klöckner & co Your partner for a sustainable tomorrow

Q1 2025 Results

Analysts' and Investors' Conference Call

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

May 7, 2025

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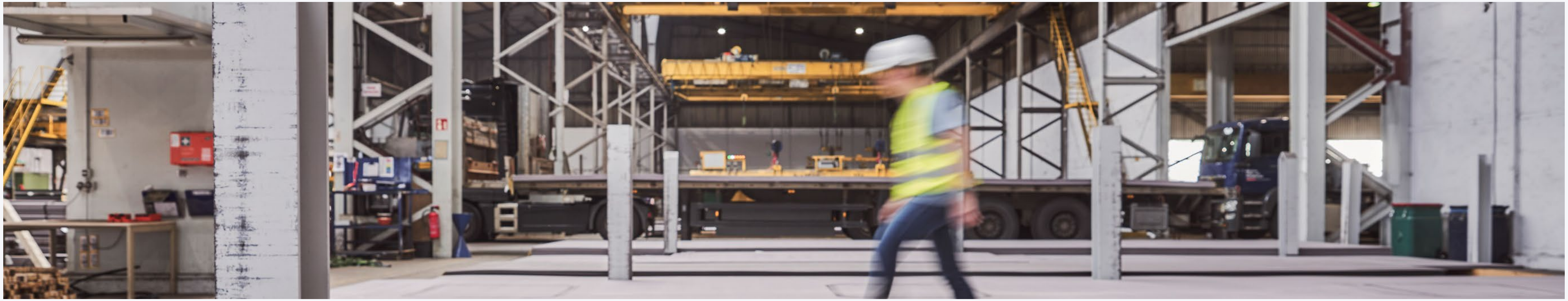

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In addition to the key figures prepared in accordance with IFRS and German-GAAP respectively, Klöckner & Co SE is presenting non-GAAP key figures such as EBITDA, EBIT, Net Working Capital and net financial liabilities that are not a component of the 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
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Highlights of Q1 2025

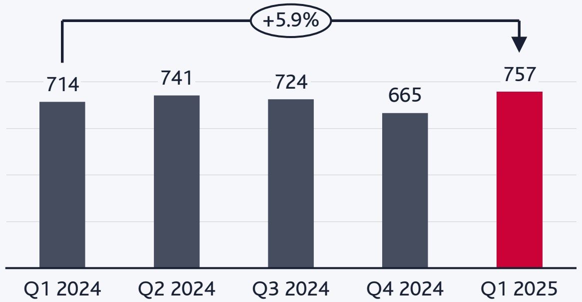
	Q1 2025	Q1 2024	Delta	
Shipments (Tto)	**1,170**	1,139	+2.7%	Slight increase yoy driven by strong development of Kloeckner Metals Americas; Kloeckner Metals Europe with negative volume development
Sales (€m)	**1,666**	1,737	-4.1%	Slight decrease yoy despite increased shipments as a result of lower average 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.

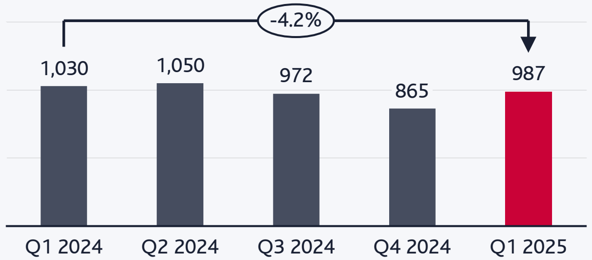
Segment performance

KM Americas

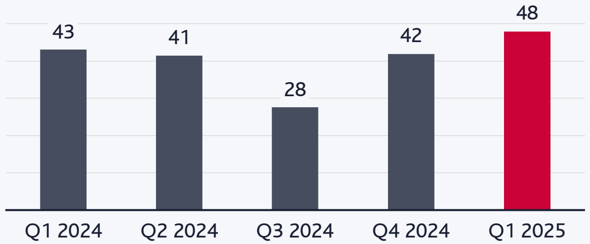
Shipments (Tto)



Sales (€m)

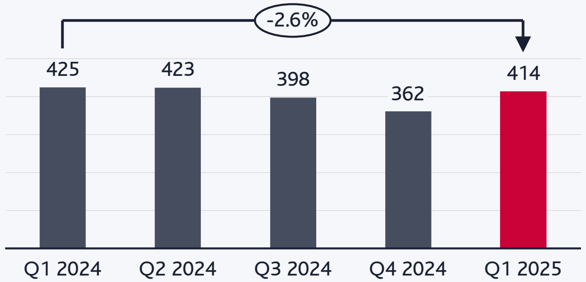


EBITDA*) (€m)

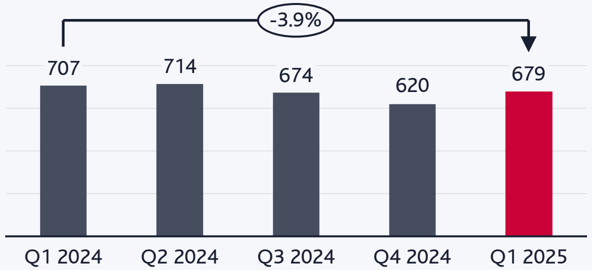


KM Europe

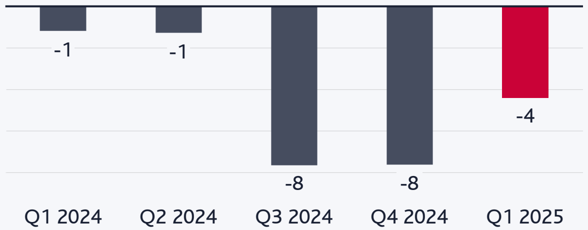
Shipments (Tto)



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.

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 CO_2-reduced materials, services and logistics solutions under Nexigen® brand

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

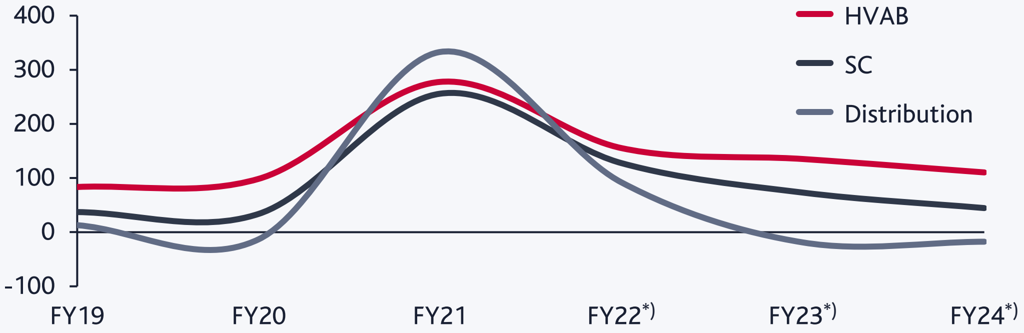
Lever towards increasing profitability while reducing underlying volatility

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

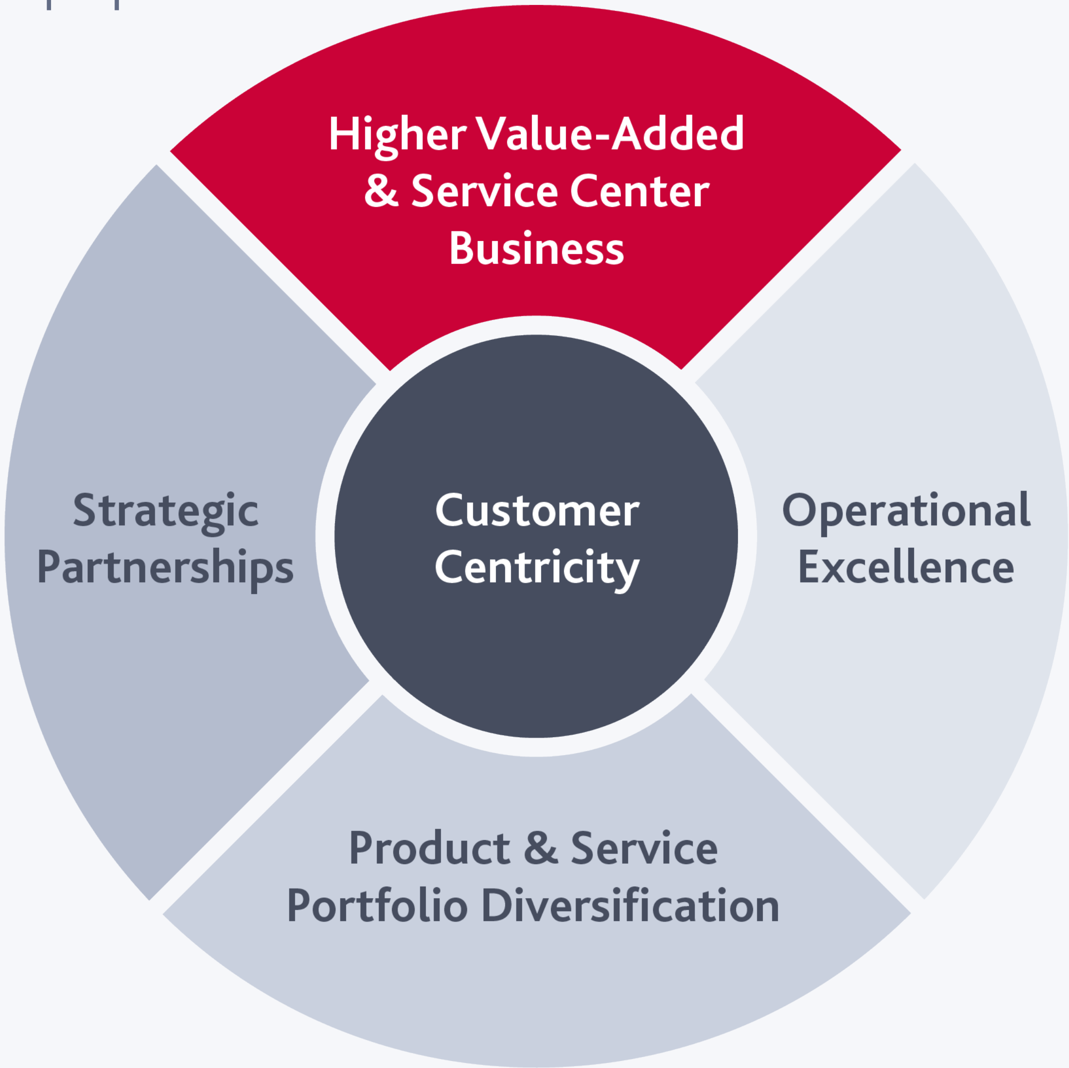
Strategic Partnerships

Operational Excellence

*) Continuing operations in accordance with IFRS 5.

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

Higher Value-Added & Service Center Business

Customer Centricity

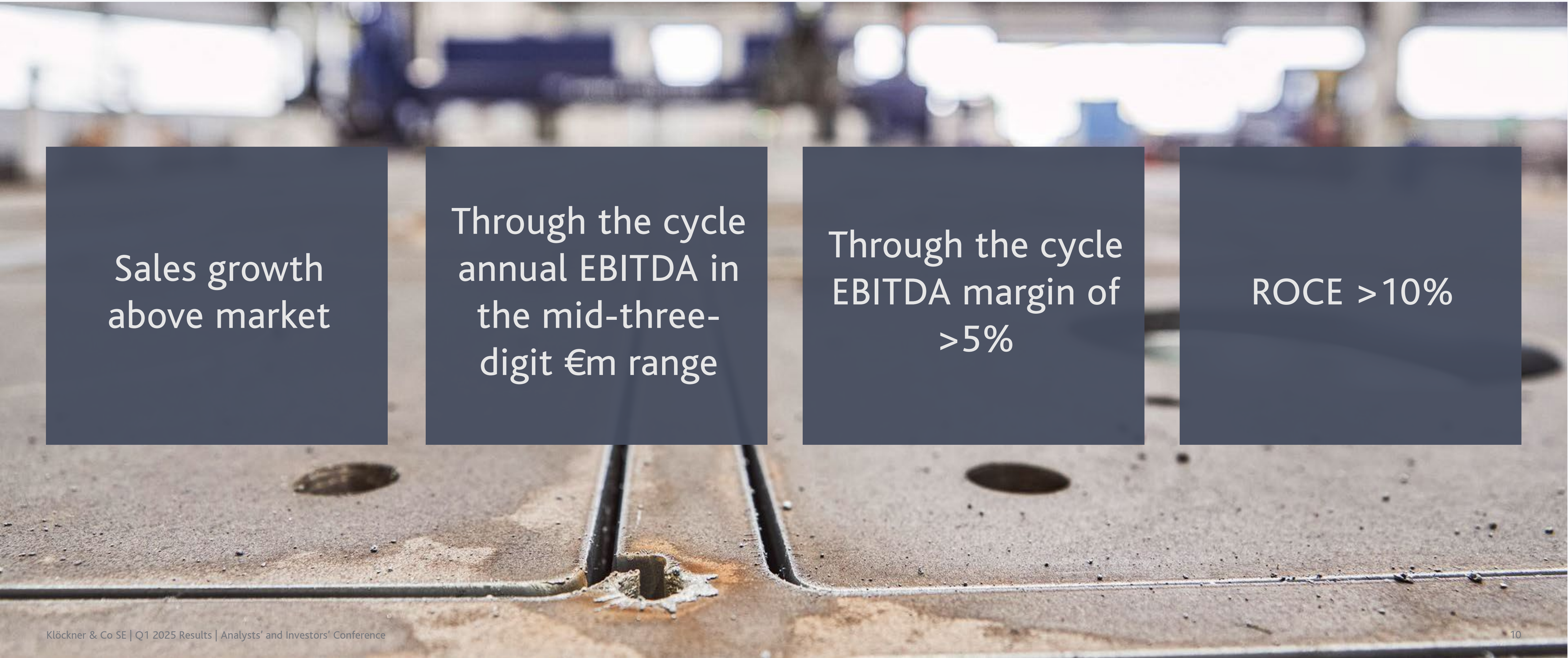
Strategic Partnerships
Strengthening relationships with strategic partners and suppliers through targeted measures and offerings to better integrate products and services into customers' value chains

Operational Excellence
Providing the most efficient solutions and best services to integrate seamlessly into value chains of customers through continued identification and elimination of inefficiencies in processes with the aim to further leverage expertise and knowledge in automation, enabling economies of scale to achieve value creation with minimal manual intervention towards “zero touch”

Product & Service Portfolio Diversification
Stronger emphasis on diversifying and improving product and service portfolio to build unrivaled portfolio of products and services, which creates value for customers to increase customers’ share of wallet and establish long-term contractual relationships. Under Nexigen®, we will increasingly offer CO_2-reduced products and services to meet growing demand in the years ahead

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%

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

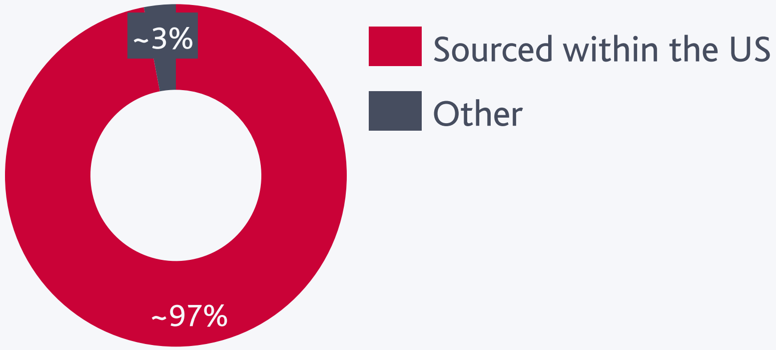
- Expanded our manufacturing capabilities with the acquisition of Haley Tool & Stamping near Nashville, Tennessee
- Enhancing our presence in Tennessee, creating operational synergies with nearby facilities
- Improving our operational efficiency through access to advanced stamping presses and in-house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

Local for local business in North America

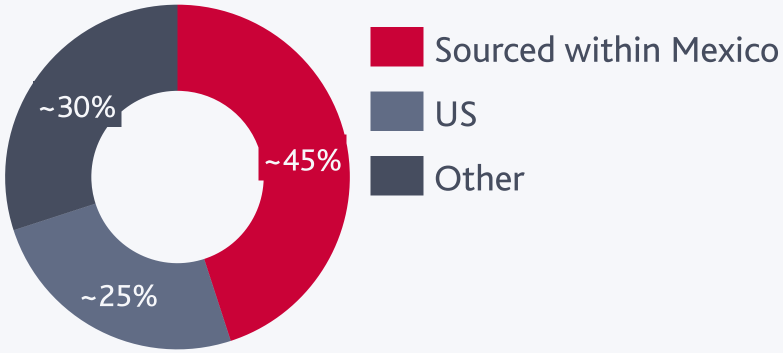
Benefiting from the ongoing nearshoring trend

Sourcing by region

US

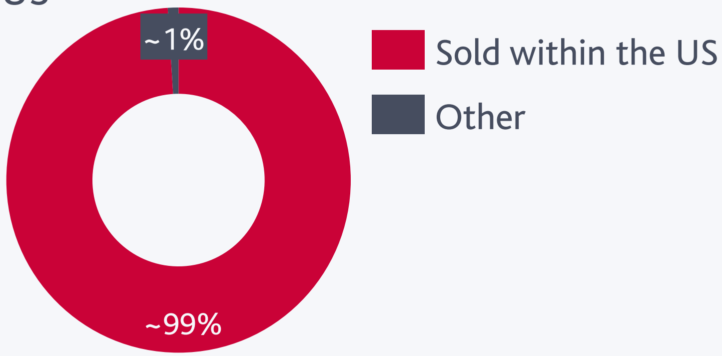


Mexico

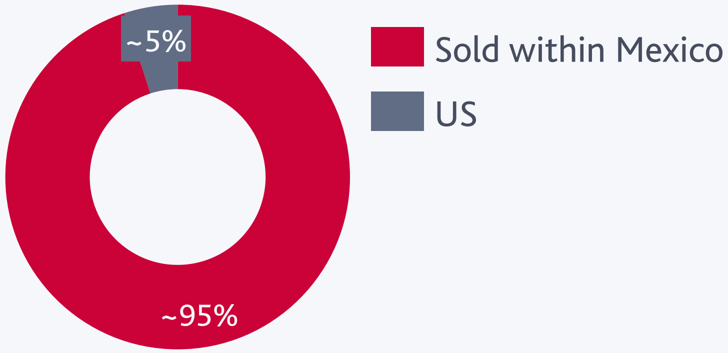


Sales by region

US



Mexico



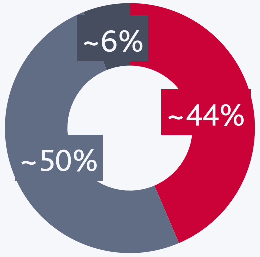
Local for local business in Europe

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

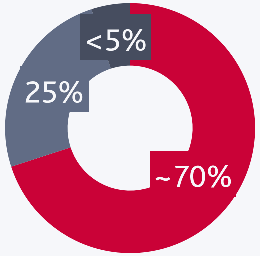
Sourcing by region

Germany

KMG

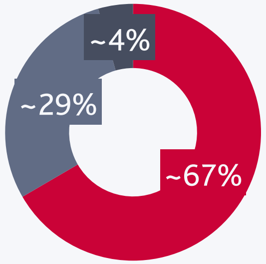


Becker



Sourced within Germany | EU | Non-EU

Switzerland

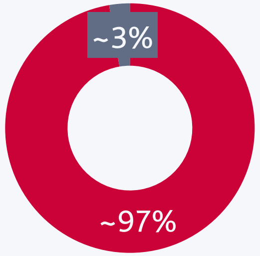


Sourced within Switzerland | EU | Non-EU

Sales by region

Germany

KMG



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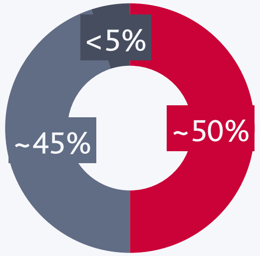
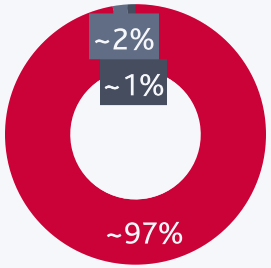


Sold within Germany | EU | Non-EU

Switzerland



Sold within Switzerland | EU | Non-EU

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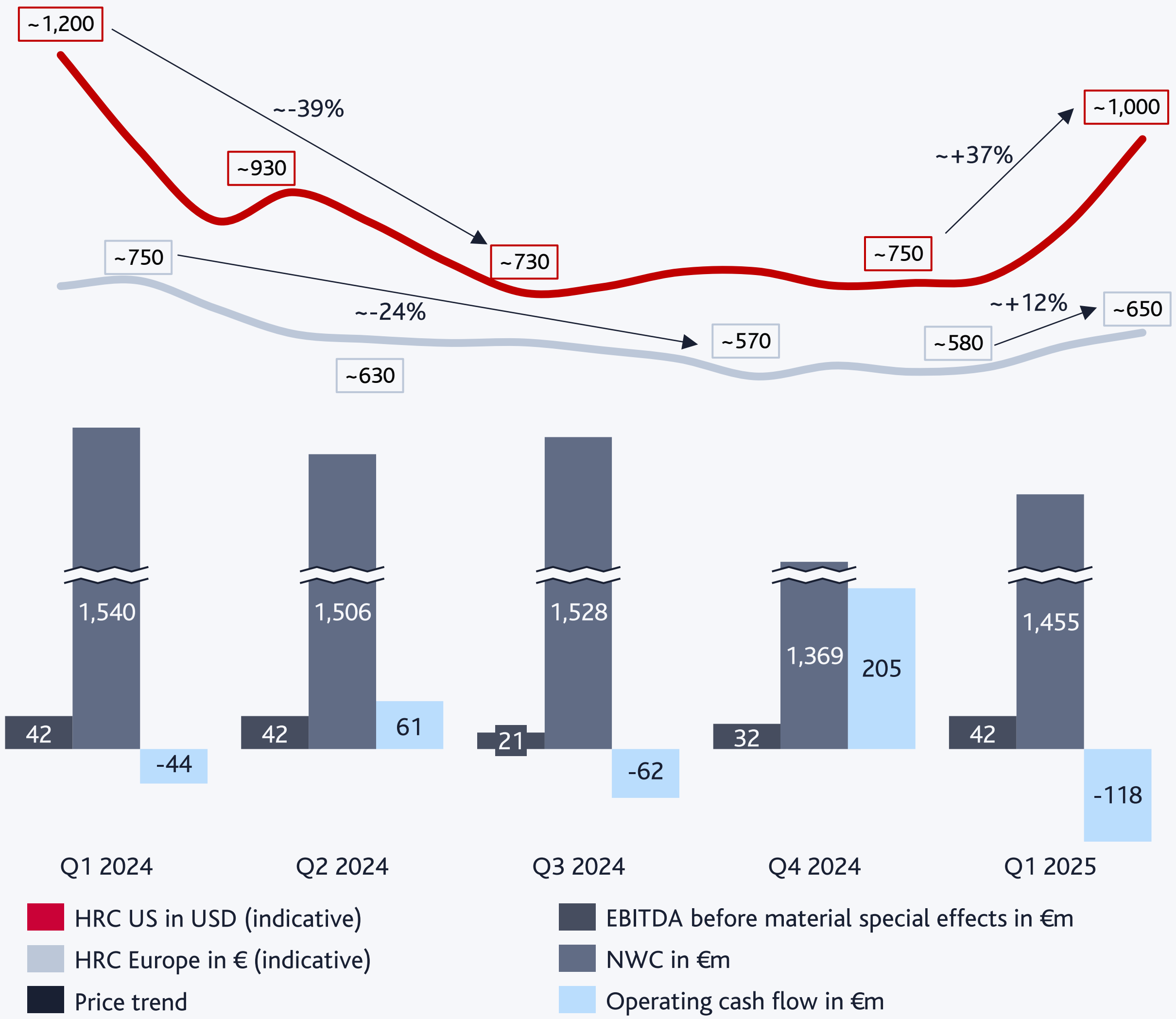
Our net working capital management

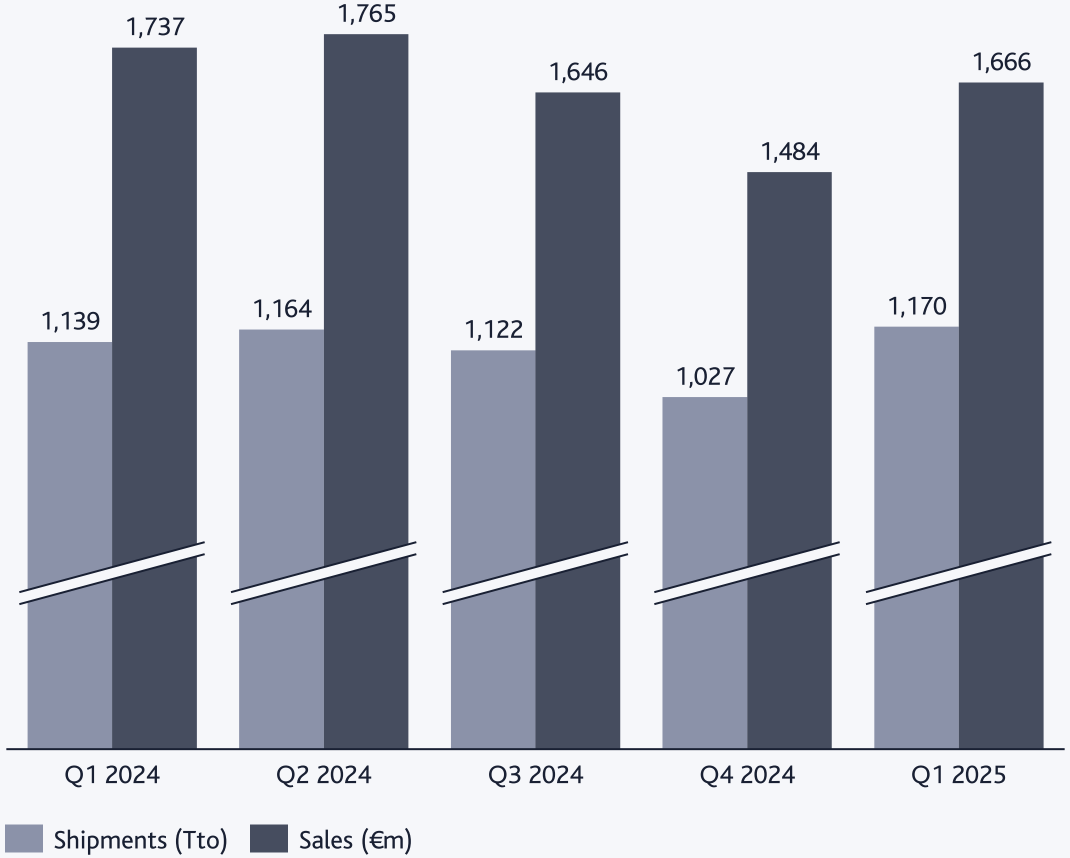
Solid first quarter EBITDA performance in line with guidance



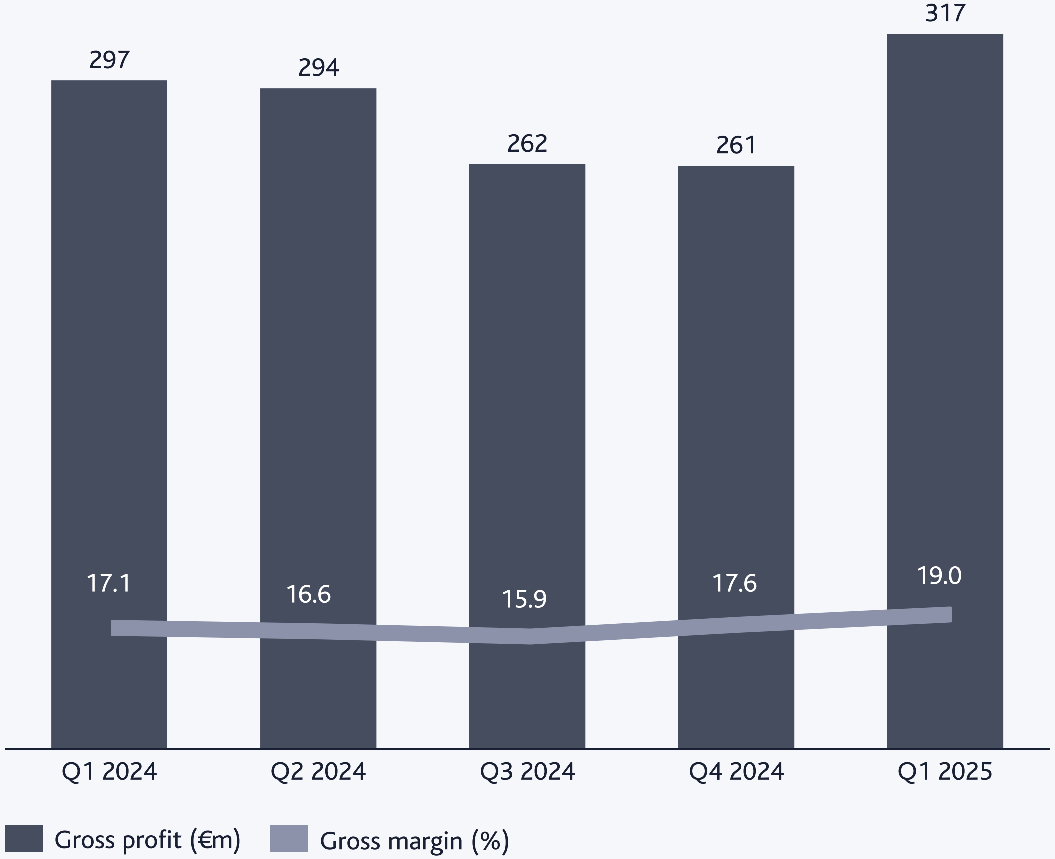
- Committed to a strong "through the cycle performance", fostering upside risks and mitigating downside risks
- Achieved EBITDA before material special effects of €42m in Q1 2025
- Dedicated to translating current positive pricing momentum into strong operating results in Q2 2025 and beyond
- Strategy excecution 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

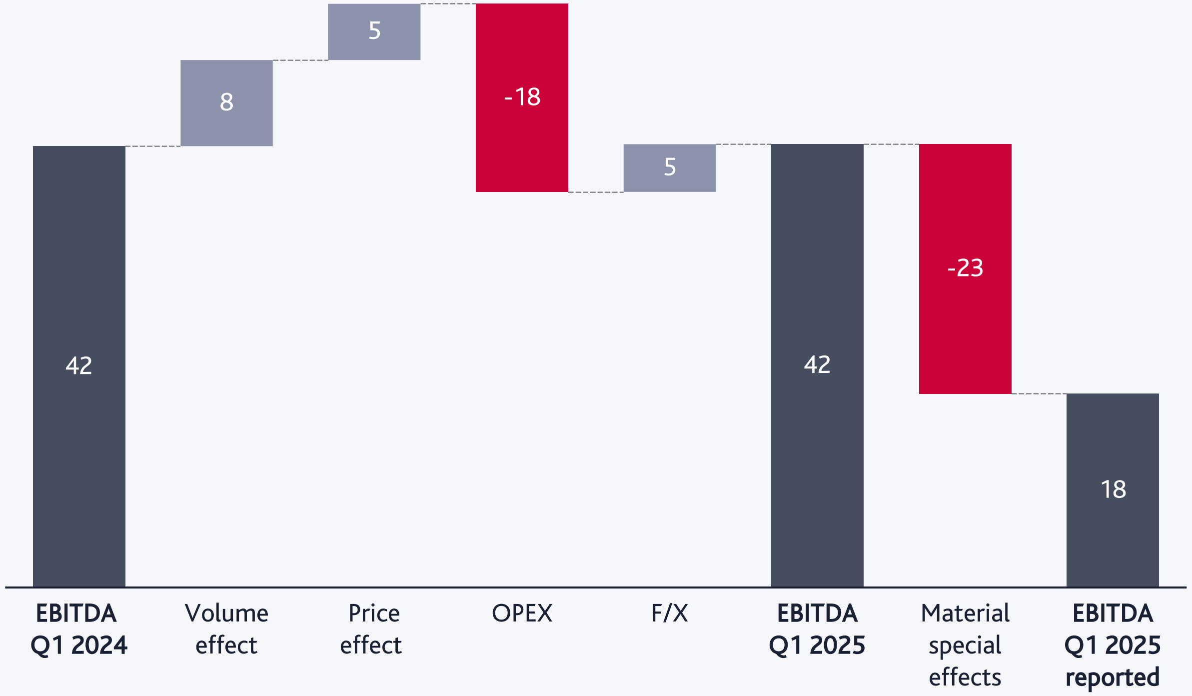


Gross profit & gross profit margin



EBITDA development

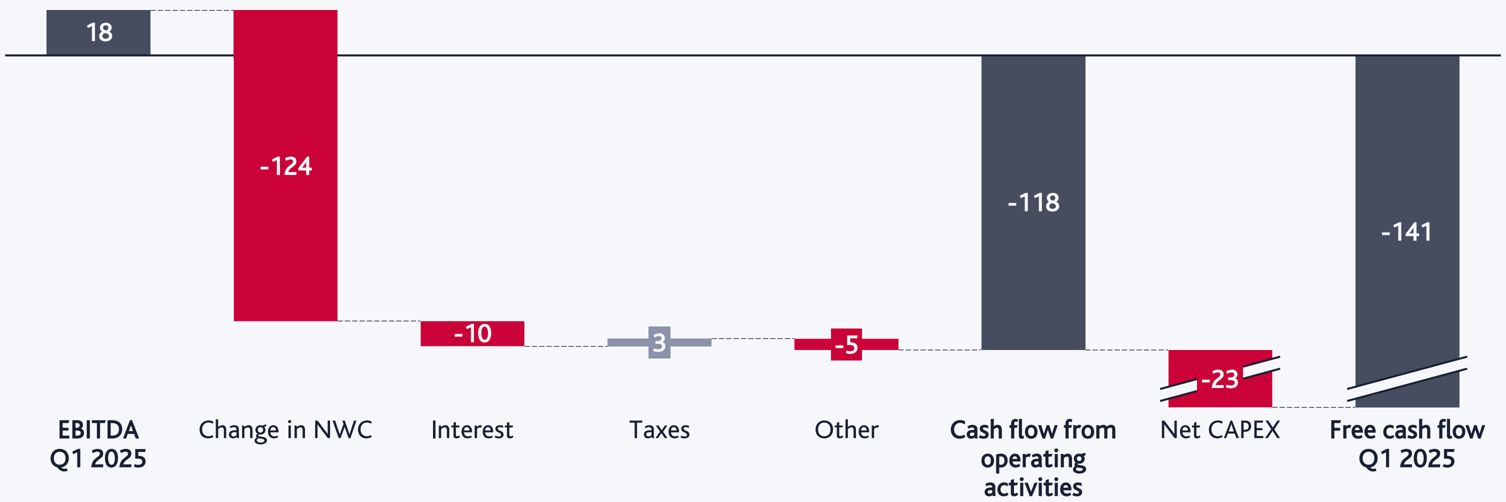
EBITDA (€m) in Q1 2025



- 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

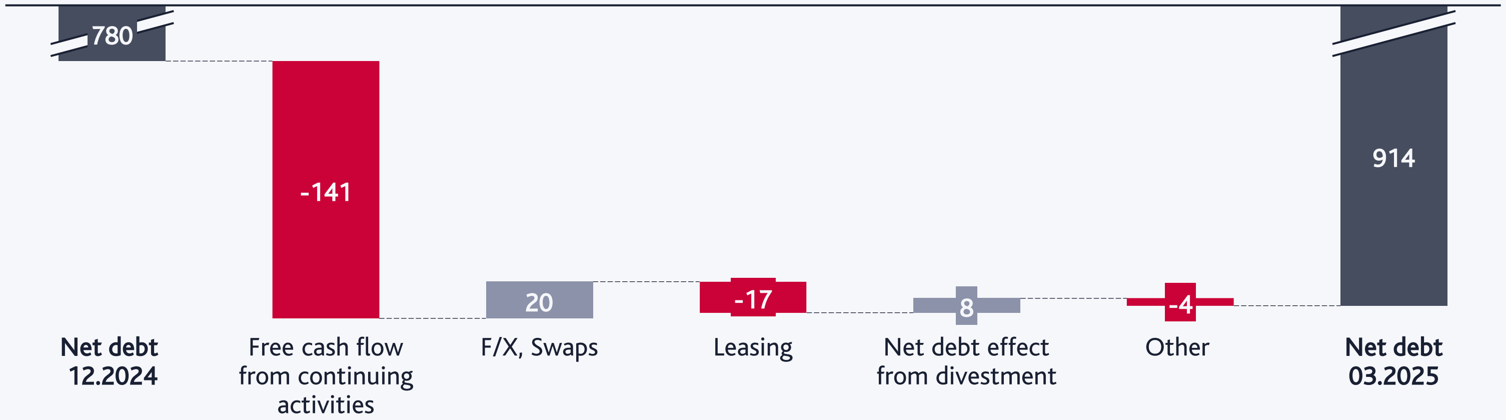
Cash flow and net debt development

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

Agenda

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	0% to +1%	↗	→	↘	↗	↗

Outlook

Q2 2025

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

FY 2025

- 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

Q&A session

Guido Kerkhoff
CEO

Dr. Oliver Falk
CFO

John Ganem
CEO Americas

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Quarterly and FY results

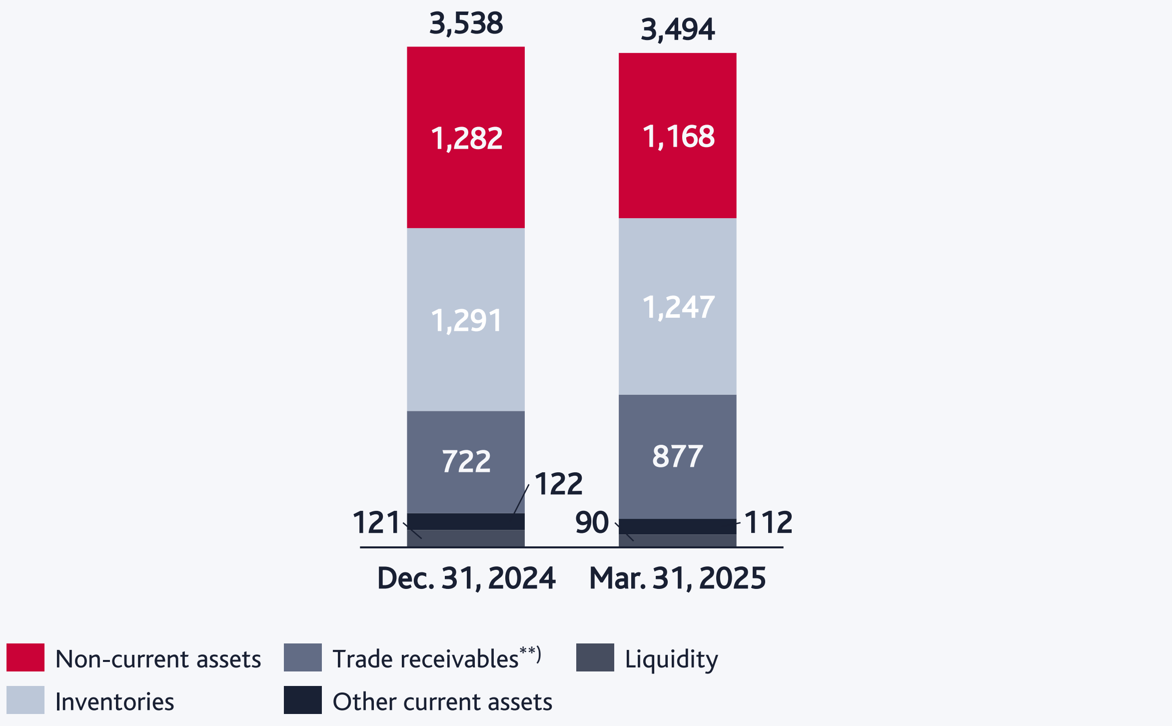
(€m)	Q1 2025	Q4 2024*)	Q3 2024*)	Q2 2024*)	Q1 2024*)	Q4 2023*)	Q3 2023*)	Q2 2023*)	Q1 2023*)	FY 2024*)	FY 2023*)	FY 2022*)	FY 2022	FY 2021	FY 2020
Shipments (Tto)	**1,170**	**1,027**	**1,122**	**1,164**	**1,139**	**1,026**	**1,091**	**1,044**	**1,087**	**4,453**	**4,248**	**4,193**	**4,629**	**4,881**	**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.

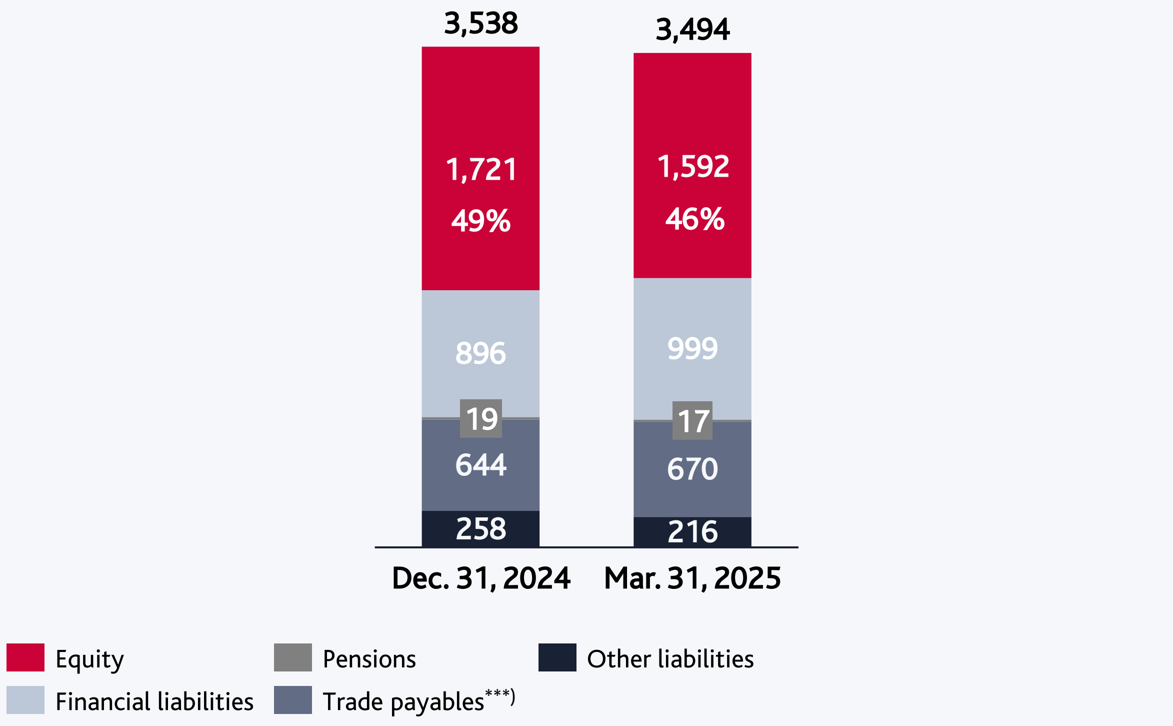
Balance sheet development

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

Assets (€m)



Equity & Liabilities (€m)



*) 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.

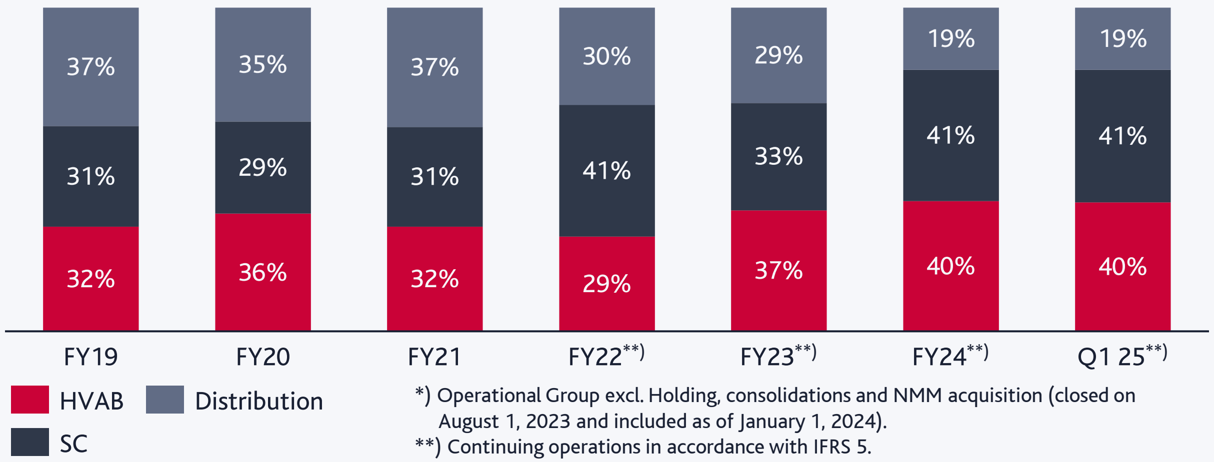
Developing from a steel distribution company to a metal processor

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

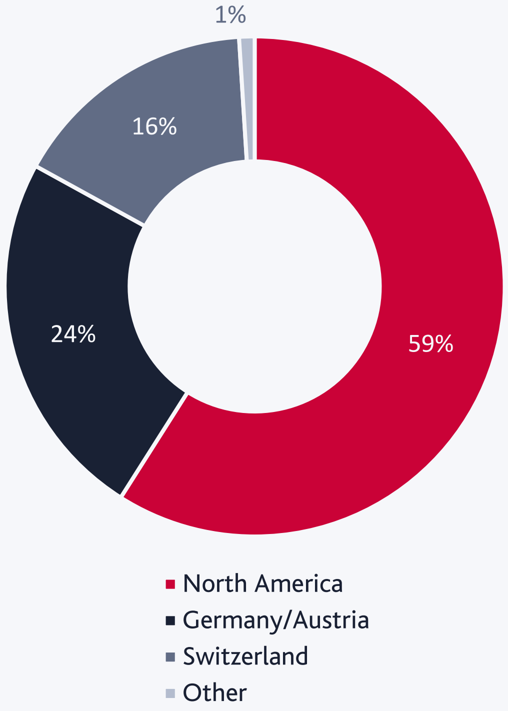
Sales*) split by business



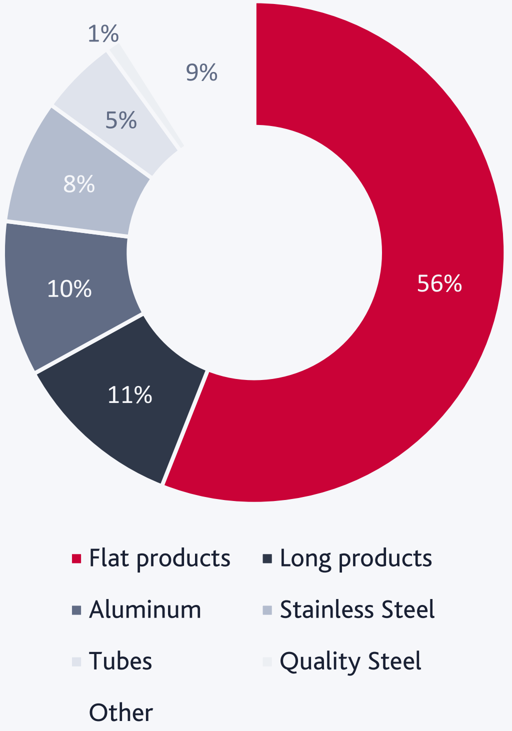
*) Operational Group excl. Holding, consolidations and NMM acquisition (closed on August 1, 2023 and included as of January 1, 2024).
**) Continuing operations in accordance with IFRS 5.

Sales by markets, products and industries

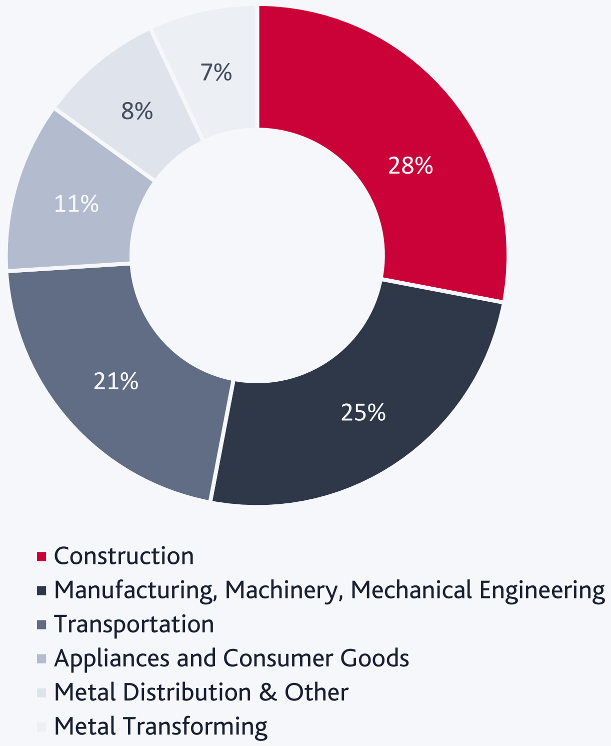
Sales by markets



Sales by products

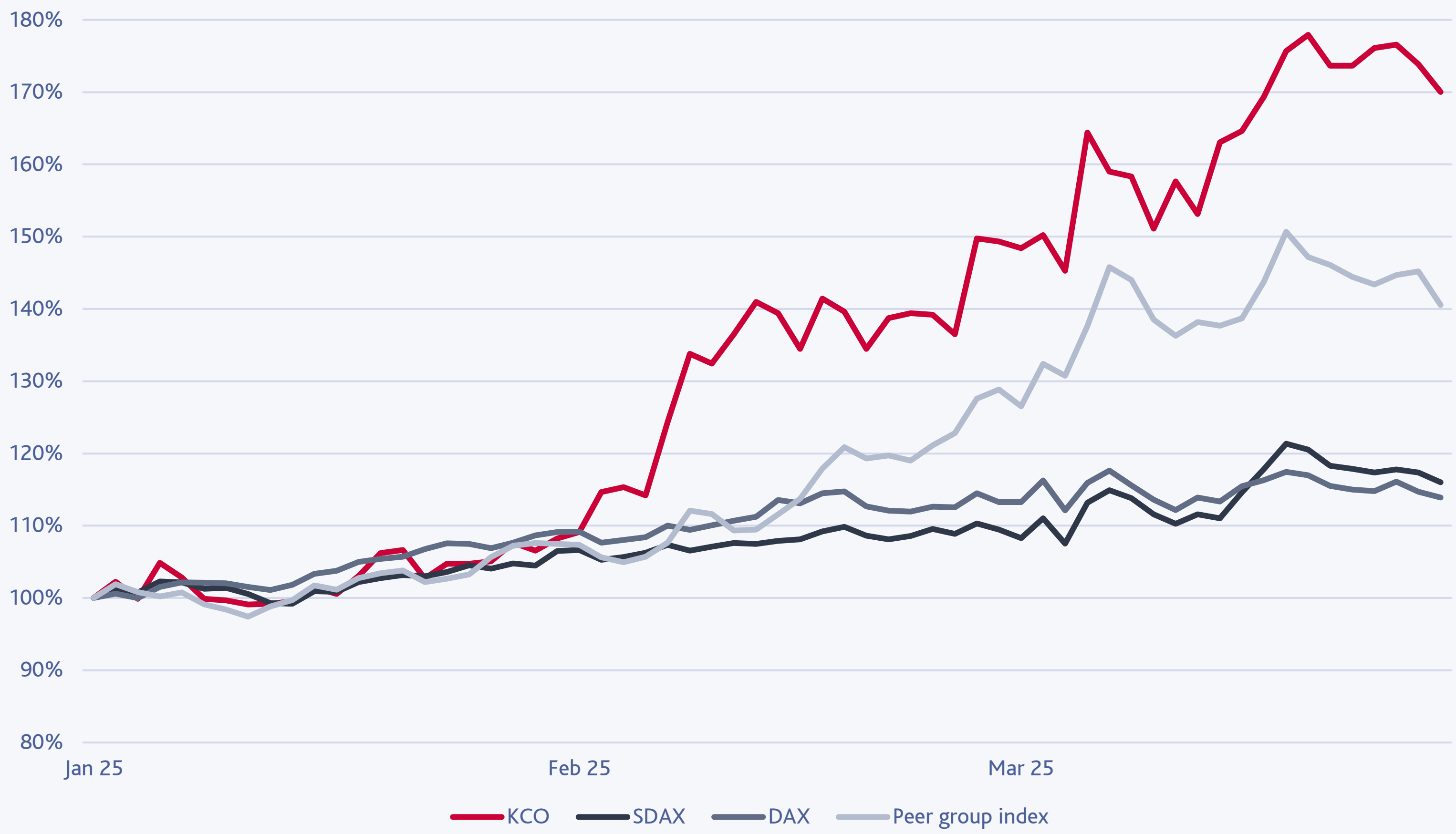


Sales by industries



As of December 31, 2024. Continuing operations.

Share performance in 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

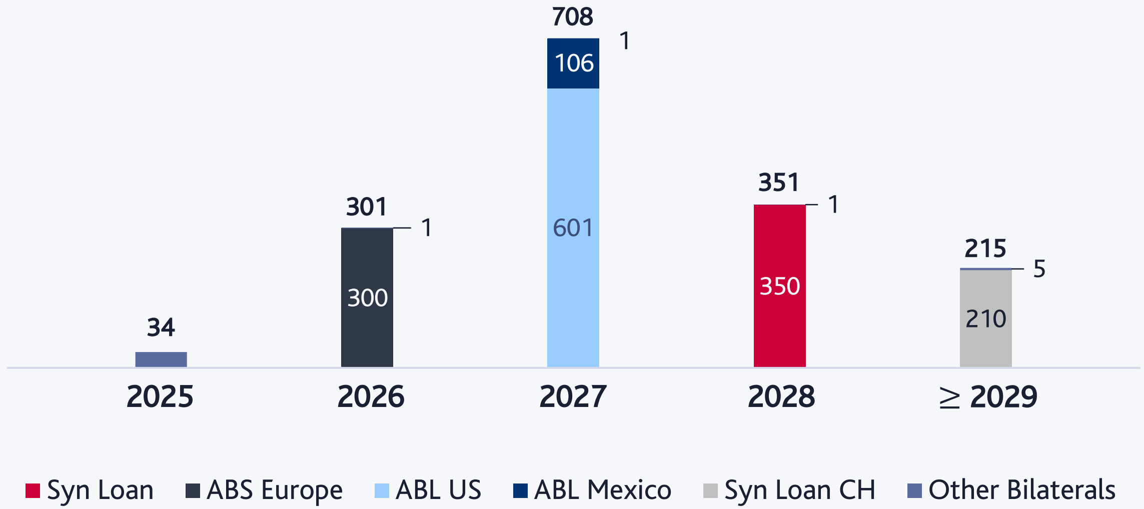
Maturity profile

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



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
- Proposal to the Annual General Meeting on May 28, 2025 to pay dividend of €0.20 per share

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*)

*) Proposal to the Annual General Meeting on May 28, 2025.

Our ambitious climate targets

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

SCIENCE BASED TARGETS

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.

BALANCED	START	STEP	PLUS	PRO	PRIME	
	1750	1400	1000	700	400	0

Emission in kg CO_2 / t steel

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

BALANCED | START | STEP | PLUS | PRO | PRIME

2500 | 2000 | 1500 | 1000 | 600 | 0

Emission in kg CO_2 / t stainless steel

Aluminum

BALANCED | START | STEP | PLUS | PRO | PRIME

5500 | 4000 | 3000 | 2000 | 1000 | 0

Emission in kg CO_2 / t aluminum

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Financial calendar

May 28, 2025
Annual General Meeting 2025, Düsseldorf

August 6, 2025
Half-yearly financial report 2025

November 5, 2025
Q3 quarterly statement 2025