | | 707,896 | 738,476 | 734,375 |
| EQUITY | | | | |
| Share capital | 9 | 11,988 | 11,988 | 11,988 |
| Retained earnings | | 141,146 | 149,674 | 147,777 |
| Reserves | | 16,110 | 7,591 | 12,291 |
| TOTAL EQUITY | | 169,244 | 169,253 | 172,056 |
| TOTAL LIABILITIES AND EQUITY | | 877,140 | 907,729 | 906,431 |

These financial statements and the accompanying notes were authorised by the Board on 11 February 2025.

For the Board:



Russell Chenu
DIRECTOR



Rhys Jones
DIRECTOR

Consolidated Condensed Interim Statement of Changes in Equity (unaudited)

FOR THE SIX MONTHS TO 31 DECEMBER 2024

| NZ\$000's | Share capital | Retained earnings | Share based payments reserve | Other reserves | Attributable to owners of Vulcan Steel Ltd |
|--|---------------|-------------------|------------------------------|----------------|--|
| Balance as at 1 July 2023 | 11,988 | 163,643 | 3,926 | 6,361 | 185,918 |
| Comprehensive income | | | | | |
| Profit after tax | - | 26,111 | - | - | 26,111 |
| Other comprehensive (loss) / income | - | - | - | - | - |
| Foreign currency translation reserve | - | - | - | (2,662) | (2,662) |
| Cash flow hedge reserve | - | - | - | (1,049) | (1,049) |
| Total comprehensive income | - | 26,111 | - | (3,711) | 22,400 |
| Transactions with owners | | | | | |
| Share based payments reserve | - | - | 1,015 | - | 1,015 |
| Dividends paid | - | (40,080) | - | - | (40,080) |
| Balance as at 31 December 2023 | 11,988 | 149,674 | 4,941 | 2,650 | 169,253 |
| Balance as at 1 Jan 2024 | 11,988 | 149,674 | 4,941 | 2,650 | 169,253 |
| Comprehensive income | | | | | |
| Profit after tax | - | 13,874 | - | - | 13,874 |
| Other comprehensive (loss)/income | - | - | - | - | - |
| Foreign currency translation reserve | - | - | - | 2,729 | 2,729 |
| Cash flow hedge reserve | - | - | - | 956 | 956 |
| Total comprehensive income | - | 13,874 | - | 3,685 | 17,559 |
| Transactions with owners | | | | | |
| Share based payments reserve | - | - | 1,015 | - | 1,015 |
| Dividends paid | - | (15,771) | - | - | (15,771) |
| Balance as at 30 June 2024 | 11,988 | 147,777 | 5,956 | 6,335 | 172,056 |
| Balance as at 1 July 2024 | 11,988 | 147,777 | 5,956 | 6,335 | 172,056 |
| Comprehensive income | | | | | |
| Profit after tax | - | 9,183 | - | - | 9,183 |
| Other comprehensive (loss)/income | - | - | - | - | - |
| Foreign currency translation reserve | - | - | - | 1,164 | 1,164 |
| Cash flow hedge reserve | - | - | - | 903 | 903 |
| Total comprehensive income | - | 9,183 | - | 2,067 | 11,250 |
| Transactions with owners | | | | | |
| Share based payments reserve | - | - | 1,752 | - | 1,752 |
| Dividends paid | - | (15,814) | - | - | (15,814) |
| Balance as at 31 December 2024 | 11,988 | 141,146 | 7,708 | 8,402 | 169,244 |

Consolidated Condensed Interim Statement of Cash Flows (unaudited)

FOR THE SIX MONTHS TO 31 DECEMBER 2024

| NZ\$000's | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 |
|---|--------------------------|--------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | 518,732 | 591,117 |
| Interest received | 116 | 180 |
| Payments to suppliers and employees | (403,165) | (441,952) |
| Tax paid | (10,079) | (23,414) |
| Interest paid | (16,332) | (12,274) |
| Lease interest paid | (8,547) | (8,311) |
| Net cash flows from operating activities | 80,725 | 105,346 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Sale of property, plant and equipment and intangibles | 217 | 2,449 |
| Purchase of property, plant and equipment and intangibles | (14,097) | (14,407) |
| Net cash flows used in investing activities | (13,880) | (11,958) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Lease liability payments | (13,494) | (11,509) |
| Net repayment of borrowings | (52,793) | (58,352) |
| Dividends paid | (15,814) | (40,080) |
| Net cash flows used in financing activities | (82,101) | (109,941) |
| Net decrease in cash | (15,256) | (16,553) |
| Effect of foreign exchange rates | 108 | 251 |
| Opening cash | 24,112 | 20,318 |
| Closing cash | 8,964 | 4,016 |
| RECONCILIATION OF CLOSING CASH | | |
| Cash and cash equivalents | 8,964 | 4,016 |
| Closing cash | 8,964 | 4,016 |
| CASH FLOW RECONCILIATION | | |
| Profit after tax | 9,183 | 26,111 |
| Add/(deduct) non cash items: | | |
| Amortisation of right of use assets | 15,835 | 14,920 |
| Depreciation, amortisation and impairment of other assets | 9,061 | 8,637 |
| Net gain on disposal of assets | (329) | (884) |
| Deferred tax asset | (1,071) | 1,365 |
| Other non-cash items | - | 1,612 |
| | 23,497 | 25,650 |
| Net working capital movements: | | |
| Trade and other receivables ¹ | 25,744 | 27,088 |
| Inventories ¹ | 3,998 | 53,673 |
| Trade and other payables ¹ | 22,622 | (15,227) |
| Taxation receivable ¹ | (4,318) | (11,950) |
| | 48,046 | 53,584 |
| Net Cash flows from Operating Activities | 80,725 | 105,345 |

1. The working capital movements are net of foreign currency movements.

Notes to the Consolidated Condensed Interim Financial Statements (unaudited)

AS AT AND FOR THE SIX MONTHS TO 31 DECEMBER 2024

1. REPORTING ENTITY

Vulcan Steel Limited (the "Company") together with its subsidiaries (the "Group") is primarily involved in the sale and distribution of steel and metal products, with operations in New Zealand and Australia. There have been no changes to the nature of the business during the current financial period.

The Company is a profit-oriented entity, domiciled in New Zealand, registered under the Companies Act 1993 and the financial statements comply with this Act. The Company is listed on the Australian Securities Exchange ("ASX") with a dual listing on the NZX main board (under the code "VSL"). The Company is an FMC Reporting Entity under the Financial Markets Conduct Act 2013 and the Financial Reporting Act 2013.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated condensed interim financial statements for the six months ended 31 December 2024 have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP) as appropriate for Tier 1 for-profit entities' interim financial statements.

These financial statements comply with New Zealand equivalents to International Accounting Standard 34 - Interim Financial reporting ('NZ IAS 34'), other New Zealand accounting standards and authoritative notices that are applicable to entities that apply NZ IFRS. The consolidated condensed interim financial statements also comply with International Accounting Standard 34 - Interim Financial Reporting.

These consolidated condensed interim financial statements have not been audited. The financial statements have been the subject of review by the auditor, pursuant to NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity, issued by the External Reporting Board. They do not include all of the notes normally included in an annual financial report, and should be read in conjunction with the audited financial statements for the year ended 30 June 2024.

Basis of measurement

The consolidated condensed interim financial statements have been prepared on the basis of historical cost with the exception of the revaluation of financial assets and liabilities (including derivative instruments) at fair value through profit or loss and other comprehensive income.

The Consolidated Condensed Interim Statement of Comprehensive Income has been prepared so that all components are stated exclusive of GST. All items in the Consolidated Condensed Interim Statement of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST invoiced. The cash flows from operating activities are presented exclusive of GST.

Functional currency

The consolidated condensed interim financial statements are presented in NZD which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

Foreign currency transactions and balances

Foreign currency transactions are translated into the relevant functional currency at exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to New Zealand dollars at exchange rates at the reporting date. The income and expenses of foreign operations are translated to New Zealand dollars at exchange rates at the dates of the transactions. Foreign currency differences are recognised in the foreign currency translation reserve (FCTR) in equity. When a foreign operation is disposed of, in part or in full, the relevant amount in the FCTR is transferred to profit or loss.

Material accounting estimates and judgements

The Group's management is required to make judgements, estimates, and apply assumptions that affect the amounts reported in the consolidated condensed interim financial statements. They have based these on historical experience and other factors they believe to be reasonable. Actual results may differ from these estimates.

Material accounting policies

The accounting policies and computation methods used in the preparation of the consolidated condensed interim financial statements are consistent with those used as at 30 June 2024.

Changes to accounting policies

Compared to the six month period ended 31 December 2023, the group has applied the following standards and amendments for the first time for its interim reporting period ended 31 December 2024:

- NZ IFRS 17 Insurance Contracts,
- Definition of Accounting Estimates - amendments to NZ IAS 8,
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction - amendments to NZ IAS 12,
- Disclosure of Accounting Policies - Amendments to NZ IAS 1 and IFRS Practice Statement 2,
- International Tax Reform - Pillar Two Model Rules - Amendments to NZ IAS 12.

The amendments listed above were in effect at 30 June 2024. They did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

There are no other new standards or amendments to standards applicable to the Group for the six months ended 31 December 2024 that have materially impacted the financial statements. All other accounting policies and computation methods used in the preparation of the consolidated condensed interim financial statements are consistent with those used as at 31 December 2023.

At the date of authorisation of these consolidated condensed interim financial statements, the Group has not applied new and revised NZ IFRS standards and amendments that have been issued but are not yet effective. It is not expected that the adoption of these standards and amendments will have a material impact on the consolidated financial statements of the Group, except as outlined below. In May 2024, NZ IFRS 18 Presentation and Disclosure in Financial Statements (effective for reporting periods beginning on or after 1 January 2027) was issued. This standard replaces NZ IAS 1 Presentation of Financial Statements, and will also amend NZ IAS 34 presentation requirements. Management are still assessing the impact and note this may change the presentation of primary statements.

Basis of consolidation

The consolidated condensed interim financial statements incorporate the assets and liabilities of all subsidiaries of the Group as at balance date and the results of all subsidiaries for the period then ended. All subsidiaries are 100% owned within the Group.

The Group applies the acquisition method to account for business combinations.

The Group controls an entity when the Group is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group.

Consideration transferred is the fair value of assets transferred, liabilities incurred to the former owners of the acquiree and equity interests issued by the Group. Consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities (including contingent liabilities) assumed in a business combination are measured initially at their fair values at acquisition date.

All intercompany balances and transactions, including unrealised profits on transactions between group companies have been eliminated.

3. SIGNIFICANT TRANSACTIONS AND EVENTS FOR THE CURRENT PERIOD

Dividend

On 27 August 2024, the Directors approved a final dividend of 12.0 cents per share totalling \$15.8 million. The dividend record date was 27 September 2024 and payment occurred on 10 October 2024. The dividend was fully franked and 30% imputed.

Issue of ordinary shares

On 25 September 2024, the Company issued 376,820 new ordinary quoted shares as part of its Employee Share Based Compensation scheme.

Debt covenants changes

Effective October 2024, the Group secured a temporary adjustment to its financial covenants related to term debt, specifically a reduction in the minimum Interest Cover Ratio and an increase in the maximum Debt Cover Ratio. These revised thresholds will remain in place until December 2025, at which point the original covenant limits will be reinstated.

Debt Facility renewals

On 20 December 2024, the Group extended a \$250 million tranche of its debt facilities (including a \$14 million Letter of Credit facility), that were set to expire in July 2025. The renewed tranches are now set to mature on 30 September 2026 (\$46 million), 30 September 2027 (\$74 million), and 30 September 2028 (\$130 million), respectively.

4. OPERATING SEGMENTS

Vulcan comprises the following operating segments based on internal reports that are reviewed and used by the Chief Operating Decision Makers (CODM – comprising the CEO/Managing Director, Chief Financial Officer, Chief Operating Officer and Chief Commercial Officer) in assessing performance and in determining the allocation of resources:

Steel business across Australia and New Zealand

Steel distribution – the sale of hollows, merchant products including bars, beams, angles, channels, unprocessed coil and plate;

Plate processing – cutting, drilling, tapping, countersinking and folding of plates to customer requirements;

Coil processing – sheeting & slitting to customer specifications.

Metals business across Australia and New Zealand

Stainless steel – the sale of stainless steel products including hollows, bars, fittings and sheets, and processing services including cutting, drilling, tapping, countersinking and folding of plates to customer requirements, as well as sheeting & slitting of stainless coil.

Engineering Steel – the sale of high-performance steel and metal products, and cutting service to specification.

Aluminium – distribution of internally extruded standardised and customised products and third party products including sheet, plate and coil products.

Reporting is received on at least a monthly basis, and performance is measured based on underlying segment earnings before interest, tax, depreciation and amortisation (EBITDA). EBITDA is used to measure performance as the CODM believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within this industry.

The Group has a diverse range of customers from various industries, with no single customer contributing more than 5% of the Group's revenue.

Financing income and expenses are not allocated to segments, except charges on lease liabilities under NZ IFRS 16 Leases. These interest income and expense related activities are driven by the central corporate function, which manages the cash position of the Group.

Assets and liabilities are provided to the CODM on a Group basis, and are separately reported with respect to the individual operating segments.

Sales between segments are eliminated on consolidation. The amounts provided to the CODM with respect to segment revenue are measured in a manner consistent with that of the financial statements.

The following is an analysis of the Group's results by reportable segment:

| NZ\$000's | Unaudited 31 Dec 2024 | | | | Unaudited 31 Dec 2023 | | | |
|---|-----------------------|------------------|------------------|-----------------|-----------------------|------------------|------------------|-----------------|
| | Steel | Metals | Corporate | Total | Steel | Metals | Corporate | Total |
| Total operating revenue | 209,861 | 283,127 | - | 492,988 | 252,277 | 311,725 | - | 564,002 |
| EBITDA (post NZ IFRS 16) | 21,983 | 44,377 | (9,458) | 56,902 | 37,772 | 52,979 | (8,934) | 81,817 |
| Depreciation & amortisation | | | | (24,896) | | | | (22,674) |
| Operating profit before financing costs | | | | 32,006 | | | | 59,143 |
| Net financing costs | | | | (18,266) | | | | (20,602) |
| Profit before tax | | | | 13,740 | | | | 38,541 |
| Tax expense | | | | (4,557) | | | | (12,430) |
| Reported NPAT attributable to shareholders | | | | 9,183 | | | | 26,111 |
| Depreciation & amortisation of PPE & intangibles | | | | (9,061) | | | | (7,754) |
| Amortisation of right of use assets | | | | (15,835) | | | | (14,920) |
| Total depreciation & amortisation | | | | (24,896) | | | | (22,674) |
| Financing income | | | | 116 | | | | 180 |
| Financing expense – interest, line fees & other | | | | (9,835) | | | | (12,472) |
| Financing expense – charges on lease liabilities | | | | (8,547) | | | | (8,310) |
| Net financing costs | | | | (18,266) | | | | (20,602) |
| Principal lease payments ¹ | (9,269) | (12,613) | (159) | (22,041) | (8,436) | (11,359) | (25) | (19,820) |
| Underlying EBITDA (pre-NZ IFRS 16) | 12,714 | 31,764 | (9,617) | 34,861 | 29,336 | 41,620 | (8,959) | 61,997 |
| TOTAL ASSETS | 318,407 | 506,630 | 52,103 | 877,140 | 344,453 | 507,448 | 55,828 | 907,729 |
| TOTAL LIABILITIES | 185,428 | 216,074 | 306,394 | 707,896 | 183,677 | 221,947 | 332,852 | 738,476 |
| Geographical Information | NZ | Australia | Corporate | Total | NZ | Australia | Corporate | Total |
| TOTAL OPERATING REVENUE | 161,584 | 331,404 | - | 492,988 | 195,522 | 368,480 | - | 564,002 |
| EBITDA (post NZ IFRS 16) | 26,735 | 39,625 | (9,458) | 56,902 | 38,860 | 51,891 | (8,934) | 81,817 |
| TOTAL NON CURRENT ASSETS | 93,962 | 247,582 | 31,752 | 373,296 | 109,844 | 232,751 | 27,928 | 370,523 |

1. The principal lease payments include gains/losses on lease terminations.

5. REVENUE

| NZ\$000's | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 |
|-------------------------|--------------------------|--------------------------|
| Total operating revenue | 492,988 | 564,002 |
| Other income | 329 | 28 |

6. EXPENSES

| NZ\$000's | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 |
|---|--------------------------|--------------------------|
| Profit before tax includes the following expenses: | | |
| Employee benefit expenses | 67,571 | 65,692 |
| Defined contribution plans | 6,303 | 5,824 |
| Depreciation and amortisation | 24,896 | 22,674 |
| Selling and distribution | 11,578 | 14,950 |
| Occupancy costs | 7,241 | 7,008 |
| Store costs | 10,054 | 8,067 |
| Other expenses | 14,075 | 16,382 |
| Total selling, general and administrative expenses | 141,718 | 140,597 |

7. EMPLOYEE SHARE BASED COMPENSATION**Performance Share Rights Plan**

The Company has established a Long-Term Incentive Plan (LTIP), effective 1 July 2021, to assist in the motivation, retention and reward of eligible employees. The LTIP is designed to align the interests of employees with the interests of Shareholders by providing an opportunity for certain employees to receive an equity interest in the Company.

The Board may determine the individual employees who are eligible to participate in the LTIP from time to time. Determination of eligibility is at the Board's sole and absolute discretion.

Under the LTIP, the Company may grant Performance Share Rights (PSR) to a Participant. Each PSR unit entitles the holder (at no cost to the Participant) to one ordinary share in the Company. Unless otherwise stated, PSR grants are to be made annually on 1 July.

All incentives have a three-year vesting period. The LTIs are split into 2 components ("Tranche 1" and "Tranche 2"). The vesting criteria for Tranche 1 is based on Return on Capital Employed ("ROCE") thresholds while Tranche 2 is based on the Company's total shareholder return ("TSR") ranking relative to a "Benchmark Group". For both tranches the individual must remain employed by the Company.

The Benchmark Group comprise all companies in the ASX 300 index (excluding mining, energy and financial companies). The measurement of both the Company's and benchmark TSRs will be the gross return based upon any capital gains/(losses) and the cash component of dividends only (i.e., excluding returns attributable to franking credits). The share price returns of the Company and/or the Benchmark Group will also be adjusted for:

- The impact of bonus issues and /or capital reconstructions; and
- Referenced to the 20-day Volume Weighted Average Price ("VWAP") of the Company's share price prior to the testing date.

The fair value of PSRs are recognised as an expense in the Consolidated Condensed Interim Statement of Comprehensive Income over the vesting period of the rights with a corresponding entry to the share based payments reserve.

An additional 933,650 PSRs (FY25 Grant) were granted in the current period with a combined fair value of \$6,418,844 (2023: 478,261 PSRs issued with a combined fair value of \$2,458,958).

The total expense recognised in the six months to 31 December 2024 in relation to equity settled share based payments was \$1,750,814 (2023: \$1,015,000). A total of 376,820 rights vested and were exercised during the period (2023: nil).

8. IMPAIRMENT TESTING AND INTANGIBLES

The annual impairment test is performed as at 30 June each year. Goodwill is considered to be impaired if the carrying amount of the relevant cash generating units ("CGUs") exceeds its recoverable amount. The recoverable amount of a CGU is the higher of its fair value less costs of disposal ("FVLCD") and its value-in-use ("VIU"). A VIU approach is used to estimate the recoverable amount of the CGU to which each goodwill component is allocated.

There are no indicators of impairment at 31 December 2024.

9. SHARE CAPITAL

| Fully paid ordinary shares | Unaudited 31 Dec 2024 | | Audited 30 Jun 2024 | |
|----------------------------|-----------------------|---------------------|---------------------|---------------------|
| | Number of shares | Share capital \$000 | Number of shares | Share capital \$000 |
| Opening balance | 131,408,572 | 11,988 | 131,408,572 | 11,988 |
| Issue of shares | 376,820 | - | - | - |
| Closing balance | 131,785,392 | 11,988 | 131,408,572 | 11,988 |

All shares are fully paid and carry one vote per share, and carry a right to dividends, and a pro rata share of net assets on a wind up. A total of 376,820 shares were issued during the period as part of the company's employee share based compensation scheme (refer note 7).

10. EARNINGS PER SHARE

Weighted average ordinary shares outstanding for the six months ended 31 December 2024

| | Number of ordinary shares outstanding | Period of shares outstanding (days) | Time-weighting factor | Weighted ordinary shares outstanding |
|---------------------------|---------------------------------------|-------------------------------------|-----------------------|--------------------------------------|
| Period before share issue | 131,408,572 | 86 | 0.47 | 61,762,029 |
| Period after share issue | 131,785,392 | 97 | 0.53 | 69,846,258 |
| | | | | 131,608,287 |

| | Unaudited 31 Dec 2024 | Unaudited 31 Dec 2023 |
|---|-----------------------|-----------------------|
| Profit after tax (NZ\$000's) | 9,183 | 26,111 |
| Weighted average ordinary shares outstanding (number of shares) | 131,608,287 | 131,408,572 |
| Basic earnings per share (cents per share) | 7 | 20 |
| Diluted earnings per share (cents per share) | 7 | 20 |

11. FINANCIAL INSTRUMENTS

NZ IFRS 13 for financial assets and liabilities measured at fair value requires disclosure of the fair value measurements by level from the fair value hierarchy, described as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities; or

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); or

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All the Group's financial instruments held at fair value have been measured at the fair value measurement hierarchy of level 2 (31 December 2023: level 2).

The carrying value of the Group's financial assets and liabilities approximate the fair values.

12. CAPITAL COMMITMENTS

Total capital expenditure contracted as at balance date but not provided for in the accounts was \$4.6 million (30 June 2024: \$4.7 million).

13. CONTINGENT LIABILITIES

There are bank guarantees of \$12.6 million (30 June 2024: \$12.7 million) over property in Australia.

14. RELATED PARTY TRANSACTIONS

The Company has related party relationships with its controlled entities and with key management personnel.

Related party transactions continue to include key executive remuneration, lease payments on certain buildings owned by related parties, and dividends paid by the Group to its directors and shareholders. In addition to this, a long term incentive plan has been entered into by the Group for its key management personnel. Refer to note 7 for details on this arrangement.

15. EVENTS OCCURRING AFTER BALANCE DATE

On 11 February 2025, the Directors approved an interim dividend of 2.5 cents per share totalling \$3.3 million. The dividend record date is 14 March 2025 and payment will occur on 27 March 2025. The dividend will be fully franked and 20% imputed.

No other matters or circumstances have arisen since the end of the financial period which significantly affect the company, the results of those operations, or the state of affairs of the company in future financial years.



INDEPENDENT AUDITORS REVIEW REPORT TO THE SHAREHOLDERS OF VULCAN STEEL LIMITED

Conclusion

We have reviewed the consolidated condensed interim financial statements ('interim financial statements') of Vulcan Steel Limited ('the Company') and its subsidiaries ('the Group') on pages 17 to 25 which comprise the consolidated condensed interim statement of financial position as at 31 December 2024, and the consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows for the six months ended on that date, and notes to the interim consolidated condensed financial statements, including material accounting policy information.

Based on our review, nothing has come to our attention that causes us to believe that the consolidated condensed interim financial statements of the Group do not present fairly, in all material respects, the financial position of the Group as at 31 December 2024 and its financial performance and cash flows for the six months ended on that date in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with NZ SRE 2410 (Revised) *Review of Financial Statements Performed by the Independent Auditor of the Entity* ('NZ SRE 2410 (Revised)'). Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Interim Financial Statements* section of our report.

We are independent of the Group in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor and the provision of greenhouse gas limited assurance, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of the Company and Group.

Directors' responsibilities for the interim financial statements

The directors are responsible on behalf of the Company for the preparation and fair presentation of the interim financial statements in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the interim financial statements

Our responsibility is to express a conclusion on the interim financial statements based on our review. NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the interim financial statements, taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

A review of the interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. We perform procedures, primarily consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently do not enable us to obtain assurance that we might identify in an audit. Accordingly we do not express an audit opinion on the interim financial statements.

Restriction on use

This report is made solely to the company's shareholders, as a body. Our review has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company's shareholders as a body, for our engagement, for this report, or for the conclusions we have formed.

Andrew Dick, Partner
for Deloitte Limited
Auckland, New Zealand
11 February 2025

This review report relates to the unaudited interim financial statements of Vulcan Steel Limited ('the Company') for the 6 months ended 31 December 2024 included on the Company's website. The directors are responsible for the maintenance and integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. We accept no responsibility for any changes that may have occurred to the unaudited interim financial statements since they were initially presented on the website. The review report refers only to the unaudited interim financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these unaudited interim financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the unaudited interim financial statements and related review report dated 11 February 2025 to confirm the information included in the unaudited interim financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

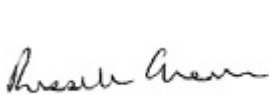
Directors' Declaration

The unaudited interim financial statements of Vulcan Steel Limited and its subsidiaries (the Group) for the half year ended 31 December 2024 were authorised for issue on 11 February 2025 in accordance with a resolution of the directors.

In accordance with ASX Listing Rule 4.2A.2A, the directors declare that, as at that date, and in the directors' opinion:

1. There are reasonable grounds to believe the Group will be able to pay its debts as and when they become due and payable: and
2. The relevant interim financial statements and notes comply with the accepted accounting standards in New Zealand.

For and behalf of the Board



Russell Chenu
CHAIRMAN



Rhys Jones
CHIEF EXECUTIVE OFFICER
MANAGING DIRECTOR

Corporate Directory

BOARD OF DIRECTORS

Russell Chenu - Chair
Rhys Jones
Adrian Casey
Wayne Boyd (retired 1 November 2024)
Bart De Haan
Carolyn Steele
Nicola Greer

EXECUTIVE TEAM

Rhys Jones - Managing Director and Chief Executive Officer
Adrian Casey - Chief Operating Officer
Kar Yue Yeo - Chief Financial Officer
Gavin Street - Chief Commercial Officer

REGISTERED OFFICE

New Zealand

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Australia

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Telephone: +61 3 8610 5000

ADMINISTRATIVE OFFICE

New Zealand

116 Harris Road
East Tamaki
Auckland 2013
Telephone: +64 9 272 7495

Australia

72-86 Nathan Road
Dandenong South
VIC 3175
Telephone: +61 3 8792 9699

SHARE REGISTRY

Vulcan's register of securities is maintained by MUFG Corporate Markets (a division of MUFG Pension & Market Services, which was previously Link Market Services Limited), and is held at the following addresses:

In Australia:

Level 12, 680 George Street
Sydney, NSW 2000
Telephone: +61 1300 554 474

In New Zealand:

Level 30, PwC Tower
15 Customs Street West
Auckland 1010
Telephone: +64 9 375 5998

AUDITORS

Deloitte Limited

COMPANY NUMBERS

New Zealand company number: 68137
New Zealand business number: 9429038466052
Australian registered business number: 652 996 015

VULCAN.

VULCAN.CO