



ArcelorMittal South Africa Limited

Registration Number: 1989/002164/06

Share Code: ACL

ISIN: ZAE000134961

(ArcelorMittal South Africa, the **Company** or the **Group**)

SALIENT FEATURES

- The South African steel industry is facing its greatest challenge since the events of the financial crisis of 2008/09, as international steel-to-raw material price spreads remain under pressure, and countries rush to protect their steel industries against unfair trade and policy practices
- Commencement of the Longs Business wind down implementation plan (initially scheduled to start by end January 2025) has been delayed by approximately one month to enable:
 - fulfilment of the higher than anticipated outstanding order book (prioritising automotive and other customers)
 - continuing discussions with the South African Government on the future of the Longs Business, with an announcement expected in the second half of February 2025
 - Extended operations have been enabled through funding support of R380 million from the IDC in the form of a shareholder loan
- H2 2024 crude steel production levels up 12% due to improved asset utilisation in the Flats Business
- Sales volumes down 6% to 2,3 million tonnes (crude steel production down 6% to 2,6 million tonnes)
- Realised rand steel prices down 4% (down 3% in US Dollar terms)
- Raw material basket (RMB) flat in Rand terms (international RMB down 13% in Rand terms)
- Value Plan added R910 million (2023: R2 093 million)
- Fixed costs up 2% to R6 783 million (2023: R6 619 million), in support of additional maintenance and environment cost
- Operational EBITDA loss - before the Longs Business wind down charge, severance packages charge and the write down of inventory – of R1 816 million (2023: R56 million profit), includes R670 million of losses relating to the Q2 2024 Blast Furnace instability and R1 514 million of inventory disposal losses in support of improved liquidity
- Operational EBITDA loss (before wind down and impairment charges) for the Longs Business amounted to R1,1 billion (2023: R0,6 billion)
- Longs Business wind down charge, severance packages charge, write down of inventory and impairment charges amount to R1 813 million (2023: R2 115 million of impairment charges)
- Headline loss of R5 102 million (2023: R1 890 million)
- Net borrowings prior to the capitalisation of multi-year accrued interest and fees payable (R1,355 million) to the ArcelorMittal group, were flat for the last three quarters at R3 756 million (2023: R3 215 million); R5 111 million after accruals capitalisation
- Continued support from the ArcelorMittal group with shareholder loan (included in net borrowings) increased to R5,055 million (2023: R3 700 million), and now fully sub-ordinated (2023: R2 700 million sub-ordinated)
- As a non-adjusting subsequent event, the outstanding R950 million at year-end of the R1 000 million secured short-term loan received from the IDC in June 2024, was restructured with final settlement extended from 1 June 2025 to 1 September 2026. This excludes the R380 million IDC shareholder loan to enable the extended operations of the Long Business for approximately one additional month
- The Company continues to advance the bankability of its high-payback investment portfolio, which includes addressing its balance sheet resilience through a potential recapitalisation

KEY STATISTICS

	Year ended		% Change
	31-Dec-24	31-Dec-23	
Financials (R million)			
Revenue	38 596	41 637	-7%
EBITDA (loss)/ profit before exceptional items	-1 816	56	-3343%
EBITDA (loss)/ profit	-2 947	56	-5363%
Loss from operations	4 447	2 937	-51%
Net loss	5 837	3 915	-49%
Headline loss	5 102	1 890	-73%
Net borrowings	5 111	3 215	59%
Net asset value	1 963	7 799	-75%
Financial ratios (%)			
EBITDA margin	-4,70	0,10	-4800%
Return on ordinary shareholders' equity	-119,60	-40,30	-197%
Net borrowings to equity	260,20	41,20	-532%
Share statistics (cents)			
Loss per share	458	170	-169%
Dividends per share	-	-	
Net asset value per share	1,76	7,00	-75%
Safety			
Lost time injury frequency rate	1,14	0,77	-48%
Operational statistics ('000 tonnes)			
Crude steel production	2 589	2 767	-6%
Steel sales			
- Local	1 753	1 898	-8%
- Export	523	514	2%
Commercial coke sales	140	33	324%
Segment performance (R million)			
Steel operations			
- Revenue	37 263	40 885	-9%
- EBITDA	-1 921	-373	-415%
Non- steel operations			
- Revenue	1 626	907	79%
- EBITDA	324	534	-39%
Corporate and other (including eliminations and adjustments)			
- EBITDA	-219	-105	109%

HJ Verster
Chief Executive Officer
6 February 2025

GA Griffiths
Chief Financial Officer

SHORT-FORM ANNOUNCEMENT

This short-form announcement is the responsibility of the board of directors of ArcelorMittal South Africa and is a summarised version of the Group's full announcement and as such, it does not contain full or complete details pertaining to the Group's results. This short-form announcement is itself not reviewed but extracted from the reviewed condensed consolidated financial statements which were reviewed by Ernst & Young Inc. who issued an unmodified review conclusion on the reviewed consolidated financial statements for the year ended 31 December 2024.

There review conclusion report can be obtained from the Company's registered office and on the Group's website at <https://southafrica.arcelormittal.com/InvestorRelations/AnnualResults.aspx>. Any investment decisions by investors and or shareholders should be made after taking into consideration the full announcement. The full results announcement is available for viewing at <https://senspdf.jse.co.za/documents/2025/JSE/ISSE/ACL/AMSA-FYE24.pdf> and on the Group's website at <https://southafrica.arcelormittal.com/InvestorRelations/AnnualResults.aspx>. The full announcement is available for inspection, at no charge, at the registered office (ArcelorMittal South Africa Limited, Room N3-7, Main Building, Delfos Boulevard, Vanderbijlpark) and the offices of the sponsor (Absa Bank Limited (acting through its Corporate and Investment Banking Division), 15 Alice Lane, Sandton), from 09:00 to 16:00 on business days.

Copies of a full announcement can be requested from the registered office by contacting (016) 889 2352. The short-form announcement has not been audited or reviewed by the Company's auditors.

Company Secretary

FluidRock Co Sec (Pty) Ltd

Sponsor to ArcelorMittal South Africa Limited

Absa Bank Limited (acting through its Corporate and Investment Banking division)

