

# Q2 2025 Results

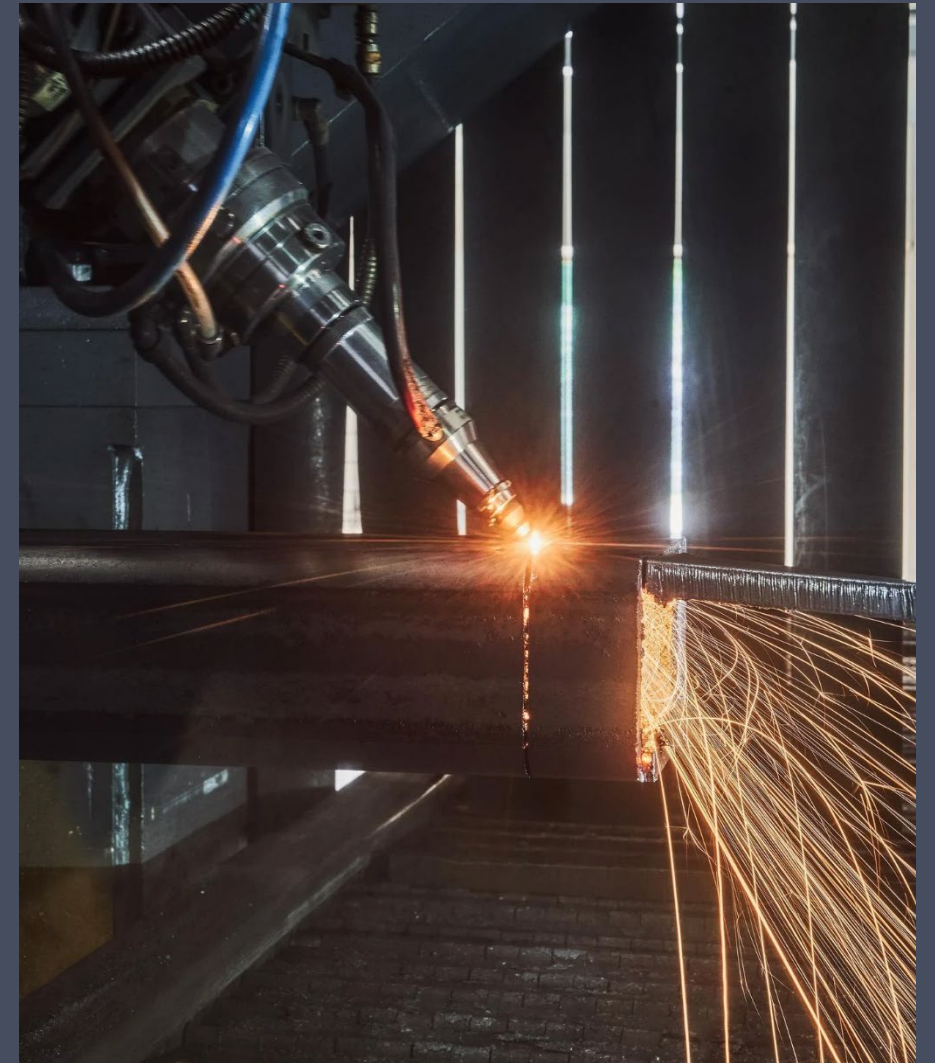
## Analysts' and Investors' Conference Call

Guido Kerkhoff | CEO

Dr. Oliver Falk | CFO

John Ganem | Member of the Management Board

August 6, 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.

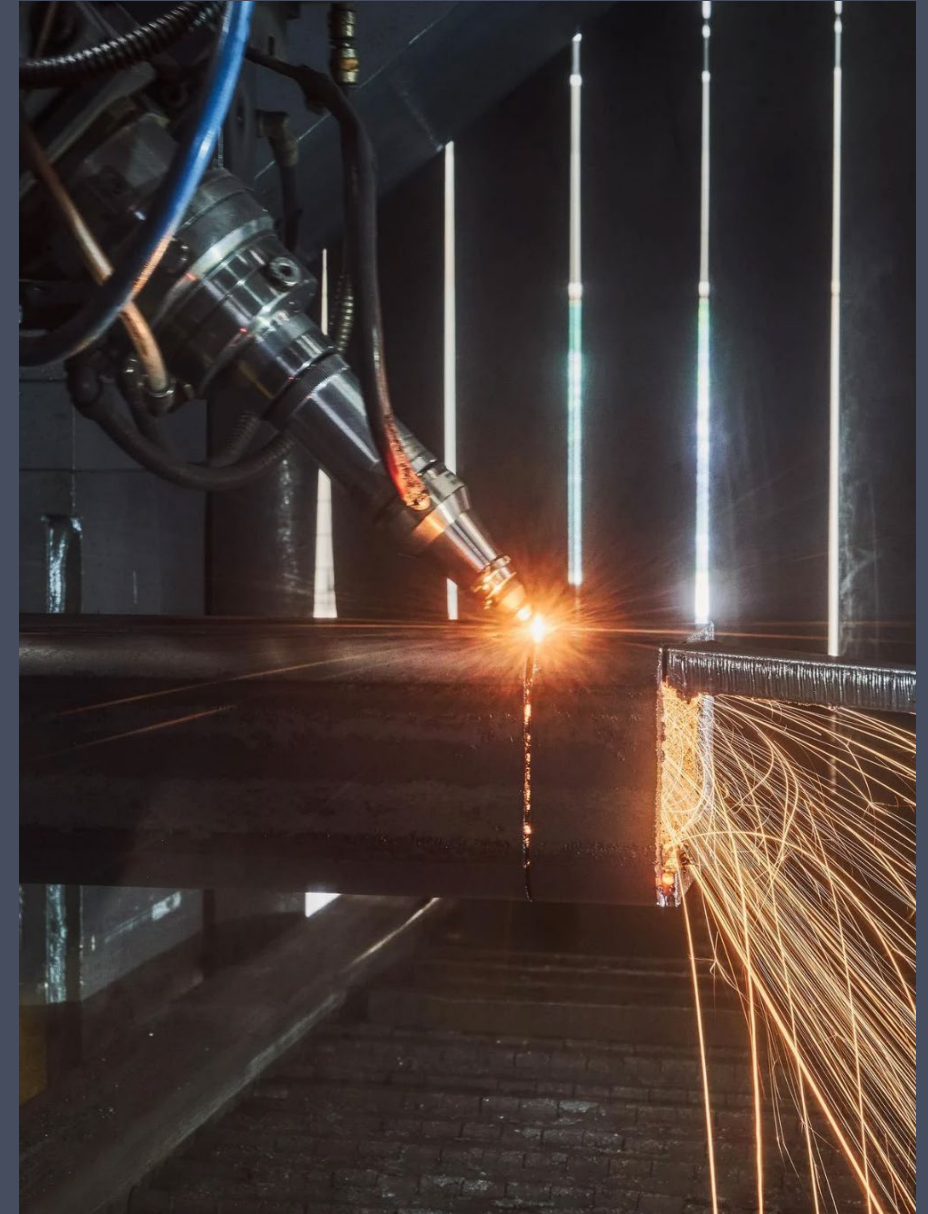
The English translation of the annual report and the interim statement are also available, in case of deviations the German versions shall prevail.

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 Q2 2025

	Q2 2025	Q2 2024	Delta	
Shipments (Tto)	<b>1,164</b>	1,164	-0.0%	Constant level yoy; record shipments at Kloeckner Metals Americas while Kloeckner Metals Europe recorded a slight decline
Sales (€m)	<b>1,643</b>	1,765	-6.9%	Considerable decrease yoy despite constant shipments as a result of lower average price level
Gross profit (€m)	<b>320</b>	294	+8.8%	Considerable increase yoy; gross profit margin also increased yoy
EBITDA <sup>*)</sup> (€m)	<b>65</b>	42	+23	Considerable increase yoy and qoq according to guidance
Oper. CF (€m)	<b>75</b>	61	+14	Positive OCF due to consistent NWC management
Net financial debt (€m)	<b>870</b>	779	+91	Increase yoy; however, significantly deleveraged qoq

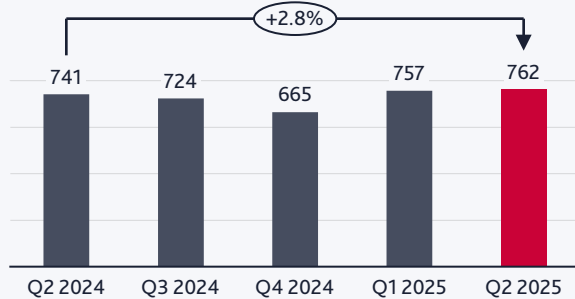
<sup>\*)</sup> Before material special effects.



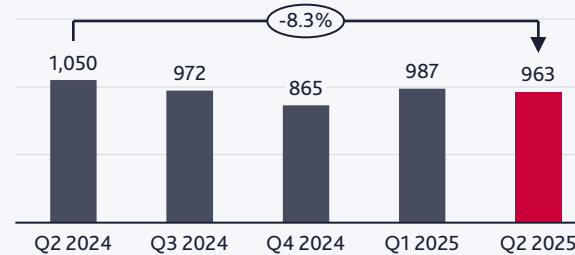
# Segment performance: Shipments in segment KM Americas on record level

## KM Americas

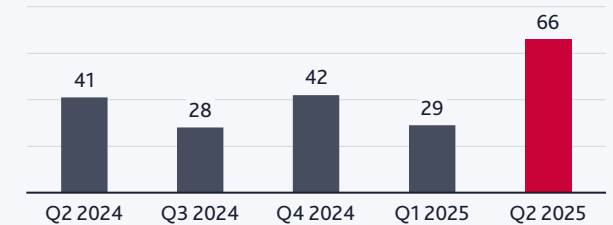
### Shipments (Tto)



### Sales (€m)

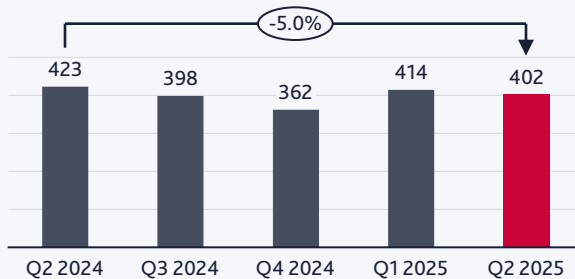


### EBITDA\*) (€m)

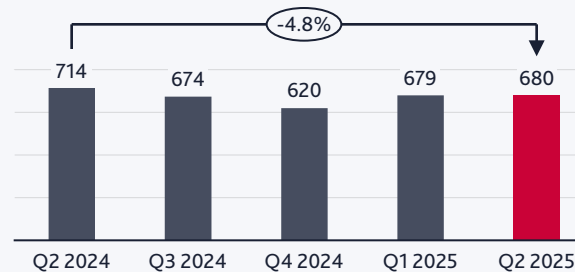


## KM Europe

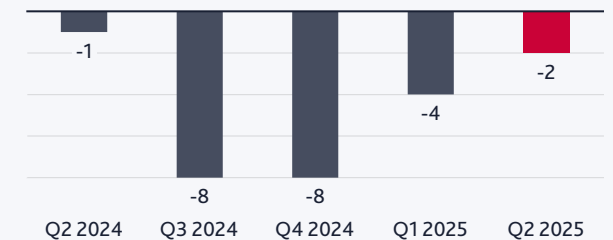
### Shipments (Tto)



### Sales (€m)



### EBITDA\*) (€m)



\*) Adjusted for material special effects in Q3 2024, Q4 2024, Q1 2025 and Q2 2025 in KM Europe and Q3 2024, Q4 2024, Q1 2025 and Q2 2025 in KM Americas.

# Pressing ahead with Group strategy

Becoming the leading service center and metal processing company

## North America

### Expanded electrical steel capacity

- Invested to expand electrical steel capacity to meet significant demand overhang for transformer cores & electrical steel slit coil in North America
- Built a new state-of-the-art fabrication and service center, expanding CRGO processing, slitting and transformer core fabrication capacity
- Enabling us to serve customers in electrical grid infrastructure, renewable energy and data centers end markets
- Benefiting from expected substantial growth opportunities
- Fully operational in Q3 2025

## DACH-region

### Integrated Ambo Stahl as planned

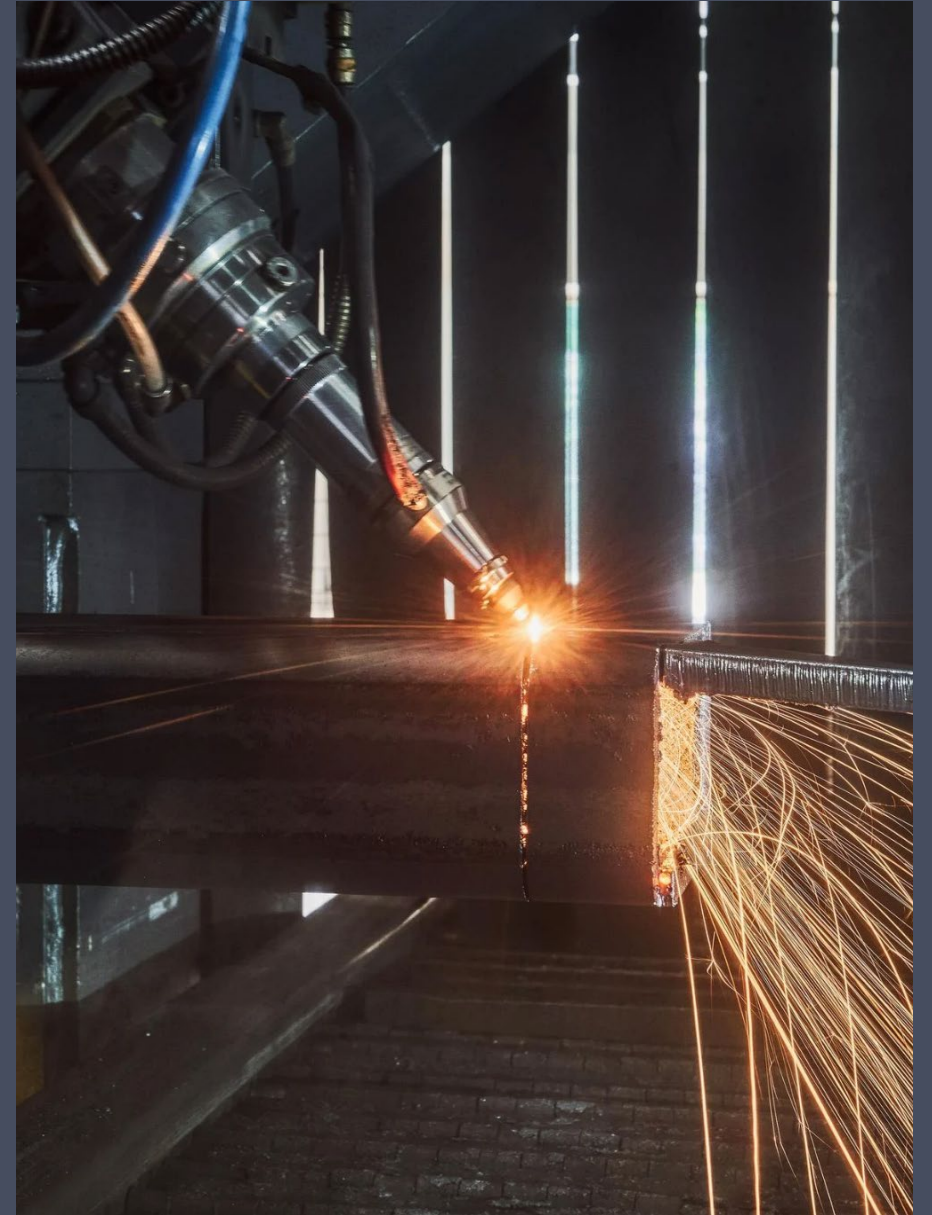
- Conducted first investment in order to expand capabilities and capacities to leverage acquisition
- Enabling us to benefit from increased defense spending

### Extended our building installation value chain via Simfloc acquisition

- Acquired Simfloc AG in Switzerland, a specialist in pre-wall installation to extend our building installation value chain
- Established market position as Switzerland's leading one-stop shop for prefabrication, now offering comprehensive solutions from planning and modelling to production and installation

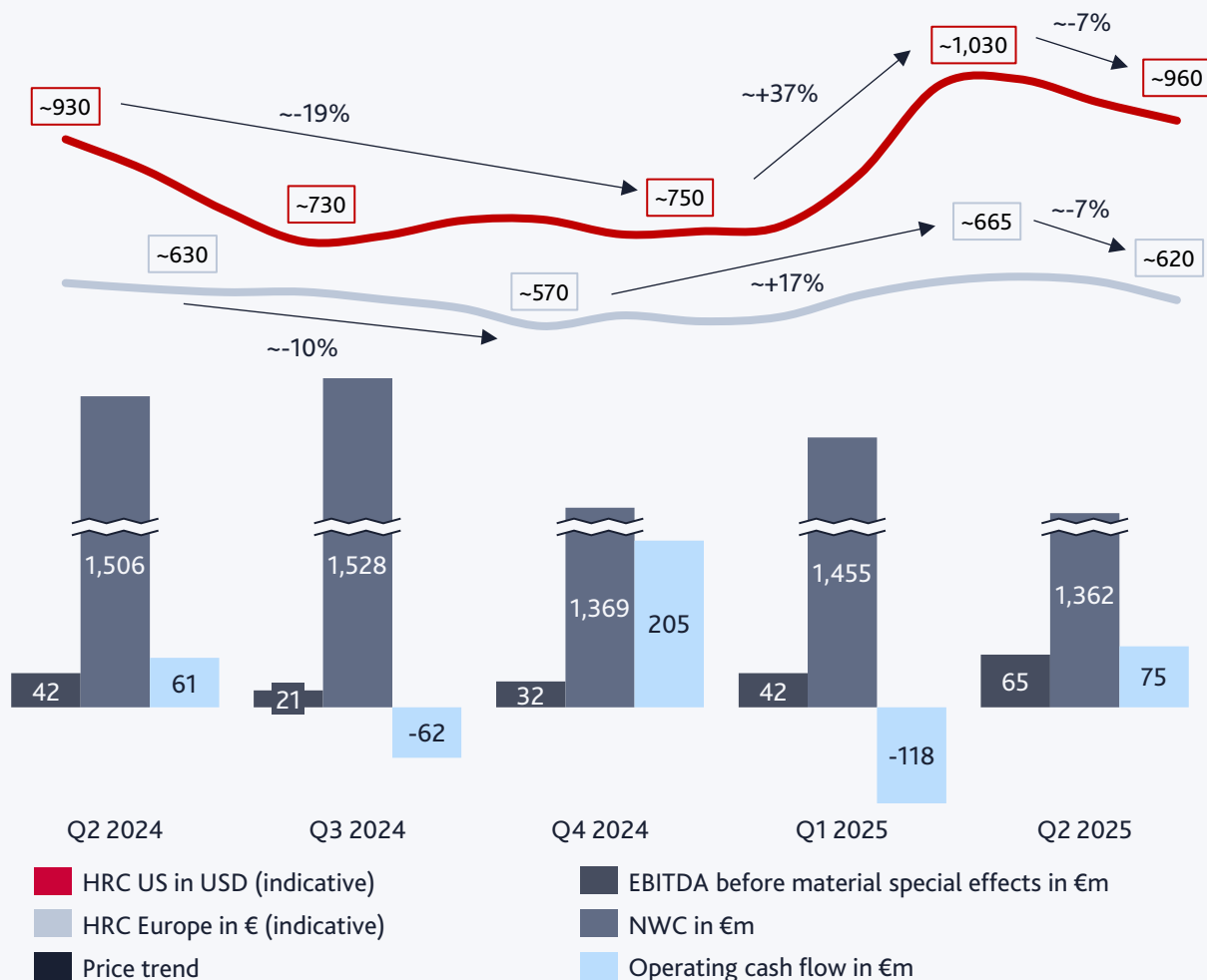
# Agenda

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



# Our net working capital management

Generated strong EBITDA in the second quarter

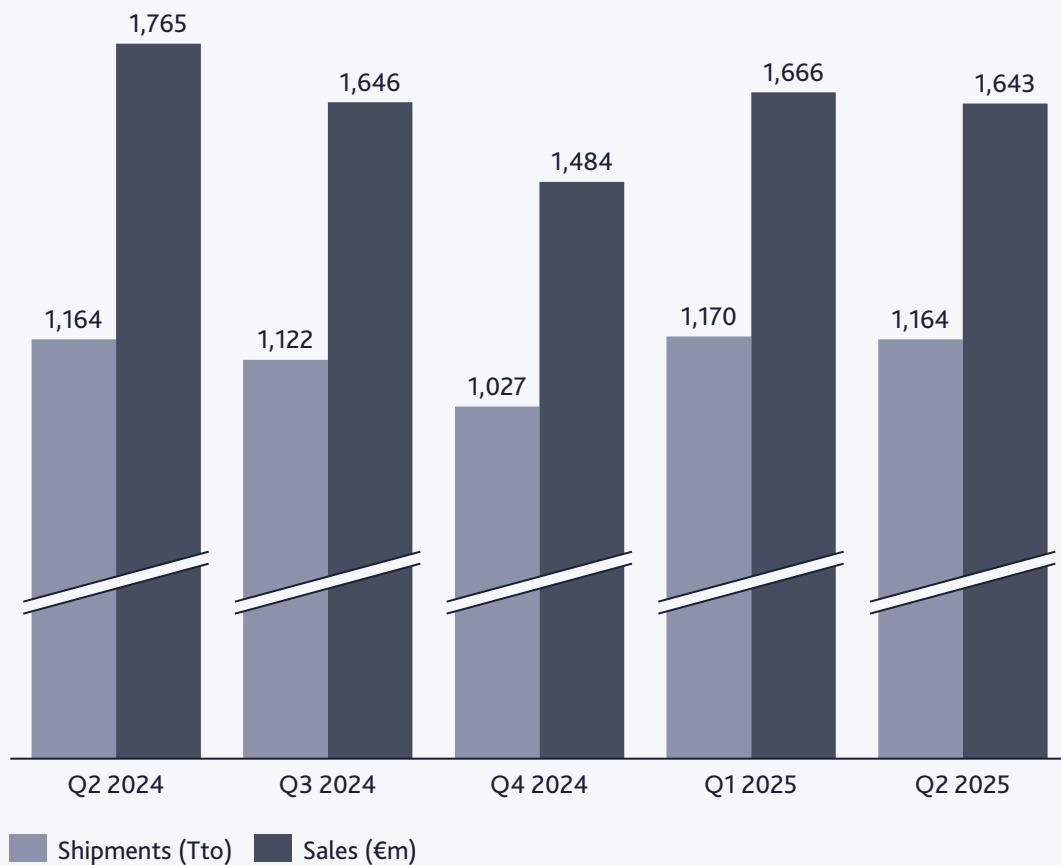


- Achieved EBITDA before material special effects of €65m in Q2 2025; a considerable increase yoy and qoq
- In H1 2025 EBITDA before material special effects came in at €107m; also, a considerable increase yoy
- Strategy execution fully on track; further improving our underlying profitability
- Despite continued challenging market environment, a positive cash flow from operating activities of €75m was achieved in Q2 2025
- Continuing to leverage digitalization and automation initiatives
  - Digital quotes increased by 5.4% in H1 2025

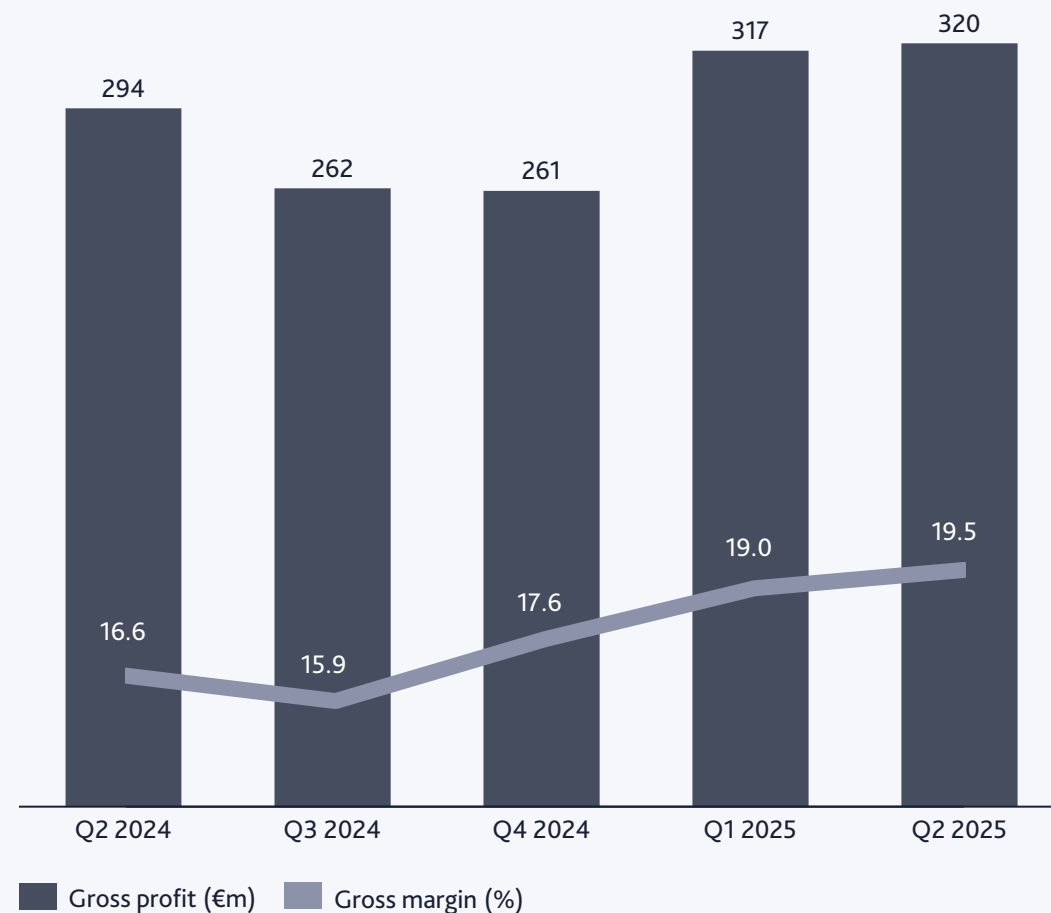


# Shipments, sales and gross profit development

## Shipments & sales

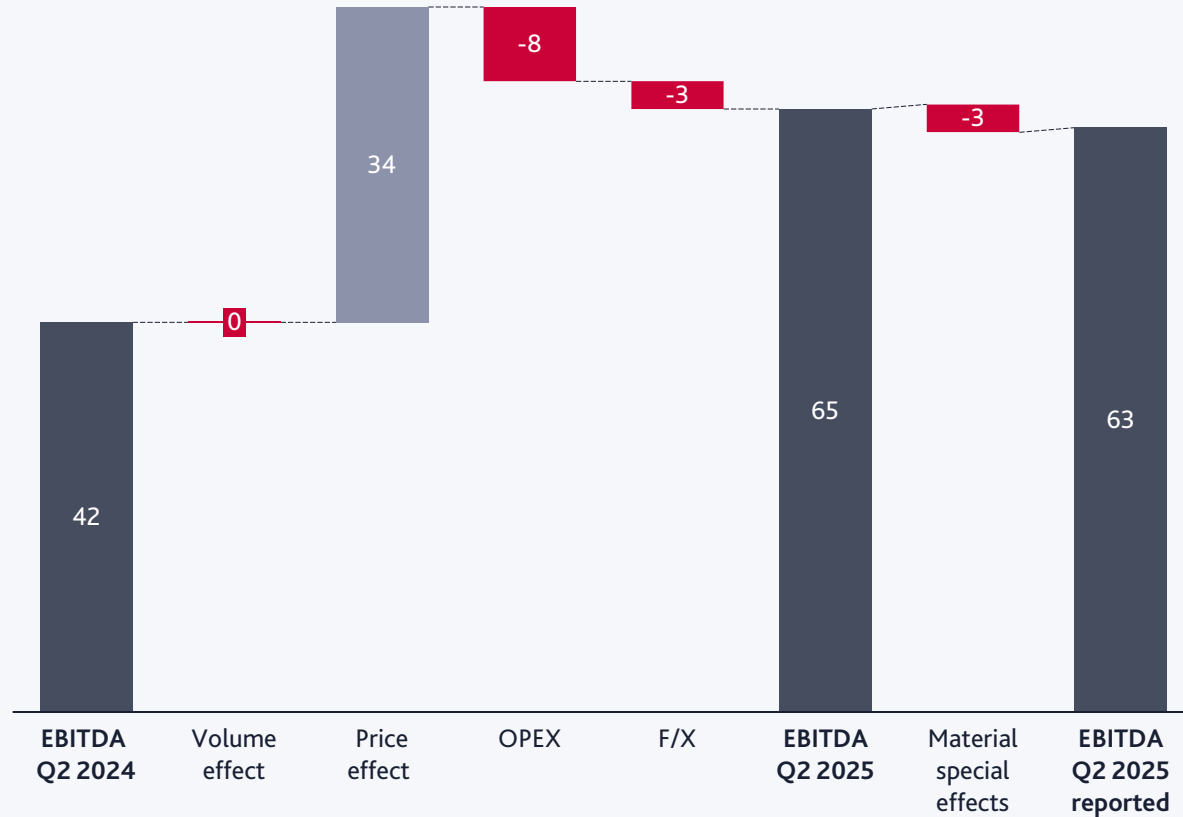


## Gross profit & gross profit margin



# EBITDA development

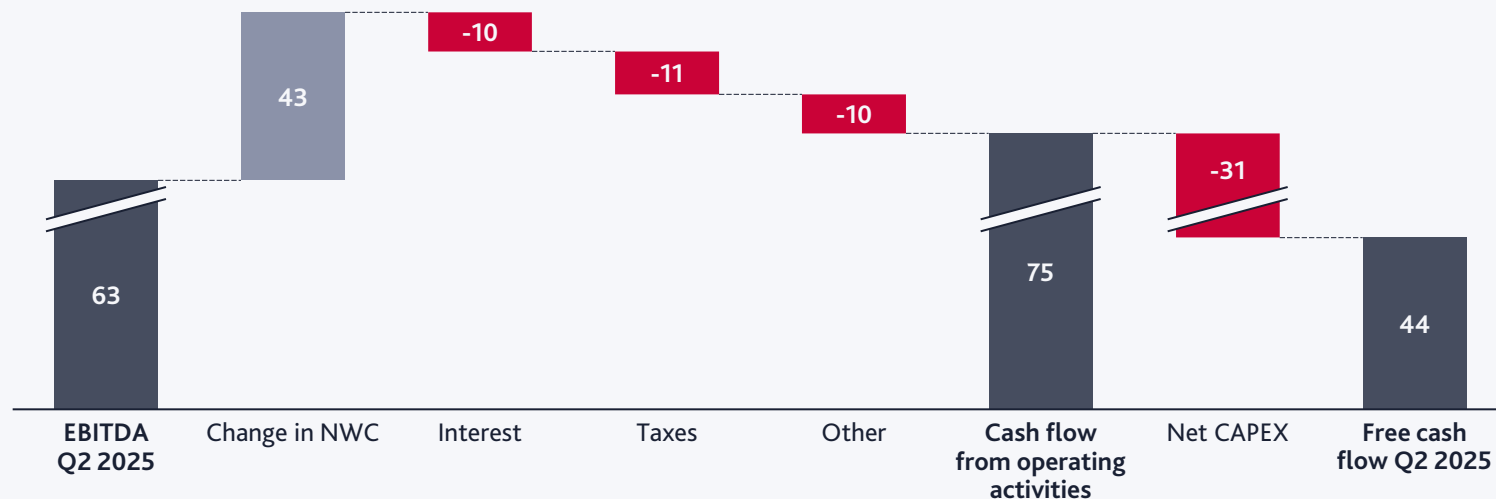
EBITDA (€m) in Q2 2025



- EBITDA before material special effects in Q2 2025 of €65m
- No volume effect in Q2 as a result of stable volumes yoy
- Positive price effect of €34m yoy
- OPEX higher €8m yoy
- Negative F/X effects of €3m yoy
- Material special effects mainly resulted from restructuring expenses

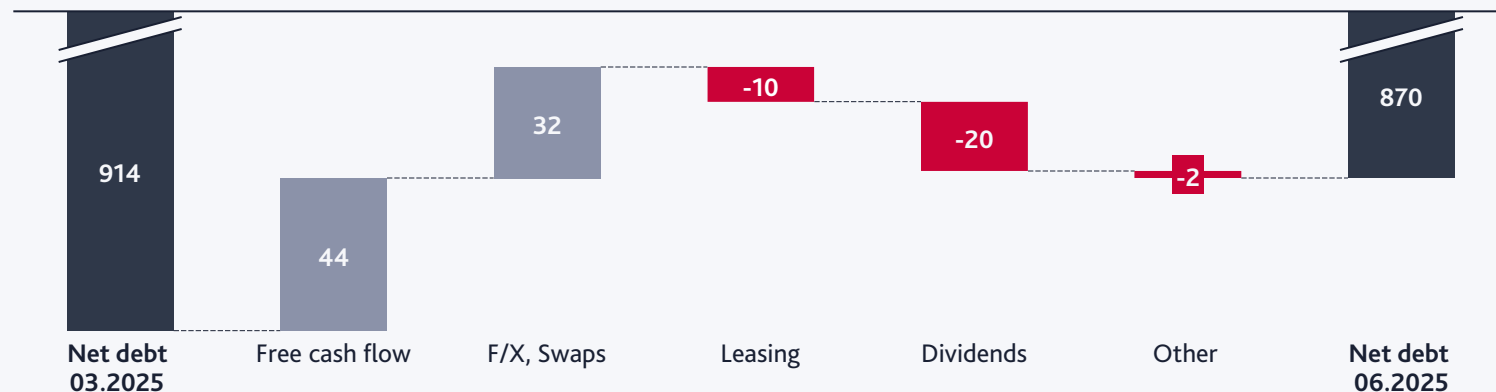
# Cash flow and net debt development

## Cash flow Q2 2025 (€m)



- EBITDA reported of €63m
- Net working capital release by €43m
- Cash flow from operating activities of €75m
- Net Capex of €31m
- Free cash flow accordingly €44m

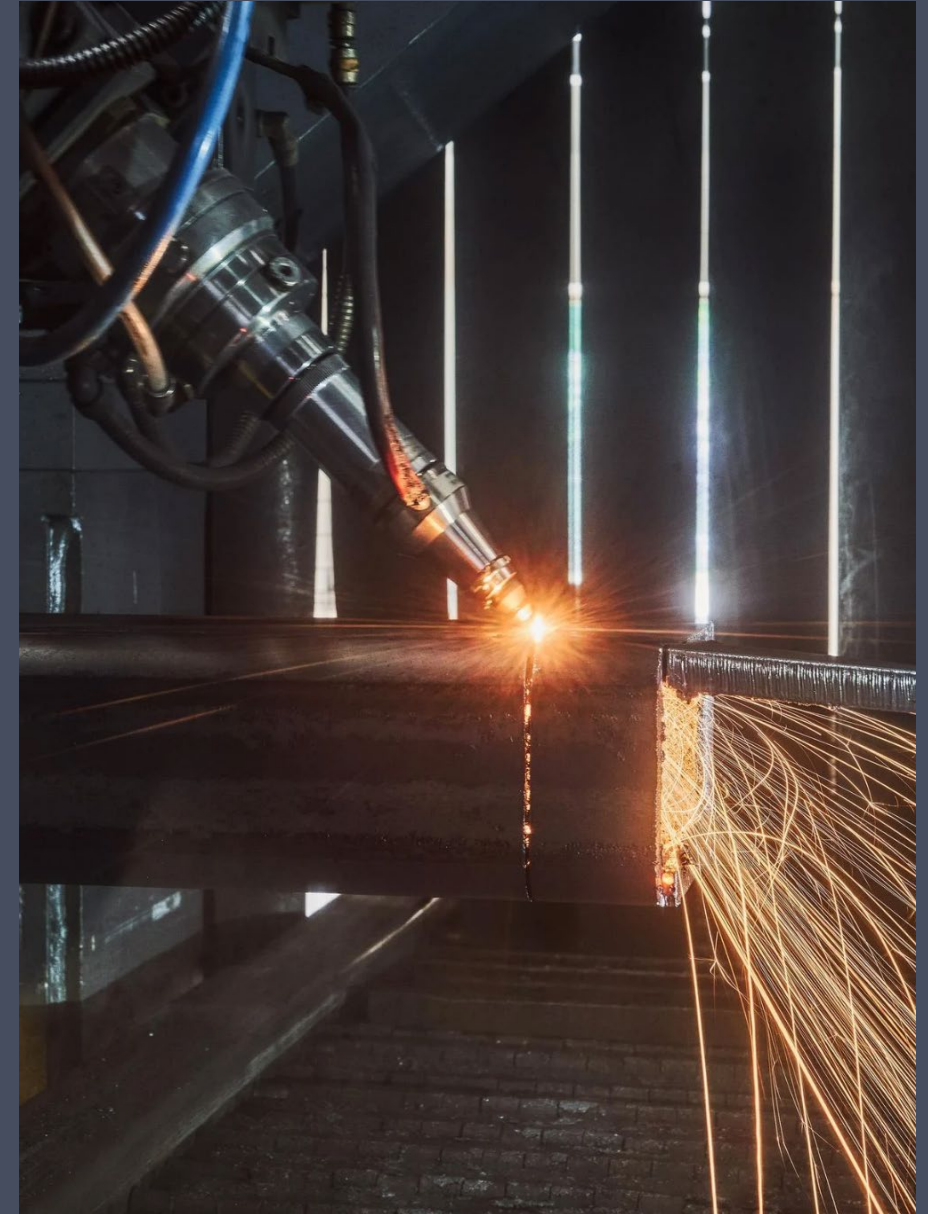
## Net financial debt 03.2025 vs 06.2025 (€m)



- Net financial debt decreased from €914m to €870m
- Positive F/X translation effects of €32m
- Leasing increased by €10m
- Payment of dividends of €20m

# Agenda

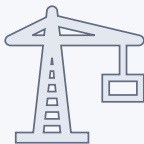
1. Highlights and update on strategy
2. Financials
3. Outlook
4. Appendix



# Region specific business outlook 2025



Real steel demand



Construction Industry



Manufacturing, Machinery & Mech. Eng



Transportation



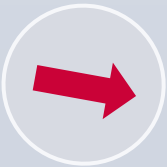
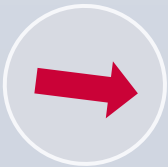
Household & Commercial Appliances



Energy Industry

North America

-1% to +1%



Europe

-1% to 0%





# Outlook



- Considerable increase in shipments and sales expected (yoy)
- EBITDA before material special effects expected to come in between €40-80m



- Shipments and sales expected to increase slightly yoy
- EBITDA before material special effects expected to come in between €170-240m
- Expecting significantly positive operating cash flow, on previous year's level

# Q&A session



**Guido Kerkhoff**  
CEO



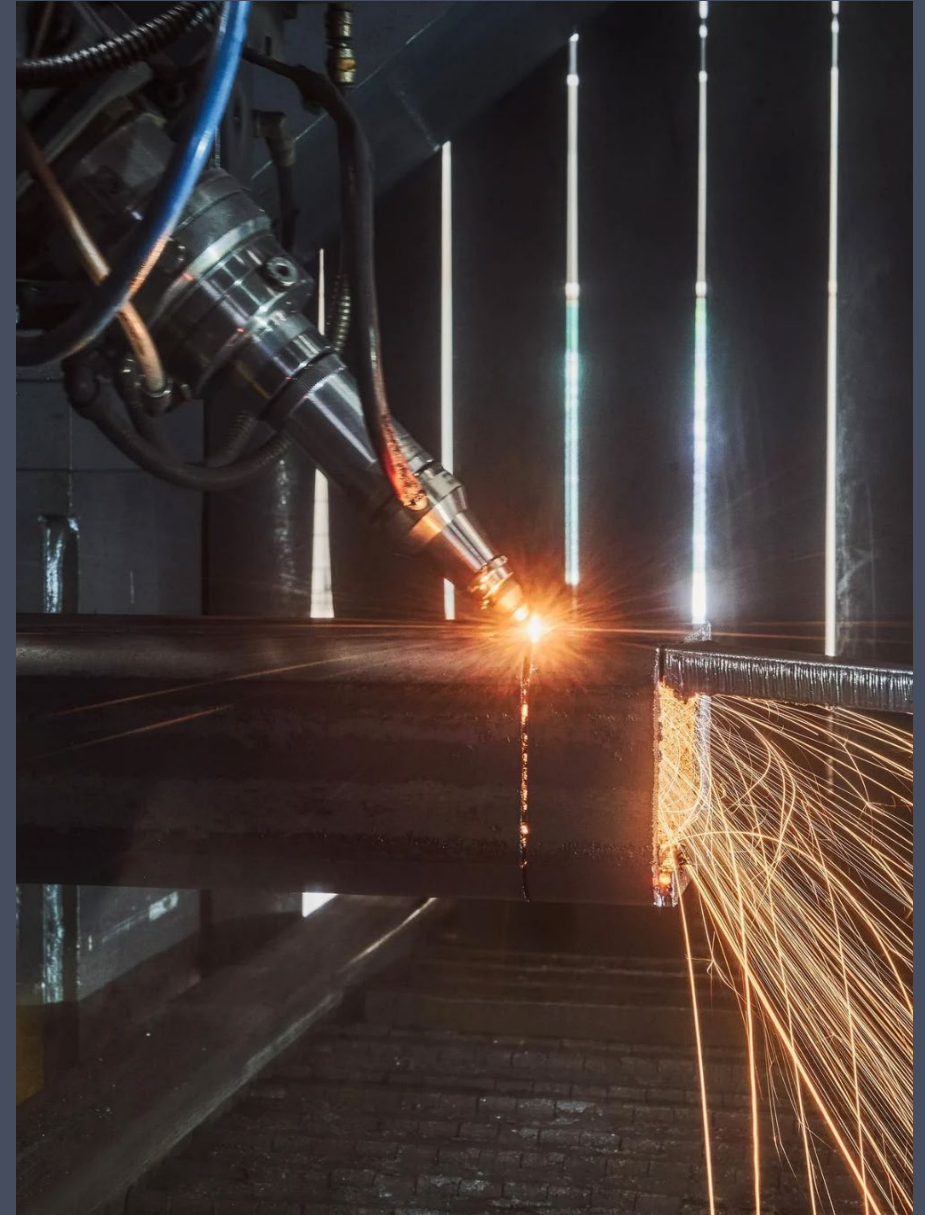
**Dr. Oliver Falk**  
CFO



**John Ganem**  
CEO Americas

# Agenda

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



# Quarterly and FY results

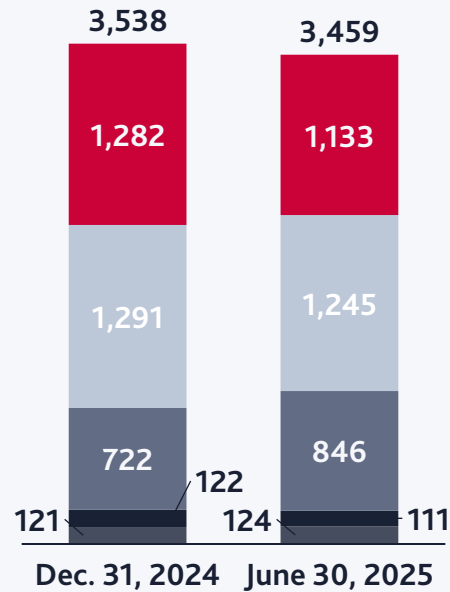
(€m)	Q2 2025	Q1 2025	Q4 2024*)	Q3 2024*)	Q2 2024*)	Q1 2024*)	Q4 2023*)	Q3 2023*)	Q2 2023*)	Q1 2023*)	FY 2024*)	FY 2023*)	FY 2022*)	FY 2022	FY 2021	FY 2020
Shipments (Tto)	1,164	1,170	1,027	1,122	1,164	1,139	1,026	1,091	1,044	1,087	4,453	4,248	4,193	4,629	4,881	4,873
Sales	1,643	1,666	1,484	1,646	1,765	1,737	1,606	1,756	1,754	1,840	6,632	6,957	8,337	9,379	7,441	5,130
Gross profit	320	317	261	262	294	297	269	282	296	311	1,113	1,157	1,328	1,563	1,893	1,047
% margin	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	65	42	32	21	42	42	17	44	65	65	136	190	355	417	848	111
Material special effects	-3	-23	-16	-8	0	-5	-5	0	0	5	-27	0	52	64	-30	-59
EBITDA rep.	63	18	16	13	42	37	12	44	65	70	109	190	407	481	879	52
% margin	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.)	-3	0	0	0	3	0	-2	4	0	-4	3	-3	30	31	-16	1
EBIT	33	-12	-19	-17	11	5	-29	15	38	43	-20	66	299	348	754	-93
Income from Investments	-2	1	0	0	-2	1	0	-1	0	-2	-2	-4	6	6	11	0
Financial result	-11	-12	-15	-16	-15	-17	-18	-12	-8	-8	-62	-46	-34	-34	-17	-30
EBT	19	-23	-34	-33	-5	-11	-47	1	29	34	-83	16	270	319	748	-124
Income taxes	-17	-5	-57	4	-13	3	12	-4	-14	-10	-62	-16	-57	-60	-119	9
Net income	2	-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	0	1	1	6	6	10	2
Net income KCO	2	-28	-91	-29	-18	-8	-35	-3	15	23	-147	-1	207	253	619	-116
EPS basic (€)	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 (€)	0.02	-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	1,362	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	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

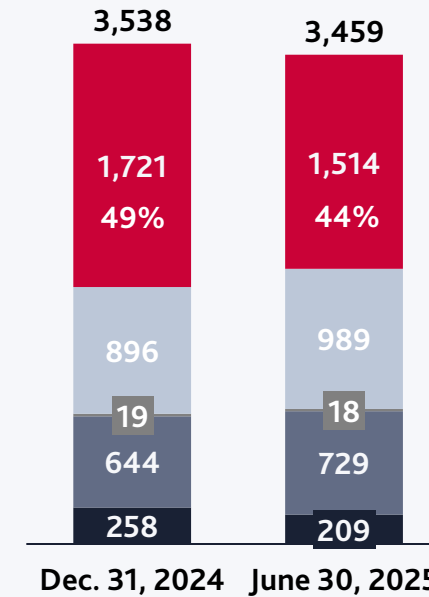
Equity ratio of 44%, gearing<sup>\*)</sup> of 58% and leverage of 5.4x

## Assets (€m)



■ Non-current assets    ■ Trade receivables<sup>\*\*)</sup>     ■ Liquidity  
■ Inventories    ■ Other current assets

## Equity & Liabilities (€m)



■ Equity    ■ Pensions    ■ Other liabilities  
■ Financial liabilities    ■ Trade payables<sup>\*\*\*)</sup>

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

<sup>\*\*)</sup>  Incl. contract assets and supplier bonus receivables.

<sup>\*\*\*)</sup>  Incl. contract liabilities and advance payments received.

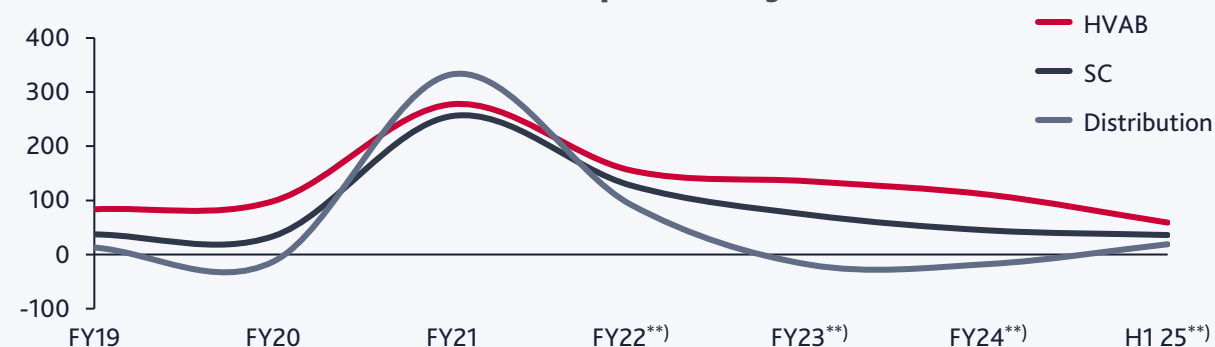


# Developing from a steel distribution company to a metal processor

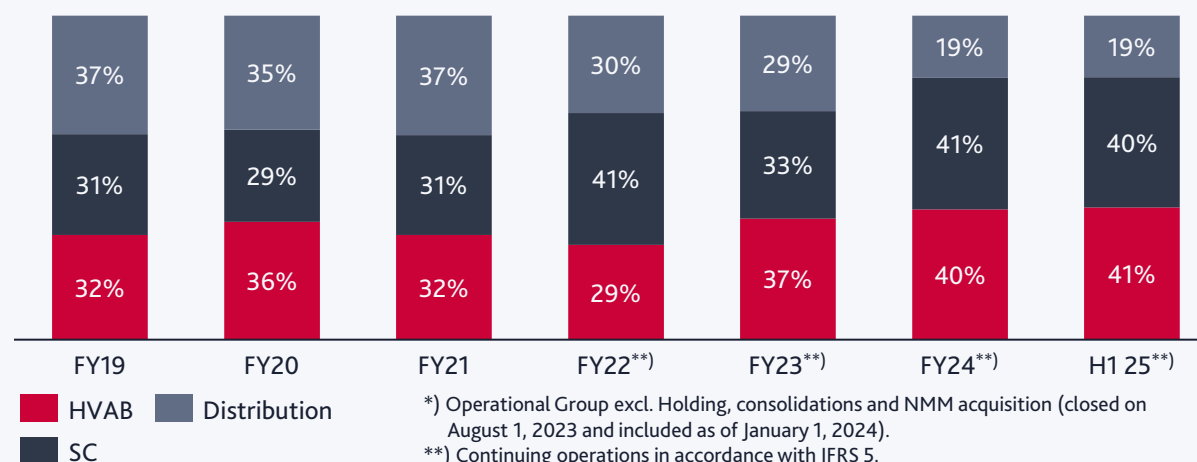
Adapting to the significantly altered business environments with sharpened strategic focus to ensure sustainable growth, mitigate risks and maintain competitiveness in dynamic market landscape

- 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<sup>\*)</sup> development by business

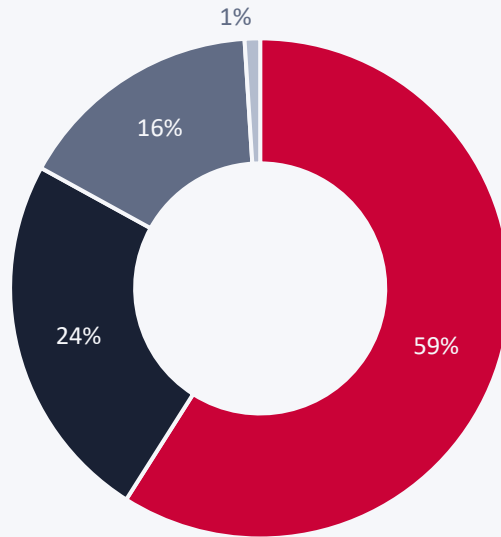


## Sales<sup>\*)</sup> split by business



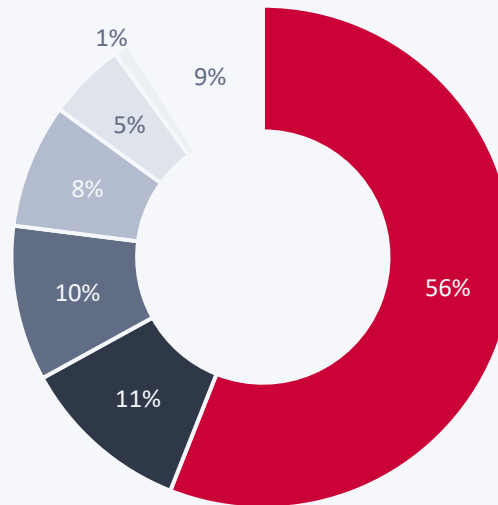
# Sales by markets, products and industries

## Sales by markets



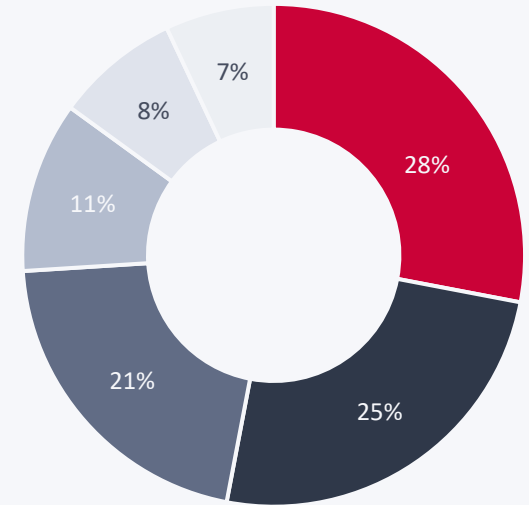
- North America
- Germany/Austria
- Switzerland
- Other

## Sales by products



- Flat products
- Long products
- Aluminum
- Stainless Steel
- Tubes
- Quality Steel
- Other

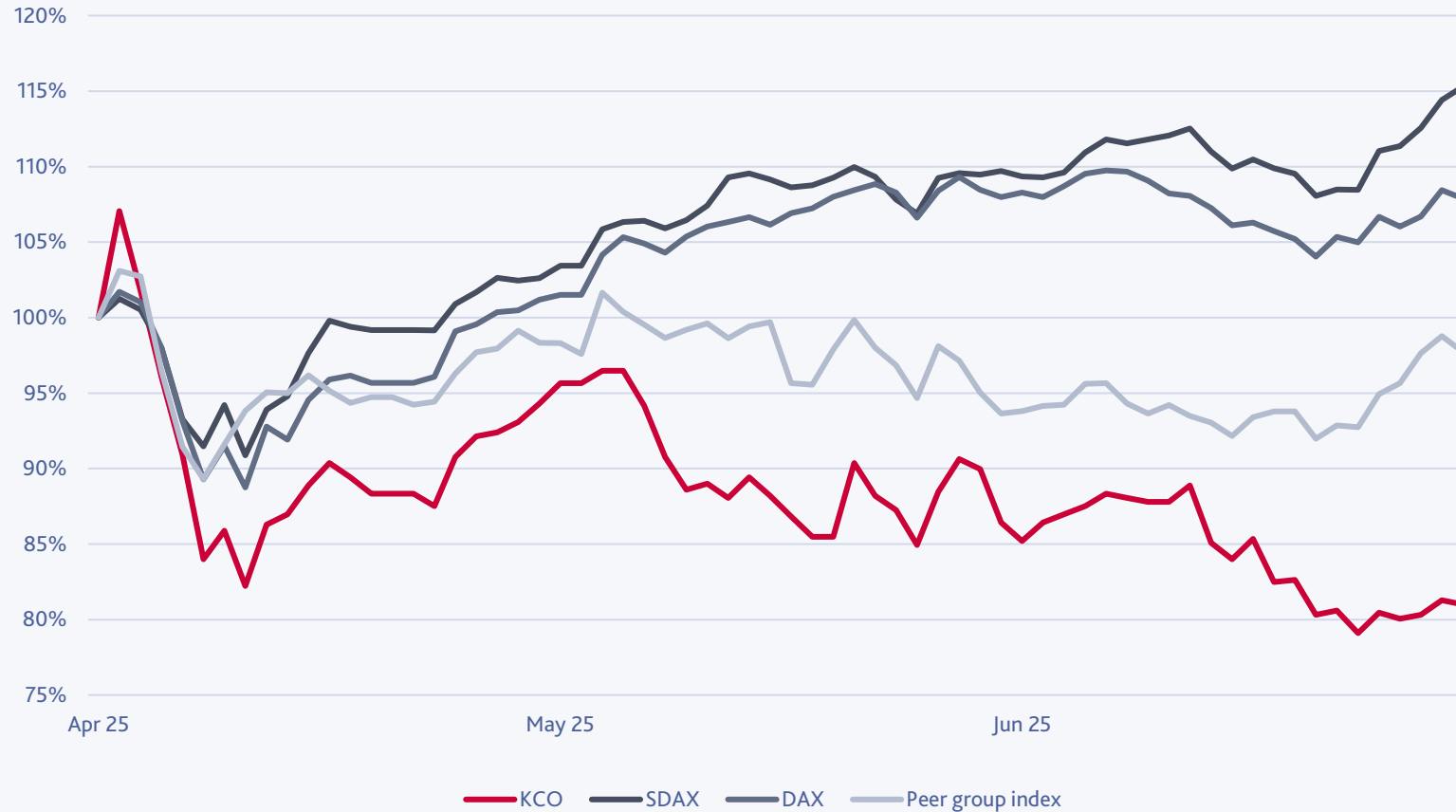
## Sales by industries



- Construction
- Manufacturing, Machinery, Mechanical Engineering
- Transportation
- Appliances and Consumer Goods
- Metal Distribution & Other
- Metal Transforming

As of December 31, 2024. Continuing operations.

# Share performance in Q2 2025



- The share price of Klöckner & Co demonstrated a negative trend through the second quarter of 2025
- It reached its peak level of €7.89 on April 1st, 2025
- After reaching its lowest level of €5.83 on June 23, 2025, it went out of trading at €5.97 on June 30, 2025

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

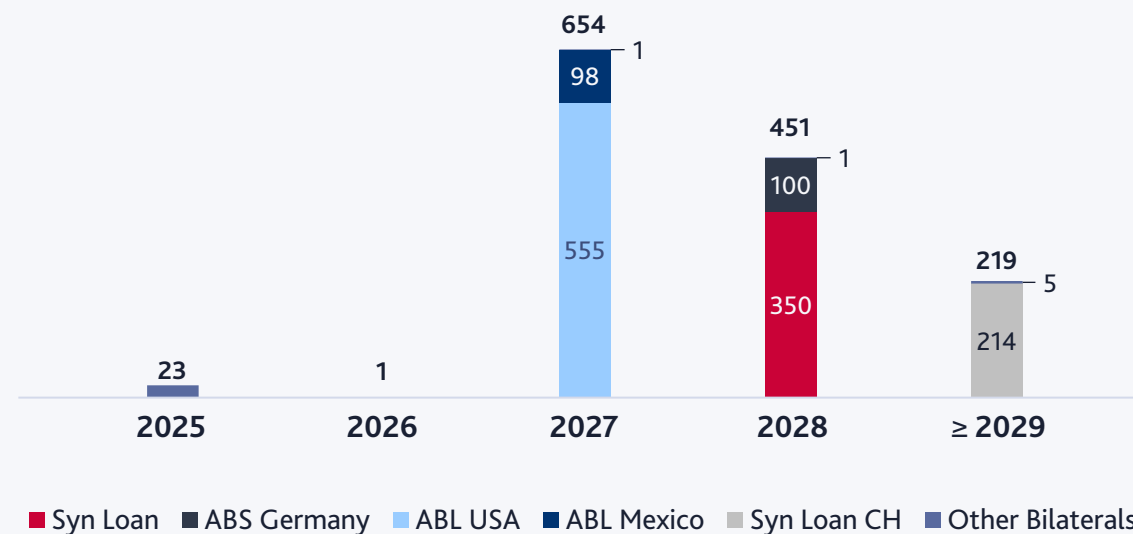
# Maturity profile

Facility (€m)	Committed Jun 30, 2025	Drawn amount	
		Jun 30, 2025	Dec 31, 2024
Syndicated Loan	350	164	173
ABS Germany <sup>1)</sup>	100	64	30
ABL USA	555	370	375
ABL Mexico	98	64	48
Syndicated Loan CH <sup>2)</sup>	214	155	85
Other Bilaterals	31	31	40
Leases	146	146	149
<b>Total Debt</b>	<b>1,494</b>	<b>994</b>	<b>901</b>
Cash		124	121
<b>Net Debt</b>		<b>870</b>	<b>780</b>

- 1) After renewal in July 2025 (incl. reduction of facility size from €300m to €100m).  
2) New facility (CHF 200m) signed in January 2025 replacing local bilaterals (CHF 160m).  
3) 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).  
4) Net debt as reported/Adjusted equity.  
5) Net debt as reported/LTM EBITDA before material special effects.

€m	Jun 30, 2025
Adjusted equity <sup>3)</sup>	1,504
Net Debt	870
Gearing <sup>4)</sup>	58%
Leverage <sup>5)</sup>	5.4x

## Maturity profile (excl. Leases) in €m, Jun 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

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

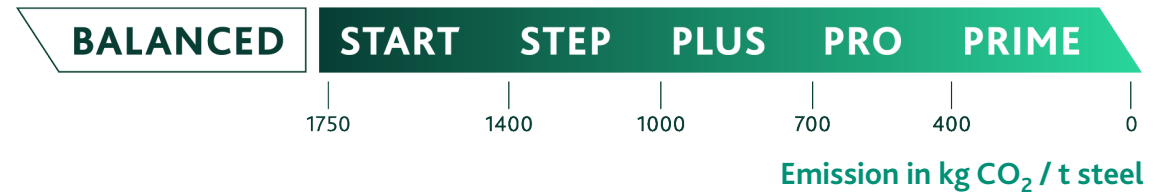
**Net zero by 2050**



# NEXIGEN® STEEL CATEGORIZATION

## Six categorizations for transparent carbon emissions

We have developed a categorization for CO<sub>2</sub>-reduced steel so that customers can directly see the carbon footprint of their purchased product.



## LEADING THE SUSTAINABILITY TRANSFORMATION

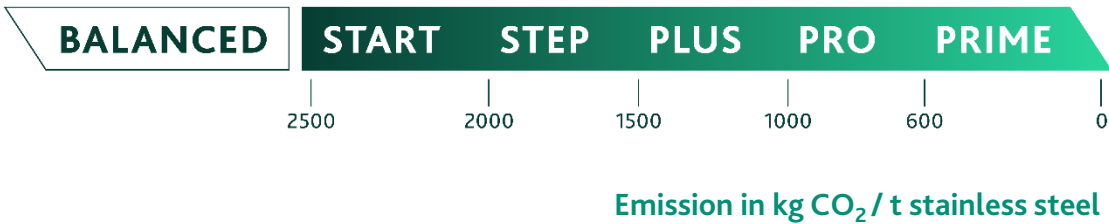
- ✓ Methodology along international standards
- ✓ No offsetting included in CO<sub>2</sub> load categorization (compensation data as add-on)
- ✓ Emissions from raw material to production
- ✓ Separate category for “balanced” green steel



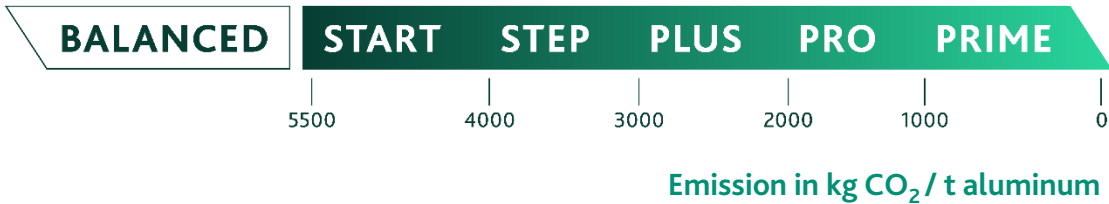
# A comprehensive approach

## Nexigen® categorizations for stainless steel & aluminum

### Stainless Steel



### Aluminum



Fabian Joseph  
Head of Investor Relations

☎ +49 211 88245-488

✉ [fabian.joseph@kloeckner.com](mailto:fabian.joseph@kloeckner.com)

🌐 [www.kloeckner.com](http://www.kloeckner.com)

## Financial calendar

November 5, 2025

**Q3 quarterly statement 2025**

March 11, 2026

**Annual Financial Statements 2025**

May 6, 2026

**Q1 quarterly statement 2026**

August 5, 2026

**Half-yearly financial report 2026**

November 4, 2026

**Q3 quarterly statement 2026**