

## Press Release

### EMSTEEL delivers AED 8.3 billion in revenue for 2024

**Abu Dhabi, United Arab Emirates, 12 February 2025:** EMSTEEL (ADX: EMSTEEL) (“the Group”), one of the largest publicly traded steel and building materials manufacturers in the region, announced today its preliminary (unaudited) financial results for Full Year 2024. The results highlight EMSTEEL’s ability to perform well whilst facing difficult market conditions.

#### Financial highlights for 2024:

- During 2024, EMSTEEL maintained overall steel production volumes in line with the level attained during 2023. The Group delivered total revenues of AED 8.3 billion, approximately 6% lower than the AED 8.9 billion reported for 2023. This decrease in revenue is due to various factors, including fluctuations in global steel prices, increased competition, and changing demand trends driven by economic uncertainties in key markets.
- EMSTEEL's profitability margins have been affected by an increase in low-priced Chinese steel exports, which have directly or indirectly impacted prices in several of the Group's key markets, including the GCC and important export destinations like Europe and the US. Despite the challenging market environment EMSTEEL realized a solid Profit before tax of AED 432 million and Net Profit after tax of AED 392 million. The Group further strengthened its balance sheet, realizing a positive net cash generation of AED 401 million resulting in a balance sheet free of net debt. The Net Profit was supported by the reversal of an impairment taken during COVID, with a net positive impact of AED 189 million.
- In 2024, EMSTEEL recorded EBITDA of AED 892 million, with a margin of 10.9%, compared to 14.2% in 2023. EMSTEEL’s FY24 profitability was supported by a significant improvement of the Group’s EBITDA during the fourth quarter of the year, amounting to AED 247 million, up 81% compared to the third quarter of 2024. One of the key factors was EMSTEEL’s ability to leverage increased UAE construction activity, which supported rebar demand and allowed the Group to maximize capacity utilization, while at the same time improving price realization in this core segment.
- Revenue from the Group’s Emirates Steel division totalled AED 7.6 billion during 2024, generating an EBITDA of AED 680 million. Emirates Steel’s performance was impacted by adverse global market conditions.
- Revenue from the Group’s Emirates Cement division was AED 0.8 billion in 2024, with an EBITDA of AED 212 million. Within the Cement division the Pipes & Other segment is reported as Assets held for Sale as a divestment process is ongoing. Revenue for this segment amounted to AED 156 million in 2024.
- As of the end of 2024, the Group continues to maintain a robust liquidity position, with AED 823 million cash in hand compared to AED 426 million as of 31 December 2023.

### Strategic highlights for 2024:

- EMSTEEL launched its new brand as part of a broader strategy to accelerate its operational transformation and extend its global presence. The new brand identity and operating model enable the seamless addition of new divisions, supporting growth into new markets and product lines.
- The Group has made significant progress in advancing its ambitious Low-Carbon Iron Joint Venture project. A comprehensive feasibility study is currently underway for this transformative initiative, with the goal of positioning Abu Dhabi as a global leader in sustainable steel production.
- EMSTEEL collaborated with Masdar on the successful completion of a pilot project demonstrating the use of green hydrogen to produce green steel. This first-of-its-kind project in the Middle East and North African region uses green hydrogen to extract iron from iron ore, a key step in steelmaking.
- The Group was also appointed as co-chair of the Alliance for Industry Decarbonisation (AFID) led by the International Renewable Energy Agency (IRENA). EMSTEEL will be co-chairing the renowned global industrial alliance alongside Siemens Energy, replacing TATA Steel within the alliance leadership role.
- EMSTEEL was named a 2024 Steel Sustainability Champion by the World Steel Association, commended by the World Economic Forum, and received the Forbes Middle East Sustainability Leaders Award. It also won the Best Sustainable Manufacturing and ICV (In Country Value) Excellence Awards at the Make it in the Emirates Awards 2024.

**Hamad Al Hammadi, Chairman, EMSTEEL,** said: “2024 has been a year of transformation for EMSTEEL. With the evolution of our corporate identity and our key business divisions, our team has demonstrated exceptional adaptability and focus, enabling us to deliver innovative solutions and services, and to continue creating value for our stakeholders. These efforts reaffirm our vision to lead the industry toward a low-carbon future while strengthening our position as the UAE’s largest publicly traded steel and building materials manufacturer.”

**Eng. Saeed Ghumran Al Remeithi, Group Chief Executive Officer, EMSTEEL,** said: “In 2024, EMSTEEL demonstrated resilience in navigating a dynamic and challenging market environment. Despite these headwinds, we remain committed to innovation, sustainability and accelerating the adoption of low-carbon solutions. A key milestone is our pilot green hydrogen project with Masdar, a critical step in decarbonizing this hard-to-abate sector.

Looking ahead, we embrace our role as pioneers in sustainable innovation, laying the foundation for a low-carbon iron hub, with strategic partnerships driving our vision of a more sustainable and resilient future for all. The UAE’s expanding construction sector, with \$772 billion in ongoing and upcoming projects, further strengthens our growth strategy. With 52% of projects in planning, design, or tender stages, the country’s infrastructure boom will continue to drive demand for sustainable steel and building material solutions, positioning EMSTEEL as a key enabler of economic and developmental progress.”

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