

ODDO BHF NextCap Forum

Dr. Oliver Falk | CFO

June 12, 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. Overview
2. Strategy update and highlights
3. Financials
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Kloeckner & Co at a glance



Headquarters in Düsseldorf, with a network of **~120** locations

~6,500

employees worldwide^{*)}



~165,000

products available to meet varied industry needs



SBTi approved
net zero carbon targets



Serving over **60,000** customers, primarily in North America and Europe



Achieved a revenue of **6,623€** million in FY 2024



4,453 Tto delivered in 2024



136€ million EBITDA in FY 2024^{**)}



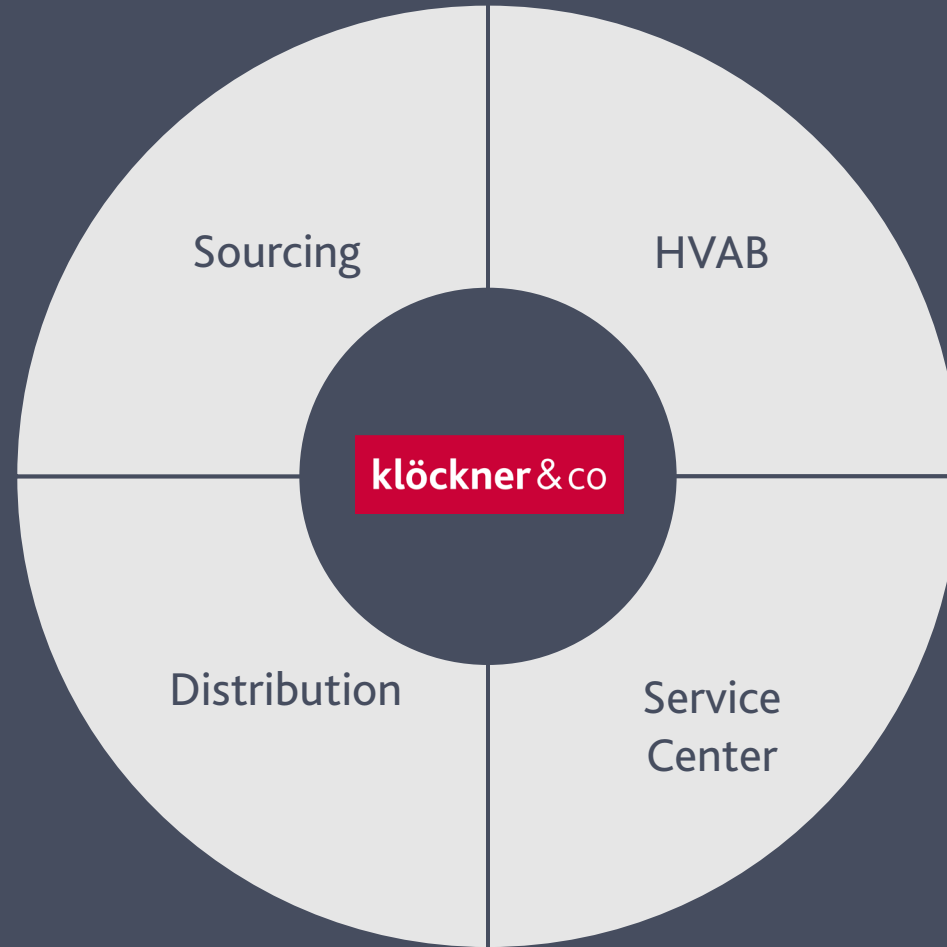
Expansion of **HVAB** leads to higher profitability and less volatility

^{*)} As of FY 2024 ^{**)} Before material special effects

Klöckner & Co value chain: Everything from one source

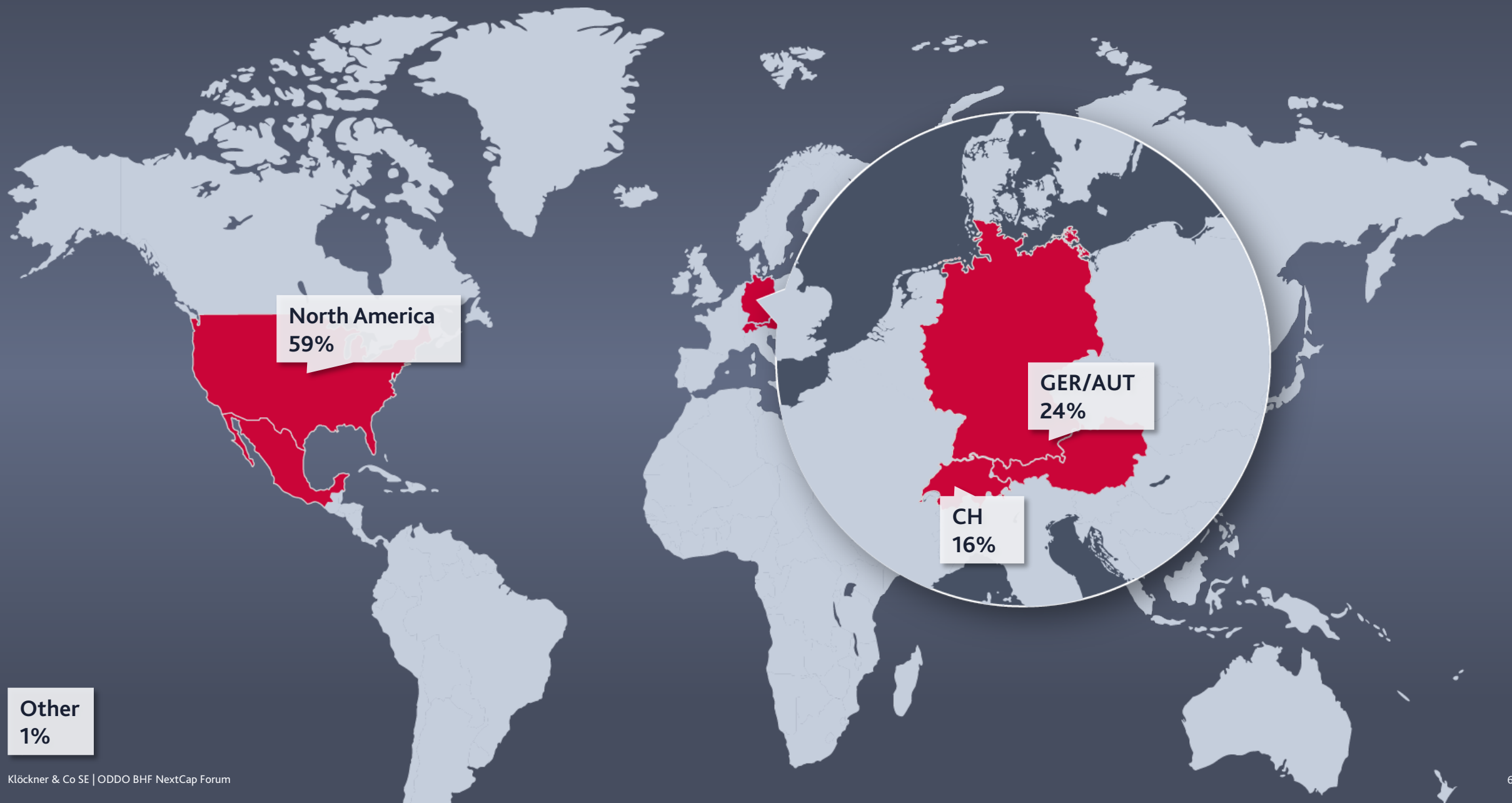


Suppliers



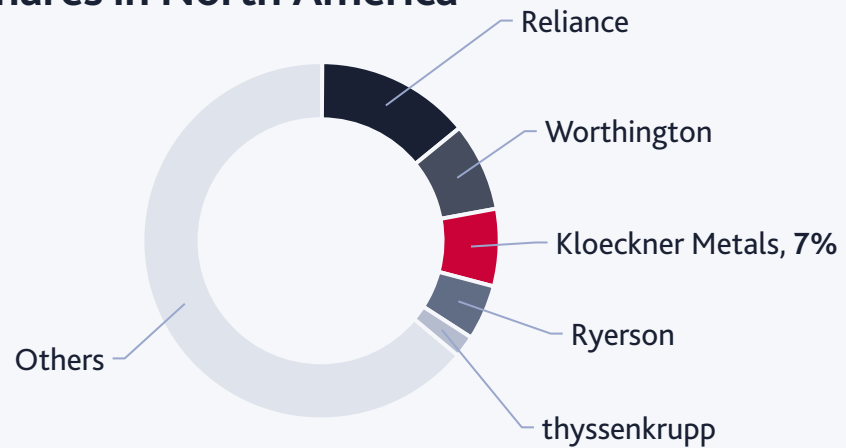
Customers

Global reach – local presence

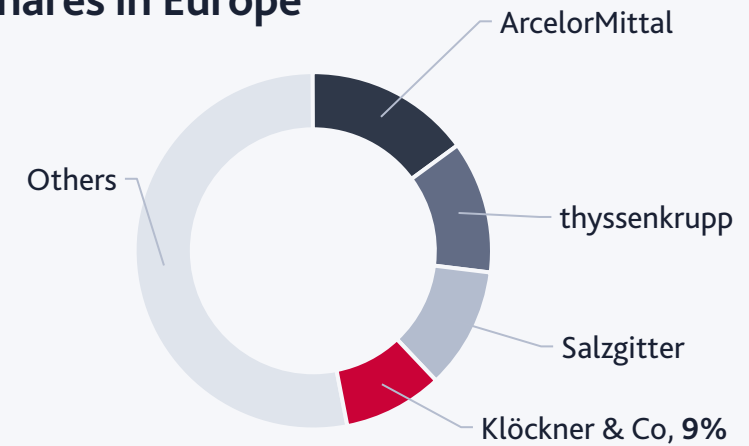


Leading player in fragmented markets

Market shares in North America



Market shares in Europe



Source: Eurometal, MSCI, local steel associations, management estimates.

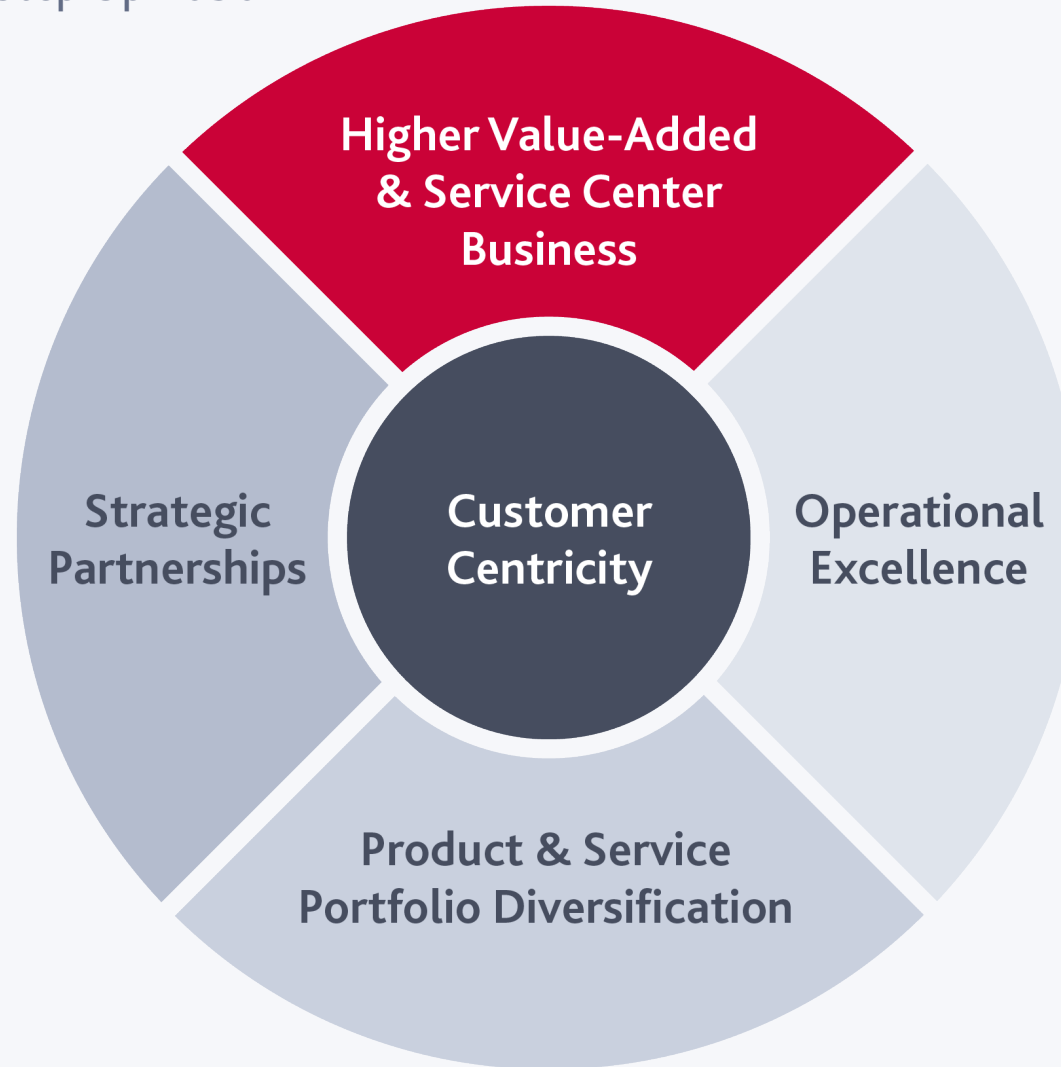
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Klöckner & Co: Leveraging Strengths - Step Up 2030

Entering a new strategic chapter: Step Up 2030



Klöckner & Co: Leveraging Strengths - Step Up 2030

Entering a new strategic chapter: Step Up 2030



Key priority: Expanding our higher value-added business and service center business

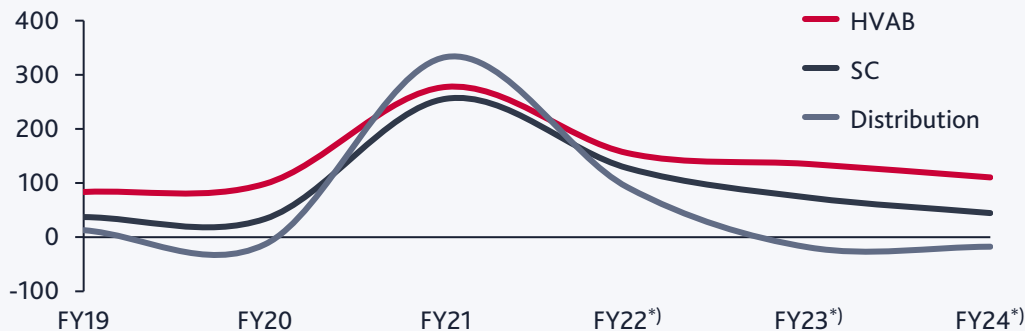
Lever towards increasing profitability while reducing underlying volatility

What is higher value-added business (HVAB) and service center business (SC)?

- HVAB: Metal products, which are extensively processed or fabricated before delivery to the customer, for instance with welding and 3D laser cutting systems
- SC: Multi-metal services, such as cutting-to-length and slitting

Why do we want to expand these businesses?

EBITDA before MSE development by business



- Especially HVAB with higher profitability as a result of high degree of product customization
- Longer-term contracts and lower dependence on volatile commodity price developments
- Higher barriers to entry for potential competitors compared to the distribution business, due to the need for specialized equipment, technical expertise and certifications

How do we achieve this?

Product & Service Portfolio Diversification

Strategic Partnerships

Operational Excellence

*) Continuing operations in accordance with IFRS 5.

Our 2030 targets

Becoming the leading service center and metal processing company in North America and Europe, with one of the highest profitability levels in the industry

Sales growth
above market

Through the cycle
annual EBITDA in
the mid-three-
digit €m range

Through the cycle
EBITDA margin of
>5%

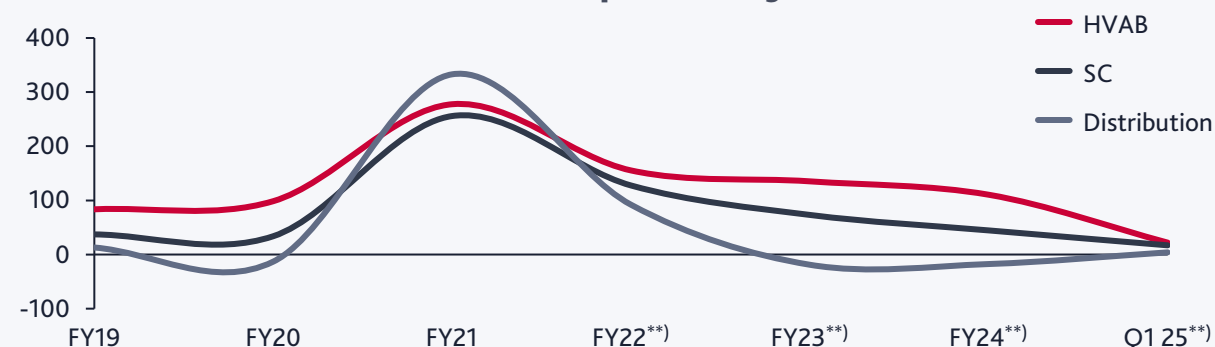
ROCE >10%

Developing from a steel distribution company to a metal processor

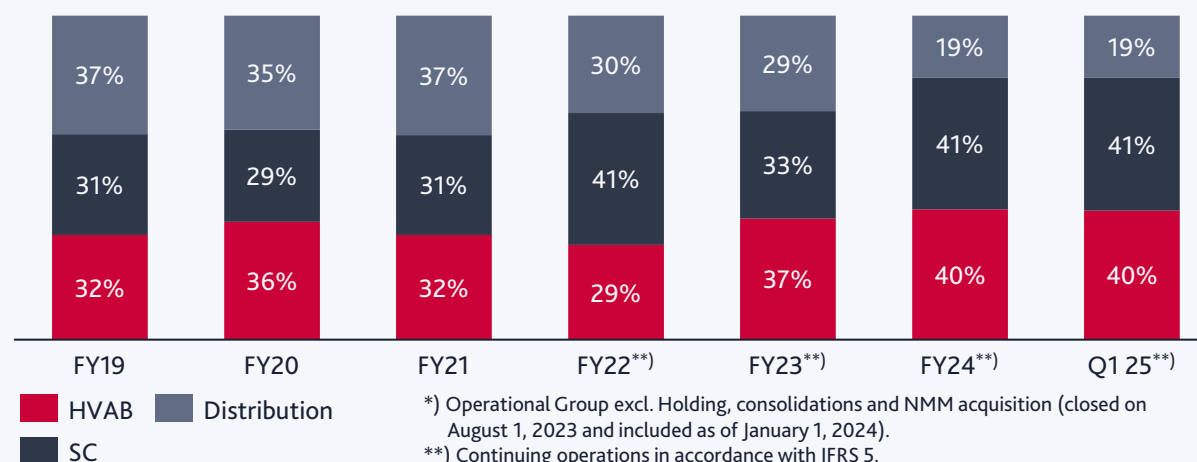
Adapting to the significantly altered business environments with sharpened strategic focus to ensure sustainable growth, mitigate risks and maintain competitiveness in dynamic market landscape

- 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

EBITDA before MSE^{*)} development by business



Sales^{*)} split by business





Strengthening our focus on strong future industries

Enhancing manufacturing expertise and industry focus across Europe and North America

Germany

- Agreed to acquire Ambo-Stahl in Cologne to enhance capabilities in specialized steel processing
- Strengthening our presence in the sectors of defense and infrastructure where growing demand is expected
- Acquisition and integration expected to be completed by mid-2025, delivering high-quality services to customers

United States

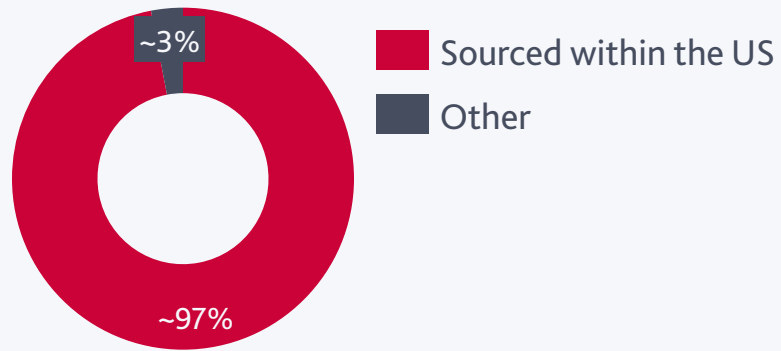
- Expanded our manufacturing capabilities with the acquisition of Haley Tool & Stamping near Nashville, Tennessee
- Enhancing our presence in Tennessee, creating operational synergies with nearby facilities
- Improving our operational efficiency through access to advanced stamping presses and in-house tooling capabilities
- Supporting growth in automotive, aerospace and industrial manufacturing

Local for local business in North America

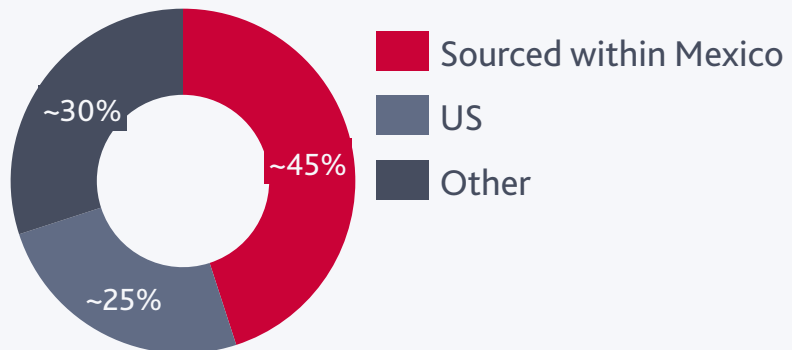
Benefiting from the ongoing nearshoring trend

Sourcing by region

US

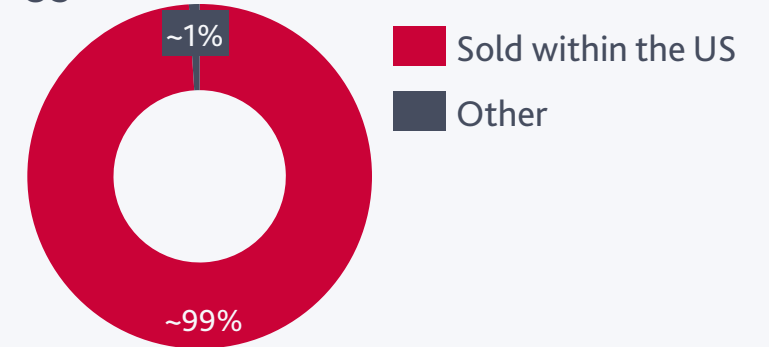


Mexico

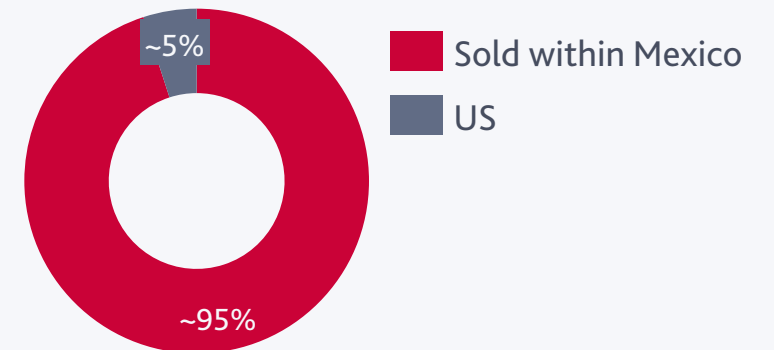


Sales by region

US



Mexico



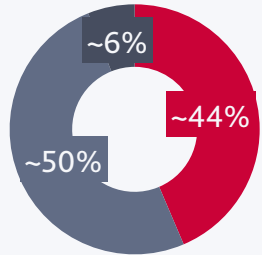
Local for local business in Europe

Limited direct impact of US tariffs as most sourcing and selling is done locally

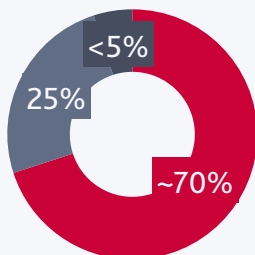
Sourcing by region

Germany

KMG

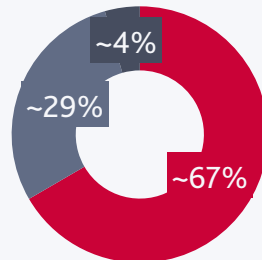


Becker



■ Sourced within Germany ■ EU ■ Non-EU

Switzerland

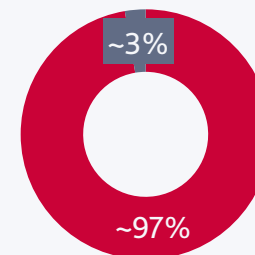


■ Sourced within Switzerland ■ EU ■ Non-EU

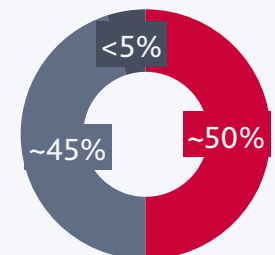
Sales by region

Germany

KMG

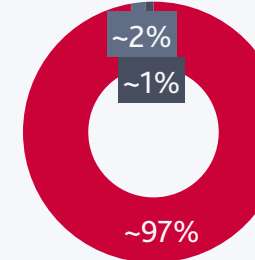


Becker



■ Sold within Germany ■ EU ■ Non-EU

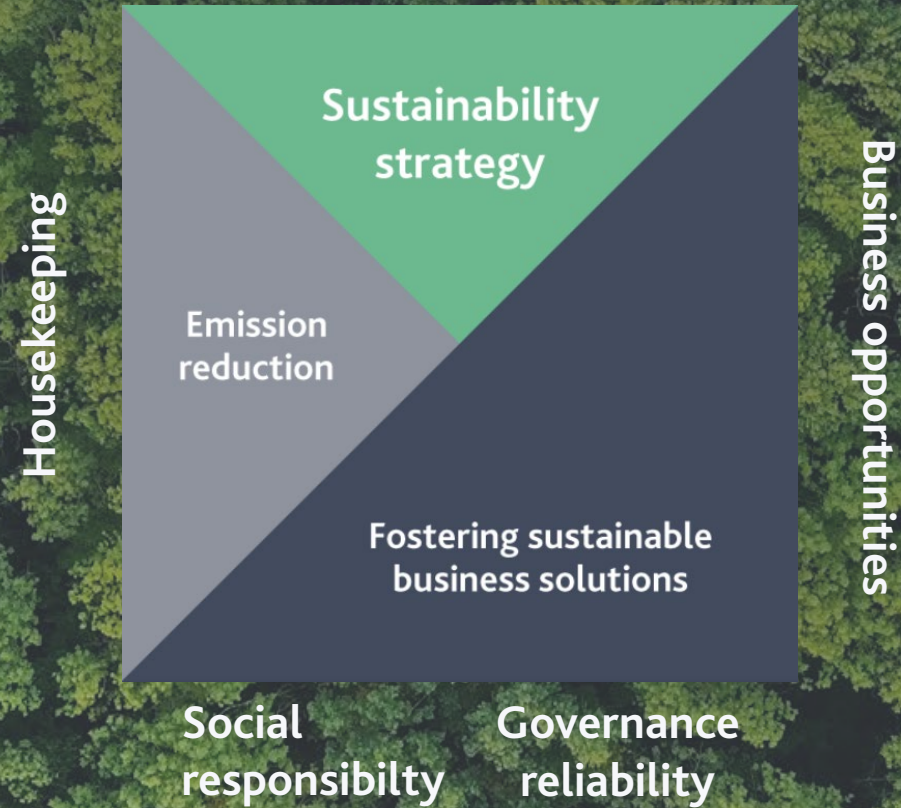
Switzerland



■ Sold within Switzerland ■ EU ■ Non-EU

Strategic perception of sustainability transformation

Significant opportunities from offering sustainable business solutions



What is Nexigen®?

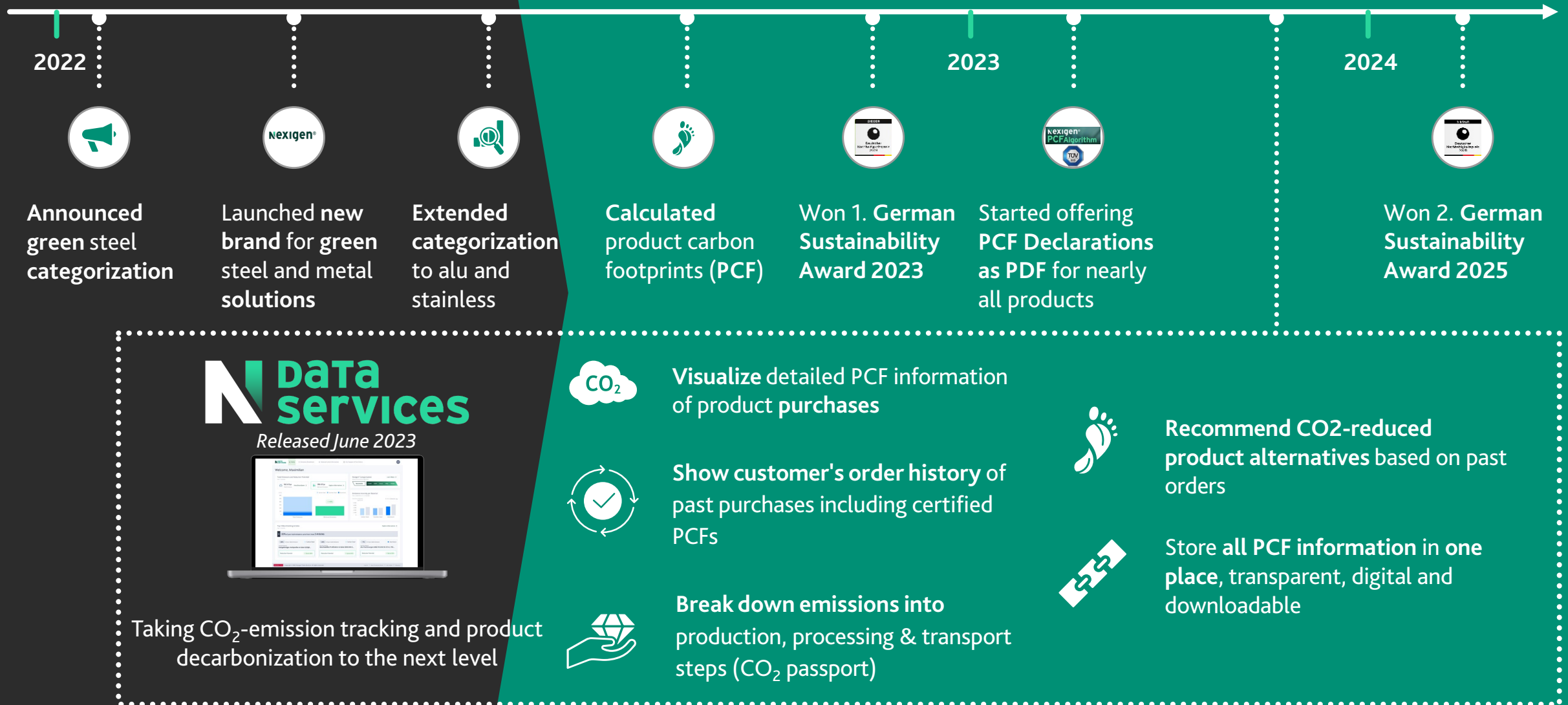
Our new brand for
green steel & metals solutions

Under Nexigen®, Kloeckner offers transparent, CO₂-reduced solutions in the area of materials, operations and logistics that help our customers establish sustainable value chains.

With Nexigen®, we support our partners in accelerating their green transformation and making their progress in sustainability visible.



Our Nexigen® timeline



Nexigen® PCF Algorithm at a glance



Transparency

... on the Individualized Product Carbon Footprints (PCF) of all purchased goods



Comprehensive

... complete emissions from cradle until the product reaches customers' entry gates



Certified and reliable

... externally certified calculation methodology by TÜV SÜD



Individualized and tailored

... to the specific purchased product



Fulfilling legal requirements

... of emissions accounting in the supply chain

Our ambitious climate targets

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



kloeckner takes
action 2040 

Scope 1 & 2

Own direct and
indirect emissions

62.5% reduction
by 2030

Net zero by 2040

Scope 3

Under direct
influence

50% reduction
by 2030

Net zero by 2040

Scope 3

Not under direct
influence

30% reduction
by 2030

Net zero by 2050

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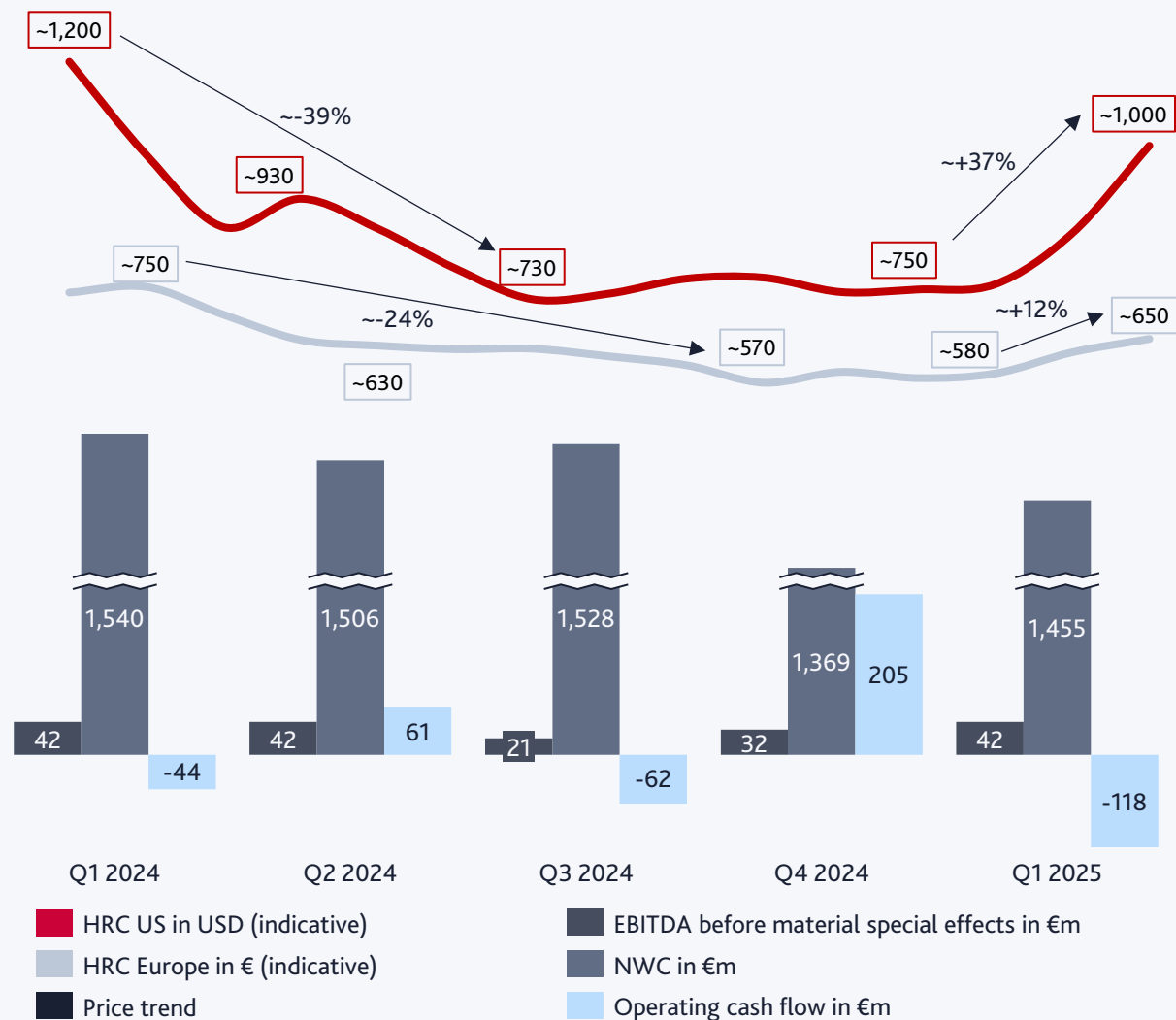
Highlights of Q1 2025

	Q1 2025	Q1 2024	Delta	
Shipments (Tto)	1,170	1,139	+2.7%	Slight increase yoy driven by strong development of Kloeckner Metals Americas; Kloeckner Metals Europe with negative volume development
Sales (€m)	1,666	1,737	-4.1%	Slight decrease yoy despite increased shipments as a result of lower average price level
Gross profit (€m)	317	297	+6.6%	Considerable increase yoy; gross profit margin also increased yoy
EBITDA ^{*)} (€m)	42	42	0	Constant level yoy according to guidance
Oper. CF (€m)	-118	-44	-74	Negative OCF due to NWC increase
Net financial debt (€m)	914	790	+124	Increase yoy mainly due to negative operating cashflow

^{*)} Before material special effects.

Our net working capital management

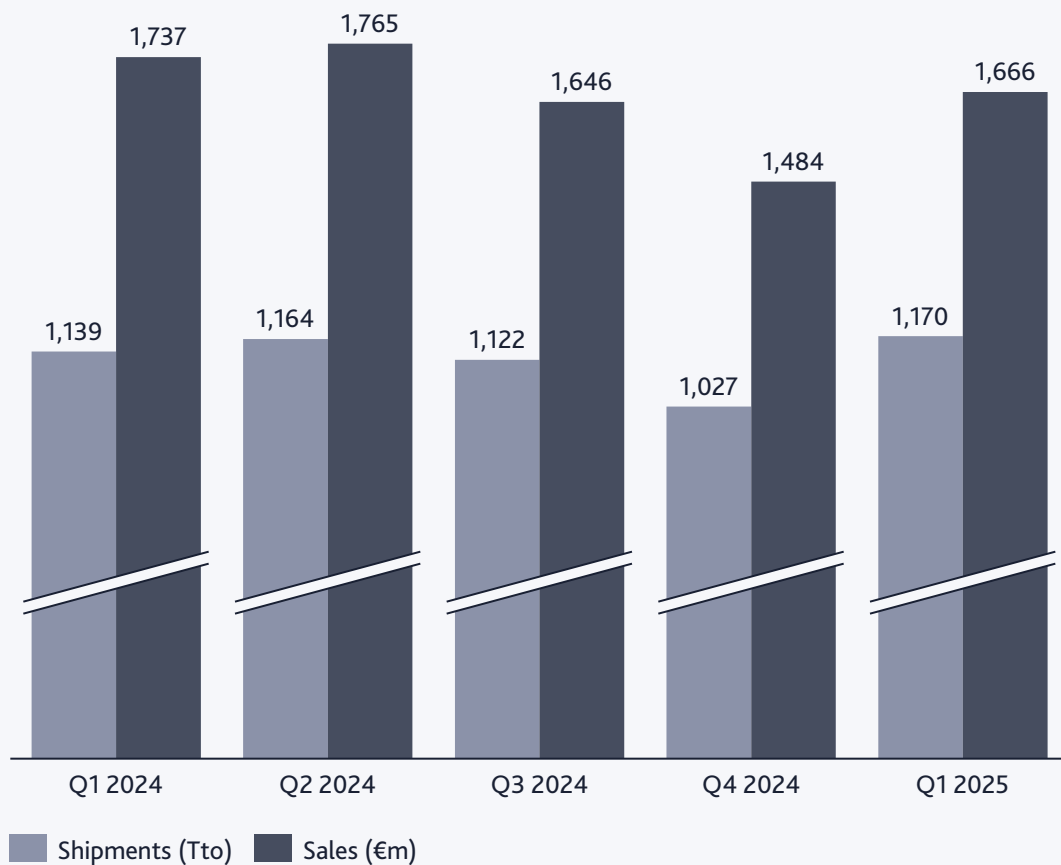
Solid first quarter EBITDA performance in line with guidance



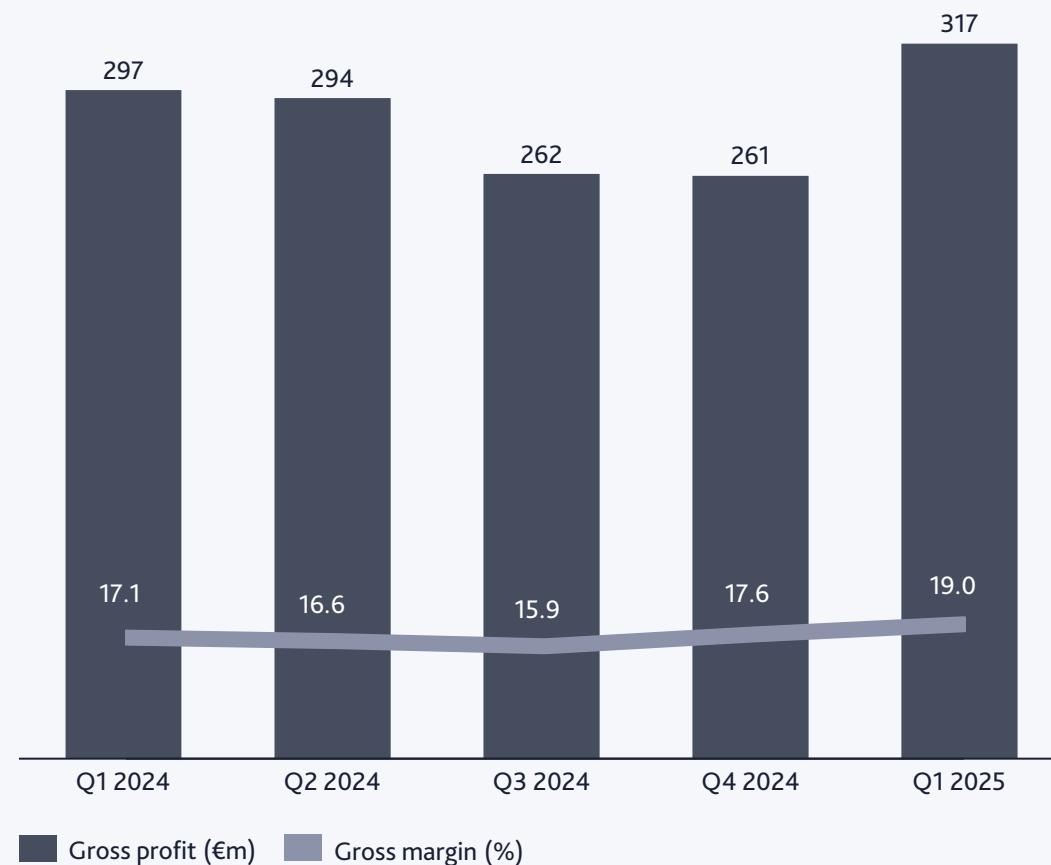
- Committed to a strong “through the cycle performance”, fostering upside risks and mitigating downside risks
- Achieved EBITDA before material special effects of €42m in Q1 2025
- Dedicated to translating current positive pricing momentum into strong operating results in Q2 2025 and beyond
- Strategy execution fully on track; improving our underlying profitability further
- Continuing to leverage digitalization and automation initiatives
 - Digital quotes increased by 2.6% yoy in Q1 2025

Shipments, sales and gross profit development

Shipments & sales

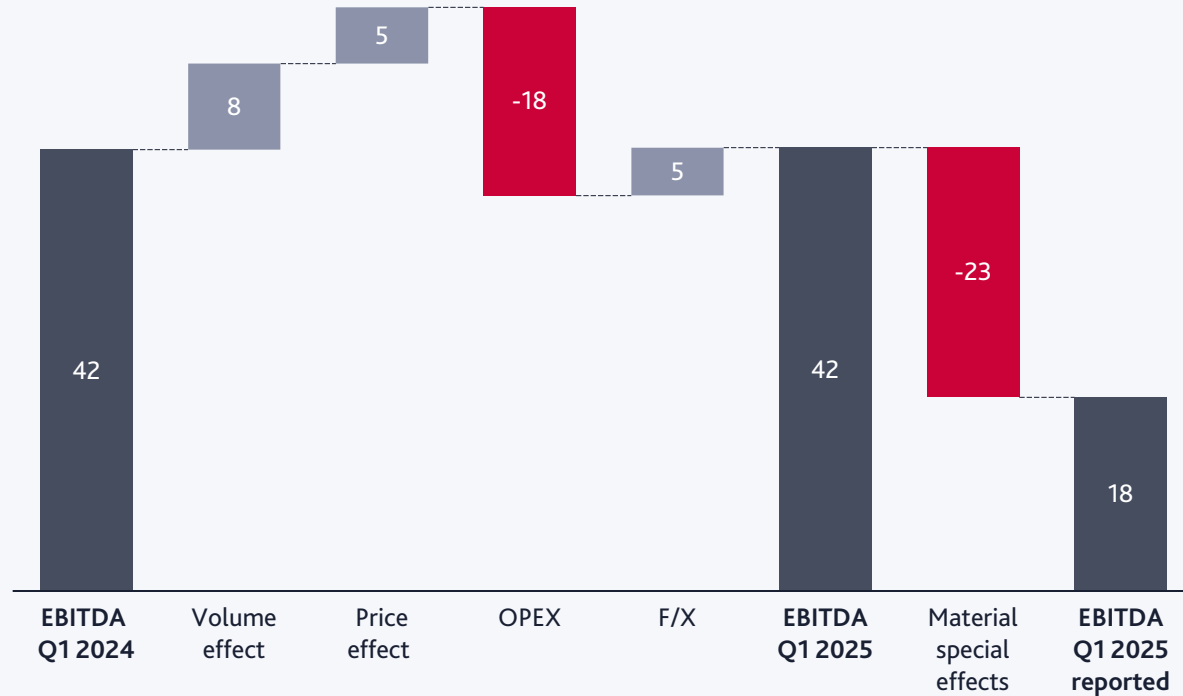


Gross profit & gross profit margin



EBITDA development

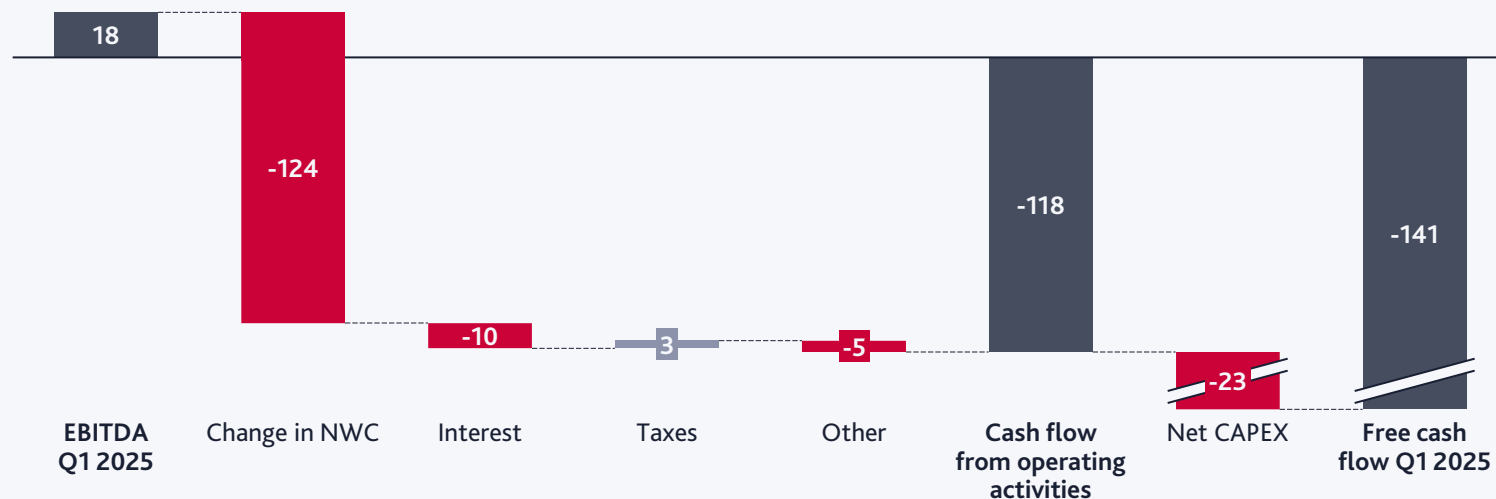
EBITDA (€m) in Q1 2025



- EBITDA before material special effects in Q1 2025 of €42m; constant yoy
- Positive volume effect of €8m and price effect of €5m
- OPEX higher €18m yoy
- Positive F/X effects of €5m yoy
- Material special effects mainly related to the final deconsolidation of the Brazilian entity

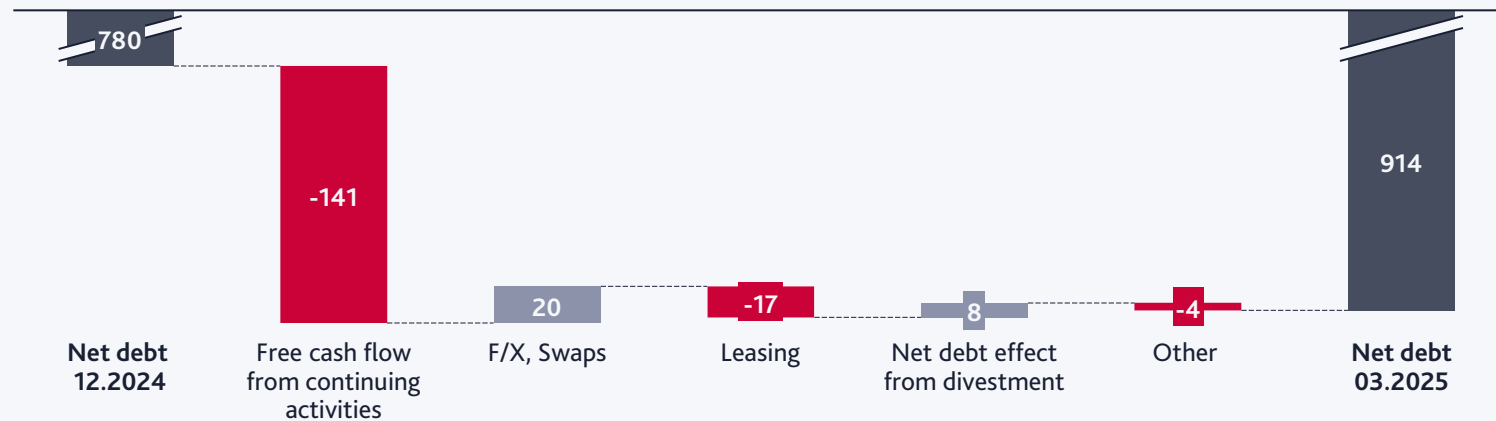
Cash flow and net debt development

Cash flow Q1 2025 (€m)



- EBITDA reported of €18m
- Net working capital increased by €124m
- Cash flow from operating activities of €-118m
- Net Capex of €23m
- Free cash flow accordingly €-141m

Net financial debt 12.2024 vs 03.2025 (€m)

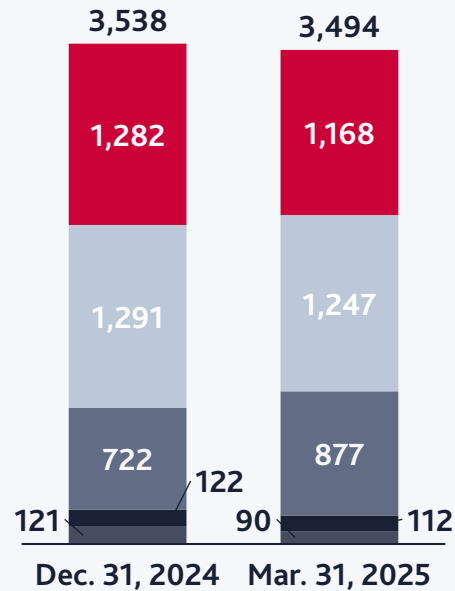


- Net financial debt increased from €780m to €914m
- Positive F/X translation effects of €20m
- Leasing increased by €17m
- Net debt effect from divestment of our Brazilian entity of €8m

Balance sheet development

Equity ratio of 46%, gearing^{*)} of 58% and leverage of 6.7x

Assets (€m)



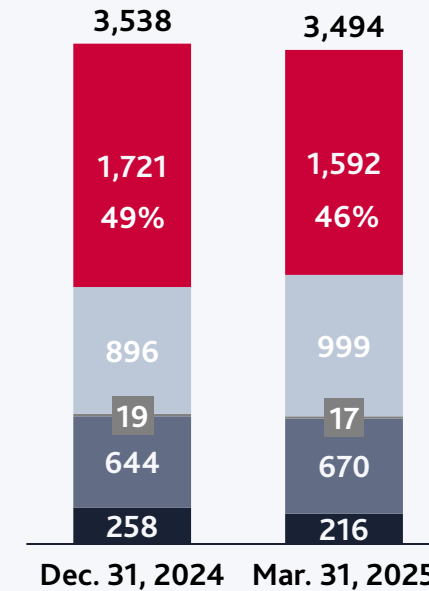
■ Non-current assets ■ Trade receivables**) ■ Liquidity
■ Inventories ■ Other current assets

*) Gearing = Net financial debt / (Consolidated equity ./ non-controlling interests ./ goodwill resulting from acquisitions subsequent to May 23, 2024).

**) Incl. contract assets and supplier bonuses.

***) Incl. contract liabilities and advance payments received.

Equity & Liabilities (€m)



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

Maturity profile

Facility (€m)	Committed Mar 31, 2025	Drawn amount	
		Mar 31, 2025	Dec 31, 2024
Syndicated Loan ¹⁾	350	141	173
ABS Europe ²⁾	300	85	30
ABL USA	601	362	375
ABL Mexico	106	69	48
Syndicated Loan CH ³⁾	210	152	85
Other Bilaterals	42	42	40
Leases	152	152	149
Total Debt	1,761	1,004	901
Cash		90	121
Net Debt		914	780

1) After renewal in December 2024 with effective date January 2025.

2) In February 2024 the participating entities from the UK, FR and NL have exited the program; we are currently reviewing the program and will reduce its size significantly.

3) New facility (CHF 200m) signed in January 2025 replacing local bilaterals (CHF 160m)

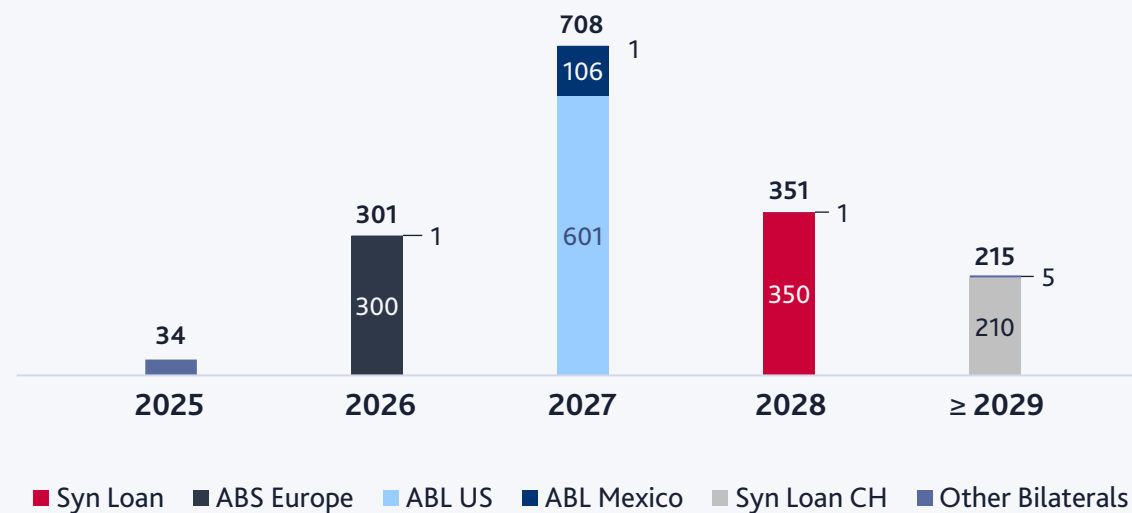
4) Equity attributable to shareholders of Klöckner & Co SE less goodwill from business combinations subsequent to May 23, 2024 (updated definition following renewal of syndicated loan facility).

5) Net debt as reported/Adjusted equity.

6) Net debt as reported/LTM EBITDA before material special effects.

€m	Mar 31, 2025
Adjusted equity ⁴⁾	1,583
Net Debt	914
Gearing ⁵⁾	58%
Leverage ⁶⁾	6.7x

Maturity profile (excl. Leases) in €m, Mar 31, 2025



















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Region specific business outlook 2025

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

Outlook



- Considerable increase in sales and constant development of shipments expected (qoq)
- EBITDA before material special effects expected to come in between €60-90m



- Shipments and sales expected to increase considerably yoy
- EBITDA before material special effects expected to increase considerably yoy
- Expecting positive operating cash flow, considerably above previous year's level

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Quarterly and FY results

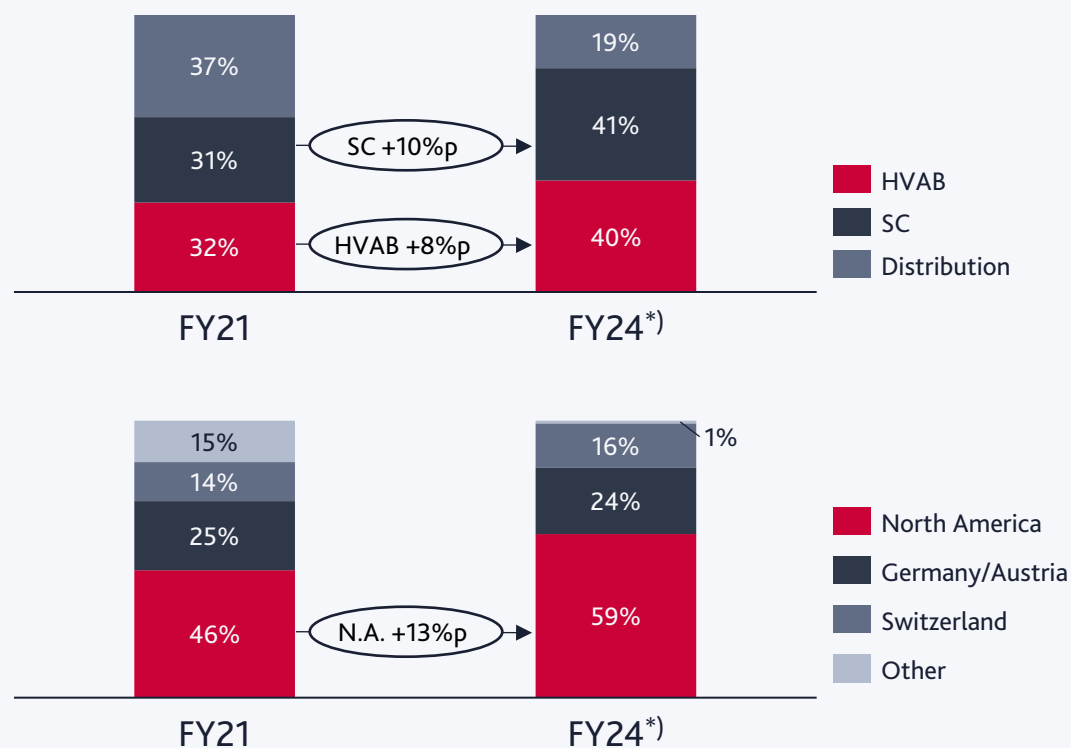
(€m)	Q1 2025	Q4 2024*)	Q3 2024*)	Q2 2024*)	Q1 2024*)	Q4 2023*)	Q3 2023*)	Q2 2023*)	Q1 2023*)	FY 2024*)	FY 2023*)	FY 2022*)	FY 2022	FY 2021	FY 2020
Shipments (Tto)	1,170	1,027	1,122	1,164	1,139	1,026	1,091	1,044	1,087	4,453	4,248	4,193	4,629	4,881	4,873
Sales	1,666	1,484	1,646	1,765	1,737	1,606	1,756	1,754	1,840	6,632	6,957	8,337	9,379	7,441	5,130
Gross profit	317	261	262	294	297	269	282	296	311	1,113	1,157	1,328	1,563	1,893	1,047
% margin	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	42	32	21	42	42	17	44	65	65	136	190	355	417	848	111
Material special effects	-23	-16	-8	0	-5	-5	0	0	5	-27	0	52	64	-30	-59
EBITDA rep.	18	16	13	42	37	12	44	65	70	109	190	407	481	879	52
% margin	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.)	0	0	0	3	0	-2	4	0	-4	3	-3	30	31	-16	1
EBIT	-12	-19	-17	11	5	-29	15	38	43	-20	66	299	348	754	-93
Income from Investments	1	0	0	-2	1	0	-1	0	-2	-2	-4	6	6	11	0
Financial result	-12	-15	-16	-15	-17	-18	-12	-8	-8	-62	-46	-34	-34	-17	-30
EBT	-23	-34	-33	-5	-11	-47	1	29	34	-83	16	270	319	748	-124
Income taxes	-5	-57	4	-13	3	12	-4	-14	-10	-62	-16	-57	-60	-119	9
Net income	-28	-91	-29	-18	-8	-35	-3	15	24	-146	0	213	259	629	-114
Minority interests	0	0	0	0	0	0	0	0	0	1	1	6	6	10	2
Net income KCO	-28	-91	-29	-18	-8	-35	-3	15	23	-147	-1	207	253	619	-116
EPS basic (€)	-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 (€)	-0.28	-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	1,455	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	914	780	872	779	790	775	923	596	539	780	775	584	584	762	351

*) Continuing operations in accordance with IFRS 5.

Developing from a steel distribution company to a metal processor

Sharpened regional and business focus

Sales split



*) Continuing operations in accordance with IFRS 5.

Our achievements



Financial Stabilization

Further de-risked the balance sheet: Pensions paid and equity ratio at a consistently strong level



Portfolio optimization

Sold parts of the low-margin distribution business in Europe, acquired value accretive companies in North America



Perceived as service center and metal processing company

Already ~80% of sales are generated in the service center (SC) and higher value-added business (HVAB)



Regional focus

Focused on economically strong North America and DACH region, with ~60% of sales generated in North America



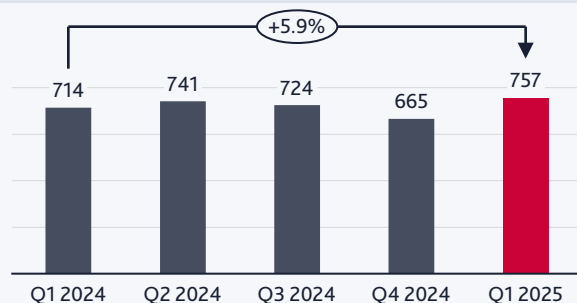
Leader of the sustainable industry

Offering CO₂-reduced materials, services and logistics solutions under Nexigen® brand

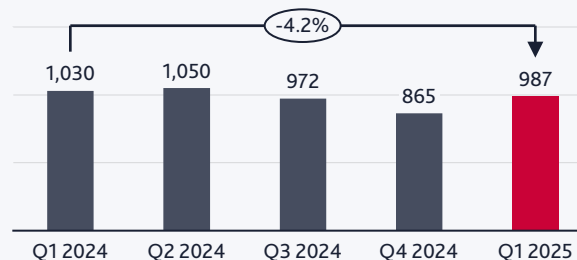
Segment performance

KM Americas

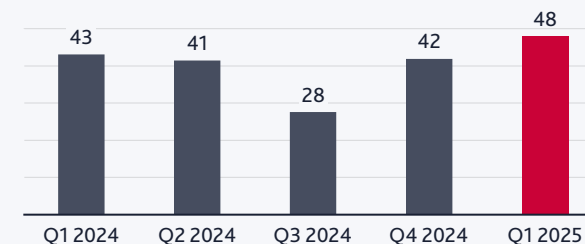
Shipments (Tto)



Sales (€m)

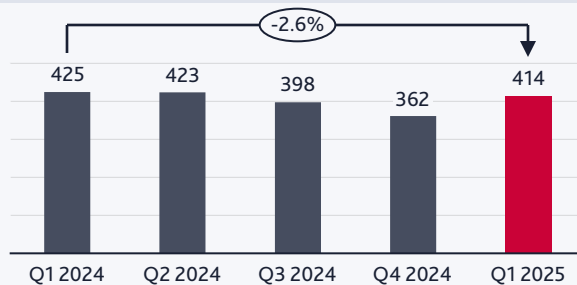


EBITDA^{*)} (€m)

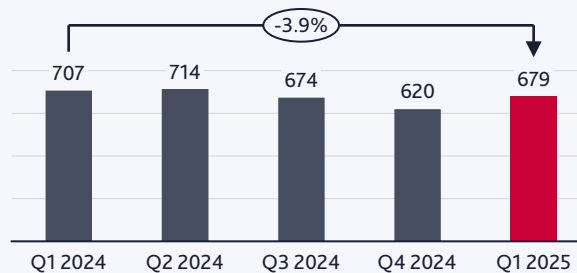


KM Europe

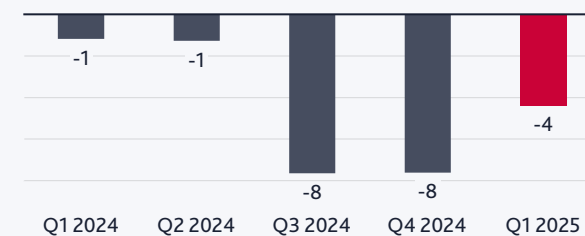
Shipments (Tto)



Sales (€m)



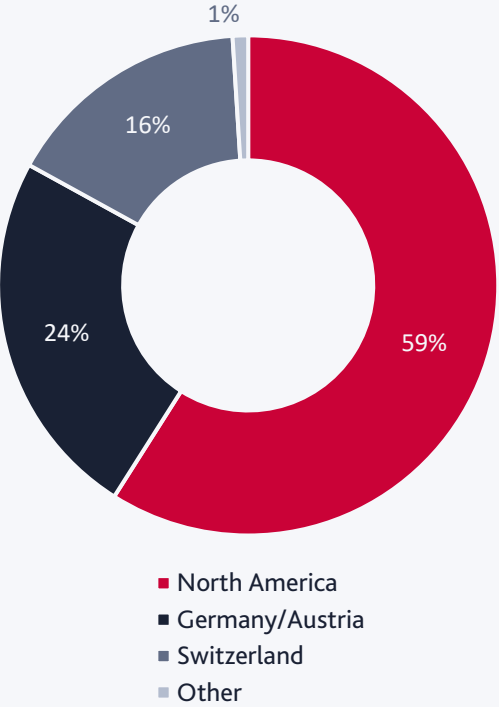
EBITDA^{*)} (€m)



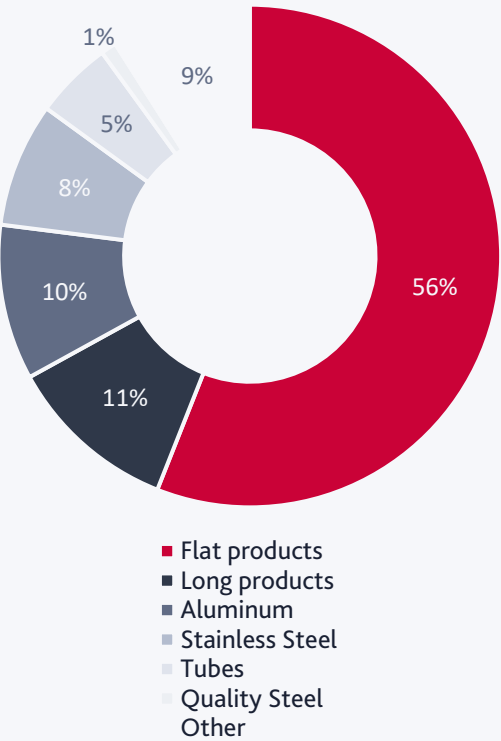
^{*)} Adjusted for material special effects in Q1 2024, Q3 2024, Q4 2024 and Q1 2025 in KM Europe and Q3 2024, Q4 2024 and Q1 2025 in KM Americas.

Sales by markets, products and industries

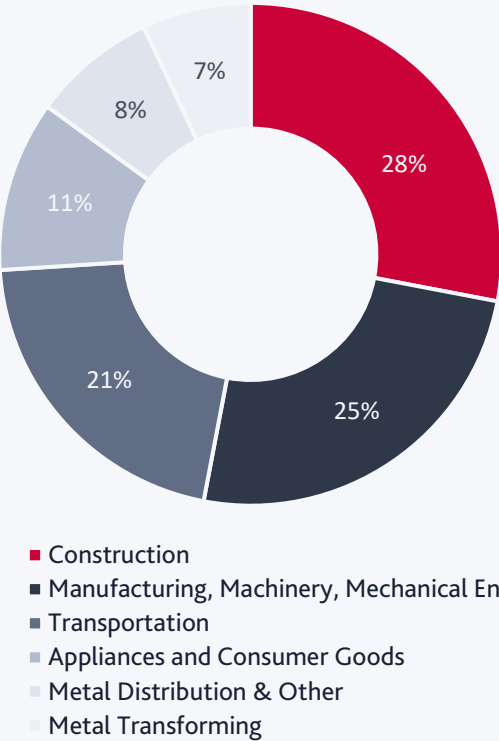
Sales by markets



Sales by products



Sales by industries

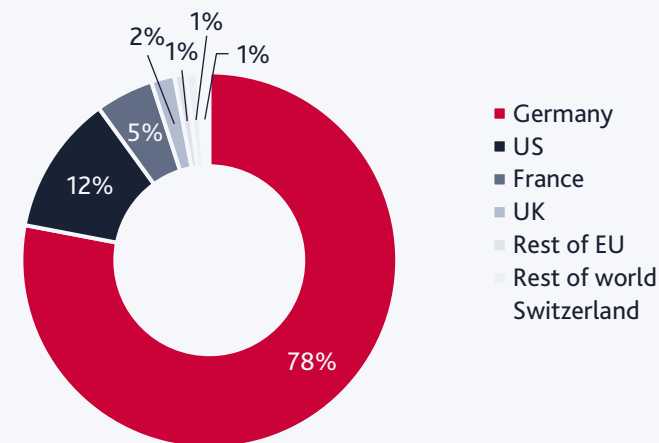


As of December 31, 2024. Continuing operations.

Current shareholder structure

Geographical breakdown of identified institutional investors

- Around 99% of investors identified in December 2024
- Identified institutional investors account for 60%
- German investors incl. retail dominate
- Retail shareholders represent 26%



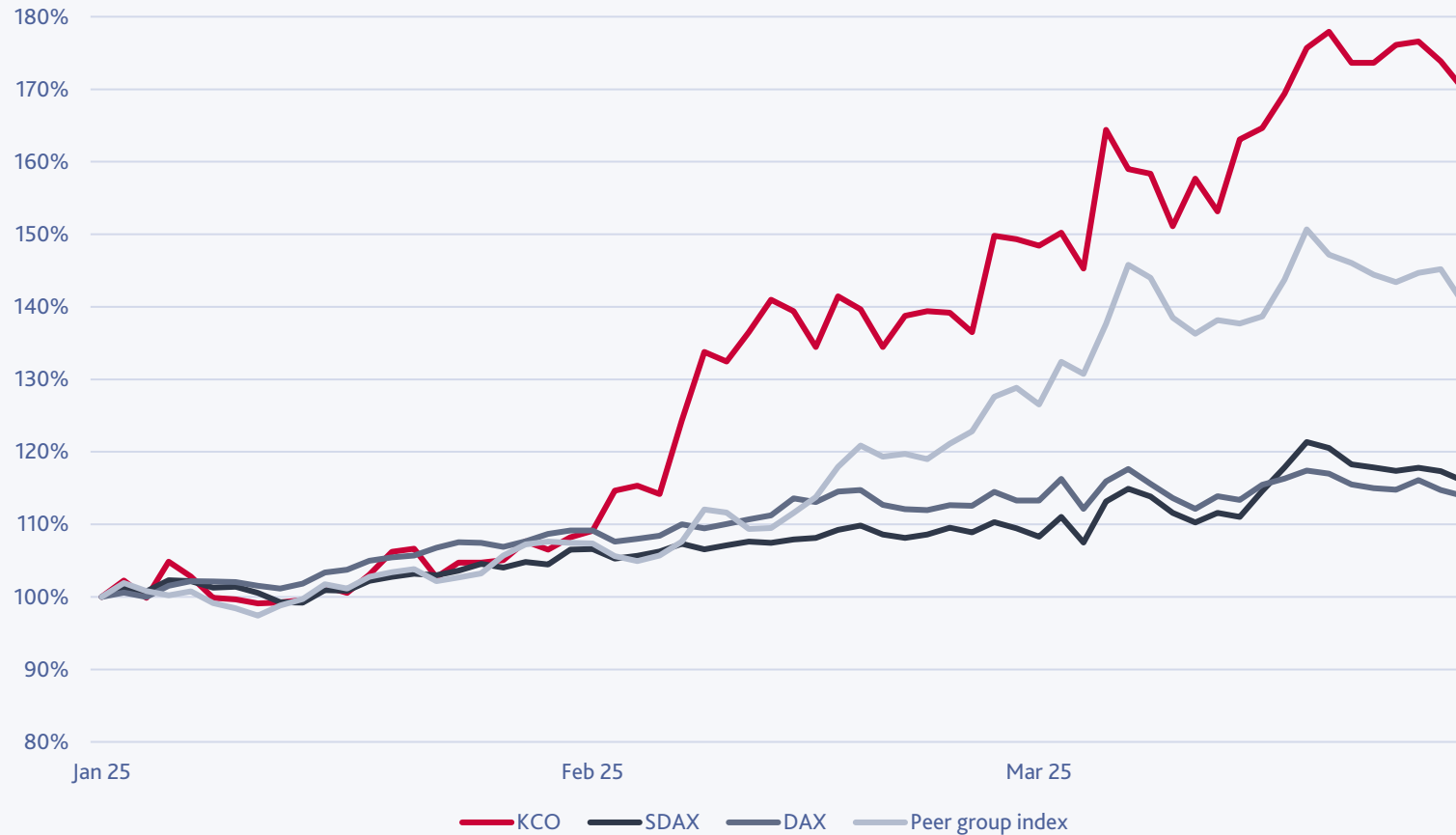
As of December 2024

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

Date of publication	Subject to compulsory notification	Portion of voting stock
05/02/2024	Swoctem GmbH / Friedhelm Loh	41.53%
13/03/2025	Rossmann Beteiligungs GmbH	5.95%
04/11/2022	The Goldman Sachs Group, Inc.	4.99%
01/12/2022	Dimensional Holdings Inc.	3.01%

^{*)} 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 June 12, 2025 (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 performance in Q1 2025



- The share price of Klöckner & Co demonstrated strong development through the first quarter of 2025
- It reached its peak level of €7.92 on March 19, 2025
- Subsequently, the share price gradually declined and went out of trading at €7.37 on March 31, 2025

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

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-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 for the financial year 2023 and 2024

Dividend payment per share

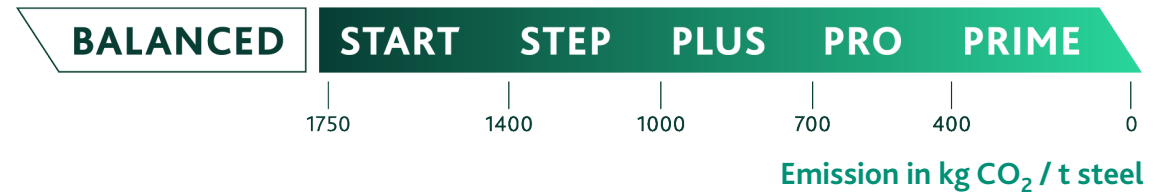
2006	2007	2008 2009	2010	2011 2013	2014	2015	2016	2017	2018	2019 2020	2021	2022	2023	2024
€0.80	€0.80	-	€0.30	-	€0.20	-	€0.20	€0.30	€0.30	-	€1.00	€0.40	€0.20	€0.20



NEXIGEN® STEEL CATEGORIZATION

Six categorizations for transparent carbon emissions

We have developed a categorization for CO₂-reduced steel so that customers can directly see the carbon footprint of their purchased product.



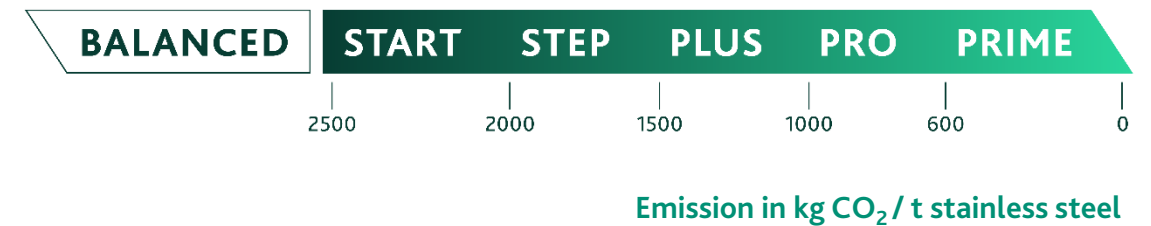
LEADING THE SUSTAINABILITY TRANSFORMATION

- ✓ Methodology along international standards
- ✓ No offsetting included in CO₂ load categorization (compensation data as add-on)
- ✓ Emissions from raw material to production
- ✓ Separate category for “balanced” green steel

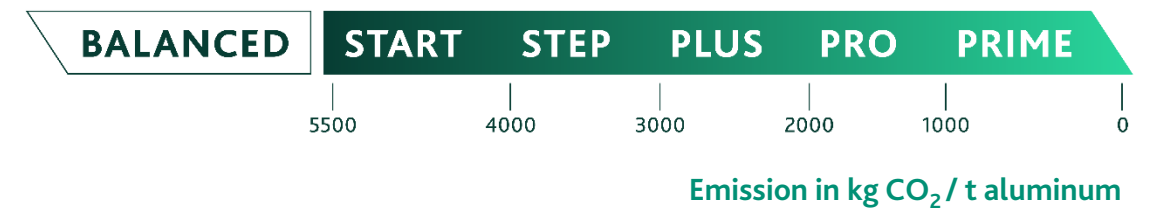


A comprehensive approach Nexigen® categorizations for stainless steel & aluminum

Stainless Steel



Aluminum



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🌐 www.kloeckner.com

Financial calendar

May 28, 2025

Annual General Meeting 2025

August 6, 2025

Half-yearly financial report 2025

November 5, 2025

Q3 quarterly statement 2025