

Galco Steel Limited
Annual Report and Consolidated Financial Statements
for the financial year ended 31 May 2025

Galco Steel Limited

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Galco Steel Limited

DIRECTORS AND OTHER INFORMATION

Directors	Donal O'Connor (Chairman) Ed Byrne (Managing Director) Geraldine Quinn Miriam Quinn Fiona Quinn Elaine Quinn Declan O'Dwyer Terry Hinds Denis O'Connor
Company Secretary	Declan O'Dwyer
Company Number	24695
Registered Office and Business Address	Galco House Ballymount Road Walkinstown Dublin 12
Auditors	HLB Ireland Audit Services Limited Suite 7, The Courtyard Carmanhall Road Sandyford Dublin 18
Bankers	Bank of Ireland Drimnagh Road Walkinstown Dublin 12 Bank of Ireland Finance 87 - 89 Pembroke Road Ballsbridge Dublin 4
Solicitors	Murphy MacNamara & Co. Solicitors 24 - 25 South Mall Co. Cork

Galco Steel Limited

DIRECTORS' REPORT

for the financial year ended 31 May 2025

The directors present their report and the audited financial statements for the financial year ended 31 May 2025.

Principal Activity and Review of the Business

The group's principal activities are hot dip galvanizing and paint systems, manufacturers and distributors of access covers and drainage systems and provider of permanent markings and cement distribution.

The directors are satisfied with the increase in turnover and gross profit achieved despite the challenging trading conditions in the year.

Principal Risks and Uncertainties

The directors consider that the principal risks and uncertainties faced by the group are:

The uncertainty in the cost and availability of commodities used in production and energy is a major concern for the group. The group's management endeavours to mitigate this risk by constantly monitoring these prices and attempting to buy at the lowest price points, while also using a sales price surcharge to manage significant cost changes.

The group is largely exposed to levels of activity in the Irish economy and in particular the construction sector. Management seeks to reduce this exposure through trade with a broad cross section of industries.

The group continually faces competition in its principal activity. Management seeks to mitigate this risk by constantly controlling costs and by providing best-in-class service and quality and by offering expert technical support and short delivery/turnaround times.

The group's credit risk is predominantly attributable to the collection of its trade debtors. The group is exposed to the usual credit and cash flow risks associated with selling on credit and manages these through credit control procedures including having credit limits on each customer. The groups' debtors are made up of a large number of customers, over a large number of diverse sectors and this helps reduce the risk. The group also uses credit insurance to reduce its credit exposure on a number of its higher value customers.

The groups' management is cognisant of each of the risks identified above and continues to focus its attention on the prudent management of such risks on a consistent and ongoing basis by carrying out regular strategic and operational reviews, and where necessary, introducing the appropriate operational changes required.

Results and Dividends

The profit for the financial year after providing for depreciation and taxation amounted to €2,552,462 (2024 - €1,957,122).

The directors have paid a final dividend in respect of the year ended 31 May 2024 amounting to €349,997 and an interim dividend in respect of the year ended 31 May 2025 amounting to €346,453.

At the end of the financial year, the group has assets of €42,907,153 (2024 - €39,579,318) and liabilities of €7,543,604 (2024 - €6,019,593). The net assets of the company have increased by €1,803,824.

The directors declared a final dividend of €398,421 (69.7 cent per ordinary share) for the year ended 31 May 2025 which was paid on 9 July 2025 to the ordinary shareholders.

Galco Steel Limited

DIRECTORS' REPORT

for the financial year ended 31 May 2025

Directors and Secretary

The directors who served throughout the financial year were as follows:

Donal O'Connor (Chairman)
Ed Byrne (Managing Director)
Geraldine Quinn
Miriam Quinn
Fiona Quinn
Elaine Quinn
Declan O'Dwyer
Terry Hinds
Denis O'Connor

The secretary who served throughout the financial year was Declan O'Dwyer.

The directors' and the secretary's interests in the shares of the company are as follows:

Name	Class of Shares	Number Held At	Number Held At
		31/05/24	01/06/23
Miriam Quinn	Ordinary Shares	95,256	95,256
Geraldine Quinn	Ordinary shares	95,256	95,256
Fiona Quinn	Ordinary shares	95,256	95,256
Elaine Quinn	Ordinary shares	95,256	95,256
		381,024	381,024

Donal O'Connor, Ed Byrne, Declan O'Dwyer and Terry Hinds had no direct or indirect beneficial interest in the shares of the company or any group company at the beginning or end of the financial year.

Ed Byrne has 5,000 share options, Declan O'Dwyer has 3,000 share options, Terry Hinds has 2,250 share options, Colm Devine has 1,500 share options and Kevin Lynchehaun has 1,500 share options. The options are valid for 7 years from the date granted, in 2021 and 2024.

There were no changes in shareholdings between 31 May 2025 and the date of signing the financial statements.

The directors have indicated their willingness to continue in office.

Future Developments

While the directors have no plans to change the nature of the activities and operations of the group, they remain particularly focused on ensuring the scale of the group's activities is commensurate with the current level of economic activity in the domestic market.

Political Contributions

The group did not make any disclosable political donations in the current or preceding financial years.

Auditors

HLB Ireland Audit Services Limited, were appointed auditors by the directors to fill the casual vacancy and they have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

Parental Company Guarantee

Galco Steel Limited currently provides a parental company guarantee to Galco (Waterford) Limited for a financial provision relating to the known environmental risks to that company as required by the Environmental Protection Agency.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Galco Steel Limited

DIRECTORS' REPORT

for the financial year ended 31 May 2025

Compliance Statement

The directors are responsible for securing the group's compliance with its relevant obligations (compliance with both company and tax law) and with respect to each of the following three items, we confirm that it has been done. We confirm:

- the existence of a compliance policy statement;
- appropriate arrangements or structures put in place to secure material compliance with the group's relevant obligations;
- a review of such arrangements and structures has taken place during the year.

Accounting Records

To ensure that adequate accounting records are kept in accordance with sections 281 to 285 of the Companies Act 2014, the directors have employed appropriately qualified accounting personnel and have maintained appropriate computerised accounting systems. The accounting records are located at the group's office at Galco House, Ballymount Road, Walkinstown, Dublin 12.

Signed on behalf of the board

Miriam Quinn
Director

1 October 2025

Geraldine Quinn
Director

1 October 2025

Galco Steel Limited

DIRECTORS' RESPONSIBILITIES STATEMENT

for the financial year ended 31 May 2025

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the group as at the financial year end date and of the profit or loss of the group for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for ensuring that the group keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the group, enable at any time the assets, liabilities, financial position and profit or loss of the group to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

Miriam Quinn
Director

1 October 2025

Geraldine Quinn
Director

1 October 2025

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Galco Steel Limited

Report on the audit of the financial statements

Opinion

We have audited the group and parent company financial statements of Galco Steel Limited and its subsidiaries ('the group') for the financial year ended 31 May 2025 which comprise the Group Income Statement, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the group and parent company as at 31 May 2025 and of the group's profit for the financial year then ended;
- have been properly prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the group and parent company were sufficient to permit the financial statements to be readily and properly audited. In our opinion the financial statements are in agreement with the accounting records.

INDEPENDENT AUDITOR'S REPORT to the Shareholders of Galco Steel Limited

Matters on which we are required to report by exception

Based on the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the group or to cease operation, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is contained in the appendix to this report, located at page 10, which is to be read as an integral part of our report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the group's shareholders, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the group's shareholders those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the group and the group's shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Butler
for and on behalf of
HLB Ireland Audit Services Limited
Statutory Audit Firm
Suite 7, The Courtyard
Carmanhall Road
Sandyford
Dublin 18

Date: 1 October 2025

Galco Steel Limited

APPENDIX TO THE INDEPENDENT AUDITOR'S REPORT

Further information regarding the scope of our responsibilities as auditor

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 group and the parent company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 group and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 group and the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Galco Steel Limited

CONSOLIDATED INCOME STATEMENT

for the financial year ended 31 May 2025

	Notes	2025 €	2024 €
Revenue	3	48,444,496	45,922,802
Cost of sales		(37,021,409)	(35,500,924)
Gross profit		11,423,087	10,421,878
Operating costs		(4,259,264)	(4,072,329)
Administrative expenses		(3,992,496)	(4,288,164)
Other operating income		1,000	7,000
Group operating profit		3,172,327	2,068,385
Other gains and losses	5	-	126,532
Finance income	6	8,842	105
Finance cost	7	(87,528)	(19,630)
Profit before taxation		3,093,641	2,175,392
Tax on profit	9	(541,179)	(218,270)
Profit for the financial year		2,552,462	1,957,122

Galco Steel Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 May 2025

	Notes	2025 €	2024 €
Non-Current Assets			
Intangible assets	12	1,396,329	1,641,989
Property, plant and equipment	13	21,450,602	21,155,090
		<u>22,846,931</u>	<u>22,797,079</u>
Current Assets			
Inventories	15	5,458,410	4,577,633
Receivables	16	10,312,347	9,054,781
Cash and cash equivalents		4,289,465	3,149,825
		<u>20,060,222</u>	<u>16,782,239</u>
Payables: Amounts falling due within one year	17	<u>(5,170,397)</u>	<u>(4,736,714)</u>
Net Current Assets		<u>14,889,825</u>	<u>12,045,525</u>
Total Assets less Current Liabilities		<u>37,736,756</u>	<u>34,842,604</u>
Payables			
amounts falling due after more than one year	18	(2,127,984)	(1,253,315)
Provisions for liabilities	20	(245,223)	(29,564)
Net Assets		<u><u>35,363,549</u></u>	<u><u>33,559,725</u></u>
Equity			
Called up share capital presented as equity	21	734,982	742,406
Share premium account		510,998	510,998
Revaluation reserve		5,817,469	5,808,325
Other reserves		73,990	73,990
Income statement		28,226,110	26,424,006
Equity attributable to owners of the company		<u><u>35,363,549</u></u>	<u><u>33,559,725</u></u>

Approved by the board on 1 October 2025 and signed on its behalf by:

Miriam Quinn
Director

Geraldine Quinn
Director

Galco Steel Limited
COMPANY STATEMENT OF FINANCIAL POSITION

as at 31 May 2025

	Notes	2025 €	2024 €
Non-Current Assets			
Intangible assets	12	118,300	27,978
Property, plant and equipment	13	14,287,063	14,296,931
Financial assets	14	11,774,897	11,774,897
		<u>26,180,260</u>	<u>26,099,806</u>
Current Assets			
Inventories	15	4,648,558	3,700,004
Receivables	16	10,089,973	10,135,402
Cash and cash equivalents		2,493,220	1,294,071
		<u>17,231,751</u>	<u>15,129,477</u>
Payables: Amounts falling due within one year	17	<u>(12,518,744)</u>	<u>(10,746,054)</u>
Net Current Assets		<u>4,713,007</u>	<u>4,383,423</u>
Total Assets less Current Liabilities		<u>30,893,267</u>	<u>30,483,229</u>
Payables			
amounts falling due after more than one year	18	(883,439)	(418,501)
Provisions for liabilities	20	<u>(98,496)</u>	<u>12,587</u>
Net Assets		<u>29,911,332</u>	<u>30,077,315</u>
Equity			
Called up share capital presented as equity	21	734,982	742,406
Share premium account		510,998	510,998
Revaluation reserve		4,331,954	4,331,954
Other reserves		73,990	73,990
Income statement		24,259,408	24,417,967
Shareholders' Funds		<u>29,911,332</u>	<u>30,077,315</u>

Approved by the board on 1 October 2025 and signed on its behalf by:

Miriam Quinn
Director

Geraldine Quinn
Director

Galco Steel Limited
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
as at 31 May 2025

	Share capital €	Share premium account €	Revaluation reserve €	Retained earnings €	Capital redemption reserve €	Total €
At 1 June 2023	742,406	510,998	4,327,182	25,140,364	73,990	30,794,940
Profit for the financial year	-	-	-	1,957,122	-	1,957,122
Other gains and losses	-	-	1,480,462	-	-	1,480,462
Foreign exchange	-	-	681	26,515	-	27,196
Payments of dividends	-	-	-	(699,995)	-	(699,995)
At 31 May 2024	742,406	510,998	5,808,325	26,424,006	73,990	33,559,725
Profit for the financial year	-	-	-	2,552,462	-	2,552,462
Redemption of equity shares	(7,424)	-	-	(82,576)	-	(90,000)
Foreign exchange	-	-	9,144	28,668	-	37,812
Payment of dividends	-	-	-	(696,450)	-	(696,450)
At 31 May 2025	734,982	510,998	5,817,469	28,226,110	73,990	35,363,549

Galco Steel Limited
COMPANY STATEMENT OF CHANGES IN EQUITY

as at 31 May 2025

	Share capital €	Share premium account €	Revaluation reserve €	Retained earnings €	Capital redemption reserve €	Total €
At 1 June 2023	742,406	510,998	3,599,673	24,057,670	73,990	28,984,737
Profit for the financial year	-	-		1,060,292	-	1,060,292
Other gains or losses	-	-	732,281	-	-	732,281
Payment of dividends	-	-	-	(699,995)	-	(699,995)
At 31 May 2024	742,406	510,998	4,331,954	24,417,967	73,990	30,077,315
Profit for the financial year	-	-	-	620,467	-	620,467
Payment of dividends	-	-	-	(696,450)	-	(696,450)
Redemption of equity shares	(7,424)	-	-	(82,576)	-	(90,000)
At 31 May 2025	734,982	510,998	4,331,954	24,259,408	73,990	29,911,332

Galco Steel Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

for the financial year ended 31 May 2025

	Notes	2025 €	2024 €
Cash flows from operating activities			
Profit for the financial year		2,552,462	1,957,122
Adjustments for:			
Finance income		(8,842)	(105)
Finance costs		87,528	19,630
Tax on profit on ordinary activities		541,179	218,270
Depreciation		2,202,539	1,848,077
Amortisation of intangibles		491,666	454,266
Profit/loss on disposal of property, plant and equipment		(11,250)	(17,901)
Gain on revaluation of property, plant and equipment		-	(126,532)
		<u>5,855,282</u>	<u>4,352,827</u>
Movements in working capital:			
Movement in inventories		(880,777)	(544,652)
Movement in receivables		(1,307,427)	1,097,238
Movement in payables		156,440	(650,252)
		<u>3,823,518</u>	<u>4,255,161</u>
Cash generated from operations		3,823,518	4,255,161
Interest paid		(87,528)	(19,630)
Tax paid		(213,615)	(520,367)
Tax repaid		-	-
Foreign exchange		22,577	14,112
		<u>3,544,952</u>	<u>3,729,276</u>
Net cash generated from operating activities		3,544,952	3,729,276
Cash flows from investing activities			
Interest received		8,842	105
Payments to acquire intangible assets		(245,890)	(36,558)
Payments to acquire property, plant and equipment		(2,481,094)	(3,758,523)
Receipts from sales of property, plant and equipment		11,250	17,901
		<u>(2,706,892)</u>	<u>(3,777,075)</u>
Net cash used in investment activities		(2,706,892)	(3,777,075)
Cash flows from financing activities			
Dividends paid		(696,450)	(699,995)
Buy back of shares		(90,000)	-
Loans drawdown		1,434,594	1,507,409
Loans repaid		(346,564)	(62,066)
		<u>301,580</u>	<u>745,348</u>
Net increase/(decrease) in cash and cash equivalents		1,139,640	697,549
Cash and cash equivalents at beginning of financial year		3,149,825	2,452,276
Cash and cash equivalents at end of financial year	29	<u>4,289,465</u>	<u>3,149,825</u>

Galco Steel Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

1. GENERAL INFORMATION

Galco Steel Limited is a company limited by shares, registered under Part 2 of the Companies Act 2014, incorporated in the Republic of Ireland. The registered office of the company is Galco House, Ballymount Road, Walkinstown, Dublin 12, which is also the principal place of business of the group. The nature of the group's operations and its principal activities are set out in the Directors' Report. The company number is 24695.

Currency

The financial statements have been presented in Euro (€) which is also the functional currency of the group.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

Statement of compliance

The financial statements of the group for the year ended 31 May 2025 have been prepared on the going concern basis and in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102).

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention except for certain properties and financial instruments that are measured at revalued amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial reporting framework that has been applied in their preparation is the Companies Act 2014 and FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council.

The company qualifies as a large company as defined by section 280H of the Companies Act 2014 in respect of the financial year.

Revenue

Revenue is stated net of trade discounts, rebates, VAT and similar taxes and is derived from the provision of a manufacturing process and the sale of goods falling within the group's ordinary activities. Revenue on supply of the manufacturing process is recognised when the application of this process is complete. Revenue on sale of goods is recognised when the group has transferred the significant risks and rewards of ownership in the goods, which usually takes place when the goods are physically delivered to the buyer.

Pensions

Pension benefits for certain employees are provided by way of defined contribution schemes and are funded over the employees' periods of service by way of contributions to independently administered funds. Contributions payable are charged in full to the Income Statement in the financial year in which they fall due.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the same value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Galco Steel Limited

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost or at valuation, less accumulated depreciation. The charge for depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Freehold land and buildings	-	30 years
Plant and machinery	-	8 years
Fixtures, fittings and equipment	-	8 years
Motor vehicles	-	5 years
Computer equipment	-	3 years

Land is not depreciated.

Where there is objective evidence that the recoverable amount of an asset is less than its carrying value, the carrying amount of the asset is reduced to its recoverable amount resulting in an impairment loss which loss is recognised immediately in the Income Statement. Where the circumstances causing an impairment of an asset no longer apply the impairment is reversed through the Income Statement.

Individual freehold and leasehold properties are carried at current year value at fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

Computer software

Computer software is valued at cost less accumulated amortisation.

Amortisation is calculated to write off the cost in equal annual instalments over its estimated useful life of 3 years.

Goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets including other intangible fixed assets when they were acquired. Purchased goodwill is capitalised in the Statement of Financial Position and amortised on a straight line basis over its economic useful life of 20 years, which is estimated to be the period during which benefits are expected to arise. On disposal of a business any goodwill not yet amortised is included in determining the profit or loss on sale of the business.

Goodwill is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Inventories

Inventories are stated at the lower of cost and net realisable value, using the first in first out method.

Cost is based on normal levels of cost and comprises cost of purchase and, where applicable, cost of conversion to current condition. Cost of purchase includes charges such as freight or duty where appropriate.

Net realisable value comprises the actual or estimated selling price (net of trade but before settlement discounts), less all further costs to completion, and less all costs to be incurred in marketing, selling and distribution.

Trade and other receivables

Trade and other receivables are initially measured at the undiscounted amount of cash receivable from that customer, which is normally the invoice price, and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.

Galco Steel Limited

NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within Payables.

Trade and other payables

Trade and other payables are measured at invoice price, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Related parties

The company does not disclose transactions with members of the same group that are wholly owned.

Taxation

The charge for taxation is based on the profit for the financial year. Deferred taxation is accounted for in respect of timing differences between profit as computed for taxation purposes and profit as stated in the financial statements to the extent that such differences are expected to reverse in the foreseeable future.

Government grants

Capital grants received and receivable are treated as deferred income and amortised to the Income Statement annually over the useful economic life of the asset to which it relates. Revenue grants are credited to the Income Statement when received.

Dividends

Final dividends to the group's equity shareholders are recognised as a liability of the group when approved by the group's shareholders. Interim dividends are recognised when paid.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions or at a contracted rate. The resulting monetary assets and liabilities are translated at the Statement of Financial Position rate or the contracted rate and the exchange differences are dealt with in the Income Statement.

Basis of consolidation

The consolidated financial statements include the financial statements of the holding company and all its subsidiary companies made up to 31 May 2025.

Ordinary share capital

The ordinary share capital of the group is presented as equity.

3. REVENUE

The revenue for the financial year has been derived from:-

	2025 €	2024 €
Sale of goods	7,205,210	6,824,295
Provision of manufacturing process	41,207,747	39,098,507
Other Income	31,539	
	<u>48,444,496</u>	<u>45,922,802</u>
Geographical market		
Republic of Ireland	39,651,712	37,652,222
United Kingdom	8,620,964	8,084,902
Rest of the World	171,820	185,678
	<u>48,444,496</u>	<u>45,922,802</u>

Revenue attributable to geographical markets outside the Republic of Ireland amounted to 18% for the financial year.

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

4. OPERATING PROFIT	2025	2024
	€	€
Operating profit is stated after charging/(crediting):		
Depreciation of property, plant and equipment	2,202,539	1,848,077
Amortisation of intangible assets	491,666	454,266
(Profit) on disposal of property, plant and equipment	(11,250)	(17,901)
(Profit)/loss on foreign currencies	2,212	(18,405)
Auditor's remuneration		
- for group financial statements	12,318	12,318
- for entity financial statements	68,361	68,361
- for taxation advisory services	37,268	37,268
Operating lease rentals		
- Land and buildings	188,820	188,820
	<u><u>188,820</u></u>	<u><u>188,820</u></u>
5. OTHER GAINS AND LOSSES	2025	2024
	€	€
Fair value gains and losses are as follows:		
Reversal of impairment loss on freehold property	-	126,532
	<u><u>-</u></u>	<u><u>126,532</u></u>
6. FINANCE INCOME	2025	2024
	€	€
Other interest	8,842	105
	<u><u>8,842</u></u>	<u><u>105</u></u>
7. FINANCE COSTS	2025	2024
	€	€
Interest	87,528	19,630
	<u><u>87,528</u></u>	<u><u>19,630</u></u>
8. EMPLOYEES AND REMUNERATION		
Number of employees		
The average monthly number of persons employed (including executive directors) during the financial year was as follows:		
	2025	2024
	Number	Number
Production	255	255
Sales and administration	54	55
	<u><u>309</u></u>	<u><u>310</u></u>
The staff costs (inclusive of directors' salaries) comprise:		
	2025	2024
	€	€
Wages and salaries	15,240,893	14,117,471
Social welfare costs	1,584,212	1,481,418
Pension costs	572,837	551,765
	<u><u>17,397,942</u></u>	<u><u>16,150,654</u></u>

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

continued

9. TAX ON PROFIT

	2025 €	2024 €
(a) Analysis of charge in the financial year		
Current tax:		
Corporation tax at 12.50% (2023 - 12.50%)	334,149	278,135
Under/(over) provision in prior year	(6,791)	-
	<u>327,358</u>	<u>278,135</u>
Income tax	-	-
Total current tax	<u>327,358</u>	<u>278,135</u>
Deferred tax:		
Origination and reversal of timing differences (Note 20)	213,821	(59,865)
Total deferred tax	<u>213,821</u>	<u>(59,865)</u>
Tax on profit (Note 9 (b))	<u>541,179</u>	<u>218,270</u>

(b) Factors affecting tax charge for the financial year

The tax assessed for the financial year differs from the standard rate of corporation tax in the Republic of Ireland 12.50% (2024 - 12.50%). The differences are explained below:

	2025 €	2024 €
Profit taxable at 12.50%	3,092,475	2,174,350
Profit taxable at 25%	1,166	1,042
Profit before tax	<u>3,093,641</u>	<u>2,175,392</u>
Profit before tax multiplied by the standard rate of corporation tax in the Republic of Ireland at 12.50% (2024 - 12.50%)	386,559	271,794
Profit before tax multiplied by 25%	292	261
	<u>386,851</u>	<u>272,055</u>
Effects of:		
Expenses not deductible for tax purposes	54,962	51,990
Profits not taxable	(1,538)	(3,457)
Depreciation in excess of capital allowances for period	34,894	9,540
Utilisation of tax losses	(170,856)	(110,873)
Deferred tax	213,821	(59,865)
Items not adjustable for tax purposes	-	2,593
Marginal relief	(2,029)	-
Adjustment in respect of UK tax rate of 25%	31,865	56,287
Overprovision in previous years	(6,791)	-
Total tax charge for the financial year (Note 9 (a))	<u>541,179</u>	<u>218,270</u>

10. PROFIT ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

In accordance with section 304 of the Companies Act 2014 a separate Income Statement for the company has not been presented in these financial statements. The profit in the financial statements of the parent company was €620,467:(2024: profit €1,060,292).

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

continued

11. DIVIDENDS	2025	2024
	€	€
Dividends on equity shares:		
Ordinary shares - Interim paid	346,453	349,997
Ordinary shares - Final paid	349,997	349,998
	<u>696,450</u>	<u>699,995</u>

12. INTANGIBLE FIXED ASSETS
Group

	Computer software	Goodwill	Total
	€	€	€
Cost			
At 1 June 2024	408,982	8,299,237	8,708,219
Additions	245,941	-	245,941
FX difference	661		661
	<u>655,584</u>	<u>8,299,237</u>	<u>8,954,821</u>
At 31 May 2025			
Provision for diminution in value			
At 1 June 2024	356,422	6,709,808	7,066,230
Charge for financial year	76,704	414,962	491,666
FX difference	596	-	596
	<u>433,722</u>	<u>7,124,770</u>	<u>7,558,492</u>
At 31 May 2025			
Carrying amount			
At 31 May 2025	<u>221,862</u>	<u>1,174,467</u>	<u>1,396,329</u>
At 31 May 2024	<u>52,560</u>	<u>1,589,429</u>	<u>1,641,989</u>

Company

	Computer software	Total
	€	€
Cost		
At 1 June 2024	229,958	229,958
Additions	135,557	135,557
	<u>365,515</u>	<u>365,515</u>
At 31 May 2025		
Provision for diminution in value		
At 1 June 2024	201,980	201,980
Charge for financial year	45,235	45,235
	<u>247,215</u>	<u>247,215</u>
At 31 May 2025		
Carrying amount		
At 31 May 2025	<u>118,300</u>	<u>118,300</u>
At 31 May 2024	<u>27,978</u>	<u>27,978</u>

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

13. PROPERTY, PLANT AND EQUIPMENT
Group

	Freehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	€	€	€	€	€	€
Cost						
At 1 June 2024	15,964,997	18,654,187	671,758	2,465,650	1,056,558	38,813,150
Additions	1,150,994	780,554	32,323	517,924	-	2,481,795
FX difference	11,681	21,909	720	8,180	510	43,000
Disposals	-	-	-	(284,236)	-	(284,236)
At 31 May 2025	<u>17,127,672</u>	<u>19,456,650</u>	<u>704,801</u>	<u>2,707,518</u>	<u>1,057,068</u>	<u>41,053,709</u>
Depreciation						
At 1 June 2024	-	14,132,491	628,957	1,900,053	996,559	17,658,060
Charge for the financial year	928,054	980,718	9,402	253,232	31,133	2,202,539
FX difference	(19)	20,094	756	5,524	389	26,744
On disposals	-	-	-	(284,236)	-	(284,236)
At 31 May 2025	<u>928,035</u>	<u>15,133,303</u>	<u>639,115</u>	<u>1,874,573</u>	<u>1,028,080</u>	<u>19,603,107</u>
Carrying amount						
At 31 May 2025	<u><u>16,199,637</u></u>	<u><u>4,323,347</u></u>	<u><u>65,686</u></u>	<u><u>832,945</u></u>	<u><u>28,988</u></u>	<u><u>21,450,602</u></u>
At 31 May 2024	<u><u>15,964,997</u></u>	<u><u>4,521,696</u></u>	<u><u>42,801</u></u>	<u><u>565,597</u></u>	<u><u>60,000</u></u>	<u><u>21,155,090</u></u>

Land and buildings are included in the Statement of Financial Position at a July 2024 valuation determined by Lavelle Chartered Surveyors Limited, independent professional valuers.

It is the opinion of the directors that the value at 31 May 2025 is not materially different to the valuation at July 2024.

Subsequent to the revaluation the revalued amounts of the assets concerned are depreciated over the revised remaining useful lives of the relevant assets as estimated by directors.

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

Company

	Freehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	€	€	€	€	€	€
Cost or Valuation						
At 1 June 2024	11,150,000	9,973,297	538,148	1,025,543	845,964	23,532,952
Additions	579,472	511,853	-	311,400	-	1,402,725
Disposals	-	-	-	(131,446)	-	(131,446)
At 31 May 2025	<u>11,729,472</u>	<u>10,485,150</u>	<u>538,148</u>	<u>1,205,497</u>	<u>845,964</u>	<u>24,804,231</u>
Depreciation						
At 1 June 2024	-	7,081,052	508,961	835,367	810,641	9,236,021
Charge for the financial year	695,616	582,784	5,078	110,451	18,664	1,412,593
On disposals	-	-	-	(131,446)	-	(131,446)
At 31 May 2025	<u>695,616</u>	<u>7,663,836</u>	<u>514,039</u>	<u>814,372</u>	<u>829,305</u>	<u>10,517,168</u>
Carrying amount						
At 31 May 2025	<u>11,033,856</u>	<u>2,821,314</u>	<u>24,109</u>	<u>391,125</u>	<u>16,659</u>	<u>14,287,063</u>
At 31 May 2024	<u>11,150,000</u>	<u>2,892,245</u>	<u>29,187</u>	<u>190,176</u>	<u>35,323</u>	<u>14,296,931</u>

Land and buildings are included in the Statement of Financial Position at a July 2024 valuation determined by Lavelle Chartered Surveyors Limited, independent professional valuers.

It is the opinion of the directors that the value at 31 May 2025 is not materially different to the valuation at July 2024.

Subsequent to the revaluation the revalued amounts of the assets concerned are depreciated over the revised remaining useful lives of the relevant assets as estimated by directors.

Galco Steel Limited

NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

13.1 HISTORICAL COST INFORMATION FOR FREEHOLD LAND AND BUILDINGS INCLUDED AT VALUATION

Property, plant and equipment included at a valuation would have been included on a historical cost basis at:

Group	2025	2024
	€	€
Cost	28,328,843	27,177,849
Depreciation	(9,018,209)	(8,508,840)
FX difference	82,849	73,051
	<u>19,393,483</u>	<u>18,742,060</u>

The difference between the depreciation charge based on the revalued amount and historic cost is €418,687: €(295,516)).

Company	2025	2024
	€	€
Cost	17,960,458	17,380,986
Depreciation	(5,024,153)	(4,739,957)
	<u>12,936,305</u>	<u>12,641,029</u>

The difference between the depreciation charge based on the revalued amount and historic cost is €(411,419) (2024: €(337,440)).

14. FINANCIAL FIXED ASSETS

Company

	Subsidiary undertakings shares	Total
	€	€
Investments		
Cost		
At 31 May 2025	<u>11,774,897</u>	<u>11,774,897</u>
Carrying amount		
At 31 May 2025	<u>11,774,897</u>	<u>11,774,897</u>
At 31 May 2024	<u>11,774,897</u>	<u>11,774,897</u>

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

14.1. Holdings in related undertakings

The company holds 20% or more of the share capital of the following companies:

Name	Registered office / Principal place of business	Nature of business	Details of investment	Proportion held by company
Subsidiary undertaking				
Galco (Cork) Limited	Tramore Road, Cork	Hot dip galvanising	Ordinary shares	100%
Galco (Waterford) Limited	Galco House, Ballymount Road, Walkinstown, Dublin 12/ Gracedieu Road, Waterford	Hot dip galvanising	Ordinary shares	100%
Sperrin Galvanisers (Irl) Limited	Derryfrench, Tynagh, Loughrea, Co. Galway	Hot dip galvanising	Ordinary shares	100%
Colfert Limited	Unit 5 Industrial Estate, Magherafelt Road, Draperstown, Co. Derry	Holding company	Ordinary shares	100%
Sperrin Galvanisers Limited	Unit 5 Industrial Estate, Magherafelt Road, Draperstown, Co. Derry	Hot dip galvanising	Ordinary shares (indirect holding)	100%

In the opinion of the directors, the shares of the company's unlisted investments are worth at least the amount at which they are stated in the Statement of Financial Position.

15. INVENTORIES

	2025	2024
	€	€
Group		
Raw materials	3,281,516	1,842,724
Work-in-progress and finished goods	2,142,368	2,709,921
Consumables	34,526	24,988
	<u>5,458,410</u>	<u>4,577,633</u>

	2025	2024
	€	€
Company		
Raw materials	2,578,017	1,946,836
Work-in-progress and finished goods	2,064,068	1,745,975
Consumables	6,473	7,193
	<u>4,648,558</u>	<u>3,700,004</u>

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

continued

16. RECEIVABLES	2025	2024
	€	€
Group		
Trade receivables	9,928,609	8,523,540
Other debtors	9,374	11,599
Directors' current accounts	2	3,492
Taxation (Note 19)	32,294	82,155
Prepayments	342,068	433,995
	10,312,347	9,054,781
	2025	2024
	€	€
Company		
Trade receivables	4,886,761	4,209,167
Amounts owed by group companies	4,985,838	5,597,949
Other debtors	3,738	7,439
Directors' current accounts	2	3,492
Taxation (Note 19)	-	31,055
Prepayments	213,634	286,300
	10,089,973	10,135,402

The company is party to an invoice discounting arrangement with Bank of Ireland Finance in relation to its trade receivables for the financial year ended 31 May 2025. The company's trade receivables which come within the invoice discounting scheme represent a significant element of the company's trade receivables, domestic and foreign, subject to specified exclusions. It is a condition of the invoice discounting arrangement that all monies received from trade receivables are lodged directly to a special account. The invoice discounting facility is secured by way a floating charge over the book debts of Galco Steel Limited.

Amounts owed by group companies are unsecured, interest free and repayable on demand.

17. PAYABLES	2025	2024
Amounts falling due within one year	€	€
Group		
Bank loan	405,389	192,028
Trade payables	2,060,773	1,897,645
Taxation (Note 19)	1,236,771	1,149,238
Other creditors	6,631	9,383
Accruals	1,460,833	1,488,420
	5,170,397	4,736,714
	2025	2024
	€	€
Amounts falling due within one year		
Company		
Amounts owed to credit institution	168,126	64,124
Trade payables	757,385	1,063,461
Amounts owed to group undertakings	9,775,134	7,787,228
Taxation (Note 19)	710,009	727,375
Accruals	1,108,090	1,103,866
	12,518,744	10,746,054

Amounts owed to group companies are unsecured, interest free and repayable on demand.

The amount owed to credit institution is secured by a deed of mortgage and charge held by Bank of Ireland.

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

18. Payables Amounts falling due after more than one year Group	2025 €	2024 €
Bank Loan	<u>2,127,984</u>	<u>1,253,315</u>
Loans:		
Repayable in one year or less, or on demand (Note 17)	405,389	192,028
Repayable between one and two years	405,388	192,029
Repayable between two and five years	1,216,164	576,084
Repayable in five years or more	<u>506,432</u>	<u>485,203</u>
	<u>2,533,373</u>	<u>1,445,343</u>

The amount owed to credit institutions is secured by a deed of mortgage and charge held by Bank of Ireland.

Payables Amounts falling due after more than one year Company	2025 €	2024 €
Bank Loan	<u>883,439</u>	<u>418,501</u>
Payables:		
Repayable in one year or less, or on demand (Note 17)	168,126	64,124
Repayable between one and two years	168,126	64,124
Repayable between two and five years	672,503	192,372
Repayable in five years or more	<u>42,810</u>	<u>162,005</u>
	<u>1,051,565</u>	<u>482,625</u>

The amount owed to credit institutions is secured by a deed of mortgage and charge held by Bank of Ireland.

19. TAXATION Group	2025 €	2024 €
Receivables:		
Corporation tax	<u>32,294</u>	<u>82,155</u>
Payables:		
VAT	711,384	677,599
Corporation tax	122,641	58,759
PAYE	400,585	408,732
Relevant contracts tax	<u>2,161</u>	<u>4,148</u>
	<u>1,236,771</u>	<u>1,149,238</u>

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31 May 2025

continued

19. Taxation (Continued)

	2025	2024
	€	€
Company		
Receivables:		
Corporation tax	-	31,055
Payables:		
VAT	463,305	473,149
PAYE	226,435	252,272
Corporation tax	19,243	
Relevant contracts tax	1,026	1,954
	710,009	727,375

20. PROVISIONS FOR LIABILITIES

Group

The amounts provided for deferred taxation are analysed below:

	Capital allowances	Losses	Total 2025	Total 2024
	€	€	€	€
At financial year start	226,683	(197,119)	29,564	89,226
(Credit)/Charged to profit and loss	47,130	166,691	213,821	(59,865)
Foreign exchange	1,838	-	1,838	203
At financial year end	275,651	(30,428)	245,223	29,564

Company

The amounts provided for deferred taxation are analysed below:

	Capital allowances	Losses	Total 2025	Total 2024
	€	€	€	€
At financial year start	82,954	(95,541)	(12,587)	-
(Credit)/Charged to profit and loss	15,542	95,541	111,083	(12,587)
At financial year end	98,496	-	98,496	(12,587)

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

21. SHARE CAPITAL			2025 €	2024 €
Description	Number of shares	Value of units		
Authorised				
Ordinary shares	934,419	€1.269738 each	1,186,467	1,186,467
Redeemable preference shares	500,000	€1.269738 each	634,869	634,869
Redeemable ordinary shares	58,272	€1.269738 each	73,990	73,990
Ordinary shares held as Treasury Shares	7,309	€1.269738 each	9,281	9,281
			<u>1,904,607</u>	<u>1,904,607</u>
Allotted, called up and fully paid				
Ordinary shares	577,383	€1.269738 each	725,701	733,125
Ordinary shares held as Treasury Shares	7,309	€1.269738 each	9,281	9,281
			<u>734,982</u>	<u>742,406</u>

During the year ended 31 May 2025 the company purchased 5,847 shares at a cost of €90,000; these shares were subsequently cancelled.

22. RESERVES

Share Premium Reserve

The amount carried forward is the premium that arose from the issue of shares in 1999 and 2000.

Revaluation Reserve

This reserve represents the surplus over net book amount of buildings arising from an independent professional valuation obtained by the directors in July 2024 and previous revaluations. It is a non-distributable reserve in accordance with Section 117 of the Companies Act 2014.

Capital Redemption Reserve

In accordance with Section 106 of the Companies Act 2014 an amount equal to the nominal value of the shares redeemed in 1998 was transferred to a Capital Redemption Reserve Fund. This fund is not distributable.

23. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings	
Due:	2025 €	2024 €
Within one year	188,820	188,820
Between one and five years	540,000	540,000
In over five years	146,250	146,250
	<u>875,070</u>	<u>875,070</u>

24. CAPITAL COMMITMENTS

Group and company

The group and company had no material capital commitments at the financial year-ended 31 May 2025.

25. CONTINGENT LIABILITIES

Group and company

The group and company had no material contingent liabilities at the financial year-ended 31 May 2025.

Galco Steel Limited
NOTES TO THE FINANCIAL STATEMENTS

continued

for the financial year ended 31 May 2025

26. DIRECTORS' REMUNERATION AND TRANSACTIONS	2025	2024
	€	€
Directors' remuneration		
Remuneration	831,213	790,036
Pension contributions	47,800	45,254
	<u>879,013</u>	<u>835,290</u>

27. RELATED PARTY TRANSACTIONS

The company has availed of the exemption under FRS 102 in relation to the disclosure of transactions with group companies.

The total compensation paid to key management personnel during the financial year ended 31 May 2025 was €1,297,161.

28. EVENTS AFTER END OF REPORTING PERIOD

There have been no significant events affecting the group since the financial year-end.

29. CASH AND CASH EQUIVALENTS	2025	2024
	€	€
Cash and bank balances	<u>4,289,465</u>	<u>3,149,825</u>

30. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 1 October 2025.