

JEFFERIES PAN-EUROPEAN MID-CAP VIRTUAL CONFERENCE

March 31, 2021

Guido Kerkhoff | Deputy CEO

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. Overview – Leader in Digital Transformation**
2. Highlights 2020
3. Financials
4. Outlook
5. Appendix

KLÖCKNER & CO SE AT A GLANCE



~7,300
Employees



5,130€ million
Sales FY 2020




4,873 thousand tons
Shipments FY 2020



>100,000
Customers



111€ million
EBITDA* FY 2020



45%
Digital Sales



200,000
Products



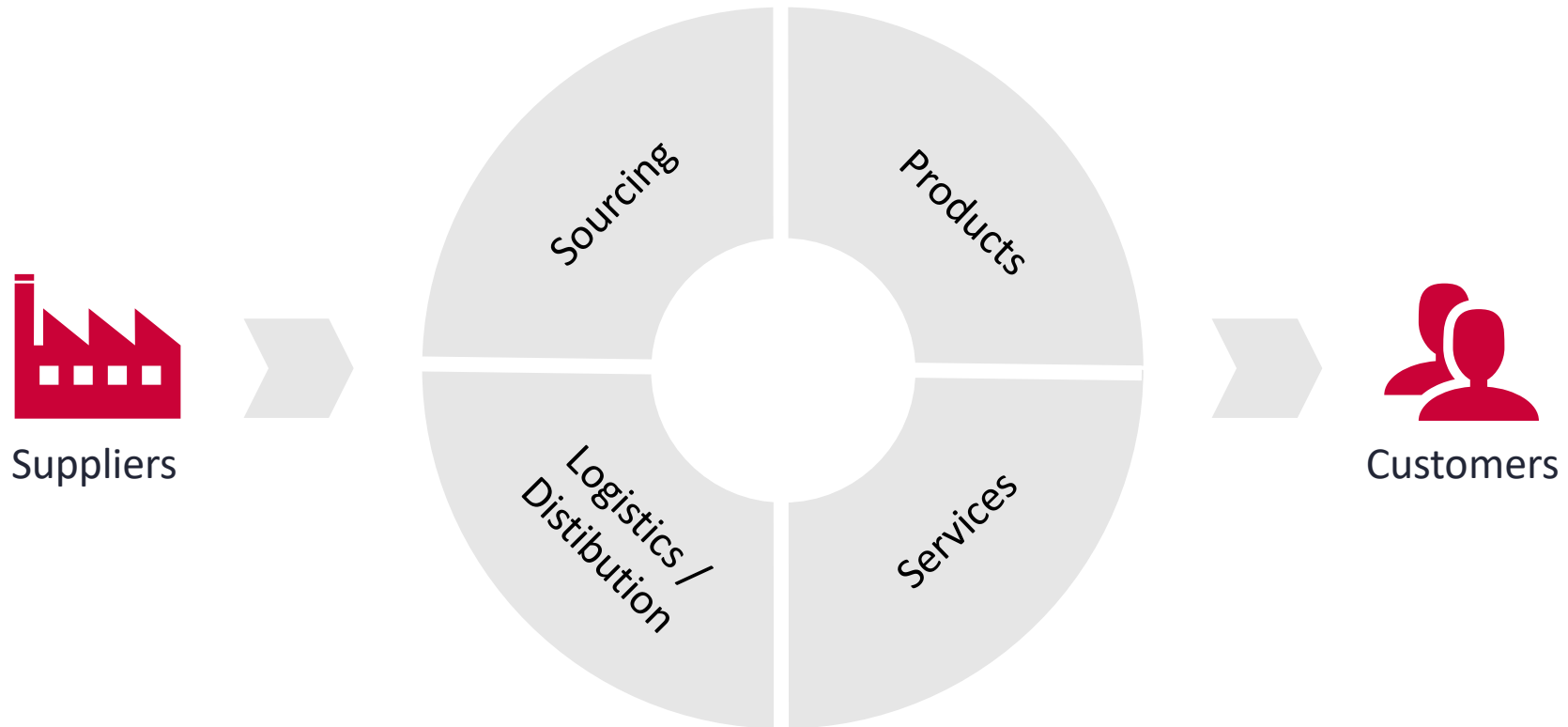
13
Countries



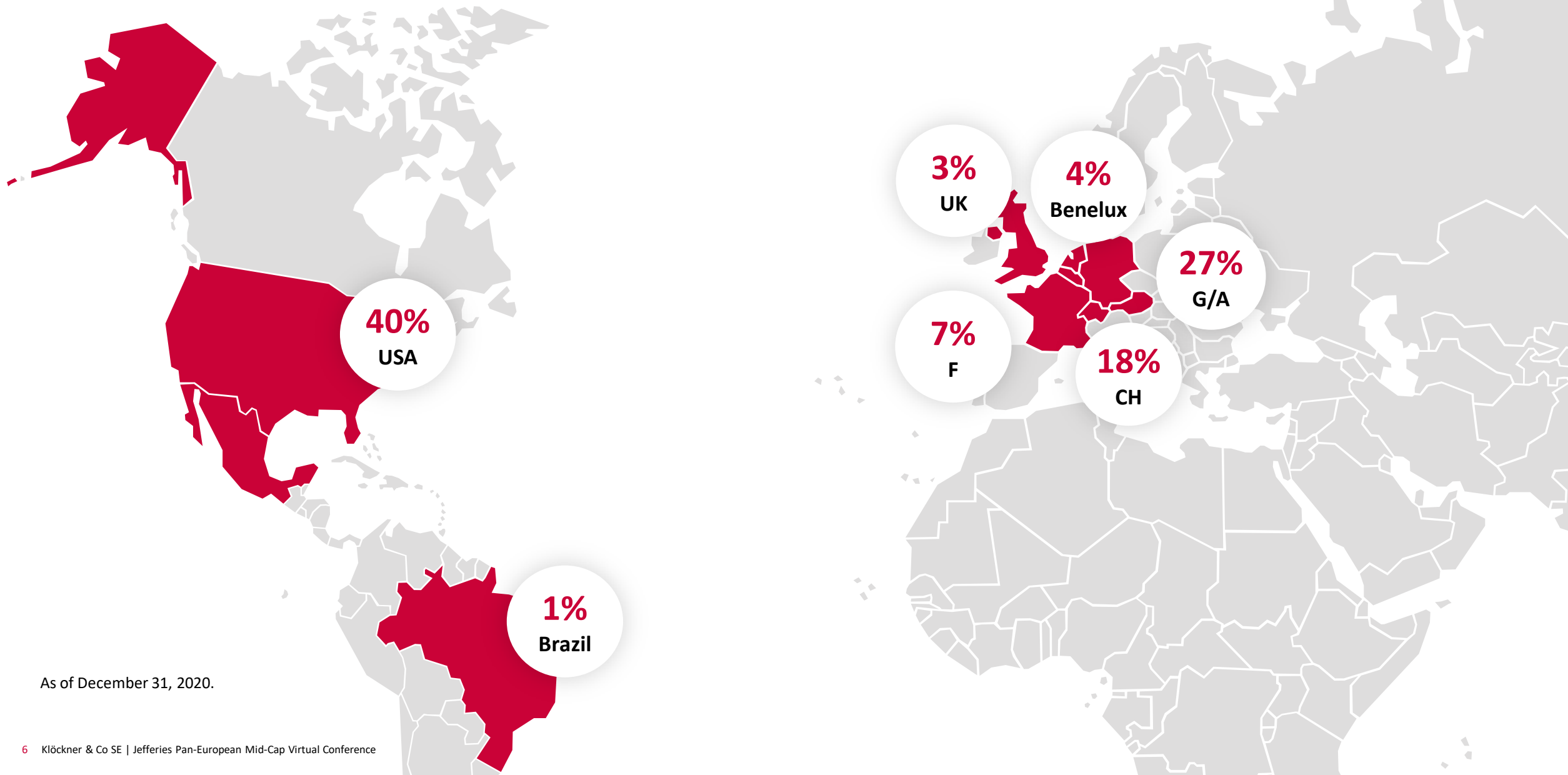
~140
Locations

* Before material special effects.

KLÖCKNER & CO VALUE CHAIN – EVERYTHING FROM ONE SOURCE



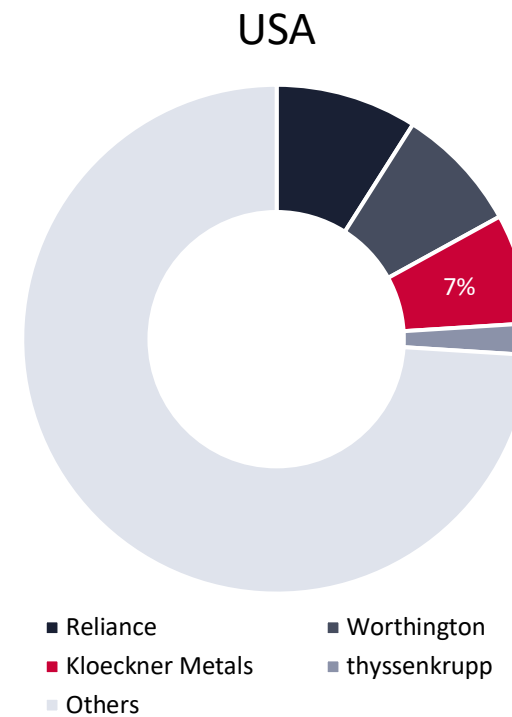
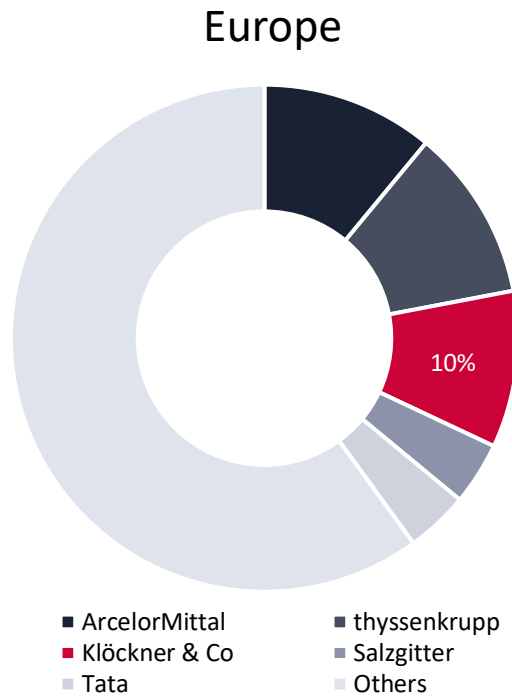
GLOBAL REACH – LOCAL PRESENCE



As of December 31, 2020.

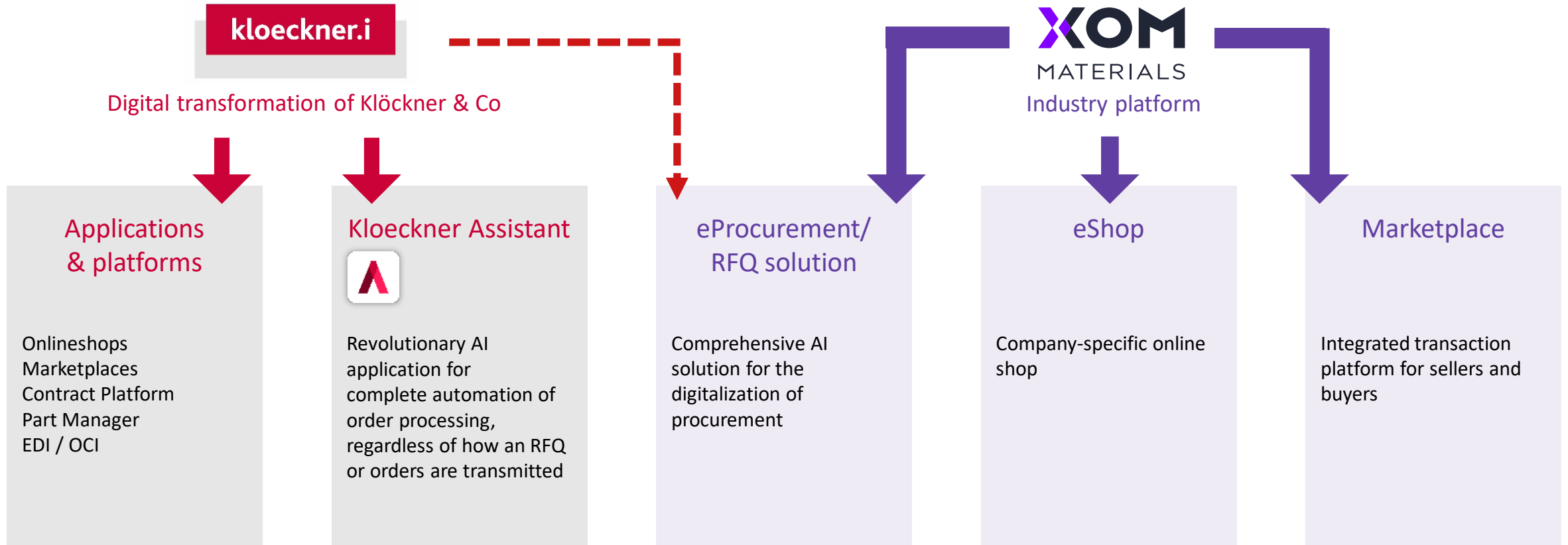
LEADING PLAYER IN FRAGMENTED MARKETS

Market shares of Klöckner & Co 2020

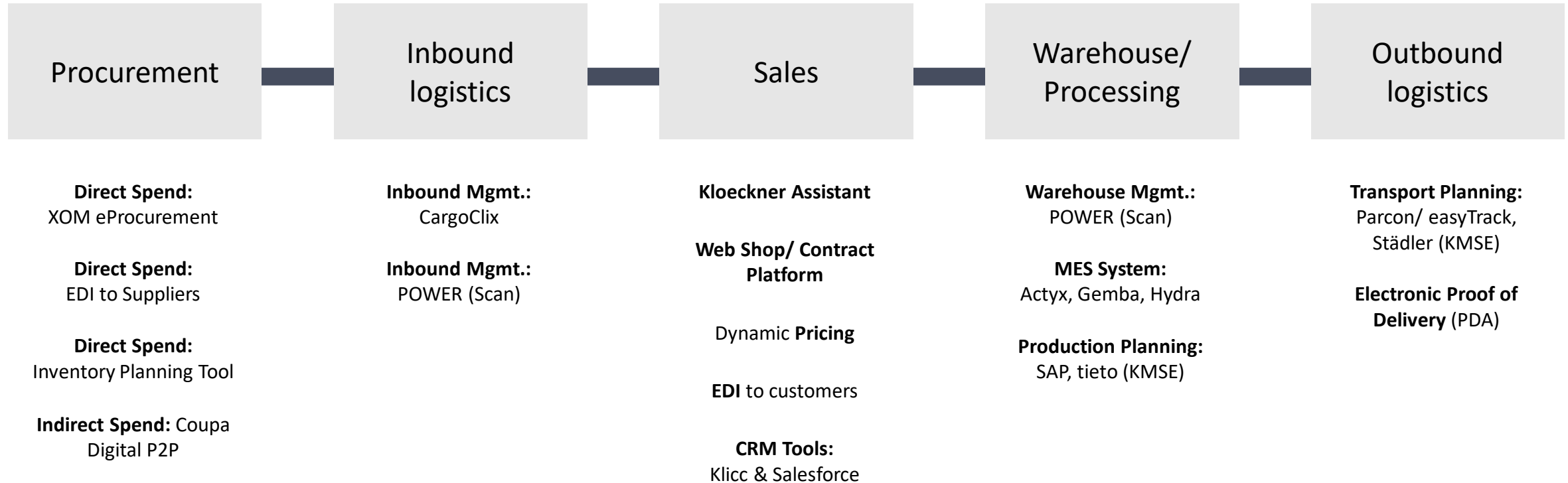


Source: Eurometal, MSCI, local steel associations.

DIGITAL TRANSFORMATION AND PLATFORM BUSINESS



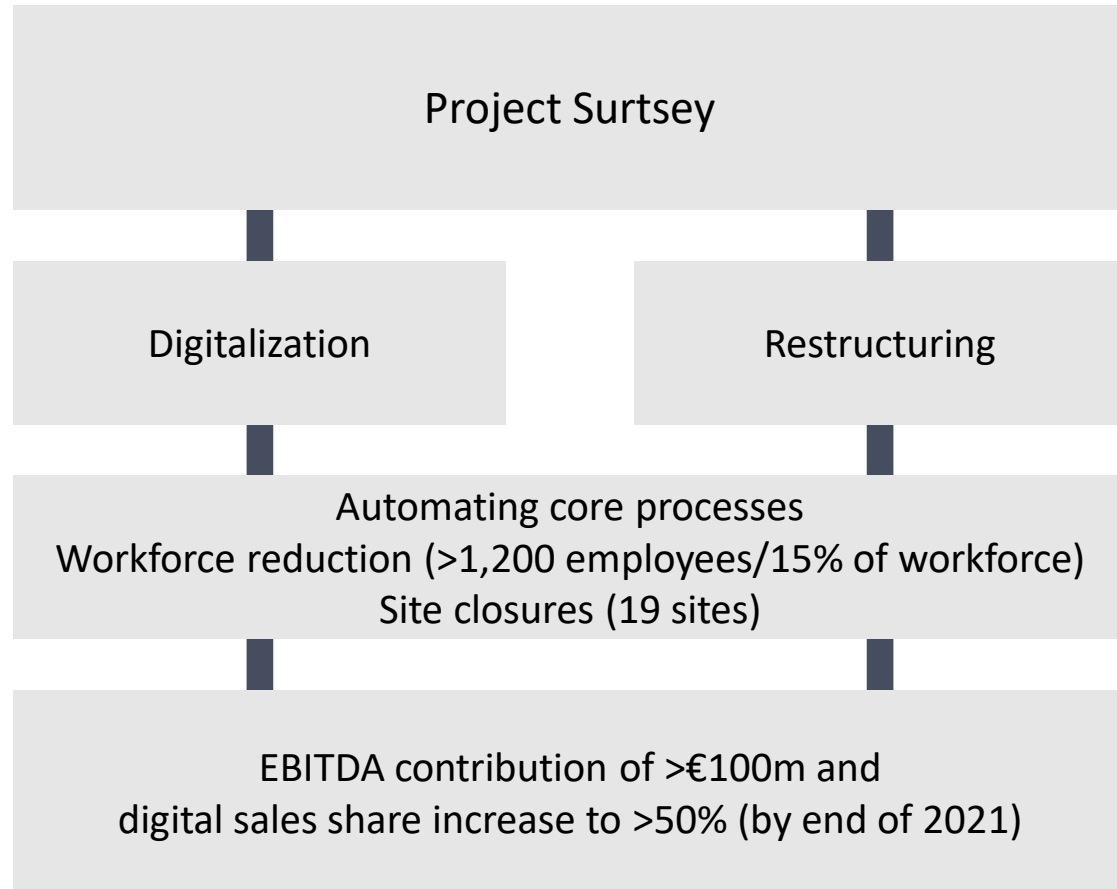
FURTHER DIGITAL TOOLS ACROSS THE VALUE CHAIN SUPPORTING TRANSFORMATION



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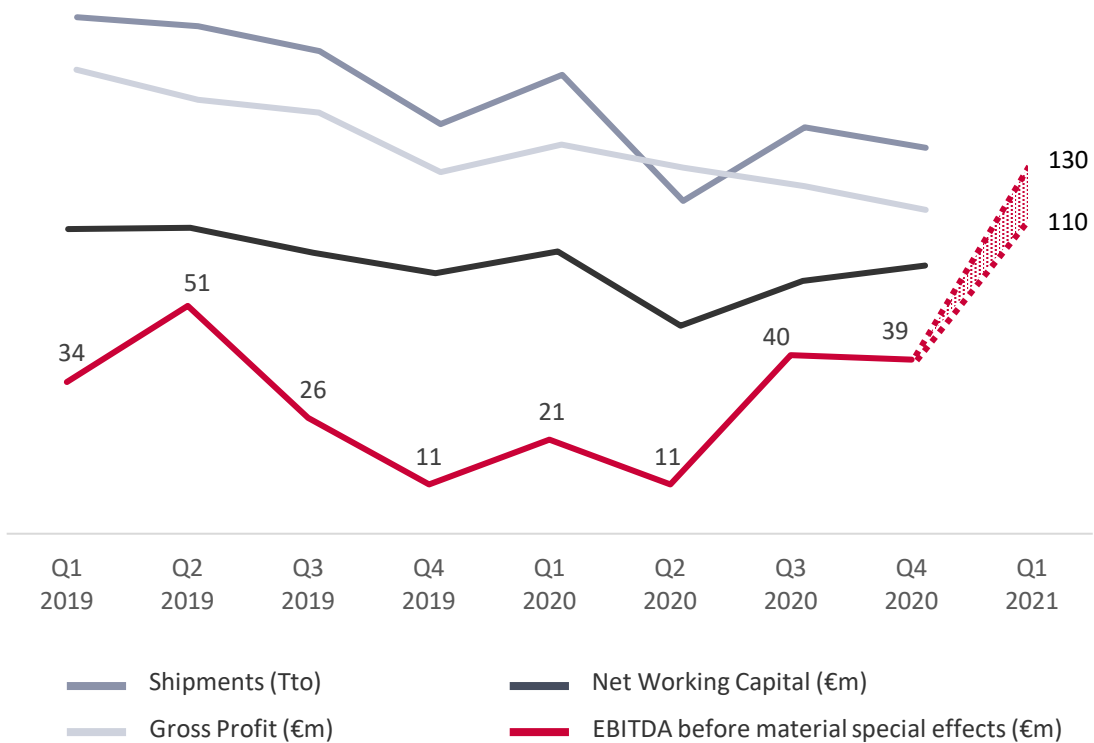
PROJECT SURTSEY FAR ADVANCED



Status update

- Execution of project Surtsey fully on track, finalization in 2021
- More than 80% of project targets already achieved only nine months after initiation and six months after concept decision
 - Reduction of 1,050 FTEs as of January 2021
 - 16 sites already closed
 - Remaining workforce reduction of 150 FTEs and three site closures by year-end
- Surtsey including digitalization effects
 - Q4 2020 effects of ~€15m
 - Q1 2021 effects of ~€25m expected
 - FY 2021 effects of >€100m expected
- Significantly improved OPEX base going forward
- Substantial positive material special effects from asset disposals in FY 2021

OUR RESPONSE TO THE COVID-19 PANDEMIC



- First impact of COVID-19 pandemic noticeable in consumer-related sectors by mid of March 2020
- Sharp decline in demand in Q2 2020 (~30%), followed by ongoing recovery
- Immediate initiation of the Surtsey project to take advantage of the crisis
- Mitigation of negative impact on operating income and sustainable drive-down of OPEX
- EBITDA of €40m in Q3 and €39m in Q4 (Q1 EBITDA guidance of €110-130m) as a result of consistent execution of Surtsey and strict inventory management in times of recovering demand and rising prices

DIGITAL TRANSFORMATION OF KLÖCKNER & CO

The logo for kloeckner.i, featuring the text "kloeckner.i" in white lowercase letters on a red rectangular background, which is itself centered within a larger, light gray rectangular frame.

- Digital sales share at 45% in Q4 (Q4 2019: 32%)
- Kloeckner Assistant well on the way to beat ambitious target of processing a volume of €1bn in 2021
 - Pilot live at KMCH for handling material processing orders and further customized order details
 - MATCH! is developing industry-unique product catalog built of already >200k matches and continuing to grow
 - Next steps: Full-automation of processing of plain text email-orders and -RFQs in order to achieve market-leading instant quoting

The logo for XOM MATERIALS, with "XOM" in a large, bold, dark blue font where the 'X' is stylized with a purple-to-blue gradient, and "MATERIALS" in a smaller, dark blue, all-caps font below it.

- XOM Materials continues to scale: GMV in 2020 increased by more than 13x to €140m, now at >€100m YTD
- Well on track to become the central hub of the digital ecosystem for the materials industry
 - eProcurement solution now available in the USA and Brazil
 - Expanding sales activities for XOM SaaS solutions to South America, first interests from Asia and Africa
 - Pilot project started to link mills' production systems to achieve full connectivity, eliminate intransparency and further reduce manual effort

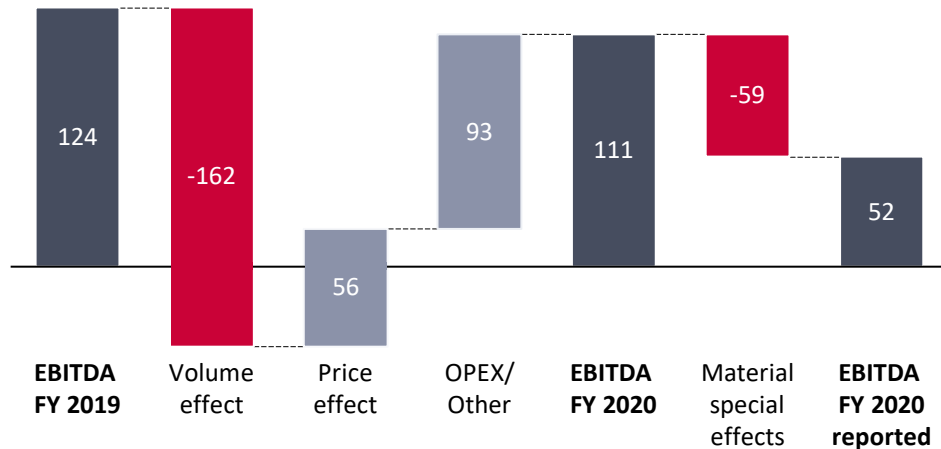
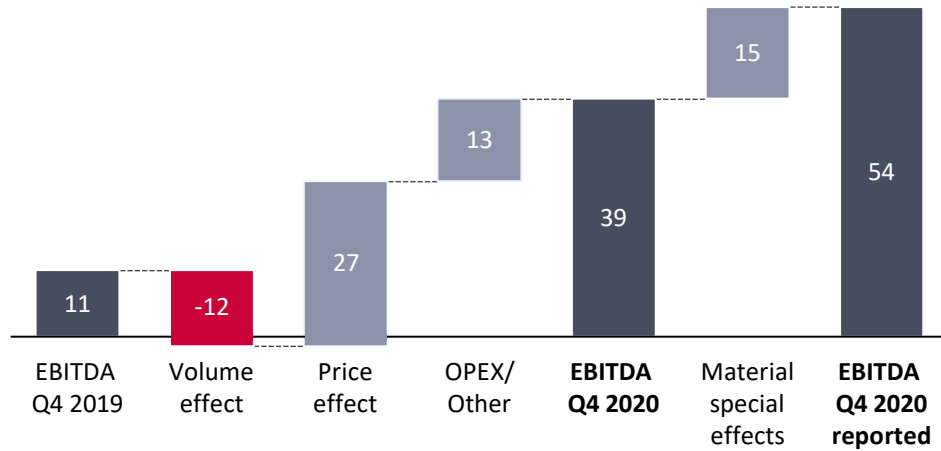
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HIGHLIGHTS OF FY 2020

	FY 2020	FY 2019	Delta	
Shipments (Tto)	4,873	5,648	-13.7%	Impact of COVID-19 pandemic; improving market environment from H2 onwards
Sales (€m)	5,130	6,315	-18.8%	Volume driven; lower price level yoy
Gross profit (€m)	1,047	1,158	-9.5%	Declined due to lower volumes; substantial margin expansion
EBITDA (€m)	111	124	-10.3%	COVID-19 impact strongly mitigated through Surtsey implementation, strict NWC management and improving market environment; EBITDA rep. of €52m
Oper. CF (€m)	161	204	-21.2%	Again, strongly positive also due to strict NWC management
Net financial debt (€m)	351	445	-21.1%	Net debt significantly down yoy; lowest level in ten years (like-for-like)
Digital sales in Q4	45%	32%	+13%pts	FY targets exceeded with largest yoy-increase so far; driven by Kloeckner Assistant and accelerated by COVID-19 pandemic

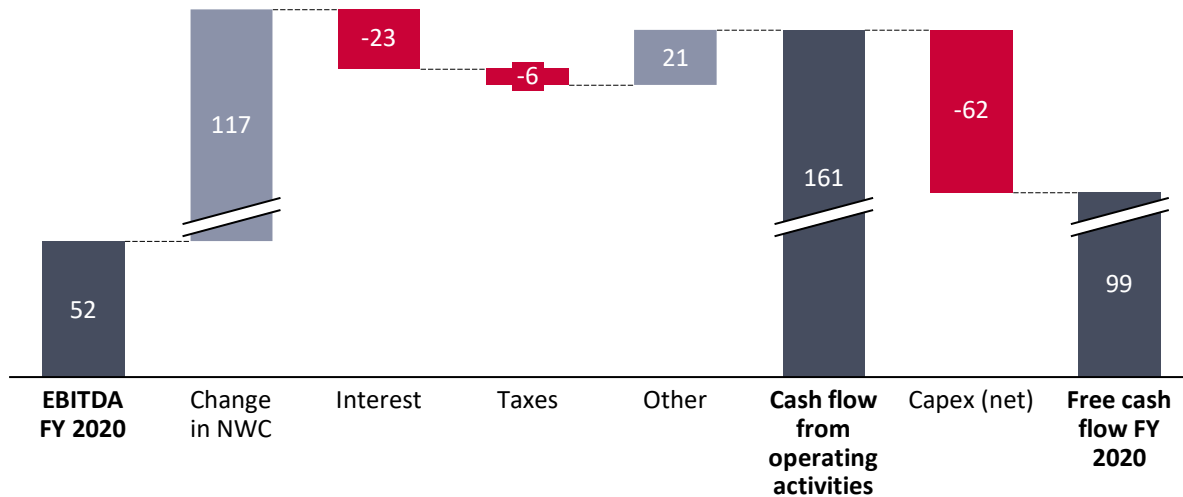
EBITDA (€M) IN Q4 AND FY 2020



- Substantially negative volume effects in FY 2020 mainly due to impacts of COVID-19 pandemic, lowered in Q4
- Positive price effect due to improved pricing environment in Europe and the USA towards year-end
- Significantly improved OPEX mainly driven by Surtsey (reduced personnel expenses) and lower shipping costs
- Material special effects resulting from Surtsey for severances and site closure expenses lower than expected at €59m in FY 2020 (€15m for true-up of provisions in Q4)

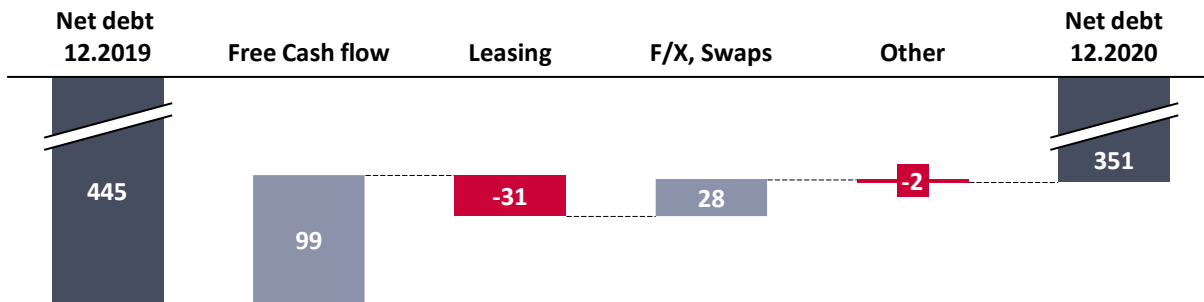
CASH FLOW AND NET DEBT DEVELOPMENT

Cash flow FY 2020 (€m)



- Net working capital release of €117m mainly due to lower year-end trade receivables
- Other (€21m) includes changes in other operating assets and liabilities including provisions
- Strong cash flow from operating activities of €161m
- Net capex of €62m including €15m in connection with the initiated sale of site in Frechen, Germany
- Strong free cash flow of €99m

Net financial debt 12.2019 vs. 12.2020 (€m)



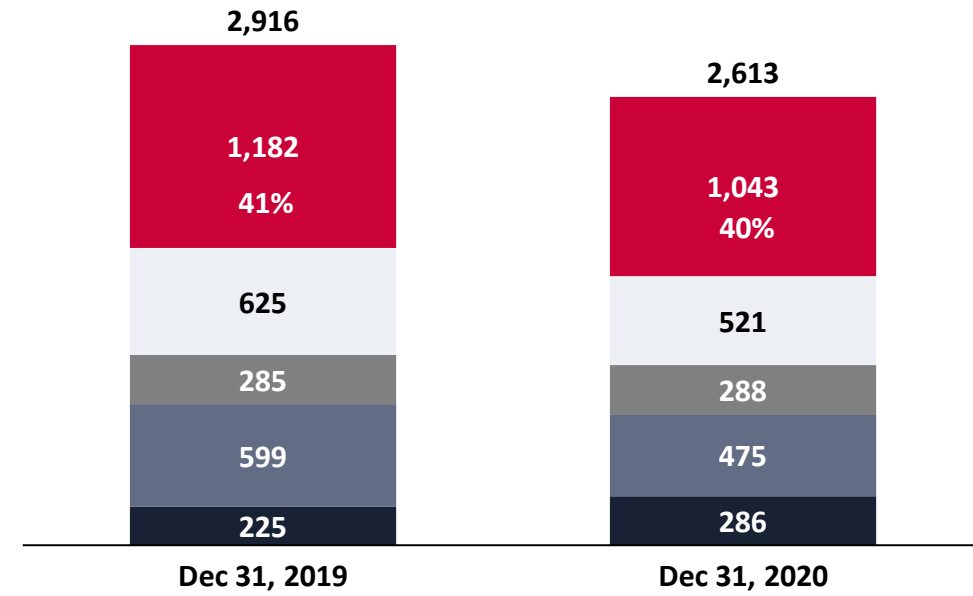
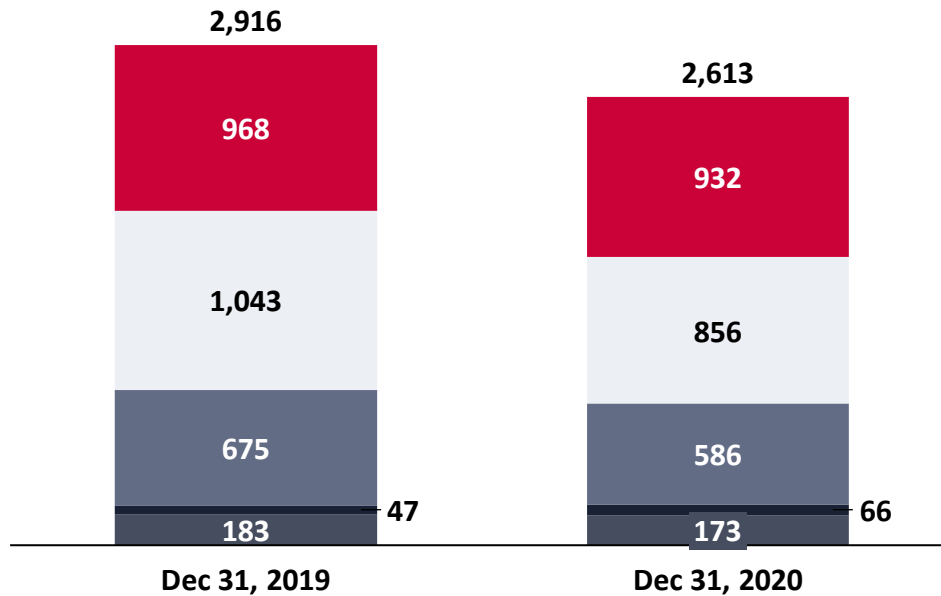
- Net financial debt with €351m on a historic low level driven by NWC release

SOLID BALANCE SHEET

- Solid **equity ratio** of 40%
- **Net debt** of €351m
- **Gearing^{*)}** at 34%
- **NWC** at €967m (FY 2019: €1,119m)

*) Gearing = Net debt/Equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2019.

***) Incl. contract assets and supplier bonuses.



■ Non-current assets
 ■ Trade receivables**)

■ Inventories
 ■ Liquidity
 ■ Other current assets

■ Equity
 ■ Pensions
 ■ Other liabilities

■ Financial liabilities
 ■ Trade payables

MATURITY PROFILE – WELL-BALANCED & DIVERSIFIED FUNDING PORTFOLIO

Facility (€m)	Committed Dec 31, 2020	Drawn amount	
		Dec 31, 2020	Dec 31, 2019
Syndicated Loan	300	-	-
ABS Europe ¹⁾	220	112	115
ABL USA ²⁾	269	53	124
Convertible 2016 ³⁾	148	146	142
Bilateral Facilities ⁴⁾	167	33	42
Leases	180	180	205
Total Debt	1,284	524	628
Cash		173	183
Net Debt		351	445

1) ABS agreement signed in October and closed in November 2020.

2) US ABS / ABL combined into one facility (\$330m), signed and closed in November 2020.

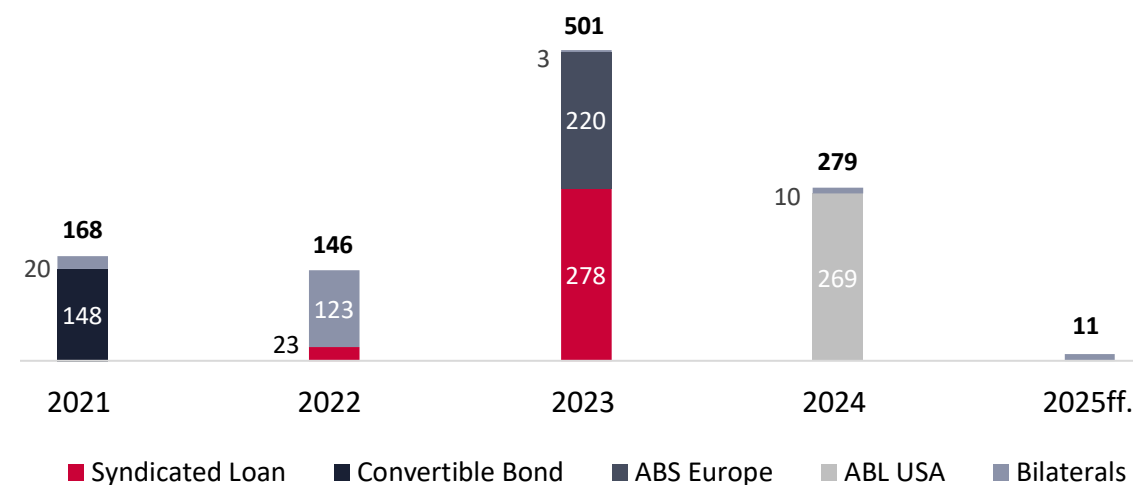
3) Principal €148m, equity component €18m at issuance (September 8, 2016).

4) Mainly Switzerland.

5) Net debt/equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2019.

€m	Dec 31, 2020
Adjusted equity	1,036
Net Debt	351
Gearing ⁵⁾	34%

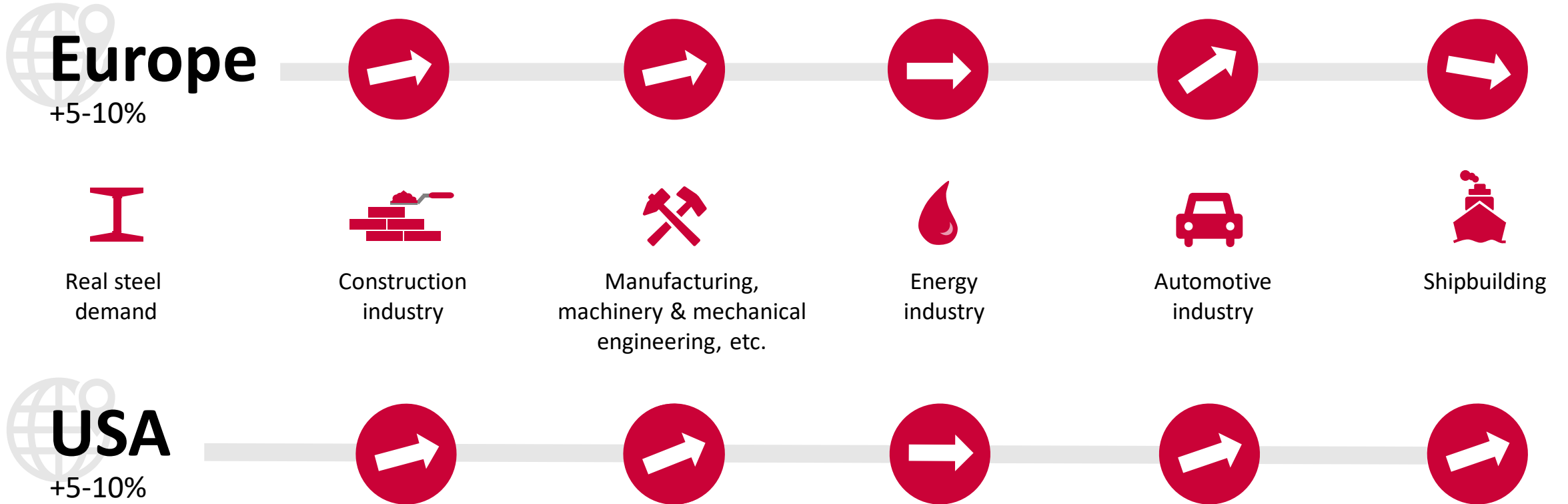
Maturity profile (excl. leasing) in €m



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REGION SPECIFIC BUSINESS OUTLOOK 2021



OUTLOOK

Q1
2021

- Continuing recovery in steel demand and significantly increasing price levels in Europe and the USA
- EBITDA expectation of €110-130m before material special effects

FY
2021

- Shipments and sales significantly above prior-year level expected
- EBITDA before material special effects expected to increase very considerably yoy
- Positive material special effects from Surtsey disposals

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QUARTERLY AND FY RESULTS

(€m)	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	FY	FY	FY	FY	FY
	2020	2020	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017	2017	2020	2019	2018	2017	2016
Shipments (Tto)	1,195	1,242	1,070	1,365	1,250	1,420	1,479	1,499	1,398	1,519	1,605	1,584	1,443	1,539	1,572	1,582	4,873	5,648	6,107	6,135	6,149
Sales	1,232	1,279	1,171	1,448	1,365	1,565	1,682	1,703	1,619	1,754	1,789	1,628	1,485	1,565	1,640	1,602	5,130	6,315	6,790	6,292	5,730
Sales (currency effect)	-42	-27	21	30	24	38	50	61	28	2	-89	-114	-70	-45	13	19	-18	173	-172	-83	-50
Gross profit	274	262	226	285	267	284	304	303	301	332	364	331	300	310	339	367	1,047	1,158	1,328	1,316	1,315
% margin	22.2	20.5	19.3	19.7	19.6	18.1	18.1	17.8	18.6	18.9	20.3	20.4	20.2	19.8	20.6	22.9	20.4	18.3	19.6	20.9	22.9
OPEX	-220	-224	-287	-263	-265	-263	-222	-269	-270	-273	-282	-276	-267	-263	-275	-290	-995	-1,019	-1,101	-1,096	-1,119
EBITDA bef. material special effects	39	40	11	21	11	26	51	34	30	59	84	56	33	47	63	77	111	124	229	220	196
Material special effects	-15	2	72	0	-8	-7	31	0	0	0	-2	0	0	0	0	0	-59	15	-2	0	0
EBITDA rep.	54	38	-61	21	3	21	82	34	30	59	82	56	33	47	63	77	52	139	227	220	196
% margin	4.4	3.0	-5.2	1.5	0.2	1.3	4.9	2.0	1.9	3.4	4.6	3.4	2.2	3.0	3.9	4.8	1.0	2.2	3.3	3.5	3.4
EBITDA rep. (curr. eff.)	-1	0	2	1	1	1	2	1	3	1	-8	-5	-3	-2	1	1	1	5	-9	-3	-1
EBIT	24	4	-109	-13	-35	-13	49	2	8	38	60	35	9	25	41	54	-93	2	141	130	85
Financial result	-7	-7	-7	-9	-9	-11	-11	-10	-10	-8	-10	-7	-9	-8	-8	-8	-30	-41	-34	-33	-33
EBT	17	-3	-116	-22	-44	-24	37	-9	-2	30	51	28	1	17	33	46	-124	-39	107	97	52
Income taxes	5	-2	5	1	-7	1	-9	-1	-5	-8	-18	-7	29	-4	-9	-10	9	-16	-38	5	-14
Net income	22	-5	-111	-21	-51	-23	28	-10	-7	22	33	21	30	13	24	36	-114	-55	69	102	38
Minority interests	1	0	0	0	1	0	0	0	0	0	0	0	0	1	1	0	2	1	0	1	1
Net income KCO	21	-5	-111	-21	-51	-23	28	-10	-7	22	33	21	30	12	23	36	-116	-56	69	101	37
EPS basic (€)	0.21	-0.05	-1.11	-0.21	-0.51	-0.23	0.28	-0.10	-0.07	0.22	0.33	0.21	0.30	0.12	0.23	0.36	-1.16	-0.56	0.68	1.01	0.37
EPS diluted (€)	0.20	-0.05	-1.11	-0.21	-0.51	-0.23	0.27	-0.10	-0.07	0.21	0.31	0.20	0.28	0.12	0.22	0.34	-1.16	-0.56	0.66	0.96	0.37
NWC ^{*)}	967	1,062	1,135	1,228	1,119	1,356	1,407	1,525	1,277	1,495	1,446	1,344	1,132	1,282	1,306	1,296	967	1,119	1,277	1,132	1,120
Net debt	351	427	476	563	445	634	684	820	383	569	552	472	330	435	486	475	351	445	383	330	444

*) Since 2018 including supplier bonus receivables and contract assets.

SEGMENT OVERVIEW

Kloeckner Metals US

The **Kloeckner Metals US** segment consists of the entire business in the USA and Brazil. It covers all services from metal and steel distribution, processing to innovative and high-technology value-added business offered in this region. The segment accounted for ~40% of sales in 2020 and is therefore a main pillar of Klöckner & Co's strategic approach.

(€m)	Kloeckner Metals US					
	FY 2020	Q3 2020	Q2 2020	Q1 2020	FY 2019	FY 2018
Shipments (Tto)	2,339	599	527	649	2,660	2,730
Sales	2,076	515	478	601	2,659	2,706
Gross profit	374	92	77	104	415	529
EBITDA bef. mat. special effects	50	17	0	9	46	150
Cashflow from operating activities	85	46	44	-14	70	52

Kloeckner Metals Switzerland

The **Kloeckner Metals Switzerland** segment comprises of the specialty business located in Switzerland. Its core business of offering distribution solutions and services ranges from reinforcements to multi metal and technical products. It mainly serves in the construction, industry and commerce sectors.

(€m)	Kloeckner Metals Switzerland					
	FY 2020	Q3 2020	Q2 2020	Q1 2020	FY 2019	FY 2018
Shipments (Tto)	542	146	143	127	574	613
Sales	914	243	244	215	971	1,008
Gross profit	268	70	70	64	270	267
EBITDA bef. mat. special effects	62	17	24	10	55	47
Cashflow from operating activities	62	17	27	-24	68	36

SEGMENT OVERVIEW

Kloeckner Metals Services Europe

The second European based segment is **Kloeckner Metals Services Europe**. The segment consists of service center activities in Europe, especially for flat steel and aluminum. Moreover, processing as well as innovative and high-technology value-added business that is related to those service center activities are incorporated.

(€m)	Kloeckner Metals Services Europe					
	FY	Q3	Q2	Q1	FY	FY
	2020	2020	2020	2020	2019	2018
Shipments (Tto)	815	216	134	247	948	1,018
Sales	607	159	98	186	749	806
Gross profit	83	23	10	25	100	121
EBITDA bef. mat. special effects	19	7	-2	5	26	42
Cashflow from operating activities	29	-2	13	13	54	52

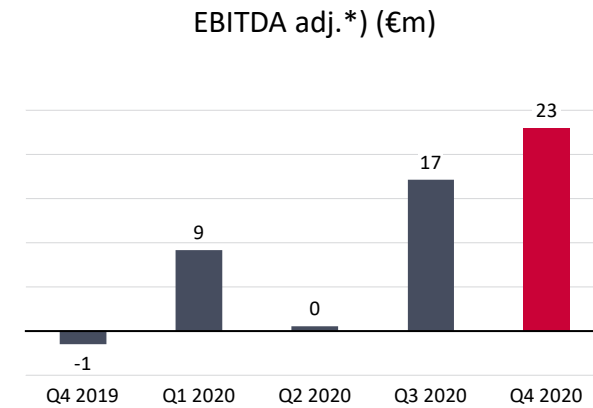
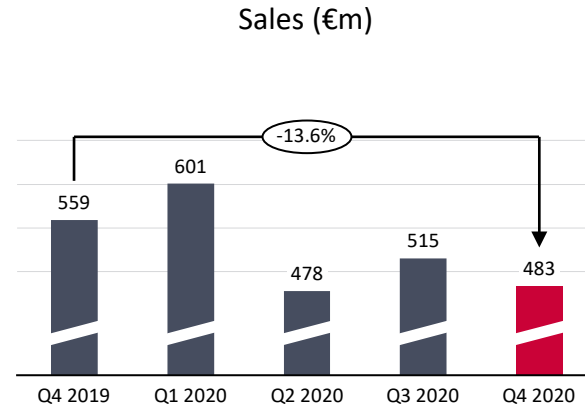
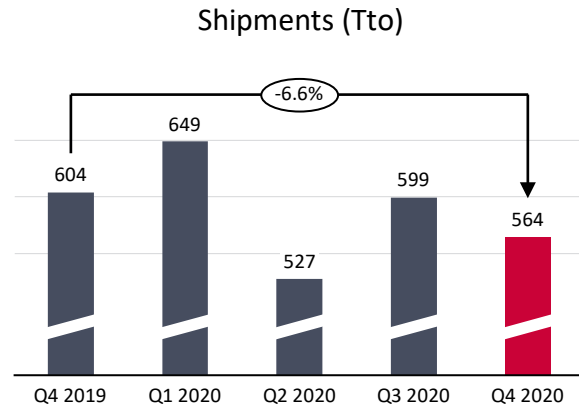
Kloeckner Metals Distribution Europe

The third segment that is geographically based in Europe is **Kloeckner Metals Distribution Europe**. While also offering processing and higher value-added services and products, its core business is related to the general steel and metal distribution in the covered European countries besides Switzerland. Kloeckner Metals Distribution Europe is the second largest segment of the Group.

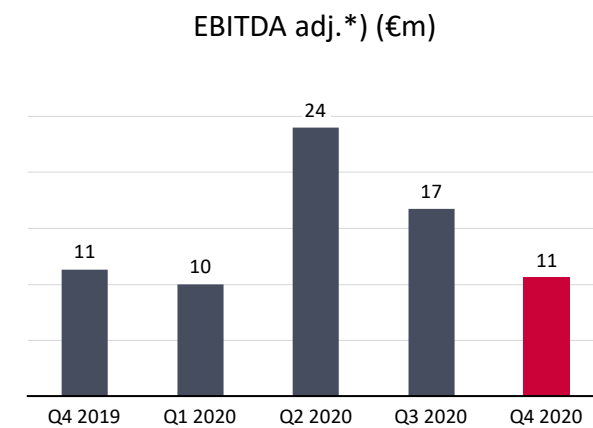
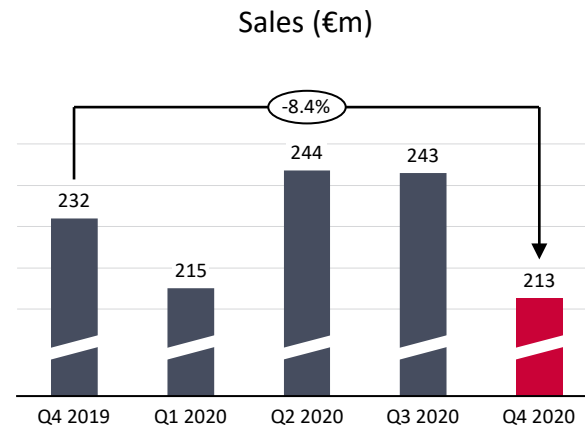
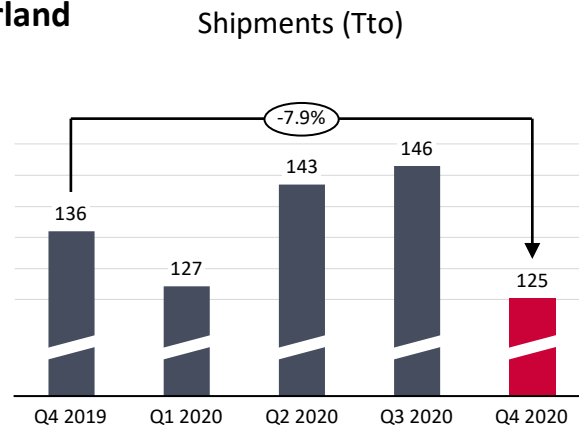
(€m)	Kloeckner Metals Distribution Europe					
	FY	Q3	Q2	Q1	FY	FY
	2020	2020	2020	2020	2019	2018
Shipments (Tto)	1,177	280	266	342	1,466	1,746
Sales	1,533	362	352	446	1,936	2,210
Gross profit	322	78	69	92	372	395
EBITDA bef. mat. special effects	7	4	-6	3	21	11
Cashflow from operating activities	10	9	21	-59	30	-35

SEGMENT PERFORMANCE

KM US



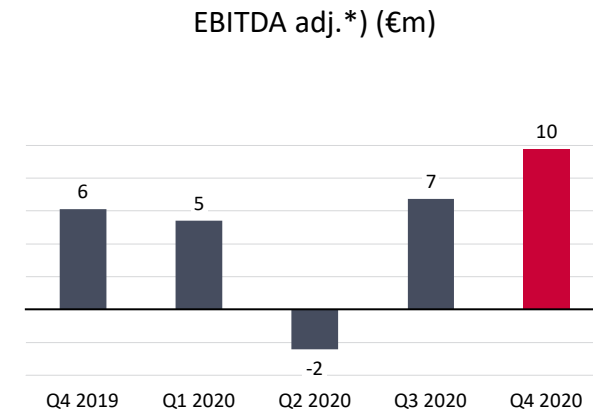
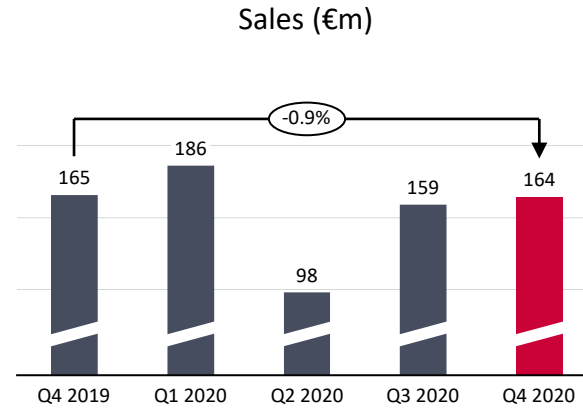
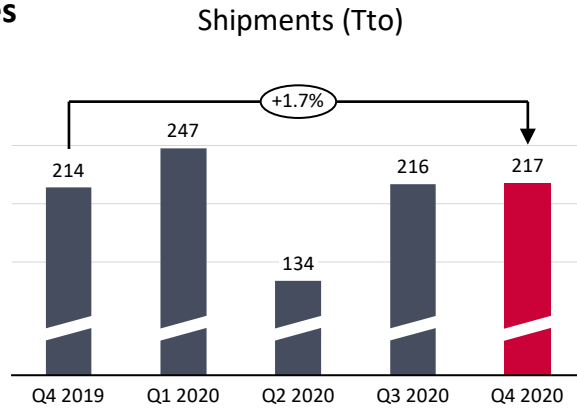
KM Switzerland



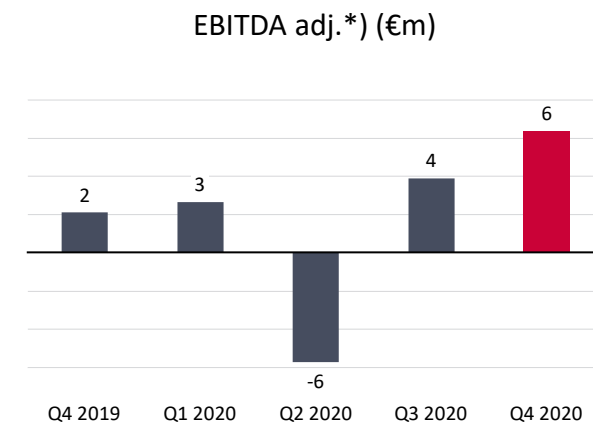
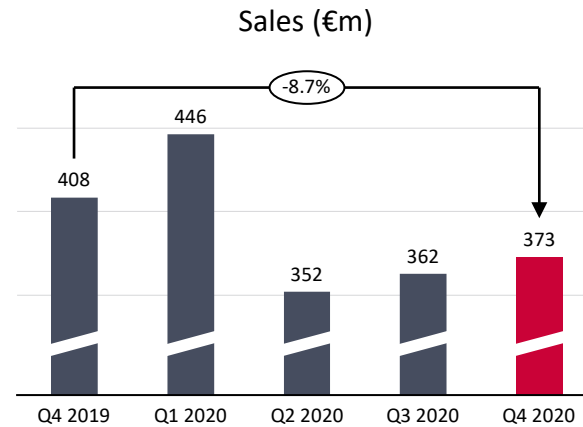
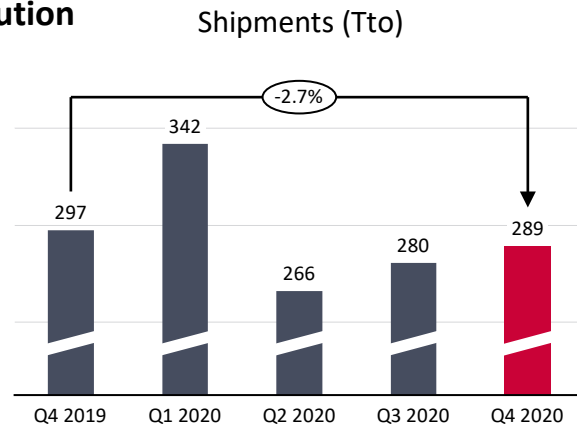
*) Adjusted in Q4 2019 by the gain on sale of the site in Switzerland and in Q2, Q3 and Q4 2020 by restructuring in the USA. Minor adjustments in segment reporting: New structure of the segment "Holding and other group companies" (previously including other activities such as the Brazilian distribution business, XOM Materials, kloeckner.i, kloeckner.v and the Dutch metering business). As of January 1, 2020, the Brazilian distribution business is assigned to the segment "Kloekner Metals US" and the metering business to the segment "Kloekner Metals Distribution Europe".

SEGMENT PERFORMANCE

KM Services



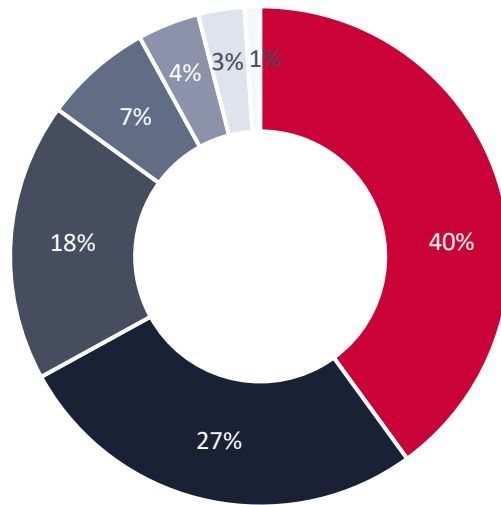
KM Distribution



*) Adjusted for restructuring expenses in Q3, Q4 2019 as well as in Q2, Q3 and Q4 2020 and for a gain on the sale of a site in London in Q2 2019. Minor adjustments in segment reporting: New structure of the segment "Holding and other group companies" (previously including other activities such as the Brazilian distribution business, XOM Materials, kloeckner.i, kloeckner.v and the Dutch metering business). As of January 1, 2020, the Brazilian distribution business is assigned to the segment "Kloeckner Metals US" and the metering business to the segment "Kloeckner Metals Distribution Europe".

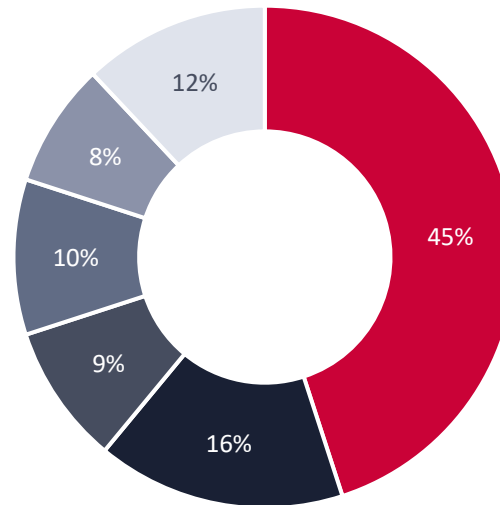
SALES BY MARKETS, PRODUCTS AND INDUSTRIES

Sales by markets



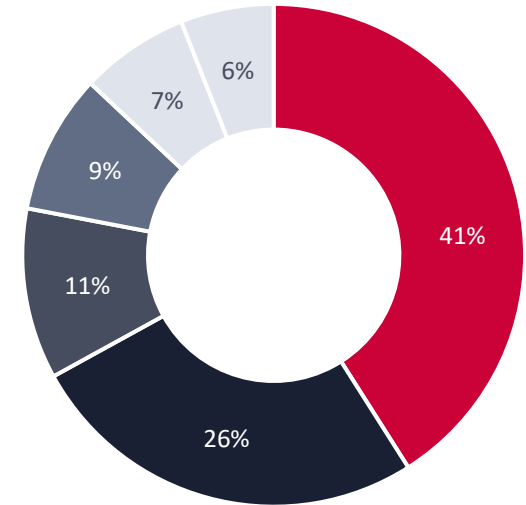
- USA
- Germany/Austria
- Switzerland
- France
- Benelux
- UK
- Brazil

Sales by products



- Flat products
- Long products
- Quality steel/Stainless steel
- Aluminum
- Tubes

Sales by industries



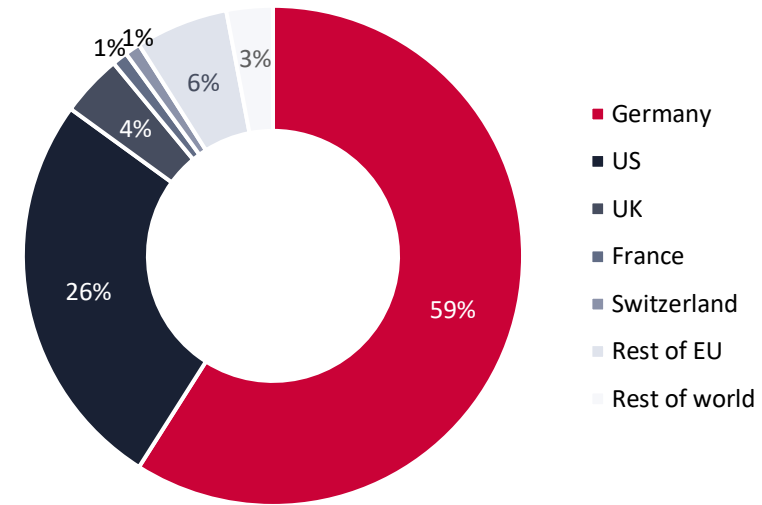
- Construction industry
- Machinery/Mechanical engineering
- Automotive industry
- Household appl./Consumer goods
- Local dealers

As of December 31, 2020.

CURRENT SHAREHOLDER STRUCTURE

Geographical breakdown of identified institutional investors

- Identified institutional investors account for 64%
- German investors incl. retail dominate
- Top 10 shareholdings represent around 50%
- Retail shareholders represent 25%



As of December 2020.

Voting Rights Announcements according to WpHG (Security Trading Act*)

Date of publication	Subject to compulsory notification	Portion of voting stock
09/02/2016	Swoctem GmbH / Friedhelm Loh	25.25%
16/02/2021	DWS Investment GmbH	3.35%
22/05/2019	Claas Edmund Daun	3.05%

*) The table lists all shareholders holding 3 % or more voting rights in Klöckner & Co SE due to the most recent voting rights notifications as of March 10, 2021 (Section 33 German Securities Trading Act (WpHG) respectively section 21 WpHG former version). Apart from the voting rights held by the shareholder itself, also voting rights attributed to him pursuant to section 34 WpHG (respectively section 22 WpHG former version) are included in the calculation of the share of voting rights. The table only contains the respective parent company being subject to the notification obligation, even if it made a notification also on behalf of any of its subsidiaries. Financial instruments according to Section 38 WpHG are not included in the table.

SHARE PRICE PERFORMANCE IN FY 2020

Share performance Klöckner & Co in FY 2020



- With the escalation of the COVID-19 pandemic in the first quarter of 2020 the share price of Klöckner & Co dropped sharply and reached its lowest level of €2.74 on March 18
- The share followed a strong recovery path afterwards, however, the capital markets environment remained highly volatile
- After two short correction periods the share increased strongly from November onwards, reaching its high for the year 2020 of €8.60 on December 17
- The share closed at €8.01 on December 30 (up by 27.5% yoy)

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 share for the years 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 no dividend payment neither in 2011, 2012 and 2013 nor in 2015
- Full distribution of net profit for the financial year 2014 (€0.20 per share)
- 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
- Due to negative net income no dividend in 2020^{*)}

Dividend payment per share

2006	2007	2008 - 2009	2010	2011 - 2013	2014	2015	2016	2017	2018	2019	2020
€0.80	€0.80	-	€0.30	-	€0.20	-	€0.20	€0.30	€0.30	-	- ^{*)}

^{*)} Proposal to the Annual General Meeting on May 12, 2021.

SUSTAINABILITY



Employees

A qualified and motivated workforce is central to our success.

Our working environment is characterized by long term security, supportiveness, professionalism and mutual respect.



Responsible Conduct

Compliance constitutes the basis of corporate responsibility.

Integral part of our corporate culture is compliance on the part of our employees and business partners.



Environment

We contribute to protecting the environment.

We consider it our duty to counter climate change and its related risks.



Digitalization

We are advancing the internal cultural change.

Our measures aim at anchoring innovative, digital ways of working and thinking within the company.



Customers

We prioritize high levels of customer satisfaction and enhancement of our customer focus.

We always conceptualize products and services, sales channels and innovations from the customer perspective.




Business Ambition for 1.5°C

As one of the very first companies in Germany, Klöckner & Co stepped up to the global frontrunners of climate change engagement and plans to align its business to the UN Global Compact “Business Ambition for 1.5°C”.

Felix Schmitz

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Internal Communications & Sustainability

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FINANCIAL CALENDAR

April 29, 2021

Q1 quarterly statement 2021

May 12, 2021

Annual General Meeting 2021

August 13, 2021

Half-yearly financial report 2021

November 3, 2021

Q3 quarterly statement 2021