

Press release

Klöckner & Co SE
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Klöckner & Co to sell eight U.S. distribution sites to intensify its focus on the higher value-added and service center business

- Divestment marks another important milestone in the execution of the strategy “Klöckner & Co: Leveraging Strengths – Step Up 2030”
- Sales contribution from higher value-added and service center business to increase to approximately 86% (+5 pp) – strengthening the earnings profile of Klöckner & Co
- Agreements to sell seven sites to Russel Metals and one site to Service Steel Warehouse

Düsseldorf, Germany, September 28, 2025 – Klöckner & Co and Russel Metals today announced that they have agreed to the sale of seven distribution sites of Klöckner & Co’s U.S. subsidiary, Kloeckner Metals Corporation, to Russel Metals. The distribution sites are located in Austin and Houston (Texas), Charlotte (North Carolina), Dubuque (Iowa), Jacksonville and Pompano Beach (Florida), and Suwanee near Atlanta (Georgia). In addition, Klöckner & Co has agreed to sell a further U.S. distribution site of Kloeckner Metals Corporation in Amarillo (Texas) to Service Steel Warehouse.

Klöckner & Co and Russel Metals have agreed on a purchase price of approximately USD119 million based on the net working capital as of June 30, 2025. This results in a book profit of over €20 million. The final purchase price remains subject to closing net working capital and other normal course adjustments. As part of the agreement with Russel Metals, the parties have entered into a Transitional Service Agreement (TSA). In the fiscal years 2023 and 2024, the seven sites to be sold to Russel Metals contributed an average of around USD9 million to the annual EBITDA before material special effects in the audited financial statements of Klöckner & Co. Klöckner & Co and Service Steel Warehouse have mutually agreed not to disclose details of the sale of the Amarillo site.

Guido Kerkhoff, CEO of Klöckner & Co SE: “Our divestments mark decisive milestones in the consistent execution of our strategy. Both seamlessly align with our previous strategic initiatives and portfolio transactions, further sharpening our focus on the higher value-added and service center business. We will continue to position Klöckner & Co for higher profitability and sustainable growth in our attractive markets in North America and Europe, while reducing our exposure to cyclical commodity markets.”

For Klöckner & Co, both divestments represent significant steps in the successful execution of its corporate strategy “Klöckner & Co: Leveraging Strengths – Step Up 2030”, through which the company committed itself to intensify its focus on the higher value-added and service center business, such as processing and fabrication solutions, within its customer value chain. By enabling the company to reallocate capital from the distribution business to the higher value-added and service center business, Klöckner & Co will further reduce its exposure to volatile commodity markets.

Excluding the eight distribution sites, the share of sales generated by higher-value-added and service center business, which are characterized by more stable demand and higher profitability, was 86% (+5 pp) in the first half of 2025, compared with 81% including these sites. The transactions thus further improve Klöckner & Co's earnings profile.

John Ganem, CEO of Kloeckner Metals Corporation: “Throughout the divestment processes, we placed great importance on acting with full responsibility towards our people and customers of the sold branches. Given that both buyers are highly successful and well-respected companies, Kloeckner is very confident that the employees, customers and distribution sites will be in excellent hands, securing a strong future for all stakeholders involved.”

About Klöckner & Co:

Today, Klöckner & Co is one of the world's largest producer-independent metal processors and one of the leading service center companies. With its network of around 120 warehouse and processing locations, primarily in North America and the "DACH" region (Germany, Austria and Switzerland), Klöckner & Co supplies more than 60,000 customers. Currently, the Group has around 6,500 employees. Klöckner & Co had sales of some €6.6 billion in fiscal year 2024. By consistently implementing its corporate strategy, Klöckner & Co strives to become the leading metal processor and service center company in North America and Europe. The focus is on continued targeted expansion of the higher value-added and service center business, diversification of the product and service portfolio as well as integration of additional CO₂-reduced solutions under the umbrella brand Nexigen®.

The shares of Klöckner & Co SE are admitted to trading on the regulated market segment (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) with further post-admission obligations (Prime Standard). Klöckner & Co shares are listed in the SDAX® index of Deutsche Börse.

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About Kloeckner Metals Corporation:

Kloeckner Metals Corporation ("KMC") is a subsidiary of Klöckner & Co headquartered in Roswell, Georgia, USA. It is one of the largest metal processors and one of the leading service center companies in North America. The company has around 3,000 employees at 60 branches across the USA and Mexico and generated pro forma sales of USD4.2 billion in fiscal year 2024. KMC is committed to delivering the latest fabrication and processing technologies and the most innovative supply chain solutions to its customers. The company also provides access to electrical steel, aluminum, and stainless steel, especially serving automotive and industrial end markets in North America.

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