

To our shareholders

Invitation to the ordinary shareholders' meeting on April 26, 2022

Dear shareholders,

We would like to invite you to participate in the voting that is part of the ordinary shareholders' meeting on April 26, 2022. Owing to the ongoing unsafe situation due to COVID-19, we have again decided to protect your health and that the shareholders' meeting shall not be held in person. Your votes will be cast by an independent proxy according to your instructions. All information regarding the organization of the meeting can be found in your invitation.

After seeing a considerable decline in demand in our markets in 2020 due to the corona crisis, we noted a significant recovery this past fiscal year 2021. Overall, we were able to sell over 20% more steel than we did in the previous year. Our adjusted EBITDA totaled EUR 191.6m compared to EUR -68.9m during the previous year. Although it was not just the market's recovery that contributed to this success, but rather also the measures we adopted within the scope of the transformation program that resulted in major cost savings.

With the capital increase of EUR 223m in March 2021 we were also able to reach a considerably improved capital structure and support the increase in value of current assets and working capital with the proceeds. Net debt still increased by EUR 80m to EUR 721m at the fiscal year-end primarily due to higher commodity and energy costs.

To continue to drive the transformation forward, at the beginning of the year we added three experienced steel managers, Jürgen Alex, Florian Geiger, and Patrick Lamarque, to our Executive Board to assist CEO Frank Koch. These colleagues will continue to advance growth strategies related to our core product groups' tool, engineering, and stainless steel and pave the way to CO₂-neutral steel production. Since April 1, 2022, we have a new Chief Financial Officer in Marco Portmann, who knows the company very well and has already spent many years in various leading financial functions of Swiss Steel Group.

This team will head the transformation to SSG 2025 with the clear aim of becoming one of the best providers of special long steel. We want profitable growth and to increase our market share with a clear customer focus. We will bundle our market and technology competence to be able to meet our customers' demands in regard to sustainability, quality, and competitive pricing.

A significant technological advantage are our electric arc furnaces and the use of scrap. We recycle. Our manufacturing process produces "Green Steel" in the full sense of the word. We are currently already one of the most eco-efficient steelmakers, producing around 80% fewer emissions than the conventional steel production of many of our competitors, and we are getting closer and closer to meeting our target of CO₂-neutral steel production.

We are not able to say today how the Russia / Ukraine conflict will continue to develop and are dismayed by the events and level of human suffering. The uncertainties for our business have increased again due to this geopolitical situation, and at present no reliable statement can be made as to the impact this is having on supply chains and a sustainable, cost-effective energy supply. We will continue to monitor the situation carefully and take the necessary measures as the situation demands.

On behalf of the Board of Directors and Executive Board, I would like to thank you for your years of loyalty to Swiss Steel Group. It is our hope that you as a shareholder will continue to accompany us on this path with the aim of making Swiss Steel Group a leading international supplier of special steels manufactured in the electric arc furnace.

Best regards,

Swiss Steel Holding AG

For the Board of Directors:

Jens Alder

Chairman