



CRONIMET Group generates record sales in 2022

- **Strong result in a difficult operating environment**
- **CRONIMET joins the initiative for a circular economy**
- **CRONIMET Group receives bronze medal in EcoVadis sustainability rating**

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The CRONIMET Group, headquartered in Karlsruhe, Germany, is reporting record sales of EUR 4.1 billion for the fiscal year 2022, and has also once again exceeded its operating profit from 2021 by approximately 10%. The 100 percent family-owned company was thus able to successfully defy the major geopolitical challenges of 2022.

Following extremely robust sales in the first half of 2022, there was a significant drop in demand from key customers in the stainless steel industry in the summer. This decline was due, in particular, to price increases on the energy markets and high-level inflation, which led to a fall in demand for products from the stainless steel mills. The resulting lower scrap demand from stainless steel mills only recovered in the fourth quarter, with the result that sales volumes in the stainless steel and special alloys business were only just below the record level of 2021 and at the same level as 2020.

The CRONIMET Group was able to close the 2022 fiscal year with an operating result of more than EUR 77 million. "With such a success, we have clearly exceeded all the requirements set by lending institutions and secured our corporate financing, even in these challenging times and for the years to come," said Bernhard Kunsmann, CFO of the CRONIMET Group.

"The market environment remains difficult as a result of the terrible war in Europe and inflation in key markets," says Jürgen Pilarsky, CEO and majority shareholder of CRONIMET Holding GmbH. "The primary reasons for the positive annual result were the flexibility of our employees, who adapted their work accordingly and immediately to the new prevailing situation, and our unchanged spirit of cooperation rooted in partnership with our customers and suppliers."

CRONIMET is the first signatory of Outokumpu's "Inner Circle" initiative

CRONIMET is thus also intensifying its long-standing partnership with Outokumpu and joined the stainless steel producer's "Inner Circle" initiative at the end of May. "In doing so, we are setting an example for a sustainable and efficient circular economy in the stainless steel industry," explains Jürgen Pilarsky.

Outokumpu's "Inner Circle" initiative aims to connect stainless steel processors, recyclers and steel mills more directly, thereby rendering supply chains more transparent, faster and more efficient. Outokumpu presented the initiative at the World Circular Economy Forum on June 1, 2023. "The level of cooperation between CRONIMET and Outokumpu was excellent during the joining phase of the "Inner Circle". The main reasons for this were our long-standing partnership, the shared values of fairness and openness, and the common goal of promoting a sustainable circular economy for stainless steel," says Marijo Zeljko, CEO Europe of CRONIMET Holding GmbH.

CRONIMET's recycling activities make a significant contribution to promoting a circular economy in the stainless steel industry. The use of secondary raw materials processed by CRONIMET conserves resources and saves at least 4.3 tons of CO₂ per ton of stainless steel in subsequent steel production compared with the use of primary raw materials.

"With our expertise and our measures for sustainable scrap processing, we see ourselves as an enabler of a true circular economy in the stainless steel sector," Marijo Zeljko continues. Joining the "Inner Circle" as part of the common goal of resource-efficient steel production is a further step towards CRONIMET's vision of a holistically sustainable society.

Systematic further development of sustainability management

Thus, CRONIMET has also invested in the further development of sustainability management in 2022. In April 2023, the CRONIMET Group received the Bronze Medal from EcoVadis. The leading international sustainability rating evaluates – according to 21 criteria – across four core topics: Environment, Labor and Human Rights, Ethics and Sustainable Procurement. Especially in the area of Environment, CRONIMET delivered a top performance with 70 out of 100 possible points, and is thus clearly above the industry average of the recycling industry.

"The EcoVadis award shows that we are on the right track with our sustainability management. We want to make our entire business sustainable," says Bernhard Kunsmann, who is also responsible for sustainability management.

About the CRONIMET Holding Group

The CRONIMET Holding Group, headquartered in Karlsruhe, Germany, is a global specialist for stainless steel scrap and ferroalloys. The focus here is on returning metallic raw materials to the materials cycle through recycling and processing, thus contributing to the securing of raw materials and raw material efficiency. For more than four decades, the company has been supplying raw materials to the stainless steel producing industry. The CRONIMET Holding Group was founded in 1980 and is now present worldwide with more than 1500 employees at 68 locations.

PRESS RELEASE
THE CRONIMET HOLDING GROUP



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