Ad hoc announcement pursuant to Art. 53 LR

Swiss Steel Group stays on strategic path amidst challenging market conditions

Emmenbrücke, March 19, 2025

- **Sales volume decreased on a comparable basis[1], by 5.1 % from 1,112 kilotons in 2023 to 1,056 kilotons in 2024 in a very weak market environment**
- **Revenue for the full-year 2024 decreased accordingly by 14.3 % from EUR 2,837 million in 2023 to EUR 2,432 million[1]**
- **EBITDA in 2024 was EUR –35.5 million versus EUR –102.2 million in 2023 supported by one-time effects**
- **Year-end net debt came in lower at EUR 711.4 million versus EUR 828.6 million at the end of the previous year, supported by the capital increase in April 2024**
- **The Group's equity increased due to the capital increase to EUR 322.8 million corresponding to an equity ratio of 19.3% as of December 31, 2024**
- **The Group secured new arrangements with its financial lenders in the first quarter of 2025 to address the weak market situation and ensure continued execution of its strategic roadmap**

Amidst a global economic slowdown, with Europe being particularly affected, Swiss Steel Group continued to adapt its strategy to safeguard long-term stability. 2024 marked the second consecutive year of industrial recession in parts of Europe with significant consequences for industrial production, which declined despite earlier, more optimistic forecasts. The automotive sector, our largest customer segment, experienced a further decline in demand compared to prior year with production volume in the European automotive industry remaining significantly below the pre-pandemic level of 2019. Similarly, the German mechanical and plant engineering sectors struggled, with customers cautious about new investments due to economic and financial uncertainties. Swiss Steel Group raised its market share in 2024 in a deteriorating market in stainless and engineering steel. As a result, on a comparable basis[1], our sales volume was at 1,056 kilotons in 2024, down by 5.1% compared to an already weak prior year level. As a consequence of the lower sales volume, revenue decreased by 14.3% to EUR 2,432 million.[1]

In response, Swiss Steel Group implemented previously announced comprehensive measures to adjust its production schedule, reduce costs, and enhance operational efficiency. The Group also executed capacity adjustments as outlined in November 2024, aligning workforce and production capacity with market demand to

[1] Pro forma, i.e. excluding Ascometal

ensure the Group’s long-term competitiveness. These measures, including the planned reduction of approximately 800 full-time positions, primarily affect European production sites and the sales organization in the first quarter of 2025. Overall, Swiss Steel Group reduced the workforce by 15.5% compared to 2023 to 7,450 employees at the end of 2024, the majority of which stems from changes in the Group’s scope of consolidation.

In parallel, the Group advanced its strategic roadmap under ‘SSG 2025’, with structural and operational measures aimed at freeing up resources for the core business, building resilience, and helping to deleverage the balance sheet. Following Ascometal's management seeking court protection in March 2024, Swiss Steel Group handed over responsibility for these entities, leading to the derecognition of the corresponding assets and liabilities from the balance sheet. Following the divestiture of several distribution entities in 2023, the Group continued to streamline its portfolio by selling its operations in Portugal, Argentina, Colombia and the United Arab Emirates, as well as its former headquarters in Düsseldorf. Beyond these effects, the EBITDA improvement was also supported by efficiency gains in procurement and operations, continued cost discipline, and the ability to maintain or expand market share across core segments — despite persistent raw material price pressure. The effects of these measures increased the EBITDA for the full year of 2024 to EUR –35.5 million (2023: EUR –102.2 million).

Reinforced capital base to support future growth

In line with our SSG 2025 program, we have reinforced our capital base in April 2024 to shift focus toward fully re-entering the market, once economic conditions improve. The recapitalization and refinancing of the Group included a capital increase generating gross proceeds of approximately EUR 300 million and the extension of the Group’s material financing arrangements with our financial lenders until September 2028. As a result, the Group significantly deleveraged its balance sheet in the first half of 2024. Further contributors to a decreased net debt by EUR 117.2 million to EUR 711.4 million in the full year of 2024 were proceeds stemming from the divestment of land and buildings in Düsseldorf, Germany, as well as effects from changes in the Group’s scope of consolidation. These positive effects were partially offset by the negative cash flow in 2024.

At the end of December 2024, shareholders’ equity was EUR 322.8 million and thus above prior-year level (2023 EUR 234.4 million). As a result of the capital increase settled in April 2024, shareholders’ equity increased by EUR 287.8 million (net of transaction costs). The positive effect from the capital increase was partially offset by the negative Group result of EUR –197.2 million. The equity ratio as of 31.12.2024 was 19.3% (31.12.2023: 12.1%).

CEO Frank Koch commented: "2024 was a challenging year with difficult market positions, but also of substantial progress, which shows our Group is generally on track. The path to full recovery requires time and, above all, the rebound of our most important market: industrial production. Our continued operational discipline gives us the necessary foundation to respond to market developments with resilience. We remain focused on our strategic priorities, knowing that the groundwork laid in the last years will carry our future success.”

In the first quarter of 2025 Swiss Steel Group reached new financing agreements with its financial lenders to address the persistently weak market environment and ensure continued execution of its strategic roadmap. Amongst others, the agreements will provide for additional debt funding by its major shareholder GravelPoint Holding AG in an amount of EUR 150 million and an extension of its material group financings until December 2029. The agreement is subject to customary conditions and documentation. It is envisaged to close the transaction in April 2025.

As we enter 2025, Swiss Steel Group remains committed to operational excellence, financial stability, and leveraging our leadership in sustainable steel to drive long-term value creation. While incoming orders in early 2025 show slight signs of improvement, a sustained recovery will depend on more substantial structural changes in the European industrial landscape.

Key figures

Swiss Steel Group	Unit	2024	2023	Δ in %
Order backlog	kilotons	264	355	– 25.6
Sales volume [1]	kilotons	1,113	1,375	– 19.1
Revenue [2]	million EUR	2,511.2	3,244.2	– 22.6
Average sales price	EUR/t	2,256	2,363	– 4.5
EBITDA	million EUR	– 35.5	– 102.2	65.3
EBITDA margin	%	– 1.4	– 3.2	–
EBIT	million EUR	– 136.6	– 199.8	31.6
Earnings before taxes	million EUR	– 212.7	– 287.7	26.1
Group result	million EUR	– 197.2	– 294.8	33.1
Investments	million EUR	94.2	114.3	– 17.6
Free cash flow	million EUR	– 173.3	85.4	–
	Unit	**31.12.2024**	**31.12.2023**	**Δ in %**
Net debt	million EUR	711.4	828.6	– 14.1
Shareholders' equity	million EUR	322.8	234.4	37.6
Gearing	%	220.4	353.5	–
Net debt/adj. EBITDA LTM (leverage)	x	n/a	n/a	–
Balance sheet total	million EUR	1,676.2	1,933.2	– 13.3
Equity ratio	%	19.3	12.1	–
Employees as of closing date	Positions	7,450	8,812	– 15.5
Capital employed	million EUR	1,309.2	1,372.4	– 4.6
	Unit	**2024**	**2023**	**Δ in %**
Result/share [3]	EUR/CHF	– 7.59/-7.23	-19.3/-18.8	–
Shareholders' equity/share [4]	EUR/CHF	10.48/9.85	15.33/14.24	–
Share price high/low [5]	CHF	18.80/1.17	0.230/0.060	–

[1] Pro forma, i.e. excluding Ascometal: 2024: 1,056 kt; 2023: 1,112 kt (– 5.1%)
[2] Pro forma, i.e. excluding Ascometal: 2024: EUR 2,432 million; 2023: EUR 2,837 million (– 14.3%)
[3] Result per share is based on the result of the Group after deducting the portions attributable to non-controlling interests. Result per share has been adjusted retrospectively to reflect the reverse share split at a ratio of 200:1 implemented on May 28, 2024.
[4] As of December 31, 2024 and as of December 31, 2023. To achieve comparability, shareholders' equity per share as of December 31, 2023 has been adjusted retrospectively to reflect the reverse share split at a ratio of 200:1 implemented on May 28, 2024.
[5] Increased share prices in 2024 due to the reverse share split at a ratio of 200:1 implemented on May 28, 2024.

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About Swiss Steel Group
Swiss Steel Group with headquarters in Emmenbrücke (Switzerland) is one of the world's leading producers of special steel long products. Thanks to the exclusive use of steel scrap in electric arc furnaces, the Group is one of the most relevant companies in Europe in the circular economy and is among the market leaders in the field of sustainably produced steel - Green Steel. Swiss Steel Group has its own production and distribution entities in over 25 countries and, through its strong local presence, offers a wide range of individual solutions in the fields of engineering steel, stainless steel, and tool steel. Swiss Steel Group is listed on the SIX Swiss Exchange and generated revenue of around EUR 2.5 billion in 2024 with approximately 7,500 employees.