

EMSTEEL
Q3 and 9M 2026
Financial Results

Public

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HSE and ESG

Public

Focus on HSE delivers tangible results

EMSTEEL continuously implements measures to further enhance health and safety standards across the Group. The following are some of the key initiatives the company focused on during Q3'26:

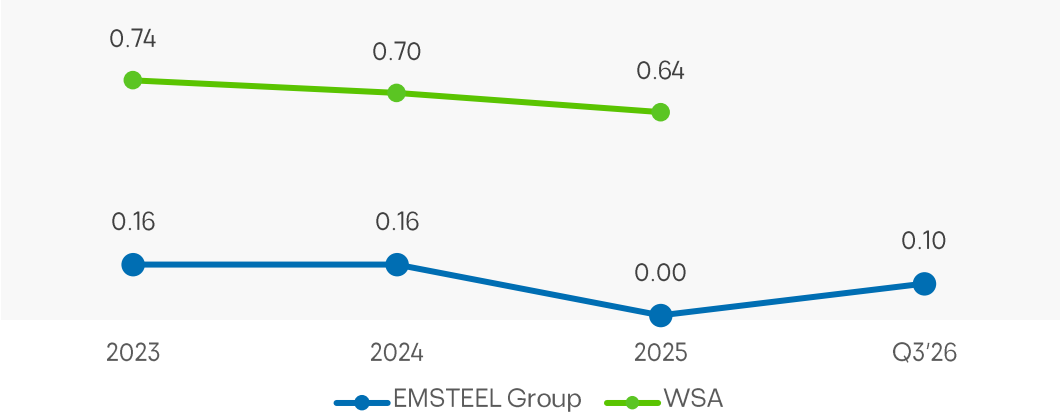
- AMAN 3.0 Safety culture assessment workshops in progress – 11 sessions completed
- STOP-THINK-ACT Roadshow in progress - 55+ sessions
- Focused Inspection Campaign – 6 selected topics – 4 completed
- Annual occupational health screening program started - 471 employees completed
- "Reactive Materials" Safety Awareness Campaign circulated across the organization



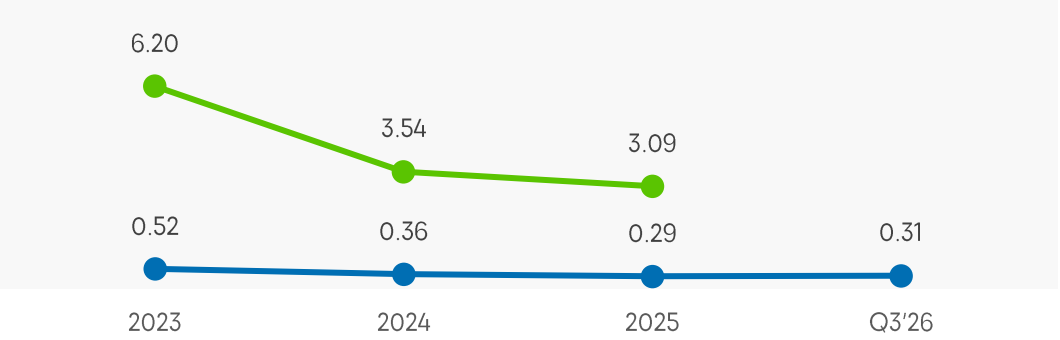


As of Q3'26, EMSTEEL Group achieved a Lost-Time Injury Frequency Rate (LTIFR) of 0.10 and a Total Recordable Injury Frequency Rate (TRIFR) of 0.31 – both significantly below World Steel Association (WSA) benchmarks.

LTIFR

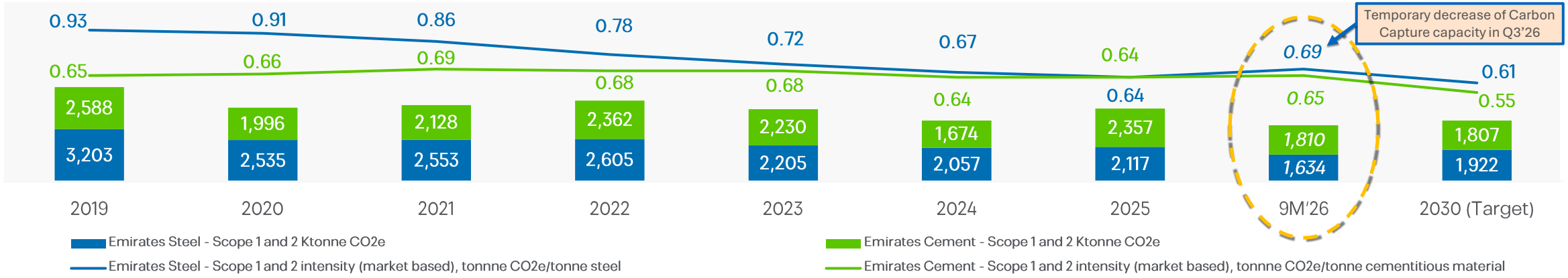


TRIFR



9M 2026 - On track to achieve Decarbonization targets

Group Emissions*



ESG Achievements in Q3'26



EMSTEEL Receives Gulf Sustainability Awards 2026:

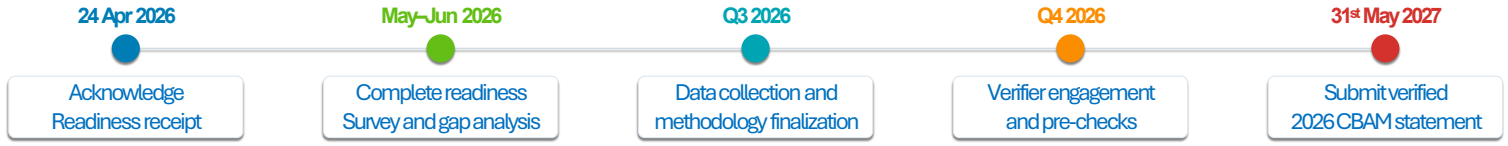
- Best Sustainable Product, ES600
- Best Circular Economy
- Best ESG Reporting
- Best Environmental Sustainability
- Best Innovation in Sustainable Technology

CBAM

- **Q2'26** and **Q3'26** CBAM certificate price was published at **€75.28 per tCO_2e** and **€82.32 per tCO_2e** respectively.
- European Commission's official list of accredited CBAM verifiers is not published yet, but five European organizations already have necessary qualifications.

EMSTEEL and CBAM verification

- EMSTEEL intends to submit CBAM verified values** by May 2027, ahead of the regulatory submission deadline of September 2027, through early engagement with an accredited verifier.



* The emission numbers for 9M'26 are not yet verified. All emission data are ordinarily verified at the end of the year by a Third Party, during Annual GHG verification process. At Emirates Cement we have observed CO2e emissions drop in 2024, primarily due to scheduled shutdowns.
** Carbon intensity calculated with CBAM methodology is product-specific and reflects the full embedded emissions associated with the DRI-intensive production route. The methodology does not account for the benefits of CCUS or scrap utilization.

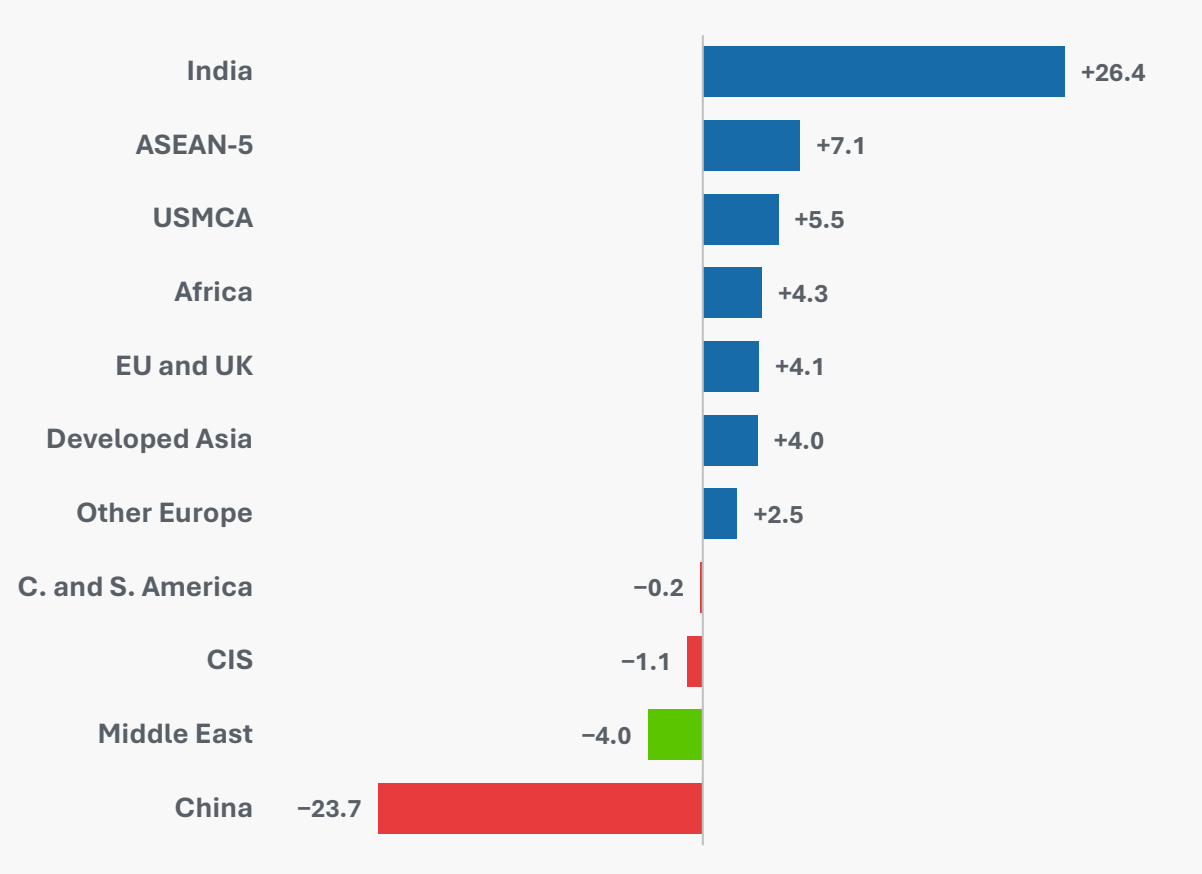


Market Context

Public

Global steel demand: flat in 2026, modest growth expected in 2027; India and Asia drive the growth, offset by slowdown in China

Change in steel demand, 2025 to 2027, by region
Mt, ASU, worldsteel Short Range Outlook, Oct'26



World Demand 2026F

1,720 Mt

▼-0.1%

World Demand 2027F

1,750 Mt

▲+1.7%

- **Global steel demand** is **flat in 2026** and expected to grow by ▲**+1.7%** in 2027.
- **India and Asia** drive the **growth.**
- Steel demand **slowdown in China** continues.
- **Middle East steel demand** is expected to **recover in 2027**.

China 2026F & 2027F

-24 Mt

2026: ▼**-2%** | **2027:** ▼**-1%**

Middle East 2026F & 2027F

-4 Mt

2026: ▼**-14%** | **2027:** ▲ **+9%**

Source: Worldsteel SRO ("Short Range Outlook"), October 2026 (Economics Committee #116).
ASU = apparent steel use, finished products.

Raw materials: Iron ore at a two-year low, but DR pellet premium at a record USD 58/t and logistics' costs remain expensive

Iron ore 62% Fe CFR China, USD/dmt



Q3'26: 99.6 / ▼-8% QoQ / ▼-2% YoY | Oct'26: 93.2

DR pellet premium, USD/t



Q3'26: 50 / ▲+16% QoQ / ▲+35% YoY | Oct'26: 58

Scrap HMS 80:20 CFR Türkiye, USD/t



Q3'26: 381 / ▼-6% QoQ / ▲+11% YoY | Oct'26: 400

Billet FOB China, USD/t



Q3'26: 458 / ▼-2% QoQ / ▲+5% YoY | Oct'26: 462

- **Iron ore:** Prices are at a **two-year low** amid ample Australian and Brazilian supply, high Chinese port inventories and loss-making Chinese mills limiting purchases to immediate needs.
- **DR Pellet premium: Q4'26** DR premium is forecasted to be **USD 58**, up from USD 50 in **Q3'26**. Hormuz logistics constraint supply of Gulf DRI plants. Ukrainian pellets are largely unavailable, and Atlantic producers are sold out for **Q4'26**.
- **Scrap:** Prices surged in **Sep'26** as stronger rebar sales prompted Turkish mills to restock for **Oct–Nov'26**. Further scrap price increase stalled in **Oct'26** as rebar demand weakened.
- **Billet:** Chinese export billet prices remain near **USD 460** amid weak domestic demand and record exports. The China–Gulf price gap determines regional replacement costs.

Sources: S&P Global Platts (IODEX 62% Fe CFR North China, DR pellet premium, HMS 1/2 80:20 CFR Turkey, billet FOB China), monthly averages Jan 2025 to Oct 2026 (October to the 27th); Metal Expert and Platts market reports, 1 to 26 Oct 2026.

Finished steel: Turkish rebar rose with scrap to USD 615/t; Chinese rebar, wire rod and sections did not move much, remain low

Rebar FOB Türkiye, USD/t



Q3'26: 588 / ▼-1% QoQ / ▲+10% YoY | Oct'26: 614

Rebar FOB China, USD/t



Q3'26: 493 / ▼-1% QoQ / ▲+7% YoY | Oct'26: 499

- **Turkish rebar:** Prices rose together with scrap and stronger domestic demand in **Sep'26** during construction season, amid tight local supply. Momentum slowed in **Oct'26** as sales weakened.
- **Chinese rebar and wire rod:** Weak domestic demand and record exports keep prices stable.
- **Sections:** H-beam prices have remained flat since **Jul'26**.

Wire rod FOB China, USD/t



Q3'26: 503 / ▼-1% QoQ / ▲+5% YoY | Oct'26: 511

H-beam CFR South East Asia, USD/t



Q3'26: 589 / ▼-4% QoQ / ▲+2% YoY | Oct'26: 589

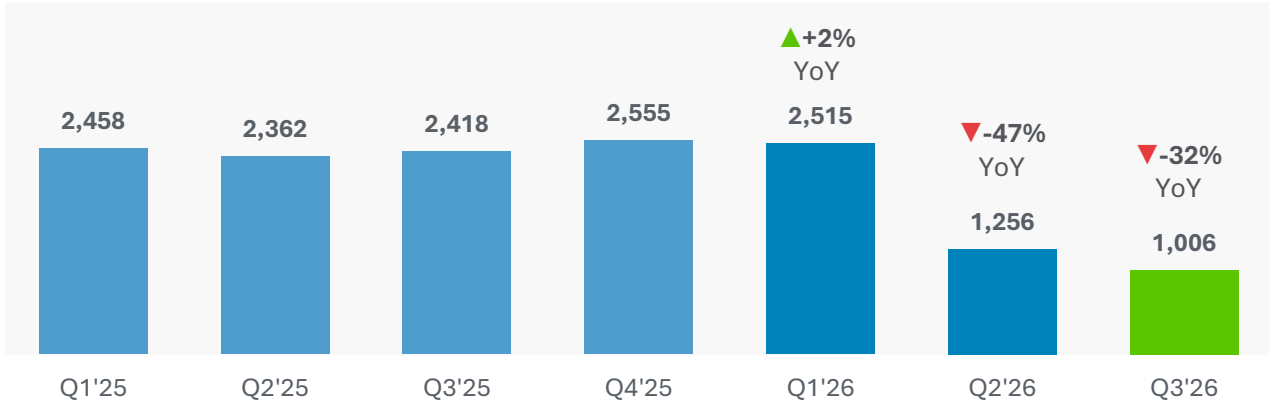
Overall international finished steel prices are stable, due to high cost rather than robust global demand.

Chinese steel remains very competitive and exports from China record high.

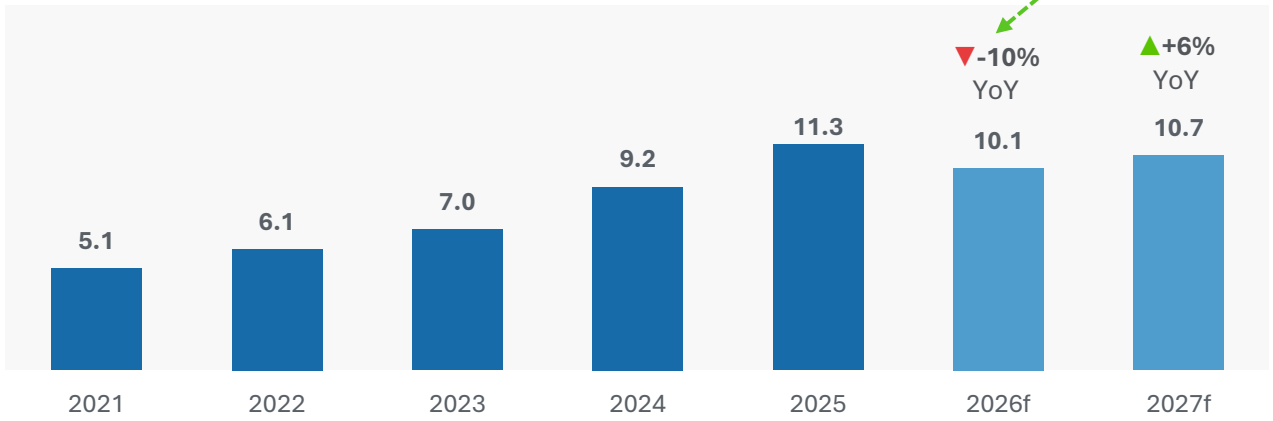
Sources: S&P Global Platts (rebar FOB Turkey, rebar FOB China, wire rod FOB China, H-beam CFR South East Asia), monthly averages Jan 2025 to Oct 2026 (October to the 27th); Metal Expert market reports, Sep to Oct 2026.

Mar’26 supply shock impacted apparent steel use, while underlying demand remained strong, supported by infrastructure projects

UAE steel imports by quarter, kt



UAE apparent steel use, mt



Supply shock, not demand contraction. Imports halved from April, with primary gap in flat steel products (▼-50% YoY in Jul-Aug’26).

UAE apparent steel use is forecasted to **recover when shipping normalizes.**

2026f is still ▲**+44%** above **2023:** the UAE overall growth has not reversed.

- **Real estate.** UAE developer sales started to decrease from **Q2’26.**
- **Infrastructure.** Contract awards held at about USD 34bn a quarter, supported by demand from various projects: Al Maktoum International Airport, Etihad Rail, Metro Blue Line, etc.
- **2027f**: real estate steel demand is expected to soften, offset by growing demand from infrastructure projects.

Source: Sources: EMSTEEL, UAE market balance (Global Trade Tracker partner-country data); worldsteel Short Range Outlook, October 2026



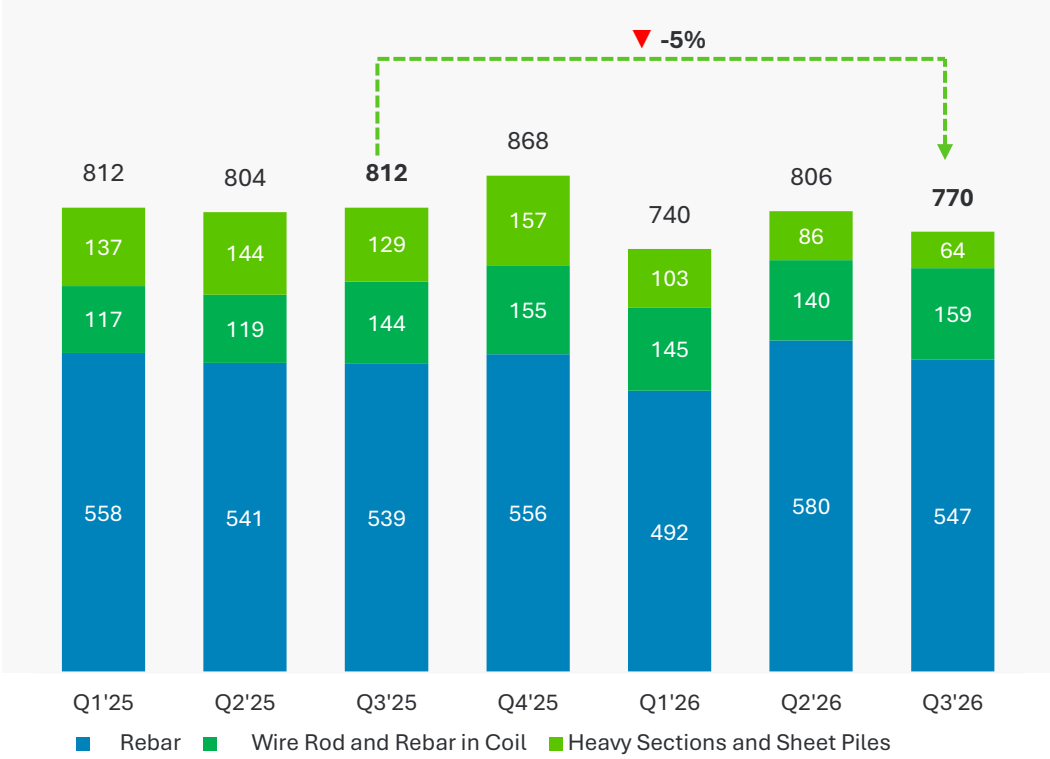
Financial and Operational Highlights

Q3’26 Sales performance

In Q3’26 sales of finished steel products sales were down by ▼-5% YoY.

The decline in quarterly sales volumes was concentrated in heavy sections and sheet piles primarily due to export delivery disruptions arising from the regional geopolitical situation and related logistics constraints. This was partly offset by higher sales volumes of rebar and wire rod.

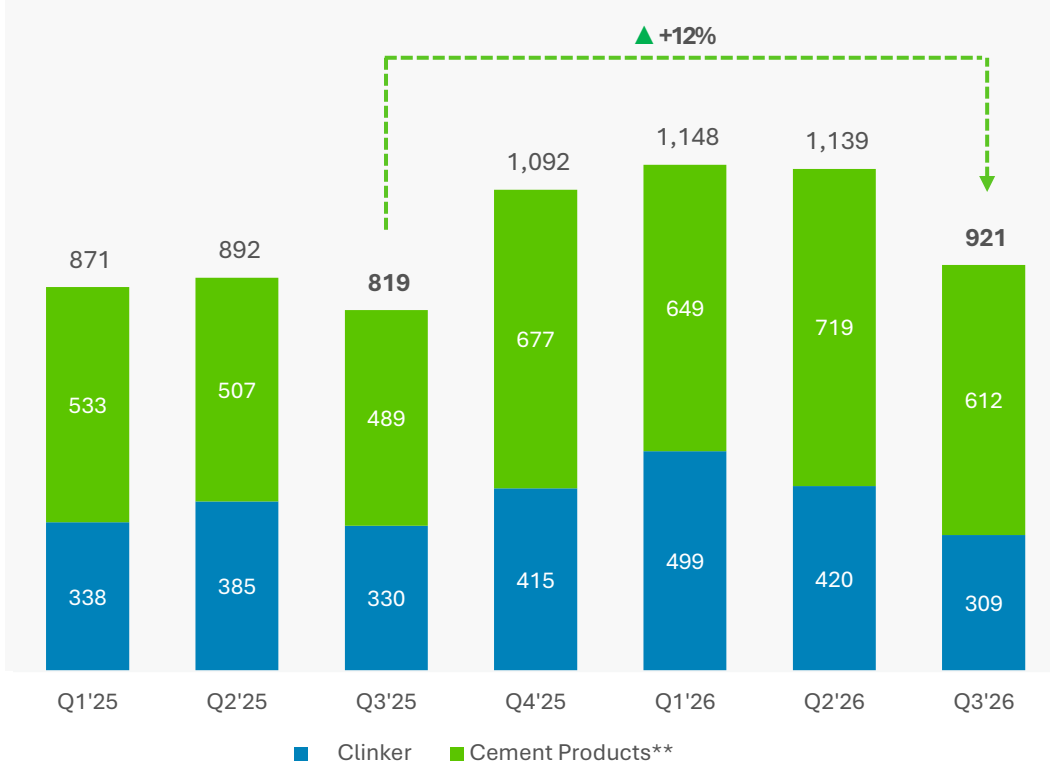
Sales of finished steel products, kt



In Q3’26 EMSTEEL total cement and clinker sales grew by ▲+12% YoY. The QoQ decline in sales volumes was due to typical seasonal slowdown in construction activity during the summer months.

Q3’26 clinker sales were down by ▼ -6% YoY, which was more than offset by ▲+25% YoY growth of cement products sales.

Sales of cement and clinker*, kt



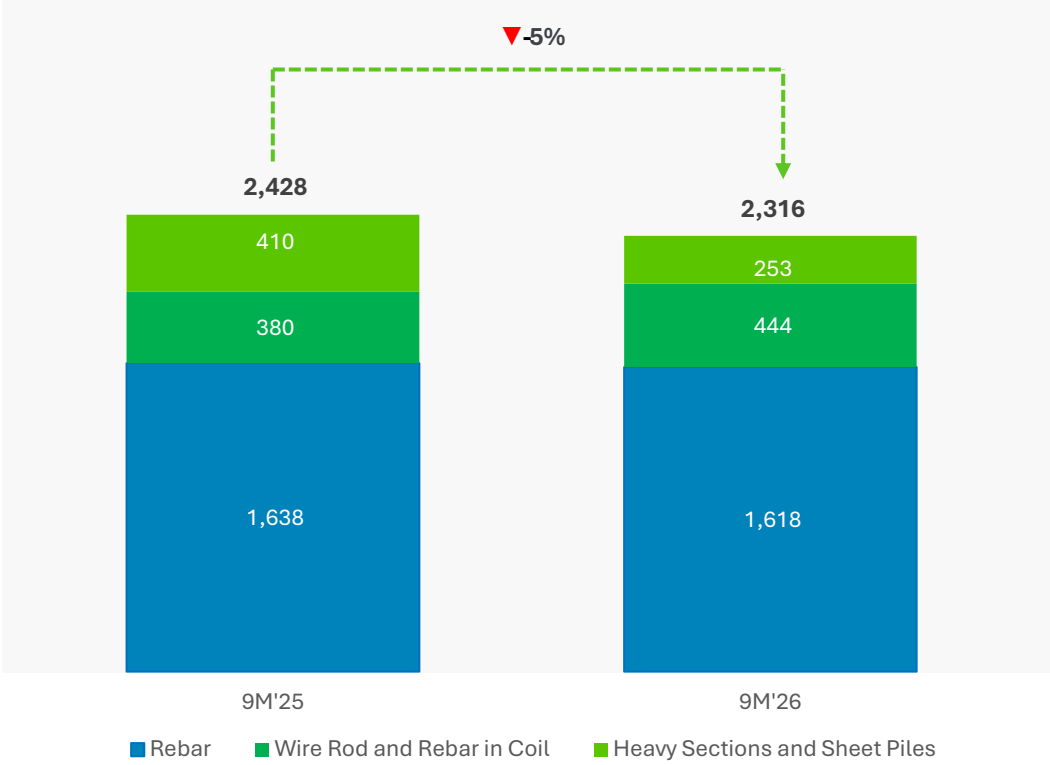
* Clinker constitutes: Clinker OPC and Clinker SRC; **Cement products: Ordinary Portland and Sulphate Resistant Cement (OPC, SRC), Limestone Cement, Slag and Dry Mortar

9M’26 Sales performance

In 9M’26 sales of finished steel products decreased by ▼-5% YoY, to 2.3m tonnes. The decrease was driven by a planned maintenance shutdown of a rolling mill in Q1’ and lower export sales in Q2’ and Q3’26.

During 9M’26 rebar sales decreased by ▼-1% YoY, and wire-rod sales increased by ▲+17% YoY. Heavy-section sales decreased by ▼-38%.

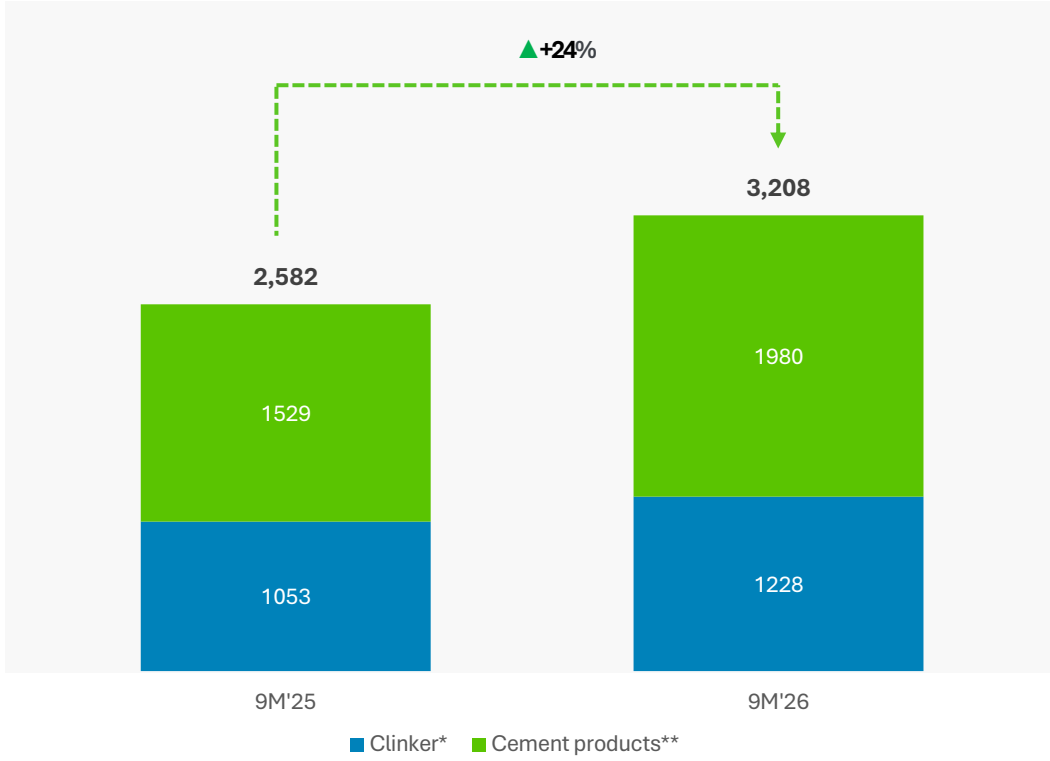
Sales of finished steel products, kt



In 9M’26 EMSTEEL total cement and clinker sales grew by ▲+24% YoY, reaching 3.2m tonnes.

Clinker sales were up ▲ +17% YoY, and cement products sales grew by ▲ +29% YoY.

Sales of cement and clinker*, kt



* Clinker constitutes: Clinker OPC and Clinker SRC; **Cement products: Ordinary Portland and Sulphate Resistant Cement (OPC, SRC), Limestone Cement, Slag and Dry Mortar

Q3’26 Financial results

In Q3’26 EMSTEEL Revenue was AED 2.5bn, up ▲+15% YoY.

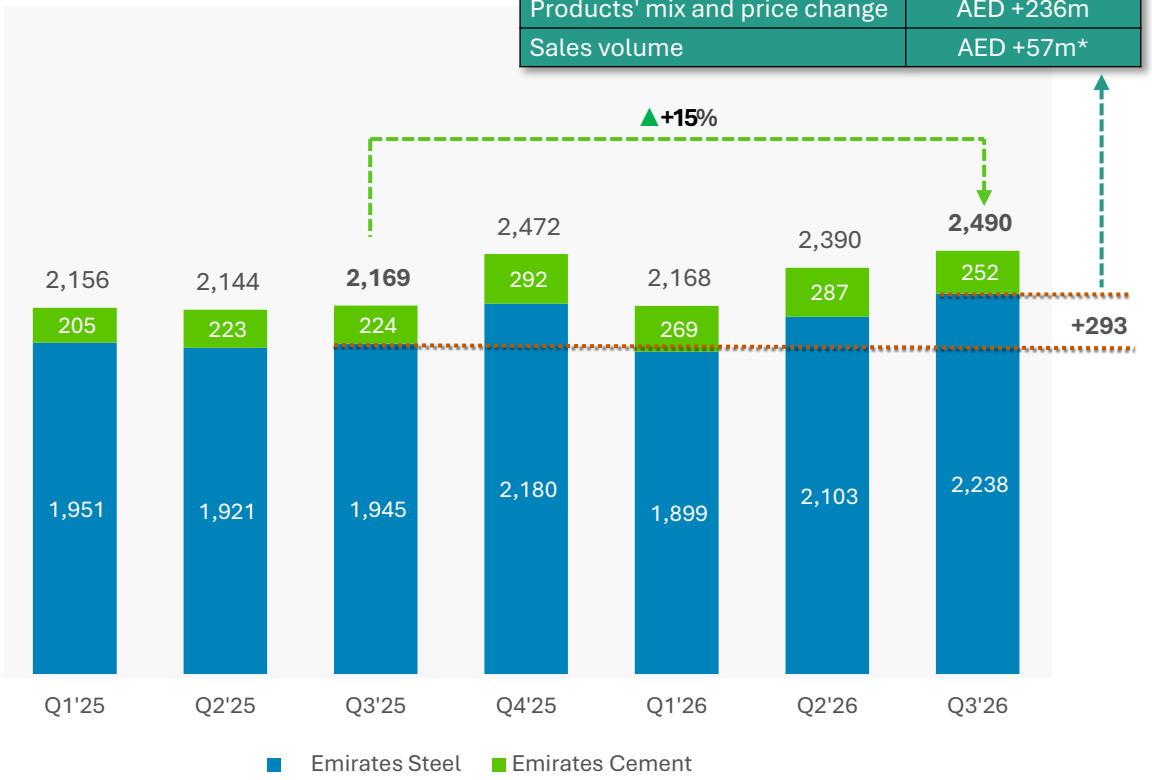
Emirates Steel Revenue increased by ▲+15% YoY, primarily due to ▲+17% YoY growth in average selling prices for finished steel products. Higher cement sales, as well as ▲+25% YoY growth of cement price contributed to Emirates Cement division Revenue growth of ▲+12%. YoY.

In Q3’26 EBITDA reached AED 381m, up ▲+35% YoY. EBITDA margin expanded to 15.3% compared to 13.1% in Q3’25. The improvement was driven by disciplined SG&A cost control and higher selling prices.

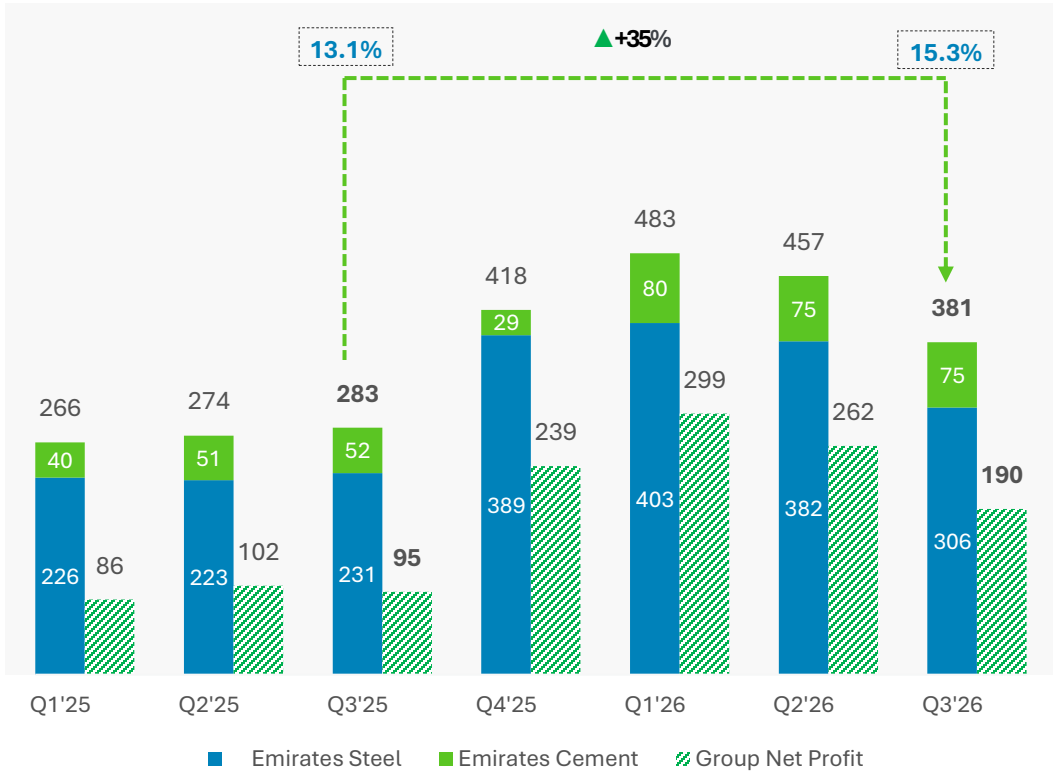
At the same time Q3’26 EBITDA margin declined QoQ as landed costs increased reflecting more expensive logistics routes.

Revenue, AED m

Steel division, Q3'26, YoY	Revenue Impact
Products' mix and price change	AED +236m
Sales volume	AED +57m*



EBITDA, *Net Profit*, AED m **EBITDA margin, %**



* YoY 5% decrease in sales volume of finished steel products was offset by an additional 66kt of DRI sales to third parties

9M’26 Financial results

In 9M’26 EMSTEEL Revenue was AED 7.0bn, up ▲+9% YoY.

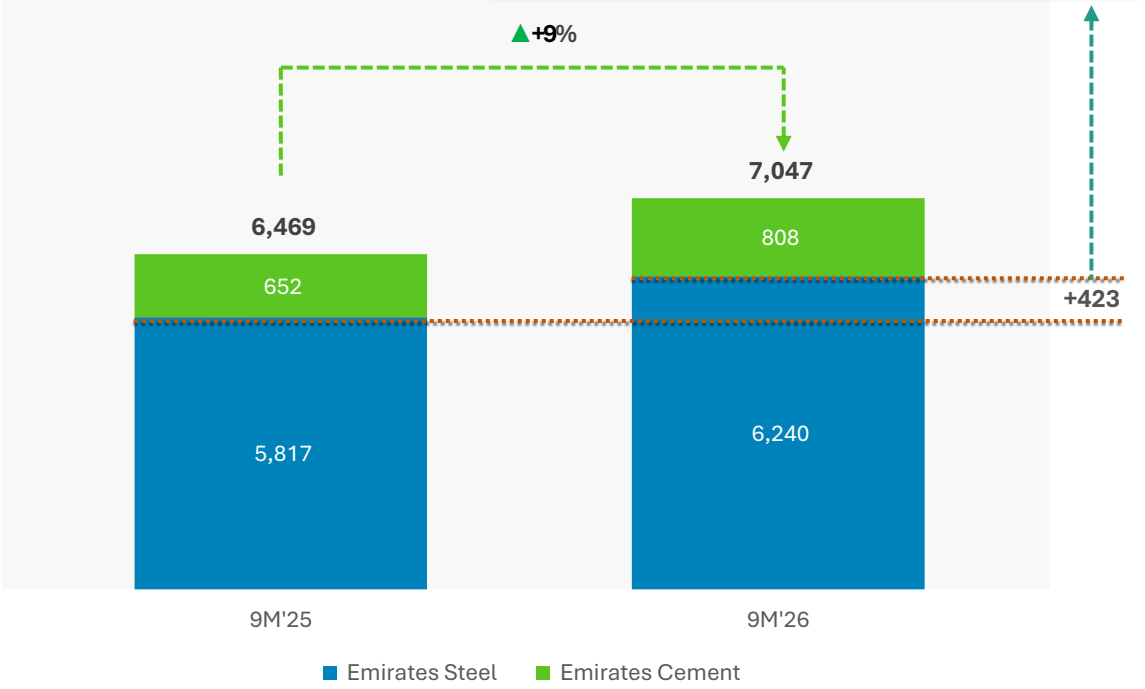
Emirates Steel Revenue increased by ▲+7% YoY, primarily driven by a ▲+10% increase in the average selling price for finished steel products, partially offset by lower heavy-sections sales volumes. Emirates Cement division Revenue was up ▲+24% YoY.

In 9M’26 EBITDA reached AED 1.3bn, up ▲+61% YoY. EBITDA margin expanded to 18.7% compared to 12.7% in 9M’25.

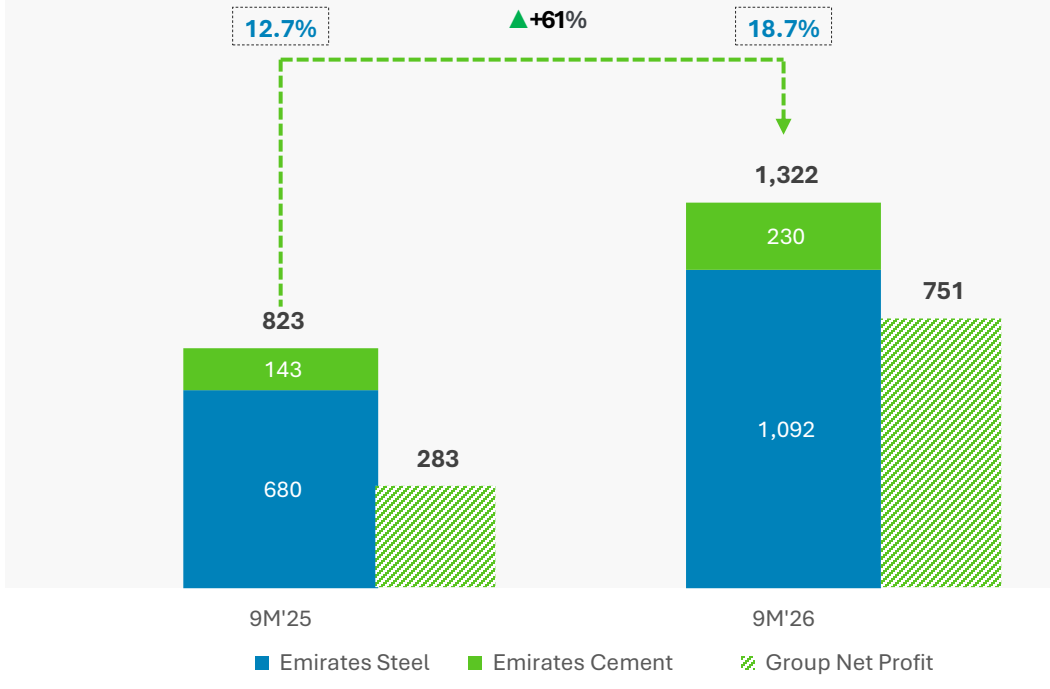
Emirates Steel division EBITDA grew by ▲+61%, to AED 1.1bn. Emirates Cement EBITDA also increased by ▲+61%, to AED 230m.

Revenue, AED m

Steel division, 9M'26, YoY	Revenue Impact
Products' mix and price change	AED +332m
Sales volume	AED +91m*



EBITDA, *Net Profit*, AED m **EBITDA margin, %**



* YoY 5% decrease in sales volume of finished steel products was offset by an additional 134kt of DRI and 28kt Billet sales to third parties

Persistent FCF generation setting up foundation for future growth and enhancing financial flexibility

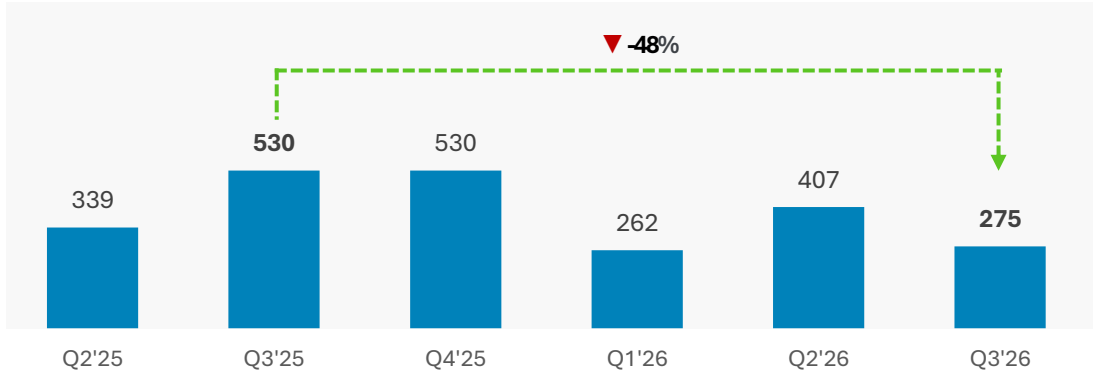
In Q3'26 EMSTEEL reported OCF of AED 275m, down ▼-48% YoY, and FCF of AED 155m, down ▼-56% YoY. This was primarily driven by AED 340 million build-up in inventories and corporate tax payment of AED 50 million.

9M'26 FCF increased by ▲+52% YoY, to AED 653m.

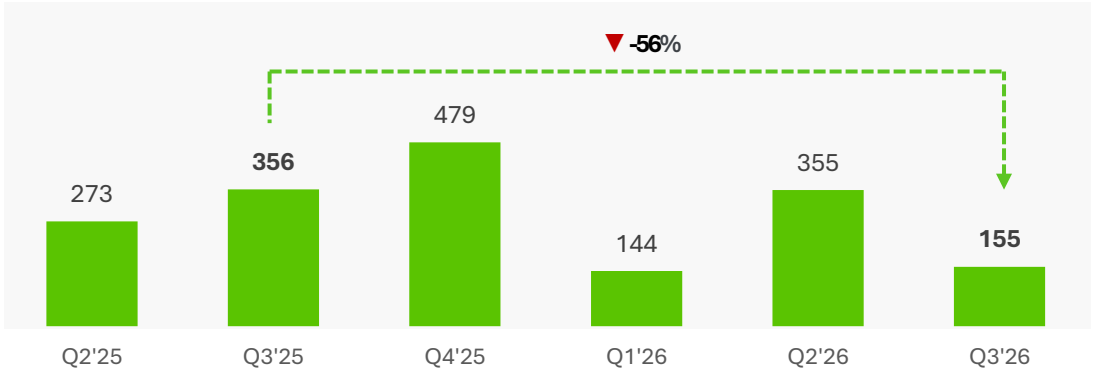
Since the merger in Oct'21, EMSTEEL has steadily improved its leverage position clearing the road for Growth Strategy implementation.

As of the end of Q3'26 EMSTEEL has a Net Cash Position of AED 1,782m.

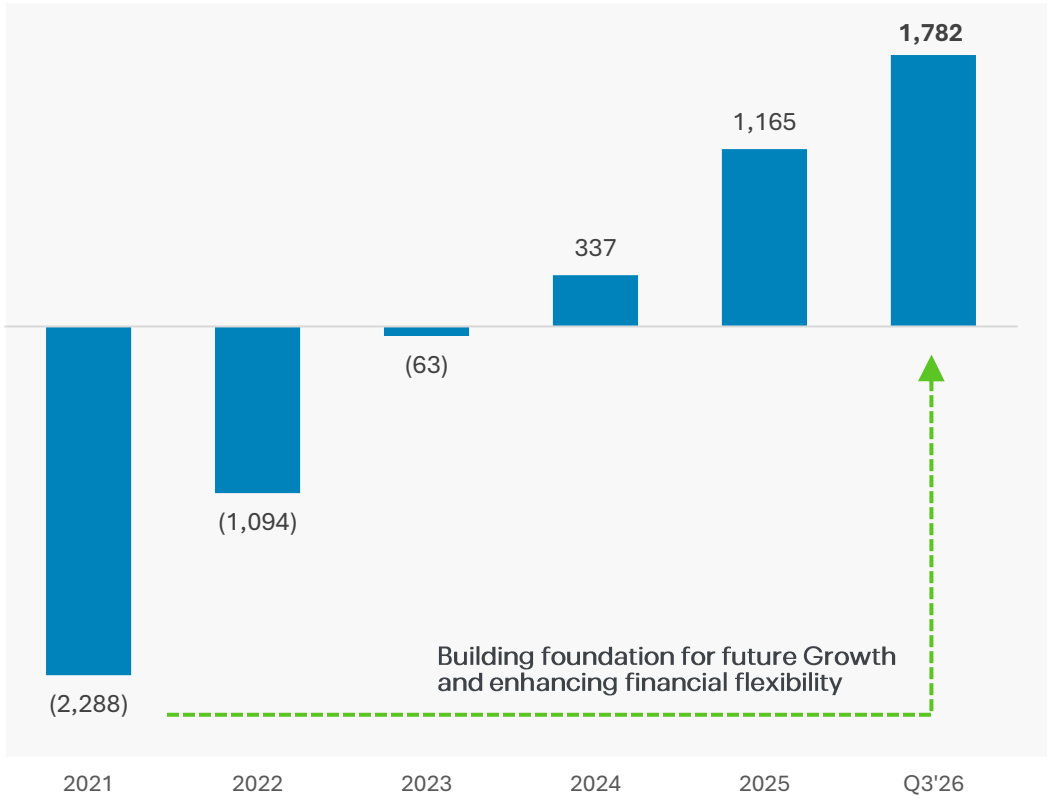
Cash Flow from Operations, AED m



Free Cash Flow, AED m



Net Cash Position / (Net Debt), AED m

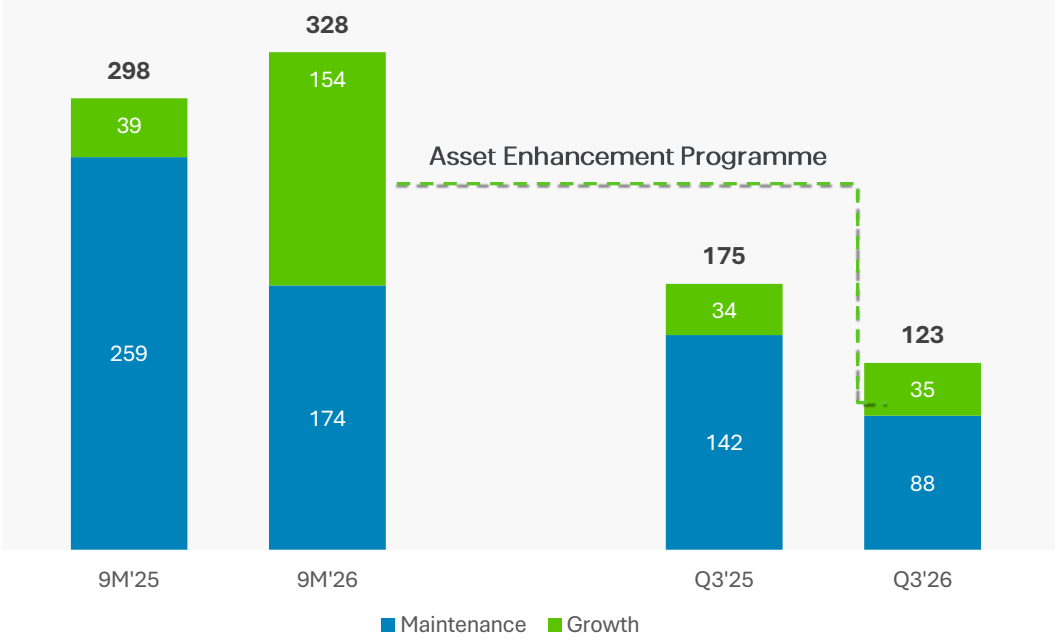


EMSTEEL Capex is focused on maximizing current business value and diversifying product portfolio

In Q3'26 total Capex decreased by ▼-30% YoY, primarily driven by Maintenance Capex, which reached AED 88m (*vs AED 142m in Q3'25*). At the same time, total Growth Capex remained broadly stable at AED 35m.

Overall, during 9M'26 total Capex increased by ▲+10% YoY, reflecting continued investment under the Asset Enhancement Programme. 9M'26 Growth Capex reached AED 154m, or 47% of total Capex.

EMSTEEL Capex, AED m



Asset Enhancement Programme 2025 - 2027

Project completion progress

Overview

- Total CapEx: **AED 625m**
- Context: Aligns with **UAE's Operation 300bn**
- Objective: accelerate **shift to high-value steel products**

Strategic Impact

- Positions EMSTEEL as **regional leader in premium steel**
- Expands client base & **drives EBITDA growth**

Phase 1



- Completion scheduled for: **Q4 2026**
- Upgrading **existing rolling mills**
- Enabling production of **high-strength rebars**
- Introducing QST & TMCP* technologies to produce **heavy sections with enhanced resilience**

Phase 2



- Completion scheduled for: **2027**
- To enable production of **Value-Added Wire Rods** and **High Tensile Rebar in Coil**

* QST = Quenched and Self-Tempered; TMCP = Thermo-Mechanical Controlled Processing



Appendix

Consolidated statement of financial position

Assets, AED mn	Q3'26	2025	2024
Non-current assets			
PPE	6,104	6,241	6,416
Goodwill	-	-	-
Right-of-use assets	191	207	214
Other non-current assets	74	73	57
Total non-current assets	**6,369**	**6,521**	**6,687**
Current assets			
Inventories	2,399	1,940	1,543
Trade and other receivables	1,615	1,550	2,069
Cash and cash equivalents	1,782	1,165	797
Total current assets	**5,796**	**4,655**	**4,572**
Total assets	**12,166**	**11,177**	**11,259**

Equity and Liabilities	Q3'26	2025	2024
Net equity	**9,994**	**9,244**	**8,720**
Non-current liabilities			
Lease liabilities	315	323	321
Provision for end of service	160	160	155
Deferred tax liability	17	17	19
Total non-current liabilities	**492**	**500**	**495**
Current liabilities			
Bank borrowings	0	0	486
Trade and other payables	1,462	1,167	1,483
Corporate tax payable	76	50	21
Due to related party	127	203	-
Lease liabilities	14	13	12
Total current liabilities	1,679	1,432	2,043
Total liabilities	**2,171**	**1,932**	**2,538**
Total equity and liabilities	**12,166**	**11,177**	**11,259**

Consolidated statement of profit or loss

AED mn	3Q'26	3Q'25	9M'26	9M'25
Revenue	**2,490**	**2,169**	**7,047**	**6,469**
Cost of sales	(2,163)	(1,895)	(5,882)	(5,682)
Gross profit	**327**	**273**	**1,166**	**787**
Selling and distribution expenses	(22)	(14)	(50)	(44)
General and administrative expenses	(88)	(139)	(287)	(386)
Other income / (expenses)	(5)	1	3	7
Operating profit	**212**	**121**	**832**	**364**
Finance income	10	4	27	10
Finance costs	(12)	(20)	(33)	(64)
Profit/(loss) for the period before tax	**209**	**105**	**826**	**311**
Income tax expense	(19)	(9)	(75)	(27)
Profit/(loss) after tax	**190**	**95**	**751**	**283**
Basic and diluted profit/(loss) per share (AED)	*0.028*	*0.014*	*0.110*	*0.041*

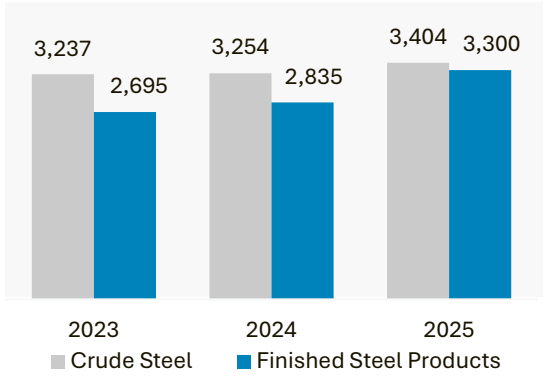
Consolidated statement of cash flows

AED mn	3Q'26	3Q'25	9M'26	9M'25
Operating cash flows before movements in working capital	389	305	1,348	873
Net movements in working capital	(61)	245	(343)	(97)
Cash generated from operations	328	550	1,005	776
Employees' end of service benefit paid	(3)	(2)	(11)	(13)
Corporate tax paid	(50)	(18)	(50)	(18)
Net cash generated from/(used in) operating activities	275	530	944	744
Net cash used in investing activities	(120)	(175)	(291)	(315)
Net cash generated from/(used in) financing activities	(12)	(210)	(36)	(454)
Net increase / (decrease) in cash and cash equivalents	143	145	617	(25)

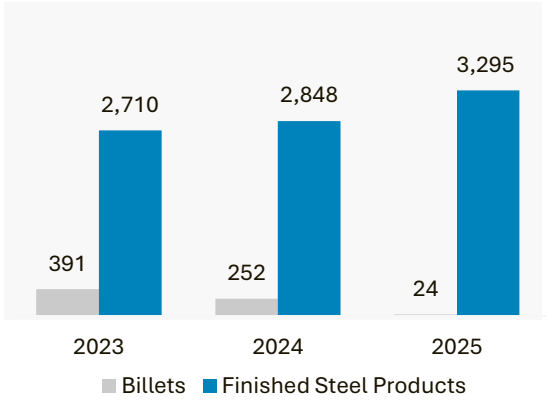
FY Operational & Financial results

Steel

Production, kt

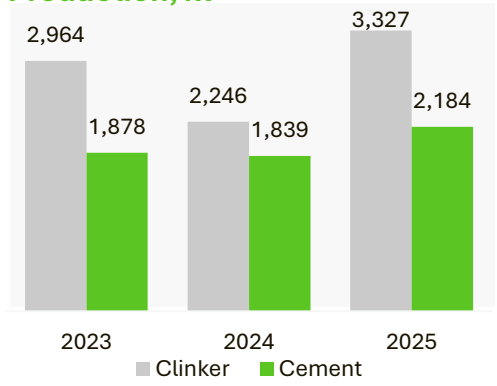


Sales, kt

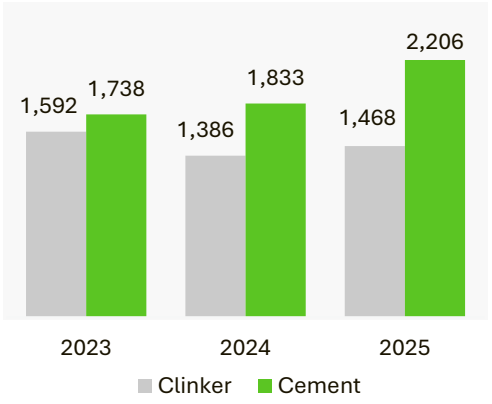


Cement & Clinker *

Production, kt

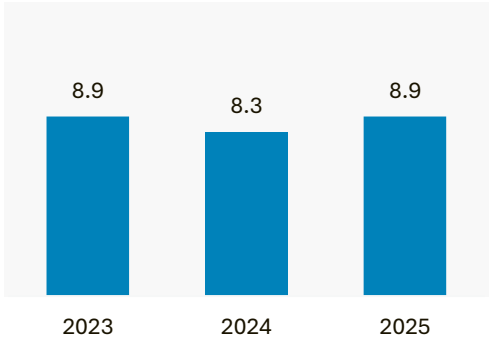


Sales, kt

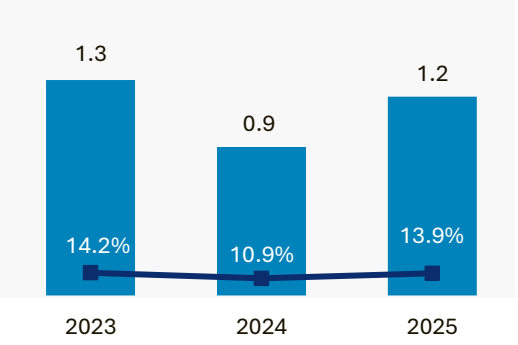


Financial Results

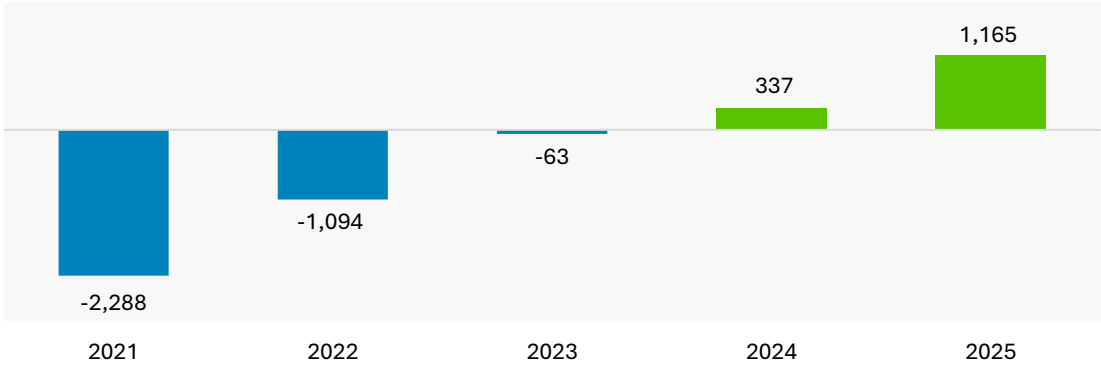
Revenue, AED bn



EBITDA, AED bn & EBITDA Margin, %



Net Cash Position / (Net Debt), AED m



** Cement products: Ordinary Portland and Sulphate Resistant Cement (OPC, SRC), Limestone Cement, Slag and Dry Mortar; Clinker constitutes: Clinker OPC and Clinker SRC;*



THANK YOU

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Interactive Annual Report 2025

Public

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