Q2 2025 Business and Financial Performance

September 02, 2025

Speaker

KRZYSZTOF ZOŁA
Board Member, CFO

Media and Investor Relations

Our Q2 2025 results will be presented on Tuesday, **September 2, 2025.** This presentation is made available on the Company's website at: www.cognor.eu.

1.
The **press conference** will be organized at the Westin Hotel, #21 Jana Pawła II, Warsaw, Poland **at 10:00 CET**, in Polish language.
The **conference for investors** will follow at the same venue **at 11:30 CET**, also in Polish language.
To take part in either of the two meetings the participants are kindly asked to contact:
Kamil Więckowski: k.wieckowski@makmedia.pl, mob.: +48 735 959 581 or
Przemysław Małoszyc: pmaloszyc@cognor.eu, mob,: +48 508 032 813.

2.
The **videoconference call for investors** will be held at **16:00 CET** (15:00 LND, 10:00 NY, 07:00 LA) in English language. Participants who wish to join the conference call are kindly asked to use the following MS Teams link:
https://teams.microsoft.com/l/meetup-join/19%3ameeting_YTBmNTZlMTItOWY0My00YjAxLThmYzgtNDIzYzdmNTg1YWQz%40thread.v2/0?context=%7b%22Tid%22%3a%22d509b1a0-bbd1-4ee1-ab17-b888cff6aefe%22%2c%22Oid%22%3a%2285bdffde-c380-4418-8cbe-5cac4ee40069%22%7d

To take part, you can connect through your Internet browser or download the app at:
https://play.google.com/store/apps/details?id=com.microsoft.teams&hl=pl
or at Apple App Store:
https://apps.apple.com/app/id1113153706?cmpid=downloadiOSGetApp&lm=deeplink&lmsrc=downloadPage

Technical support – Kamil Więckowski: k.wieckowski@makmedia.pl, mob.:+48 735 959 581.

Key Macro Trends

Increased geopolitical risk
and military spending

Deglobalization and onshoring

Protectionism
and reindustrialization of the EU

Supply chain shortening

Underinvestment in energy sector; the end of commodity abundance as well as cheap energy

CO2 emission costs increase; the end of BOF/BF steelmaking in the EU

Green deal
and sustainable economy

Inflation, sovereign debt crisis
and the end of cheap money decade

Growing interest
in fundamentally healthy and dividend paying value stocks at the expense of growth stocks

Cognor – Modern EU Steelmaker

30 years

of industry experience
track record of resilience through numerous macro and industry cycles; crisis in the Polish steel industry in the 90s; hostile EU policy and VAT evasion practices in Poland in the 10s

Exposure on mid European market:

PL, DE, CZ, SK, HU, RO, LT, LV, ES

Strong presence on Polish scrap market

vertical integration stabilizing raw material supplies; own graphite electrode production plant

Energy efficient and environmentally friendly

steel melting method in electric arc furnace (EAF)

Modern and efficient production assets

- new EAF in Gliwice
- entire rolling line modernization plus spooler line in Cracow
- state of the art greenfield project - LSM in Siemianowice Śląskie
- selective assets upgrade in Stalowa Wola in earlier years

Product elasticity;

no sectorial dependence, diversification of clients

Q2 2025 Highlights

Rising GPD growth YoY
3.4 % Poland and 1.5% EU

Agreement on conditional acceptance of financial covenant breaches

Billet and finished product prices rising QoQ
while YoY picture mixed

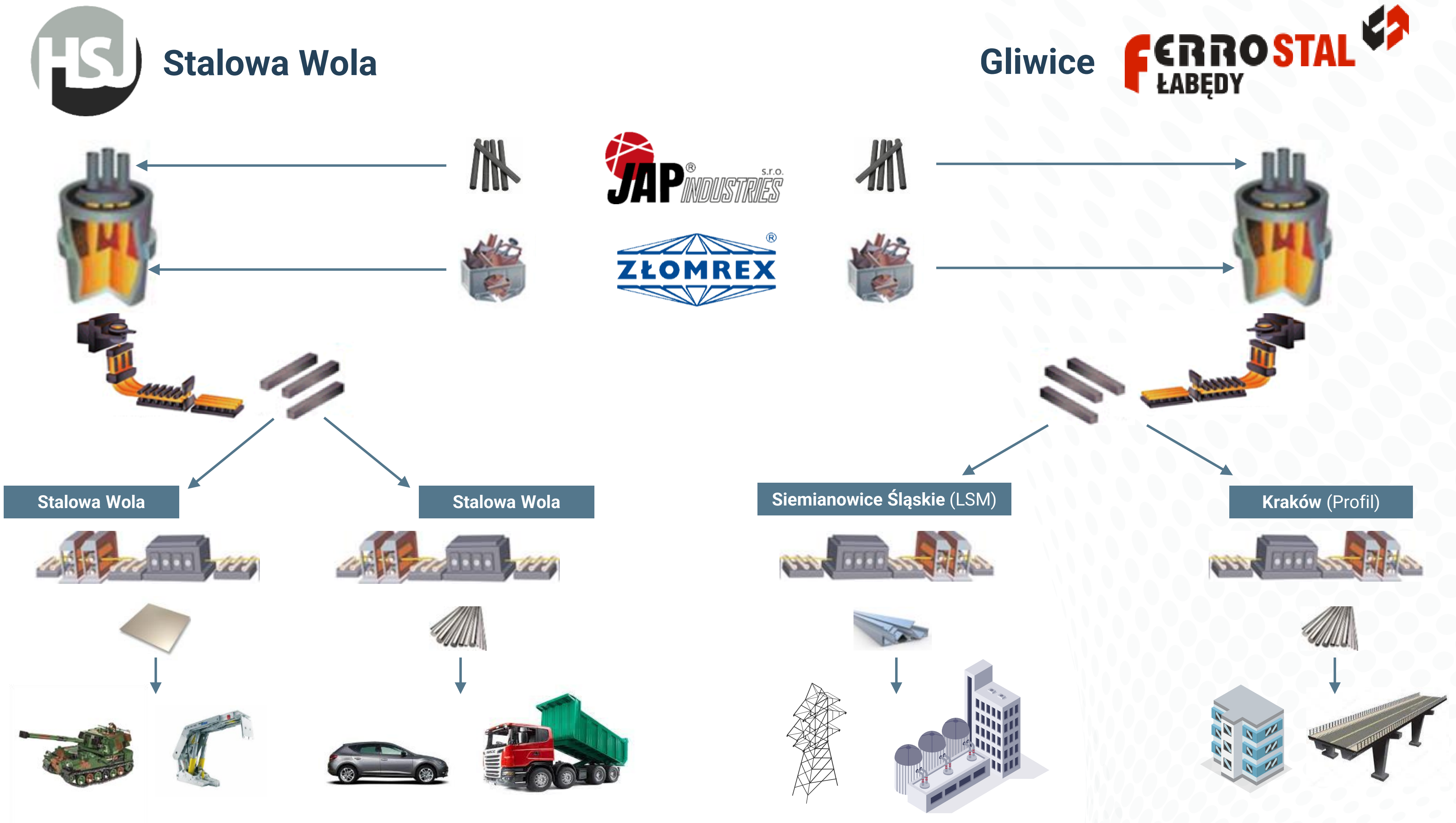
Spreads for billets improved and for finished products worsened YoY
hile the QoQ situation was similar

Rebar volumes fair
but prices still very weak; auto sector is stable at a low level

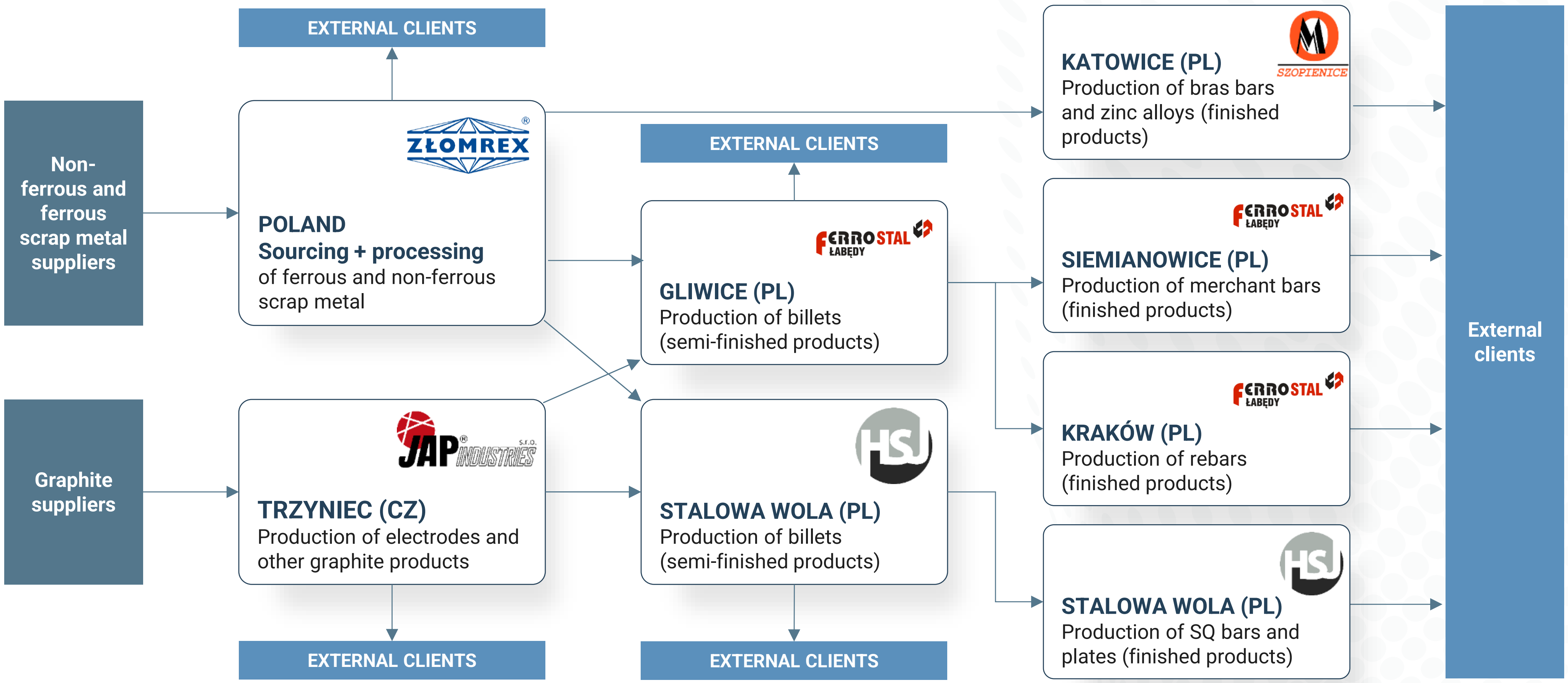
Rising crude steel capacity utilization
55,3% in Q2 2024; 59,4% in Q3 2024, 66,1% in Q4 2024, up to 74.0% in Q1 2025 and 71,1% w Q2 2025 due to Cracow mill increasing capacity utilization from 29,9% in Q2 2024; 46,6% in Q3 2024; 73,5% in Q4 2024; 65,7% in Q1 2025 to 79,2% in Q2 2025

Finalization of works in Siemianowice Śląskie;
completion of construction and technology assembly of the new 450kT light sections mill (LSM)

Structure

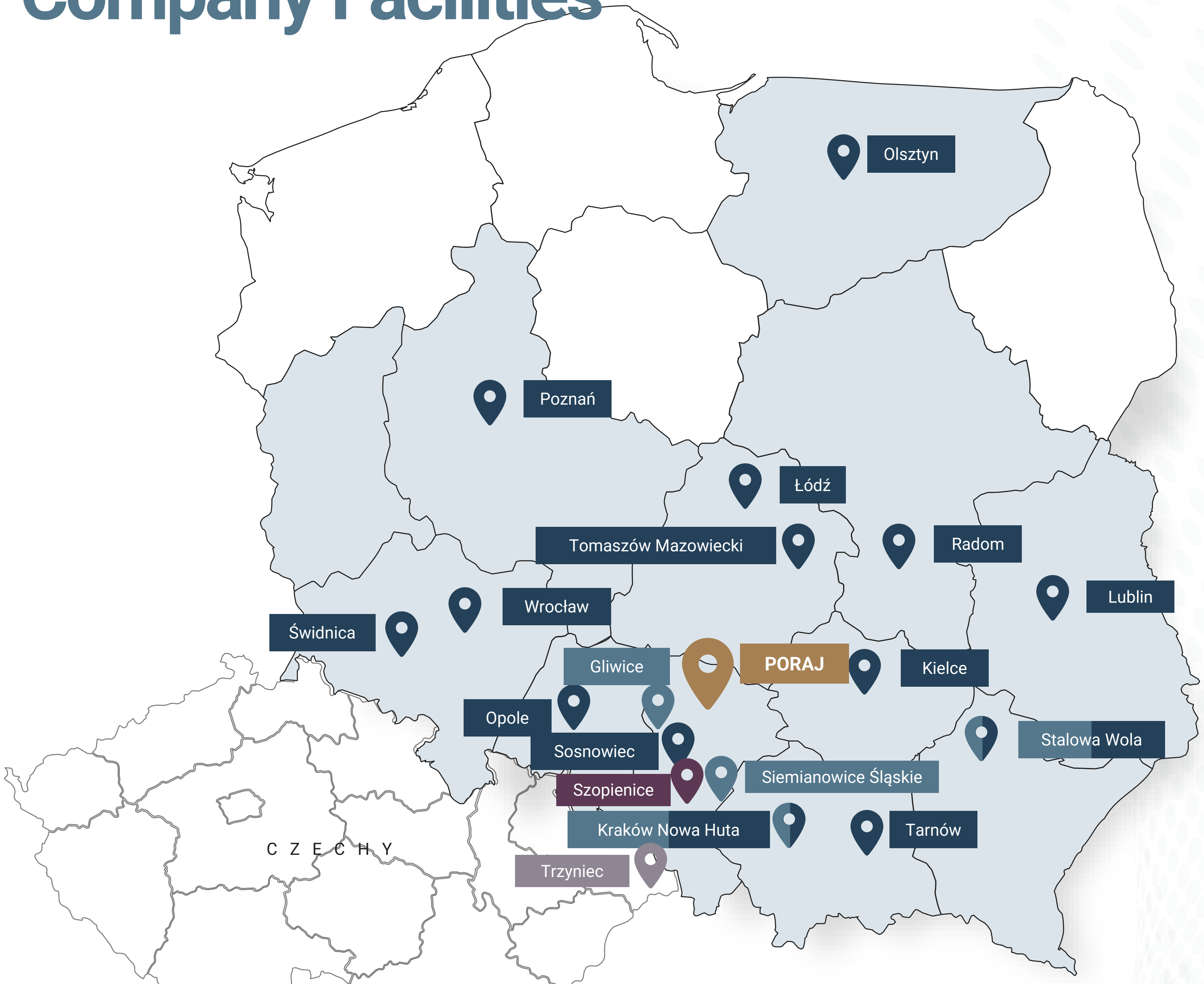

Stalowa Wola
Gliwice
FERROSTAL ŁABĘDY
JAP INDUSTRIES s.r.o.
ZŁOMREX
Stalowa Wola
Stalowa Wola
Siemianowice Śląskie (LSM)
Kraków (Profil)

Vertically Integrated Business Model



Cognor is vertically integrated which allows to control the production process starting from scrap metal sourced through our own scrap collecting sites network, production of electrodes, through melting of scrap metal, refining it in order to get the desired chemical composition of steel, then casting steel into a form of billets (semi-finished products) to finally arrive at the stage of billets being rolled into finished products, mostly bars (long products). This provides much greater security in terms of feedstock availability and allows to achieve the whole margin along the value chain

Company Facilities



Headquarter

Scrap metal sites

Steel roduction facilities

Non-ferrous metals foundry

Electrode production

Steel Production Facilities

Melting shops & rolling mills

		Location	Product portfolio	Production capacities	Technology	Employment
HSJ Melting shop & rolling mills	HSJ	Stalowa Wola	Billets, Bars, Plates	• Billets: 300k tonnes • Bars: 178k tonnes • Special plates: 10k tonnes	• 1 EAF, 1 LF, 1CCM & 1 VD • 1 furnace + 1 long products rolling line • 1 plates heat treatment line	ca 750 people

		Location	Product portfolio	Production capacities	Technology	Employment
Ferrostal Melting shop	FERROSTAL ŁABĘDY	Gliwice	Billets	Billets: 530k tonnes	• 1 EAF, 1 LF & 1CCM	ca 350 people

		Location	Product portfolio	Production capacities	Technology	Employment
Ferrostal rolling mill	FERROSTAL ŁABĘDY	Kraków	Rebars, coiled rebar, merchant bars	Bars: 400k tonnes	• 1 furnace • 1 long product line	ca 200 people

		Location	Product portfolio	Production capacities	Technology	Employment
Ferrostal Rolling mill	FERROSTAL ŁABĘDY	Siemianowice Śląskie	Light sections and merchant bars	Bars: 400k tonnes	• 1 furnace • 1 long product line	ca 150 people

COGNOR

History [1]

ZŁOMREX

1990

Przemysław Sztuczkowski starts up Złomrex which trades in non-ferrous scrap metals

CENTROSTAL

1991

Privatisation of the state owned enterprise

1997

IPO of Centrostal on the Warsaw Stock Exchange

2000

Acquisition of ZW-WB, a rolling mill in Zawiercie

2004

Acquisition of 82,6% of Ferrostal, a melting shop in Gliwice

2005

Acquisition of 100% of HSJ, a melting shop and rolling mills in Stalowa Wola

2006

Złomrex acquires 64,4% of shares of Centrostal

Acquisition of numerous distribution assets in Poland and abroad

History [2]

2006

Złomrex acquires 64,4% of shares of Centrostal

Acquisition of numerous distribution assets in Poland and abroad

2007

Centrostal changes its name into Cognor, integration of distribution assets

2011

Cognor sells all distribution assets and acquires Zlomrex, its mother company.
It becomes the controlling entity of the whole Group which concentrates on steel production

2013

Acquisition of 95% of Profil, a rolling mill in Kraków

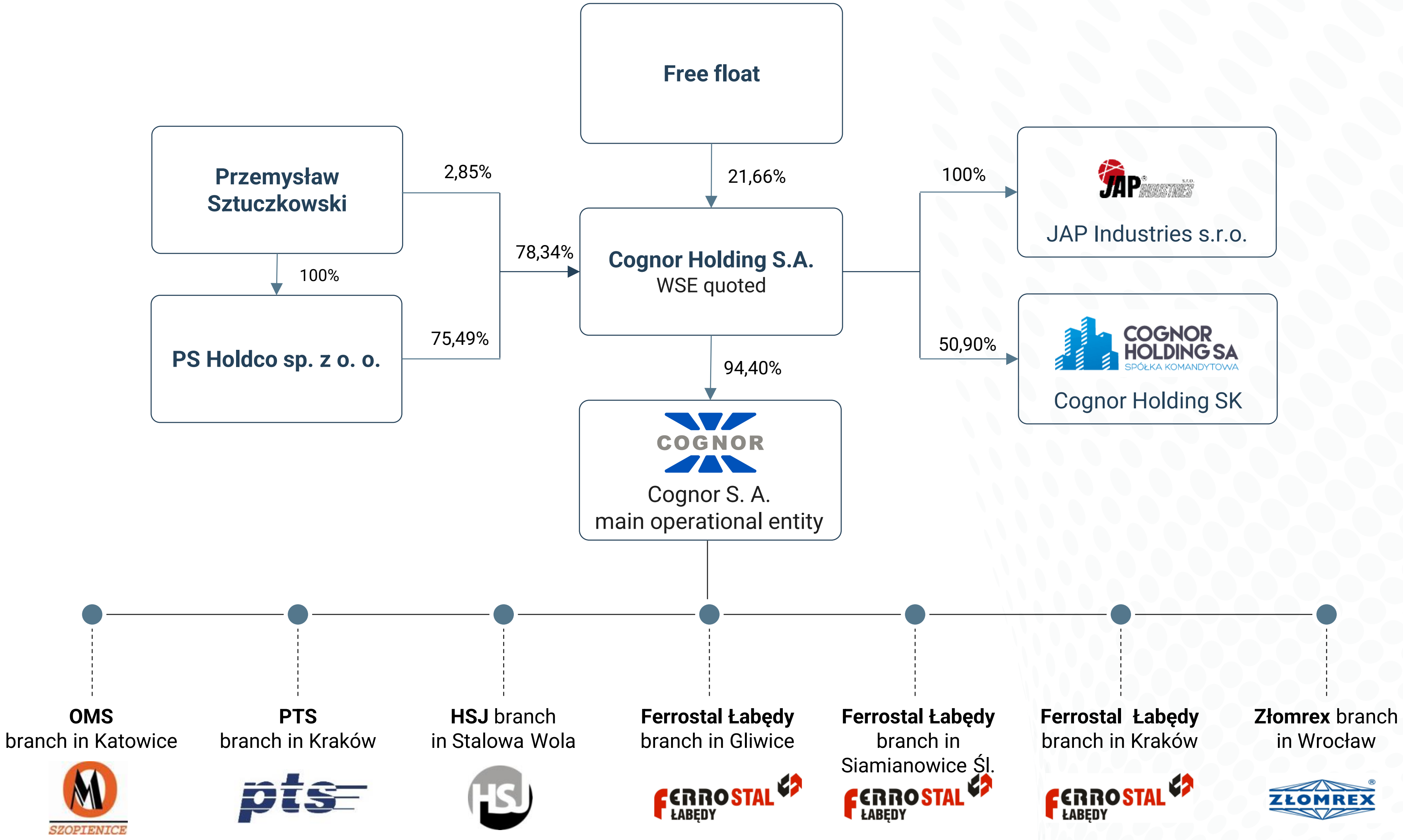
2016

Simplification of group structure and change of name into Cognor Holding

2023

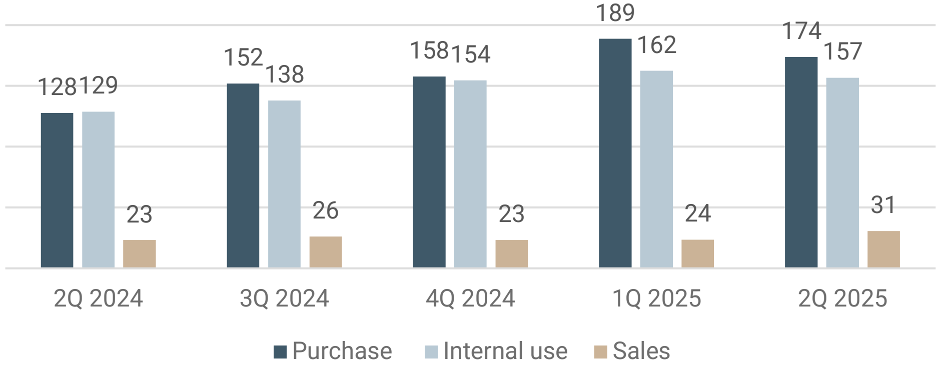
JAP acquisition

Group Overview - Group Structure & Shareholders

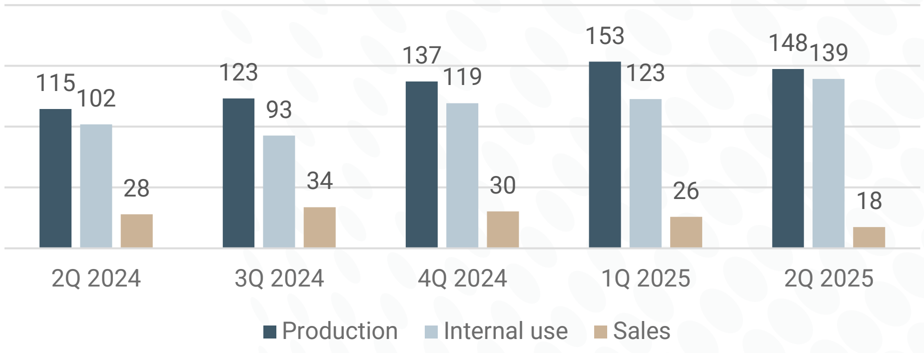


Segments Performance
Quantities per business segments

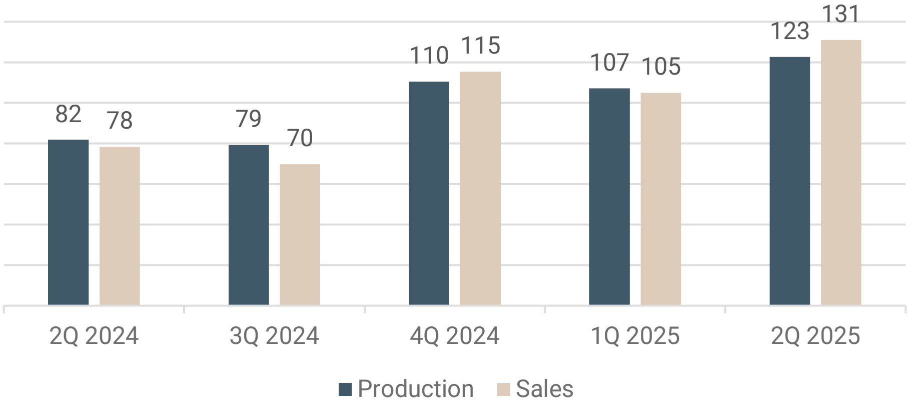
Scrap metal *(thousand tonnes)*



Billets *(thousand tonnes)*



Finished products *(thousand tonnes)*



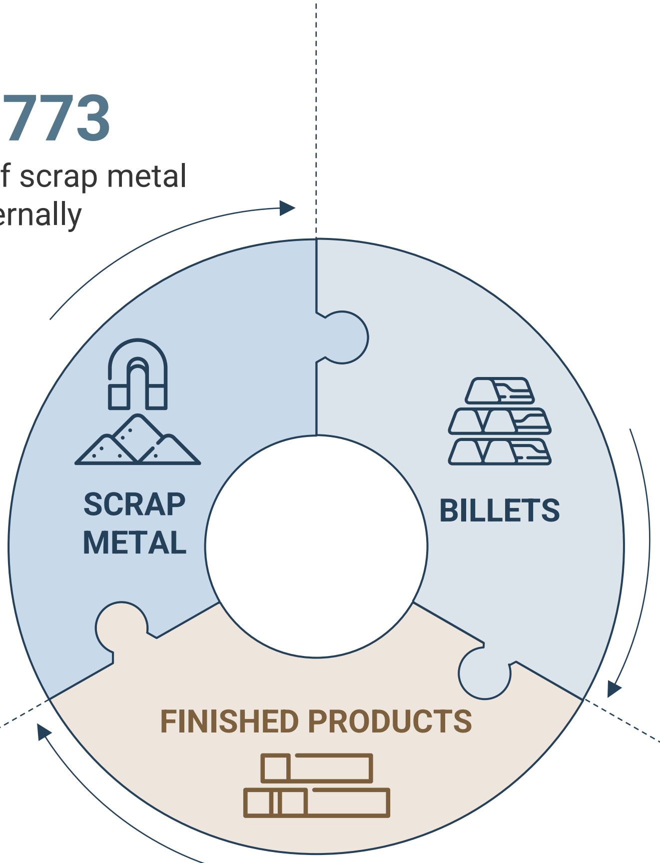
Q2 2025 Circular Economy & Sustainable Steelmaking

173 775
tonnes of scrap metal sourced

156 773
tonnes of scrap metal used internally

147 508
tonnes of semi-finished products (billets) production

139 422
tonnes of billets processed internally



30 554
tonnes of scrap metal sold to external customers

17 567
tonnes of billets sold to external customers

122 616
tonnes of finished products production

131 082
tonnes of finished products sold to external customers

EU Market Protection Tools

Anti Dumping

Since 2016 the EU has been determined on market protection. The anti dumping measures are numerous and financially severe.

Safeguard

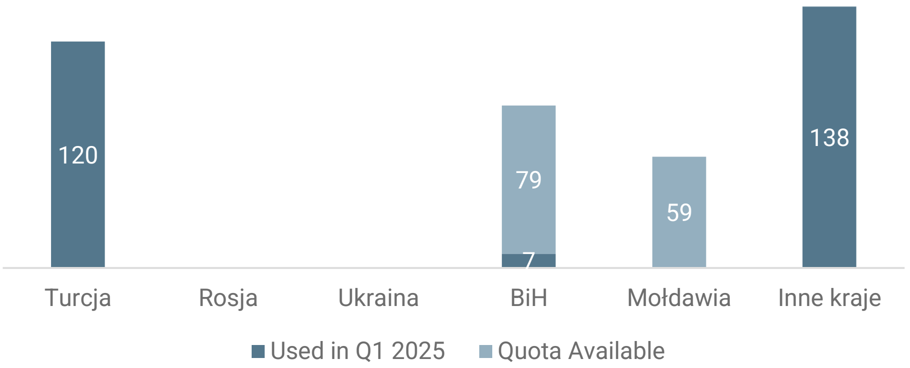
A quota tool introduced in 2018 to last through mid 2026. Aimed to limit tax free imports.

Carbon Tax

Aimed at preventing carbon leakage. It started in 01.10.2023 and be fully effective from 01.01.2026. It will impose entry fees on steel importers equal to the level of CO2 emission costs which are born by the producers in the EU.

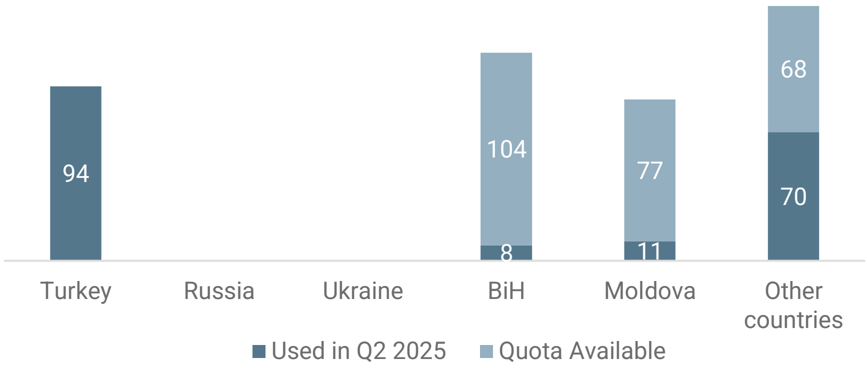
Rebars Q1 2025

(millions tonnes)



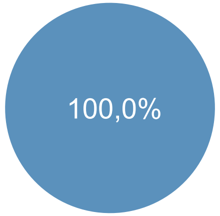
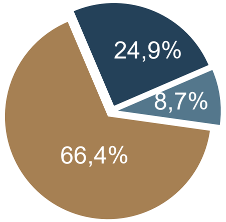
Rebars Q2 2025

(millions tonnes)



Russia - imports suspended; Ukraine – limits lifted

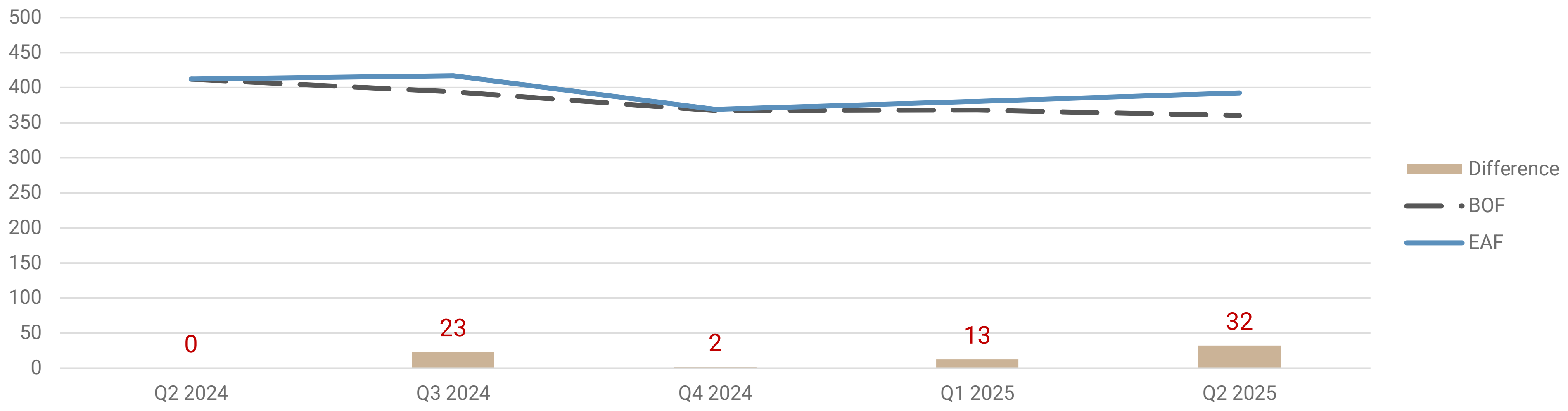
Market - EAF vs BOF technology

	Electric Arc Furnace (EAF)	Basic Oxygen Furnace (BOF)
Feedstock applied to produce 1000 kg of crude steel	 **Scrap metal** (1.150 kg)	 **Iron ore** (1.600 kg) **Coking coal** (600 kg) **Scrap metal** (210 kg)
Commentary	• Approximately 1/3 of global steel production • Scrap metal is melted by a heat generated by an electric arch	• Approximately 2/3 of global steel production • Reduction of iron oxides (iron ore) by burning coke (produced from coking coal) generates huge CO2 emissions • Scrap metal input is low and technologically reduced to max 30% of overall feedstock material

CASTING

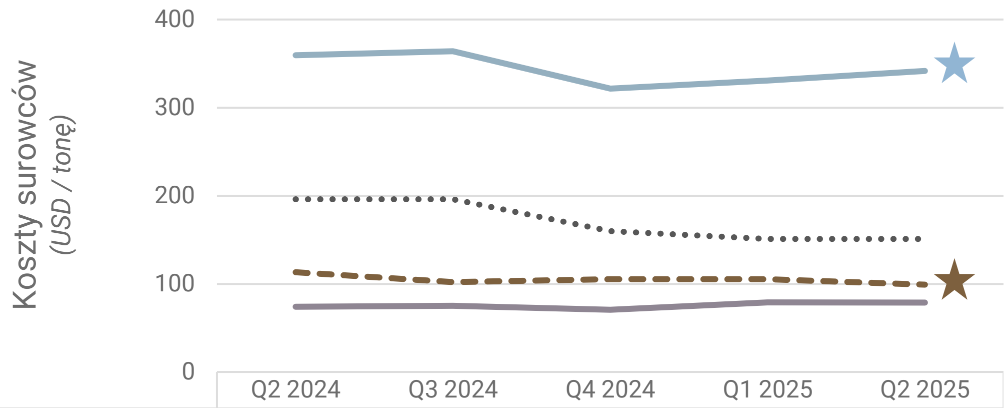
	EAF	BOF
Pros	• Flexible, can be switched on and off • Lower CAPEX & maintenance • Lower environmental impact	• Lower electric power consumption • Easier to obtain high steel purity
Cons	• High cost sensitivity to scrap and electricity	• High cost sensitivity to iron ore and coking coal • Economical at large scale only; low flexibility • 4x higher CO2 emission (incl. power plant gen.)

BOF / EAF Feedstock Cost *(USD / tonne)*



Feedstock Cost Model	BOF	EAF
tonne / tonne of crude steel		
scrap metal	0.21	1.12
coking coal	0.60	
iron ore	1.60	
CO_2 emission rights	0.50	0.13

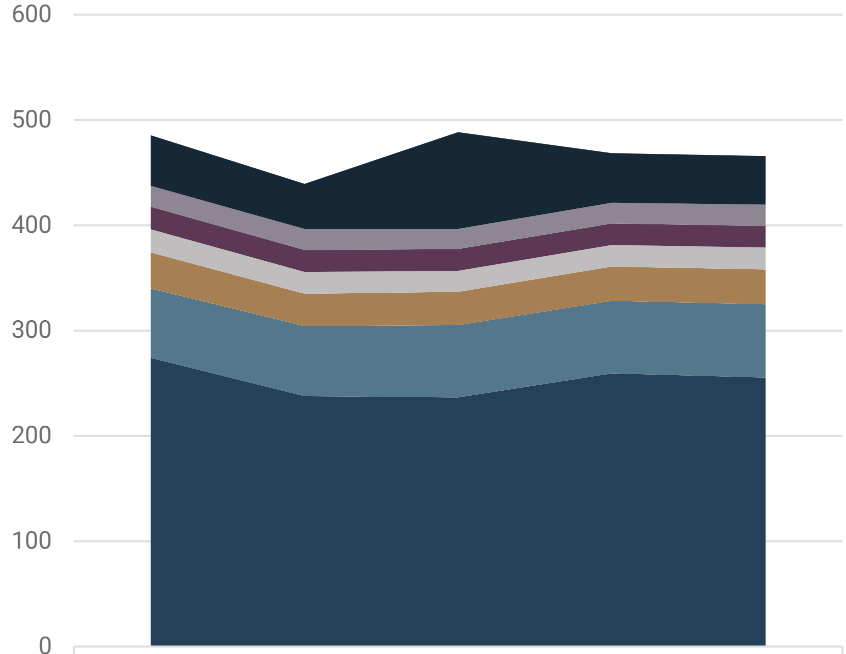
source: IMF - iron ore,
EIA – coking coal
Cognor – scrap metal,
PSE – CO_2 emission rights
(25% due to approx.75% allowances available for free)



	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Iron ore	113	102	105	105	99
Coking coal	196	196	160	151	151
Scrap metal	359	364	322	331	342
CO_2	74	75	71	79	79

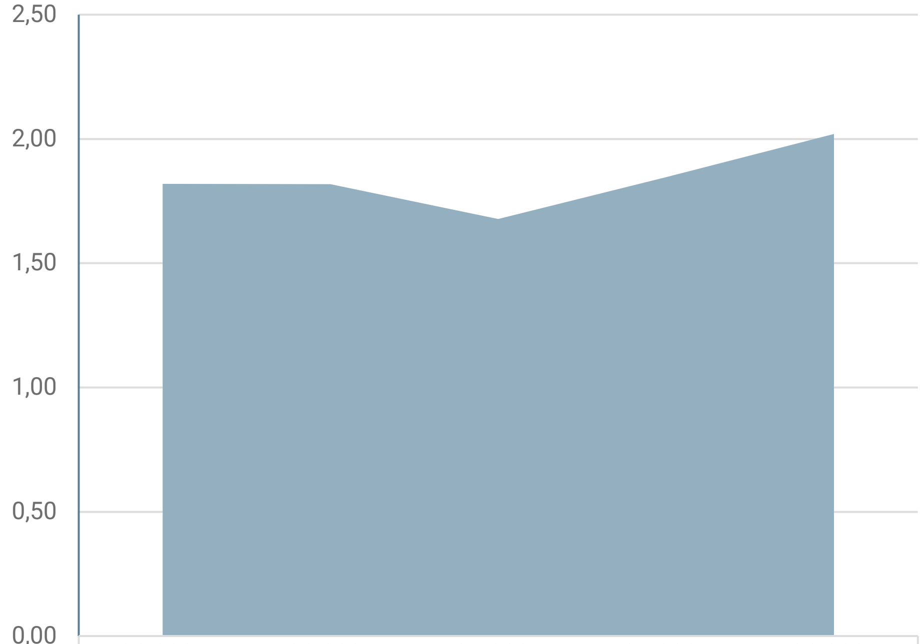
World and the Poland

steel output *(million tonnes)*



	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Rest of World	47,80	42,80	91,90	47,20	46,00
USA	20,10	20,30	19,20	19,70	20,50
Japan	21,20	20,60	20,70	20,40	20,20
CIS	22,20	20,90	19,90	20,50	21,10
UE(27)	34,20	30,60	31,70	32,40	33,00
Other Asia	66,00	66,40	68,50	69,10	69,40
China	274,00	237,90	236,60	259,30	255,50

steel output *(million tonnes)*



	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Poland	1,82	1,82	1,68	1,85	2,02

Introduction

Group Overview

Market

Financials

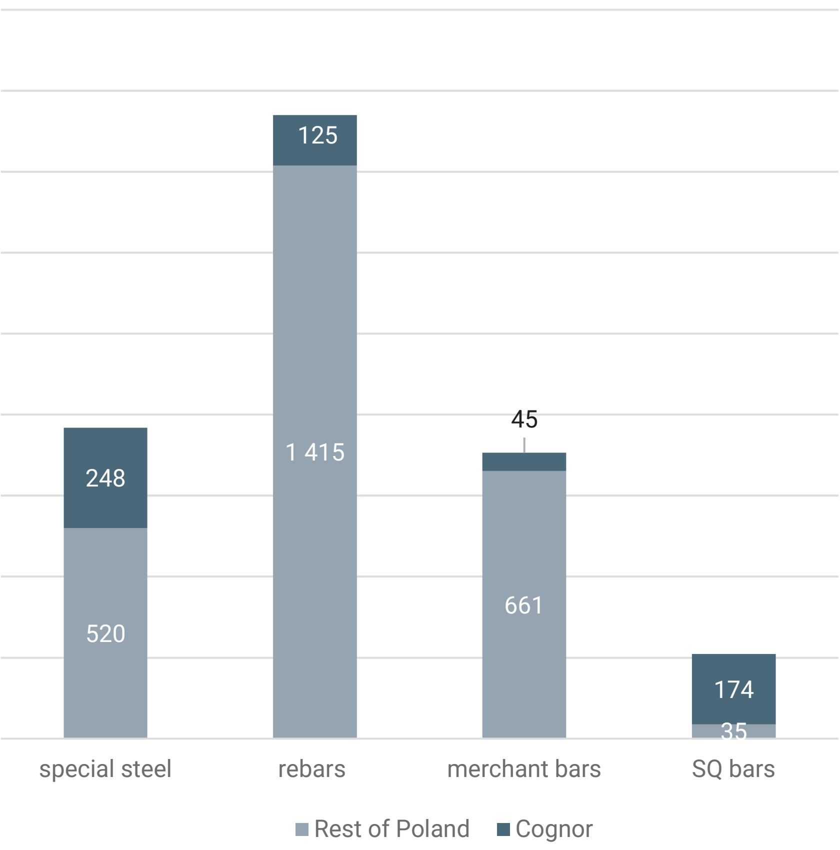
Capex

Outlook

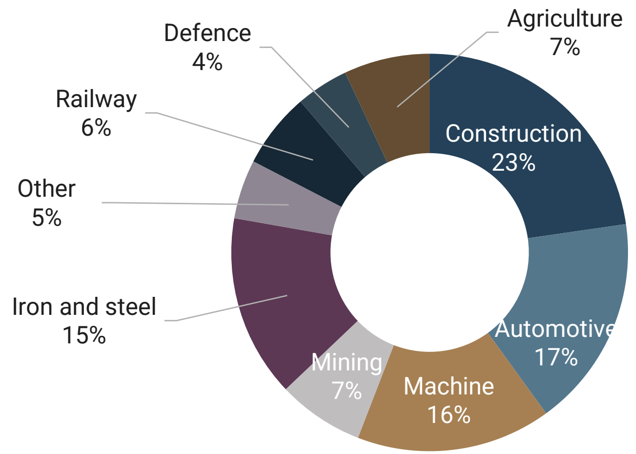
Annexes

Billets and Finished Products
Cognor's Share and Position in 2024

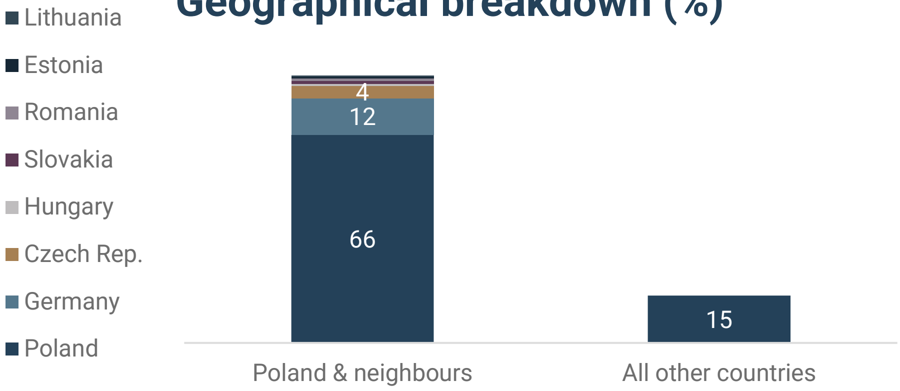
Producer market share
(thousands of tonnes)



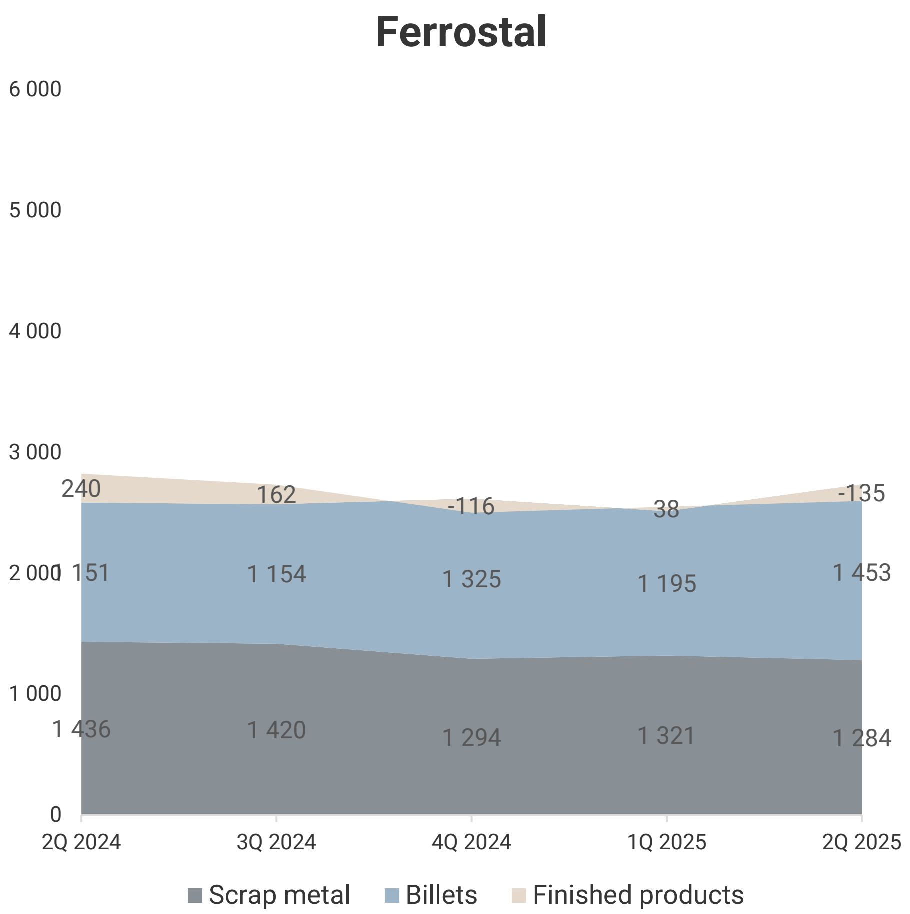
Revenue split by business segments

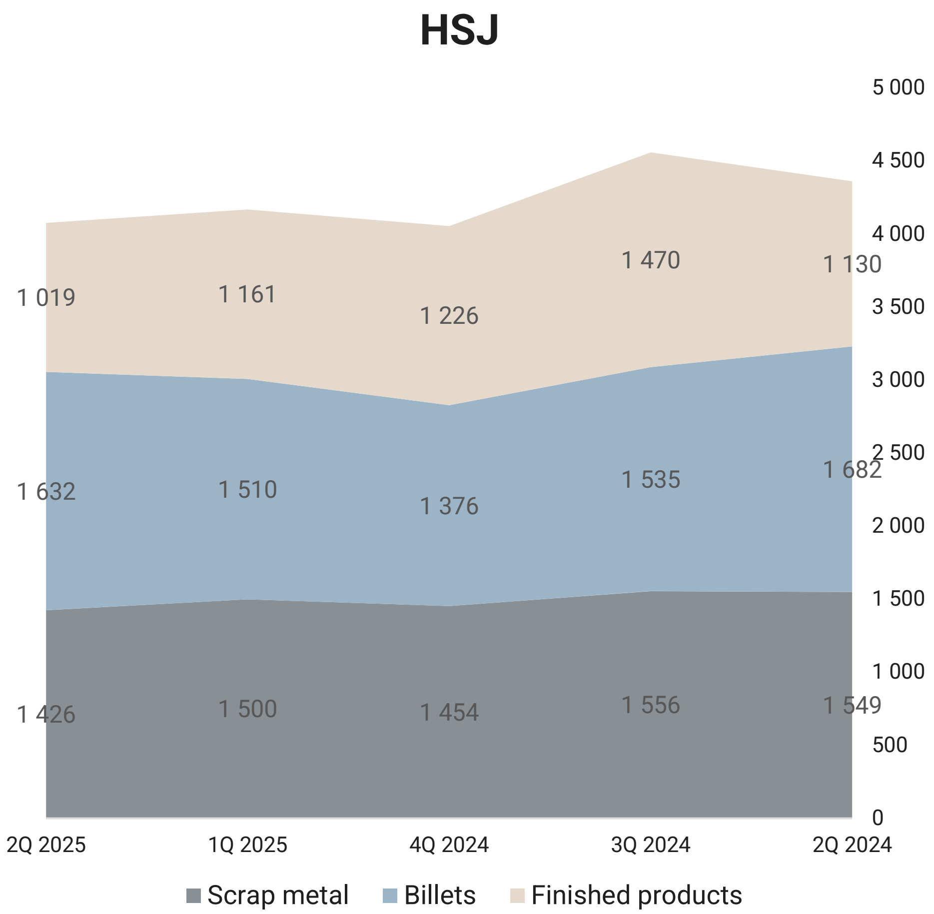


Geographical breakdown (%)

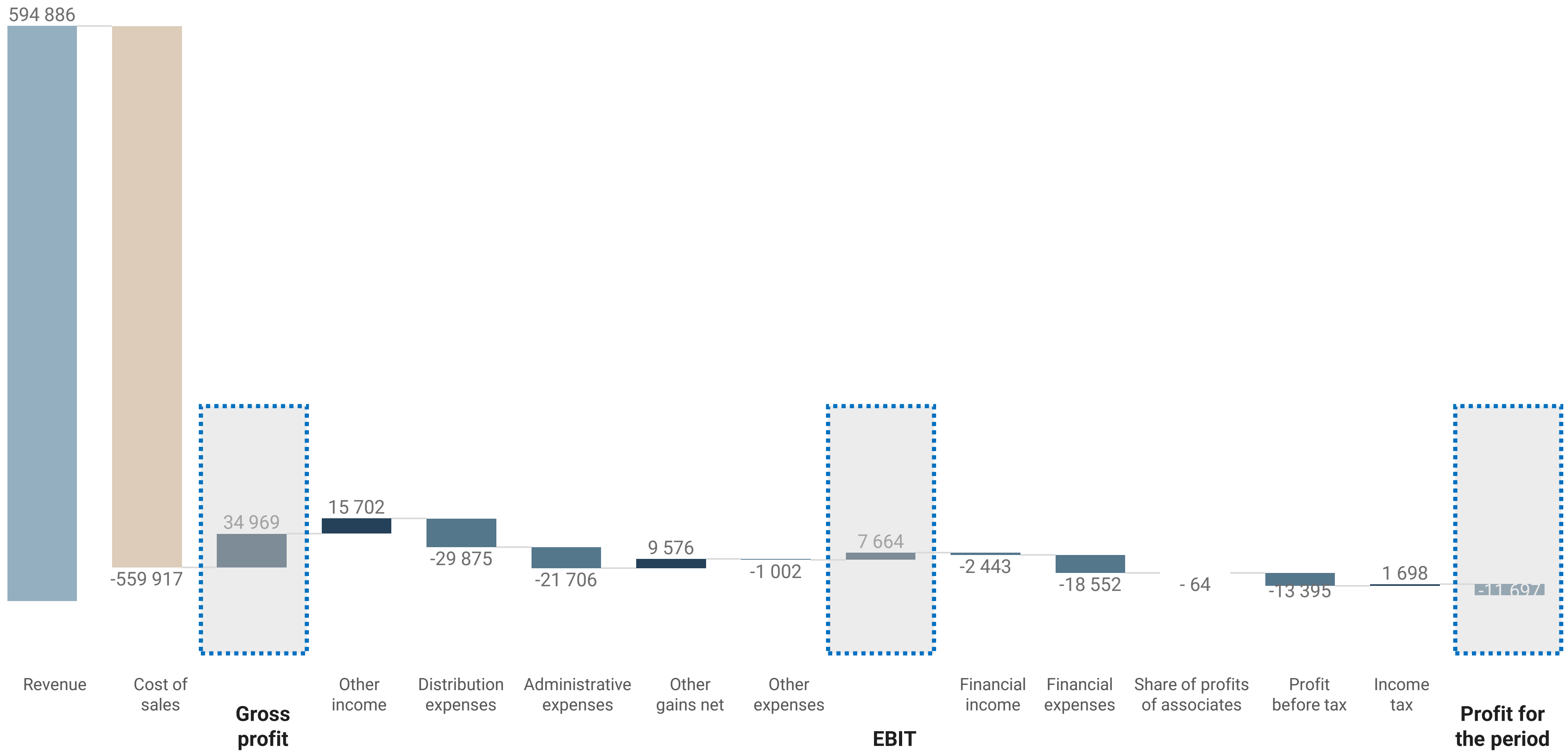


Prices and conversion premiums *(PLN / tonne)*



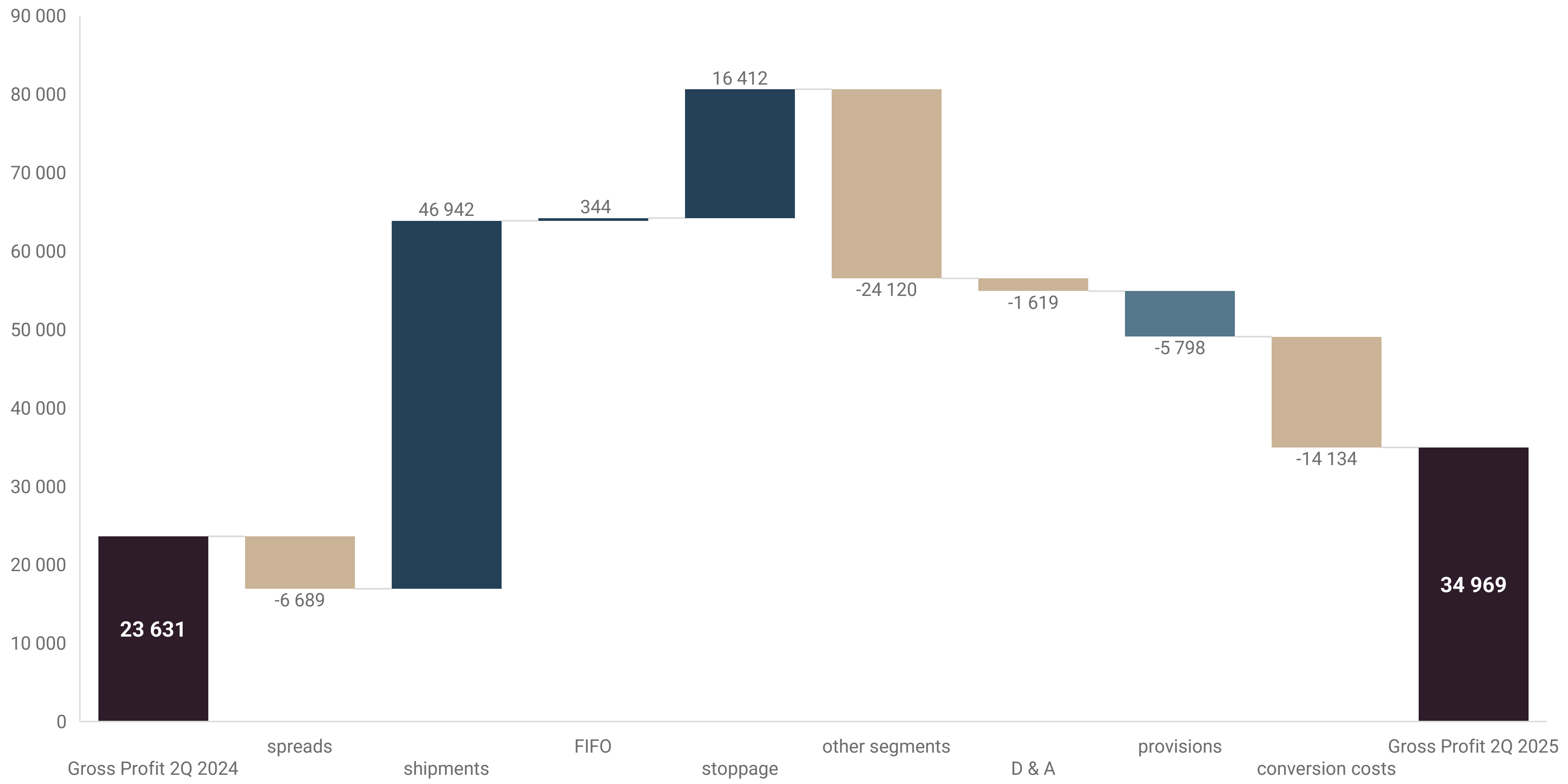


Q2 2025 P&L Waterfall *(PLN thousand)*

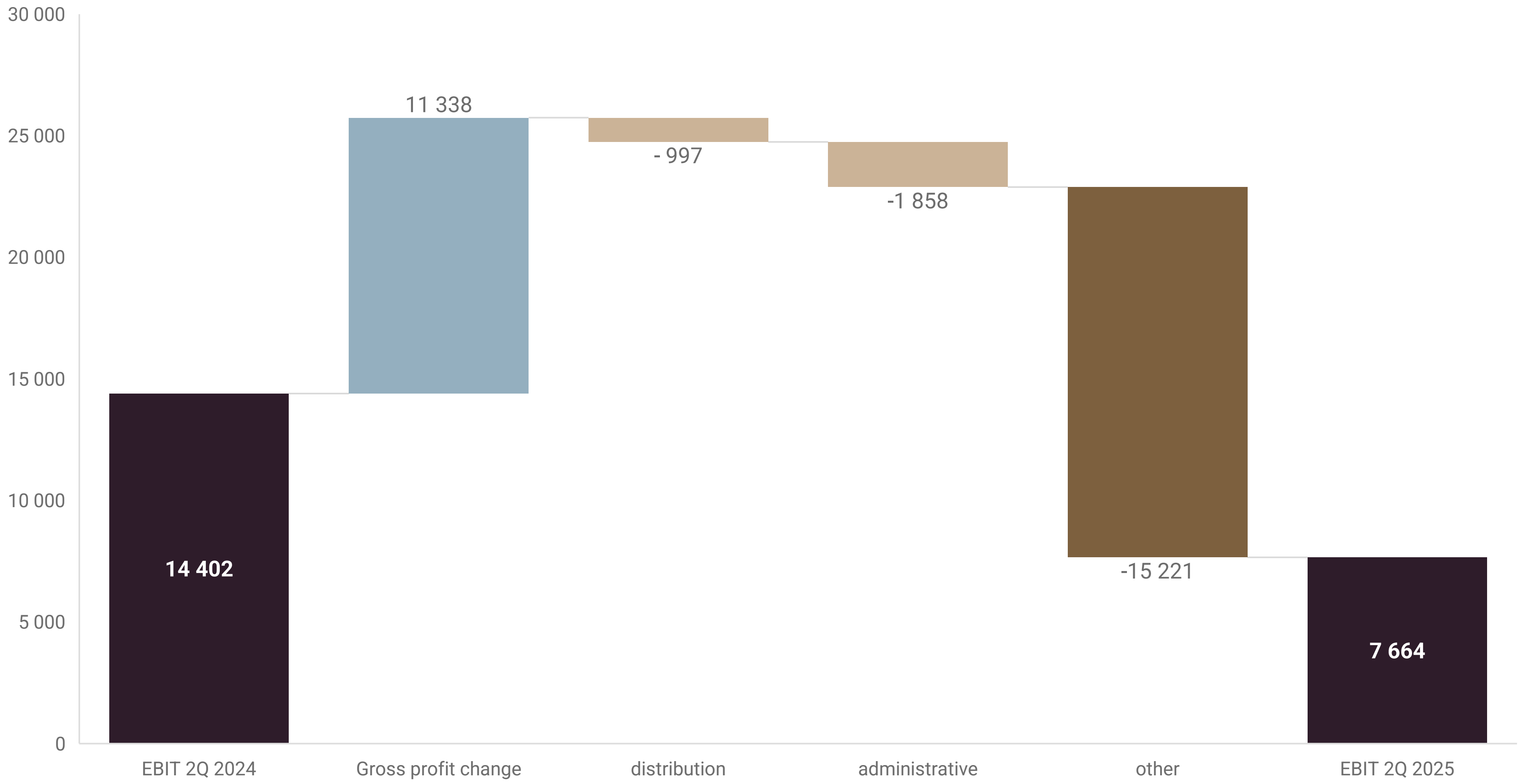


COGNOR

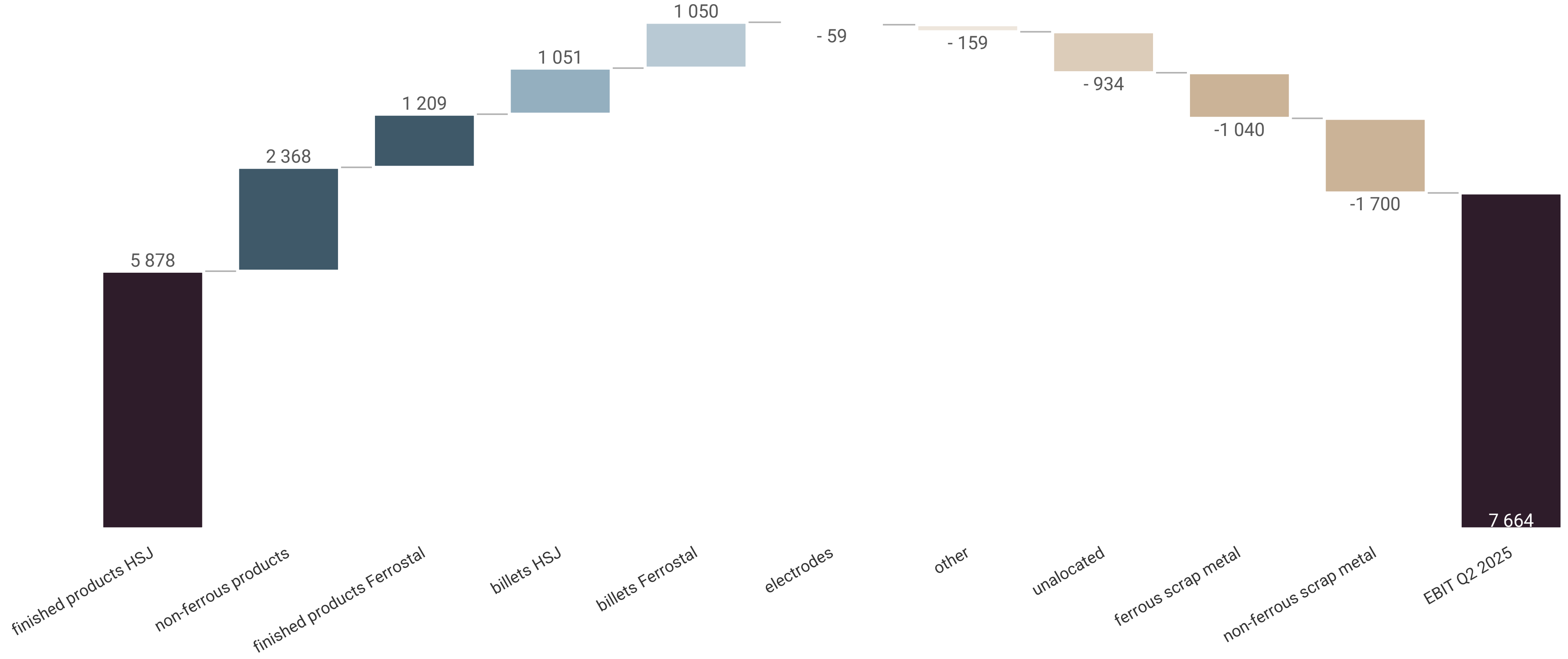
Gross Profit Bridge *(PLN thousand)*



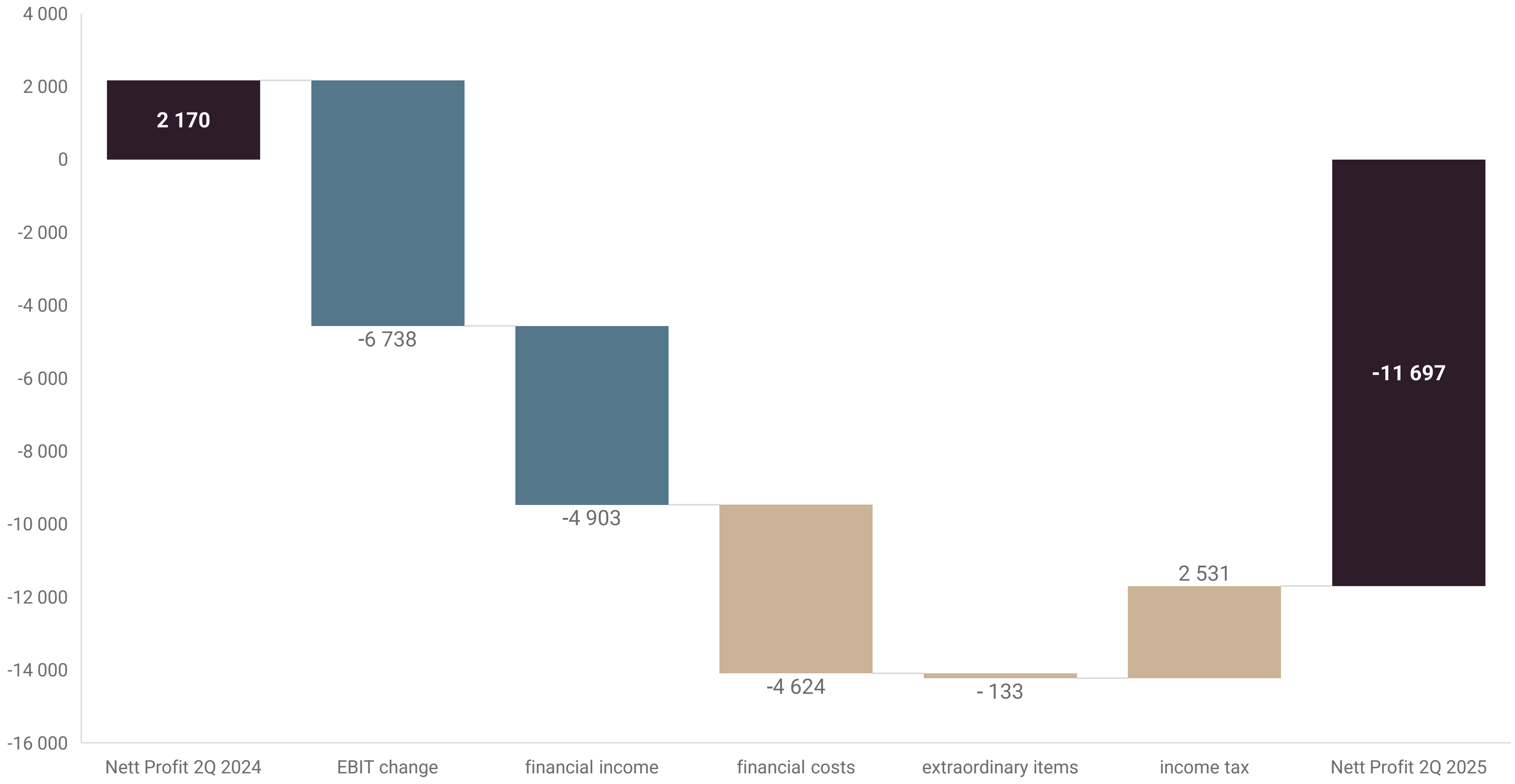
EBIT Bridge *(PLN thousand)*



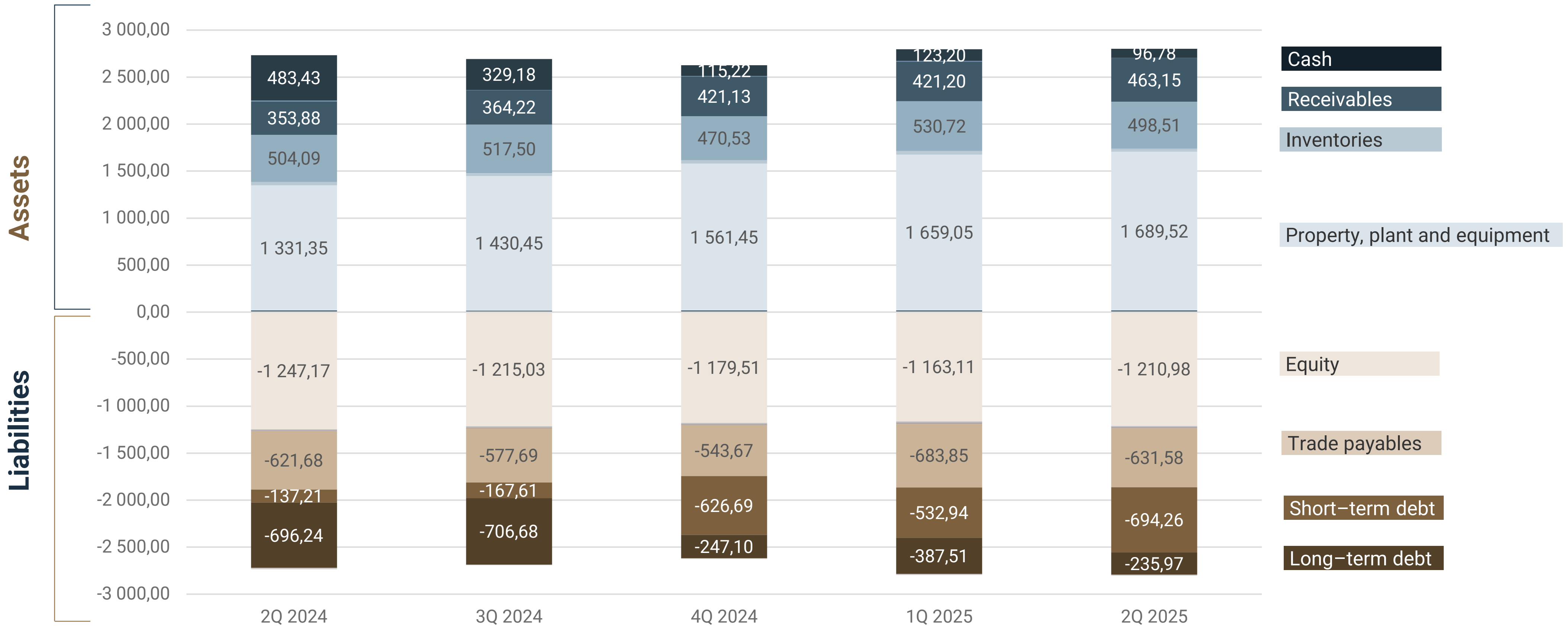
EBIT Generation Breakdown *(PLN thousand)*



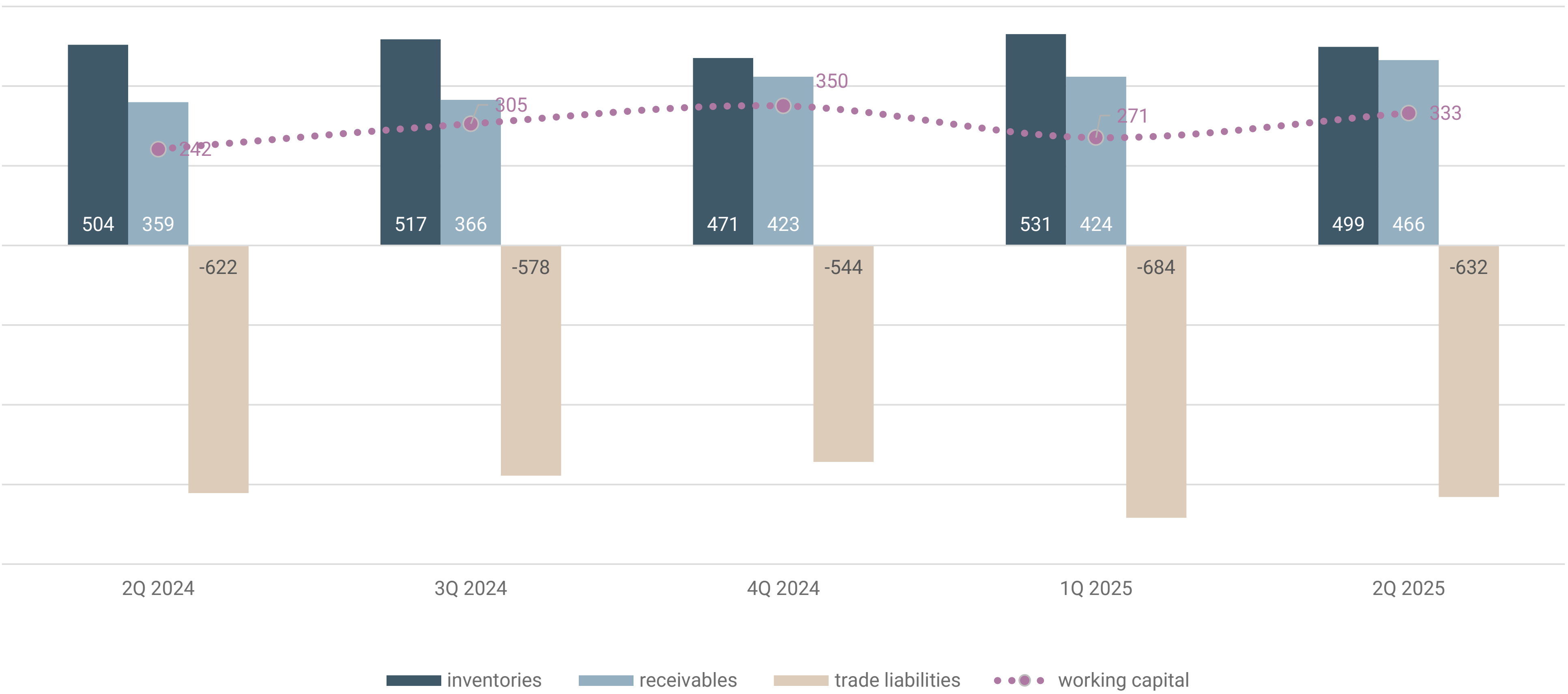
Net Profit Bridge *(PLN thousand)*



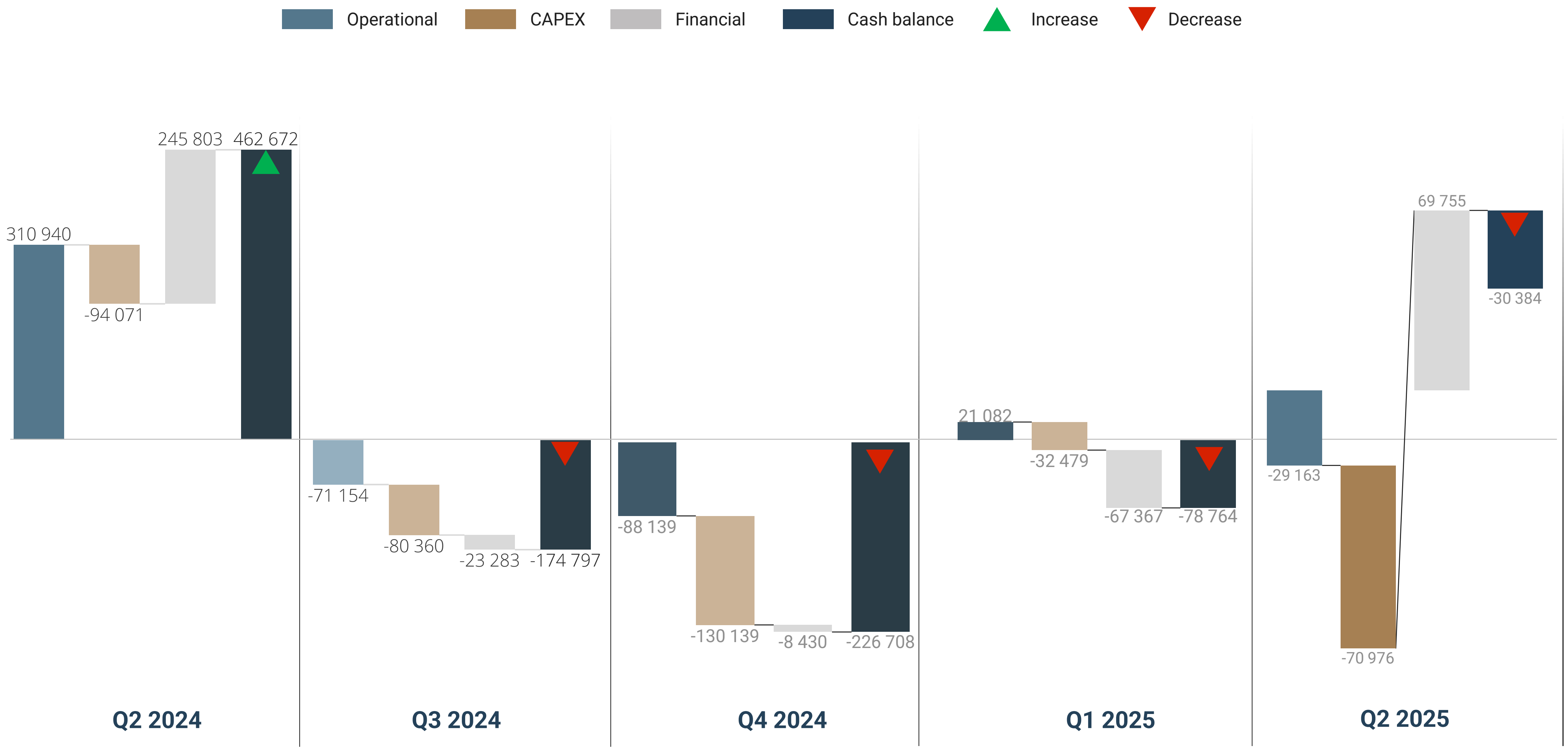
Balance Sheet *(PLN thousands)*



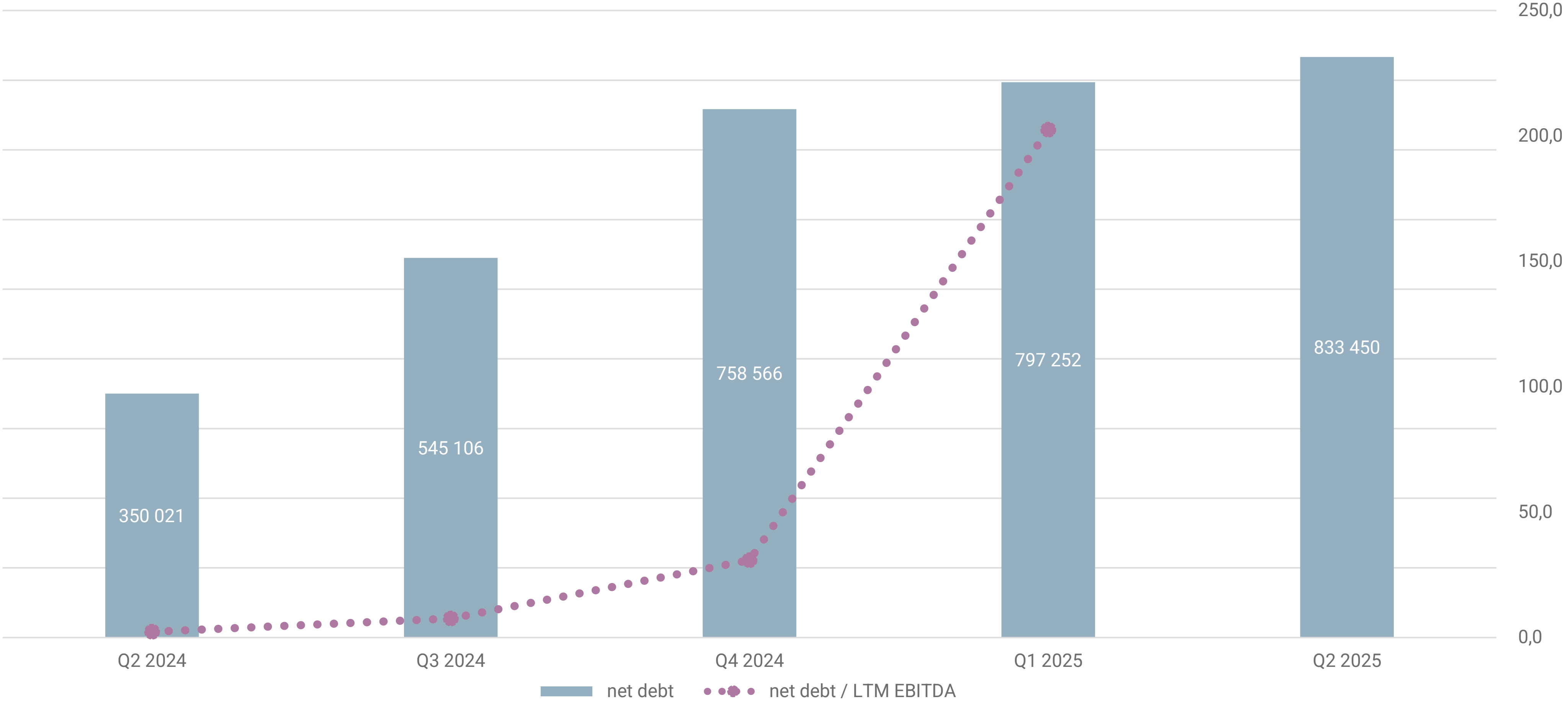
Working Capital *(PLN thousands)*



Cash Flows *(PLN thousands)*



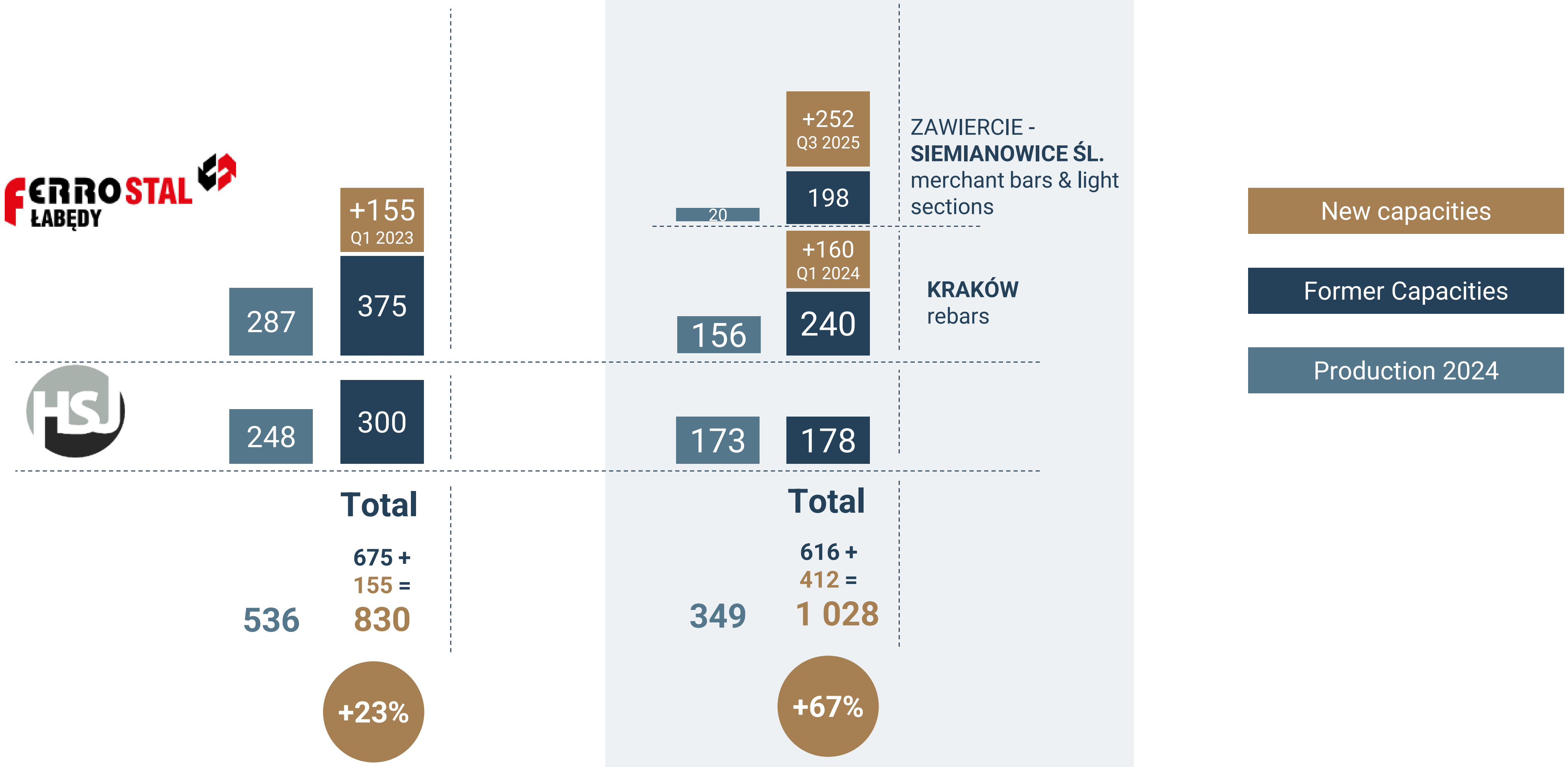
Net Debt *(PLN thousand)* & Leverage



Cognor in new scale *(thousand tonnes)*

Production of billets
semi-finished products

Production of bars
finished products



Capex- Costs, Financing and Effects

Gliwice

- replacement of EAF and ancillary items (Q1 2023)

Cost: approximately PLN 80m

Financing: equity

Effects: increase of crude steel capacities by at least 155 thousand tonnes of billets per annum

Kraków

- entire mill modernization (Q1 2024)
- additional spooling line (Q2 2025)

Cost: approximately PLN 330m, of which remaining approximately PLN 20m of expenditures between Q3 2025 and Q1 2026

Financing: equity + PLN 100m convertible notes + 120m bonds

Effects: (i) debottlenecking of 200 thousand tonnes of capacity, (ii) savings of variable costs and emissions inter alia by way of natural gas consumption reduction, (iii) savings of fixed costs by lower labor requirements; (iv) introduction of new product type – rebar coils and (v) improvement of quality

Siemianowice Śląskie

- most modern LSM mill in Europe (Q3 2025; commissioning is underway)

Cost: approximately PLN 840m, of which remaining approximately 150 million of expenditures in Q3 2025 – Q1 2026.

Financing: equity + a 10-year fixed rate bank loan:

- 1st part of PLN 240.0m and EUR 30.5m **all disbursed**
- 2nd part of PLN 140.0m **all available** till the end of 2026

Effects: 450 thousand tonnes of new capacities to replace 198 thousand in Zawiercie of which just ca 80 thousand was capable of being utilized due to uncompetitive product mix and high manufacturing cost. A profound reduction of fixed and variable production costs and ultimate product and service quality

Outlook – Q3 2025

Macro trends
(slide 4) unchanged

Expected boost
in infrastructure spending from the National Recovery Plan (NRP)

Siemianowice LSM mill
furnace ignition and hot tests from mid-September 2025

Market
increasing pressure from Ukraine in the rebar segment and stabilization in the automotive sector

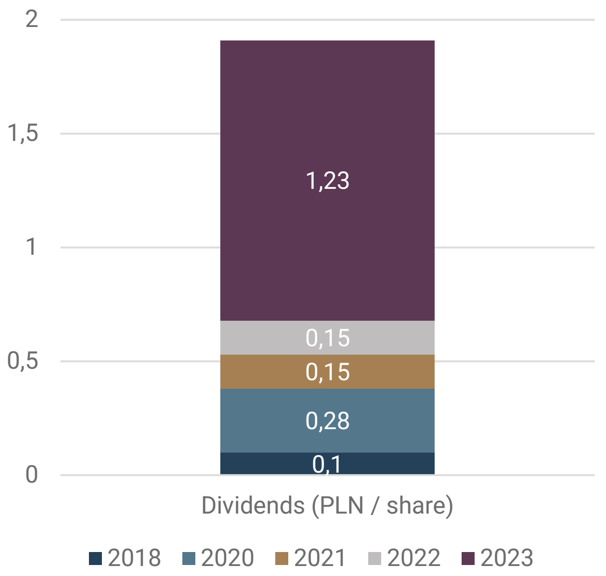
Prices of scrap metal, steel billets and finished products
expected slight decline

Rising capacity utilization
driven by the Kraków rolling mill's output levels

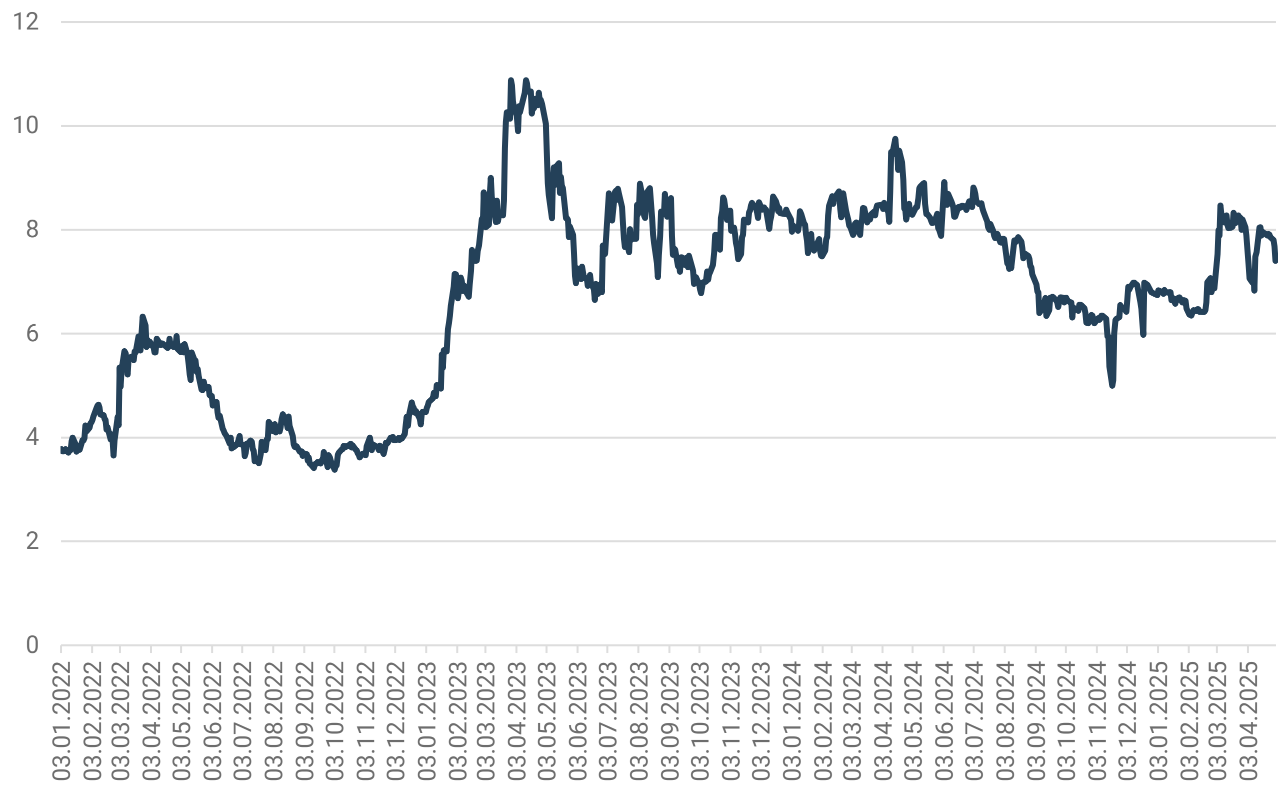
Dividends and Share Quoting

Dividend policy
25% of consolidated net profit

Q2 2025	
LTM Net profit (000 PLN)	-11 697
Equity (000 PLN)	1 210 983
Number of shares	171 420 663
28.08.2025	
Share price (PLN)	6,7
P / E	loss
P / BV	0,94



Trading of Cognor shares on Warsaw Stock Exchange



P&L *(PLN thousand)*

'000 PLN	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Sales revenue	550 864	498 359	557 966	543 318	594 886
Cost of sales	-527 233	-490 580	-566 546	-519 248	-559 917
Gross profit	**23 631**	**1 679**	**-8 580**	**24 070**	**34 969**
Other income	38 778	22 821	20 412	15 995	15 702
Distribution expenses	-28 878	-25 943	-29 215	-28 562	-29 875
Administrative expenses	-18 848	-18 299	-16 954	-18 336	-21 706
Other gains/(losses) – net	1 539	1 245	946	-275	9 576
Other expenses	-829	-1 341	-1 840	-824	-1 002
EBIT	**14 402**	**-19 838**	**-35 231**	**-7 932**	**7 664**
Financial income	2 460	-2 240	4 978	5 103	-2 443
Financial expenses	-13 928	-14 328	-14 125	-14 709	-18 552
Net financing costs	**-11 468**	**-16 568**	**-9 147**	**-9 606**	**-20 995**
Share of profits of associates	69	-32	35	190	-64
Excess in fair value of acquired assets over cost	0	0	0	0	0
Profit before tax	**3 003**	**-36 438**	**-44 343**	**-17 348**	**-13 395**
Income tax expense	-833	6 012	8 884	2 538	1 698
Profit/loss from discontinued operations	0	0	0	0	0
Profit for the period	**2 170**	**-30 426**	**-35 459**	**-14 810**	**-11 697**
Depreciation and amortization	-12 203	-12 824	-13 568	-13 942	-13 822
EBITDA	**26 605**	**-7 014**	**-21 663**	**6 010**	**21 486**

Revenues rise by **44m & 8%**
- Delivery volumes up by 50k t
- decrease of prices

Gross profit down by **11m & 48%**
- higher shipments: 47m
- lower stoppage cost 16m
- other segments result: -24m
- higher conversion costs: -14m

EBIT down by **7m & 47%**
- gross profit change : 11m
- lower other gains & losses balance: -15m
- higher administration costs: 2m
- higher distribution costs: 1m

Net profit down by **14m & 639%**
- income tax change: 3m
- EBIT change: -7m
- financial income change: -5m
- financial costs change: -5m

Adjusted net result **-10m** (v. 8m in Q2 2024)

EBITDA down by **5m & 19%**
Adjusted EBITDA **17m** (v. 35m in Q2 2024)

Assets *(PLN thousand)*

ASSETS	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
'000 PLN					
A. TOTAL NON-CURRENT ASSETS	**1 383 322**	**1 477 744**	**1 614 419**	**1 713 535**	**1 739 642**
I. Intangible assets	17 194	16 653	17 656	17 375	17 170
II. Property, plant and equipment	1 331 353	1 430 453	1 561 453	1 659 045	1 689 516
III. Other receivables	8 308	8 577	660	705	659
IV. Investment property and other investments	1 216	1 134	1 119	1 308	1 244
V. Financial instruments assets	22 415	17 357	17 140	16 020	10 345
VI. Prepaid perpetual usufruct of land	0	0	0	0	0
VII. Deferred tax assets	2 836	3 570	16 391	19 082	20 708
B. TOTAL CURRENT ASSETS	**1 350 306**	**1 214 770**	**1 012 020**	**1 082 404**	**1 062 638**
I. Inventories	504 089	517 495	470 531	530 716	498 512
II. Receivables	359 415	365 614	423 407	423 821	465 620
1. Trade and other receivables	*353 877*	*364 217*	*421 133*	*421 201*	*463 149*
2. Current income tax receivable	*5 520*	*1 382*	*2 261*	*2 594*	*2 452*
3. Other investments	*18*	*15*	*13*	*26*	*19*
III. Financial instruments assets	3 375	2 479	2 860	2 673	1 726
IV. Cash and cash equivalents	483 427	329 182	115 222	123 196	96 780
V. Prepayments	0	0	0	1 998	0
VI. Assets classified as held for sale	0	0	0	0	0
Total	**2 733 628**	**2 692 514**	**2 626 439**	**2 795 939**	**2 802 280**

Fixed assets up by **358m & 27%**
- CAPEX: 405m
- D&A: -54m
- asset dispositions: -2m
- financial instruments valuation: -12m

Current assets down by **288m & 21%**
- cash down by 387m
- inventories down by 6m
- receivables up by 106m

trade receivables sold: 166m
(in Q2 2024: 255m)

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Equity and Liabilities *(PLN thousand)*

EQUITY AND LIABILITIES	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
'000 PLN					
A. EQUITY	**1 247 170**	**1 215 031**	**1 179 510**	**1 163 112**	**1 210 983**
I. Issued share capital	257 131	257 131	257 131	257 131	257 131
II. Reserves and retained earnings	910 441	880 177	846 790	831 220	879 544
III. Minority interest	79 598	77 723	75 589	74 761	74 308
B. LIABILITIES	**1 486 458**	**1 477 483**	**1 446 929**	**1 632 827**	**1 591 297**
I. Non-current liabilities	722 430	726 814	270 403	410 894	259 838
1. Employee benefits obligation	*13 456*	*13 604*	*13 897*	*14 180*	*14 389*
2. Interest-bearing loans and borrowings	*696 239*	*706 679*	*247 102*	*387 508*	*235 970*
3. Other	*12 735*	*6 531*	*9 404*	*9 206*	*9 479*
II. Current liabilities	764 028	750 669	1 176 526	1 221 933	1 331 459
1. Interest-bearing loans and borrowings	*137 209*	*146 619*	*596 685*	*415 814*	*573 748*
2. Bank overdraft	*0*	*20 990*	*30 001*	*117 126*	*120 512*
3. Trade and other payables	*621 677*	*577 694*	*543 665*	*683 852*	*631 583*
4. Deferred government grants	*1 481*	*1 450*	*1 313*	*1 138*	*1 202*
5. Liability under financial instruments	*0*		*0*	*0*	*0*
6. Employee benefits obligation	*2 361*	*2 616*	*2 773*	*2 703*	*3 114*
7. Current income tax payable	*0*	*0*	*789*	*0*	*0*
8. Provisions for payables	*1 300*	*1 300*	*1 300*	*1 300*	*1 300*
III. Liabilities of disposal group	0	0	0	0	0
Total	**2 733 628**	**2 692 514**	**2 626 439**	**2 795 939**	**2 802 280**

Equity down by PLN **36m & 3%**
- LTM net result: 92m

Labilities up by PLN **105m & 7%**
- long-term debt down by: 463m
- trade payables: up by: 10m
- short-term debt up by: 567m

Cash Flows *(PLN thousand)* & Metrics

CASH FLOW	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
'000 PLN					
A. OPERATING ACTIVITIES	310 940	-71 154	-88 139	21 082	-29 163
B. INVESTING ACTIVITIES	-94 071	-80 360	-130 139	-32 479	-70 976
C. FINANCING ACTIVITIES	245 803	-23 283	-8 430	-67 367	69 755
Net increase in cash	**462 672**	**- 174 797**	**-226 708**	**-78 764**	**-30 384**

A

- working capital outflow: 148m

B

- disposals inflow: 3m
- CAPEX outflow: -308m

C

- inflow IRS: 9m
- debt incurrence: 138m
- debt repayment: 133m
- interest service: 44m

MAIN METRICS		Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Liquidity ratio		1.77	1.62	0.86	0.89	0.80
Quick ratio		1.11	0.93	0.46	0.45	0.42
Inventories turnover	days	86	94	76	92	80
Receivables turnover	days	58	66	67	70	70
EBITDA margin		4.8%	-1.4%	1.1%	1.1%	3,6%
Net profit margin		0.4%	-6.1%	-2.5%	-2.7%	-2.0%
Equity	'000 PLN	1 247 170	1 215 031	1 179 510	1 163 112	1 210 983
Net debt	'000 PLN	350 400	545 106	758 566	797 252	833 450
Net debt / LTM EBITDA		2.3	7.6	30.9	202.5	n/d

liquidity worsened due to temporary reclassification of long-term debt

inventory ratio improved by 6 days but weak

receivable ratio worsened by 5 days and acceptable

The profitability ratio fell to a negative value.Due to negative LTM EBITDA, the leverage ratio cannot be calculated

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