

Salient features

- International overcapacities continue, with China's output at seven-year low but exports at an historic high
- Long steel business ("Longs Business") wound down into care and maintenance by the end of 2025
- Sales volumes down 12% to 2 million tonnes (crude steel production down 12% to 2,3 million tonnes), with the Flat steel business ("Flats Business") down 4% at 1,4 million tonnes (2024: 1,45 million tonnes) (crude steel production up 8% to 1,8 million tonnes on improved reliability)
- Realised rand steel prices down 5% (down 3% in Dollar terms)
- Raw material basket ("RMB") down 15% (Rand terms) (international RMB down 15% in Rand terms)
- Value Plan added R1 101 million in savings (2024: R910 million)
- Fixed costs stable at R6 801 million (2024: R6 783 million)
- Longs Business impact on EBITDA neutralised for 2025 (2024: R1 668 million loss)
- Incremental cash of approximately R1 230 million raised from sale of surplus metallics and other by-products, despite a R470 million negative impact on EBITDA
- Some R370 million of negative incidents in EBITDA, with corrective action having been taken to minimise the risk of a re-occurrence in 2026
- EBITDA loss R1 098 million reduced by 63% (2024: R2 947 million loss)
- Headline loss of R3 355 million reduced by more than a third (2024: R5 102 million)
- Net borrowings R6 448 million (2024: R5 111 million)
- Progress in discussions with the Industrial Development Corporation ("IDC") continues and will if successfully concluded shape the Company's outlook for 2026 and beyond
- Excluding closure of the Longs Business, approximately R740 million structural footprint adjustments in support of the 2026 business plan
- Trading conditions expected to remain cautious in 2026 H1, though likely to improve later in the year with commitments by the Department of Trade Industry and Competition ("DTIC") to address fair trade protections in 2026 Q1
- Current Rand strength against the Dollar represents a material risk to 2026 H1 outlook

The analysis below relates to the year ended 31 December 2025 (current period; "2025") compared to the year ended 31 December 2024 (prior or comparable period; "2024"), except where otherwise indicated. The immediately preceding six months refers to the first six months of 2025 ("H1 2025").

Overview

Longs business

The Longs Business was formally wound down into care and maintenance by the end of 2025. Its impact on EBITDA was neutralised for 2025 compared to a R1 668 million loss in the prior period.

No production activities are currently taking place at the Newcastle facility. The primary objective for this site will be its conversion into an industrial park, and the monetisation of selected assets and inventories to contribute positively to earnings from 2026 onwards. Partnership and/or sales opportunities will be evaluated based on commercial viability.

ArcelorMittal Rail and Structures ("AMRAS") will remain operational, utilising slabs sourced from Vanderbijlpark. Production at the Vereeniging Special Bar Mill recommenced in Q1 2026, focusing on specialty steel bars for engineering and automotive applications, and hollow drill steels for the mining sector.

In response to the wind down of the Longs Business, the viability and scale of certain non-Longs Business operations and corporate support services were adjusted accordingly. These structural footprint adjustments will contribute approximately R740 million in support of the 2026 business plan.

Measures are being implemented to support affected employees, including engagement with the Department of Employment and Labour on appropriate support mechanisms.

The Company continues to manage its workforce and operating footprint responsibly and in full compliance with applicable labour legislation, while engaging constructively with organised labour, Government departments, and other relevant stakeholders.

Overview continue**Flats business**

Though painful for the country, industry, customers, the company and its people, the financial challenge posed by the chronically loss-making Longs Business was finally addressed in 2025. The priority for 2026, heading into 2027, is to restore the remaining business, particularly the core Flats Business, to operating profitability. Supplementing this will be improved balance sheet resilience of the Company, which hinges on the reduction of borrowing levels.

Central to a return to operating profitability will be greater market relevance through a focus on availability, quality, service and pricing. Meaningfully improved operational reliability is presently enabling more stable production. Substantial available capacity exists within the business to service the market effectively and replace imports. Addressing the approximately R370 million of negative incidents in 2025 EBITDA through corrective action which minimises the risk of a re-occurrence in 2026, along with the some R740 million of savings from the structural footprint adjustments, will support this strategy. Finally, the Value Plan added R1 101 million in savings in 2025, which is, at minimum, the same amount being targeted for 2026.

The above strategy cannot succeed in isolation. The Company understands that the commitments by the DTIC to implement much awaited fair steel trade policies are scheduled to be gazetted in the first quarter of 2026. There has been no progress regarding a negotiated price agreement ("NPA") with Eskom. However, it is hoped that the recent approval of the extension of temporary tariff relief to two ferrochrome producers for a period of 12 months, will bode well for the Company's effort to secure a favourable NPA or similar.

Government engagement and strategic direction

Work continues with the South African Government and key stakeholders across the steel value chain to progress interventions aimed at restoring the sustainability and competitiveness of the domestic steel sector. These engagements are focused on addressing structural constraints, improving the operating environment for primary steel production, and reinforcing the role of steel as a strategic input into infrastructure, industrial development, and downstream manufacturing.

The Company's medium-term strategy is clearly defined and execution focused. Over the coming five years, ArcelorMittal South Africa will concentrate on strengthening its business model, improving the quality and resilience of earnings and cash flow, and positioning the business to benefit from a recovery in demand when market conditions improve.

The strengthening of the core business and the disciplined execution of projects are central to building an asset base that is resilient across the cycle. In parallel, the Company is pursuing longer-term value opportunities through product differentiation, higher value-added markets, and initiatives that future-proof the business model.

IDC Transaction

Progress in discussions with the Industrial Development Corporation ("IDC") and ArcelorMittal Group continues and will shape the Company's outlook for 2026 and beyond. Depending on the outcome of these discussions, ArcelorMittal South Africa will execute its strategy to improve core business profitability and balance sheet resilience. Shareholders are referred to the cautionary announcement made in this regard on 22 January 2026.

Financial results**Financial performance**

Revenue decreased by 16% to R32 291 million (2024: R38 596 million), mainly due to a 12% decrease in total steel sales volumes, a 5% fall in net realised steel sales prices. Second half revenue of R15 173 million was 11% down (2025 H1: R17 118 million) compared to the immediately preceding six months.

The Company's RMB, representing 39% (2024: 46%) of cash cost per tonne, was down 15% in Rand terms, in line with the 15% decrease in the international basket (Rand terms). The components in the basket moved as follows: iron ore decreased by 5%, coking coal and coke decreased by 24%, and scrap decreased by 4%. The local basket was 17% down in Rand terms compared to the immediately preceding six months.

Financial results**Financial performance continue**

Other variable conversion cost (excluding RMB) representing 40% of cash cost per tonne¹ (2024: 36%) increased year on year by 10% due to higher energy cost. It was 16.5% higher compared to the immediately preceding six months due to a change in crude steel production volumes after Longs Business wind-down, and increased electricity rates.

Total variable cash cost of steel decreased 6% for the year while for the second half, the variable cash cost increased by 4.5% against the immediately preceding six months.

Electricity tariffs increased by 15%, while Dollar-denominated commodity-indexed consumables increased by 3% against the comparative period.

Fixed costs remained stable moving from R6 783 million in 2024 to R6 801 million for 2025. Second half 2025 fixed costs of R3 398 million increased by 5% (2025 H1: R3 251 million) compared to the immediately preceding six months.

The EBITDA loss reduced from R2 947 million in 2024 to a loss of R1 098 million. Second half 2025 EBITDA loss of R988 million increased compared to first half loss of R110 million.

The Value Plan realised improvements of R1 101 million (2024: R910 million) consisting of commercial-related initiatives of R184 million (2024: R151 million) and cost-based initiatives of R917 million (2024: R759 million).

The depreciation and amortisation expense increased by 27% to R1 039 million (2024: R818 million) mainly due to the accelerated depreciation charge on two coke batteries which reached the end of their production life at Vanderbijlpark.

Net finance charges decreased by 10% to R1 237 million (2024: R1 372 million) mainly due to the IDC funding for the continuation of the Longs Business amounting to R182 million, offset by an increase of R45 million in the discount rate adjustment on environmental obligations.

ArcelorMittal South Africa posted a headline loss of R3 355 million (301 cents loss per share) against a loss of R5 102 million (458 cents loss per share) in comparable period, with R2 341 million of the loss related to the second half of 2025.

The attributable loss for the year amounted to R2 900 million (260 cents loss per share) against a loss of R5 839 million (524 cents loss per share) in 2024.

Cash flow and net borrowing position

Cash generated by operations of R561 million represents a R468 million decrease against the comparable period (2024: R1 029 million) mainly due to a decrease in operating working capital release of R475 million.

Net finance charge outflows of R592 million (2024: R640 million), were R48 million lower.

Gross capital expenditure was R794 million (2024: R902 million), which consisted of R690 million (2024: R589 million) sustaining (including safety and structures), R61 million environmental (2024: R224 million) and R43 million (2024: R89 million) of strategic investments. Key projects undertaken / in process includes Blast Furnace C taphole and hearth repair: R94 million, Blast Furnace D stove repairs: R156 million and Plate Mill technology upgrade: R87 million.

Free cash outflow for the period amount to R888 million (2024: cash outflow R559 million) with an outflow of R1 812 million attributable to the second half of 2025. The higher second half outflow reflected the utilisation of the final tranche of IDC funding received for the continuation of the Longs Business to 30 September 2025, as well as weaker EBITDA, the cash flows associated with the wind down of the Longs Business, and cash tied up in higher working capital investment in 2025 Q4 due to weakened market conditions.

¹ Based on crude steel production

Financial results

Cash flow and net borrowing position *continue*

The net borrowings position increased to R6 448 million, compared to R5 111 million and R4 620 million at December 2024 and June 2025, respectively.

With the wind down of the Longs Business, the Borrowing Based Facility ("BBF") has been reduced to R3 billion (2024: R4,5 billion).

Continued support from the ArcelorMittal Group resulted in the shareholder loan (included in net borrowings) increasing to R5 476 million (2024: R5 055 million) by 30 June 2025, with the capitalisation of accrued interest and fees of R421 million. The loan balance outstanding remained unchanged (at R5 476 million) for the second half of 2025.

The outstanding R750 million of the R1 000 million secured short-term loan received from the IDC in June 2024, was restructured with final settlement extended from 1 September 2026 to 1 August 2028.

Markets

International

The global GDP growth for 2025 is expected to be 3.3%, with similar growth expected for 2026.

Despite easing global trade tensions in 2025 H2, the global steel industry continued to struggle with overcapacity and unfair trade.

Global crude steel production was 2.0% down for 2025 at 1 849 million tonnes when compared to the previous year, while second half output fell by 8% against the preceding six months.

Chinese steel exports hit a record 119 million tonnes in 2025 up from 111 million tonnes in 2024.

The European Union's new steel import regime is expected to replace the current safeguard measure upon its expiry on 30 June 2026. The proposal would halve tariff-free steel imports, - double the out-of-quota duty to 50%, tighten quota administration, and introduce a 'melt-and-pour' origin requirement. Similarly stronger trade measures are being implemented around the world to protect domestic production against unfair trade.

Chinese export prices remained low, with Hot Rolled Coil ("HRC") peaking at \$493 per tonne in August before dropping to \$460 by year-end. Although international steel price spreads recovered to \$135 per tonne in 2025 H2, they remained below the sustainable range, as China's expected recovery did not materialise.

International HRC and rebar prices decreased by 5% and 8% respectively in Dollar terms against the comparable period and decreased by 1% each in 2025 H2 compared to the preceding six months.

Domestic

South African GDP growth rate for 2025 is forecasted at 1.3% up from 0.5% in 2024. 2026 Forecasted at 1.4%

At the same time, South Africa's Apparent Steel Consumption ("ASC") declined by 0,4% year-over-year. Steel demand remained subdued in key steel-intensive sectors, including construction, manufacturing, and mining, where project delays, weak private-sector investment, and muted public-sector infrastructure spend constrained steel demand. High levels of imports in anticipation of impending tariff measures, continued to the detriment of domestic supply, contributing to high inventory levels across the value chain. These combined pressures resulted in a materially softer domestic trading environment, despite improved operational reliability and available local capacity.

Total steel imports increased to 1,56 million tonnes in 2025 or 37% of South Africa's ASC (2024: 37%). This represents the highest absolute level and percentage of ASC on modern record. For Flat steel product imports, being primarily Hot Rolled Coil, Galvanised, Plates and Cold Rolled, market share reached 46% (2024: 51%) for 2025, and 43% in the second half of the year compared to 50% for the immediately preceding six months.

Markets

Domestic continue

Following the successful completion of the Plate Mill renovation in the first quarter of the year, the Company delivered a strong recovery in Plate performance. Plate sales increased by 81% in the second half, supported by improved operational stability, enhanced product availability and renewed customer confidence. Over the same period, Plate imports declined by 30%, reflecting both the normalisation of inventory levels in the market and the Company's ability to competitively re-enter segments previously supplied by imports. This shift highlights the positive impact of the refurbishment on domestic supply and market share.

The Company's sales volumes decreased by 12%, or 265 000 tonnes, to 2,01 million tonnes compared to 2024. Domestic sales were down 8% at 1,62 million tonnes while total exports (comprising of blue water exports and Africa overland sales) decreased by 25% to 390 000 tonnes. Africa overland sales as a percentage of total exports were 51% (2024: 45%). Total sales volumes were 81 000 tonnes lower when compared to the immediately preceding six months, with domestic sales 6% lower while total exports were down by 14%. For Flat steel products, sales volume decreased by 4% compared to 2024, and increased by 10% in the second half of the year compared to the immediately preceding six months.

The Company's average steel price fell by 3% when measured in US Dollars. The exchange rate strengthened by 2% and therefor the decrease in steel prices when measured in Rand, resulted in a 5% drop.

Compared to the immediately preceding six months, the Company's average steel price steel prices measured in US Dollars increased by 2%. The exchange rate strengthened by 6% and therefor the decrease in steel prices when measured in Rand, resulted in a 4% drop.

ArcelorMittal South Africa is the only primary producer of steel in South Africa which supports the downstream industry through a formal export support programme. This industry support totalled R145 million (2024: R168 million) in value-added export and strategic rebate assistance during 2025.

Sales volumes of commercial market coke were 65 000 tonnes lower at 75 000 tonnes in 2025. Selling prices were a significant 23% down in Rand terms against the comparable period.

Operations

Plant reliability continued to improve throughout 2025.

Production volumes have been adjusted to match market demand, ensuring resources are used efficiently and inventories are optimised. This has allowed for flexible responses to market shifts.

Back-log issues from previous years have been resolved, streamlining operations and improving order fulfilment. The organisation continues to focus on reliability and operational excellence.

The Company's crude steel production decreased by 12%, or 319 000 tonnes, from 2,59 million tonnes in the comparable period to 2,27 million tonnes for 2025. Crude steel production decreased by 23%, or 293 000 tonnes, to 1,0 million tonnes against the immediately preceding six months.

The Flats Business crude steel production increased by 8%, or 129 000 tonnes, from 1,63 million tonnes in the comparable period to 1,76 million tonnes for 2025. Average capacity utilisation² increased from 64% in 2024 to 68% in 2025.

Operational priorities are focused on enhancing quality and ensuring on-time delivery, expanding the product range while promoting import substitution, and reducing costs through optimisation of the asset base.

² Based on achievable Hot Metal capacity for Vanderbijlpark and Newcastle Works

Safety, Environmental, Social and Governance (“ESG”)**Safety**

Safety remains the Company's highest priority, demonstrated by achieving the lowest LTIFR in five years and a strong commitment to Zero Harm. The Company's lost-time injury frequency rate ("LTIFR"³) decreased from 1,14 to 0,62 and the total injury frequency rate ("TIFR") decreased from 7,16 to 6,8. Total number of injuries decreased from 195 to 185.

Key initiatives include a comprehensive Health and Safety Roadmap that addresses:

- occupational, process, environmental, and employee mental health and safety;
- innovative projects using smart technologies and AI to eliminate human error and manage process risks; and
- leadership programmes that foster a culture of care and accountability.

Environmental

A new waste site has been successfully completed, resulting in improved waste management practices and enhanced operational efficiency.

The ArcelorMittal South Africa decarbonisation Roadmap continues to be progressively implemented as conditions permit, while lower nitrogen oxides, sulphur oxides and particulate matter levels have been achieved through optimisation of the coke making footprint and improved sinter emission reductions.

Social

ArcelorMittal South Africa is dedicated to making a positive impact in local communities.

In 2025, support for science centres in Sebokeng, Madadeni, and Saldanha benefited 62 291 learners and 2 483 teachers from 714 schools. STEM awareness programmes engaged 5,183 community members, sparking interest in science and learning.

Through the ArcelorMittal Foundation, about 2,200 nutritious meals were provided daily to vulnerable groups, totalling 530 484 meals, 327 460 litres of soup and 28 973 loaves of bread in partnership with 85 NGOs and Thusong Projects.

12km of municipal roads around Vanderbijlpark works were maintained, improving mobility and supporting local SMMEs.

Collaboration with the GetOn Foundation saw 430 students graduate in job-focused courses, with 60% now economically active and 59 having started businesses.

The Company has demonstrated a strong commitment to developing a highly competent and adaptable workforce through significant investment in training and upskilling initiatives. This is evidenced by the successful completion of training for 331 production learners and 65 apprentices in 2025. The Company supported 46 bursars, 28 of whom are specialising in engineering disciplines. There has been a dedicated focus on inclusivity, with 80 disabled learners having completed contact centre training in 2025 and a continuation of this programme into 2026. Total current pipeline of 577 trainees in programmes.

Legal and Regulatory Matters**Competition Commission (the “Commission”)**

During the period, an application for interim relief by two competitors, alleging predatory pricing in Long steel products by the Company was dismissed by the Competition Tribunal, and the complaint was subsequently withdrawn. There are also ongoing engagements regarding the administrative penalty.

Changes to the board of directors

M Maasdorp was appointed as non-executive director effective 1 March 2025.

³ LTIFR: Lost time injury frequency rate defined as Lost Time Injuries (LTI) per 1,000,000 worked hours (own personnel and contractors); A LTI is an incident that causes an injury that prevents the person from returning to their next scheduled shift or work period

Dividends

No dividends were declared for the year ended 31 December 2025.

Outlook for the first half of 2026

Safety is the Company's highest priority as it remains committed to Zero Harm. Key focus will be the Health and Safety roadmap of the Company.

Significant effort is being invested in supporting the conclusion of discussions between the ArcelorMittal group and the IDC which, if successful, will positively position the Company for its medium and longer term journey.

The priority for 2026, heading into 2027, is to restore the remaining business, particularly the core Flats Business, to operating profitability. Supplementing this will be improved balance sheet resilience of the Company, which hinges on the reduction of borrowing levels.

Central to a return to operating profitability will be greater market relevance through a focus on availability, quality, service and pricing.

Partnership and/or sales opportunities relating to non-core and non-operating assets will be evaluated based on commercial viability.

Trading conditions are expected to remain cautious in 2026 H1, though likely to improve later in year off the commitments based on expected interventions to address fair trade protections in 2026 Q1. Government's undertakings to support the steel industry encompass localisation, fair steel trade tariffs, and tightening controls on illegal trade activities and tariff violations.

Current Rand strength against the Dollar represents a material risk to the first half outlook.

On behalf of the board of directors

HJ Verster

Chief Executive Officer

GA Griffiths

Chief Financial Officer

KEY STATISTICS

	Year ended	
	31 December 2025	31 December 2024
Reviewed/unaudited information		
Operational		
Crude steel production	2 270	2 589
Total steel sales (Thousand tonnes)	2 010	2 276
Local steel sales (Thousand tonnes)	1 620	1 753
Export steel sales (Thousand tonnes)	390	523
Capacity utilisation (%)	55	63
Average steel net realised price (R/t)	14 202	14 909
Commercial coke sales (Thousand tonnes)	75	140
Safety		
Lost time injury frequency rate	0.62	1.14
Reviewed information		
Financial		
Revenue (R million)	32 291	38 596
Loss from operations (R million)	(1 894)	(4 447)
Loss for the year (R million)	(2 900)	(5 839)
Loss per share (cents)	(260)	(524)
Headline loss (R million)	(3 355)	(5 102)
Headline loss per share (cents)	(301)	(458)
Return on ordinary shareholders' equity per annum:		
- Attributable earnings (%)	(352.4)	(119.6)
- Headline earnings (%)	(407.7)	(104.5)
EBITDA margin	(3.4)	(7.6)
Net borrowings (R million)	6 448	5 111
Net borrowings to equity (%)	(2 034.1)	260.2
Share statistics		
Ordinary shares (thousands):		
- in issue	1 138 060	1 138 060
- outstanding	1 114 612	1 114 612
- weighted average number of shares	1 114 612	1 114 612
- diluted weighted average number of shares	1 114 612	1 114 612
Share price (closing) (Rand)	1.27	1.34
Market capitalisation (R million)	1 416	1 525
Net asset value per share (Rand)	(0.28)	1.76

Reconciliation of earnings before interest, taxation, depreciation, amortisation, impairment of property, plant and equipment and intangible assets and impairment of equity-accounted investment

In millions of Rands	Year ended	
	31 December 2025	31 December 2024
Loss from operations	(1 894)	(4 447)
Adjusted for:		
Depreciation	1 024	807
- Amortisation of intangible assets	15	11
- (Reversal of impairment)/impairment of property, plant and equipment and intangible assets	(245)	682
- Impairment of equity-accounted investments	2	-
Earnings before interest, taxation, depreciation, amortisation, impairment of property, plant and equipment and intangible assets and impairment of equity accounted investment (EBITDA)	(1 098)	(2 947)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of Rands	Note	Year ended	
		31 December 2025 Reviewed	31 December 2024 Audited
Revenue		32 291	38 596
Other income	6	1 921	-
Raw materials and consumables used		(17 353)	(22 296)
Employee costs		(3 592)	(4 329)
Energy		(6 073)	(5 892)
Movement in inventories of finished goods and work in progress		(2 135)	(1 737)
Depreciation		(1 024)	(807)
Amortisation of intangible assets		(15)	(11)
Impairment loss and movement in expected credit losses of trade and other receivables		(11)	(10)
Impairment of equity-accounted investments		(2)	-
Reversal of impairment/(impairment) of property, plant and equipment and intangible assets	7,8	245	(682)
Other operating expenses		(6 146)	(7 279)
Loss from operations		(1 894)	(4 447)
Finance income	9	230	82
Finance costs	10	(1 467)	(1 454)
Fair value adjustment of investment properties	14	198	37
Gain/(loss) on remeasurement of asset held-for-sale	16	8	(57)
Gain on bargain purchase		1	-
Income after tax from equity-accounted investments		16	5
Loss before tax		(2 908)	(5 834)
Income taxation credit/(expense)	11	8	(5)
Loss for the year		(2 900)	(5 839)
Other comprehensive (loss)/income			
<i>Items that will not be reclassified to income or loss (net of tax):</i>			
Fair value adjustment on equity instruments		-	1
Revaluation of property, plant and equipment	13	272	-
<i>Items that may be reclassified subsequently to income or loss (net of tax):</i>			
Exchange differences on translation of foreign operations		(13)	1
Share of other comprehensive loss of equity accounted investments		(1)	-
Other comprehensive income for the year		258	2
Total comprehensive loss attributable to owners of the company		(2 642)	(5 837)
Basic/diluted loss per share (cents) attributable to owners of the company		(260)	(524)

*Refer note 7 for detail of restatement

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In millions of Rands	Note	As at		
		31 December 2025 Reviewed	31 December 2024 Restated*	1 January 2024 Restated*
Assets				
Non-current assets				
Property, plant and equipment	13	9 775	9 197	9 794
Investment properties	14	7 829	7 708	8 309
Intangible assets		1 090	690	702
Equity-accounted investments		60	58	62
Investments held by environmental trust		217	243	245
Other receivables		576	486	438
Deferred tax assets		3	12	27
		-	-	11
Current assets		11 281	15 953	19 517
Inventories	17	6 682	10 113	12 441
Trade and other receivables		1 921	2 246	3 552
Other financial assets		-	-	39
Cash, bank balances and restricted cash	15	2 678	3 594	3 485
Asset held-for-sale	16	70	126	134
Total assets		21 126	25 276	29 445
Equity and Liabilities				
Shareholders' equity				
Share capital		(317)	2 298	8 134
Reserves		4 537	4 537	4 537
Retained (loss)/earnings		(3 147)	(3 448)	(3 515)
		(1 707)	1 209	7 112
Non-current liabilities		8 852	7 706	5 061
Borrowings	17	6 106	5 055	2 700
Lease liabilities		194	142	156
Provisions	18	1 560	1 578	1 474
Trade and other payables		209	228	210
Other financial liabilities	19	783	703	521
Current liabilities		12 591	15 272	16 250
Borrowings	17	3 020	3 650	4 000
Lease liabilities		52	39	32
Provisions	18	803	1 714	924
Trade and other payables		8 515	9 708	11 020
Other financial liabilities	19	89	49	162
Taxation		112	112	112
Total equity and liabilities		21 126	25 276	29 445

*Refer note 7 for detail of restatement

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

In millions of Rands	Note	Year ended	
		31 December 2025 Reviewed	31 December 2024 Audited
Cash flows (utilised in)/from operating activities			
Cash generated from operations	20	(23)	384
Finance income		561	1 029
Finance costs	21	90	80
Income taxation received/(paid)		(682)	(720)
		8	(5)
		(824)	(915)
Cash flows utilised in investing activities			
Investment to maintain and expand operations		(1 004)	(938)
Receipt of dividends from equity-account investments		32	-
Proceeds from disposal of property, plant and equipment		14	11
Proceeds from disposal of asset held-for-sale		134	-
Proceeds from disposal of other financial assets		-	12
		(40)	622
Cash flows (utilised in)/from financing activities			
Borrowings: Borrowing-base facility raised	17	4 700	8 100
Borrowings: Borrowing-base facility repaid	17	(4 500)	(8 400)
Borrowings: Loan from Industrial Development Corporation raised	17	-	1 000
Borrowings: Loan from Industrial Development Corporation repaid	17	(200)	(50)
Repayment of principal lease liabilities		(40)	(28)
Net (decrease)/increase in cash, cash equivalents and restricted cash			
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash		(887)	91
Cash, cash equivalents and restricted cash at the beginning of the year		(29)	18
Cash, cash equivalents and restricted cash at the end of the year	15	3 594	3 485
		2 678	3 594

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of Rands	Stated Capital	Treasury share equity reserve	Other Reserves	Retained earnings	Total
Year ended 31 December 2023 (Restated*)					
Balance as at 31 December 2022 - Restated	4 537	(2 065)	(1 511)	11 049	12 010
As previously reported	4 537	(2 065)	(1 511)	10 714	11 675
Prior period error – Reversal of impairment*	-	-	-	335	335
Total comprehensive loss for the year	-	-	5	(3 920)	(3 915)
Loss for the year	-	-	-	(3 920)	(3 920)
Other comprehensive income	-	-	5	-	5
Share-based payment movement	-	-	39	-	39
Transfer between reserves	-	-	17	(17)	-
Balance as at 31 December 2023 (Restated*)	4 537	(2 065)	(1 450)	7 112	8 134
Year ended 31 December 2024 (Restated*)					
Balance as at 31 December 2023 - Restated	4 537	(2 065)	(1 450)	7 112	8 134
As previously reported	4 537	(2 065)	(1 450)	6 777	7 799
Prior period error – Reversal of impairment*	-	-	-	335	335
Total comprehensive loss for the year	-	-	2	(5 839)	(5 837)
Loss for the year	-	-	-	(5 839)	(5 839)
Other comprehensive income	-	-	2	-	2
Share-based payment movement	-	-	1	-	1
Transfer between reserves	-	-	64	(64)	-
Balance as at 31 December 2024 (Restated*)	4 537	(2 065)	(1 383)	1 209	2 298
Year ended 31 December 2025					
Balance as at 31 December 2024 - Restated	4 537	(2 065)	(1 383)	1 209	2 298
As previously reported	4 537	(2 065)	(1 383)	874	1 963
Prior period error – Reversal of impairment*	-	-	-	335	335
Total comprehensive loss for the year	-	-	258	(2 900)	(2 642)
Loss for the year	-	-	-	(2 900)	(2 900)
Other comprehensive income	-	-	258	-	258
Share-based payment movement	-	-	27	-	27
Transfer between reserves	-	-	16	(16)	-
Balance as at 31 December 2025 (Reviewed)	4 537	(2 065)	(1 082)	(1 707)	(317)

*Refer note 7 for detail of restatement

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025**1. Corporate information**

ArcelorMittal South Africa Limited is a public company incorporated and domiciled in South Africa and listed on the JSE Limited. These reviewed condensed consolidated financial statements for the year ended 31 December 2025 comprise the Company and its subsidiaries (together referred to as the Group). The Group is one of the largest steel producers on the African continent.

The reviewed condensed consolidated financial statements of the Group for the year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 5 February 2026.

2. Basis of preparation**2.1 Statement of compliance**

The reviewed condensed consolidated financial statements have been prepared under the supervision of GA Griffiths CA(SA), Chief Financial Officer, in accordance with the framework concepts, the recognition and measurement criteria of the IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Accounting Standard (IAS 34) Interim Financial Reporting, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee, and Financial Pronouncements as issued by Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa.

The reviewed condensed consolidated financial statements have been prepared in accordance with historical cost convention except for certain financial instruments which are stated at fair value and are presented in Rand, which is the functional and presentation currency of the company. All financial information presented in Rand has been rounded off to the nearest million.

2.2 Going concern

For the year ended 31 December 2025, the net loss after tax of R2 900 million is R2 939 million lower than the R5 839 million loss reported in 2024. The Group generated R561 million (31 December 2024: R1 029 million) positive cash flow from operations, which included IDC funding of R2 063 million.

The current liabilities of the Group exceed current assets (excluding assets held-for-sale) by R1 310 million (31 December 2024: current assets (excluding assets held-for-sale) exceed current liabilities by R681 million). Total liabilities exceed total assets by R317 million (31 December 2024: total assets exceed total liabilities by R2 298 million. Net borrowings increased to R6 448 million (31 December 2024: R5 111 million).

In assessing the going concern of the group, the directors have focussed on the key risks being immediate liquidity, other actions that can be taken to improve solvency and liquidity and focussing on the forecasted EBITDA and profitability of the group.

Liquidity

The Group has complied with all covenants as it pertains to the borrowing-based facility (BBF), as of 31 December 2025. It is noted that the tangible net worth covenant was temporarily reduced from R6 000 million to R4 500 million for the two quarters December 2025 and March 2026. The facility amount was also reduced from R4 025 million to R3 000 million in recognition of the reduction of eligible inventories and accounts receivable following the closure of the Long Products.

The balance outstanding as at 31 December 2025 on the BBF was R2 900 million (31 December 2024: R2 700 million) with undrawn available facilities of R100 million (subject to eligible inventories and accounts receivables available to provide as securities).

ArcelorMittal South Africa, ArcelorMittal Group, the Industrial Development Corporation SOC Limited are engaged in advanced discussions to find a sustainable solution based on a non-binding term sheet regarding a potential transaction; these discussions remain subject to definitive agreements and multiple approvals; and there is no certainty that any transaction will be concluded.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***2.2 Going concern (continued)**

Given the potential corporate action currently underway the Group has engaged with the BBF Lenders to request the deferment of the 12-month run-off period by four months from April 2026 to end of July 2026 similar to what was done earlier in the year. As of the 4th of February 2026, the BBF lenders have not provided formal consent for this deferment. Any corporate action resulting in a change in control will result in the BBF facility being immediately repayable and at present there are no alternate plans to repay this amount.

The IDC is conducting a due diligence to provide a R1 000 million loan facility to fund the working capital requirements of the Group. The Group awaits to hear the outcome of the IDC due diligence process.

Further discussions regarding longer-term solutions and balance sheet support remain ongoing with no binding agreements concluded to date. Regardless of the outcome of these discussions, ArcelorMittal South Africa will execute its strategy to improve core business profitability and liquidity.

Immediate Other Actions and Business Plan for Profitability

The management and board of ArcelorMittal South Africa have therefore developed a credible business plan to mitigate these risks. This credible business plan contains various critical steps that would then need to be executed in 2026 to generate cash, secure long-term financing and restructure the balance sheet. This plan includes the following interventions:

- Securing working capital facility with IDC in the short term
- Restructuring the rehabilitation investments
- Disposal or long term leases on various properties
- Deferment of the 12 month run-off period of the BBF by four months
- Secure a new long term facility should current BBF facility not be renewed or in the event of transaction resulting in change in control
- Possible alternatives for the True sales of receivable (TSR) facility

These actions remain subject to appropriate statutory and regulatory approvals and processes and there remains uncertainty and risk to the successful and timely conclusion of these actions. Additional interventions to support liquidity through optimising ongoing cash management and cost reduction initiatives remains therefore a focus area.

As required, the directors have prepared cash flow forecasts for a period of 12 months from the end of the reporting period, based on the most recent forecast and all available information including but not limited to the availability of banking facilities, the ongoing support from the holding company, ArcelorMittal Holdings AG and the repayment of existing obligations including material capital expenditure obligations. These forecasts support the going concern assumption on the basis that above plans will be successful.

Overall Outlook

Therefore, it is noted that there are several matters which give rise to material uncertainty relating to going concern. In the short term the primary concerns are liquidity driven by the following items:

- possible cash facility,
- ongoing discussions with lenders to defer and/or refinance the BBF facility; and
- in the event of a transaction, the TSR facility will need to be replaced

In addition to the primary focus areas above, the other actions noted above along with the actions to improve profitability remain uncertain. Specifically, the plans regarding the restructuring of the investments and other disposals remain dependent on successful outcomes. Shareholders are also advised that the Group's financial performance is further dependent upon the wider economic environment in which the Group operates. There are also other factors beyond the control of management, such as volatility of the Rand/US dollar exchange rate, steel demand, commodity and steel prices.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***2.2 Going concern (continued)**

Management, in forming the longer-term forecasts, have presumed some form of tariff and import protection and improvements to rail service and electricity supply reliability and these assumptions, which have uncertainty, can have a significant impact on the business.

These matters indicate the existence of a material uncertainty related to going concern and as a result the entity may be unable to realise its assets or discharge its liabilities in the ordinary course of business.

The directors and management have considered the viability of their reasonable plans as noted above and believe that the Group has viable plans and therefore sufficient liquidity to pay debts as they become due over the next 12 months and as a result have prepared the consolidated condensed financial statements on a going concern basis.

3. Accounting policies

The accounting policies and methods of computation applied in the preparation of the reviewed condensed consolidated financial statements of the Group are consistent with those applied for the year ended 31 December 2024, except for the Group's policy on accounting for Government grants which has been implemented for the first time in the current year, refer to note 6.

3.1 New standards effective for annual periods beginning on or after 1 January 2025

The following new amendment to standards and interpretations are effective for annual periods beginning on or after 1 January 2025, and had been adopted by the Group at 31 December 2024.

- *Lack of Exchangeability* (Amendments to IAS 21)

These amendments did not have a significant impact on the Group's financial statements.

3.2 New standards, amendments to existing standards and interpretations not yet effective

New standards and amendment to standards and interpretations that are effective for annual periods beginning on or after 1 January 2026, of which an earlier application is permitted, that may be relevant to the Group are Amendments IFRS 9 and IFRS 7 relating to the *Classification and Measurement of Financial Instruments* as well as disclosures regarding power purchase arrangements, and the new standard *Presentation and Disclosures in Financial Statements* (IFRS 18). The amendments relating to IFRS 9 and IFRS 7 have not been early adopted by the Group and is not expected to have a material impact on the Group's financial statements. The new standard IFRS 18 will have material impact to the presentation and disclosure of the financial statements, through newly specified categories and defined subtotals in the statement of comprehensive income, required disclosures on management-defined performance measures ("MPMs") in the notes of the financial statements and enhanced principles of aggregation and disaggregation. However, the standard will not result in a change for recognition and measurement in terms of the Group's accounting policies.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

4. Significant estimates and assumptions

The preparation of the financial statements in compliance with IFRS Accounting Standards requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which they were revised and in any future periods affected.

Key estimates and assumptions which have the most significant effect on the financial statements include:

- Valuation of investment properties - a Level 3 fair value utilising significant unobservable inputs, specifically the capitalisation rate, vacancy provision and expense ratio – refer to note 22.
- Expected credit loss assessment - the exposure to credit risk is insured and mainly underwritten by the Credit Guarantee Insurance Corporation of South Africa. The insurance excess ranges from 0% to 10%. The credit limits of customers were monitored and adjusted where applicable throughout the period. Goods were dispatched to customers in line with the approved credit limits. The assessment of expected credit losses was reperformed as at 31 December 2025 and the impairment loss provision on trade and other receivables decreased by R1 million (2024: R10 million increase) compared to December 2024.
- Going concern basis – refer to note 2.2.
- Environmental remediation obligation and asset retirement obligation - specifically the expectation of future cost, discount rate and expected inflation rates. The average discount rate used for environmental remediation obligation is 7.6% (2024: 9.2%) and for asset retirement obligation is 7.5% (2024: 8.8%). The average escalation rate applied to the current cash flow estimates is 3.6% (2024: 4.3%) – refer to note 18.
- Property, plant and equipment useful life assessment – an assessment of the useful life of certain assets resulted in recognition of accelerated depreciation in the current year – refer note 13.
- Impairment assessment of property, plant and equipment.

An impairment assessment was completed for the year ended 31 December 2025 using a discounted cash flow model with an explicit forecast period for five years for the Vanderbijlpark CGU, including Coke and Chemicals, and the AMRAS CGU. These cash flows are USD-based. To determine the terminal value, the Gordon growth model is used, where Year five free cash flow is recognised in perpetuity. The value in use for the Vanderbijlpark CGU, including Coke and Chemicals, and the AMRAS CGU, exceeded their carrying amounts. No impairment model was performed for the Vereeniging and Newcastle plants, being placed in care and maintenance in the current year, rather these plants are carried at fair value less cost to sell on the assumption of the plants being dismantled and disposed as scrap refer note 22.

In 2024 Coke and Chemicals were assessed as a separate Cash-Generating Unit (CGU). In the current year, given the restructuring initiatives brought on by changes in market conditions together with the wind down of the Longs Business, management has merged the Coke and Chemicals CGU with the Vanderbijlpark (Flat steel) CGU for the purposes of performing the impairment assessment.

Management has considered the sensitivity of the impairment calculations to various key inputs and assumptions and concluded that reasonable adjustments to these key inputs and assumptions applied would not result in any additional impairment loss.

The following major assumptions were used:

	Vanderbijlpark		Coke and Chemicals	AMRAS	
	2025	2024		2025	2024
Major assumptions					
Total Post-tax WACC/discount rate (%USD-based)*	13.52	13.62	12.78	12.22	14.54
Company specific premium (%USD-based)*	3.2	1.60	0.80	1.45	3.00
Growth rate (%USD-based)	2.00	2.00	2.00	2.00	2.00
Exchange rate range (R/USD)**	17.50 – 18.50	17.93 – 19.41	17.93 – 19.41	17.50 – 18.50	17.93 – 19.41
Steel sales price range (average USD/t)**	796 – 843	771 – 818	67 – 153***	829 – 873	699 – 793
Sales volume range (kt)**	1 545 – 1 960	1 881 – 2 063	840 – 1 555	128 – 128	123 – 136

* Decarbonisation risk is incorporated in company-specific premium.

** Lowest to highest range over period of 2026 to 2029 (2024: 2025 to 2029).

*** Commercial coke sales price range (average USD/t).

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***5. Segment report**

Operating segments are identified based on internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker, in order to allocate resources to the segment and to assess its performance.

The Group's reportable segments are:

- Steel Operations consisting of Vanderbijlpark plant, Newcastle plant, Vereeniging plant and ArcelorMittal Rail and Structures.
- Non-Steel Operations consisting of Coke and Chemicals undertaking the processing and marketing of by-products and the production and marketing of commercial grade coal, Thabazimbi Iron Ore Mine and Collect-a-Can* and the decommissioned Saldanha plant, Maputo plant and Pretoria plant.
- Corporate and other, consisting of commercial functions, procurement and logistics activities, shared services, investments and the results of the non-trading consolidated subsidiaries and consolidated structured entities.

**The group obtained control of Collect-a-Can during the current period and include it in the non-steel segment. The entity was previously reported as part of the corporate segment as equity accounted investment.*

Earnings before interest, tax, depreciation and amortisation ("EBITDA") represents the earnings by each segment without the allocation of depreciation, amortisation and impairments.

Segment profit/(loss) from operations represents the profit/(loss) earned/(incurred) by each segment without the allocation of after-tax profits of equity-accounted investments.

All assets and liabilities are allocated to the operating segments, other than for the following items that are allocated exclusively to the corporate and other segment, reflecting the way resource allocation is measured.

Assets not allocated to operating segments:

- Investments in equity-accounted entities
- Financial investments
- Cash and cash equivalents
- Income tax, capital gains tax and value added tax related assets, as applicable.

Liabilities not allocated to operating segments:

- Income tax
- Value added tax related liabilities, as applicable

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

	Steel Operations R'm	Non-Steel Operations R'm	Corporate and other R'm	Adjustments and eliminations R'm	Total reconciling to the consolidated amounts R'm
For the year ended 31 December 2025					
Revenue					
- External customers	31 037	1 254	-	-	32 291
- Internal customers	-	234	-	(234)	-
Total revenue	31 037	1 488	-	(234)	32 291
Revenue to external customers distributed as:					
Local	25 007	1 108	-	(234)	25 881
Export	6 030	380	-	-	6 410
Rest of Africa	3 366	-	-	-	3 366
America	555	-	-	-	555
Asia	596	-	-	-	596
Europe	1 513	380	-	-	1 893
Total	31 037	1 488	-	(234)	32 291
Other income	1 809	112	-	-	1 921
Expenses					
Raw materials and consumables used	(17 147)	(206)	-	-	(17 353)
Employee cost	(3 516)	(76)	-	-	(3 592)
Energy	(5 975)	(98)	-	-	(6 073)
Movement in inventories of finished goods and work-in-progress	(1 514)	(823)	-	202	(2 135)
Impairment (loss)/reversal and movement in expected credit losses of trade and other receivables	1	(12)	-	-	(11)
Other operating expenses	(5 997)	(149)	-	-	(6 146)
EBITDA	(1 302)	236	-	(32)	(1 098)
Impairment of equity-accounted investment	-	-	(9)	7	(2)
Reversal of impairment of property, plant and equipment and intangible assets	245	-	-	-	245
Depreciation and amortisation	(980)	(43)	(16)	-	(1 039)
(Loss)/profit from operations	(2 037)	193	(25)	(25)	(1 894)
Finance income	117	13	123	(23)	230
Finance costs	(458)	(189)	(843)	23	(1 467)
Fair value adjustment of investment properties	47	88	63	-	198
Gain on remeasurement of asset held-for-sale	-	8	-	-	8
Gain on bargain purchase	-	-	-	1	1
Income after tax from equity-accounted investments	-	-	16	-	16
(Loss)/profit before taxation	(2 331)	113	(666)	(24)	(2 908)
Income taxation credit	8	-	-	-	8
(Loss)/profit for the year	(2 323)	113	(666)	(24)	(2 900)
Segment assets (excluding investments in equity-accounted entities)	15 405	2 800	2 769	(65)	20 909
Investments in equity-accounted entities	-	-	217	-	217
Segment liabilities	(8 030)	(1 705)	(11 761)	53	(21 443)
Cash generated from/(utilised in) operations	338	93	156	(26)	561
Capital expenditure	(968)	(8)	(28)	-	(1 004)
Number of employees at the end of the year (own)	3 963	191	626	-	4 780

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***5. Segment report (continued)**

	Steel Operations	Non-Steel Operations	Corporate and other	Adjustments and eliminations	Total reconciling to the consolidated amounts
Reviewed information					
Crude steel production ('000 tonnes)	2 270	-	-	-	2 270
Steel sales ('000 tonnes)	2 011	-	-	-	2 011
- Local	1 620	-	-	-	1 620
- Export	390	-	-	-	390
Capacity utilisation (%)	55	-	-	-	55
Average net realised price (R/t)	14 202	-	-	-	14 202
EBITDA margin (%)	(4.2)	-	-	-	(3.4)

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

5. Segment report (continued)

	Steel Operations R'm	Non-Steel Operations R'm	Corporate and other R'm	Adjustments and eliminations R'm	Total reconciling to the consolidated amounts R'm
For the year ended 31 December 2024					
Revenue					
- External customers	37 263	1 333	-	-	38 596
- Internal customers	-	293	-	(293)	-
Total revenue	37 263	1 626	-	(293)	38 596
Revenue to external customers distributed as:					
Local	29 167	1 626	-	(293)	30 500
Export	8 096	-	-	-	8 096
Rest of Africa	5 184	-	-	-	5 184
America	25	-	-	-	25
Asia	909	-	-	-	909
Europe	1 669	-	-	-	1 669
Middle East	305	-	-	-	305
Other	4	-	-	-	4
Total	37 263	1 626	-	(293)	38 596
Expenses					
Raw materials and consumables used	(22 161)	(209)	(238)	312	(22 296)
Employee cost	(3 758)	(76)	-	-	(3 834)
Energy	(5 807)	(85)	-	-	(5 892)
Movement in inventories of finished goods and work-in-progress	(937)	(800)	-	-	(1 737)
Impairment (loss)/reversal and movement in expected credit losses of trade and other receivables	(2)	(8)	-	-	(10)
Other operating expenses	(7 650)	(124)	-	-	(7 774)
EBITDA	(3 052)	324	(238)	19	(2 947)
Impairment of property, plant and equipment and intangible assets	(682)	-	-	-	(682)
Depreciation and amortisation	(759)	(43)	(16)	-	(818)
(Loss)/profit from operations	(4 493)	281	(254)	19	(4 447)
Finance income	(10)	1	119	(28)	82
Finance costs	(621)	(141)	(720)	28	(1 454)
Fair value adjustment of investment properties	-	37	-	-	37
Loss on remeasurement of asset held-for-sale	-	(57)	-	-	(57)
Income after tax from equity-accounted investments	-	-	5	-	5
(Loss)/profit before taxation	(5 124)	121	(850)	19	(5 834)
Income taxation expense	-	(5)	-	-	(5)
(Loss)/profit for the year	(5 124)	116	(850)	19	(5 839)
Segment assets (excluding investments in equity-accounted entities)	18 358	2 358	4 153	(171)	24 698
Investments in equity-accounted entities	-	-	243	-	243
Segment liabilities	9 268	1 740	12 146	(176)	22 978
Cash generated from/(utilised in) operations	524	96	432	(23)	1 029
Capital expenditure	915	5	18	-	938
Number of employees at the end of the year (own)	5 165	156	676	-	5 997

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

5. Segment report (continued)

	Steel Operations	Non-Steel Operations	Corporate and other	Adjustments and eliminations	Total reconciling to the consolidated amounts
Reviewed information					
Crude steel production ('000 tonnes)	2 589	-	-	-	2 589
Steel sales ('000 tonnes)	2 276	-	-	-	2 276
- Local	1 753	-	-	-	1 753
- Export	523	-	-	-	523
Capacity utilisation (%)	63	-	-	-	63
Average net realised price (R/t)	14 909	-	-	-	14 909
EBITDA margin (%)	(8.2)	-	-	-	(7.6)

Revenue from major products

	Group	2025	2024
The Group's revenue from its major products sold to external customers was:			
Steel operations			
Coated	6 689	7 203	
Heavy sections/rails	4 279	1 887	
Hot rolled	10 802	12 058	
Merchant bars	2 124	7 169	
Seamless tubular products	801	813	
Uncoated	4 508	5 426	
Wire rod	1 834	2 707	
	31 037*	37 263	
Non-steel operations			
Coke and tar	583	1 111	
Other	671	222	
	1 254	1 333	
Total		32 291	38 596

* Current year revenue include revenue of R644 million generated through sales under bill-and-hold arrangements not yet delivered at year end.

Information about major customers

	Steel Operations R'm	% of Group revenue
2025		
Revenue of major customers		
Customer 2	5 064	15.7
Customer 1	3 836	11.9
Total	8 900	27.6
2024		
Revenue of major customers		
Customer 1	4 695	12.2
Total	4 695	12.2

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

6. Other income

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Funding utilised – IDC	1 809	-
Rental income	112	-
Total	1 921	-

The Group received funding from the IDC of R380 million in February 2025 for the deferral of the Longs Business closure by a month. The Group then received additional funding of R1 683 million from the IDC for the purpose of being applied towards the continued operation of the Longs Business for a deferral period ending in September 2025. In terms of the agreement, for both amounts received, the funds received would be repayable with interest to the IDC, should both parties agree, in the event that the Longs Business is financially solvent and liquid, realise positive EBITDA and has positive cash flow.

The funding has been received for the operational costs, as presented within other income above, finance costs and capital expenditure of the Longs Business over the deferral period with any unutilised portion of the funding recognised as deferred income.

The facility has been initially recognised as deferred income and subsequently recognised in profit or loss as the expenses to which it relates have been incurred over the deferral period and, for the portion of the funding received for capital expenditure, within depreciation and amortisation expense on a straight-line basis over the expected useful lives of the related assets once these assets are brought into use.

In millions of Rands	Note	31 December 2025 Reviewed	31 December 2024 Audited
Carrying amount at the beginning of the year		-	-
Funding received - IDC		2 063	-
Income recognised for the period			
Other income		(1 809)	-
Finance cost	10	(182)	-
Transfer to property, plant and equipment	13	(72)	-
Carrying amount at the end of the period		-	-

As at 31 December 2025 management has performed an assessment to determine whether the funding could be repayable to the IDC.

In considering the results of the Longs business, the assessment is based on the assumption that the AMRAS plant will continue to operate at normal levels of production for the period considered and going forward. The Vereeniging plant has been placed in care and maintenance as of November 2025 but will resume partial operations for the 2026 year after which it is planned to again be placed in care and maintenance from 2027. The Newcastle plant has been placed in care and maintenance from October 2025 and is not planned to restart operations for the period considered and going forward. The period considered is therefore up to 31 December 2025 consisting of actual results for the year and the forecast results for the 2026 and 2027 financial year.

Management has determined the following based on the results assessed for the Longs Business:

- Liquidity (Current Assets in comparison with Current Liabilities):
At year end 31 December 2025 current liabilities exceed current assets by R2 129 million, with the deficit forecasted to increase to R2 227 million for 2026 and R2 454 million for 2027.
- Solvency (Total Assets in comparison with Total Liabilities):
At year end 31 December 2025 total liabilities exceed total assets by R1 229 million, with this deficit forecasted to increase to R1 249 million and R1 425 million in 2026 and 2027 respectively. The Longs Business will not be solvent.
- EBITDA:
EBITDA, determined in terms of the definition of EBITDA as set out in the agreement with the IDC, for the year ended 31 December 2025 is a negative R316 million, including the effect of funding received from the IDC, and forecasted at a positive R190 million and R68 million for the years ending 31 December 2026 and 2027.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

Other income *continue*

- Free cash flow:

The free cash flow of the Longs Business by year end 31 December 2025 is R973 million positive. For 2026 and 2027 it is forecast to generate negative cash movements of R707 million and R995 million for the years ending 31 December 2026 and 2027 respectively, which is then funded by the Group resulting in an increase in the loan accounts.

The Group will not repay the funding to the IDC in the foreseeable future based on the Longs Business remaining in a negative net asset position with negative EBITDA in the current year, and no free cash flow available to repay the facility as forecast for 2026 and 2027.

	Vereeniging 2026	AMRAS 2026-2027
Major assumptions*		
Exchange rate range (R/USD)	17.50	17.50 – 17.87
Sales price range (average USD/t)**	1 175 – 3 159	731 – 1 147
Sales volume (kt)	47	155 & 128

*Other major assumptions include inflation rates ranging from 4.2% to 4.4% per annum (p.a.) for SA CPI, 4.7% to 4.3% p.a. for SA Producer Price Index and 2.5% to 2.3% p.a. for USA CPI as well as a range of different escalation rates applied for different inputs of material and services, amongst others.

** Lowest to highest range of sales prices for the period of 2026 to 2027 across all products sold.

7. Prior period error

Management performed its annual impairment indicator assessment, in line with IAS 36, Impairment of Assets, during quarter 4 of the 2025 financial year. Generally, management determines the recoverable amount as the value in use of the group's cash generating units, however in the current year the group has placed two plants in care and maintenance and no value in use was applicable given that operations at these plants are not currently planned to continue. Instead, management determined the recoverable amount for these plants based on fair value less costs to sell. All plants in care and maintenance were included in the determination of recoverable amount based on fair value less costs to sell, with the result that the determined recoverable amount exceeded the carrying amount for the plants in question.

This assessment triggered the re-assessment of one of the plants, placed in care and maintenance in 2019. In 2020, the recoverable amount was determined based on value in use only. The Saldanha plant was therefore impaired to Rnil in the 2020 financial year. In performing a detailed analysis of the recoverable amount, whereby the fair value less costs to sell represent the scrap value that would be obtained from dismantling the plant and disposing as scrap, it has come to the attention of management that the information used to derive the scrap value was available at the stage that the plant was impaired to Rnil. Management incorrectly used only the value in use model instead of the higher of the value in use model and fair value less costs to sell to determine the possible recoverable amount, even though the information to determine the fair value less costs to sell was available when the assessment was performed in 2020. The plant was therefore incorrectly impaired to a value of Rnil in the 2020 financial year, instead of being impaired to the fair value less costs to sell, representing scrap value, which at that stage exceeded the plants carrying amount.

In light of the above, the group has corrected this error, originating from 2020, in the financial statements. The impact of the restatement on the consolidated financial statements for the group is shown in the table below. The correction has no impact on the condensed consolidated statement of comprehensive income and condensed consolidated statement of cash flows.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

7. Prior period error (continued)

In millions of Rands	31 December 2024 Audited	Impact	31 December 2024 Restated	31 December 2023 Audited	Impact	31 December 2023 Restated
Condensed consolidated statement of financial position						
Non-current assets	8 862	335	9 197	9 459	335	9 794
Property, plant and equipment	7 373	335	7 708	7 974	335	8 309
Total assets	24 941	335	25 276	29 110	335	29 445
Shareholder's equity	1 963	335	2 298	7 799	335	8 134
Retained earnings	874	335	1 209	6 777	335	7 112
Total equity and liabilities	24 941	335	25 276	29 110	335	29 445
Condensed consolidated statement of changes in equity						
Balance as at:						
31 December 2022 –						
Retained earnings	10 714	335	11 049	10 714	335	11 049
Total	11 675	335	12 010	11 675	335	12 010
31 December 2023 –						
Retained earnings	6 777	335	7 112	6 777	335	7 112
Total	7 799	335	8 134	7 799	335	8 134
31 December 2024 –						
Retained earnings	874	335	1 209	-	-	-
Total	1 963	335	2 298	-	-	-

8. Reversal of impairment/(Impairment) of property, plant and equipment and intangible assets

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Restated*
Reversal of impairment of property, plant and equipment and intangible assets – Long Steel Products	245	-
Impairment of property, plant and equipment and intangible assets – Newcastle plant	-	682
Total	245	682

During 2025, management implemented restructuring of the business placing the Newcastle plant in care and maintenance, following the cessation of IDC funding and continued financial losses. The fixed assets for this unit were previously impaired based on scrap values. R59 million of this impairment is now reversed, due to further detailed analysis, refinement and updates by management of the recoverable amount indicating a higher scrap value for the plant than was determined in 2024. The scrap value for the current year has been determined as R562 million (31 December 2024: R455 million).

The Vereeniging plant was placed into care and maintenance in November 2025. Management planned to restart portions of this plant in 2026 for it to operate for an additional year. Based on this strategy and a subsequent increase in the value, a portion of the existing impairment is reversed. The Vereeniging plant is expected to be recovered through use, however the recoverable amount has been determined as the scrap value, being R172 million, resulting in a reversal of R127 million of the prior year impairment.

The ArcelorMittal Rail and Structures (AMRAS) plant is still operational. The AMRAS plant is expected to be recovered through use and the recoverable amount has been determined by means of calculating the value in use of the plant. Based on the value in use calculated in the current year an amount of R59 million of the impairment previously recorded is reversed due to an increase in the value in use of the plant, mainly driven by increased expected sales volumes, lower expected input costs and higher forecast steels sales prices evidencing a higher service potential for the plant when compared to the prior year.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

8. Reversal of impairment/(Impairment) of property, plant and equipment and intangible assets (continued)

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
The main classes of assets affected by the impairment loss are:		
- Buildings and infrastructure	66	44
- Machinery, plant and equipment	179	495
- Right-of-use assets	-	20
- Assets under construction	-	122
Intangible assets:		
- Non-integrated software	-	1
Total	245	682

9. Finance income

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Bank deposits and other interest income	90	80
Net foreign exchange profit and net gains from foreign exchange contracts	140	2
Total	230	82

10. Finance costs

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Interest expense on loans and payables	1 263	1 149
Interest expense on lease liabilities	20	18
Discount rate adjustment of provisions	79	34
Unwinding of the discounting effect on other financial liabilities and provisions	287	253
- Provisions	162	189
- Other financial liabilities	125	64
Funding utilised – IDC	(182)	-
Total	1 467	1 454

11. Taxation

The Group only recognises deferred income tax assets on carried forward tax losses to the extent there are sufficient estimated future taxable profits and/or taxable temporary differences. However, based on the considerations presented, management believes that the turnaround initiatives may result in the Group returning to profitability but also considers the timing and uncertainty of these initiatives. With the difficulty of accurately measuring the possible future effects, management believes it is premature to conclude at this stage that it is more likely than not for sufficient future taxable profits to be available against which a deferred tax asset can be utilised. Therefore, no deferred tax asset has been recognised.

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Current taxation		
Adjustment for current tax of prior periods	8	5
Total income taxation expense	8	5

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

11. Taxation (continued)

The 2025 prior year tax adjustment relates to over estimation of taxation expense of ArcelorMittal Rail and Structures (Pty) Ltd. The amount was refunded by SARS in 2025 upon final assessment.

The 2024 prior year tax adjustment relates to taxation of the proceeds on disposal of property in 2023 by ArcelorMittal Maputo.

12. Headline earnings

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Loss for the year	(2 900)	(5 839)
Adjusted for:		
- Fair value adjustment of investment property	(198)	(37)
- (Gain)/loss on remeasurement of asset held-for-sale	(8)	57
- (Reversal of impairment)/impairment of property, plant and equipment and intangible assets	(245)	682
- Impairment of equity-accounted investment	2	-
- Net (gain)/loss on disposal or scrapping of property, plant and equipment*	(5)	35
- Gain on bargain purchase	(1)	-
- Total tax effect of adjustment	-	-
Headline loss for the year	(3 355)	(5 102)
Headline loss per share (cents)		
- basic	(301)	(458)
- diluted	(301)	(458)
Weighted average number of shares (thousand)	1 114 612	1 114 612

* Adjustment for headline earnings is shown pre-tax and the tax effect of adjustment separately.

13. Property, plant and equipment

In millions of Rands	Note	31 December 2025 Reviewed	31 December 2024 Restated*	31 December 2023 Restated*
Carrying amount at the beginning of the year – Restated	7	7 708	8 309*	9 905*
Additions		953	956	1 293
Disposals		(10)	(46)	(17)
Depreciation^		(1 024)	(807)	(861)
Impairment#	8	-	(681)	(2 095)
Reversal of impairment	8	245	-	-
Revaluation through other comprehensive income		272	-	6
Transfers to investment properties	14	(273)	-	-
Funding applied - IDC	6	(72)	-	(6)
Transfers from inventories		29	17	84
Other movements		1	(40)	-
Carrying amount at the end of the period		7 829	7 708	8 309

*Refer note 7 for detail of restatement

#The impairment in the prior year relates to the Long Business, given undergoing significant financial challenges, and the Newcastle plant was impaired to its recoverable amount, representing fair value less cost to sell, refer note 22.

[^]During the year, the Company reassessed the estimated useful lives of property, plant and equipment across all asset categories. As a result, the Company revised its depreciation estimates, which resulted in an increased depreciation charge for the current year.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

14. Investment properties

In millions of Rands	Note	31 December 2025 Reviewed	31 December 2024 Audited	31 December 2023 Audited
Carrying amount at the beginning of the year		690	702	737
Transfer from asset held-for-sale	16	-	77	-
Transfer from property, plant and equipment		273	-	6
Transfer to asset held-for-sale	16	(70)	(126)	(134)
Change in fair value – unrealised gains		198	37	93
Exchange rate difference		(1)	-	-
Carrying amount at the end of the year		1 090	690	702

15. Cash, bank balances and restricted cash

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited	31 December 2023 Audited
Unrestricted cash	1 567	2 182	2 489
Restricted cash	1 111	1 412	996
True sales of receivables ("TSR") facility	756	895	692
Environmental rehabilitation obligation	324	443	302
Guarantee for payment of foreign obligation	29	72	-
Litigation	2	2	2
Total	2 678	3 594	3 485

The restricted cash amount relating to the TSR facility are amounts collected on behalf of the TSR provider after the financing of the debtors. These amounts are required to be paid over to the TSR provider.

16. Asset held-for-sale

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited	31 December 2023 Audited
Balance at the beginning of the year	126	134	80
Gain/(loss) on remeasurement	8	(57)	9
Transfer to investment properties	-	(77)	-
Transfer from investment properties	70	126	134
Asset disposed	(134)	-	(99)
Exchange rate movement	-	-	10
Balance at the end of the year	70	126	134

The sale of the warehouse property for which a non-binding offer was received in 2023, was concluded in 2025.

An offer was received for another industrial investment property (Level 3 in the fair value hierarchy) during 2025. The sale of this property is in process and is expected to be concluded in 2026.

Refer to note 22 for details on the measurement, valuation techniques and inputs used for this investment property.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

17. Borrowings

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited	31 December 2023 Audited
Banks - Borrowing based facility (BBF):			
Balance at the beginning of the year	2 700	3 000	2 500
Proceeds from BBF	4 700	8 100	3 350
Repayment of BBF	(4 500)	(8 400)	(2 850)
Balance at the end of the year	2 900	2 700	3 000
Loan from holding company:			
Balance at the beginning of the year	5 055	3 700	3 700
Increase in borrowings – capitalisation of accrued interest and fees	421	1 355	-
Balance at the end of the year	5 476	5 055	3 700
Loan from Industrial Development Corporation (IDC):			
Balance at the beginning of the year	950	-	-
Proceeds from loan	-	1 000	-
Repayment of loan	(200)	(50)	-
Balance at the end of the year	750	950	-
Total borrowings	9 126	8 705	6 700
Non-current	6 106	5 055	2 700
Current	3 020	3 650	4 000

The carrying amounts are a reasonable approximation of fair value.

The BBF loan available to the Group with various financial institutions is subject to the following financial covenants:

- The consolidated tangible net worth of the Group on the last day of the relevant period (each quarter of each financial year of the Group) must be not less than R6 000 million (December 2024 and 2023: R6 000 million). This was temporarily amended to R4 500 million for measuring quarter four 2025 and quarter one 2026 periods
- At least R2 700 million of the consolidated tangible net worth of the Group on the last day of that relevant period must consist of subordinated loans from the holding company
- At all times, the borrowings of the Group (excluding any permitted borrowings, which include subordinated loans from the holding company, environmental guarantees, any bank guarantees in favour of Eskom and the short-term funding from the IDC) must not exceed R2 500 million (or its equivalent in any other currency or currencies)

The Group is in compliance with all covenants as at 31 December 2025 and has been in compliance at the end of each relevant period. The consolidated tangible net worth of the Group is R5 099 million (December 2024: R7 295 million, December 2023: R10 772 million), which is determined as the sum of equity of the Group, the subordinated loan from the holding company of R5 476 million (December 2024: R5 055 million, December 2023: R2 700 million) excluding intangible assets. The borrowings of the Group for the purposes of the applicable BBF covenant, are R1 376 million (December 2024: R1 131 million, December 2023: R1 188 million), determined as the outstanding balance of the loan from the IDC and the lease liabilities.

Eligible inventories and receivables are provided as securities for the BBF loan to the extent of the draw down. At 31 December 2025, the balance of the borrowing base facility was R2 900 million (December 2024: R2 700 million, December 2023: R3 000 million) with R100 million (December 2024: R1 800 million, December 2023: R1 500 million) still available. The amount of the facility was decreased effective from 30 December 2025 from R4 025 million to R3 000 million following a reduction in the eligible inventories and receivables after the closure of the Longs Business.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***17. Borrowings (continued)**

Bank accounts of R707 million (December 2024: R855 million, December 2023: R1 254 million) were ceded in favour of the BBF loan.

The maturity date of the BBF loan is 8 March 2027. The run-off period will commence on 8 April 2026. This facility is managed as part of the entity's working capital requirements. Drawdowns and repayments are made on a weekly or regular basis to manage working capital levels and cash flow. The loan is therefore classified as a current liability.

During the current year the Group capitalised interest on the loan from the holding company, worth R295 million, and management, research and development fees payable to the holding company, worth R126 million, to the loan from the holding company. The subordinated portion of the loan was also increased from R5 055 million to R5 476 million. The full balance of the loan from the holding company is therefore subordinated at year end.

A secured short-term loan of R1 000 million was received from the IDC in June 2024. The loan is subject to market-related interest with the first payment made in December 2024. There are no covenants attached to the loan. The repayment of this loan was restructured in December 2025, whereby the repayment profile, representing monthly repayments, has been amended such that final settlement of the capital portion will occur 1 August 2028.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

18. Provisions

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited	31 December 2023 Audited
Asset retirement obligation and Environmental remediation:			
Balance at the beginning of the year	1 945	2 011	2 305
Scope changes	(283)	(179)	(318)
Discount rate change	79	34	(17)
Unwinding of the discount effect	162	189	212
Utilised during the year	(119)	(110)	171
Balance at the end of the year	1 784	1 945	2 011
Restructuring cost:			
Balance at the beginning of the year	495	-	-
Net restructuring charge for severance packages (reversed)/incurred	(144)	495	-
Restructuring charge for severance packages incurred	71	495	-
Restructuring charges for severance packages reversed	(215)	-	-
Utilised – transferred to trade and other payables	(235)	-	-
Balance at the end of the year	116	495	-
Onerous contracts:			
Balance at the beginning of the year	244	-	-
Longs Business wind down charge (reversed)/incurred	(157)	244	-
Utilised during the year	(87)	-	-
Balance at the end of the year	-	244	-
Other:			
Balance at the beginning of the year	608	387	341
Increase during the year	128	356	149
Transferred to trade and other payables	(124)	-	-
Utilised during the year	(149)	(135)	(103)
Balance at the end of the year	463	608	387
Total provisions	2 363	3 292	2 398
Non-current	1 560	1 578	1 474
Current	803	1 714	924

Restructuring cost

The restructuring cost relates to the section 189 severance packages for employees affected by the wind down of the Longs Business and the footprint optimisation of Flat Business. The process was finalised during the current year and portions of the previously raised provision has been reversed and new provision raised based on management's latest assessments.

Onerous contracts

The onerous contract relates to contract termination costs resulting from the wind down of the Longs Business. The provision decreased in the current period resulting from management reassessment of contracts and transferability thereof to other plants and the deferral period allowing for contractual commitments to be fulfilled in line with contractual terms.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued***19. Other financial liabilities**

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited
Competition Commission administrative penalty *		
Balance at the beginning of the year	747	683
Unwinding of the discounting effect	125	64
Repayments	-	-
Balance at the end of the year	872	747
Other foreign exchange contracts carried at fair value through profit or loss ("FVTPL")	-	5
Total other financial liabilities	872	752
Non-current	783	703
Current	89	49

*The carrying amount is a reasonable approximation of fair value.

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

20. Cash generated from operations

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Loss before tax	(2 908)	(5 834)
Adjusted for:		
Other income	(1 809)	-
Finance income	(230)	(82)
Finance costs	1 467	1 454
Fair value adjustment of investment properties	(198)	(37)
(Gain)/loss on remeasurement of asset held-for-sale	(8)	57
Income after tax from equity-accounted investments	(16)	(5)
Gain on bargain purchase	(1)	-
Depreciation	1 024	807
Amortisation of intangible assets	15	11
Impairment of equity-accounted investment	2	-
(Reversal of impairment)/impairment of property, plant and equipment and intangible assets	(245)	682
Unrealised profit on sales to joint ventures	6	6
Share-based payment expense	27	10
Settlement of long-term incentive plan	-	(9)
Reversal of write down of inventory to net realisable value	(236)	(154)
Adjustment for slow-moving inventory	(45)	(22)
(Reversal)/write down of inventory – plant spares and consumables	(189)	392
(Profit)/loss on disposal or scrapping of property, plant and equipment	(5)	35
Fair value adjustment on investment held by environmental trust	(90)	(48)
Realised foreign exchange movements	123	41
Movement in trade and other receivable allowances	7	(38)
Other payables raised, released and utilised relating to employees	85	100
Changes in financial assets and liabilities	-	(10)
Utilisation of provisions	(355)	(245)
Non-cash movement in provisions and financial liabilities	(450)	916
Funding received – IDC*	2 063	-
Operating working capital movements:		
Decrease in inventories	3 872	2 094
Decrease in trade and other receivables	289	1 374
Decrease in trade and other payables	(1 634)	(466)
Cash generated from operations	561	1 029

* Refer note 6 for detail

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

21. Reconciliation of finance costs paid

In millions of Rands	31 December 2025 Reviewed	31 December 2024 Audited
Finance costs per statement of comprehensive income	(1 467)	(1 454)
Adjusted for:		
Funding received (IDC) – presented separately	(182)	-
Non-cash movement on interest expense borrowings and payables:	602	447
- Loan from holding company	528	415
- Other third-party payables	74	32
Discount rate adjustment of provisions	79	34
Unwinding of the discounting effect on provisions and financial liabilities	286	253
- Provisions	162	189
- Other financial liabilities	124	64
Finance costs per statement of cash flow	(682)	(720)

22. Fair value measurements

In millions of Rands	Level 1	Level 2	Level 3	Classification
As at 31 December 2025				
Assets				
Investment properties	-	-	1 090	FVTPL
Asset held-for-sale	-	-	70	FVTPL
Investments held by environmental trust		576	-	FVTPL
Other financial liabilities	-	-	-	FVTPL
Newcastle plant CGU	-	-	562	FVTPL
Vereeniging plant CGU	-	-	173	FVTPL
Saldanha plant	-	-	335	FVTPL
	-	576	2 230	
As at 31 December 2024				
Investment properties	-	-	690	FVTPL
Asset held-for-sale	-	-	126	FVTPL
Investments held by environmental trust	-	486	-	FVTPL
Other financial liabilities	-	5	-	FVTPL
Newcastle plant CGU	-	-	455	FVTPL
	-	491	1 271	

FVTPL – Fair value through profit or loss.

FVTOCI – Fair value through other comprehensive income.

NOTES TO THE PRELIMINARY REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

22. Fair value measurements (continued)

Fair value hierarchy	Valuation technique
Level 2: Fair value measurements are those derived from inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).	<p>Other financial assets and liabilities - Forward exchange contracts: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.</p> <p>Investment in environmental trust: The fair value is derived from the underlying listed share prices.</p>
Level 3: Inputs for the assets or liability that are unobservable.	<p>Investment properties</p> <p>The valuation policy adopted by management is to revalue investment property externally by an independent registered valuer at financial year-end and for interim reporting purposes, however the valuation of some properties has been amended by management taking into account internally available information.</p> <p>The investment properties can be divided between industrial sector valued at R892 million (December 2024: R672 million), residential vacant land sector valued at R45 million (December 2024: R2 million), agricultural land valued at R31 million (December 2024: R17 million) and solar farms valued at R122 million (December 2024: Rnil).</p> <p>The fair value of the property in the industrial sector was determined by adopting the income capitalisation method and the market approach.</p> <p>The income capitalisation method requires a market-derived projection of economic net annual income for the property, which is then capitalised into perpetuity using a market-related capitalisation rate to determine the market value estimate. Gross market rentals have been applied to the accommodation elements and then normal landlord outgoings were deducted and a management fee to arrive at a net annual income figure.</p> <p>The following key assumptions were applied:</p> <ul style="list-style-type: none"> Expense ratio 23.6% (December 2024: 21.7%) Vacancy provision 7.5% (December 2024: 7.5%) Capitalisation rate 13.5% (December 2024: 13.5%) <p>A 2.5% increase or decrease in the expense ratio will impact the fair value by R2 million (December 2024: R4 million). A 2.5% increase or decrease in the vacancy provision will impact the fair value by R3 million (December 2024: R2 million). A 1% increase or decrease in the exit capitalisation rate will impact the fair value by R45 million (December 2024: R38 million).</p>

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

22. Fair value measurements (continued)

Fair value hierarchy	Valuation technique
Level 3: Inputs for the assets or liability that are unobservable (continued)	<p>The depreciable replacement cost approach is based on the economic theory of substitution, and it involves comparing the asset being valued with another. This approach was applied to the conference facilities on the farmland.</p> <p>The fair value of properties in the vacant residential land sector and the vacant development land has been determined by applying the market approach, which is based on comparing the subject assets with identical or similar assets for which price information is available, such as a comparison with market sales transactions in the same, or closely similar, type of asset within an appropriate time horizon.</p> <p>In assessing the value of the solar farms, the market approach was followed, whereby comparable sales were researched together with current asking prices in the surrounding areas.</p> <p>For investment properties located in Saldanha, valued by means of the market approach, management has used bid prices from non-binding offers received by the group for these specific properties, with said values being considered most representative of fair value of the properties in the circumstances.</p> <p>Included in the Saldanha properties in 2024, was a property for which a non-binding offer to purchase the property for R134 million was received. The sale was concluded in 2025.</p> <p>An offer to purchase an industrial property for R70 million was received during 2025 and the sale is expected to conclude in 2026. The fair value was adjusted accordingly and the property is now included in Assets held for sale.</p> <p>Newcastle CGU, Vereeniging GCU, Saldanha plant The recoverable amount represents its fair value less cost to sell which has been determined by comparing the plants assets with identical or similar assets for which price information is available, whether as scrap or for sale in the relevant market.</p>

23. Commitments

In millions of Rands	Year ended	
	31 December 2025 Reviewed	31 December 2024 Audited
Capital commitments on property, plant and equipment		
Capital commitments authorised and contracted for	355	754
Capital commitments authorised but not contracted for	766	774

Included in the capital commitments above is an amount of R22 million (2024: R51 million) to address emissions at Vanderbijlpark Works over the next year.

24. Related party transactions

The Group is controlled by ArcelorMittal Holdings AG, which effectively owns 69% (December 2024: 69%) of the Group's shares. At 31 December 2025, the outstanding ArcelorMittal Holdings AG loan amounted to R5 476 million (2024: R5 055 million). The interest expense for the year ended 31 December 2025 was R528 million (2024: R415 million).

NOTES TO THE REVIEWED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 *continued*

24. Related party transactions *continue*

The outstanding balance to entities within the AM group amounted to R529 million (2024: R93 million). This balance includes accrued interest of R271 million (2024: R38 million), management fees of R27 million (2024: R9 million) and R&D fees of R80 million (2024: R3 million) payable to AM group.

The Group purchased products and services to the value of R460 million (2024: R280 million) from and sold goods to the value of R1 232 million (2024: R404 million) to other companies in the greater ArcelorMittal Group.

The Company and its subsidiaries entered into sale and purchase transactions with joint ventures in the ordinary course of business.

In March 2025 the Group acquired control of Collect-a-Can, previously an equity accounted investment of the Group, resulting in a business combination accounted for as a step-acquisition. To this end, the existing investment was revalued based on the purchase price of the 40% resulting in an impairment of R2.4 million and a gain on bargain purchase of R1 million. At acquisition assets and liabilities of Collect-a-Can was R17 million assets, including R14 million current assets, and R15 million liabilities, including R14 million current liabilities, respectively.

25. Subsequent events

The directors are not aware of any material matters or circumstances arising since 31 December 2025 to the date of this report that would significantly affect the operations, the results or financial position of the Group.

26. Independent auditor's review report

The auditor, Ernst and Young Inc, has issued their unmodified review report with a material uncertainty on going concern on the reviewed condensed consolidation financial statements for the year ended 31 December 2025. The review was conducted in accordance with ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

The auditor's report on the reviewed condensed consolidated financial statements is included on page 38 and a copy of the auditor's report on the reviewed condensed consolidated financial statements is available for inspection at the Company's registered office. The reviewed condensed consolidated financial statements for the year ended 31 December 2025 are available on the Company's website:

<http://www.arcelormittal.com/southafrica/>.

The auditor's report does not necessarily report on all the information contained in the financial results. Shareholders are therefore advised that in order to obtain a full understanding of the review engagement, they should read the auditor's report, together with the accompanying financial information as included in this report.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025 TO THE SHAREHOLDERS OF ARCELORMITTAL SOUTH AFRICA LIMITED

We have reviewed the condensed consolidated financial statements of ArcelorMittal South Africa Limited for the year ended 31 December 2025 in the accompanying report on pages 10 to 37, which comprise the condensed consolidated statement of financial position as at 31 December 2025 and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the year then ended, and a summary of material accounting policy information and selected explanatory notes.

Directors' Responsibility for the Condensed Consolidated Financial Statements

The directors are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Accounting Standard (IAS) 34, Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of condensed consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these condensed consolidated financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. ISRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of condensed consolidated financial statements in accordance with ISRE 2410 is a limited assurance engagement. We perform procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than and differ in nature from those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on these condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated financial statements of ArcelorMittal South Africa Limited for the year ended 31 December 2025 are not prepared, in all material respects, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and International Accounting Standard (IAS) 34, Interim Financial Reporting, the SAICA Financial Reporting Guides, as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council, the JSE Limited Listings Requirements and the requirements of the Companies Act of South Africa.

Emphasis of matter - Material Uncertainty Related to Going concern

We draw attention to Note 2.2 – Going Concern of the condensed consolidated financial statements, which indicates that there remains uncertainty regarding a) the outcome of the IDC due diligence process to provide a R1 000 million loan facility; b) the consent for deferment of the 12-month run-off period by four months from the BBF Lenders, and c) the planned refinance or replacement of the BBF facility. The group's forecast liquidity is further dependent on the uncertain outcome of various management plans and uncontrollable factors included within the forecast. As stated in that note, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on ArcelorMittal South Africa Limited's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Ernst & Young Inc.
Director – Philippus Dawid Grobbelaar
Registered Auditor
Chartered Accountant (SA)

FORWARD-LOOKING STATEMENTS

Statements in this announcement that are neither reported financial results nor other historical information, are forward-looking statements, including but not limited to statements that are predictions of or indicate future earnings, savings, synergies, events, trends, plans or objectives. Undue reliance should not be placed on such statements because, by their nature, they are subject to risks and uncertainties which could cause actual results and Company plans and objectives to differ materially from those expressed or implied in the forward-looking statements (or from past results). Any reference to future financial performance included in this announcement has not been reviewed or reported on by the Group's auditors.

CORPORATE INFORMATION

Registered Office

ArcelorMittal South Africa Limited
Room N3-5, Main Building
Delfos Boulevard, Vanderbijlpark, 1911

Company secretary

FluidRock Co Sec (Pty) Ltd
Registration number: 2016/093836/07
Registered address: Monument Office Park, Suite 5-201,
79 Steenbok Avenue, Monument Park, 0181

Non-executive directors

Prof B Mohale (Chairman)*
LC Cele*
B Davey °
D Earp*
GS Gouws
R Karol+
M Maasdorp (appointed 1 March 2025)
NF Nicolau*

° Citizen of Canada

+ Citizen of India

* Independent non-executive

Sponsor

Absa Bank Limited (acting through its Corporate and
Investment Banking division)
15 Alice Lane, Sandton, 2196
Private Bag x10056, Sandton, 2146

Auditor

Ernst and Young Inc
102 Rivonia Road
Sandton

Executive directors

HJ Verster (chief executive officer)
GA Griffiths (chief financial officer)

Release date: 5 February 2026

ArcelorMittal South Africa Limited
Registration number 1989/002164/06
Share code: ACL ISIN: ZAE000134961
("ArcelorMittal South Africa", "the Company" or "the Group")