

Interim Management Statement for 9M 2022

January 1, 2022 to September 30, 2022

- Nine-month operating income (EBITDA) before material special effects at €439 million in 2022, compared to €678 million in the prior-year period; including material special effects, EBITDA in the first nine months was €493 million
- EBITDA before material special effects was €16 million in the third quarter of 2022, despite negative windfall effects, an inventory writedown at the end of the quarter due to an exceptionally sharp fall in steel prices and an actively enforced reduction in inventories
- Strong net income of €301 million in the first nine months of 2022
- Shipments in the first nine months of 2022, at 3.6 million tons, were slightly down by 3.7% year-on-year due to rigorous application of the margin-over-volume strategy at the start of the year, and were negatively impacted by the deteriorating macroeconomic environment in the third quarter
- Very considerable increase in sales in the first nine months of 2022 to €7.4 billion due to higher sales prices (an increase of 36.5% year-on-year)
- Significantly positive cash flow from operating activities of €164 million in the first nine months of 2022 due to consistent net working capital management and, in particular, an actively enforced inventory reduction
- For the full year 2022, EBITDA before material special effects is expected to be around €400 million and cash flow from operating activities exceptionally positive

CONSIDERABLE SALES GROWTH, SHIPMENTS SLIGHTLY BELOW PRIOR YEAR

Shipments in the first nine months of 2022 amounted to 3.6 million tons, representing a decrease of 3.7% relative to the prior-year period. The decrease is due to the consistent margin-over-volume strategy against a backdrop of ongoing supply shortages and associated high steel prices at the beginning of the year and also due to weak demand, particularly during the summer months as a result of the negative macroeconomic environment. Shipments in the third quarter of 2022 came to 1.1 million tons (a decrease of 3.5% year-on-year).

Sales increased considerably from €5.4 billion to €7.4 billion (+36.5%) due to higher average prices in the first nine months. Overall, the average price level in the third quarter of 2022 continued to be considerably higher than a year earlier, with the result that third-quarter sales, at €2.4 billion, were likewise higher than in the prior-year period (€2.0 billion). After a significant increase in steel prices in Europe and the USA at the beginning of the year as a result of the Ukraine crisis, a sharp correction followed over the further course of the year.

Positive exchange rate effects, especially in relation to the US dollar, made the increase in sales even stronger. The currency-adjusted increase in sales was 27.8%.

OPERATING INCOME DOWN ON PRIOR YEAR DUE TO ECONOMIC ENVIRONMENT

Klöckner & Co generated EBITDA before material special effects of €439 million in the first nine months of 2022 (prior year: €678 million). After material special effects of €54 million, EBITDA for the nine-month period amounted to €493 million. Whereas it was possible to benefit from a positive price environment in the first half of 2022, EBITDA before material special effects in the third quarter came to €16 million, down from €277 million in the prior year, despite the significantly improved normalized margin level, due to negative windfall effects, an inventory writedown at the end of the quarter as a result of an exceptionally high drop in steel prices and an actively enforced inventory reduction.

This resulted in net income of €301 million, compared to net income of €490 million in the first nine months of the prior year. Basic earnings per share therefore came to €2.96, compared to €4.84 in the prior-year period.

EARNINGS BY OPERATING SEGMENT

In the Kloeckner Metals US segment, operating income adjusted for material special effects went down to €190 million in the first nine months of 2022, compared to €355 million in the prior year. The decrease, despite the positive developments in selling prices, is due to a gross profit margin decline as a result of disproportionately large increases in inventory prices and higher transportation and logistics costs. On a currency-adjusted basis, nine-month operating income came to €168 million. As a result of consistent net working capital management and an actively enforced inventory reduction, EBITDA before material special effects amounted to €38 million in the third quarter (prior year: €146 million).

In the Kloeckner Metals EU segment, operating income adjusted for material special effects was €159 million in the first nine months of 2022, compared to €240 million in the prior-year period. With a slight increase in shipments, we benefited in this segment in the first half of 2022 from a very positive price trend. As a result of the price correction in the further course of the year and the active reduction in inventories combined with lower goods receipts and the inventory writedown, third-quarter results in this segment were considerably depressed. In total, there was an operating loss of €32 million, compared with an income of €97 million in the prior year. EBITDA after material special effects in the first nine months amounted to €165 million (prior year: €252 million).

EBITDA before material special effects in the Kloeckner Metals Non-EU segment, at €86 million in the first nine months of this fiscal year, was only slightly down on the prior-year earnings of €88 million despite the macro-economic challenges, largely due to the consistent margin-over-volume strategy at the beginning of the year. Among other things, the sale of a property in Switzerland resulted in material special effects of €50 million, putting EBITDA after special effects at €135 million. The segment's third-quarter EBITDA came to €9 million, compared to €34 million in the prior-year quarter, mainly due to the sharp price correction and disproportionately high increases in inventory prices as well as higher operating expenses for transportation and logistics.

STRONG AND SIGNIFICANTLY POSITIVE CASH FLOW FROM OPERATING ACTIVITIES

Total assets as of September 30, 2022 amounted to €4.6 billion, marking an increase of around 18% on the prior year-end.

Equity went up from €1,827 million (December 31, 2021) to €2,126 million. This was due to the strong net income of €301 million. Equity was thus well above the level as of the 2021 year-end and the equity ratio, despite the higher total assets, was a very solid 46% (December 31, 2021: 47%).

Mainly price driven, the net working capital of €2.2 billion was €0.4 billion above the figure as of the end of fiscal year 2021 (€1.8 billion) and likewise significantly higher than the figure as of September 30, 2021 (€1.6 billion). Despite the high price level, and as a result of the active net working capital management, net financial debt at the end of the third quarter 2022 increased only to €806 million (€762 million as of December 31, 2021).

Despite the increase in net working capital, cash flow from operating activities amounted to €164 million in the first nine months of 2022, compared to €76 million in the comparative period. Cash flow from investment activities was negative at €-17 million after €84 million in payments for capital expenditure and €67 million in receipts from divestments. Free cash flow came to €148 million in the first nine months of the fiscal year, compared to €32 million in the prior-year period.

Consistent net working capital management and an actively enforced reduction of inventories resulted in a particularly strong cash flow from operating activities of €163 million in the third quarter of 2022, compared to a cash outflow of €15 million in the comparative period. €37 million in payments for capital expenditure were partly offset by €1 million in receipts from divestments resulting in a cash outflow from investing activities of €36 million in the third quarter (Q3 2021: €18 million).

This resulted in the third quarter of 2022 in a positive free cash flow of €128 million, compared to a negative free cash flow of €-33 million in the same period of the prior year.

STABLE FINANCING WITH IMPROVED MATURITY PROFILE

The Klöckner & Co Group has a diversified financing portfolio with a total volume of €1.5 billion (excluding leases). Of this amount, around €1.0 billion is currently utilized. Including cash holdings of approximately €0.2 billion, the Group has strong liquidity reserves at its disposal.

In July 2022, Klöckner & Co together with the US core banks extended the ABL facility until July 2027 (with the facility amount unchanged at USD 450 million). The facility is secured by inventories and customer receivables at the US country organization and is primarily used for working capital financing in US dollars. On the basis of the strong operating performance, improved terms and conditions were obtained at the same juncture. The US ABL facility was already increased to USD 450 million and the European ABS program to €300 million in the first half of the year.

This measure enabled us to further improve our maturity profile. Taking into account the renewal of the US ABL facility, the volume-weighted remaining term to maturity of the core instruments at the reporting date is approximately 2.8 years.

IMPLEMENTATION OF THE GROUP STRATEGY – FURTHER STRENGTHENING OF PIONEER ROLE

The general economic environment in the third quarter of 2022 was strongly influenced by high inflation and related measures on the part of central banks and by concerns about potential supply shortages on already tight energy markets. Despite the challenging macroeconomic environment, Klöckner & Co was able to make further progress in implementation of its corporate strategy, "Klöckner & Co 2025: Leveraging Strengths".

NEXIGEN® – LAUNCH OF NEW BRAND FOR SUSTAINABLE BUSINESS SOLUTIONS

Establishing sustainable business models is a central component of the strategy. With the introduction of the Nexigen® umbrella brand, under which we bundle our integrated range of sustainable customer solutions, we have taken a further important step as a pioneer of a sustainable steel industry. Under Nexigen®, we have focused our range of sustainable products and services across the Group and provide transparent CO₂-reduced solutions in the categories of materials, processing and logistics. In this way, we assist customers with the reliable procurement of CO₂-reduced steel and metal products, providing them with full transparency about their CO₂ footprint. Combined with the comprehensive range of logistics solutions, circularity solutions and Sustainability Advisory Services (SAS), we thus support our customers in building sustainable supply chains.

On the launch of Nexigen®, our subsidiary Becker Stahl-Service was able to supply the first quantities of CO₂-reduced steel to our longstanding customer Mercedes-Benz AG. Emissions from this special product, from raw material extraction through to production ("cradle to gate"), totaled less than 500 kg of CO₂ per ton of steel – that is around 80% less than the average of around 2.5 tons of carbon per ton of steel via the blast furnace route. This means the supplied steel corresponded to the "Pro" category in Klöckner & Co's own categorization for transparent CO₂ emissions.

PROGRESS IN DIGITALIZATION AND AUTOMATION

The Group also further advanced its transformation with regard to digitalization and automation in the direction of "zero touch". The AI-based Kloeckner Assistant application has been extended with an additional core function and is now able to process text emails automatically in addition to PDF files. This new feature has already been successfully introduced in the German country organization and will be gradually rolled out to other countries. The addition of email text extraction makes Kloeckner Assistant an increasingly important tool in automated quotation and order processing. Over the course of the year, Kloeckner Assistant already handled sales of over €1 billion. In total, the proportion of sales generated via digital channels remained at a high level of 43% (Q3 2021: 46%).

OUTLOOK

We anticipate that the fourth quarter will see a seasonal and price-driven significant decrease in shipments and sales relative to the preceding quarter. Due to the significant correction in steel prices, the active inventory reduction against the background of the macroeconomic environment and the inventory writedowns, we expect EBITDA before material special effects in 2022 to be around €400 million. We also forecast an exceptionally positive cash flow from operating activities for fiscal year 2022. Additionally, positive material special effects, in the amount of €54 million, were already realized in the first nine months of the year.

Klöckner & Co SE

Financial information

for the nine-month period ending September 30, 2022

| Shipments and income statement | | Q3 2022 | Q3 2021 | Variance | Jan. 1 - Sept. 30, 2022 | Jan. 1 - Sept. 30, 2021 | Variance |
|--|-----------|---------|-------------------|------------------|-------------------------------|---|--|
| Shipments | Tto | 1,148 | 1,190 | - 42 | 3,632 | 3,772 | - 140 |
| Sales | € million | 2,367 | 2,038 | 329 | 7,385 | 5,411 | 1,974 |
| Gross profit | € million | 305 | 540 | - 235 | 1,295 | 1,453 | - 158 |
| Gross profit margin | % | 12.9 | 26.5 | - 13.6%p | 17.5 | 26.9 | - 9.4%p |
| Earnings before interest, taxes, depreciation and amortization (EBITDA) | € million | 16 | 280 | - 264 | 493 | 691 | - 198 |
| EBITDA before material special effects | € million | 16 | 277 | - 261 | 439 | 678 | - 239 |
| EBITDA margin | % | 0.7 | 13.7 | - 13.0%p | 6.7 | 12.8 | - 6.1%p |
| EBITDA margin before material special effects | % | 0.7 | 13.6 | - 12.9%p | 5.9 | 12.5 | - 6.6%p |
| Earnings before interest and taxes (EBIT) | € million | - 18 | 249 | - 267 | 397 | 600 | - 203 |
| Earnings before taxes (EBT) | € million | - 25 | 244 | - 269 | 379 | 595 | - 216 |
| Net income | € million | - 22 | 189 | - 211 | 301 | 490 | - 189 |
| Net income attributable to shareholders of Klöckner & Co SE | € million | - 22 | 185 | - 207 | 295 | 483 | - 188 |
| Earnings per share (basic) | € | - 0.22 | 1.86 | - 2.08 | 2.96 | 4.84 | - 1.88 |
| Earnings per share (diluted) | € | - 0.18 | 1.68 | - 1.86 | 2.70 | 4.34 | - 1.64 |
| Cash flow statement | | | | | | | |
| | | Q3 2022 | Q3 2021 | Variance | Jan. 1 - Sept. 30, 2022 | Jan. 1 - Sept. 30, 2021 | Variance |
| Cash flow from operating activities | € million | 163 | - 15 | 178 | 164 | 76 | 88 |
| Cash flow from investing activities | € million | - 36 | - 18 | - 18 | - 17 | - 44 | 27 |
| Free cash flow ^{*)} | € million | 128 | - 33 | 161 | 148 | 32 | 116 |
| Balance sheet | | | | | | | |
| | | | Sept. 30, 2022 | Dec. 31, 2021 | Sept. 30, 2021 | Variance Sept. 30, 2022 vs. Dec. 31, 2021 | Variance Sept. 30, 2022 vs. Sept. 30, 2021 |
| Net Working Capital ^{**)} | € million | | 2,185 | 1,813 | 1,559 | 372 | 626 |
| Net financial debt | € million | | 806 | 762 | 348 | 44 | 458 |
| Gearing ^{***)} | % | | 38.3 | 42.1 | 21.5 | - 3.8%p | 16.8%p |
| Equity | € million | | 2,126 | 1,827 | 1,627 | 299 | 499 |
| Equity ratio | % | | 46.3 | 47.1 | 44.5 | - 0.8%p | 1.8%p |
| Total assets | € million | | 4,592 | 3,878 | 3,657 | 714 | 935 |
| Employees | | | | | | | |
| | | | Sept. 30, 2022 | Dec. 31, 2021 | Sept. 30, 2021 | Variance Sept. 30, 2022 vs. Dec. 31, 2021 | Variance Sept. 30, 2022 vs. Sept. 30, 2021 |
| Employees as of the end of the reporting period | | | 7,328 | 7,153 | 7,129 | 175 | 199 |

*) Free cash flow = Cash flow from operating activities + cash flow from investing activities.

**) Net Working Capital = Inventories + trade receivables + contract assets + supplier bonus receivables /. trade liabilities /. contract liabilities /. advance payments received.

***) Gearing = Net financial debt / (Consolidated equity /. non-controlling interests /. goodwill resulting from acquisitions subsequent to May 23, 2019).

Klöckner & Co SE

Consolidated statement of income

for the nine-month period ending September 30, 2022

| <i>(€ thousand)</i> | Q3 2022 | Q3 2021 | Jan. 1– Sep. 30, 2022 | Jan. 1– Sep. 30, 2021 |
|--|-----------------|----------------|--------------------------|--------------------------|
| Sales | 2,367,488 | 2,038,065 | 7,385,430 | 5,410,918 |
| Changes in inventory | 8,753 | 16,346 | 38,031 | 39,810 |
| Own work capitalized | – 11 | 686 | – 11 | 1,451 |
| Other operating income | 6,491 | 5,574 | 77,697 | 29,059 |
| Cost of materials | – 2,070,848 | – 1,513,945 | – 6,128,511 | – 3,997,440 |
| Personnel expenses | – 156,292 | – 147,636 | – 463,540 | – 448,166 |
| Depreciation and amortization | – 33,316 | – 31,029 | – 95,509 | – 90,846 |
| Impairment losses of intangible assets and property, plant and equipment | – 4 | – 30 | 68 | – 421 |
| Reversal of impairments of intangible assets and property, plant and equipment | - | 285 | - | 285 |
| Other operating expenses | – 139,931 | – 118,980 | – 416,556 | – 344,615 |
| Operating result | – 17,670 | 249,335 | 397,100 | 600,035 |
| Income from investments | 1,046 | 1,393 | 5,137 | 5,816 |
| Finance income | 885 | 113 | 1,943 | 8,038 |
| Finance expenses | – 9,271 | – 6,640 | – 25,372 | – 18,811 |
| Financial result | – 8,386 | – 6,527 | – 23,430 | – 10,774 |
| Income before taxes | – 25,011 | 244,201 | 378,808 | 595,077 |
| Income taxes | 2,950 | – 55,520 | – 77,662 | – 105,089 |
| Net income | – 22,061 | 188,681 | 301,146 | 489,988 |
| <i>thereof attributable to</i> | | | | |
| – shareholders of Klöckner & Co SE | – 21,744 | 185,345 | 295,373 | 482,761 |
| – non-controlling interests | – 317 | 3,336 | 5,773 | 7,226 |
| Earnings per share (€/share) | | | | |
| – basic | – 0.22 | 1.86 | 2.96 | 4.84 |
| – diluted | – 0.18 | 1.68 | 2.70 | 4.34 |

Statement of comprehensive income

for the nine-month period ending September 30, 2022

| <i>(€ thousand)</i> | Q3 2022 | Q3 2021 | Jan. 1– Sep. 30, 2022 | Jan. 1– Sep. 30, 2021 |
|---|-----------------|----------------|--------------------------|--------------------------|
| Net income | - 22,061 | 188,681 | 301,146 | 489,988 |
| Other comprehensive income not reclassifiable | | | | |
| Actuarial gains and losses (IAS 19) | 531 | 11,830 | - 66,588 | 81,855 |
| Related income tax | 1,411 | - 1,354 | 18,435 | - 11,778 |
| Total | 1,942 | 10,476 | - 48,153 | 70,077 |
| Other comprehensive income reclassifiable | | | | |
| Foreign currency translation | 68,916 | 20,159 | 148,867 | 25,879 |
| Gain/loss from cash flow hedges | - 1,801 | - | - 1,994 | - |
| Total | 67,115 | 20,159 | 146,873 | 25,879 |
| Other comprehensive income | 69,057 | 30,635 | 98,720 | 95,956 |
| Total comprehensive income | 46,996 | 219,316 | 399,866 | 585,944 |
| <i>thereof attributable to</i> | | | | |
| - shareholders of Klöckner & Co SE | 47,286 | 215,975 | 394,027 | 578,703 |
| - non-controlling interests | - 290 | 3,341 | 5,839 | 7,241 |

Consolidated statement of financial position

as of September 30, 2022

Assets

| <i>(€ thousand)</i> | September 30, 2022 | December 31, 2021 |
|---------------------------------|---------------------------|-------------------|
| Non-current assets | | |
| Intangible assets | 95,045 | 97,389 |
| Property, plant and equipment | 827,814 | 760,354 |
| Other financial assets | 37,152 | 27,622 |
| Other non-financial assets | 87,538 | 172,917 |
| Current income tax receivable | - | 5,429 |
| Deferred tax assets | 38,388 | 35,578 |
| Total non-current assets | 1,085,937 | 1,099,287 |
| Current assets | | |
| Inventories | 1,918,950 | 1,715,723 |
| Trade receivables | 1,225,062 | 843,284 |
| Contract assets | 60,932 | 41,861 |
| Supplier bonus receivables | 28,227 | 55,543 |
| Current income tax receivable | 8,743 | 1,225 |
| Other financial assets | 24,704 | 20,875 |
| Other non-financial assets | 36,585 | 38,182 |
| Cash and cash equivalents | 199,477 | 57,628 |
| Assets held for sale | 3,198 | 4,154 |
| Total current assets | 3,505,878 | 2,778,475 |
| Total assets | 4,591,816 | 3,877,762 |

Equity and liabilities

| <i>(€ thousand)</i> | September 30, 2022 | December 31, 2021 |
|--|---------------------------|-------------------|
| Equity | | |
| Subscribed capital | 249,375 | 249,375 |
| Capital reserves | 568,622 | 568,729 |
| Retained earnings | 1,050,517 | 854,894 |
| Accumulated other comprehensive income | 236,195 | 138,619 |
| Equity attributable to shareholders of Klöckner & Co SE | 2,104,707 | 1,811,617 |
| Non-controlling interests | 21,570 | 15,731 |
| Total equity | 2,126,277 | 1,827,348 |
| Non-current liabilities | | |
| Provisions for pensions and similar obligations | 40,178 | 50,024 |
| Other provisions and accrued liabilities | 16,588 | 17,352 |
| Non-current financial liabilities | 459,796 | 556,446 |
| Other financial liabilities | 665 | 137 |
| Deferred tax liabilities | 49,662 | 63,140 |
| Total non-current liabilities | 566,889 | 687,099 |
| Current liabilities | | |
| Other provisions and accrued liabilities | 159,994 | 148,022 |
| Income tax liabilities | 37,696 | 29,690 |
| Current financial liabilities | 543,018 | 260,649 |
| Trade payables | 1,047,040 | 838,149 |
| Other financial liabilities | 40,432 | 32,625 |
| Contract liabilities | 184 | 5,099 |
| Advance payments received | 1,104 | 939 |
| Other non-financial liabilities | 69,183 | 48,141 |
| Total current liabilities | 1,898,650 | 1,363,315 |
| Total liabilities | 2,465,538 | 2,050,414 |
| Total equity and liabilities | 4,591,816 | 3,877,762 |

Consolidated statement of cash flows

for the nine-month period ending September 30, 2022

| <i>(€ thousand)</i> | Q3 2022 | Q3 2021 | Jan. 1– Sep. 30, 2022 | Jan. 1– Sep. 30, 2021 |
|--|------------------|-----------------|----------------------------------|--------------------------|
| Net income | – 22,061 | 188,681 | 301,146 | 489,988 |
| Income taxes | – 2,950 | 55,520 | 77,662 | 105,089 |
| Financial result | 8,386 | 6,527 | 23,430 | 10,774 |
| Income from investments | – 1,046 | – 1,393 | – 5,137 | – 5,816 |
| Depreciation , amortization and impairments | 33,320 | 30,774 | 95,441 | 90,981 |
| Other non-cash income/expenses | – 654 | 320 | – 640 | 375 |
| Gain on disposal of non-current assets | 71 | – 1,650 | – 55,543 | – 13,870 |
| Change in net working capital | | | | |
| Inventories | 157,654 | – 337,816 | – 48,957 | – 574,012 |
| Trade receivables, contract assets, supplier bonuses | 27,212 | – 76,056 | – 280,108 | – 438,343 |
| Trade payables, contract liabilities and advanced payments | – 50,416 | 155,996 | 123,210 | 451,944 |
| Change in other operating assets and liabilities | 47,473 | – 3,214 | 33,808 | 17,883 |
| Interest paid | – 8,729 | – 5,845 | – 22,628 | – 15,038 |
| Interest received | 346 | 108 | 1,000 | 271 |
| Income taxes paid/ reimbursed | – 25,218 | – 27,120 | – 78,265 | – 44,000 |
| Cash flow from operating activities | 163,388 | – 15,168 | 164,419 | 76,226 |
| Proceeds from the sale of non-current assets | 1,198 | 3,785 | 67,065 | 12,046 |
| Proceeds from financial assets | 3 | 254 | 763 | 577 |
| Payments for intangible assets, property, plant and equipment | – 17,056 | – 20,050 | – 56,490 | – 50,579 |
| Acquisition of subsidiaries | – 19,608 | - | – 22,995 | - |
| Payments for financial assets | – 376 | – 1,573 | – 4,933 | – 6,247 |
| Cash flow from investing activities | – 35,839 | – 17,584 | – 16,590 | – 44,203 |
| Dividend payments to shareholders of Klöckner & Co SE | - | - | – 99,750 | - |
| Dividend payments to non-controlling interests | - | – 1,773 | - | – 1,773 |
| Borrowings and Repayment of financial liabilities | – 144,435 | 12,938 | 119,899 | – 60,752 |
| Repayment of leasing liabilities | – 9,782 | – 14,754 | – 30,506 | – 37,659 |
| Proceeds from derivatives | 194 | – 4,069 | – 3,848 | – 9,484 |
| Cash flow from financing activities | – 154,023 | – 7,658 | – 14,205 | – 109,668 |
| Changes in cash and cash equivalents | – 26,474 | – 40,410 | 133,624 | – 77,645 |
| Effect of foreign exchange rates on cash and cash equivalents | 826 | 789 | 8,225 | 2,133 |
| Cash and cash equivalents at the beginning of the period | 225,125 | 136,675 | 57,628 | 172,566 |
| Cash and cash equivalents at the end of the reporting period as per statement of financial position | 199,477 | 97,054 | 199,477 | 97,054 |

Segment reporting

| (€ million) | Kloeckner Metals US | | Kloeckner Metals EU | | Kloeckner Metals Non-EU | | Holding and other Group companies ^{*)} | | Total | |
|--|------------------------|---------|------------------------|---------|----------------------------|---------|--|---------|---------|---------|
| | 9M 2022 | 9M 2021 | 9M 2022 | 9M 2021 | 9M 2022 | 9M 2021 | 9M 2022 | 9M 2021 | 9M 2022 | 9M 2021 |
| Shipments (Tto) | 1,735 | 1,861 | 1,362 | 1,332 | 535 | 579 | - | - | 3,632 | 3,772 |
| External sales | 3,522 | 2,511 | 2,608 | 1,906 | 1,255 | 994 | - | - | 7,385 | 5,411 |
| Gross Profit | 536 | 648 | 442 | 506 | 317 | 299 | - | - | 1,295 | 1,453 |
| Gross profit margin (%) | 15.2 | 25.8 | 16.9 | 26.6 | 25.2 | 30.1 | - | - | 17.5 | 26.9 |
| Segment result (EBITDA) ^{**)} | 189 | 358 | 165 | 252 | 135 | 88 | 4 | -6 | 493 | 691 |
| EBITDA before material special effects | 190 | 355 | 159 | 240 | 86 | 88 | 4 | -6 | 439 | 678 |
| Earnings before interest and taxes (EBIT) | 149 | 321 | 143 | 229 | 106 | 61 | - | -11 | 397 | 600 |
| Cashflow from operating activities | 175 | 10 | 2 | 82 | -8 | -2 | -5 | -14 | 164 | 76 |

| (€ million) | Kloeckner Metals US | | Kloeckner Metals EU | | Kloeckner Metals Non-EU | | Holding and other Group companies ^{*)} | | Total | |
|---|------------------------|---------|------------------------|---------|----------------------------|---------|--|---------|---------|---------|
| | 9M 2022 | FY 2021 | 9M 2022 | FY 2021 | 9M 2022 | FY 2021 | 9M 2022 | FY 2021 | 9M 2022 | FY 2021 |
| Net working capital as of closing date ^{***)} | 910 | 831 | 806 | 645 | 465 | 341 | 3 | -5 | 2,185 | 1,813 |
| Employees as of closing date | 2,217 | 2,198 | 2,629 | 2,517 | 2,223 | 2,178 | 259 | 260 | 7,328 | 7,153 |

*) Including consolidations.

**) EBITDA = Earnings before income from investments, interest, taxes, depreciation and amortization and reversals of impairments on intangible assets and property, plant and equipment.

***) Net Working Capital = Inventories + trade receivables + contract assets + supplier bonus receivables / . trade liabilities / . contract liabilities / . advance payments received.

Financial Calendar

| | |
|------------------|--|
| March 9, 2023 | Annual Financial Statement 2022 Financial statement press conference Conference call with analysts |
| May 3, 2023 | Q1 quarterly statement 2023 Conference call with journalists Conference call with analysts |
| May 17, 2023 | Annual General Meeting 2023 |
| August 2, 2023 | Half-yearly financial report 2023 Conference call with journalists Conference call with analysts |
| October 31, 2023 | Q3 quarterly statement 2023 Conference call with journalists Conference call with analysts |

Subject to subsequent changes.

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Disclaimer

This statement contains forward-looking statements that are based on the current estimates of the Klöckner & Co SE management with respect to future events. They are generally identified by the words "expect", "anticipate", "assume", "intend", "estimate", "target", "aim", "plan", "will", "endeavor", "outlook" and comparable expressions, and generally contain information that relates to expectations or targets for economic conditions, sales or other performance measures. Forward-looking statements are based on currently valid plans, estimates and projections and are therefore only valid on the day on which they are made. You should consider them with caution. Such statements are subject to numerous risks and uncertainties (e.g. those described in publications), most of which are difficult to predict and are generally beyond the control of Klöckner & Co SE. The relevant factors include the effects of significant strategic and operational initiatives, including the acquisition or disposal of companies or other assets. If these or other risks or uncertainties materialize or if the assumptions underlying any of the statements turn out to be incorrect, the actual results of Klöckner & Co SE may be materially different from those stated or implied by such statements. Klöckner & Co SE can offer no assurance that its expectations or targets will be achieved. Without prejudice to existing legal obligations, Klöckner & Co SE does not assume any obligation to update forward-looking statements to take information or future events into account or otherwise. In addition to the figures prepared in line with IFRS or HGB (Handelsgesetzbuch – German Commercial Code), Klöckner & Co SE presents non-GAAP financial performance measures, e.g. EBITDA, EBIT, net working capital and net financial debt. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS or HGB. Non-GAAP key figures are not subject to IFRS or HGB, or to 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 interim management statement and calculated in accordance with the relevant accounting principles. Other companies may define these terms in different ways. Please refer to the definitions in the annual report.

Rounding

There may be rounding differences with respect to the percentages and figures in this report.

Variances to the German version

Variances may arise for technical reasons (e.g., conversion of electronic formats) between the accounting documents contained in this Annual Report and the format submitted to the Federal Gazette (Bundesanzeiger). In this case, the version submitted to the Federal Gazette shall be binding.

This English version of the interim management statement is a courtesy translation of the original German version; in the event of variances, the German version shall prevail over the English translation.

Evaluating statements are unified and are presented as follows:

| | | |
|----------|-----------|--------------|
| +/- 0-1% | +/- >1-5% | +/- >5% |
| stable | slight | considerable |

