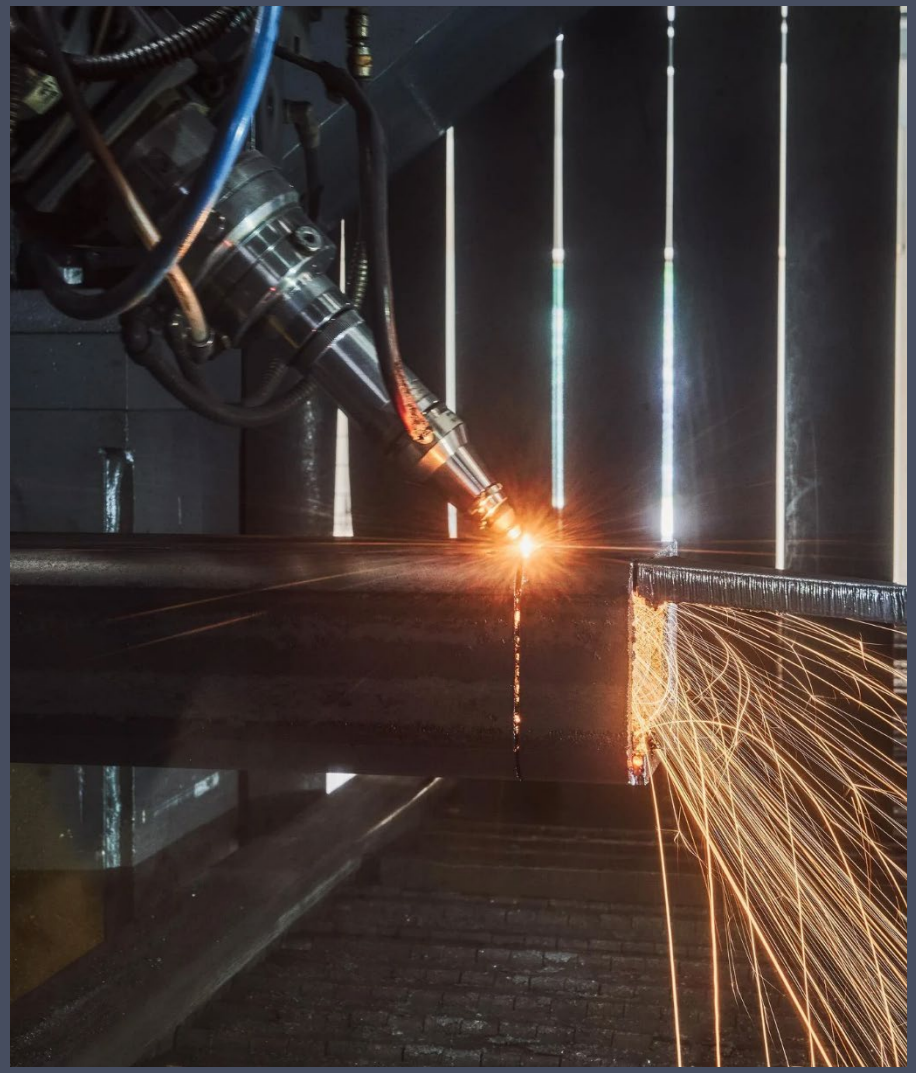
klöckner & co Your partner for a sustainable tomorrow

Q3 2025 Results

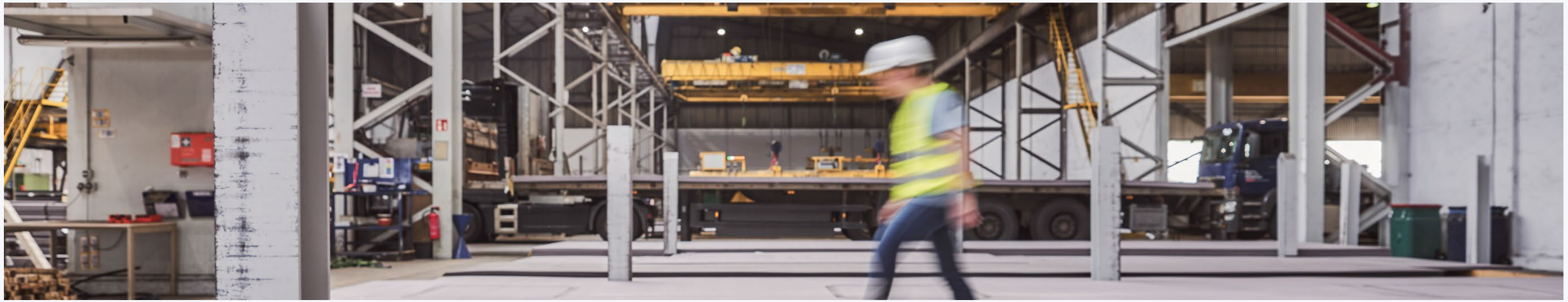
Analysts' and Investors' Conference Call

Guido Kerkhoff | CEO
Dr. Oliver Falk | CFO
John Ganem | Member of the Management Board

November 5, 2025



Disclaimer



This presentation contains forward-looking statements which reflect the current views of the management of Klöckner & Co SE with respect to future events. They generally are designated by the words "expect", "assume", "presume", "intend", "estimate", "strive for", "aim for", "plan", "will", "endeavor", "outlook" and comparable expressions and generally contain information that relates to expectations or goals for economic conditions, sales proceeds or other yardsticks for the success of the enterprise. Forward-looking statements are based on currently valid plans, estimates and expectations and are therefore only valid on the day on which they are made. You therefore should consider them with caution. Such statements are subject to numerous risks and factors of uncertainty (e. g. those described in publications) most of which are difficult to assess and which generally are outside of the control of Klöckner & Co SE. The relevant factors include the effects of reasonable strategic and operational initiatives, including the acquisition or disposal of companies or other assets. If these or other risks and factors of uncertainty occur or if the assumptions on which the statements are based turn out to be incorrect, the actual results of Klöckner & Co SE can deviate significantly from those that are expressed or implied in these statements. Klöckner & Co SE cannot give any guarantee that the expectations or goals will be attained. Klöckner & Co SE – notwithstanding existing legal obligations – rejects any responsibility for updating the forward-looking statements through taking into consideration new information or future events or other things.

In addition to the key figures prepared in accordance with IFRS and German-GAAP respectively, Klöckner & Co SE is presenting non-GAAP key figures such as EBITDA, EBIT, Net Working Capital and net financial liabilities that are not a component of the accounting regulations. These key figures are to be viewed as supplementary to, but not as a substitute for data prepared in accordance with IFRS. Non-GAAP key figures are not subject to IFRS or any other generally applicable accounting regulations. In assessing the net assets, financial position and results of operations of Klöckner & Co SE, these supplementary figures should not be used in isolation or as an alternative to the key figures presented in the consolidated financial statements and calculated in accordance with the relevant accounting principles. Other companies may base these concepts upon other definitions. Please refer to the definitions in the annual report. For other terms not defined in this annual report, please refer to the glossary on our website at https://www.kloeckner.com/en/glossary.html.

Rounding differences may occur with respect to percentages and figures.

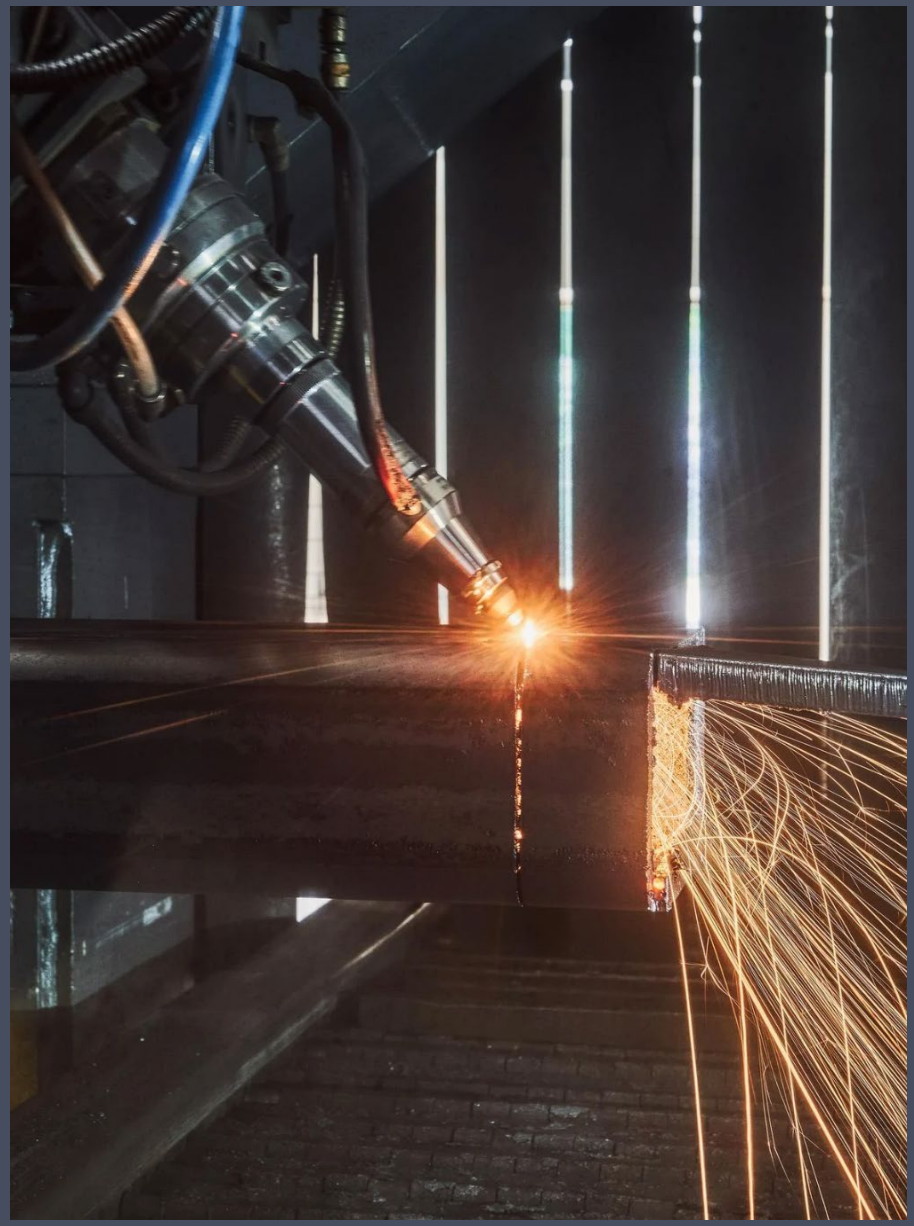
The English translation of the annual report and the interim statement are also available, in case of deviations the German versions shall prevail.

Evaluating statements are unified and are presented as follows:

+/- 0-1%	constant
+/- >1-5%	slight
+/- >5%	considerable

Agenda

1. Highlights and update on strategy
2. Financials
3. Outlook
4. Appendix



Highlights of Q3 2025

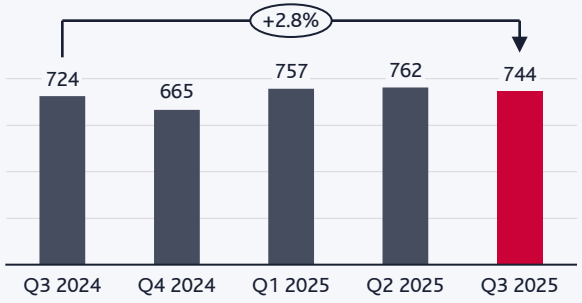
	Q3 2025	Q3 2024	Delta	
Shipments (Tto)	**1,144**	1,122	+1.9%	Slight increase on Group level driven by continued positive development at Kloeckner Metals Americas
Sales (€m)	**1,609**	1,646	-2.2%	Slight decrease yoy despite positive shipments development as a result of lower average price level
Gross profit (€m)	**295**	262	+12.9%	Considerable increase yoy; gross profit margin also increased yoy
EBITDA*) (€m)	**43**	21	+22	EBITDA more than doubled; Kloeckner Metals Europe with first positive EBITDA contribution since 2023
Oper. CF (€m)	**-118**	-62	-56	Negative OCF mainly due to a temporary net working capital increase
Net financial debt (€m)	**1,003**	872	+131	Increase yoy mainly driven by negative OCF

*) Before material special effects.

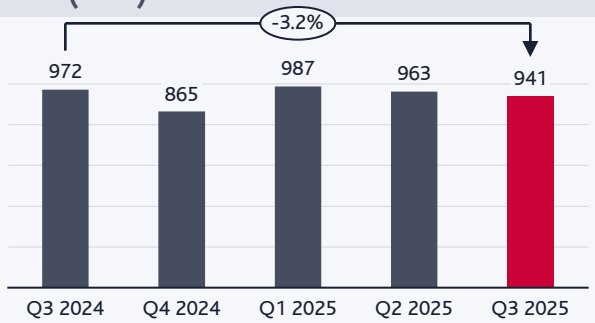
Segment performance

KM Americas

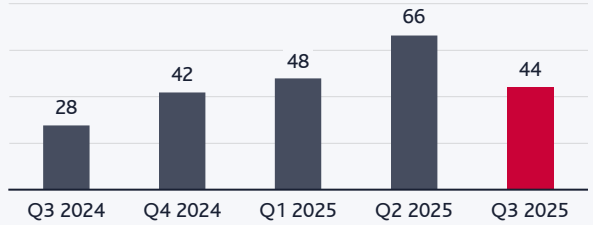
Shipments (Tto)



Sales (€m)

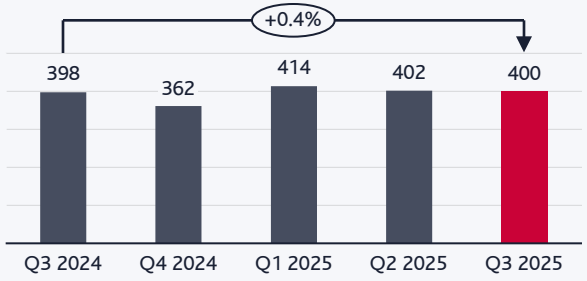


EBITDA*) (€m)

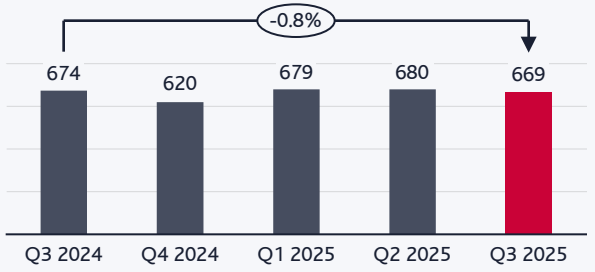


KM Europe

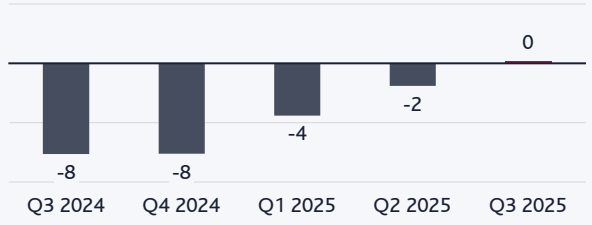
Shipments (Tto)



Sales (€m)



EBITDA*) (€m)



*) Adjusted for material special effects in KM Europe and in KM Americas.

Intensifying focus on higher value-added and service center business

Decisive milestones in the execution of our strategy "Klöckner & Co: Leveraging Strengths – Step up 2030"

United States

Divestment of eight distribution sites

- Announced intended sale of eight distribution sites from Kloeckner Metals Corporation
  - Seven distribution sites to Russel Metals
  - One distribution site to Service Steel Warehouse
- Agreed on a purchase price of approx. USD119m with Russel Metals based on NWC as of June 30, 2025, resulting in a book profit of over €20m
- Focused on eight distribution sites with marginal EBITDA contribution throughout the cycle
- Reducing net debt and exposure to cyclical commodity markets
- Developing the possibility to reallocate capital towards higher value-added and service center business
- Expecting closing in December 2025

Germany

Expanding defense and infrastructure footprint

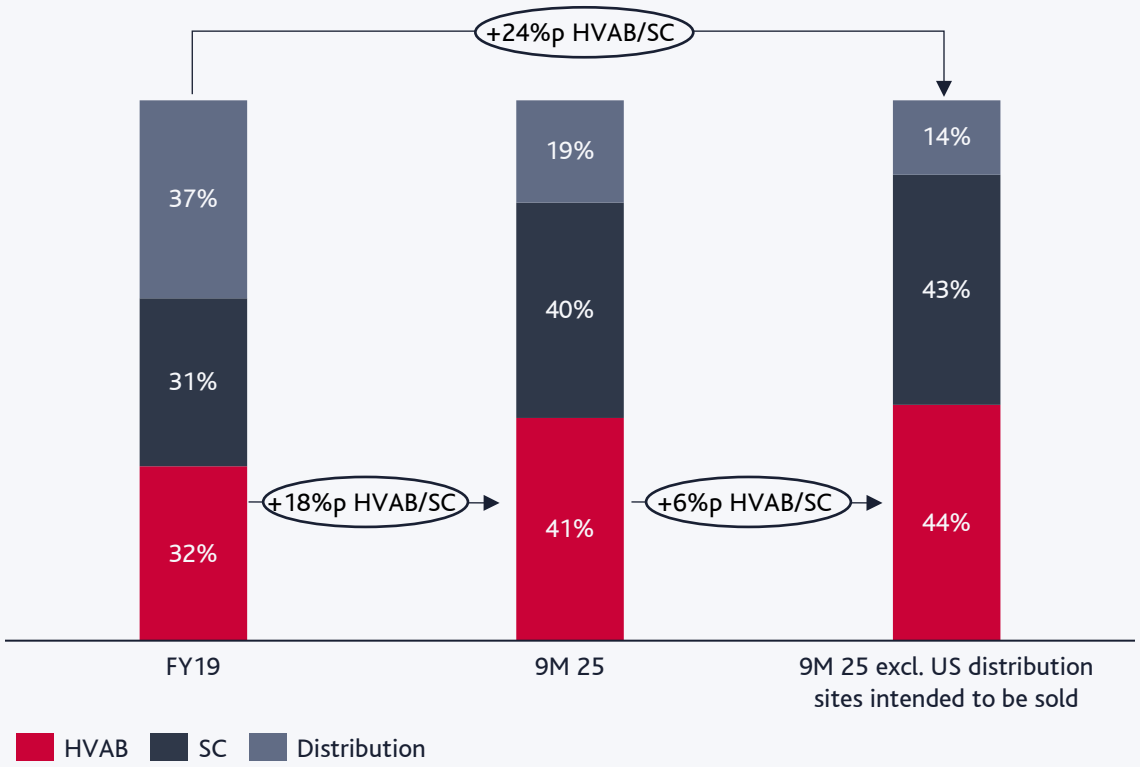
- Received official certification for processing armor materials for the German Federal Armed Forces in Kassel
- Complemented existing approval for Ambo-Stahl, after successful integration following acquisition at the beginning of the year
- Preparing for upcoming large-scale defense orders from across Europe by leveraging our competitive advantage

Positioning for higher profitability and sustainable growth

Recent achievements on our journey towards becoming the leading metal processor and the leading service center company in North America and Europe

- Improved earnings profile by prioritizing businesses with higher profitability and lower volatility
  - Acquired NMM, IMS, Sol Components and Amerinox in North America to strengthen profitability and capitalize on growth potential
  - Divested parts of the European distribution business to lower exposure to steel price developments and reduce volatility of our results
  - Agreed to sell eight distribution sites in the US with low EBITDA contribution throughout the cycle to optimize our portfolio and create the opportunity to reallocate resources to higher-growth opportunities
- Complemented portfolio optimization by transforming selected distribution warehouses into HVAB centers

Sales split by business



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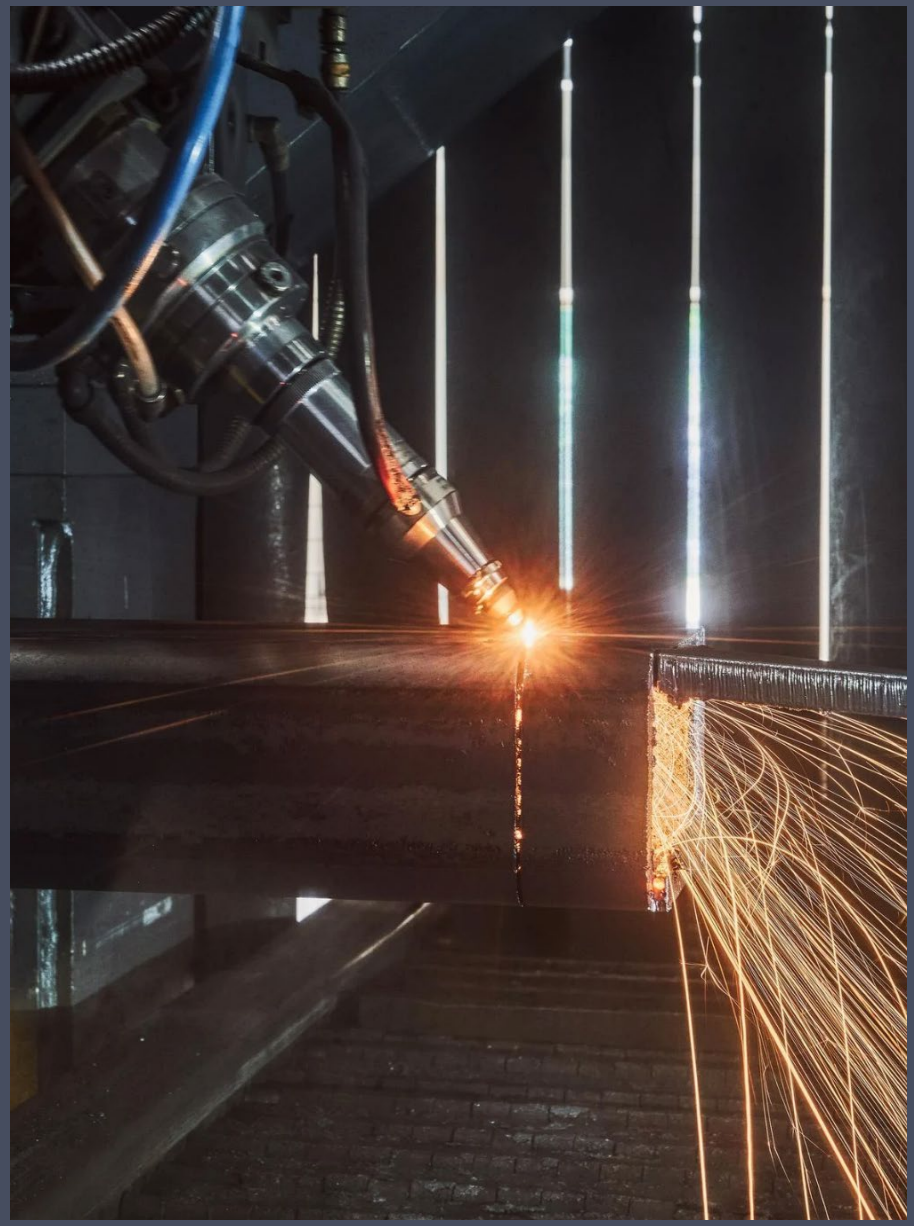
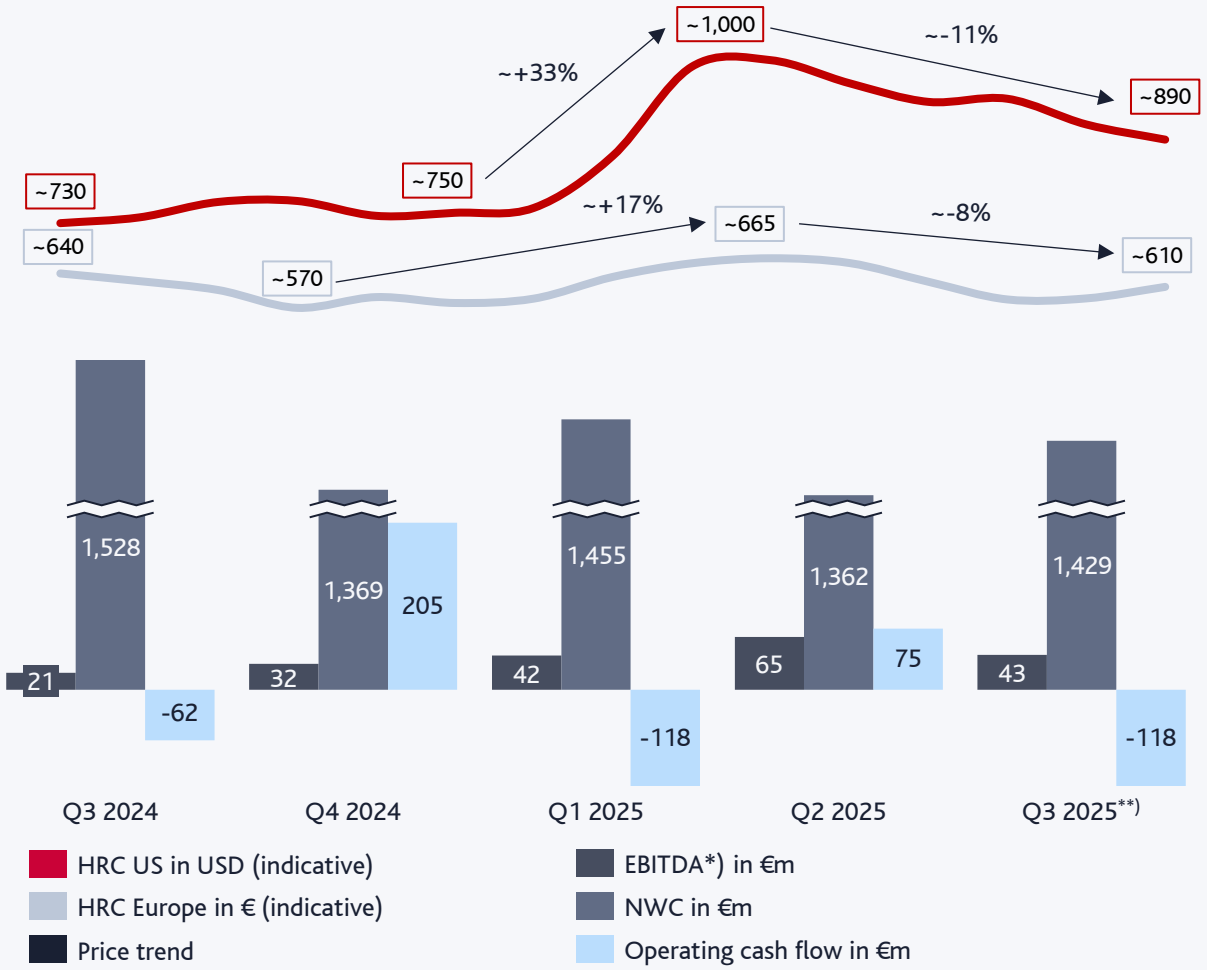


Our net working capital management

Generated solid EBITDA*) in the third quarter in line with guidance

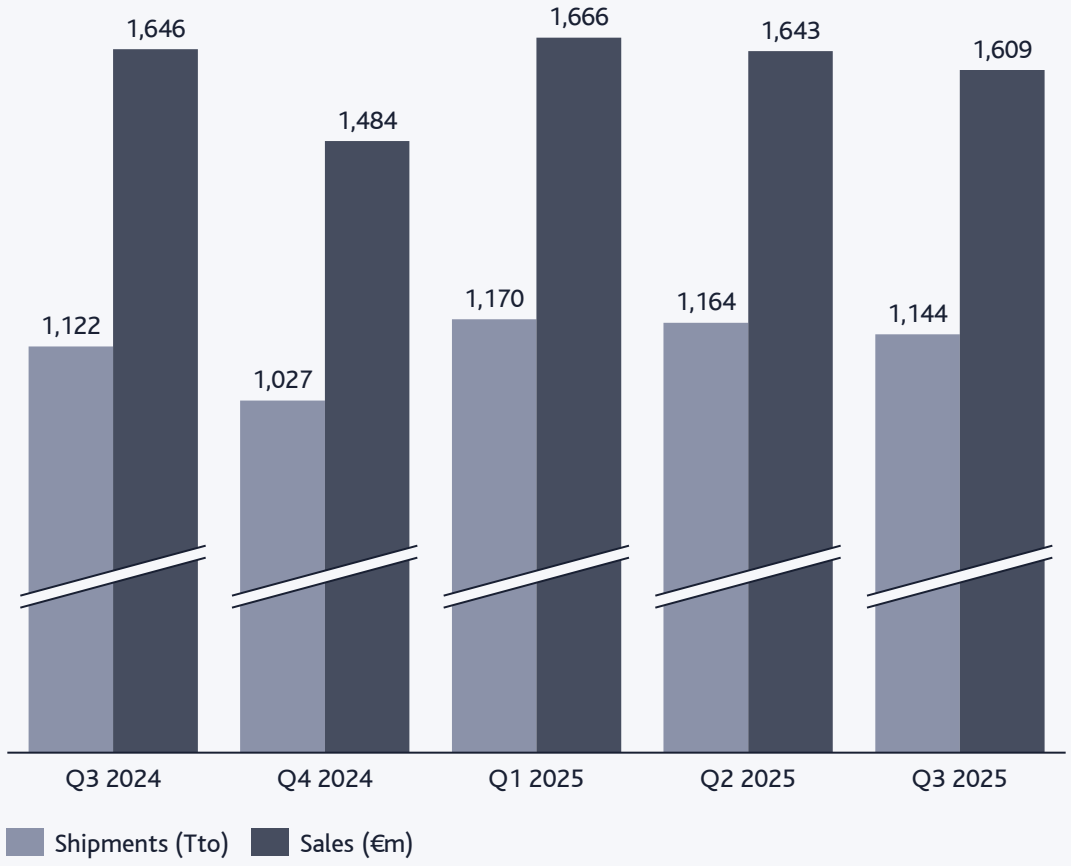


- Achieved EBITDA*) of €43m in Q3 2025 and €150m in 9M 2025; both a considerable increase yoy
- Despite negative OCF of €118m in Q3 2025, we continue to expect a significantly positive operating cash flow for FY 2025
- Strategy execution continues to progress, focusing on our higher value-added and service center business with increased profitability
- Continuing to leverage our extensive expertise in automation and digitalization by increasing the number of digital quotes by 8.9% yoy in 9M 2025

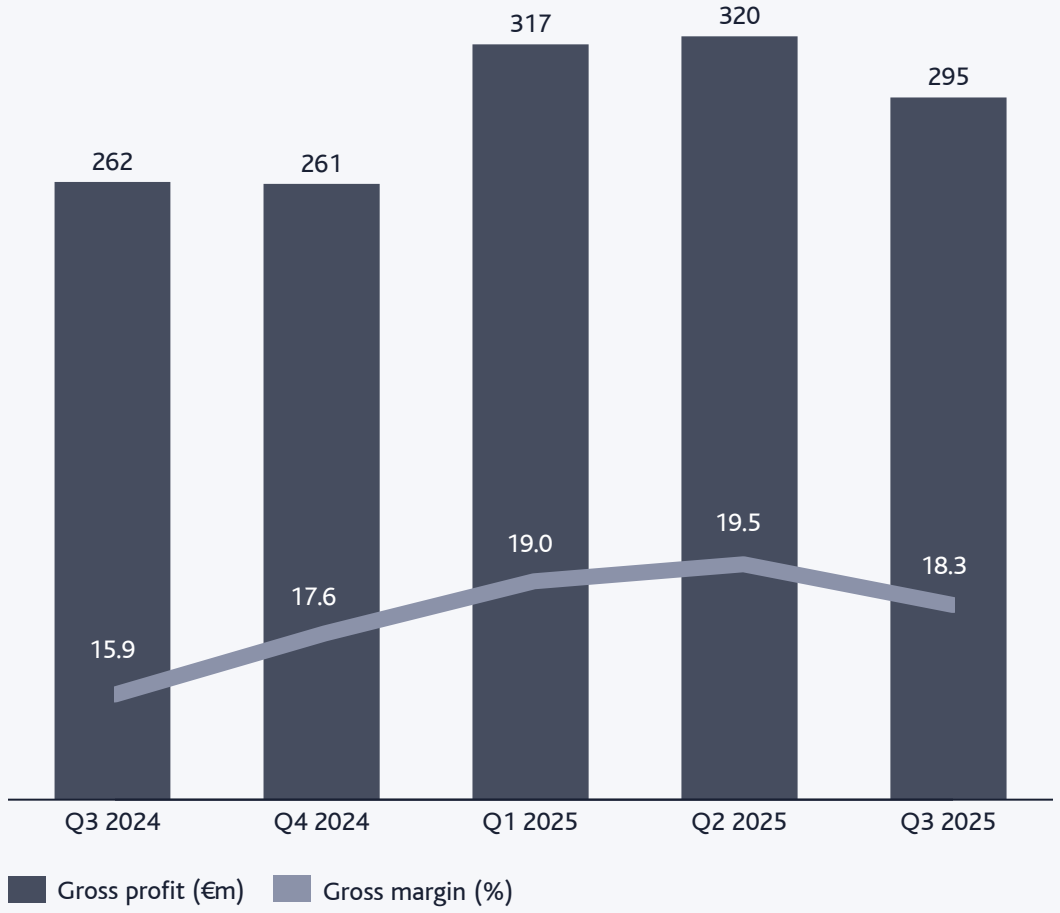
*) Before material special effects.
**) NWC Q3 2025: Not included net working capital from eight US distribution sites intended to be sold amounting to €68m.

Shipments, sales and gross profit development

Shipments & sales

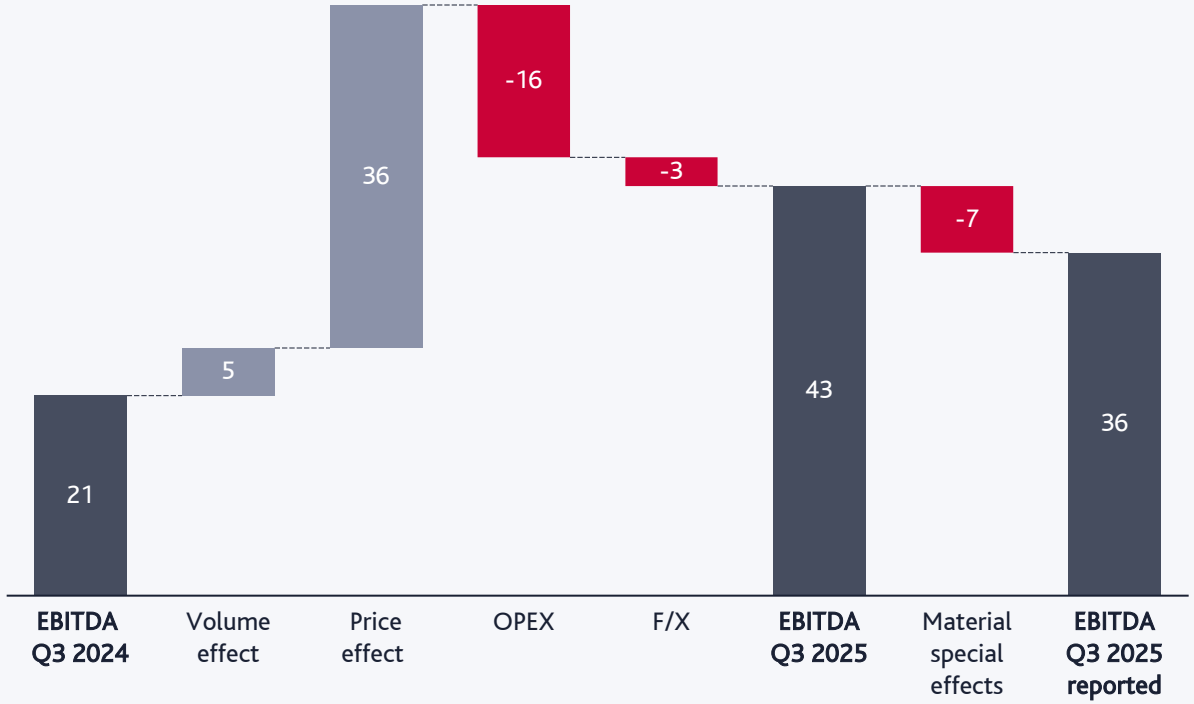


Gross profit & gross profit margin



EBITDA development

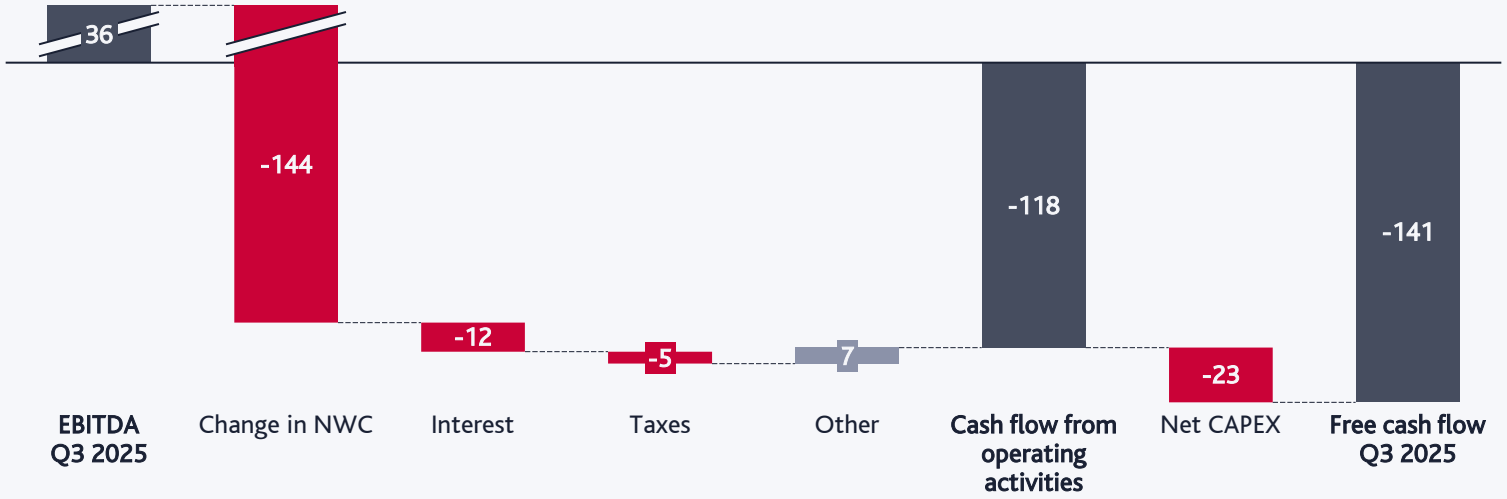
EBITDA (€m) in Q3 2025



- EBITDA before material special effects in Q3 2025 of €43m
- Positive volume effect of €5m and price effect of €36m yoy
- OPEX higher by €16m yoy
- Negative F/X effects of €3m yoy
- Material special effects mainly relate to restructuring initiatives

Cash flow and net debt development

Cash flow Q3 2025 (€m)



- EBITDA reported of €36m
- Temporary net working capital increase of €144m
- Negative cash flow from operating activities of €118m
- Net CAPEX of €23m
- Free cash flow accordingly negative at €141m

Net financial debt 06.2025 vs 09.2025 (€m)

- Net financial debt increased from €870m to €1,003m
- Leasing decreased by €1m
- Positive F/X translation effects of €6m

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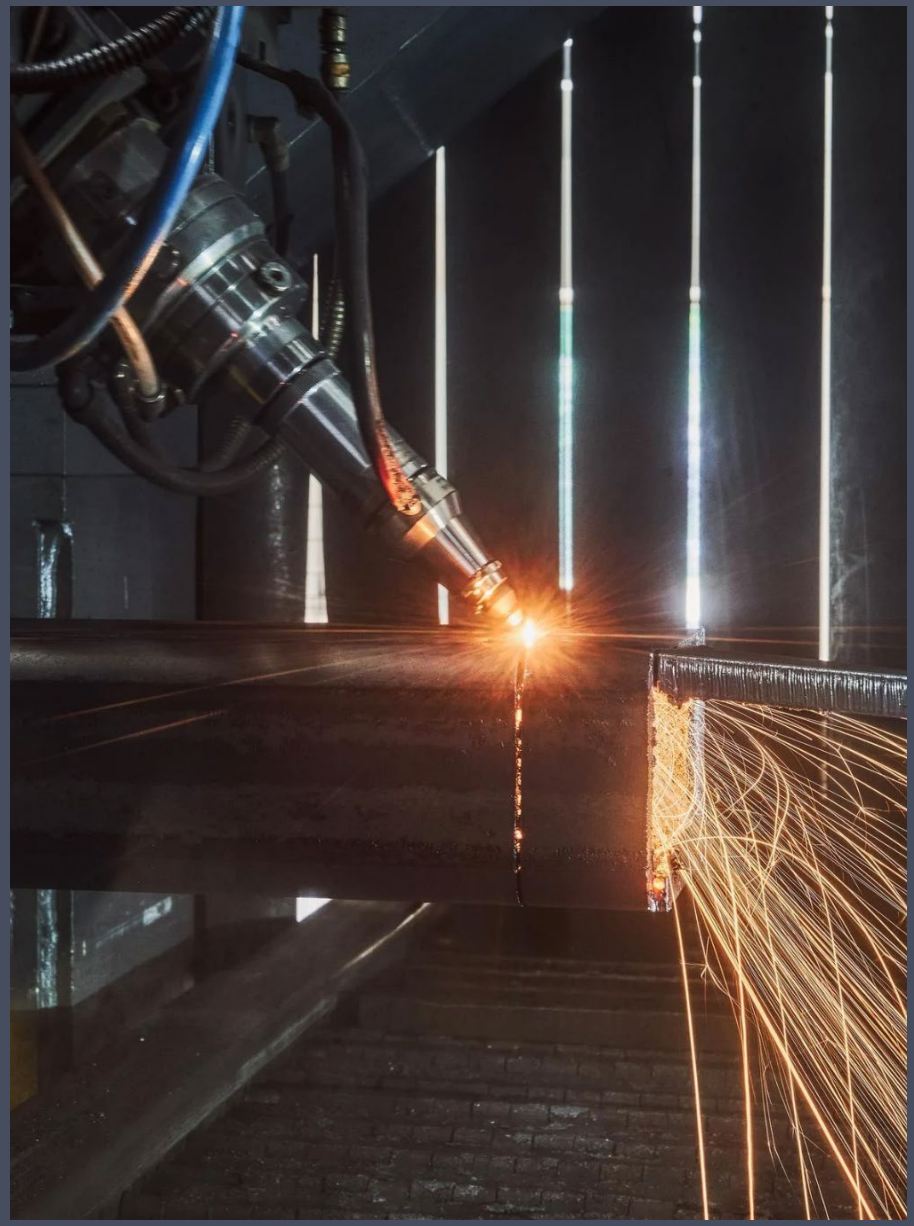

Region specific business outlook 2025

	Real steel demand	Construction Industry	Manufacturing, Machinery & Mech. Eng	Transportation	Household & Commercial Appliances	Energy Industry
North America	0% to +1%	→	→	→	→	→
Europe	-1% to 0%	→	→	→	→	→

Outlook

- EBITDA before material special effects expected to come in between €170-240m
- Expecting significantly positive operating cash flow

Q&A session

Guido Kerkhoff
CEO

Dr. Oliver Falk
CFO

John Ganem
CEO Americas

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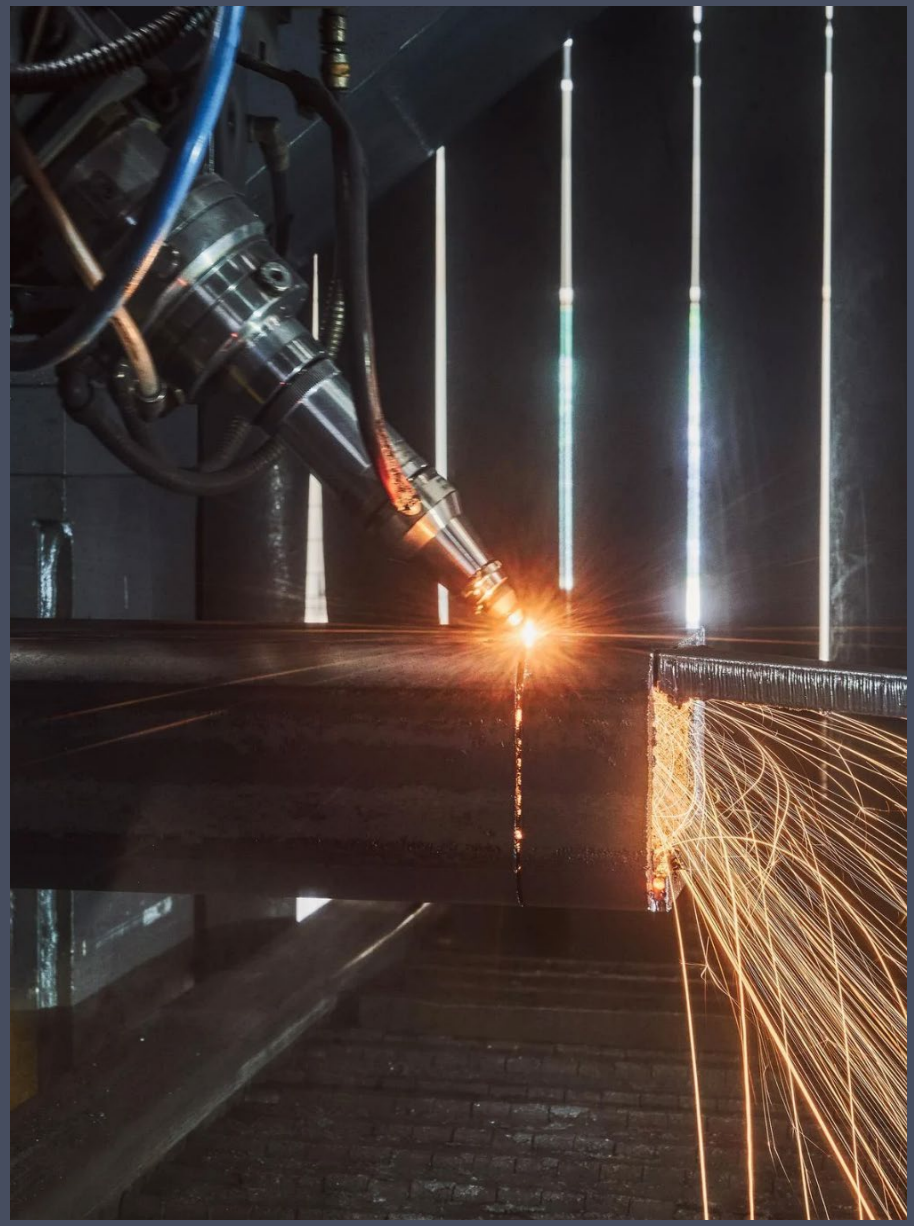


Quarterly and FY results

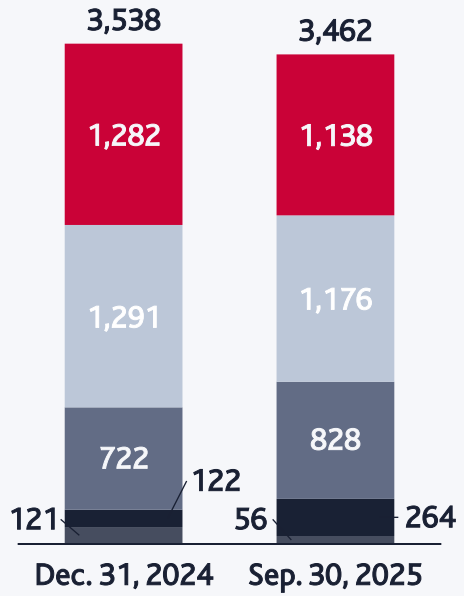
(€m)	Q3 2025	Q2 2025	Q1 2025	Q4 2024*)	Q3 2024*)	Q2 2024*)	Q1 2024*)	Q4 2023*)	Q3 2023*)	Q2 2023*)	Q1 2023*)	FY 2024*)	FY 2023*)	FY 2022*)	FY 2022	FY 2021	FY 2020
Shipments (Tto)	**1,144**	**1,164**	**1,170**	**1,027**	**1,122**	**1,164**	**1,139**	**1,026**	**1,091**	**1,044**	**1,087**	**4,453**	**4,248**	**4,193**	**4,629**	**4,881**	**4,873**
Sales	**1,609**	**1,643**	**1,666**	**1,484**	**1,646**	**1,765**	**1,737**	**1,606**	**1,756**	**1,754**	**1,840**	**6,632**	**6,957**	**8,337**	**9,379**	**7,441**	**5,130**
Gross profit	**295**	**320**	**317**	**261**	**262**	**294**	**297**	**269**	**282**	**296**	**311**	**1,113**	**1,157**	**1,328**	**1,563**	**1,893**	**1,047**
% margin	*18.3*	*19.5*	*19.0*	*17.6*	*15.9*	*16.6*	*17.1*	*16.7*	*16.0*	*16.9*	*16.9*	*16.8*	*16.6*	*15.9*	*16.7*	*25.4*	*20.4*
EBITDA bef. material special effects	**43**	**65**	**42**	**32**	**21**	**42**	**42**	**17**	**44**	**65**	**65**	**136**	**190**	**355**	**417**	**848**	**111**
Material special effects	-7	-3	-23	-16	-8	0	-5	-5	0	0	5	-27	0	52	64	-30	-59
EBITDA rep.	**36**	**63**	**18**	**16**	**13**	**42**	**37**	**12**	**44**	**65**	**70**	**109**	**190**	**407**	**481**	**879**	**52**
% margin	*2.2*	*3.8*	*1.1*	*1.1*	*0.8*	*2.4*	*2.2*	*0.7*	*2.5*	*3.6*	*3.8*	*1.6*	*2.7*	*4.9*	*5.1*	*11.8*	*1.0*
EBITDA rep. (curr. eff.)	-4	-3	0	0	0	3	0	-2	4	0	-4	3	-3	30	31	-16	1
EBIT	**6**	**33**	**-12**	**-19**	**-17**	**11**	**5**	**-29**	**15**	**38**	**43**	**-20**	**66**	**299**	**348**	**754**	**-93**
Income from Investments	0	-2	1	0	0	-2	1	0	-1	0	-2	-2	-4	6	6	11	0
Financial result	-12	-11	-12	-15	-16	-15	-17	-18	-12	-8	-8	-62	-46	-34	-34	-17	-30
EBT	**-5**	**19**	**-23**	**-34**	**-33**	**-5**	**-11**	**-47**	**1**	**29**	**34**	**-83**	**16**	**270**	**319**	**748**	**-124**
Income taxes	-7	-17	-5	-57	4	-13	3	12	-4	-14	-10	-62	-16	-57	-60	-119	9
Net income	**-13**	**2**	**-28**	**-91**	**-29**	**-18**	**-8**	**-35**	**-3**	**15**	**24**	**-146**	**0**	**213**	**259**	**629**	**-114**
Minority interests	1	0	0	0	0	0	0	0	0	0	0	1	1	6	6	10	2
Net income KCO	**-13**	**2**	**-28**	**-91**	**-29**	**-18**	**-8**	**-35**	**-3**	**15**	**23**	**-147**	**-1**	**207**	**253**	**619**	**-116**
EPS basic (€)	**-0.13**	**0.02**	**-0.28**	**-0.91**	**-0.29**	**-0.18**	**-0.08**	**-0.36**	**-0.04**	**0.15**	**0.23**	**-1.47**	**-0.01**	**2.08**	**2.54**	**6.21**	**-1.16**
EPS diluted (€)	**-0.13**	**0.02**	**-0.28**	**-0.91**	**-0.29**	**-0.18**	**-0.08**	**-0.36**	**-0.04**	**0.15**	**0.22**	**-1.47**	**-0.01**	**1.90**	**2.32**	**5.58**	**-1.16**
NWC	**1,429**	**1,362**	**1,455**	**1,369**	**1,528**	**1,506**	**1,540**	**1,489**	**1,865**	**1,696**	**1,735**	**1,369**	**1,489**	**1,789**	**1,789**	**1,813**	**967**
Net debt	**1,003**	**870**	**914**	**780**	**872**	**779**	**790**	**775**	**923**	**596**	**539**	**780**	**775**	**584**	**584**	**762**	**351**

*) Continuing operations in accordance with IFRS 5.

Balance sheet development

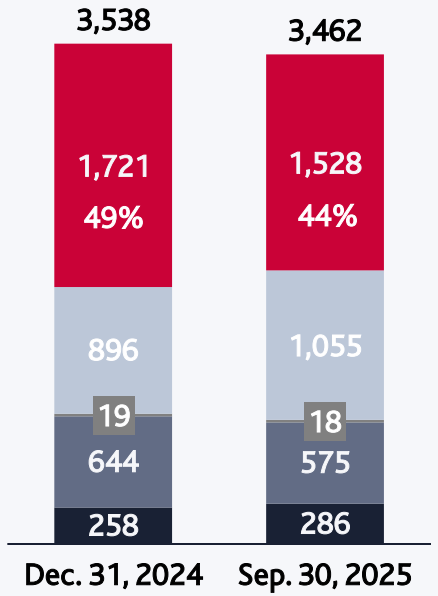
Equity ratio of 44%, gearing*) of 66% and leverage of 5.5x

Assets (€m)



Non-current assets | Trade receivables**) | Liquidity
Inventories | Other current assets

Equity & Liabilities (€m)



Equity | Pensions | Other liabilities
Financial liabilities | Trade payables***)

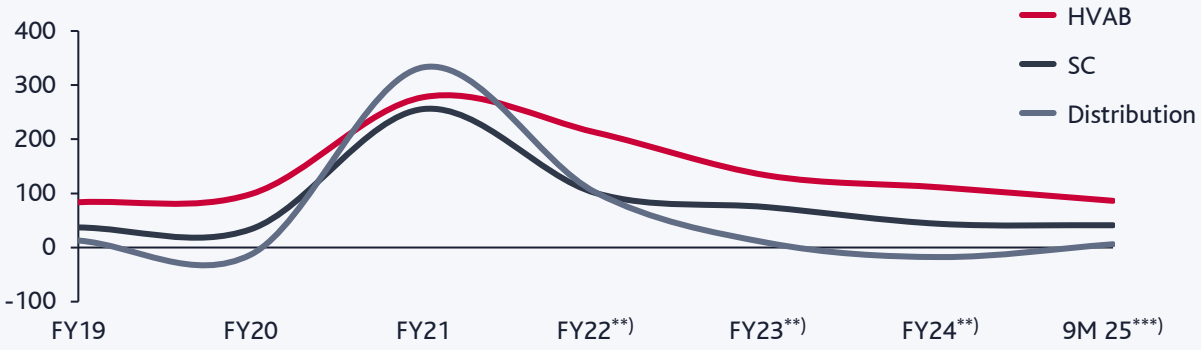
*) Gearing = Net financial debt / (Consolidated equity ./. non-controlling interests ./. goodwill resulting from acquisitions subsequent to May 23, 2024).
**) Incl. contract assets and supplier bonus receivables.
***) Incl. contract liabilities and advance payments received.

Developing from a steel distribution company to a metal processor

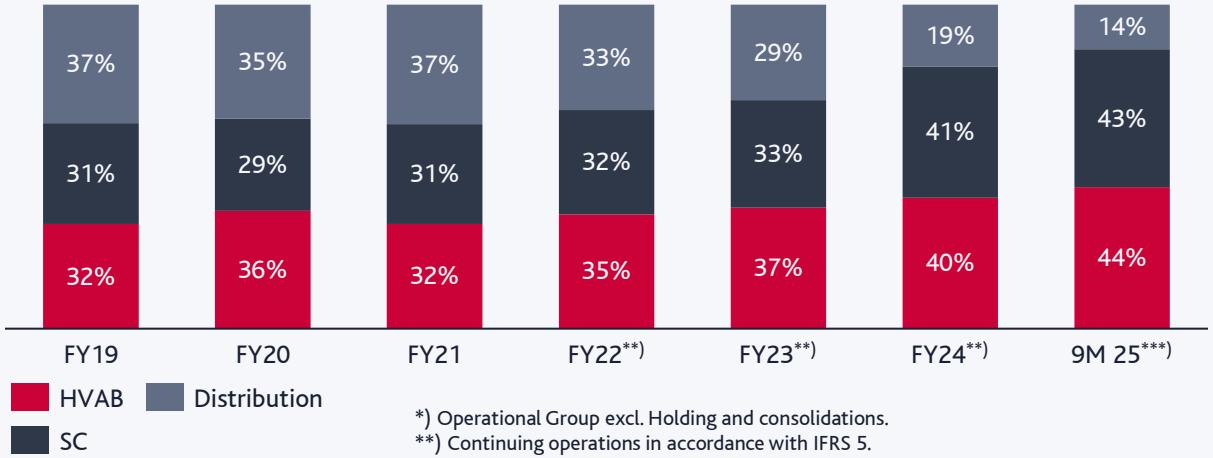
Adapting to the significantly altered business environments with sharpened strategic focus to ensure sustainable growth, mitigate risks and maintain competitiveness in dynamic market landscape

- Service center business and especially HVAB less dependent on steel price developments
- Achieved important milestones in order to increase profitability and resilience in recent past
  - Closed and integrated value accretive growth platform NMM
  - Acquired Industrial Manufacturing Services, Sol Components and Amerinox, increasing exposure to HVAB
  - Divested parts of European distribution business, reducing exposure to low-margin, cyclical commodity business significantly
  - Streamlined portfolio further by divesting Brazilian distribution business
  - Transformed distribution warehouses into HVAB centers by investing in state-of-the-art laser capacity and automated welding capabilities
  - Divested eight pure distribution sites in the US to set focus on higher value-added and service center business in the region

EBITDA before MSE*) development by business



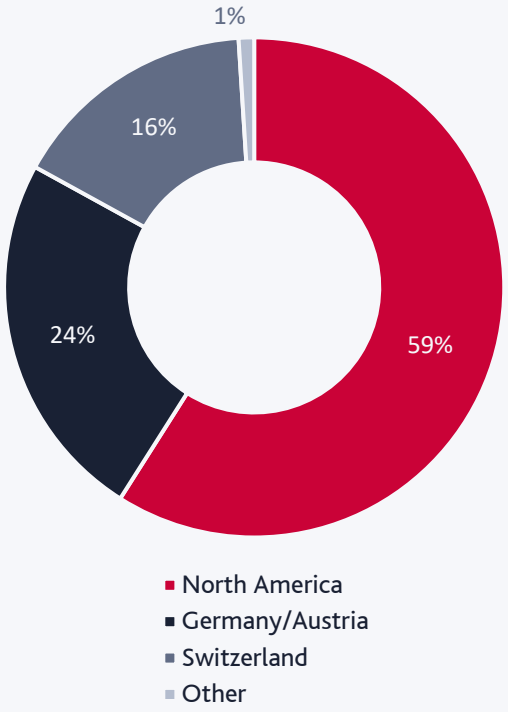
Sales split by business



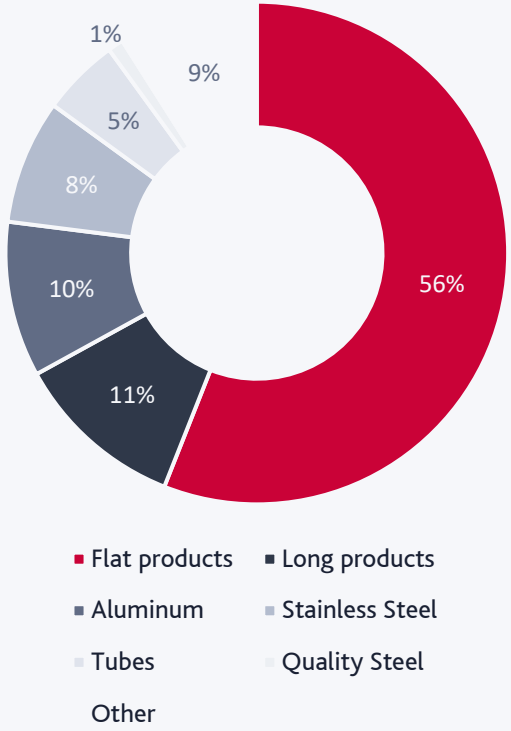
*) Operational Group excl. Holding and consolidations.
**) Continuing operations in accordance with IFRS 5.
***) Group excluding US distribution sites intended to be sold.

Sales by markets, products and industries

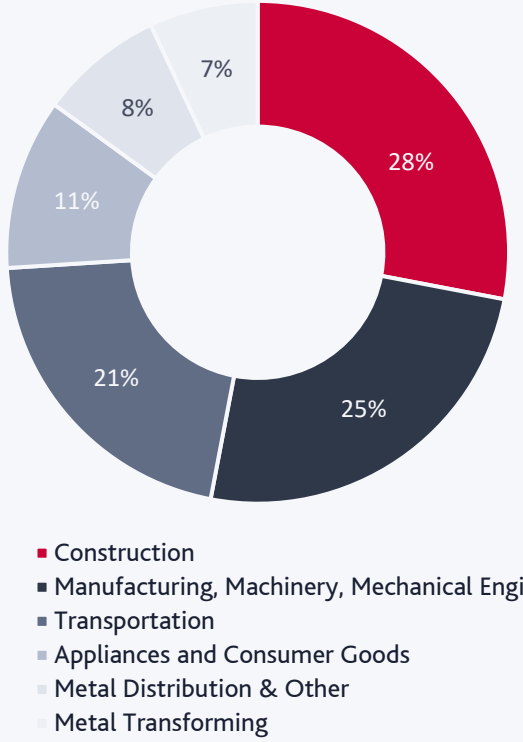
Sales by markets



Sales by products



Sales by industries



As of December 31, 2024. Continuing operations.

Share performance in Q3 2025

- After a positive start, the share price of Klöckner & Co reached its highest level of €7.16 on July 10
- After that, the share price declined, reaching its lowest level of €5.41 on September 3 and again on September 9
- It went out of trading at €5.78 on September 30

Companies peer group index: thyssenkrupp, Salzgitter, ArcelorMittal, Voestalpine, Reliance, Ryerson, Olympic Steel, Worthington Steel

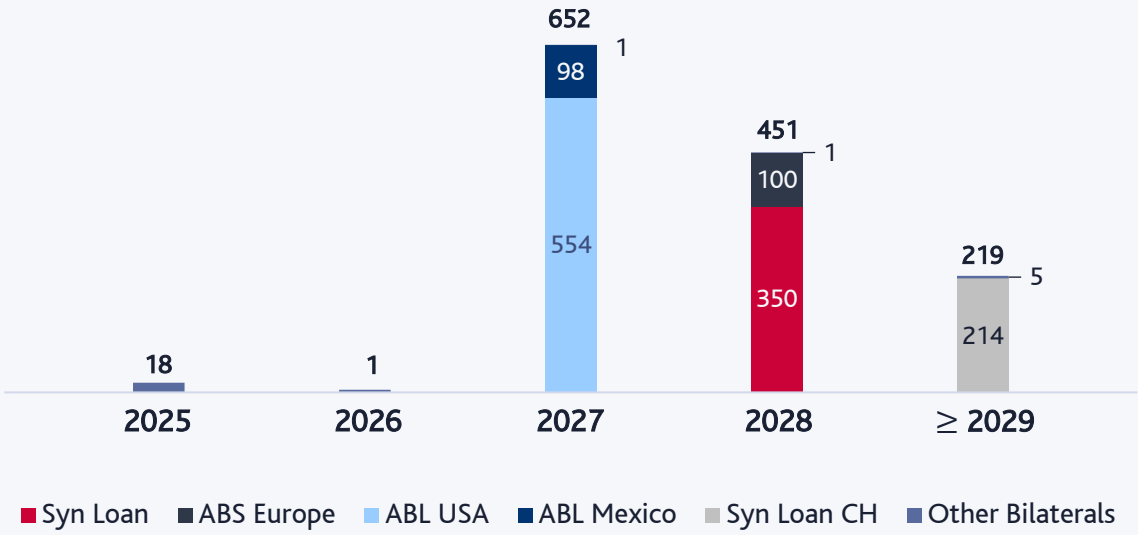
Maturity profile

Facility (€m)	Committed Sep 30, 2025	Drawn amount	
		Sep 30, 2025	Dec 31, 2024
Syndicated Loan	350	192	173
ABS Germany[1)]	100	65	30
ABL USA	554	420	375
ABL Mexico	98	77	48
Syndicated Loan CH	214	144	85
Other Bilaterals	26	26	40
Leases	136	136	149
Total Debt	**1,478**	**1,060**	**901**
Cash		56	121
Net Debt		**1,003**	**780**

1) After renewal in July 2025 (incl. reduction of facility size from €300m to €100m).
2) Equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2024.
3) Net debt as reported/Adjusted equity.
4) Net debt as reported/LTM EBITDA before material special effects.

€m	Sep 30, 2025
Adjusted equity[2)]	1,518
Net Debt	1,003
Gearing[3)]	66%
Leverage[4)]	5.5x

Maturity profile (excl. Leases) in €m, Sep 30, 2025



Dividend policy

In general, Klöckner & Co SE follows a dividend policy of distributing 30% of net income before special items. Given the volatility of our business model, a sustainable dividend payment cannot be guaranteed. If there is a possibility of dividend distribution, we will pay it for the benefit of our investors.

- Compliance with the dividend policy of €0.80 per in 2006 and 2007
- Suspension of the dividend policy for the financial year 2008 in view of the beginning of the Euro crisis and no dividend payment
- Due to earnings no dividend payment in 2009
- Inclusion of our general dividend policy in financial year 2010 with a dividend of €0.30 per share
- Due to earnings-related reasons, no dividend payment in 2011, 2012, 2013 and 2015
- Full distribution of net profit for the financial year 2014
- Dividend payment of €0.20 per share in 2016 and €0.30 per share for the 2017 and 2018 fiscal year
- No dividend payment due to losses in 2019 and 2020
- Record dividend of €1.00 for the financial year 2021
- Dividend payment of €0.40 per share for the financial year 2022
- Dividend payment of €0.20 per share in 2023 and 2024

Dividend payment per share

2006	2007	2008-2009	2010	2011-2013	2014	2015	2016	2017	2018	2019-2020	2021	2022	2023	2024
€0.80	€0.80	-	€0.30	-	€0.20	-	€0.20	€0.30	€0.30	-	€1.00	€0.40	€0.20	€0.20

Our ambitious climate targets

Our net zero carbon targets have been approved as science-based targets by the Science Based Targets initiative (SBTi)

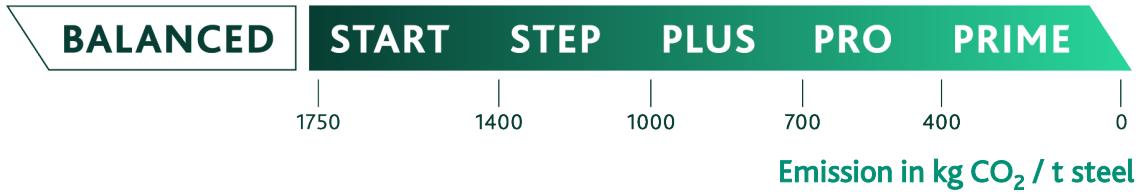
kloeckner takes action 2040

Scope 1 & 2	Scope 3	Scope 3
Own direct and indirect emissions	Under direct influence	Not under direct influence
62.5% reduction by 2030	50% reduction by 2030	30% reduction by 2030
Net zero by 2040	Net zero by 2040	Net zero by 2050

NEXIGEN® STEEL CATEGORIZATION

Six categorizations for transparent carbon emissions

We have developed a categorization for CO_2-reduced steel so that customers can directly see the carbon footprint of their purchased product.



LEADING THE SUSTAINABILITY TRANSFORMATION

- Methodology along international standards
- No offsetting included in CO_2 load categorization (compensation data as add-on)
- Emissions from raw material to production
- Separate category for “balanced” green steel

Nexigen®

A comprehensive approach

Nexigen® categorizations for stainless steel & aluminum

Stainless Steel

Emission in kg CO_2 / t stainless steel

Aluminum

Emission in kg CO_2 / t aluminum

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Financial calendar

March 11, 2026
Annual Financial Statements 2025

May 6, 2026
Q1 quarterly statement 2026

May 20, 2026
Annual General Meeting 2026

August 5, 2026
Half-yearly financial report 2026

November 4, 2026
Q3 quarterly statement 2026