Press Release

EMSTEEL Continues to Deliver Strong Financial Results in Q2 2026 with AED 2.4 Billion in Revenue and EBITDA Margin of 19.1%

- H1 2026 EBITDA rises 74% year-on-year to AED 941 million, with revenue reaching AED 4.6 billion

Abu Dhabi, United Arab Emirates, 31 July 2026: EMSTEEL (ADX: EMSTEEL) ("the Group"), one of the largest publicly traded steel and building materials manufacturers in the region, announced today its financial results for the second quarter of 2026. During the reporting period, EMSTEEL reinforced its role as the UAE's leading and dependable domestic steel and building materials producer, maintaining supply continuity and supporting national demand. Combined with disciplined cost optimization initiatives implemented across the organization, this contributed to solid financial performance and improved margins.

Financial and operational highlights for Q2 2026:

- EMSTEEL reported revenues of AED 2.4 billion for the second quarter of 2026, an increase of 11% compared to the corresponding period in the prior year.
- EMSTEEL reported EBITDA of AED 457 million for the second quarter of 2026, representing a 67% year-on-year (YoY) increase. EBITDA margin expanded to 19.1%, compared to 12.8% in Q2 2025. Net profit for the period amounted to AED 262 million, reflecting a 157% YoY increase.
- EMSTEEL's Steel division reported revenues of AED 2.1 billion for the second quarter of 2026, a 9% YoY growth, and generated EBITDA of AED 382 million, representing a 71% YoY increase. Steel division EBITDA margin reached 18.2%, compared to 11.6% in Q2 2025. The improvement was driven by disciplined SG&A cost control measures, and a 10% YoY increase in average selling prices for finished steel products. In Q2 2026, material costs began to reflect the impact of the regional conflict as inventories of raw materials acquired earlier in the year at lower landed costs were gradually replaced by new raw materials delivered through more expensive alternative logistics routes.
- EMSTEEL's Cement division recorded revenue of AED 287 million in the second quarter of 2026, representing a 29% YoY increase, with EBITDA of AED 75 million, up 47% YoY. In Q2 2026 Cement division achieved an EBITDA margin of 26.1%, up from 22.8% last year. Cement division robust financial performance was supported by continued strong market demand, and a 30% YoY increase in average selling prices for cement products. On a like-for-like basis, excluding the Q2 2025 performance of the Pipes & Other segment, which was divested in December 2025, Cement division's EBITDA increased by 89% YoY.
- During the second quarter of 2026, EMSTEEL recorded total steel sales volumes, comprising finished steel products and billets, of 806 thousand tonnes, remaining broadly in line with Q2 2025. Cement and clinker sales volumes increased by 28% YoY, reaching 1.1 million tonnes, reflecting continued strong demand for cement products during the period.

- As of 30 June 2026, EMSTEEL maintained a robust net cash position of AED 1,639 million, compared to AED 1,165 million as of 31 December 2025 and AED 1,297 million as of 31 March 2026.
- The Group's revenue for H1 2026 increased by 6% YoY, to AED 4.6 billion, and EBITDA grew by 74% compared to the same period last year, to AED 941 million.

Strategic highlights for Q2 2026:

- EMSTEEL signed a Collaboration Agreement with the Technology Innovation Institute (TII) to jointly validate the performance of EMSTEEL's ES600 high-strength steel rebar, while advancing the development of next-generation reinforcement grades engineered for strategic national assets and essential public infrastructure in the UAE.
- EMSTEEL officially launched its ES600 high-strength steel rebar, the highest-strength steel grade currently produced in the UAE. Designed to support modern infrastructure and high-rise developments, ES600 enables steel consumption reductions of between 18% and 24% while supporting more efficient and sustainable construction practices. The product is already being deployed across a broad range of major developments in the UAE.
- EMSTEEL was recognised as a 2026 worldsteel Sustainability Champion for the third consecutive year, becoming the only steel producer in the MENA region to receive this distinction, while continuing to advance innovative low-carbon products and solutions that support the transition to more sustainable construction.
- EMSTEEL received the Quality and Compliance Award from the Ministry of Industry and Advanced Technology (MoIAT) at Make it in the Emirates 2026, recognizing its leadership in quality, regulatory compliance, and sustainable manufacturing, while highlighting its role in advancing the UAE's industrial strategy and globally competitive manufacturing sector.

Eng. Saeed Ghumran Al Remeithi, Group Chief Executive Officer, EMSTEEL, said**:** "EMSTEEL delivered strong performance in the second quarter of 2026, reflecting the effectiveness of our disciplined commercial strategy, operational excellence, and continued focus on cost optimization across the business. While revenues grew by 11%, our profitability improved significantly, with EBITDA increasing by 67% year-on-year and margins expanding to 19.1%. These results demonstrate the strength of our integrated business model and our ability to create value in a dynamic market environment."

He added: "As the UAE continues to invest in infrastructure, manufacturing, and sustainable development, EMSTEEL remains uniquely positioned to support this growth through reliable domestic supply, advanced high-strength steel solutions, and industry-leading sustainability initiatives. We will continue investing in innovation, operational excellence, and product development to meet the evolving needs of our customers while creating sustainable long-term value for all stakeholders."

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About EMSTEEL

EMSTEEL 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 over 70 international markets with high-quality finished products, creating a one-stop shop for the manufacturing and construction sectors.

EMSTEEL 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 a global leader in low-carbon steel production and is aligned with the UAE's Net Zero by 2050 Strategic Initiative.

Headquartered in Abu Dhabi, EMSTEEL operates 14 state-of-the-art plants, with a production capacity of 3.5 million tonnes of steel and 4.6 million tonnes of cement annually, contributing to the nation's most iconic projects.

EMSTEEL is majority owned by ADQ, an active sovereign investor with a focus on critical infrastructure and supply chains.

For more information, please visit our website: www.emsteel.com.

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