

## Press Release

### Emirates Steel Arkan Delivers AED 3.96 billion Revenues in H1 2024

**Abu Dhabi, United Arab Emirates, 2 August 2024:** Emirates Steel Arkan (ADX: EMSTEEL) (the “Group”), one of the largest publicly traded steel and building materials manufacturers in the region, today announced its financial results for H1 2024, with revenues of AED 3.96 billion and EBITDA of AED 503 million.

The Group has delivered stable performance throughout H1 2024, despite challenging conditions impacting both export and domestic markets. International steel markets remain under pressure, primarily as a result of the slowdown in the Chinese economy and global geopolitical uncertainties.

#### Financial highlights H1 2024:

- In H1 2024, the Group maintained overall production volumes in line with H1 2023. This was achieved through strategic flexibility, allowing part of the international exports to be redirected to the UAE market. The Group has delivered total revenues of AED 3.96 billion, approximately 10% below the AED 4.43 billion in H1 2023.
- EBITDA in H1 2024 was AED 503 million, while the Group’s net profit before tax was AED 191 million.
- Revenue from the Steel division totalled AED 3.60 billion during H1 2024, generating a profit before tax of AED 140 million. Revenue from the Building Materials division was AED 353 million in H1 2024, with profit before tax of AED 51 million.
- The Group’s performance demonstrates its resilience in challenging market conditions. In particular, the Group’s continuing cost reduction and transformation programme contributed an incremental EBITDA enhancement of AED 78 million in H1 2024.
- During the half-year the Group further improved its cash position, and as of the end of H1 2024 the Group had AED 610 million cash in hand compared to AED 426 million as of 31 December 2023.

#### Strategic highlights H1 2024:

- The Group was recognized as the 2024 Steel Sustainability Champion by the World Steel Association for its pioneering efforts in decarbonizing steel production throughout 2023.
- The Group's efforts have been commended by the World Economic Forum for its outstanding efforts in decarbonizing the iron and steel industry, placing it among the top five leading steel companies worldwide that have received this recognition.
- The Group's contributions to the UAE’s industrial sector were recognized at the Make it in the Emirates Awards 2024. The Group received two prestigious awards: the Best Sustainable Manufacturing Award and the ICV Excellence Award. Additionally, it was a finalist for the Excellence in Innovation Award.
- The Group continues its ongoing upgrade of its current assets to better address the evolving requirements of the market and respond to the increasing demand for higher-grade steel. These

strategic enhancements underscore its commitment to innovation, quality, and customer satisfaction.

**Eng. Saeed Ghumran Al Remeithi, Director and Group Chief Executive Officer, Emirates Steel Arkan**, said: “Emirates Steel Arkan has demonstrated exceptional resilience and strategic vision amidst challenging market conditions. Our performance in the first half of 2024 is strong, evidenced by revenues of AED 3.96 billion and EBITDA of AED 503 million. This achievement underscores our unwavering commitment to operational excellence and innovation. The Group’s focus on cost reduction and transformative initiatives has been pivotal in maintaining our competitive edge. Moreover, our recognition by the World Economic Forum for pioneering decarbonization in steel production underscores our dedication to sustainable practices and our vision for a low-carbon future.”

He added, “As we enter the second half of the year, we will remain vigilant in monitoring market dynamics to stay agile. We will continue to collaborate closely with our downstream customers to meet their needs for value-added and low-carbon products. Additionally, we will maintain our commitment to supplying premium steel products, known for their sustainability, record-setting low carbon emissions, and exceptional durability, to landmark projects in the region, such as our latest agreement with Eversendai for the construction of the NEOM Trojena Ski Village.”

## Ends

### **About Emirates Steel Arkan (ESA)**

Emirates Steel Arkan (the Group) is a public joint stock company (ADX: EMSTEEL) and the UAE’s largest steel and building materials manufacturer. The Group leverages cutting-edge technologies to supply both the local market and more than 70 international markets with high-quality finished products, creating a one-stop shop for the manufacturing and construction sectors.

Emirates Steel Arkan is committed to contributing to the UAE’s industrial strategy ‘Operation 300 billion’ by delivering market-leading products to support local industries, creating job opportunities for UAE Nationals, and enhancing its sustainable practices. The Group is also among the leading decarbonized steel manufacturers in the world and is recognized for its world-class safety performance.

The Group’s steel and building materials have been used in some of the UAE’s most iconic construction projects, including the Burj Khalifa, Emirates Palace, Etihad Towers, Yas Island, and more.

Emirates Steel Arkan is majority owned by ADQ, one of the region’s largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi’s diversified economy.

For more information, please visit our website: [www.emiratessteelarkan.com](http://www.emiratessteelarkan.com).

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