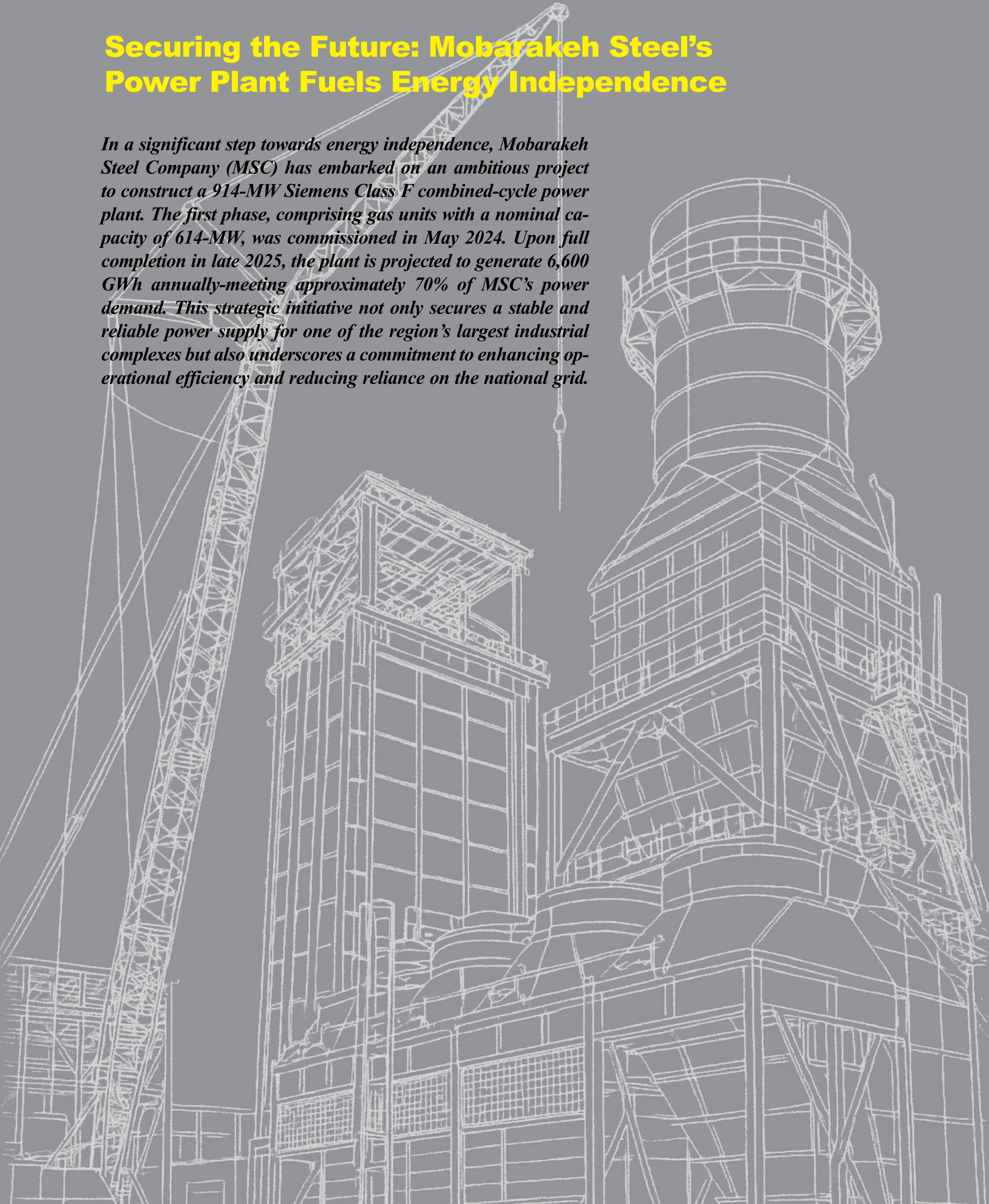
Steel Vision

Mobarakeh Steel Group Magazine
Vol.1, No.1 - October 2025

Engineering the Future

Securing the Future: Mobarakeh Steel's Power Plant Fuels Energy Independence

In a significant step towards energy independence, Mobarakeh Steel Company (MSC) has embarked on an ambitious project to construct a 914-MW Siemens Class F combined-cycle power plant. The first phase, comprising gas units with a nominal capacity of 614-MW, was commissioned in May 2024. Upon full completion in late 2025, the plant is projected to generate 6,600 GWh annually-meeting approximately 70% of MSC's power demand. This strategic initiative not only secures a stable and reliable power supply for one of the region's largest industrial complexes but also underscores a commitment to enhancing operational efficiency and reducing reliance on the national grid.



Content

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Mobarakeh Steel Group

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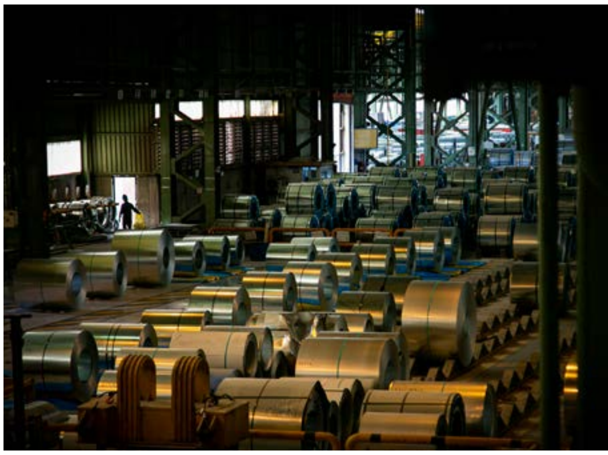

A Narrative from the Heartbeat of Iran's Industry

In a world where steel is the bedrock of development and progress, one name shines with strength and resilience at the heart of Iran's industry: Mobarakeh Steel. This magazine is an invitation to a 56-page journey into the world of a company that is more than a producer; it is an "industry-maker." This narrative begins with the ambitious vision of its leaders for the 2031 horizon and continues by showcasing its production power, product innovation, and conquest of global markets. In this issue, you will not only discover production achievements and remarkable sales figures but also witness the humane and responsible face of Mobarakeh Steel through its massive national projects and its support for the community, sports, and the environment. Finally, we invite you to discover the beauties of Isfahan, the "Half of the World," where this great industry has its roots. Join us as we turn the pages of this industrial giant's story.


کوره شماره ۳
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The 2031 Horizon:

Engineering a Sustainable Future for Iran's Industry

How Mobarakeh Steel is on track to become one of the world's top 20 steel giants with a vision of producing 18 million tonnes of steel and achieving a $15 billion revenue.

In the dynamic sphere of global industry, survival and progress belong to organizations that dare to envision a grand future and formulate a precise, steadfast plan to achieve it. At Mobarakeh Steel Group, we have defined the 2031 horizon not merely as a point in the future, but as a strategic destination—a destination where the name Mobarakeh Steel shines alongside the world's top 20 steelmaking companies. This vision is intertwined with two major goals: achieving a production capacity of 18 million tonnes of crude steel and realizing an annual revenue of $15 billion. These figures are not just quantitative indicators; they represent our commitment to playing a pivotal role in the sustainable development of Iran's economy and solidifying our nation's position in the global value chain. Our path to this vision is built on several strategic pillars.

First, the balanced and intelligent development of the value chain. We have realized that true strength lies in the integrated control of the process from ore to coating. Our massive investments in the Sangan mines for sustainable raw material supply and the completion of projects like Hot Rolling Mill No. 2 for higher value-added products are testaments to this. This approach not only mitigates risks from market fluctuations but also significantly increases the group's resilience against national and international challenges.

Second is innovation and technological leadership. In a world where technology defines the boundaries of competition, standing still means falling behind. Therefore, we have shifted investment in R&D and collaboration with scientific centers from a peripheral activity to the core of our strategy. The production of 26 special steel grades last year, each a key to solving a challenge in strategic industries, is a result of this outlook. Our Corporate Venture Capital (CVC) fund also supports innovative ideas and tech startups, acting as our arm for building a knowledge-based future.The third and perhaps most crucial pillar is Sustainable Development and Social Responsibility (ESG). We are well aware that a large economic enterprise is judged not only by its financial profitability but also by its commitment to the environment, society, and principles of good governance.

Our environmental projects, including the 600 MW solar power plant and the water transfer projects from the Sea of Oman, address not only our operational needs but are also a giant leap towards solving macro-national challenges. Finally, all these plans are realized through a focus on customer-centricity and a powerful presence in global markets. Our strategy in the international arena is to move beyond exporting raw materials and focus on offering finished products with high added value. This approach not only enhances the Mobarakeh Steel brand among global competitors but also ensures sustainable and reliable foreign currency earnings for our country's economy.

Saeed Zarandi

CEO Mobarakeh Steel Group

“We see our customers not as buyers, but as business partners, and this constructive engagement has been the key to their loyalty and satisfaction.”

The Mobarakeh Steel Group at a Glance

Following Iran's revolution and the Iran-Iraq war, the initial 1975 agreement with an Italian consortium to build a steel plate factory in Bandar Abbas was completely revised. The project's location was moved to Isfahan Province, with the cornerstone laid in 1981. The new contract placed the Iranian side in charge of execution, while the foreign partner provided supervision and equipment and transferred technical knowledge. The first phase, with an annual capacity of 2.4 million tonnes, was finally operational by 1992. Over the next three decades, the company and its subsidiaries expanded to a massive 10.3 million tonnes of total capacity, transforming the group into the largest steel company in the Middle East and North Africa with over 130 firms across 24 Iranian provinces.

Financial year ending March 20, 2025

- Crude steel production of Mobarakeh Steel (MSC): **7,300,769 tonnes**
- Mobarakeh Steel Group (MSG): **10,033,430 tonnes**
- Mobarakeh Steel Group (Iranian crude steel production Share): **32.9 percent**
- Production of **26 new grades of steel**
- Production of special products: **2,254,000 tonnes**
- Export of products: **1,300,000 tonnes**
- Product quality index: **94.4 percent**
- Operational income: **343,635 billion Toman**
- Net Profit of Mobarakeh Steel Company: **108,803 billion Toman**
- Number of Permanent and Contractual Employees at Mobarakeh Steel Company: **29,096 employees**
- Lost-time Accidents per Million Hours Worked (LTIFR): **0.86 Safety Index (FR)**
- Number of Subsidiaries and Affiliates of Mobarakeh Steel Group: **134 companies**
- Number of Steel Grades Produced: **620 steel grades**

Continuous Record-Breaking: The Story of 7.3 Million Tonnes of Commitment and Expertise

An in-depth look at Mobarakeh Steel's production achievements in 2024; from once again surpassing the nominal capacity in steelmaking to breaking a 12-year record in the hot rolling mill and doubling the production of special grades

In the world of steel, numbers are not just production indicators; they are a measure of a nation's ability to drive the wheels of development. At Mobarakeh Steel, 2024 was a year when numbers once again told an amazing story of determination, expertise, and intelligent management. For the second consecutive year, the steelmaking and continuous casting lines produced over 7.3 million tonnes of slab, thereby not only surpassing their nominal capacity but also sending a clear message to Iran's economy: the beating heart of the nation's industry is beating stronger and more confidently than ever. This significant achievement was reached while the country's steel industry faced serious challenges in ensuring a stable energy supply. However, what distinguishes this success is its "sustainability." Repeating this record for a second year proves that Mobarakeh Steel's successes are not accidental but the result of a systematic approach, precise production planning, and optimal energy management. But the production saga did not stop there. In the Hot Rolling Mill, where glowing slabs are transformed into steel sheets, a historic record was broken after 12 years. The production of 5.26 million tonnes of hot-rolled coil was an achievement that revealed the unit's hidden capacities. This output means that over 70% of the Iranian market's demand for hot-rolled sheets is met by a single industrial complex. Alongside these quantitative records, the company's macro-strategy of moving towards high value-added products was pursued more vigorously. In 2024, the metallurgy and production methods unit, in close collaboration with operational units, succeeded in doubling the number of special steel grades to 26. These are not ordinary steels; they are complex alloys with unique mechanical properties designed for advanced industries.

70%

share of the hot-rolled coil market supplied by Mobarakeh Steel

26

number of special steel grades in 2024

Mobarakeh Steel Group, the Middle East's top steel producer, delivered a massive 10.193 million tonnes of raw steel in 2024. This accounted for nearly 19% of the total raw steel produced in the Middle East and North Africa.

The News Desk

Mobarakeh Steel's Global Product Roadmap Unveiled at Dubai Conference

With an active presence at the Middle East's largest international steel and raw materials conference in Dubai, Mobarakeh Steel Group unveiled its comprehensive roadmap for product development and strengthening its global position. Majid Fakhari, the Sales Planning Manager, announced at the event that the group, with a production of 18 million tonnes across the steel value chain, aims to increase the share of high value-added specialty products from 27% last year to 30% this year. The company successfully designed and commercialized 14 new products last year, primarily for the automotive and oil & gas industries. This approach, founded on investment in advanced technologies and the expansion of international partnerships, is set to ensure the competitiveness of Iran's steel industry and elevate its standing in global rankings.

Mobarakeh Steel Reports Explosive 120% Growth in Exports in First Half of the Year

In the first half of the current year, Mobarakeh Steel Company successfully exported 756,000 tonnes of products—including hot-rolled, cold-rolled, galvanized, and slab products—to global markets, marking a 120% increase compared to the same period last year. This remarkable achievement was realized despite complex geopolitical conditions, sanctions, a twelve-day war (the Israeli military attacks against the Islamic Republic of Iran in June 2025), and a prevailing global market recession. During the same period, the total exports of the Mobarakeh Steel Group exceeded 1.2 million tonnes, generating over USD 450 million in foreign currency revenue for the Group, which reflects a 100% growth for the entire group. This major success was accomplished while fully supplying the domestic market and adhering to market regulation directives, demonstrating the precise execution of the company's strategies to expand its export markets and strengthen its presence in diverse international arenas to secure necessary foreign currency for the country.

Iran’s Steel Industry Enters the Global Mining Arena, Vying with Giants to Complete the Value Chain

In today’s steel industry, the strategic game begins not in factories but deep within the earth. Global giants secure their supply chains by acquiring mines, and now Iran, through Mobarakeh Steel’s recent initiative in Afghanistan, seeks to complete the missing link in its production chain. Saeed Zarandi, CEO of Mobarakeh Steel Group, announced the company’s readiness for practical investment in Afghanistan, detailing plans for beneficiation and pelletizing plants, and even a cross-border special industrial zone. With its domestic production lines for billets and sheets already at full capacity, securing a stable supply of raw materials is critical for future growth. This bold move not only ensures feedstock for its plants but also, through technology transfer and access to Central Asian markets, places Iran on the cusp of entering the multi-billion-dollar league of global steelmaking miners for the first time.

Iran’s Steel Industry at a Crossroads:

The Imperative Shift from Self-Sufficiency to Smart Modernization

While Iran’s steel industry has achieved an impressive 90% localization of its equipment, the primary challenge today is the transition from mere “domestic production” to “smart modernization.” Energy inefficiency, aging equipment, and reliance on outdated technologies are sounding an alarm for the industry’s future. According to experts, a steel plant requires comprehensive equipment renewal approximately every 15 years. Adopting process optimizations, such as the direct transfer of billets from casting to rolling without reheating—a practice implemented in Japan—could significantly reduce energy consumption. Given today’s energy constraints, cheap energy is no longer a competitive advantage. The survival and competitive edge of Iranian steel now depend on the courage to embrace new technologies and redefine efficiency strategies.

Financing Industrial Megaprojects with a Global Synergy Model:

The Strategic Alliance of Mobarakeh Steel and Bank Refah

Mobarakeh Steel Company and Bank Refah Kargaran have signed a comprehensive memorandum of understanding, taking a new step toward the convergence of industry and finance—a model proven successful in many leading global economies. This collaboration focuses on securing foreign currency and domestic funding for megaprojects such as Hot Rolling Mill No. 2, gas field development, and concentrate production projects, holding the potential to reshape the financing structure of Iran’s steel industry. Such partnerships, similar to Nippon Steel’s cooperation with Mitsubishi in Japan or ArcelorMittal’s alliances with the European banking network, play a crucial role in boosting competitiveness, reducing risk, and accelerating strategic projects. This model, by freeing industries from dependence on state budgets and connecting them to capital market resources, can create a healthy cycle of investment and repayment backed by export revenues.

A Global-Scale Survival Strategy:

Mobarakeh Steel Fortifies Its Future with Investments in Critical Infrastructure

At the heart of the Iranian plateau, Mobarakeh Steel is charting its path to survival and excellence by creating a powerful "competitive moat." Strategic investments in the "Madar" gas field, renewable energy projects, and the Oman Sea water transfer project are not merely short-term responses to crises but foundational measures for achieving industrial resilience and self-sufficiency. Just as giants like ArcelorMittal built their empires through vertical integration, Mobarakeh Steel is establishing a self-sufficient supply chain—from mine to furnace—to position itself as a resilient national institution prepared for the future. This intelligent approach, by controlling costs and ensuring production stability, provides the bedrock for strategic growth into high-value alloyed products and the copper industry, transforming Mobarakeh Steel into a forward-thinking industrial powerhouse.

Mobarakeh Steel’s $600M Investment in Madar Gas Field Marks Strategic Entry into Upstream Energy Projects

Mobarakeh Steel Company has taken a strategic step into upstream oil and gas projects by signing a $600 million contract for the 20-year development and operation of the “Madar” gas field in Bushehr province. This agreement, signed with the National Iranian Oil Company (NIOC) and the OIEC Group, not only aims to boost gas and condensate production but also creates new opportunities for major industries to participate in securing the nation’s energy supply, with a projected revenue of $16.7 billion for the government. Iran has paved the way for the 20-year development of the Madar gas field in Bushehr province by signing a $600 million contract. The agreement, signed between the National Iranian Oil Company (NIOC), the Oil Industries Engineering and Construction (OIEC) group, and Mobarakeh Steel Company, marks a milestone in inter-industry collaboration for the nation’s energy sector development. Aiming to yield approximately 65 billion cubic meters of natural gas and 127 million barrels of gas condensates, the project includes the completion of 20 wells, construction of wellhead facilities, and the installation of over 100 kilometers of flowlines and production pipelines. Beyond its production targets, the plan is designed to maximize recovery from the field, create jobs in underdeveloped areas of Bushehr province, and attract new investment into Iran’s oil and gas sector. The presence of Mobarakeh Steel as a key signatory highlights the company’s new strategy to actively participate in upstream energy projects and secure sustainable resources. The project is projected to generate over $16.7 billion in revenue for the government over its lifespan, underscoring its national significance.

An Iranian Brand, Global Credibility:

Mobarakeh Steel's New Export Strategy

How Mobarakeh Steel, by exporting 1.8 million tonnes of products and shifting away from raw material sales, has become Iran's largest non-oil exporter, establishing its name in the markets of over 16 countries.

In the global economic landscape, exports are not just a channel for selling surplus production; they are an index of an industry's maturity, quality, and competitiveness on an international scale. For Mobarakeh Steel Group, which has always prioritized fully and sustainably meeting the needs of the domestic market, a presence in global markets is a strategic necessity for balanced growth, foreign currency earnings, and, most importantly, raising the flag of Iranian quality among the world's industrial giants.

The year 2024 was another year to solidify this position. Despite all domestic limitations and complex regional geopolitical challenges, the group succeeded in exporting 1.8 million tonnes of various steel products. This achievement not only maintained its position as the country's largest non-oil exporter but also advanced its new export strategy with greater force.

This strategy is based on a key principle: a smart transition from selling raw materials to exporting products with higher added value. This strategy yields multiple benefits. First, maximum value creation. Second, creating stable and long-term markets, as customers for finished products seek quality and supply stability, which in turn forms deeper business relationships. And third, enhancing the Mobarakeh Steel brand from a mere producer to a provider of Steel Solutions.

Today, Mobarakeh Steel's export map covers a wide range of more than 16 countries. From reputable automotive factories in Europe using the company's special sheets to massive construction projects in the Middle East and home appliance industries in East Asia, Mobarakeh Steel's products have become a benchmark for quality and reliability.

1.8

Million Tonnes

2024 Export Volume

+16

Countries

Export Destinations

Focus on Value-Added Products

Export Destinations

Product Innovation

The Art of Steel Alchemy:

Creating Products for the Industries of the Future

I. Special Grades

At Mobarakeh Steel, we believe that steel is no longer a simple raw material; it is a technological platform that can be shaped through modern alchemy—metallurgy—to meet the most complex industrial needs. Our R&D and engineering teams are not just steel producers; they are "material architects." In the past, many of Iran's advanced industries depended on imports for their special steel needs. Understanding this strategic necessity, Mobarakeh Steel invested heavily in the research and production of Advanced Steels. The result of this effort was the doubling of the number of special grades produced to 26 last year. One of the most outstanding achievements in this field is the production of Dual Phase (DP) and TRIP steels for the automotive industry. These sheets, with their very high strength, allow automakers to produce lighter, yet much safer, car bodies. In another area, the production of Sour Service Resistant Steels is a strategic achievement for the oil and gas industry. These special grades, with their unique metallurgical structure, are completely resistant to this corrosive environment, ensuring the safety and stability of the country's energy network.

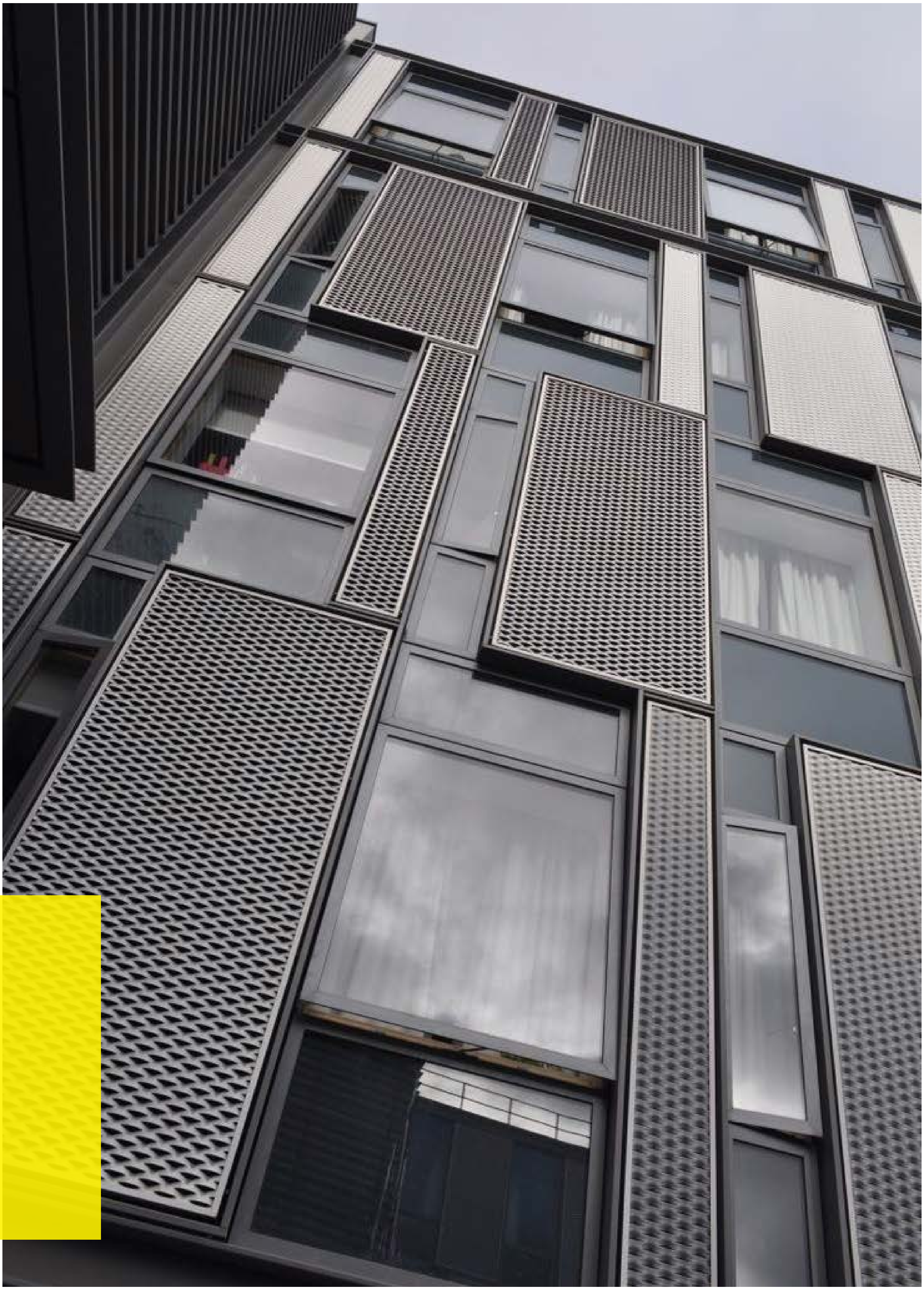
Some grades produced in Mobarakeh Steel Company Group in 2024

- SAE4130 HR
- SPFC390-G
- 42CrMo4
- HX260YD
- DD14-CBASCO
- API5STCT80
- Electrical Steel 2.1Si
- S500MC
- Stainless steel 420
- 30MnB5
- Electrical Steel 2.9Si
- DR-9M
- FB60
- SAPH440-G
- APIX70
- FB45-G
- 28Mn6
- CK50
- HE490D
- SPFH590
- S550MC
- DP780

II. Coated Products

Moving towards finished products is another strategy of Mobarakeh Steel to create more value. The company's galvanized, tin-plated, and color-coated lines transform steel sheets into beautiful, durable, and ready-to-use end products. Galvanized sheets, with a coating of zinc, offer exceptional resistance to rust and corrosion. This feature makes them an ideal choice for use in the automotive industry, home appliances, and construction. Color-coated sheets represent the pinnacle of art and industry integration. In these lines, steel sheets are coated with several layers of polymer paints and baked in special furnaces. The result is a product with a smooth, glossy surface, resistant to UV rays, acid rain, and scratches. Produced in a wide variety of colors and designs, these sheets have extensive applications in modern building facades, roofing, and interior design.

From automotive and home appliances to major construction projects, Mobarakeh Steel is the driving force behind countless industries. We produce more than 600 grades of steel, engineered for diverse industrial applications.



Mobarakeh Steel Company:

Engineering a Future of Quality and Strength in Flat Steel

Iran's Mobarakeh Steel Company, a national powerhouse, has grown into a significant global player since 1993, producing a wide range of high-quality flat steel products.

As the most formidable industrial unit in Iran, Mobarakeh Steel Company (MSC) stands as a titan of metallurgical prowess and a cornerstone of national self-sufficiency. Since igniting its furnaces in early 1993, MSC has pioneered the production of high-quality flat steel products, charting a course of relentless innovation and strategic expansion. With a clear vision to increase its capacity to 12.8 million tonnes annually (and to 18 million tonnes in Mobarakeh Steel Group), the company is not just a national leader but a formidable force on the global stage, delivering a comprehensive portfolio of hot-rolled, cold-rolled, and advanced coated steels engineered to meet the most demanding international standards.

Mobarakeh Steel Company's integrated production line represents a complete journey in steel manufacturing. The process begins at the Direct Reduction Plant, where high-quality iron ore pellets are transformed into sponge iron using the world-renowned Midrex technology. This crucial material then feeds the heart of the operation: the Steel Making and Continuous Casting Plant. With an impressive annual capacity of 7.3 million tonnes, this facility produces high-grade steel slabs—the fundamental building blocks for all of MSC's downstream products. These precision-engineered slabs, available in thicknesses of 200, 250, and 300 mm and widths from 650 to 1975 mm, are either supplied to the company's own hot-rolling line or made available to the global market.

The Foundation of Strength: Hot-Rolled and Acid-Washed Products

The journey from slab to versatile industrial material takes place in the Hot Rolling Mill, the vibrant heart of the complex. Here, steel slabs are heated to approximately 1,250°C and processed through a series of powerful rollers to produce hot-rolled coils. This thermo-mechanical process yields steel with exceptional structural integrity, making it the material of choice for a vast array of applications.

MSC's hot-rolled products are engineered for performance in demanding sectors, including:

- **Structural and Construction Applications:** Forming the backbone of buildings and general structures.
- **Pipe and Tube Manufacturing:** Crucial for the fabrication of pipelines for fluid and gas transport.
- **Automotive Industry:** Used in manufacturing robust chassis and wheel components that require high formability.
- **Pressure Vessels**: Trusted for its strength and reliability in containing pressurized substances.

- **Shipbuilding and Marine Structures:** Offering corrosion resistance and durability for maritime applications.

Recognizing that many applications require a pristine surface for further processing, MSC operates a sophisticated Acid-Washing (Pickling) line. The hot-rolling process naturally leaves a surface layer of oxide scales; the pickling line removes these impurities using a hydrochloric acid bath. The coil is then rinsed, dried, and oiled, resulting in a clean, smooth surface perfect for cold rolling or for direct use in applications demanding a high-quality finish.

Precision and Finesse: Cold-Rolled Products

For applications demanding superior surface finish, tighter dimensional tolerances, and specific mechanical properties, MSC advances its steel to the Cold Rolling Mill. Acid-washed coils are passed through a five-stand tandem mill, which reduces their thickness with extreme precision to between 0.35 and 3 mm. This process, however, work hardens the steel. To restore its ductility and achieve the desired metallurgic structure, the coils undergo an annealing (recrystalliza-

tion) process in specialized furnaces.
A final "skin pass" rolling phase imparts the perfect surface texture and flatness, making MSC's cold-rolled steel an ideal substrate for high-end manufacturing. This product line is indispensable for:

- **Automotive Bodies:** Providing the flawless, formable surfaces required for modern vehicle design.
- **Home Appliances:** Used in the manufacturing of refrigerators, washing machines, and other household goods where aesthetics and durability are paramount.
- **Electrical Applications:** Tailored for specific magnetic and electrical properties.
- **Enamelware:** Formulated to be perfectly suited for porcelain and enamel coating.

The Protective Edge: Advanced Coated Steel Solutions

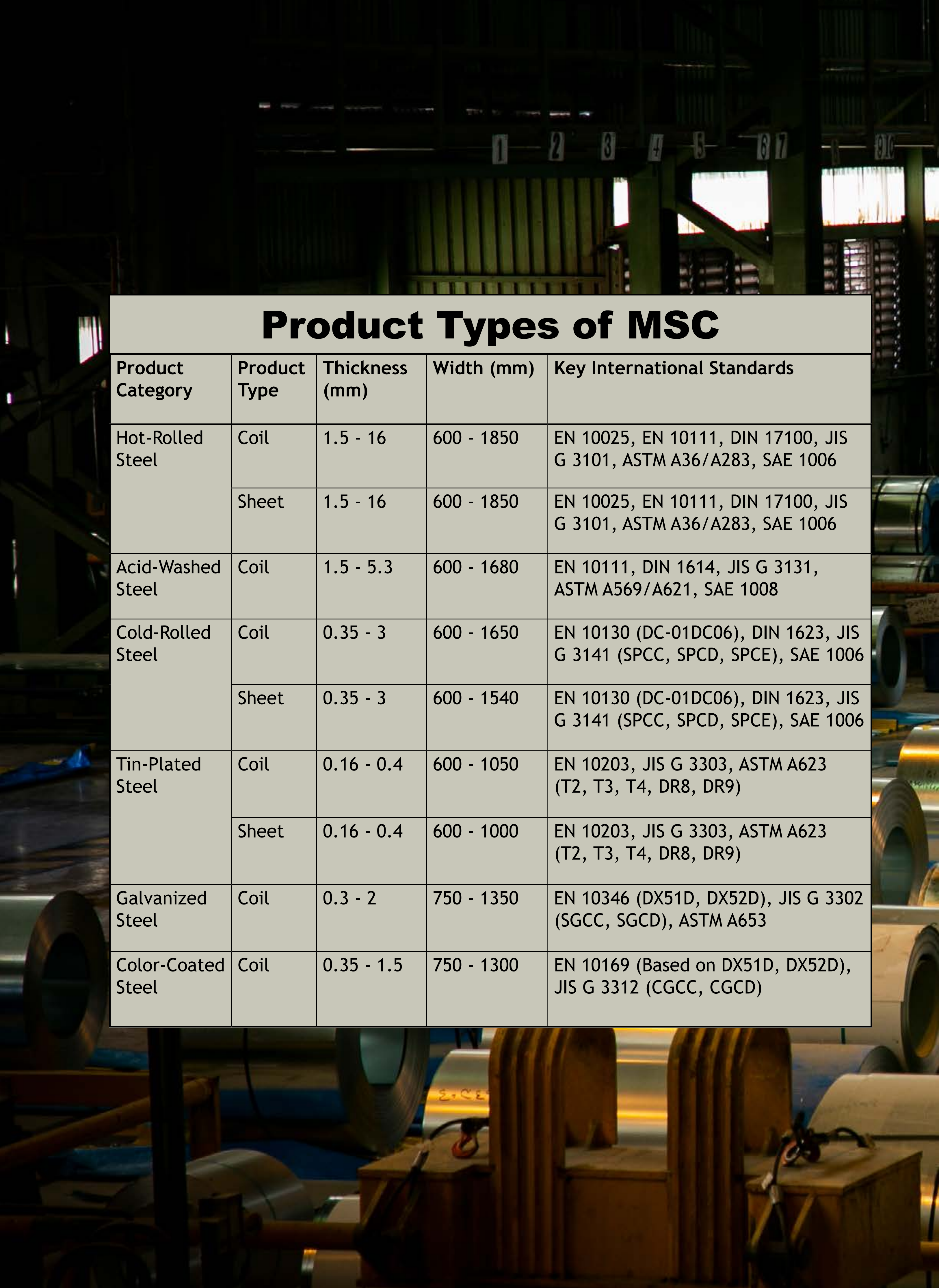
Mobarakeh Steel Company extends the value and longevity of its steel with a trio of advanced coating lines, offering tailored solutions for corrosion resistance, food safety, and aesthetic appeal.

1. Galvanized Steel: The Shield Against Corrosion
Utilizing the hot-dip galvanizing method, MSC produces steel with a robust, bonded layer of zinc, offering exceptional protection against corrosion. Cold-rolled coils are continuously fed through an annealing furnace and then submerged in a molten zinc bath. The result is a highly durable and versatile product. To prevent the formation of white rust during storage, the surface undergoes a chromate treatment and, if required by the customer, is coated with a protective oil. This product is essential for the construction industry, automotive components, and various metal fabrication sectors.

2. Tin-Plated Steel: The Guardian of Preservation
MSC's tin-plating line employs an electrolytic process to apply a thin, uniform layer of tin onto the steel surface. This product is renowned for its critical role in the food and packaging industries, where safety, preservation, and non-reactivity are non-negotiable. After the tinning process, the sheet passes through a furnace to melt the tin, enhancing its adhesion and giving it a bright, lustrous finish. A final chromate and oiling treatment ensures the material is ready for forming. Key applications include food and beverage cans, aerosol sprays, battery casings, and oil filters.

3. Color-Coated Steel: The Union of Beauty and Durability
Operating in conjunction with the galvanizing line, the color-coating facility enhances steel with both vibrant aesthetics and significantly improved performance. The process uses a roller-coating technique that applies a primer and a final topcoat to the galvanized or cold-rolled substrate. This multi-layer system not only provides a flawless finish but also improves the working life of galvanized sheets by at least 1.5 times, making it an environmentally friendly "green product". Available in a range of high-performance paints like Polyester, PVC, and Polyurethane, and with the option for protective films, this steel is a top choice for architectural facades, roofing, decorative panels, and home appliances.

Product Specifications at a Glance
Mobarakeh Steel Company manufactures its products in strict adherence to major international standards, ensuring quality and compatibility for its global clientele. The table below provides a detailed overview of the dimensional capabilities across its main product lines.



Product Types of MSC

Product Category	Product Type	Thickness (mm)	Width (mm)	Key International Standards
Hot-Rolled Steel	Coil	1.5 - 16	600 - 1850	EN 10025, EN 10111, DIN 17100, JIS G 3101, ASTM A36/A283, SAE 1006
	Sheet	1.5 - 16	600 - 1850	EN 10025, EN 10111, DIN 17100, JIS G 3101, ASTM A36/A283, SAE 1006
Acid-Washed Steel	Coil	1.5 - 5.3	600 - 1680	EN 10111, DIN 1614, JIS G 3131, ASTM A569/A621, SAE 1008
Cold-Rolled Steel	Coil	0.35 - 3	600 - 1650	EN 10130 (DC-01DC06), DIN 1623, JIS G 3141 (SPCC, SPCD, SPCE), SAE 1006
	Sheet	0.35 - 3	600 - 1540	EN 10130 (DC-01DC06), DIN 1623, JIS G 3141 (SPCC, SPCD, SPCE), SAE 1006
Tin-Plated Steel	Coil	0.16 - 0.4	600 - 1050	EN 10203, JIS G 3303, ASTM A623 (T2, T3, T4, DR8, DR9)
	Sheet	0.16 - 0.4	600 - 1000	EN 10203, JIS G 3303, ASTM A623 (T2, T3, T4, DR8, DR9)
Galvanized Steel	Coil	0.3 - 2	750 - 1350	EN 10346 (DX51D, DX52D), JIS G 3302 (SGCC, SGCD), ASTM A653
Color-Coated Steel	Coil	0.35 - 1.5	750 - 1300	EN 10169 (Based on DX51D, DX52D), JIS G 3312 (CGCC, CGCD)

Hot Rolling Mill No. 2: A Strategic Leap for the Future of Iran's Industry

A look at the largest development project in Mobarakeh Steel's history; a project with a 4.2 million-tonne capacity that will place Iran among the global producers of wide sheets and advanced steels.

The history of great industrial companies is tied to their transformative projects—projects that not only increase production capacity but also change the rules of the game in the industry and map out the future for decades to come. For Mobarakeh Steel, the construction of Hot Rolling Mill No. 2 is undoubtedly the most important and strategic of these projects. This massive undertaking, being implemented with an investment of over €1.1 billion, is not a simple expansion; it is a quantum leap for Iran's steel industry. With an annual production capacity of 4.2 million tonnes of hot-rolled coil, Hot Rolling Mill No. 2 will nearly double Mobarakeh Steel's capacity for this strategic product. But the project's significance extends beyond production tonnage. The advanced technology employed in this plant will bring three unique capabilities to Mobarakeh Steel that were previously unavailable in the country. First: Production of wide sheets up to 2000 mm. Currently, the maximum width of domestically produced sheets is limited. This limitation challenged key industries such as shipbuilding and the manufacturing of large pressure vessels, making them dependent on imports. With the commissioning of Hot Rolling Mill No. 2, Mobarakeh Steel will be able to produce sheets with a width of 2000 mm. Second: Production of thinner sheets with higher strength. The new technology of this rolling line allows for the production of hot-rolled coils with a thickness of just 1.2 mm. These thin yet strong sheets are ideal raw materials for the automotive and home appliance industries. Third: Production of special grades and electrical steels. Perhaps the most significant feature of Hot Rolling Mill No. 2 is its ability to produce Electrical Steels. These steels, with special magnetic properties, form the core of transformers, electric motors, and generators. Given the global shift towards clean energy and electric vehicles, the demand for this type of steel is increasing significantly. Domestic production of this strategic product will set Iran on a path of developing green and technology-driven industries.

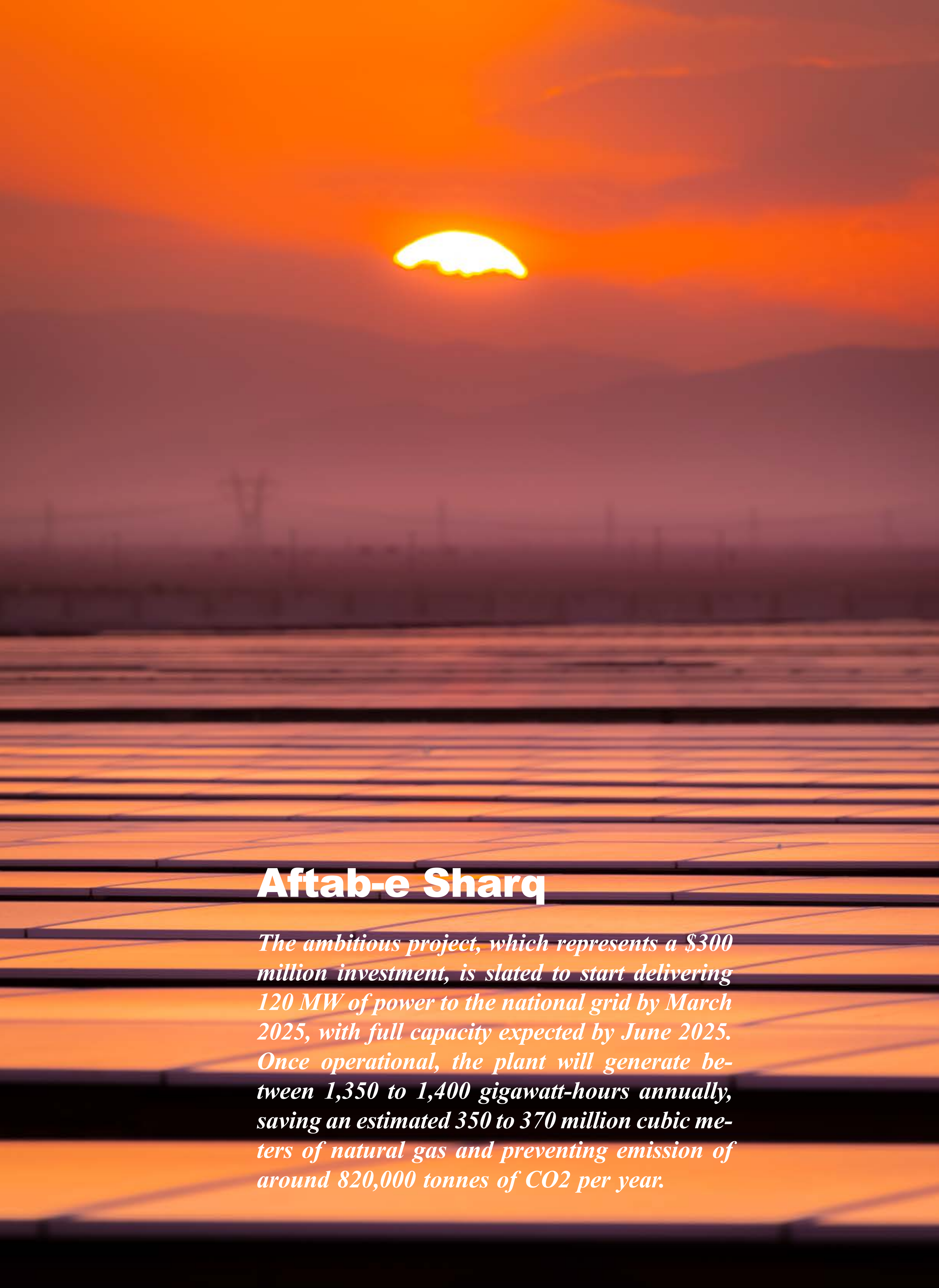

ZOOMLION

A Landmark in Sustainability:

Mobarakeh Steel Becomes First Iranian Company with Global Green Certifications

In a historic step for Iranian industry, Mobarakeh Steel has achieved significant progress in managing greenhouse gas emissions and evaluating the carbon footprint of its products. These achievements were independently reviewed by SGS Singapore and have placed the company among leading global producers such as ArcelorMittal. As a result, Mobarakeh Steel is now better positioned for long-term access to export markets that place high value on environmental responsibility.

The global climate crisis has made the reduction of greenhouse gas emissions more urgent than ever. Heavy industries, and the steel sector in particular, are now expected to take serious action in reducing their environmental impact. Mobarakeh Steel Company, which already uses cleaner production routes through electric arc furnaces and direct reduction instead of traditional blast furnaces, understands that production volume or product quality alone no longer determine international competitiveness. Today, a company's standing is strongly tied to its commitment to sustainable practices and responsible production. Within this context, Mobarakeh Steel's recent accomplishments mark an important turning point. The successful external verification of the company's environmental performance places it next to global producers such as ArcelorMittal and SSAB. It also strengthens the company's readiness for access to export destinations, especially the European Union, where stricter climate-related requirements will come into effect from 2026. These achievements reflect the organizational maturity of Mobarakeh Steel and its growing role in environmental governance and social responsibility. The verification process required extensive cooperation across different departments and was carried out under the supervision of SGS Singapore, a well-known international auditing body. It shows that Iranian industry, when supported by technical expertise and disciplined management, can take a leading position in regional climate action. Looking to the future, Mobarakeh Steel aims to reduce its carbon emissions by 30 percent by 2031, corresponding to the Iranian year 1410, and to reach carbon neutrality by 2051, the Iranian year 1430. The company has outlined a long-term plan that includes investment in renewable energy, the development of green hydrogen, and the use of carbon capture and storage technologies. These recent achievements are not just procedural milestonnees. They form the foundation of a broader transformation toward a greener, more competitive, and more sustainable future for Mobarakeh Steel and Iran's steel industry, a future in which responsible production is essential for progress.



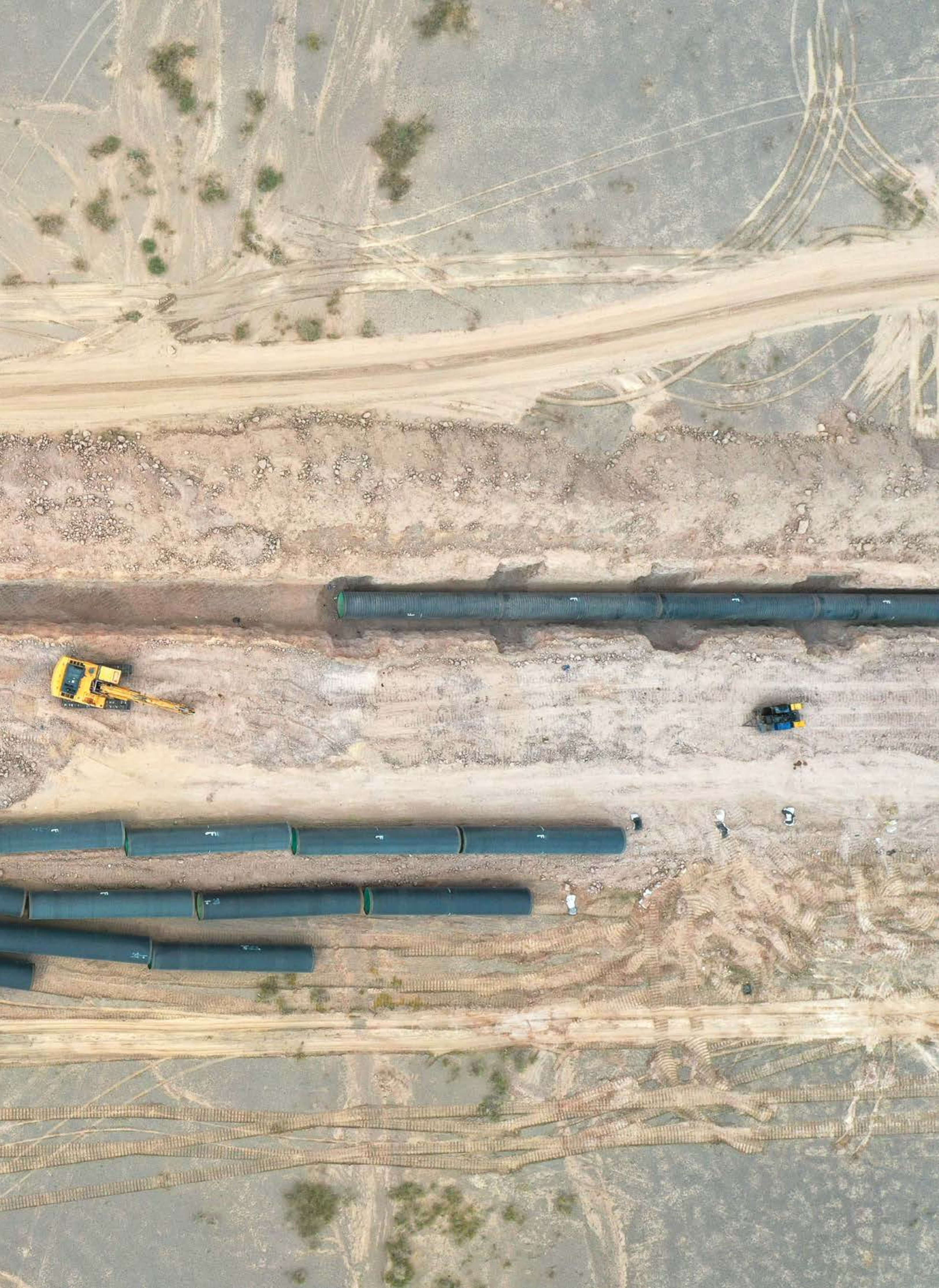
Aftab-e Sharq

The ambitious project, which represents a \$300 million investment, is slated to start delivering 120 MW of power to the national grid by March 2025, with full capacity expected by June 2025. Once operational, the plant will generate between 1,350 to 1,400 gigawatt-hours annually, saving an estimated 350 to 370 million cubic meters of natural gas and preventing emission of around 820,000 tonnes of CO_2 per year.

Mobarakeh's Water Project: A New Era for the Zayandeh Rood

In 2018, Isfahan's industries embarked on a groundbreaking initiative to secure their water future, shifting their focus from the Zayandeh Rood river to the vast resources of the Sea of Oman. This bold project, which broke ground in 2022, will see the construction of a 570-kilometer pipeline to deliver a total of 70 million cubic meters of water to the region's industrial sector.

Once operational, this ambitious early-start phase will free up water from the Zayandeh Rood river, allowing the industries to reduce their reliance on this critical freshwater source. This strategic move is poised to create a more sustainable water balance for the region, benefiting both the environment and the local community.



Committed to the Community in Which We Grow

A narrative of Mobarakeh Steel's social responsibility: from supporting the Sepahan club as a symbol of national pride to reviving qanats as cultural heritage and investing in knowledge as a guarantee for the future.

The philosophy of Mobarakeh Steel has always been based on the principle that the sustainable success of an economic enterprise depends on the growth and prosperity of its surrounding community. Our commitment is manifested in three key areas: sports and national pride, environment and cultural heritage, and knowledge

and innovation.

Sepahan Club; More Than Just a Football Team:

Supporting the Sepahan Cultural and Sports Club is about more than sponsoring a football team; it is an investment in social capital, vitality, and national pride. With its glorious history and numerous championships, Sepahan has become a symbol of Isfahan. Its powerful presence in the AFC Champions League has turned the club into a cultural ambassador for Iran on the international stage.

Reviving Qanats; Restoring Life to the Arid Veins of the Earth:

In the heart of the arid region of eastern Isfahan, a network of qanats—masterpieces of our ancestors' engineering—has been the lifeline for agriculture for centuries. Mobarakeh Steel initiated a major project to revive and dredge these qanats. This act showed how a modern industry can stand alongside tradition, becoming a guardian of the heritage that shapes a land's identity.

Collaboration with Universities; Investing in the Minds of the Future:

The future of any industry lies in the knowledge produced today in universities. Our extensive collaborations with top universities, from defining joint research projects to supporting student theses, create a space for an effective link between «industry» and «academia.» Our Corporate Venture Capital (CVC) fund has taken this a step further by identifying and financially supporting startups and innovative ideas.

The Power of the Group

Mobarakeh Steel Group: A Synergy for Leading Iran's Industry

A review of the latest achievements and developments from the subsidiary companies of Mobarakeh Steel Group; from production records at Hormozgan Steel to the strategic role of Sangan Steel in ensuring sustainable raw material supply.

The true strength of Mobarakeh Steel Group (MSG) lies in the synergy and integration of its subsidiary companies. Here is a brief look at the latest key developments from some members of this great industrial family.

Hormozgan Steel: The Pulse of Steel on the Azure Coasts

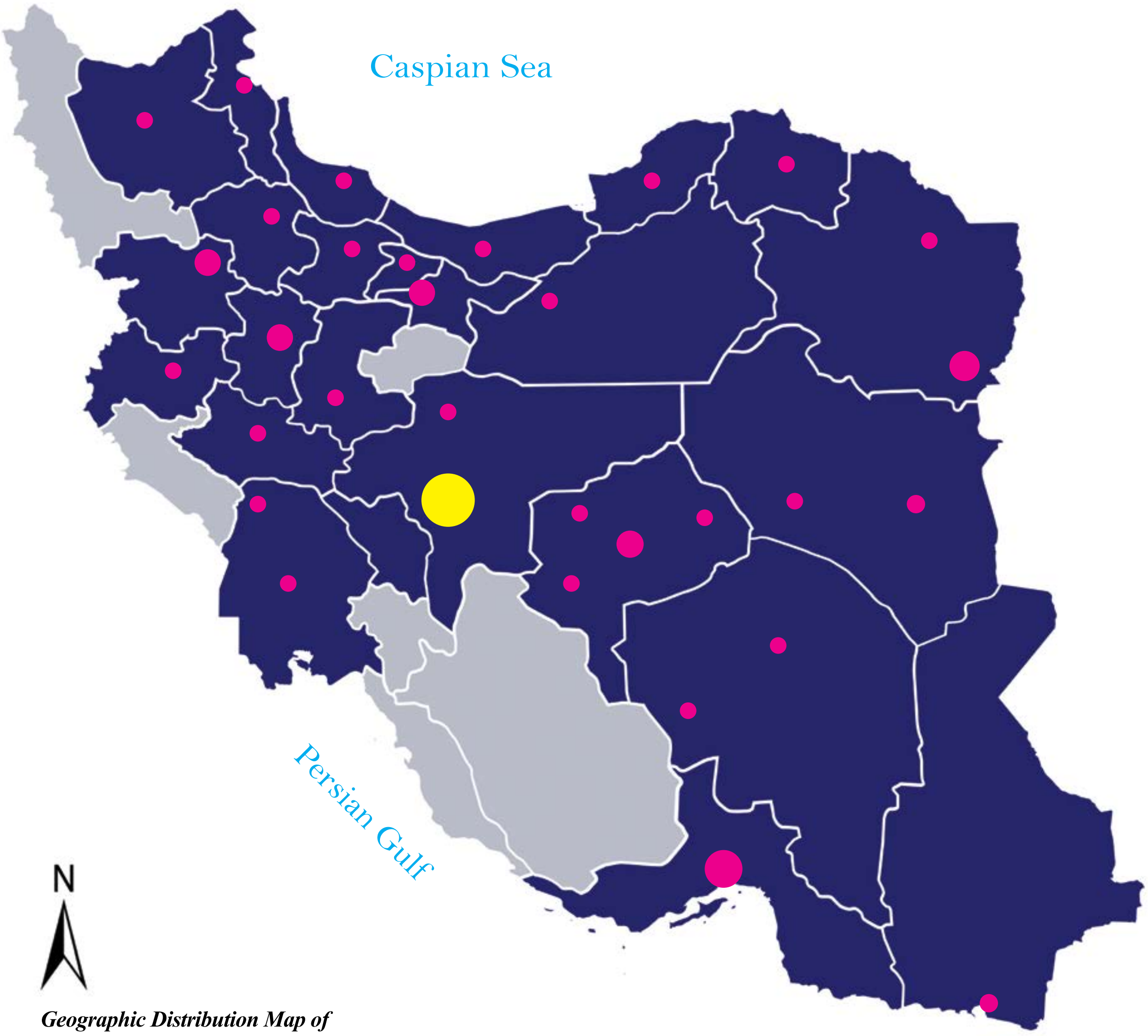
As the group's second-largest steel production hub, Hormozgan Steel has had a successful year, setting new records in slab production and solidifying its key role in supplying raw materials for rolling mills and in export markets.

Saba Steel and Rolling Company of Isfahan: A Key Subsidiary of the Mobarakeh Steel Group
This company plays a vital role in Iran's industrial sector. With an annual production capacity of 1.6 million tonnes of steel coils, it manufactures a significant portion of the key steel grades essential for various domestic industries..

Sangan Steel: Securing the Future from the Heart of the Middle East's Largest Iron Ore Reserve
Sangan Steel is tasked with the vital mission of sustainably supplying pellets, the main feed for direct reduction furnaces, thereby completing the steel value chain.

Chaharmahal and Bakhtiari Automotive Sheet Co.: Pioneer in Meeting the Strategic Needs of the Automotive Industry
As the country's most specialized producer of galvanized sheets for car bodies, this company plays an unparalleled role in enhancing the quality and safety of domestic vehicles.

Opal Parsian Sangan Co.: Completing the Chain with Concentrate Production
As another strong arm of the group in the Sangan region, Opal Parsian completes the initial link of the steel production chain by focusing on iron ore concentrate production, contributing significantly to the entire group's production stability.



Geographic Distribution Map of
Mobarakeh Steel Group Companies

Mobarakeh Steel Group is one of the largest and most important industrial companies in Iran and the Middle East in the field of steel production. As a holding company, the group encompasses and exercises corporate governance over a collection of more than 130 subsidiary companies that operate in various sectors of the steel and related industries. Furthermore, the number of companies in which Mobarakeh Steel holds shares exceeds 200.

Key Features of Mobarakeh Steel Group

Complete Production Chain:

One of the most significant features of this group is its ownership of the entire steel production chain, from iron ore mining to rolling and the production of final products. This allows Mobarakeh Steel Group to meet its own needs at different stages of production and achieve self-sufficiency.

Largest Steel Producer in Iran:

With an annual production capacity of over 10 million tonnes, Mobarakeh Steel is the largest steel producer in Iran, accounting for a major share of the country's total steel output.

Primary Supplier to Downstream Industries:

The company's products are used as raw materials for over 3,000 factories and workshops in various industries, including automotive, home appliances, pipe manufacturing, oil, gas, petrochemicals, and construction.

Global Presence:

Due to the quality of its products and production standards, Mobarakeh Steel also has a strong presence in global markets, exporting to more than 38 countries in Europe, North America, the Far East, and Africa.

Leader in Innovation:

The company is active in research and development and collaborates with academic and knowledge-based centers, having received top rankings in the National Organizational Excellence and Knowledge-Based Companies awards.

Half of Iranians Own a Slice of Steel Giant

Mobarakeh Steel's CFO, Mohammad Mizbani, recently shed light on the company's financial resilience and its remarkable connection to the Iranian populace, revealing that more than half of all Iranians are shareholders.

In a candid radio interview, Mizbani detailed the strategic financial management that keeps this industrial behemoth on solid ground, even amid volatile market conditions.

Steering a Titan Through Economic Tides

Mizbani's insights revealed a company meticulously navigating a complex economic landscape. As one of Iran's largest companies, Mobarakeh Steel operates on a massive scale, managing financial transactions in both Iranian rials and foreign currencies. The CFO explained that in recent years, working capital management has become a key priority. To maintain a healthy balance sheet, the finance department uses specially designed dashboards to keep a close eye on receivables and payables, ensuring smooth operations despite market fluctuations.

Mitigating Risks and Aligning Cash Flow

The CFO highlighted that the company's greatest challenge lies in managing the high cost of raw materials and energy. With these expenses rising sharply and sales revenue not keeping pace, Mobarakeh Steel has had to get creative. The solution, Mizbani says, is strategic alignment: a strong collaboration between the procurement and finance teams to ensure that payments for materials and energy are synchronized with cash inflows from product sales. The company also prepares detailed financial reports, including an annual cash flow forecast that's checked weekly against actual operations to catch and correct any deviations promptly.

A Nation of Shareholders

Perhaps the most striking revelation was the company's unique ownership structure. Mizbani confirmed that over half of all Iranians are shareholders, thanks in part to institutional holdings and the widespread distribution of «Justice Shares.» This broad ownership base places a significant responsibility on the company to deliver strong returns. To meet this commitment, Mobarakeh Steel has focused on maximizing shareholder value, especially since its public listing. The company's strategy has included increasing dividend distributions in recent years, a move that has helped build investor confidence even during challenging economic times. This broad-based ownership not only makes the company a national asset but also creates a direct link between its

success and the financial well-being of a majority of the population.

A Legacy of Diligence

Mizbani also touched on the company's efforts to ensure compliance with financial regulations, both domestic and international. The finance unit conducts daily monitoring of all transactions to adhere to strict banking, anti-money laundering, and central bank directives. This rigorous oversight, combined with a proactive approach to risk management, allows the company to secure financing for its ambitious development projects, primarily through domestic and international banks, and via capital market instruments like bonds. Mobarakeh Steel's careful financial stewardship is not just a business strategy; it's a commitment to its diverse and extensive base of stakeholders, from major investors to the average Iranian citizen.

Pioneering a Sustainable Future: Mobarakeh Steel Receives Landmark Environmental Certifications

In a historic first for Iran, Mobarakeh Steel has earned international ISO 14064-1 and ISO 14067 certifications for greenhouse gas management and product carbon footprint, cementing its role as a pioneer in sustainable steel production.

Mobarakeh Steel Company (MSC), Iran's largest steel producer, has set a new regional benchmark in environmental stewardship. By becoming the first company in the country to receive two prestigious certifications—ISO 14064-1 (GHG emission management) and ISO 14067 (product carbon footprint)—from the renowned SGS Singapore, MSC has cemented its commitment to sustainable practices.

This achievement is particularly vital given the international trade landscape. With the European Union's Carbon Border Adjustment Mechanism (CBAM) set for full implementation by 2026, verifiable carbon footprint data becomes an absolute prerequisite for market access.

"This accomplishment is a significant step towards achieving green and carbon-neutral steel, and it will facilitate our presence in export markets," said Saeed Zarandi, CEO of Mobarakeh Steel Group. "It creates a competitive advantage for Mobarakeh Steel, aligning us with the world's largest steel producers and paving the way for a better, more sustainable future for our country."

Strategic Shift and Green Governance

This success reflects a deep-seated transformation in MSC's corporate philosophy, moving beyond mere production volume to fully embrace sustainable development and green governance. While MSC already operates more efficiently than many global competitors by utilizing electric arc furnaces and direct reduction technology, management recognizes that responsible production is now the key to global survival and growth.

Gholamreza Salimi, Deputy of Operations, underscored this shift, stating: "In today's world, what determines a steel company's global standing is its ability to produce responsibly, sustainably, and with a low carbon footprint. The concept of 'green steel' is no longer a choice but a necessity for survival and competition in international markets."

The rigorous process of obtaining these certifications, a collaborative effort across multiple MSC departments, also highlights the company's organizational maturity and ability to execute complex, cross-functional projects. This positions MSC as a regional leader and provides a blueprint

for other Iranian industries to follow.

Roadmap to Carbon Neutrality

Mobarakeh Steel's vision extends far beyond these initial certifications, supported by clear, ambitious targets: a 30% reduction in carbon emissions by 2031 (1410) and achieving carbon neutrality by 2051 (1430).

This ambitious roadmap includes significant investments in renewable energy, the development of green hydrogen technology, and Carbon Capture and Storage (CCS) projects.

"This is not just a technical success; it's a springboard for a green, competitive, and sustainable future," said Hossein Modarresifar, Deputy of Human Resources. "This achievement is the result of the relentless efforts of our colleagues and places MSC alongside leading global companies like ArcelorMittal and Tata Steel."

Mohammadreza Sharifi, Deputy of Strategy and Technology Development, highlighted the strategic significance, noting the achievement is a crucial step in MSC's shift from an "industry-centric" to a "value-centric" business model. "This is a model of new governance that, through transparent carbon footprint reporting and smart emission management, plays a strategic role in shaping sustainable development policies at the national and regional levels," he affirmed.

Verifiable Data and Future-Proofing

The ISO standards provide MSC with a robust, data-driven mechanism for continuous improvement. The ISO 14064-1 framework ensures accurate reporting of organizational GHG emissions, while ISO 14067 standardizes the calculation of a product's carbon footprint from raw material extraction onward.

Seyed Amir Tabatabaiyan, Manager of Energy and Fluids at MSC, emphasized the urgency: "Without these certifications, exporting steel to European countries becomes virtually unfeasible." He confirmed that MSC's specific energy consumption is already within international standards, and its carbon emission rate is below the global industry average.

By proactively addressing climate change and embracing these standards, Mobarakeh Steel is not only securing its future in global markets but is also setting a new standard for corporate responsibility and sustainable growth in Iran.

Statistical Facts

Certifications Awarded:

- ISO 14064-1 (Greenhouse Gas Management)
- ISO 14067 (Product Carbon Footprint Calculation)
- Certification Body: SGS Singapore

Future Carbon Reduction Targets:

- 30% reduction in carbon emissions by 2031 (1410 in the Iranian calendar).
- Carbon neutrality by 2051 (1430 in the Iranian calendar).

Energy Efficiency Data:

- Specific energy consumption at Mobarakeh Steel: Approximately 23.4 gigajoules per tonne of production, which is within international standards.
- Energy savings from optimization projects in 2014 (1393 in the Iranian calendar): Close to 1.4 million gigajoules.

Monetary value of 2014 energy savings:

- Close to 440 billion Toman.

International Market Requirement:

- The EU's CBAM will be fully implemented from 2026, requiring carbon footprint certifications for imports.

Isfahan: A Symphony of Art, History, and Life

After a journey into the heart of Iran's industry, we now invite you to explore its soul: Isfahan, a city rightly called "Half of the World". Isfahan is not just a city; it is an experience of walking through history. The story begins at its heart, Naqsh-e Jahan Square, a UNESCO World Heritage site. It is home to the stunning Sheikh Lotfollah Mosque, the majestic Imam (Shah) Mosque, and the elegant Ali Qapu Palace. The Zayandeh Rood river is Isfahan's lifeline, and its historic bridges, like the Si-o-Se Pol and Khaju, are architectural marvels. Not far from the square lies the Chehel Sotoun Palace, nestled in a lush garden, its 20 pillars reflecting in the pool to create an illusion of 40. Isfahan is a city to be experienced with all senses.

The city's story is intertwined with the Zayandeh Rood river, its lifeline that flows through the heart of the metropolis. As twilight descends, casting a serene blue hue over the water, Isfahan's historic bridges, such as the famous Si-o-Se Pol, transform into breathtaking architectural marvels. With their arched spans glowing warmly against the darkening sky, these bridges are more than just crossings; they are vibrant gathering places where the city's spirit truly comes to life. They invite locals and travelers alike to pause, reflect, and walk through history as the river's gentle flow reflects the twinkling lights of the city.

The Remarkable Crossroads of Nature and Industry

A short distance from the historic city of Isfahan lies a region that holds a unique story of Iranian identity: Lenjanat or Lenjan County. This area is the proud host of Iran's industrial giant, Mobarakeh Steel. But Lenjan is much more than an industrial zone. It is a land where two seemingly opposite elements, ancient past and industrial future, have found a surprising balance. Here, the molten fire in the steel furnaces drives the nation's development, while nearby, the 40,000-year-old footsteps of early humans narrate the story of civilization in this ancient plain. Near the town of Dizicheh lie the Qaleh Bozi Caves, one of the most important Paleolithic archaeological sites in the Middle East, revealing evidence of Neanderthal settlements dating back over 40,000 years. Lenjan's history is also tied to the Zayandeh Rood river, with historic bridges like the Safavid-era Kalleh Bridge standing as monuments to its past commercial importance. Lenjan is a rare example of responsible industrial development, where the towering smokestacks of industry bow in respect to the region's ancient history and natural beauty.

Iran's Steel Industry:

A Regional Powerhouse with Global Ambitions

Iran's steel industry has matured into a major global steel producer with deep historical roots dating to the mid-20th century and a network of diverse manufacturers supporting both domestic needs and export ambitions.

Iran stands as a formidable player in the global steel industry, with a vibrant and growing steel manufacturing sector that has played an integral role in the country's industrialization and economic development. The nation boasts a diverse array of steel producers, ranked among the most important in the Middle East and North Africa (MENA) region, and its largest steel company, Mobarakeh Steel Group, ranks among the world's top steelmakers, underscoring Iran's significant position in global markets.

Historical Roots and Formation of Steel Industry in Iran

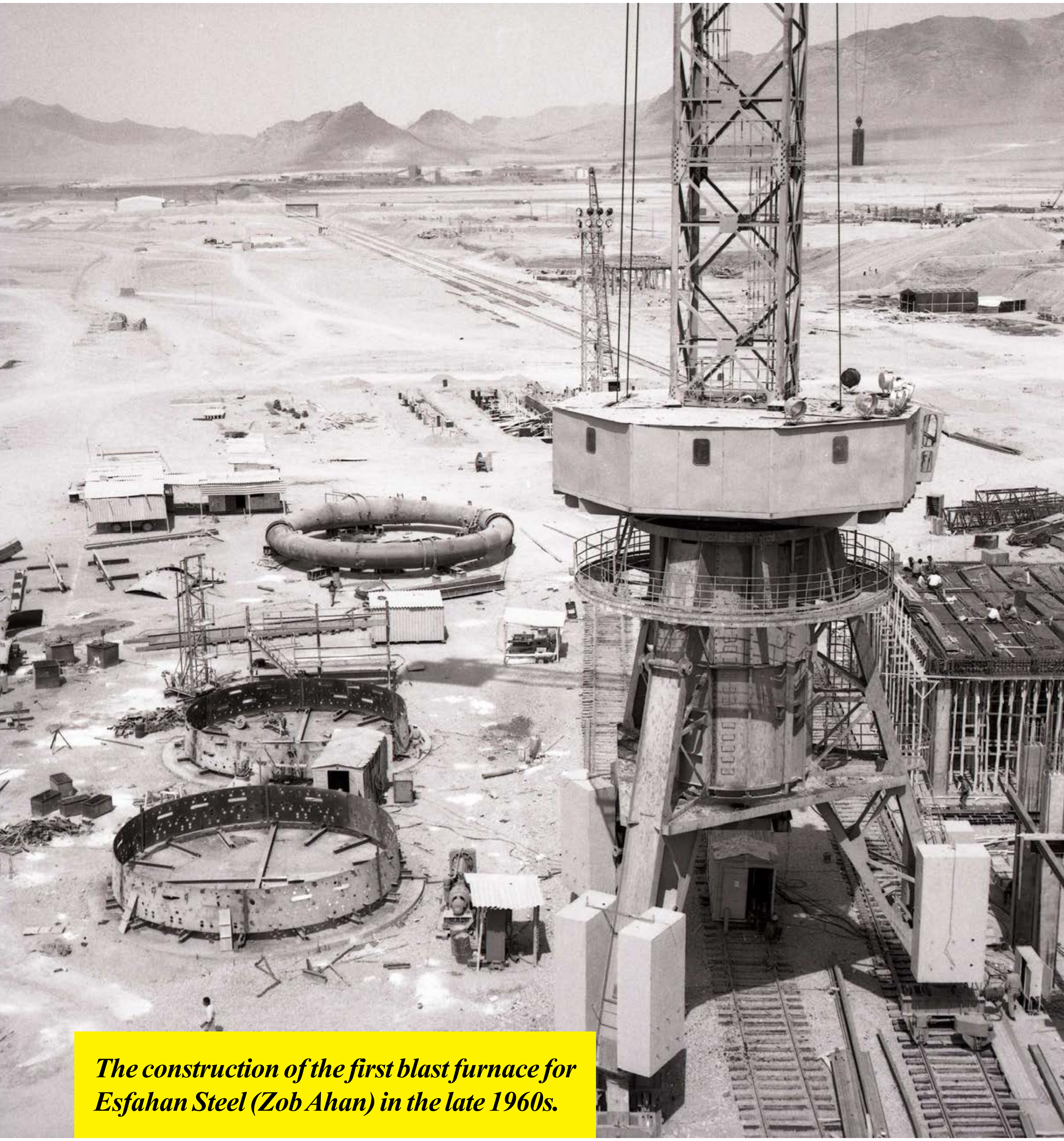
The roots of Iran's steel industry date back to the early 20th century when the government made initial attempts to meet the country's infrastructural needs, including railway construction. The first serious plans for steel production began in the late 1920s, followed by incremental development until World War II disrupted progress. The first steel mill in Khuzestan was established in 1950 for processing scrap iron but was significantly hampered by the war and subsequent economic challenges.
A pivotal moment came in the 1960s when a collaboration with Soviet experts and export revenues from natural gas paved the way for establishing a large-scale steel plant. The Esfahan Steel Company (also known as Zob Ahan), established in Isfahan in 1965, marked the true industrial birth of modern steel production in Iran. With an initial annual production target of half a million tonnes, the plant served national industries such as army, railways, and automobile manufacturing, setting the foundation for a nationwide steel sector expansion.

Diversity and Expansion of Steel Producers in Iran

Today, Iran hosts numerous steel plants fulfilling domestic demand and increasingly targeting exports. The steel production capacity of Iran reached an estimated 55 million tonnes by early 2025, positioning it as the 10th largest steel producer globally. Despite challenges such as international sanctions and geopolitical tensions, the sector's resilience has been remarkable, supported by continuous investment and technological upgrades.

Among Iran's key steel companies are:

- **Mobarakeh Steel Company (MSC):** The largest steel producer in Iran and the MENA region.
- **Esfahan Steel Company (ESCO):** The oldest steel producer in Iran, specializing in long



The construction of the first blast furnace for Esfahan Steel (Zob Ahan) in the late 1960s.

One of Mobarakeh Steel's distinguishing technological features is its array of eight electric arc furnaces (EAFs) under one roof, making it the largest steelmaker with this density of EAF equipment in the world.

products like rebar and construction steel.

- **Khouzestan Steel Company (KSC):** Known for semi-finished steel production with a leading export role.
- **Khorasan Steel Complex:** The eastern region's largest steelmaker, notable for advanced technology and quality products.

These companies reflect Iran's industrial diversity, meeting construction, automotive, and manufacturing needs domestically and increasingly exporting to international markets.

Mobarakeh Steel Group: The Regional Giant and Global Player

Among Iranian steel producers, the Mobarakeh Steel Group stands out as a titan in the regional and international steel landscape. Commissioned after the 1979 revolution and operational from 1993, Mobarakeh has continuously expanded and modernized its facilities. It is the largest steel complex in the Middle East and North Africa, as well as the world's largest direct reduced iron (DRI) producer.

Mobarakeh's 2024 production surpassed 10 million tonnes, ranking it 43rd in the global list of top steel producers. This production volume surpasses any other Iranian steelmaker and places Mobarakeh among the elite global players. The company generates multi-billion-dollar annual revenues, directly employs over 14,000 people, and holds a substantial role in strengthening Iran's industrial infrastructure and export capabilities.

Mobarakeh is also known for its robust forward and backward integration in steelmaking and mining operations, owning mines, power plants, and even a gas field to secure supply chain stability. The company's leadership in electric arc furnace (EAF) steelmaking is particularly notable on the world stage.

Unique Electric Arc Furnace Capacity

One of Mobarakeh Steel's distinguishing technological features is its array of eight electric arc furnaces (EAFs) under one roof, making it the largest steelmaker with this density of EAF equipment in the world. This reflects a high degree of industrial concentration and operational scale, allowing efficient production of high-quality steel sheets and coils used in automotive and manufacturing sectors.

EAF technology is recognized for its operational flexibility and environmental advantages, as it primarily uses scrap steel and DRI inputs with lower carbon emissions compared to traditional blast furnaces. Mobarakeh's adoption and pioneering scale of EAF technology put it at the forefront of steel innovation with strategic implications for sustainable production in the region.

Importance in Regional and Global Markets

Mobarakeh Steel's influence extends well beyond Iran. It is the apex steel producer in the MENA region, shaping supply chains across the Middle East and North Africa. Its production capacity supports critical infrastructure projects and automotive manufacturers across these regions and forms part of the strategic resource base underpinning industrial development.

Iran's steel industry as a whole plays a vital role in the country's economic self-sufficiency and regional competitiveness. The sector has rebounded from decades of sanctions through investment in technology and human capital, steadily growing steel production output despite global market fluctuations. Iran's steel industry are spotlighted for their combination of large scale, advanced technology, and strategic regional importance.

Communications and Brand Development Management


"Aftab-e Sharq (Sun of the East): One of
the World's 25 Largest Solar Plants."