SCAN STEELS LTD.
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Date: October 31, 2025

To,
The General Manager-Listing
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001.

BSE Code: 511672

Sub: <u>Submission of Press Release regarding Q2 and H1FY26 Financial & Operational Performance</u>.

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **please find enclosed herewith a Press Release regarding Q2 and H1FY26 Financial & Operational Performance issued by the Company on October 31, 2025.**

This will also be hosted on the Company's website, at www.scansteels.com.

We request you to kindly take the same on record.

Thanking You,

Yours Faithfully,

For SCAN STEELS LIMITED

For SCAN STEELS LIMITED
Company Secretary

SCAN STEELS LTD. ODISHA

Prabir Kumar Das
Company Secretary& Compliance Officer
(Membership No: F6333)

Encl: As above

Scan Steels Ltd

SCAN GROUP — AN ISO : 9001-2015 | 14001-2015 | 18001-2007 COMPANY | CIN NO : L27209MH1994PLC076015

Press Release – Q2 & H1FY26 Financial & Operational Performance

Q2FY26 EBITDA Surges 132% YoY; Strong Capex Plan to Drive Future Growth

Rajgangpur, Odisha, 31st Oct'2025: Scan Steels Limited (BSE Code – 511672), an integrated steel plant backed by 30 years of experience in steel making, has announced its Q2 & H1FY26 financial results.

Key Performance Highlights (YoY) –

Operational Performance –

- **Production Volume** – In H1FY26, overall production volumes trended upward, while in Q2FY26, Sponge Iron output increased, but Billet and TMT production saw a slight decline.
- **Sales Volume** – Sales volumes witnessed a temporary dip in H1FY26 and Q2FY26 due to the early onset of the monsoon in Odisha. However, with improving conditions, management remains optimistic about a strong rebound from Q3FY26 onwards.
- **Realization per Ton** – Realization for both Billets and TMT showed a drop in both Q2 & H1FY26.

Financial Performance –

- **Revenues** – In Q2 and H1FY26, revenue witnessed a marginal decline, primarily due to lower realizations and reduced sales volumes. However, performance is expected to improve from Q3FY26 onwards.
- **Cost Reduction & Gross Profit Margin Improvement** – In line with its focus on operational efficiency, the company achieved cost savings driven by process improvements and efficiencies realized through the installation of a hot charging rolling mill. This lead to improved Gross profit Margins in both Q2 & H1FY26.
- **Profitability** – In Q2FY26, EBITDA and PAT saw a marked improvement, supported by cost optimization measures and enhanced operational efficiencies. In H1FY26 the profitability decreased.

Q2 & H1FY26 Key Operational Highlights

Particulars	UoM	Q2FY26	Q2FY25	YoY	Q1FY26	QoQ	H1-FY26	H1-FY25	YoY
Production Volume									
Sponge Iron	M.T.	32,820	29,585	11%	32,680	0%	65,500	58,100	13%
Billets	M.T.	36,871	38,896	-5%	47,969	-23%	84,840	75,870	12%
TMT	M.T.	33,225	33,700	-1%	46,679	-29%	79,904	68,536	17%
Sales Volume									
Billets	M.T.	793	2,619	-70%	1,801	-56%	2,593	3,619	-28%
TMT	M.T.	27,621	27,951	-1%	40,361	-32%	67,982	71,435	-5%
Realization Per Ton									
Billets	Per Ton	36,215	38,265	-5%	38,418	-6%	37,745	39,413	-4%
TMT	Per Ton	41,688	43,911	-5%	45,340	-8%	43,829	46,751	-6%

Q2 & H1FY26 Consolidated Financial Highlights

Particulars (Rs. Mn)	Q2FY26	Q2FY25	YoY	Q1FY26	QoQ	H1-FY26	H1-FY25	YoY
Revenue	1,330	1,399	-5%	2,320	-43%	3,650	3,735	-2%
COGS	841	908	-7%	1,622	-48%	2,463	2,532	-3%
Gross Profit	488	491	-1%	698	-30%	1,186	1,203	-1%
Gross Margin	36.7%	35.1%		30.1%		32.5%	32.2%	
EBITDA	57	24	132%	193	-71%	250	265	-6%
EBITDA Margin (%)	4.3%	1.8%		8.3%		6.9%	7.1%	
Profit Before Tax	-4	-19	-81%	134	-103%	131	177	-26%
Profit After Tax	-2	-13	-82%	100	-102%	98	132	-26%
Profit After Tax Margin (%)	-0.2%	-1.0%		4.3%		2.7%	3.5%	
Diluted EPS (Rs.)	-0.04	-0.22	-82%	1.71	-102%	1.67	2.26	-26%

Key Strategic Updates

Updates on Projects

- **Captive Power Plant** - In line with its growth strategy, the company is expanding capacity through the installation of three 20 TPH induction furnaces and a captive-use oxygen plant, along with a 30 MW captive power plant at its Unit-II facility in Gangajal, Biringatoli, Odisha. These projects are scheduled for commissioning in FY26 and FY27, respectively.
- **Expansion of TMT Capacity** - A 72,000 TPA pipe mill is under development at Unit-I, Ramabahal, Keshramal, Rajgangpur, Odisha, with an investment of Rs. 3370 Mn, and are scheduled for commissioning in FY27.

Mr. Rajesh Gadodia, Chairman, commenting on results said that *"I'm pleased to share that despite external challenges such as the early onset of the monsoon and lower realizations, Scan Steel has maintained its resilience, recording higher production volumes on a half-yearly basis and a 132% YoY growth in EBITDA for the quarter. This improvement in profitability reflects the positive impact of cost optimization initiatives and operational efficiencies achieved through the commissioning of the hot charging rolling mill. New projects are poised to enhance cost efficiency, operational performance, and diversification, laying the foundation for sustainable and scalable growth. Combined with strategic investments, ESG commitment, and stakeholder confidence, the Company is moving forward on a path of responsible and enduring value creation."*

About Scan Steels Limited

Scan Steels Limited, with over 30 years of experience, is an integrated steel manufacturer producing MS billets, TMT rods (under the brand "SHRISHTII TMT"), and corrugated sheets ("SHRISHTII ROOFING") through the secondary steel route. With manufacturing facilities in Odisha and Karnataka, and a captive power plant to reduce energy costs, the company focuses on efficiency, innovation, and sustainability. Its strong dealer network and customer-centric approach have made it the leading TMT rod supplier in Odisha.

As the first private integrated steel producer in Odisha's mid-corporate segment, Scan Steels holds a dominant position in the regional market and is working toward national leadership. Its competitive edge lies in its fully integrated operations, cost-effective captive power generation, experienced management, and strong financial credibility. The company's reputation, backed by ISO and ISI certifications, continues to support its growth and market expansion.

Disclaimer

Certain statements that may be made or discussed at the conference call may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like significant changes in the economic environment in India and abroad. Actual results might differ substantially from those expressed or implied. The Company shall not be in any way responsible for any action taken based on such statements and discussions. The Company also undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Contact Information

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Scan Steels Limited

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