HIGH PERFORMANCE METALS DIVISION

CMD 2025

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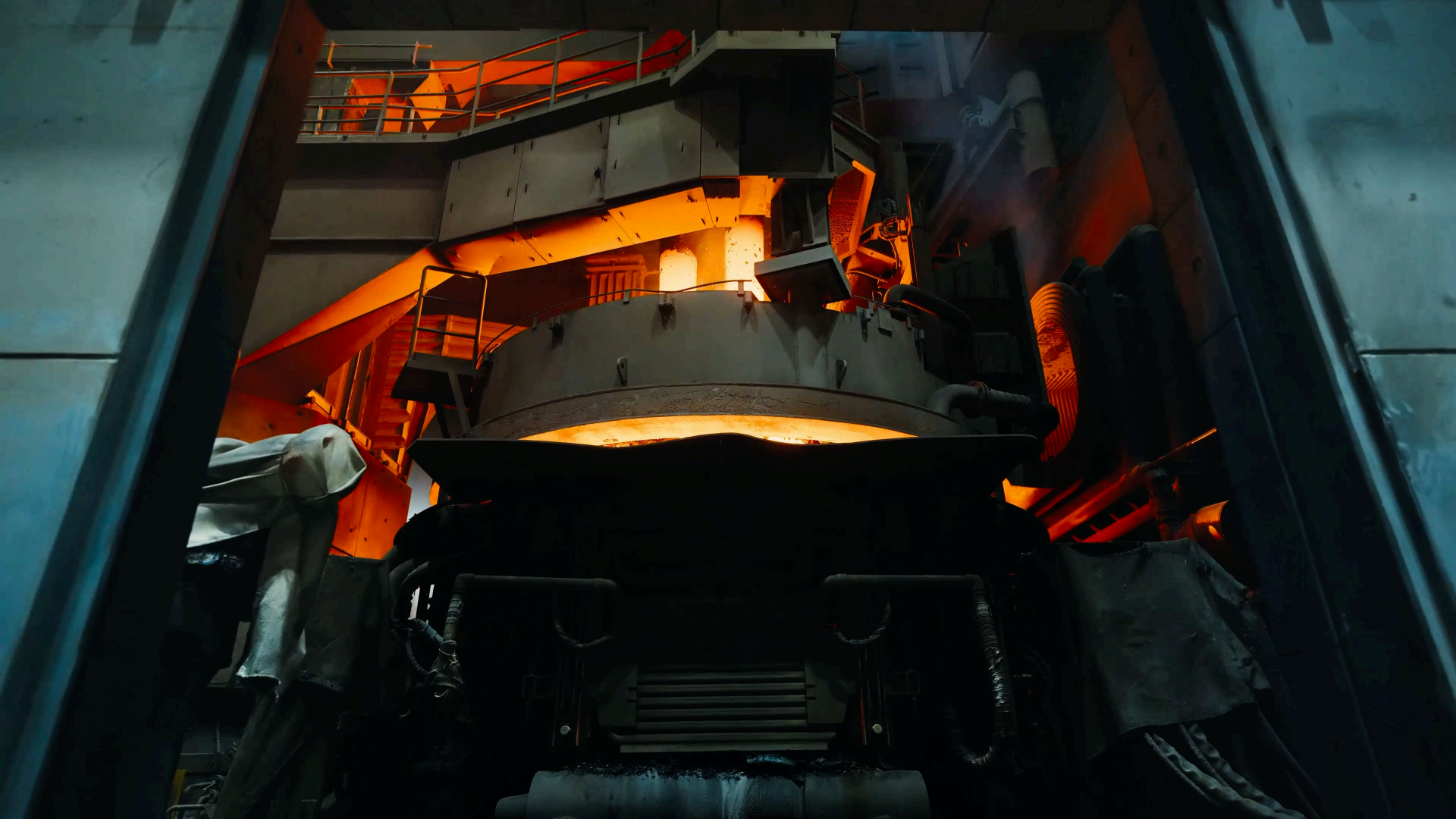


HIGH PERFORMANCE METALS DIVISION

GLOBAL SUPPLIER OF TOOL STEEL AND SPECIAL MATERIALS WITH 3 EAF SPECIAL STEEL MILLS IN AUSTRIA, SWEDEN AND BRAZIL

» Total capacity: 0.45 m. tons crude-steel

PRODUCT PORTFOLIO:

» tool steel, high-speed steel, valve steel, special forged parts and powder materials, nickel-based alloys, titanium and additive manufacturing technologies
» Our portfolio covers the entire value chain from material production, engineering of components, and customized services like heat treatment and coating

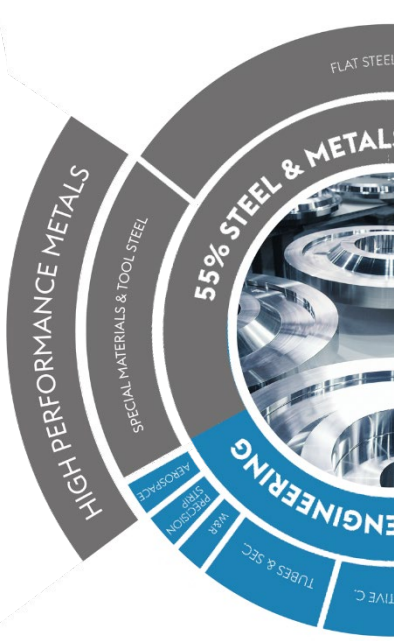
REGIONAL REVENUE:

» Metal production in Europa and Brazil
» Shipments across the globe
» Local warehouses and service centers across the globe

3182.2
REVENUE MIO. EUR

2.6
EBITDA MARGIN %

83.0
EBITDA BY 24/25 MIO. EUR



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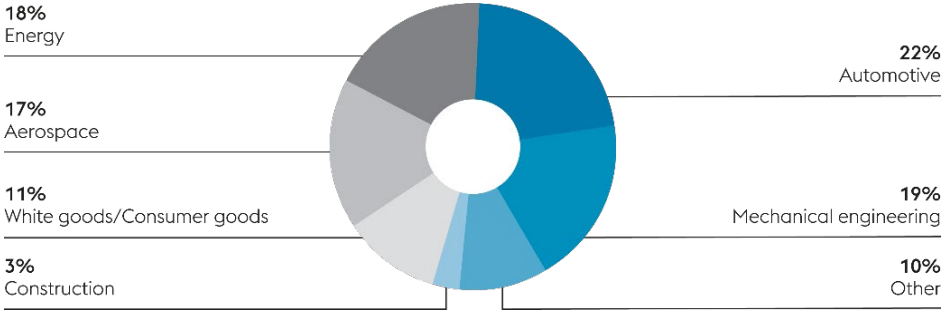
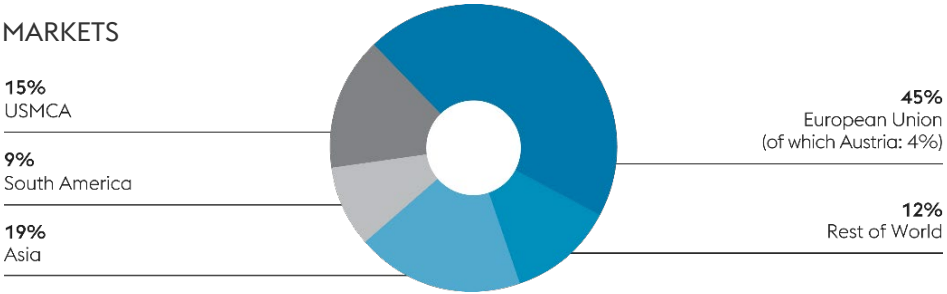
CUSTOMERS AND INTERNATIONAL MARKETS

in % Division sales in the BY 2024/25

CUSTOMERS



MARKETS



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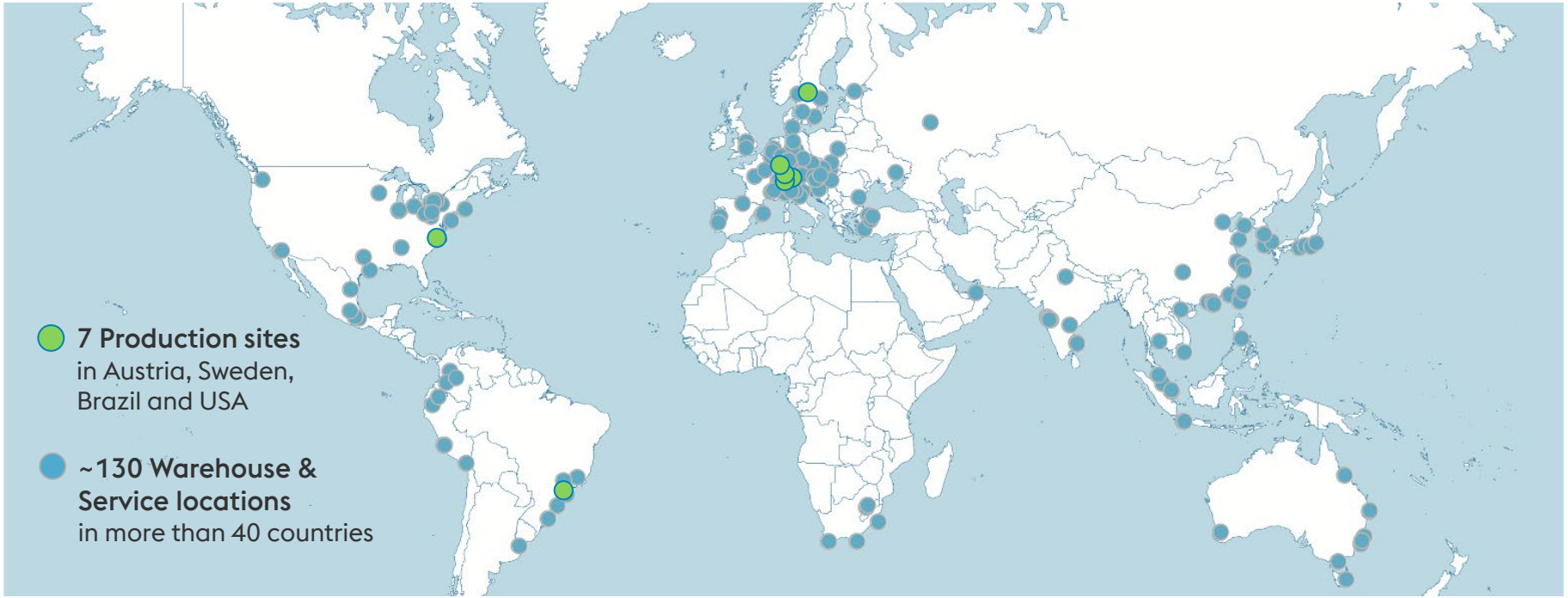
PRESENT IN ALL INDUSTRIALIZED AREAS OF THE WORLD



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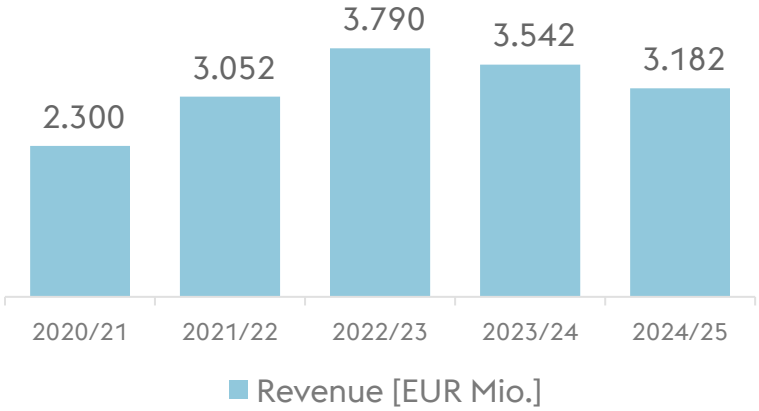
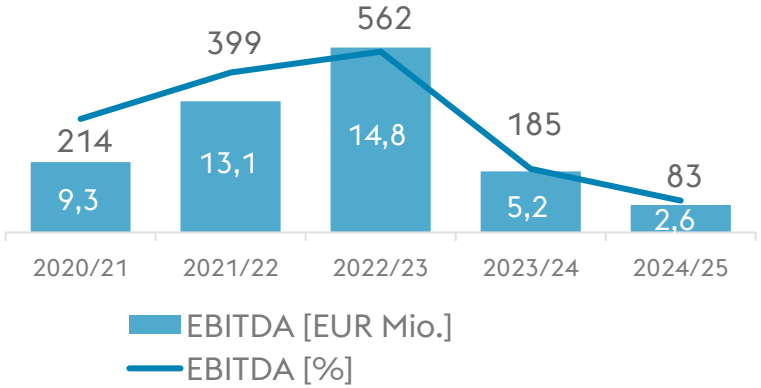
KPIs





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MARKET ENVIRONMENT REQUIRES A REORGANISATION OF THE DIVISION

Structural changes

» Customer behaviour
» Increased competition
» Increased cost pressure
» Weak industrial demand in Europe, especially in Germany

Effects on HPM

» Decreasing volumes
» Pressure on margins

Actions

» New organizational structure
» Streamlining of sales network
» Leaner cost structure
» Cash conversion cycle optimization
» Increasing earnings performance

Structural market changes require a fundamental organizational adjustment based on the following basic principles:

- Divisional Optimum
- Customer centricity
- Innovation- and Technology Leadership

TOOLING

Tool- and high speed steel | Additive Manufacturing | Sawing | Machining | Heat treatment | Coating & Texturing

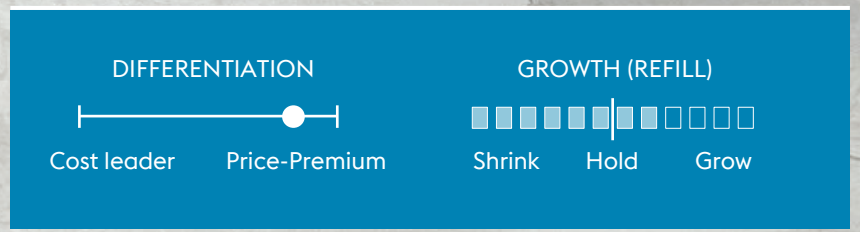
STRATEGIC POSITIONING:

- Global leader in premium tool steels and services
- Focus on quality and innovation leadership
- Differentiate through deepening of value added, strengthen the solution provider approach

CURRENT PRIORITIES:

- Focus: Fill the mill
- Globally coordinated sales management
- Volume recovery program in commodities
- Consolidation of warehouse locations

In the Segment Tooling we combine premium materials with global processing and consulting competence – a unique set up in our industry.



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Special Applications | Medical Technology | Food & Beverage

Segment Industrials: Profitable growth in global niches

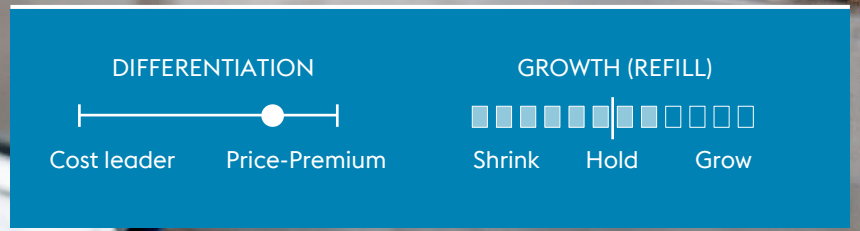
INDUSTRIALS

STRATEGIC POSITIONING:

- Development of a scalable sales model in
  - MedTech
  - Watch Industry
  - Mining
  - Defense
  - Food & Beverage
  - Mobility
  - Industrials others (e.g.: agriculture)

CURRENT PRIORITIES:

- Set-up of a globally aligned Customer-Centricity-Approach
- Specialized sub-segment teams form the backbone for strategic growth



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AEROSPACE & POWER INDUSTRY

STRATEGIC POSITIONING:

- Technological market leader in our niches, growth in titanium and nickel
- No. 1 manufacturer in Europe and strategic partner of the US aerospace industry

CURRENT PRIORITIES:

- Set-up of Key-Account-Management approach
- ROCE (%) and EBIT (%) increase by harmonization and improvement of contracts across all sales units
- WIP/efficiency improvement

Aerospace continues to see solid growth, focus on high-margin products

DIFFERENTIATION

Cost leader — Price-Premium

GROWTH

Shrink — Hold — Grow

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OIL & GAS, CPI & RENEWABLES

STRATEGIC POSITIONING:

- Global premium provider
- Focus on components, machining and other services

CURRENT PRIORITIES:

- Deepen Customer Intimacy
- Inventory optimization
- Reduction of distribution costs

Energy

Oil&Gas: temporary volatile business - long term positive demand prospects

DIFFERENTIATION

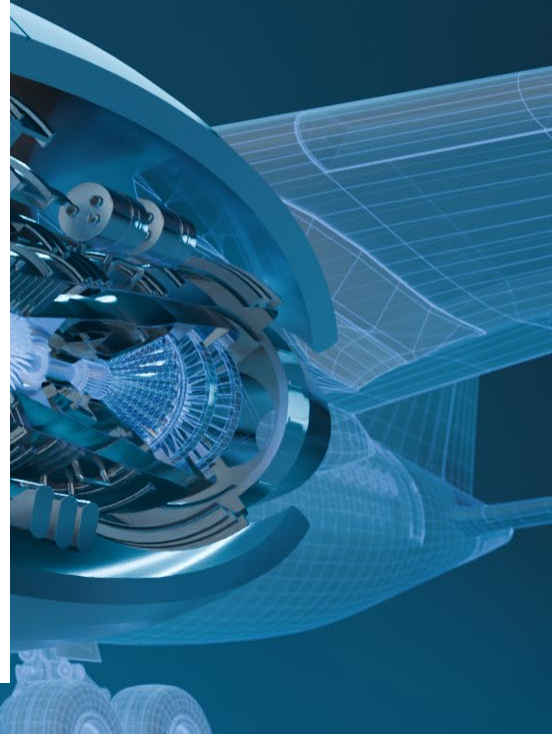
Cost leader — Price-Premium

GROWTH (REFILL)

Shrink — Hold — Grow

SUMMARY

- HPM Division's asset base is well invested and on highest technical standards
- Structural changes in the tooling market and the marked downturn of industrial capex in Europe as well as increasing trade barriers pressured the economic performance of the Division in the last two years
- The Management reacted to
  - the cyclical downturn with enhanced cost-cutting measures and working capital management
  - the structural changes with the exit of low performing businesses and a division-wide reorganisation project to better align with market trends and leverage growth potential
- The execution of the growth / refill strategy requires little to no CAPEX due to existing utilization headroom of its best in class asset base



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