UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 1-36313



METALLUS INC.
(Exact name of registrant as specified in its charter)

Ohio	**46-4024951**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1835 Dueber Avenue SW, Canton, OH	**44706**
(Address of principal executive offices)	(Zip Code)

330.471.7000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading symbol	Name of exchange in which registered
Common shares	MTUS	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial reporting accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of June 30, 2024, the aggregate market value of the registrant's common stock held by non-affiliates was $852,555,470 based on the closing sale price as reported on the New York Stock Exchange for that date.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at February 17, 2025
Common Shares, without par value	42,116,424

DOCUMENTS INCORPORATED BY REFERENCE

Document	Parts Into Which Incorporated
Proxy Statement for the 2025 Annual Meeting of Shareholders	Part III

Metallus Inc.
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Part I.

Item 1. Business

Overview

Metallus Inc., formerly known as TimkenSteel Corporation, ("we", "us", "our", the "Company" or "Metallus") was incorporated in Ohio on October 24, 2013, and became an independent, publicly traded company as the result of a spinoff from The Timken Company ("Timken") on June 30, 2014. In the spinoff, Timken transferred to us all of the assets and generally all of the liabilities related to Timken's steel business. On February 26, 2024, the Company changed its name to Metallus Inc.

We manufacture alloy steel, as well as carbon and micro-alloy steel, using electric arc furnace ("EAF") technology. Our portfolio includes special bar quality ("SBQ") bars, seamless mechanical tubing ("tubes"), manufactured components such as precision steel components, and billets. Additionally, we manage raw material recycling programs, which are used internally as a feeder system for our melt operations and allow us to sell scrap not used in our operations to third parties. Our products and solutions are used in a diverse range of demanding applications in the following end-markets: industrial; automotive; aerospace & defense; and energy.

SBQ steel is made to restrictive chemical compositions and high internal purity levels and is used in critical mechanical applications. We make these products from nearly 100% recycled steel, using our expertise in raw materials to create high-quality specialty metal products. We focus on creating tailored products for our respective end-markets. Our engineers are experts in both materials and applications, so we can work closely with each customer to deliver flexible solutions related to our products as well as to their applications and supply chains.

The SBQ bar, tube, and billet production processes take place at our Canton, Ohio manufacturing location. This location accounts for all of the SBQ bars, seamless mechanical tubes and billets we produce and includes three manufacturing facilities: the Faircrest, Harrison, and Gambrinus facilities. Our production of manufactured components takes place at two downstream manufacturing facilities: Tryon Peak (Columbus, North Carolina) and St. Clair (Eaton, Ohio). Many of the production processes are integrated, and the manufacturing facilities produce products that are sold in all of our end-markets. As a result, investments in our facilities and resource allocation decisions affecting our operations are designed to benefit the overall business, not any specific aspect of the business.

Our annual melt capacity is approximately 1.2 million tons and our shipment capacity is approximately 0.9 million tons.

Operating Segments

We conduct our business activities and report financial results as one business segment. The presentation of financial results as one reportable segment is consistent with the way we operate our business and is consistent with the manner in which the Chief Operating Decision Maker ("CODM") evaluates performance and makes resource and operating decisions for the business as described above. Furthermore, the Company notes that monitoring financial results as one reportable segment helps the CODM manage costs on a consolidated basis, consistent with the integrated nature of our operations.

Industry Segments and Geographical Financial Information

Information required by this Item is incorporated herein by reference to "Note 3 - Segment Information" in the Notes to the Consolidated Financial Statements.

Strengths and Strategy

Our customers are at the core of everything we do, from how we make our strong, sustainable steel to the markets we serve.
We bring to every project a greater understanding of metallurgy and the critical elements required for a quality product. We prioritize collaboration with our customers to ensure that the solutions we deliver meet their specifications and expectations. From design to delivery, and beyond, our knowledgeable customer service team supports the entire project lifecycle to keep our customers informed and preserve lasting partnerships.

Special bar quality (SBQ) steel is our niche, and our capabilities extend into tubing and manufactured components. Our customers benefit from our expertise; over 70% of our sales representatives, account managers, and technical service team members have engineering backgrounds. We apply this knowledge through product design and investments in our manufacturing capabilities. We provide tailored solutions for our customers built on a technical foundation through our:

- Knowledgeable, experienced, and attentive management and technical teams.
- Trusted, lasting partnerships with customers across diverse end markets.
- Leadership position in differentiated markets with a legacy of providing critical applications.

Major Customers

We sell products and services that are used in a range of demanding applications around the world. We have approximately 330 diverse customers in the following end-markets: industrial; automotive; aerospace & defense; and energy. For the year ended December 31, 2024, one customer individually comprised greater than 10% of net sales. This customer represented 11.2% of net sales. No other customer accounted for more than 10% of net sales during the year ended December 31, 2024.

Products

We believe we produce some of the cleanest, highest performing alloy air-melted steels in the world for our customers' most demanding applications. We leverage our technical knowledge, development expertise and production and engineering capabilities across all of our products and end-markets to deliver high-performance products to our customers.

SBQ Steel Bar, Seamless Mechanical Steel Tubes, and Billets. Our focus is on alloy steel, although in total we manufacture more than 500 grades of high-performance alloy, carbon, and micro-alloy steel, sold as bars, tubes and billets. These products are custom-made in a variety of chemistries, lengths and finishes. Our metallurgical expertise and what we believe to be unique operational capabilities drive high-value solutions for industrial, automotive, aerospace & defense and energy customers. Our specialty metals are featured in a wide variety of end products including: gears; hubs; axles; crankshafts and motor shafts; oil country drill pipe; bits and collars; bearing races and rolling elements; bushings; fuel injectors; wind energy shafts; anti-friction bearings; artillery and mortar bodies; and other demanding applications where mechanical power transmission is critical to the end customer.

Manufactured Components. In addition to our customized steels, we also make precision components that provide us with the opportunity to further expand our market for bar and tube products and capture additional sales. These products provide customers, especially those in the automotive end-market, with ready-to-finish components that simplify vendor management, streamline supply chains and often cost less than other alternatives. We also produce products and provide supply chain solutions for the industrial, aerospace & defense and energy end-markets.

Sales and Distribution

Our sales force is made up largely of engineers that are backed by a team of metallurgists and other technical experts. While most of our products are sold directly to original equipment ("OE") manufacturers, a portion of our sales are made through authorized distributors and steel service centers, representing approximately 18% of net sales during 2024. The majority of our customers are served through individually negotiated price agreements.

Competition

The steel industry, both domestically and globally, is highly competitive and is expected to remain so. Maintaining high standards of asset reliability, product quality and customer service, while keeping production costs competitive, is essential to our ability to compete with domestic and foreign manufacturers of alloy steel and mechanical components. For bar products less than 6-inch in diameter, the primary competitor is foreign-owned domestic producer Gerdau Special Steel North America (a unit of Brazilian steelmaker Gerdau, S.A). For bar products up to 9-inch in diameter, domestic producers Steel Dynamics, Inc. and Nucor Corporation (in some cases up to 10-inch) are our principal competitors. For very large bars from 10 to 16 inches in diameter, offshore producers as well as specialty forging companies in North America such as Scot Forge and Frisa are the primary competitors. For seamless mechanical tubing, offshore producers such as Tenaris, S.A., Vallourec, S.A. and TMK Group are our primary competitors, as well as the foreign-owned domestic producer ArcelorMittal Tubular Products (a unit of Luxembourg-based ArcelorMittal, S.A.). We also provide unique manufactured steel products and supply chain solutions to our customers in the industrial, automotive, aerospace & defense and energy end-markets. Manufactured component competitors include both integrated and non-integrated component producers.

Lead Time

The lead time for our products varies based on product type and specifications. As of the date of this filing, lead times for bar and tube products currently extend to May 2025.

Raw Materials

The principal raw materials that we use to manufacture steel are recycled scrap metal, chrome, nickel, molybdenum oxide, vanadium and other alloy materials. Raw materials comprise a significant portion of the steelmaking cost structure and are subject to price and availability changes due to global demand fluctuations and local supply limitations. Proper selection and management of raw materials can have a significant impact on procurement cost, steelmaking energy costs, mill productivity and ability to adapt to supply chain constraints. In addition to accessing scrap and alloys through the open market, we have established a scrap return supply chain with many of our customers. This part of our business leverages our knowledge of the raw material supply industry and an extensive network of relationships that result in steady, reliable supply from our raw material sources.

In the ordinary course of business, we are exposed to the volatility of the costs of our raw materials. For example, the impact of global conflicts could exacerbate inflationary pressures throughout the global economy and lead to potential market disruptions, such as significant volatility in commodity prices and supply chain disruptions. Although our business has not been materially impacted by current conflicts to date, it is difficult to predict the extent to which our operations, or those of our suppliers, will be impacted in the future.

Whenever possible, we manage our exposure to commodity risks primarily through the use of supplier pricing agreements that enable us to establish the purchase prices for certain inputs that are used in our manufacturing process. We also utilize a raw material and natural gas surcharge mechanism when pricing products to our customers.

There are two components of our raw material surcharge. One component is related to the scrap metal content in our finished product and is based on the published No. 1 busheling scrap index. The other component is related to alloy material content in our finished product and is based on published prices for nickel, molybdenum, vanadium, chrome, and manganese. The energy surcharge is only applicable when the price of natural gas exceeds a certain dollar amount per MMBtu or when the price of electricity exceeds a certain amount per MWH.

Our surcharge mechanisms are designed to mitigate the impact of increases or decreases in raw material costs, although generally with a lag effect. This timing effect can result in raw material spread whereby costs can be over- or under-recovered in certain periods. While the surcharge generally protects gross profit, it has the effect of diluting gross margin as a percent of sales.

Defense Contract

On February 27, 2024, the Company entered an agreement with the United States Army ("U.S. Army"). The agreement provides for $99.75 million in funding to support the U.S. Army's mission of increasing munitions production for national security in the

upcoming years. The agreement supports the commissioning of two major assets: a continuous bloom reheat furnace and a roller hearth heat treat furnace. For the year ended December 31, 2024, the Company received $53.5 million in funding related to this agreement and recorded the funding as a current liability on the Consolidated Balance Sheets and as investing within the Consolidated Cash Flows. There was $8.0 million in capital spending related to assets associated with this agreement in 2024.

For further details, refer to “Note 2 - Significant Accounting Policies” in the Notes to the Consolidated Financial Statements.

Faircrest Melt Shop Unplanned Downtime

During the second half of 2022, the Faircrest melt shop experienced unplanned operational downtime. The company recognized insurance recoveries of $34.5 million in 2022 and $31.3 million in 2023 related to the unplanned downtime. The 2022 insurance claims were closed in the first quarter of 2024.

For further information related to previous insurance recoveries, refer to "Note 5 - Other (Income) Expense, net" in the Notes to the Consolidated Financial Statements for additional information.

Environmental Matters and Governmental Regulations

We consider compliance with environmental regulations and environmental sustainability a key strategic focus area and integral to our responsibility as a good corporate citizen. All our domestic steel making and processing operations, and our water treatment plant, have obtained and maintain ISO 14001 certification.

We believe we have established appropriate reserves to cover our environmental expenses. We have a well-established environmental compliance audit program that measures performance against applicable laws as well as against internal standards that have been established for all facilities.

We have been identified as a potentially responsible party under the Clean Air Act ("CAA"), Clean Water Act ("CWA"), Toxic Substances Control Act ("TSCA"), the Resource Conservation and Recovery Act ("RCRA"), as well as other laws. We continue to monitor regulations relevant to our Company to ensure we remain compliant. This includes, but is not limited to, regulations such as the CAA, CWA, TSCA, and the RCRA.

Additionally, we continue to monitor any future carbon regulation. To date, the U.S. Congress has not legislated carbon constraints on businesses. It is difficult to predict the possible effect of compliance with future requirements that differ from existing ones both domestically and internationally.

From time to time, we may be a party to lawsuits, claims or other proceedings related to environmental matters and/or receive notices of potential violations of environmental laws and regulations from the EPA and similar state or local authorities. We recorded reserves for such environmental matters of $0.4 million and $0.6 million as of December 31, 2024 and 2023, respectively. Accruals related to such environmental matters represent management’s best estimate of the fees and costs associated with these matters. Although it is not possible to predict with certainty the outcome of such matters, management believes the ultimate disposition of these matters should not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Legal Proceedings

Information required by this section is incorporated herein by reference to “Item 3. Legal Proceedings.”

Patents, Trademarks and Licenses

While we own a number of U.S. and foreign patents, trademarks, licenses and copyrights, none are material to our products and production processes.

Governance and Environmental Stewardship

Metallus is committed to promoting the long-term interests of shareholders and building public trust through good governance practices. We are committed to operating in accordance with the highest standards of ethics and integrity, and maintaining robust programs focused on compliance. To ensure effective and responsive governance, we regularly review and update our policies and procedures and the charters for our Board committees, and regularly evaluate director skills, qualifications, and experience.

The Metallus Code of Conduct sets forth policies covering a broad range of subjects, including antitrust and competition, corruption and bribery, conflicts of interest, inside information, accurate financial records, harassment, environmental, health and safety and intellectual property, among other matters, and requires strict adherence to laws and regulations applicable to the Company's business. We have also adopted insider trading policies and procedures that apply to all of the Company's directors, officers, and employees, as well as certain other designated individuals, to prevent the misuse of confidential information about the Company, as well as other companies with which we have a business relationship, and to promote compliance with all applicable securities laws. Among other things, the insider trading policies and procedures prohibits engaging in transactions in securities while in possession of material non-public information and disclosing to anyone any material, non-public information about a company. In addition, in accordance with our Supplier Code of Conduct, we seek to work with suppliers that share our core values. We are also committed to the protection and advancement of human rights, as further described below under "Human Capital – Commitment to Human Rights."

As part of our commitment to environmental stewardship, we work to mitigate our environmental impact and set attainable goals to drive continuous improvement. Our environmental efforts are focused on maintaining clean air, water, and land, while complying with environmental rules and regulations. Through the integration of material efficiency, conservation of energy, and responsible natural resource use, we aim to continually lessen our products' environmental impact. Innovation, collaboration and stakeholder engagement are embedded within our environmental programs. Our Board of Directors oversees our sustainability strategy, including receiving regular updates from senior leadership and reviewing sustainability-related risks and opportunities annually.

In October 2021, Metallus announced 2030 environmental goals – a critical milestone in the evolution of the Company's sustainability program.

We committed to the following 2030 environmental goals, compared with a 2018 baseline:

- 40% absolute reduction in combined Scope 1 and Scope 2 greenhouse gas emissions
- 30% absolute reduction in total energy consumption (direct and indirect)
- 35% absolute reduction in fresh water withdrawn
- 10% reduction in waste-to-landfill intensity

The Company's 2030 targets for greenhouse gas emissions, energy consumption and fresh water withdrawn are based on an absolute or total reduction in the amount of greenhouse gas emissions, energy consumption and fresh water withdrawn as compared to a 2018 baseline. In contrast, the Company's waste-to-landfill target is based on an intensity or percentage reduction of waste-to-landfill per ton of steel shipped as compared to a 2018 baseline. All 2030 targets are based on the Company's operating assets as of 2018 and do not account for any future inorganic growth or other expansion of its facilities or operating assets, for which an adjustment to the absolute reduction may be required. The Company selected 2018 as the baseline year as it aligns with the baseline used in the Company's Sustainability Accounting Standards Board (SASB) disclosure. Following the publication of steel sector guidance and standards in 2023 by the Global Steel Climate Council (GSCC), the Company has evaluated its existing goals and performance. In 2024, the Company became a member of GSCC, and the Company intends to submit a science-based target aligned with the GSCC's Steel Climate Standard for validation by an accredited third-party organization, which may result in refreshed environmental goals.

The Company's 2030 targets are supported by projects across the Company's manufacturing, supply chain and corporate operations and, in 2021, the indefinite idling of the Company's Harrison melt and casting assets contributed to the reduction in greenhouse gas emissions.

We have allocated approximately $3 million of capital expenditures per year through 2030 to achieve our long-term sustainability goals, including safety- and environmental-related projects. In 2024, actual capital expenditure spend was approximately $2.8 million related to these initiatives, which primarily related to safety projects.

Learn more about our governance and environmental stewardship on the Sustainability section of our website at **www.metallus.com**.

Human Capital

Employment

At December 31, 2024, we had approximately 1,880 employees, with approximately 62% of our employees covered under a collective bargaining agreement.

On October 29, 2021, the United Steelworkers ("USW") Local 1123 voted to ratify a new four-year contract (the "Contract"). The Contract, which is in effect until September 27, 2025, provides Metallus' Canton-based bargaining employees an increase to base wages every year, competitive healthcare and retirement benefits for all members, as well as a continued focus on employee wellbeing and safe and sustainable operations. The Contract covers approximately 1,170 bargaining employees at the Company's Canton, Ohio operations.

Health and safety

At Metallus, our core value of Safety First expresses our belief that the health and well-being of our fellow employees is essential to our ability to achieve our mission to be an industry-leading provider of high-quality specialty metals and to deliver exceptional value for our customers, employees and investors. Building and maintaining a culture of safety empowers each of us as individuals, and collectively as a company, to successfully grow. Our commitment to safety is rooted in the recognition that our personal actions affect the safety and performance of others. This sense of responsibility drives engagement through increased awareness of the vital role each team member plays in promoting a safe work environment while maintaining our commitment to best-in-class quality in our processes and products.

We recognize the need for and are committed to improving the Company's safety culture. Over the past few years, we introduced new safety training focused on the core elements of improving the safety culture and performance while helping to understand the direct impact human factors have on all of us. In 2024, we built on this foundation with additional training regarding human factors which positively influence safety, performance and reliability outcomes; hand safety practices; and training to prevent serious injuries or fatalities. We invested approximately $8 million in 2024 in company-wide safety training, equipment and improved safety processes in an effort to ensure we are creating a lasting culture of safety. We expect to invest approximately $5 million in 2025 to further expand these efforts. To reinforce the importance of operating safely and responsibly, a safety metric (comprised of both leading and lagging indicators) is included in our annual incentive compensation plan for all salaried employees.

Compensation and total rewards

We provide competitive compensation programs to help meet the needs of our employees. Our programs are designed to support the profitable growth of our business; attract, reward, and retain the talent we need to succeed; support the health and overall well-being of our employees; and reinforce a performance-based culture.

In addition to base compensation, we offer quarterly and annual incentive compensation, stock awards, and participation in various retirement plans. Our company also provides employer-sponsored health and wellness benefits to our employees.

Employee retention

We seek to retain the best people by providing them with opportunities to grow, build skills and be appreciated for their contributions as they work to serve our customers. Our vision and mission inform everything we do and our work is grounded in our core values, which represent the framework on which our culture is built.





Our employees are critical to our success and are the reason we are able to execute at a high level. We believe a continuous focus on company culture and employee engagement will help us provide high quality products to our customers. In 2024, we conducted semi-annual surveys to gather insight into the level of employee engagement at Metallus and other factors that contribute to a successful workplace. These surveys help to ensure we are continuously listening to our employees and measuring our progress. We regularly communicate with our employees regarding survey results and actions being taken in response.

We diligently track our employee retention and management regularly evaluates our employees' retention risk. For 2024, we ended the year with an overall voluntary turnover rate of approximately 6 percent, comprised of approximately 4 percent for salaried and approximately 8 percent for hourly employees. This compares to an overall voluntary turnover rate of approximately 9 percent in

2023 and 16 percent in 2022. The voluntary turnover rate in 2024 was significantly improved as compared to recent years and more in line with the Company's historical experience.

Employee training and development

At Metallus, we believe that our vision moves us forward and our people drive our success. That is why it is a core component of our strategy to invest in talent and leadership development at all levels of the company. We invest significant resources to develop talent with the right capabilities to deliver the growth and innovation needed to support our business strategy. In 2024, we continued and expanded upon many of the learning and development programs introduced since 2022 and aimed at developing leadership and other professional skills and capabilities. In 2024, we also continued to build our pipeline of skilled trades talent by expanding and improving our apprentice program. We offer an educational reimbursement program to assist employees with the cost of obtaining certain undergraduate or graduate degrees. Metallus encourages our employees to constantly learn and grow and has aligned our performance management system to support this focus on continuous learning and development.

Belonging and inclusion

At Metallus, we believe our people are our strongest assets. Creating an atmosphere that provides a sense of belonging and inclusion is fundamental to our strategic imperative to attract and retain top talent and provide equal opportunities for growth to all employees. We foster a culture that lends a variety of perspectives and expertise to our operations. We recognize that an inclusive, engaging culture has enabled us to deliver innovative solutions throughout the life of our business and is key to our continued business success. Within our organization, we maintain employee resource groups (ERGs) which further promote belonging and inclusion. We have an advisory council comprised of senior leaders in the company and the executive sponsors of our ERGs to advance and champion the Company's efforts to leverage our unique perspectives, backgrounds, and experiences to make a positive impact and promote unity within Metallus and our communities. In 2024, our ERGs continued to expand their programming and employee engagement with the support of the advisory council. Metallus is also proudly involved in several organizations that promote and foster belonging and inclusion in our community and industry.

Commitment to Human Rights

At Metallus, we are committed to the protection and advancement of human rights. We recognize our responsibility for the Company's culture and the impact our practices have on society as a whole. Being ethical and responsible at our core means that we believe in treating all people with dignity and respect, from our workplaces to our supply chain partners. As further detailed in our applicable policies, Metallus does not tolerate discrimination, harassment or disrespect of an individual for any reason, and we strictly forbid any form of child labor, forced labor or slavery, or human trafficking at any of our facilities or within our supply chain. Metallus' published supplier code of conduct outlines our expectations for suppliers in the areas of human rights, ethical business practices, responsible sourcing, environmental sustainability and information security. Our supplier code of conduct, along with standalone policies on human rights, child and forced labor, conflict minerals and human trafficking, can be found on the Sustainability page of our website at **www.metallus.com**. These policies, together with our Code of Conduct, include additional details regarding our commitment to human rights.

More information on Metallus' corporate responsibility can be found on the Sustainability page of our website at **www.metallus.com**.

Available Information

We use our Investor Relations website at http://investors.metallus.com, as a channel for routine distribution of important information, including news releases, analyst presentations and financial information. We post filings (including our annual, quarterly and current reports on Forms 10-K, 10-Q and 8-K, respectively; our proxy statements; and any amendments to those reports or statements) as soon as reasonably practicable after they are electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC"). All such postings and filings are available on our website free of charge. In addition, our website allows investors and other interested persons to sign up to automatically receive e-mail alerts when we post news releases and financial information on our website. The SEC also maintains a website, www.sec.gov, which contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. The information contained on or accessible through, including any reports available on, our website, or on any other website referred to in this Annual Report on Form 10-K is not incorporated by reference into this Annual Report unless expressly noted.

Item 1A. Risk Factors

The following are certain risk factors that could affect our business, financial condition and results of operations. The risks that are highlighted below are not the only ones we face. You should carefully consider each of the following risks and all of the other information contained in this Annual Report on Form 10-K. Some of these risks relate principally to our business and the industry in which we operate, while others relate principally to our debt, the securities markets in general, and ownership of our common shares. If any of the following risks actually occur, our business, financial condition or results of operations could be negatively affected.

Risks Relating to Our Industry and Our Business

Competition in the steel industry, together with potential global overcapacity, could result in significant pricing pressure for our products.

Competition within the steel industry, both domestically and worldwide, is intense and is expected to remain so. The steel industry has historically been characterized by periods of excess global capacity and supply. Excess global capacity and supply has negatively affected and could continue to negatively affect domestic steel prices, which could adversely impact our results of operations and financial condition. High levels of steel imports into the U.S. could exacerbate a decrease in domestic steel prices.

Over the past several years, the United States government has implemented tariffs, duties, and quotas for certain steel products imported from a number of countries into the United States. Most recently, in February 2025, the Trump Administration implemented new tariffs and expanded existing tariffs under Section 232 of the Trade Expansion Act. As these tariffs, duties, and quotas expire or are further relaxed or repealed, it could result in substantial imports of foreign steel and create downward pressure on United States steel prices and the overall industry. This could have a material adverse effect on our operations and financial condition.

We are dependent on our key customers.

As a result of our dependence on our key customers, we could experience a material adverse effect on our business, financial condition and results of operations if any of the following, among other things, were to occur: (a) a loss of any key customer, or a material amount of business from such key customer; (b) the insolvency or bankruptcy of any key customer; (c) a declining market in which customers reduce orders; or (d) a strike or work stoppage at a key customer facility, which could affect both its suppliers and customers. For the year ended December 31, 2024, sales to our 10 largest customers accounted for approximately 50% of our net sales. Additionally, customers continue to demand stronger and lighter products, among other adaptations to traditional products. We may not be successful in meeting these technological challenges and there may be increased liability exposure connected with the supply of additional products and services.

Any change in the operation of our raw material surcharge mechanisms, a raw material market index or the availability or cost of raw materials could materially affect our revenues, earnings, and cash flows.

We require substantial amounts of raw materials, including scrap metal and alloys, to operate our business. The majority of our customer agreements contain surcharge pricing provisions that are designed to enable us to recover raw material cost increases. The surcharges are generally tied to a market index for that specific raw material. Historically, many raw material market indices have reflected significant fluctuations. Any change in a raw material market index could materially affect our revenues. Any change in the relationship between the market indices and our underlying costs could materially affect our revenues, earnings, and cash flow. Additionally, fluctuation in the cost of certain alloys not covered by a raw material surcharge could materially affect our revenues, earnings, and cash flow.

We rely on third parties to supply certain raw materials that are critical to the manufacture of our products. Purchase prices and availability of these critical raw materials are subject to volatility. At any given time we may be unable to obtain an adequate supply of these critical raw materials on a timely basis, on acceptable price and other terms, or at all. If suppliers increase the price of critical raw materials, we may not have alternative sources of supply. In addition, to the extent we have quoted prices to customers and accepted customer orders or entered into agreements for products prior to purchasing necessary raw materials, we may be unable to raise the price of products to cover all or part of the increased cost of the raw materials.

The cost and availability of electricity and natural gas are also subject to volatile market conditions.

Steel producers like us consume large amounts of energy. We rely on third parties for the supply of energy resources we consume in our steelmaking activities. The prices for and availability of electricity, natural gas, oil and other energy resources are also subject to volatile market conditions, often affected by weather conditions as well as political and economic factors beyond our control. Any increase in the prices for electricity, natural gas, oil and other energy resources not protected by energy surcharge mechanisms could materially affect our costs and therefore our earnings and cash flows.

As a large consumer of electricity and gas, we must have dependable delivery in order to operate. Accordingly, we are at risk in the event of an energy disruption. Prolonged black-outs or brown-outs or disruptions caused by natural disasters or governmental action would substantially disrupt our production.

Moreover, many of our finished steel products are delivered by truck. Unforeseen fluctuations in the price of fuel would also have a negative impact on our costs or on the costs of many of our customers.

In addition, changes in certain environmental laws and regulations, including those that may impose output limitations or higher costs associated with climate change or greenhouse gas emissions, could substantially increase the cost of manufacturing and raw materials, such as energy, to us and other U.S. steel producers.

Unexpected equipment failures or other disruptions of our operations may increase our costs and reduce our sales and earnings due to production curtailments or shutdowns.

Interruptions in production capabilities would likely increase our production costs and reduce sales and earnings for the affected period. In addition to equipment failures, our facilities and information technology systems are also subject to the risk of catastrophic loss due to unanticipated events such as fires, explosions or violent weather conditions. Our manufacturing processes are dependent upon critical pieces of equipment for which there may be only limited or no production alternatives, such as furnaces, continuous casters and rolling equipment, as well as electrical equipment, such as transformers, and this equipment may, on occasion, be out of service as a result of unanticipated failures. In the future, we may experience material plant shutdowns or periods of reduced production as a result of these types of equipment failures, which could cause us to lose or prevent us from taking advantage of various business opportunities or prevent us from responding to competitive pressures. There can be no assurance that our insurance coverage for these types of events will be adequate or continue to be available on terms acceptable to us.

Our operating results depend in part on continued successful research, development and marketing of products and services.

The success of products and services depends on their initial and continued acceptance by our customers. Our business is affected, to varying degrees, by technological change and corresponding shifts in customer demand, which could result in unpredictable product transitions or shortened life cycles. We may experience difficulties or delays in the research, development, production, or marketing of products and services that may prevent us from recouping or realizing a return on the investments required to bring products and services to market.

New technologies in the steel industry may: (a) improve cost competitiveness; (b) increase production capabilities; or (c) improve operational efficiency compared to our current production methods. However, we may not have sufficient capital to invest in such technologies or to make certain capital improvements, and may, from time to time, incur cost over-runs and difficulties adapting and fully integrating these technologies or capital improvements into our existing operations. We may also encounter control or production restrictions, or not realize the cost benefit from such capital-intensive technology adaptations or capital improvements to our current production processes.

We are subject to extensive environmental, health and safety laws and regulations, which impose substantial costs and limitations on our operations. Future environmental, health and safety compliance may include additional requirements related to sustainability, climate change, and greenhouse gas emissions, and be more costly than we expect.

We are subject to extensive federal, state, and local environmental, health and safety laws and regulations concerning matters such as worker health and safety, air emissions, wastewater discharges, hazardous material and solid and hazardous waste use, generation, handling, treatment and disposal and the investigation and remediation of contamination. We are subject to the risk of

substantial liability and limitations on our operations due to such laws and regulations. The risks of substantial costs and liabilities related to compliance with these laws and regulations, which tend to become more stringent over time, are an inherent part of our business, and future conditions may develop, arise or be discovered that create substantial environmental compliance or remediation or other liabilities and costs.

Compliance with environmental, health and safety legislation and regulatory requirements may prove to be more limiting and costly than we anticipate. To date, we have committed significant expenditures in our efforts to achieve and maintain compliance with these requirements, and we expect that we will continue to make these expenditures related to such compliance in the future. From time to time, we may be subject to legal proceedings brought by private parties or governmental authorities with respect to environmental matters, including matters involving alleged contamination, property damage or personal injury. New laws and regulations, including those that may relate to emissions of greenhouse gases, stricter enforcement of existing laws and regulations, the discovery of previously unknown contamination or the imposition of new clean-up requirements, could require us to incur costs or become the basis for new or increased liabilities that could have a material adverse effect on our business, financial condition or results of operations.

We may also see an increase in costs relating to our steelmaking assets that emit relatively significant amounts of greenhouse gases as a result of new and existing legal and regulatory initiatives related to climate change. The United States government and various government agencies have introduced or are considering regulatory changes in response to climate change, including regulations aimed at reducing greenhouse gases through emissions standards, renewable energy targets, carbon emission pricing, and similar initiatives, and requiring heightened environmental monitoring and disclosures. These initiatives aimed at reducing greenhouse gas emissions may impact our operations directly or through our suppliers or customers, including increased environmental reporting, emissions control, capital equipment, energy, and other costs to comply. Any future climate change and greenhouse gas regulations could negatively impact our ability (and that of our customers and suppliers) to compete with companies situated in areas not subject to such regulations. Until the timing, scope and extent of any future legal and regulatory initiatives become known, we cannot predict the effect on our business, financial condition or results of operations.

While we are taking steps to significantly reduce our greenhouse gas emissions, there is no guarantee that we will be able to achieve our goals. Additionally, any costs related to the reduction of greenhouse gas emissions may be higher than we anticipated.

Product liability, warranty and product quality claims could adversely affect our operating results.

We produce high-performance carbon and alloy steel, sold as bars, tubes and billets in a variety of chemistries, lengths and finishes designed for our customers' demanding applications. Failure of the materials that are included in our customers' applications could give rise to product liability or warranty claims. If we fail to meet a customer's specifications for its products, we may be subject to product quality costs and claims. A successful warranty or product liability claim against us could have a material adverse effect on our business, financial condition and results of operations.

Work stoppages or similar difficulties could significantly disrupt our operations, reduce our revenues and materially affect our earnings.

A work stoppage at one or more of our facilities could have a material adverse effect on our business, financial condition and results of operations. As of December 31, 2024, approximately 60% of our employees were covered under a collective bargaining agreement that expires in September 2025. Any failure to negotiate and conclude a new collective bargaining agreement with the union when the existing agreement expires could cause work interruptions or stoppages. Also, if one or more of our customers were to experience a work stoppage, that customer may halt or limit purchases of our products, which could have a material adverse effect on our business, financial condition and results of operations.

A significant portion of our manufacturing facilities are located in Stark County, Ohio, which increases the risk of a significant disruption to our business as a result of unforeseeable developments in this geographic area.

It is possible that we could experience prolonged periods of reduced production due to unforeseen catastrophic events occurring in or around our manufacturing facilities in Stark County, Ohio. As a result, we may be unable to shift manufacturing capabilities to

alternate locations, accept materials from suppliers, meet customer shipment deadlines or address other significant issues, any of which could have a material adverse effect on our business, financial condition or results of operations.

We have significant pension and retiree health care costs, as well as future cash contribution requirements, which may negatively affect our results of operations and cash flows.

We maintain retiree health care and defined benefit pension plans covering many of our domestic employees and former employees upon their retirement. These benefit plans have significant liabilities that are not fully funded, which will require additional cash funding in future years. Minimum contributions to domestic qualified pension plans are regulated under the Employee Retirement Income Security Act of 1974 ("ERISA") and the Pension Protection Act of 2006 ("PPA").

The level of cash funding for our defined benefit pension plans in future years depends upon various factors, including voluntary contributions that we may make, future pension plan asset performance, actual interest rates, union negotiated benefit changes, future government regulations, and other factors, many of which are not within our control. In addition, assets held by the trusts for our pension plan and our trust for retiree health care and life insurance benefits are subject to the risks, uncertainties and variability of the financial markets. See “Note 12 - Retirement and Postretirement Plans” in the Notes to the Consolidated Financial Statements for a discussion of assumptions and further information associated with these benefit plans.

Our business is capital-intensive, and if there are downturns in the industries we serve, we may be forced to significantly curtail or suspend operations with respect to those industries, which could result in our recording asset impairment charges or taking other measures that may adversely affect our results of operations and profitability.

Our business operations are capital-intensive. If there are downturns in the industries we serve, we may be forced to significantly curtail or suspend our operations with respect to those industries, including laying-off employees, recording asset impairment charges and other measures. In addition, we may not realize the benefits or expected returns from announced plans, programs, initiatives and capital investments. Any of these events could adversely affect our results of operations and profitability.

We may incur restructuring and impairment charges that could materially affect our profitability.

Changes in business or economic conditions, or our business strategy, may result in actions that require us to incur restructuring and impairment charges in the future, which could have a material adverse effect on our earnings.

We may not be able to execute successfully on our strategic imperatives or achieve the intended results.

Our strategic imperatives are centered around people, profitability, process improvement, business development, and sustainability. These focus areas are intended to drive sustainable through-cycle profitability while maintaining a strong balance sheet and cash flow. If we are unsuccessful in executing on our strategic imperatives, it could negatively impact profitability and liquidity, requiring us to alter our strategy.

Expectations relating to environmental, social and governance (“ESG”) matters and/or our reporting of such matters could expose us to potential liabilities, increased costs, reputational harm and other negative impacts on our business.

There is an increasing focus from investors, customers, employees, and other stakeholders concerning sustainability and ESG matters, and a number of investors and customers are requiring companies to disclose sustainability and ESG policies, practices and metrics. Our customers may require us to implement sustainability and ESG responsibility procedures or standards before they continue to do business with us. In addition, some investors use ESG criteria to guide their investment strategies, and may not invest in us, or divest their holdings of us, if they believe our policies relating to ESG matters are inadequate or, on the other hand, have a negative response to such policies as a result of anti-ESG sentiment. Additionally, we may face reputational challenges in the event that our sustainability and ESG policies, practices and metrics do not meet the standards set by certain constituencies, which are often inconsistent in approach. Furthermore, standards for tracking and reporting on sustainability and ESG matters have not been harmonized and continue to evolve. Our processes and controls for reporting of sustainability and ESG matters may not always comply with evolving and disparate standards for identifying, measuring, and reporting such metrics, our interpretation of reporting standards may differ from those of others, and such standards may change over time, any of which could result in significant revisions to our performance metrics, goals or reported progress in achieving such goals. There can be

no assurance of the extent to which any of our ESG targets and goals will be achieved, if at all; we could fail, or be perceived to fail, in our achievement of any such initiatives, targets or goals, or we could fail in fully and accurately reporting our progress on any such initiatives, targets and goals. Any failure, or perceived failure, by us to achieve our goals, further our initiatives, adhere to our public statements, comply with federal, state or international ESG laws and regulations, or meet evolving and varied stakeholder expectations and standards could result in legal and regulatory proceedings against us and materially adversely affect our business, reputation, results of operations, financial condition and stock price. In addition, in recent years anti-ESG sentiment has gained momentum across the U.S., with several states and Congress having proposed or enacted anti-ESG policies, legislation, or initiatives or issued related legal opinions, and the President having recently issued an executive order opposing diversity, equity and inclusion initiatives in the private sector. Such policies, legislation, initiatives, legal opinions and related scrutiny could result in additional compliance obligations and/or legal and regulatory proceedings against us and could materially adversely affect our business, reputation, results of operations, financial condition and stock price.

We may not be able to complete or successfully integrate future acquisitions into our business, which could adversely affect our business and results of operations

We intend to consider growth opportunities through the acquisition of assets or companies and routinely review acquisition opportunities. We cannot predict whether we will be successful in identifying suitable acquisition candidates or pursuing acquisition opportunities or whether we will be able to achieve the strategic and other objectives related to such acquisitions. Acquisitions involve numerous risks, including difficulty determining appropriate valuation, integrating operations, information systems, technologies, services and products of the acquired product lines or business, personnel turnover, and the diversion of management's attention from other business matters. Depending upon the nature, size, and timing of future acquisitions, we may be required to raise additional financing. Further, we may not be able to successfully integrate any acquired business with our existing businesses or recognize the expected benefits from a completed acquisition in the timeframe that we anticipate, or at all, which could adversely affect our business and results of operations.

Risks Related to Our Debt

Deterioration in our asset borrowing base could adversely affect our financial health and restrict our ability to borrow necessary cash to support the needs of our business and fulfill our pension obligations.

As of December 31, 2024, we had outstanding debt of $5.4 million and our total liquidity was $458.6 million.

If our asset borrowing base, cash flows, and capital resources are insufficient to support the needs of our business, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our debt. These alternative measures may not be successful and we could face substantial liquidity problems that might require us to refinance all or a portion of our debt on or before maturity, and we cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

Restrictive covenants in the agreements governing our indebtedness may restrict our ability to operate our business, which may affect the market price of our common shares.

On September 30, 2022, the Company, as borrower, and certain domestic subsidiaries of the Company, as subsidiary guarantors, entered into a Fourth Amended and Restated Credit Agreement (the "Amended Credit Agreement"), with JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto, which further amended and restated the Company's secured Third Amended and Restated Credit Agreement, dated as of October 15, 2019.

A breach of any of our covenants in the agreements governing our indebtedness could result in a default, which could allow the lenders to declare all amounts outstanding under the applicable debt immediately due and payable and which may affect the market price of our common shares. We may also be prevented from taking advantage of business opportunities that arise because of the limitations imposed on us by the restrictive covenants under our indebtedness. Refer to "Note 11 - Financing Arrangements" in the Notes to the Consolidated Financial Statements for more detail on the Amended Credit Agreement.

The conditional conversion feature of the Convertible Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the Convertible Notes (refer to "Note 11 - Financing Arrangements" in the Notes to the Consolidated Financial Statements) is triggered, holders of Convertible Notes will be entitled to convert the Convertible Notes at any time during specified periods at their option. If one or more holders elect to convert their Convertible Notes, unless we elect to satisfy our conversion obligation by delivering solely our common shares (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity.

Our capital resources may not be adequate to provide for all of our cash requirements, and we are exposed to risks associated with financial, credit, capital and banking markets.

In the ordinary course of business, we will seek to access competitive financial, credit, capital and/or banking markets. Currently, we believe we have adequate capital available to meet our reasonably anticipated business needs based on our historic financial performance, as well as our expected financial position. However, if we need to obtain additional financing in the future, to the extent our access to competitive financial, credit, capital and/or banking markets was to be impaired, our operations, financial results and cash flows could be adversely impacted.

Risks Related to Our Common Shares

The price of our common shares may fluctuate significantly.

The market price of our common shares may fluctuate significantly in response to many factors, including:

- actual or anticipated changes in operating results or business prospects;
- changes in financial estimates by securities analysts;
- an inability to meet or exceed securities analysts' estimates or expectations;
- conditions or trends in our industry or end-markets;
- the performance of other companies in our industry and related market valuations;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, divestitures, joint ventures or other strategic initiatives;
- general financial, economic or political instability;
- hedging or arbitrage trading activity in our common shares;
- changes in interest rates;
- capital commitments;
- additions or departures of key personnel; and
- future sales of our common shares or securities convertible into, or exchangeable or exercisable for, our common shares.

Many of the factors listed above are beyond our control. These factors may cause the market price of our common shares to decline, regardless of our financial condition, results of operations, business or prospects.

Conversion of the Convertible Notes may dilute ownership interest of our shareholders or may otherwise depress the market price of our common shares.

The conversion of some or all of the Convertible Notes may dilute the ownership interest of our shareholders. On conversion of the Convertible Notes, we have the option to pay or deliver, as the case may be, cash, common shares, or a combination of cash and common shares. If we elect to settle our conversion obligation in common shares or a combination of cash and common shares, this could adversely affect prevailing market prices over our common shares.

We may issue preferred shares with terms that could dilute the voting power or reduce the value of our common shares.

Our articles of incorporation authorize us to issue, without the approval of our shareholders, one or more classes or series of preferred shares having such designation, powers, preferences and relative, participating, optional and other special rights, including preferences over our common shares respecting dividends and distributions, as our Board of Directors generally may determine. The terms of one or more classes or series of preferred shares could dilute the voting power or reduce the value of our common shares. For example, we could grant holders of preferred shares the right to elect some number of our directors in all events or on the happening of specified events or the right to veto specified transactions. Similarly, the repurchase or redemption rights or liquidation preferences we could assign to holders of preferred shares could affect the residual value of the common shares.

Provisions in our corporate documents and Ohio law could have the effect of delaying, deferring or preventing a change in control of us, even if that change may be considered beneficial by some of our shareholders, which could reduce the market price of our common shares.

The existence of some provisions of our articles of incorporation and regulations and Ohio law could have the effect of delaying, deferring or preventing a change in control of us that a shareholder may consider favorable. These provisions include:

- providing that our Board of Directors fixes the number of members of the board;
- providing for the division of our Board of Directors into three classes with staggered terms;
- establishing advance notice requirements for nominations of candidates for election to our Board of Directors or for proposing matters that can be acted on by shareholders at shareholder meetings; and
- authorizing the issuance of "blank check" preferred shares, which could be issued by our Board of Directors to increase the number of outstanding securities of ours with voting rights and thwart a takeover attempt.

As an Ohio corporation, we are subject to Chapter 1704 of the Ohio Revised Code. Chapter 1704 prohibits certain corporations from engaging in a "Chapter 1704 transaction" (described below) with an "interested shareholder" for a period of three years after the date of the transaction in which the person became an interested shareholder, unless, among other things, prior to the interested shareholder's share acquisition date, the directors of the corporation have approved the transaction or the purchase of shares on the share acquisition date.

After the three-year moratorium period, the corporation may not consummate a Chapter 1704 transaction unless, among other things, it is approved by the affirmative vote of the holders of at least two-thirds of the voting power in the election of directors and the holders of a majority of the voting shares, excluding all shares beneficially owned by an interested shareholder or an affiliate or associate of an interested shareholder, or the shareholders receive certain minimum consideration for their shares. A Chapter 1704 transaction includes certain mergers, sales of assets, consolidations, combinations and majority share acquisitions involving an interested shareholder. An interested shareholder is defined to include, with limited exceptions, any person who, together with affiliates and associates, is the beneficial owner of a sufficient number of shares of the corporation to entitle the person, directly or indirectly, alone or with others, to exercise or direct the exercise of 10% or more of the voting power in the election of directors after taking into account all of the person's beneficially owned shares that are not then outstanding.

We are also subject to Section 1701.831 of the Ohio Revised Code, which requires the prior authorization of the shareholders of certain corporations in order for any person to acquire, either directly or indirectly, shares of that corporation that would entitle the

acquiring person to exercise or direct the exercise of 20% or more of the voting power of that corporation in the election of directors or to exceed specified other percentages of voting power. The acquiring person may complete the proposed acquisition only if the acquisition is approved by the affirmative vote of the holders of at least a majority of the voting power of all shares entitled to vote in the election of directors represented at the meeting, excluding the voting power of all "interested shares." Interested shares include any shares held by the acquiring person and those held by officers and directors of the corporation.

We believe these provisions protect our shareholders from coercive or otherwise unfair takeover tactics by requiring potential acquirors to negotiate with our Board of Directors and by providing our Board of Directors with more time to assess any acquisition proposal, and are not intended to make our Company immune from takeovers. However, these provisions apply even if the offer may be considered beneficial by some shareholders and could delay, defer or prevent an acquisition that our Board of Directors determines is not in the best interests of our Company and our shareholders, which under certain circumstances could reduce the market price of our common shares.

General Risk Factors

Weakness in global economic conditions or in any of the industries or geographic regions in which we or our customers operate, as well as the cyclical nature of our customers' businesses generally or sustained uncertainty in financial markets, could adversely impact our revenues and profitability by reducing demand and margins.

Our results of operations may be materially affected by conditions in the global economy generally and in global capital markets. There has been volatility in the capital markets and in the end-markets and geographic regions in which we or our customers operate, which has negatively affected our revenues at times. Many of the markets in which our customers participate are also cyclical in nature and experience significant fluctuations in demand for our steel products based on economic conditions, consumer demand, raw material and energy costs, and government actions, and many of these factors are beyond our control.

A decline in consumer and business confidence and spending, together with severe reductions in the availability and increased cost of credit, as well as volatility in the capital and credit markets, could adversely affect the business and economic environment in which we operate and the profitability of our business. We also are exposed to risks associated with the creditworthiness of our suppliers and customers. If the availability of credit to fund or support the continuation and expansion of our customers' business operations is curtailed or if the cost of that credit is increased, the resulting inability of our customers or of their customers to either access credit or absorb the increased cost of that credit could adversely affect our business by reducing our sales or by increasing our exposure to losses from uncollectible customer accounts. These conditions and a disruption of the credit markets could also result in financial instability of some of our suppliers and customers. The consequences of such adverse effects could include the interruption of production at the facilities of our customers, the reduction, delay or cancellation of customer orders, delays or interruptions of the supply of raw materials or other inputs we purchase, and bankruptcy of customers, suppliers or other creditors. Any of these events could adversely affect our profitability, cash flow and financial condition.

We may be subject to risks relating to our information technology systems and cybersecurity.

We rely on information technology systems to process, transmit and store electronic information and manage and operate our business. We face the challenge of supporting our older systems and implementing upgrades when necessary. Additionally, a breach in security could expose us and our customers and suppliers to risks of misuse of confidential information, manipulation and destruction of data, production downtimes and operations disruptions, which in turn could adversely affect our reputation, competitive position, business or results of operations. While we have taken reasonable steps to protect the Company from cybersecurity risks and security breaches (including enhancing our firewall, workstation, email security and network monitoring and alerting capabilities, and training employees around phishing, malware and other cybersecurity risks), and we have policies and procedures to prevent or limit the impact of systems failures, interruptions, and security breaches, there can be no assurance that such events will not occur or that they will be adequately addressed if they do occur. Although we rely on commonly used security and processing systems to provide the security and authentication necessary to effect the secure transmission of data, these precautions may not protect our systems from all potential compromises or breaches of security.

In addition, the rapid evolution and increased adoption of artificial intelligence ("AI") and similar machine learning technologies may intensify our cybersecurity risks. In 2024, we established an AI council comprised of a cross-functional group of employees

with an objective to deliver value by providing education regarding the uses, benefits and risks of AI and similar technologies in our business, establishing a governance framework and principles for our use of AI, and enabling deliberate experimentation with new technologies employing AI. At this time, our use of AI is focused primarily on data analytics and improving product quality and asset reliability. The technologies underlying AI and their use cases are rapidly developing, and it is not possible to predict all of the legal, operational or technological risks related to the use of AI. While new AI initiatives, laws and regulations are emerging and evolving, uncertainty will remain, and our obligation to comply with the evolving regulatory landscape could result in the loss of valuable property and information or otherwise adversely impact our business.

If we are unable to attract and retain key personnel, our business could be materially adversely affected.

Our business substantially depends on the continued service of key members of our management. The loss of the services of a significant number of members of our management could have a material adverse effect on our business. Modern steel-making uses specialized techniques and advanced equipment that requires experienced engineers and skilled laborers. Our future success will depend on our ability to attract and retain highly skilled personnel and senior management professionals. Competition for employees is intense, and we could experience difficulty from time to time in hiring and retaining the personnel necessary to support our business. Additionally, costs to attract and retain employees may be increased given the competitive labor market. If we do not succeed in retaining our current employees and attracting new high-quality employees, our business could be materially adversely affected.

We are subject to a wide variety of domestic and foreign laws and regulations that could adversely affect our results of operations, cash flow or financial condition.

We are subject to a wide variety of domestic and foreign laws and regulations, and legal compliance risks, including securities laws, tax laws, employment and pension-related laws, competition laws, U.S. and foreign export and trading laws, privacy laws and laws governing improper business practices. We are affected by new laws and regulations, and changes to existing laws and regulations, including interpretations by courts and regulators.

Compliance with the laws and regulations described above or with other applicable foreign, federal, state and local laws and regulations currently in effect or that may be adopted in the future could materially adversely affect our competitive position, operating results, financial condition and liquidity.

Pandemics, epidemics, widespread illness or other health issues could adversely affect the Company's operations and financial results, including cash flows and liquidity.

Although it is not possible to predict the impact of pandemics, epidemics, widespread illness or other health issues, on our business, results of operations, financial position or cash flows, such impacts that may be material include, but are not limited to: (i) reduced sales and profit levels; (ii) slower collection of accounts receivable and potential increases in uncollectible accounts receivable; (iii) increased operational risks as a result of manufacturing facility disruptions; (iv) delays and disruptions in the availability of and timely delivery of materials and components used in our operations, as well as increased costs for such material and components, and (v) increased cybersecurity risks including vulnerability to security breaches, information technology disruptions and other similar events as a result of a substantial number of employees utilizing remote work arrangements.

If our internal controls are found to be ineffective, our financial results or our stock price may be adversely affected.

Our most recent evaluation resulted in our conclusion that, as of December 31, 2024, our internal control over financial reporting was effective. We believe that we currently have adequate internal control procedures in place for future periods. However, if our internal control over financial reporting is found to be ineffective, investors may lose confidence in the reliability of our financial statements, which may adversely affect our stock price.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cyber Security

Our cybersecurity program is led by a team of skilled cybersecurity professionals, including dedicated internal cybersecurity resources and external advisors. In the normal course of business, we may collect and store sensitive information, including proprietary and confidential business information, trade secrets, intellectual property, sensitive third-party information and employee information. We maintain a robust cybersecurity incident response plan, which details the incident response procedures, tactical and strategic team membership, and points of contact related to the response processes. The Company also maintains a detailed decision-tree-based playbook which is a supplement to the plan and focuses on specific types of incidents and the appropriate response steps. Cybersecurity is an important part of our Enterprise Risk Management ("ERM") program, and the Company seeks to address cybersecurity risks through a comprehensive, cross-functional approach. The Company's cybersecurity policies, standards, processes, and practices for assessing, identifying and managing material risks from cybersecurity threats and responding to cybersecurity incidents are fully integrated into the Company's ERM program. The plan and playbook are structured to align with the National Institute of Standards and Technology ("NIST") Cybersecurity framework practices. The plan and playbook are reviewed at least annually. In addition, we maintain insurance that includes cybersecurity coverage.

The Company adheres to a periodic, third-party facilitated testing exercise of the cybersecurity incident response plan and playbook with the Company's tactical and strategic team members. The teams are comprised of key members of the organization and external advisors who hold critical importance in the handling of cybersecurity events. The exercise covers response procedures for prevalent cybersecurity incidents including but not limited to phishing, third-party breaches, and a standard incident response process. The documentation helps leaders make appropriate, pre-planned decisions. To assist, appendices detailing generalized incident response checklists and workflows from the Cybersecurity & Infrastructure Security Agency ("CISA") and the NIST are referenced and used as a framework. Lastly, the response plans contain instructions on collecting and incorporating lessons learned after a successful identification and remediation of a security event. The information security team also works in partnership with the Company's internal audit team to review information technology-related internal controls with our external auditor as part of our overall internal controls process.

In addition, the rapid evolution and increased adoption of artificial intelligence ("AI") and similar machine learning technologies may intensify our cybersecurity risks. In 2024, we established an AI council comprised of a cross-functional group of employees with an objective to deliver value by providing education regarding the uses, benefits and risks of AI and similar technologies in our business, establishing a governance framework and principles for our use of AI, and enabling deliberate experimentation with new technologies employing AI. At this time, our use of AI is focused primarily on data analytics and improving product quality and asset reliability.

In light of the pervasive and increasing threat from cyberattacks, the Board of Directors, with input from management, assesses the measures implemented by us to mitigate and prevent cyberattacks. The Company's Information Technology ("IT") leadership team consults with and provides regular updates to the Board of Directors, as well as our chief executive officer and other members of our senior management team, as appropriate, on technology and cybersecurity matters, the status of projects to strengthen our information security systems, assessments of the information security program, timely reports regarding any cybersecurity incident that meets established reporting thresholds, and emerging threat landscape. In addition, the Company has an IT governance committee, which is comprised of the chief executive officer, IT and other officers of the Company. The IT governance committee meets quarterly, and as necessary, to discuss the cybersecurity program and other relevant topics. The IT team also consults regularly with the Board of Director's cybersecurity expert in between meetings. Our program is evaluated by internal and external experts with the results of those reviews reported to senior management and the Board of Directors, at least semi-annually. The Board of Directors has oversight responsibility for our data security practices and we believe the Board of Directors has the requisite skills and awareness into the design and operation of our data security practices to fulfill this responsibility effectively.

As of the date of this report, we are not aware of any material risks from cybersecurity threats that have materially affected or are reasonably likely to materially affect the Company, including our business strategy, results of operations or financial condition.

See “Risk Factors – General Risk Factors” for additional information about the risks to our business associated with a breach or compromise to our information security systems.

Item 2. Properties

We are headquartered in Canton, Ohio, on a campus of owned facilities that are adjacent to our steelmaking operations.

We have manufacturing facilities at multiple locations in the United States. These manufacturing facilities are located in Canton and Eaton, Ohio and Columbus, North Carolina. In addition to these owned manufacturing facilities, we lease a distribution facility in Mexico. The aggregate floor area of these facilities is 3.6 million square feet, of which approximately twelve thousand square feet is leased and the rest is owned. The buildings occupied by us are principally made of brick, steel, reinforced concrete and concrete block construction.

Our facilities vary in age and condition, and each of them has an active maintenance program to ensure a safe operating environment and to keep the facilities in good condition. We believe our facilities are in satisfactory operating condition and are suitable and adequate to conduct our business and support future growth.

Our melt capacity utilization was 60%, 70% and 63% for the years ended December 31, 2024, 2023 and 2022, respectively.

Item 3. Legal Proceedings

We are involved in various claims and legal actions arising in the ordinary course of business. In the opinion of our management, the ultimate disposition of these matters will not have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Information about our Executive Officers

The executive officers of our Company as of February 27, 2025, are as follows:

Name	Age	Current Position
Michael S. Williams	64	President and Chief Executive Officer
Kristopher R. Westbrooks	46	Executive Vice President and Chief Financial Officer
Kristine C. Syrvalin	56	Executive Vice President, General Counsel and Chief Human Resources Officer
Kevin A. Raketich	58	Executive Vice President and Chief Commercial Officer

Michael S. Williams is the President and Chief Executive Officer, a position he has held since January 2021. Previously, Mr. Williams served as CEO of Bayou Steel Group, a U.S. producer of structural steel and merchant bar, from May 2019 to September 2019, and as President of Outokumpu Americas for Outokumpu Oyj, a global leader in the stainless steel industry, from 2015 to 2019. Before that, Mr. Williams held a number of leadership roles at US Steel Corporation, a Fortune 500 company and leading integrated steel producer, from 2006 to 2015, including Senior Vice President, North American Flat Rolled and, most recently, Senior Vice President, Strategic Planning and Business Development. Earlier in his career, Mr. Williams served as Vice President of Commercial Products at Special Metals Corporation (a leader in the invention, production and supply of high-nickel alloys) and, prior to that, as Chairman and Chief Executive Officer of Ormet Corporation (a manufacturer of foil, sheet, billet and other aluminum products). Mr. Williams earned his bachelor of science degree in information science from the University of Pittsburgh.

Kristopher R. Westbrooks is Executive Vice President and Chief Financial Officer, a position he has held since September 2018. Previously, Mr. Westbrooks served from April 2015 until August 2018 as Vice President, Corporate Controller and Chief Accounting Officer at A. Schulman, Inc., a global supplier of high-performance plastic compounds, composites and powders. From 2011 until his appointment as Chief Accounting Officer in 2015, Mr. Westbrooks held various finance roles of increasing responsibility at A. Schulman, Inc. He earned his bachelor of science degree in business and master's degree in accountancy from Miami University of Ohio and is a certified public accountant.

Kristine C. Syrvalin is Executive Vice President, General Counsel and Chief Human Resources Officer, a position she has held since May 2022. Prior to assuming her current role, she had served as Executive Vice President, General Counsel and Secretary since January 2021, and as Assistant General Counsel and Vice President - Ethics and Compliance since October 2014, in each case for Metallus. Previously, Ms. Syrvalin served as Vice President, Assistant General Counsel and Corporate Secretary for OMNOVA Solutions Inc., a global manufacturer of emulsion polymers, specialty chemicals, and functional and decorative surfaces, from September 2001 until October 2014. She earned her bachelor's degree from Miami University of Ohio and her juris doctor degree from Case Western Reserve University School of Law.

Kevin A. Raketich is Executive Vice President and Chief Commercial Officer, a position he has held since May 2022. Prior to assuming his current role, Mr. Raketich served as Executive Vice President, Sales, Marketing, and Business Development since May 2021 and as Executive Vice President, Strategy and Corporate Development from January 2017 until May 2021, in each case for Metallus. Previously, he held a number of leadership roles at Metallus since the spinoff from The Timken Company in 2014, including Vice President, Industrial and Energy, Vice President, Business Development, and Director-International. Prior to the spinoff, Mr. Raketich held various roles of increasing responsibility at The Timken Company. He earned his bachelor's degree in material science engineering from Michigan State University and his master's degree in business administration from Duke University's Fuqua School of Business.

Part II.

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Quarterly Common Stock Prices and Cash Dividends Per Share:

Our common shares are traded on the New York Stock Exchange ("NYSE") under the symbol "MTUS." The estimated number of record holders of our common shares at December 31, 2024 was 2,913.

Our Amended Credit Agreement places certain limitations on the payment of cash dividends. Please refer to "Note 11 - Financing Arrangements" in the Notes to the Consolidated Financial Statements and the Results of Operations for additional discussion.

Issuer Purchases of Common Shares:

On December 20, 2021 Metallus announced that its Board of Directors authorized a share repurchase program under which the Company may repurchase up to $50.0 million of its outstanding common shares. On November 2, 2022, the Board of Directors authorized an additional $75.0 million towards its share repurchase program and on May 6, 2024 the Board of Directors authorized an additional $100.0 million. The share repurchase program is intended to return capital to shareholders while also offsetting dilution from annual equity compensation awards. The share repurchase program does not require the Company to acquire any dollar amount or number of shares and may be modified, suspended, extended or terminated by the Company at any time without prior notice. These authorizations reflect the continued confidence of the Board and senior leadership in the Company's ability to generate sustainable through-cycle profitability while maintaining a strong balance sheet and cash flow.

The table below provides information concerning our repurchase of common shares for the three months ended December 31, 2024.

(Dollars in millions, except per share data)	**Total number of shares purchased** [1]	**Average price paid per share** [2]	**Total number of shares purchased as part of publicly announced plans or programs** [1]	**Maximum dollar value of shares that may yet be purchased under the plans or programs** [3]
Beginning shares available				$ 106.3
October, 2024	—	$ —	—	$ 106.3
November, 2024	89,919	$ 15.39	89,919	$ 104.9
December, 2024	137,101	$ 15.58	137,101	$ 102.8
Quarter ended December 31, 2024	**227,020**	**$ 15.51**	**227,020**	**$ 102.8**

Subsequent to December 31, 2024, the Company repurchased 0.2 million additional common shares in the open market at an aggregate cost of $3.3 million, which equates to an average repurchase price of $14.61 per share. As of February 17, 2025, the Company has $99.5 million remaining under its authorized share repurchase program.

[1] The Company may utilize various methods to repurchase shares, which could include open market repurchases, including repurchases through Rule 10b5-1 plans, privately-negotiated transactions or by other means. The actual timing, number and value of shares repurchased under the program will depend on a number of factors, including the price of the Company's shares, general market and economic conditions, capital needs and other factors.

[2] The average price paid per share excludes any broker commissions.

[3] Since December 20, 2021, the Board of Directors has authorized the Company to repurchase up to $225 million of its outstanding common shares under its share repurchase program. The share repurchase program does not require the Company to acquire any dollar amount or numbers of shares and does not have an expiration date.

Securities Authorized for Issuance Under Equity Compensation Plans:

The following table sets forth certain information as of December 31, 2024, regarding the equity compensation plan maintained by us on that date, the Amended and Restated 2020 Equity and Incentive Compensation Plan (the "Amended 2020 Plan"), which amended the previous 2020 Equity and Incentive Compensation Plan (the "Original 2020 Plan"), plus certain awards still outstanding under all plans preceding the Original 2020 Plan. Refer to "Note 13 - Stock-Based Compensation" in the Notes to the Consolidated Financial Statements and the Results of Operations for additional details.

Plan category	(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights [1]	(b) Weighted-average exercise price of outstanding options, warrants and rights [2]	(c) Number of securities remaining available for future issuance under equity compensation plans reflected in column (a) [3]
Equity compensation plans approved by security holders[4]	3,389,294	$ 11.23	3,324,509

[1] The amount shown in column (a) and covered under an equity compensation plan approved by security holders includes the following: nonqualified stock options - 300,218; performance-based restricted stock units – 1,881,774 (based on potential maximum performance); and time-based restricted stock units – 1,207,302 (all 1,207,302 units are cliff-vested restricted stock). As a result, this amount may overstate eventual actual dilution.

[2] The weighted average exercise price in column (b) includes nonqualified stock options only.

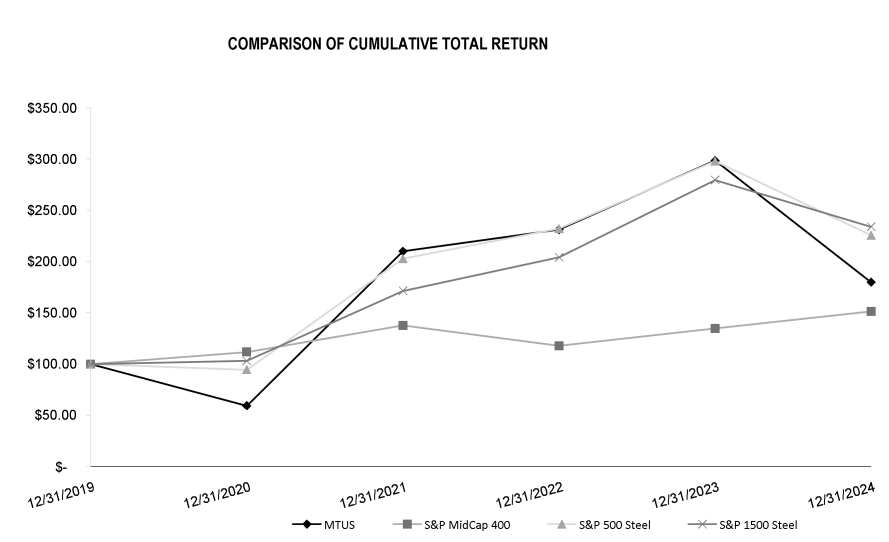
[3] The amount shown in column (c) represents common shares remaining available under the Amended 2020 Plan, under which the Compensation Committee is authorized to make awards of option rights, appreciation rights, restricted shares, restricted stock units, deferred shares, performance shares, performance units and cash incentive awards. Awards may be credited with dividend equivalents payable in the form of common shares.

[4] The Company also maintains the Director Deferred Compensation Plan pursuant to which non-employee Directors may defer receipt of common shares authorized for issuance under the Company's equity plans. The table does not include separate information about this plan because it merely provides for the deferral, rather than the issuance, of common shares.

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Performance Graph:

The following graph compares the cumulative total return of our common shares with the cumulative total return of the Standard & Poor's ("S&P") MidCap 400 Index ("S&P MidCap 400"), S&P 500 Steel Sub-Industry Index ("S&P 500 Steel"), and S&P 1500 Steel Sub-Industry Index ("S&P 1500 Steel"), assuming $100 was invested and that cash dividends were reinvested for the period December 31, 2019 through December 31, 2024.



Date	Metallus Inc.	S&P MidCap 400	S&P 500 Steel	S&P 1500 Steel
December 31, 2019	$ 100.00	$ 100.00	$ 100.00	$ 100.00
December 31, 2020	$ 59.41	$ 111.81	$ 94.51	$ 103.24
December 31, 2021	$ 209.92	$ 137.76	$ 202.83	$ 171.34
December 31, 2022	$ 231.17	$ 117.81	$ 232.03	$ 204.07
December 31, 2023	$ 298.35	$ 134.83	$ 297.85	$ 279.40
December 31, 2024	$ 179.77	$ 151.28	$ 225.53	$ 233.85

This performance graph shall not be deemed to be "soliciting material" or to be "filed" with the SEC or subject to Regulation 14A or 14C, or to the liabilities of Section 18 of the Exchange Act.

Item 6. Selected Financial Data

Intentionally omitted.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

(dollars in millions, except per share data)

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help investors understand our results of operations, financial condition and current business environment. The MD&A is provided as a supplement to, and should be read in conjunction with, our audited consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K for the year ended December 31, 2024.

The MD&A is organized as follows:

- Overview: From management's point of view, we discuss the following:
  - Summary of our business and the markets in which we operate
  - Key trends and events during the current year
- Results of Operations: An analysis of our results of operations as reflected in our consolidated financial statements
- Non GAAP[(1)] Financial Measures: An analysis of our net sales by end-market, adjusted to exclude surcharges, which management uses to better analyze key market indicators and trends and allows for enhanced comparison between our end markets.
- Liquidity and Capital Resources: An analysis of our cash flows, working capital, debt structure, contractual obligations and other commercial commitments.
- Critical Accounting Policies: An overview of accounting policies identified by the Company as critical that, as a result of the judgments, uncertainties, and the operations involved, could result in material changes to our financial condition or results of operations under different conditions or using different assumptions.

Overview

Business Overview

We manufacture alloy steel, as well as carbon and micro-alloy steel, using electric arc furnace ("EAF") technology. Our portfolio includes special bar quality ("SBQ") bars, seamless mechanical tubing ("tubes"), manufactured components such as precision steel components, and billets. Our products and solutions are used in a diverse range of demanding applications in the following end-markets: industrial, automotive, aerospace & defense, and energy.

We conduct our business activities and report financial results as one business segment. The presentation of financial results as one reportable segment is consistent with the way we operate our business and is consistent with the manner in which the Chief Operating Decision Maker ("CODM") evaluates performance and makes resource and operating decisions for the business as described above. Furthermore, the Company notes that monitoring financial results as one reportable segment helps the CODM manage costs on a consolidated basis, consistent with the integrated nature of our operations.

2024 Business Highlights

The following items represent key trends and events during the year ended December 31, 2024:

- **Aerospace & Defense end market**: Shipments to aerospace & defense customers increased significantly in 2024 driven by strong demand, resulting in an increase in net sales by approximately 17% compared with the year ended December 31, 2023.
- **Base sales**: The Company's products continued to demand solid base sales prices throughout 2024, with average base sales price per ton improving in aerospace & defense, automotive and energy end-markets compared with 2023.

(1) Please see discussion of non-GAAP financial measures in Form 10-K – Net Sales Adjusted to Exclude Surcharges

•**Capital investments**: The Company continues to invest organically with $64.3 million of capital investments. Investments included targeted spending for improved safety, equipment automation, and continuous improvement to drive best-in-class quality and asset reliability.

•**Defense contract**: In the twelve months ended December 31, 2024, the Company received $53.5 million from the U.S. government as part of the previously announced $99.75 million funding agreement to support the U.S. Army's mission of increasing munitions production for national security in the upcoming years. The agreement supports the commissioning of two major assets: a continuous bloom reheat furnace and a roller hearth heat treat furnace. The company expects the remaining funding to be provided as mutually agreed upon milestones are achieved throughout the project. The Company is targeting late 2025 for the new bloom reheat furnace to be operational and the first half of 2026 for the new roller furnace to be operational.

•**Shareholder returns**: The Company repurchased approximately 2.0 million common shares at a cost of $37.6 million, or $18.45 per share. In addition, the Company repurchased $7.8 million of its outstanding convertible notes at a cost of $17.2 million. Combined, the 2024 common share and convertible note repurchase activity reduced diluted shares outstanding by 3.0 million shares on a go-forward basis.

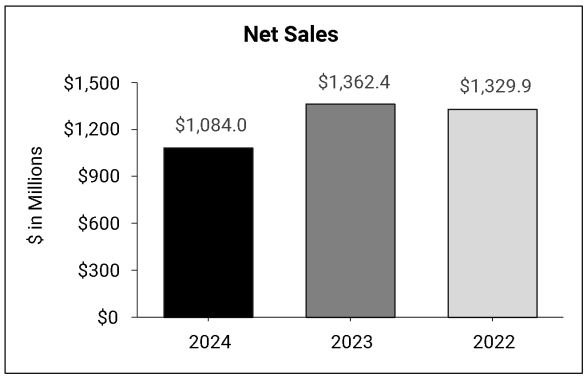
•**Liquidity**: Our balance sheet has remained strong, with total liquidity of $458.6 million, including cash and cash equivalents of $240.7 million as of December 31, 2024.

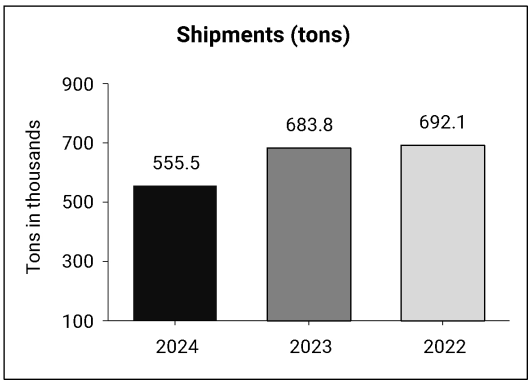
•**Rebranding**: On February 26, 2024, the Company changed its name to Metallus Inc. We believe this change reflects our expertise in high-performance specialty metals and positions us for growth beyond carbon steel.

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Net Sales

The charts below present net sales and shipments for the years ended December 31, 2024, 2023 and 2022.

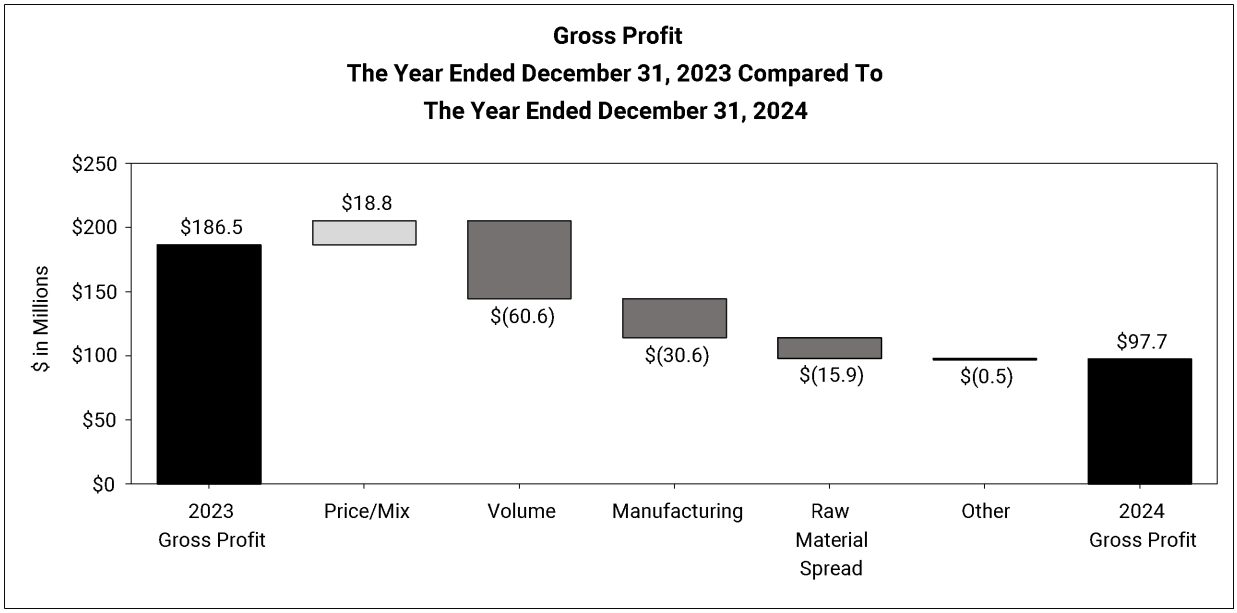




Net sales for the year ended December 31, 2024 were $1,084.0 million, a decrease of $278.4 million, or 20.4%, compared with the year ended December 31, 2023. The decrease in net sales was driven by lower shipments and surcharges, partially offset by favorable price/mix. Lower shipments of 128.3 thousand ship tons resulted in a net sales decrease of $191.5 million. Lower market prices for scrap and alloys and the impact of lower shipments drove the unfavorable surcharges of $120.9 million. Favorable price/mix of $34.0 million was primarily due to higher base prices in the aerospace & defense, automotive and energy end-markets. Excluding surcharges, net sales decreased $157.7 million or 15.4%.

Gross Profit

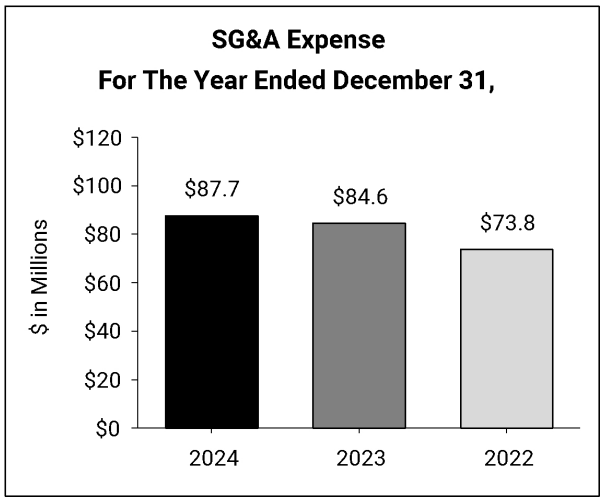
The chart below presents the drivers of the gross profit variance from the year ended December 31, 2023 as compared to the year ended December 31, 2024.



Gross profit for the year ended December 31, 2024 decreased $88.8 million, or 47.6%, compared with the year ended December 31, 2023. The decrease was driven by lower shipments, higher manufacturing costs and unfavorable raw material spread, partially offset by favorable price/mix. The industrial, automotive and energy end-market sectors were unfavorably impacted by lower shipments. Lower cost absorption on decreased production resulted in unfavorable manufacturing costs. Raw material spread was unfavorable due to lower shipments and market prices for scrap and alloys.

Selling, General and Administrative Expenses

The charts below present selling, general and administrative ("SG&A") expense for the years ended December 31, 2024, 2023 and 2022.



SG&A expense for the year ended December 31, 2024 increased by $3.1 million, or 3.7%, compared with the year ended December 31, 2023. The increase was primarily due to higher salary and benefits, stock-based compensation and professional services, primarily driven by the ongoing information technology transformation project, partially offset by lower variable compensation.

Loss (Gain) on Sale or Disposal of Assets, net

For the year ended December 31, 2024, the Company recorded a loss on sale or disposal of assets, net, of $0.6 million primarily related to the write-offs of aged assets removed from service. For the year ended December 31, 2023, the gain on sale or disposal of assets, net, of $2.5 million primarily related to the sale of the small-diameter seamless mechanical tubing machinery and equipment, partially offset by write-offs of aged assets removed from service. For the year ended December 31, 2022, the loss on sale or disposal of assets, net, of $1.9 million primarily related to the loss recognized on the sale of the remaining land and buildings at the Company's former facility in Houston, Texas, as well as write-offs of aged assets removed from service.

Refer to “Note 9 - Property, Plant and Equipment” in the Notes to the Consolidated Financial Statements for additional information.

Interest (Income) Expense, net

Net interest income for the year ended December 31, 2024 was $9.6 million, compared with net interest income of $7.1 million for the year ended December 31, 2023. The change was due to interest earned on greater average cash invested in a money market fund and in other accounts which generate interest income at a rate similar to the money market fund during 2024. Refer to “Note 11 - Financing Arrangements” in the Notes to the Consolidated Financial Statements for additional information.

Other (Income) Expense, net

	Year Ended December 31,		
	2024	**2023**	**$ Change**
Pension and postretirement non-service benefit (income) loss	**$ (5.7)**	$ (4.6)	$ (1.1)
Loss (gain) from remeasurement of benefit plans	**10.3**	40.6	(30.3)
Foreign currency exchange loss (gain)	**0.4**	—	0.4
Insurance recoveries	**—**	(31.3)	31.3
Sales and use tax refund	**—**	(1.4)	1.4
Miscellaneous (income) expense	**—**	0.4	(0.4)
Total other (income) expense, net	**$ 5.0**	$ 3.7	$ 1.3

	Year Ended December 31,		
	2023	**2022**	**$ Change**
Pension and postretirement non-service benefit (income) loss	$ (4.6)	$ (20.3)	$ 15.7
Loss (gain) from remeasurement of benefit plans	40.6	(35.4)	76.0
Foreign currency exchange loss (gain)	—	(0.2)	0.2
Insurance recoveries	(31.3)	(34.5)	3.2
Sales and use tax refund	(1.4)	—	(1.4)
Miscellaneous (income) expense	0.4	(0.2)	0.6
Total other (income) expense, net	$ 3.7	$ (90.6)	$ 94.3

Non-service related pension and other postretirement benefit income, for all years, consists primarily of the interest cost, expected return on plan assets and amortization components of net periodic cost.

The Company's Bargaining Unit Pension Plan ("Bargaining Plan"), the Supplemental Pension Plan ("Supplemental Plan") and the recently terminated Retirement Plan ("Salaried Plan") each have a provision that permits employees to elect to receive their pension benefits in a lump sum upon retirement. In the first quarter of 2024, the cumulative cost of all lump sum payments was expected to exceed the sum of the service cost and interest cost components of net periodic pension cost for the Salaried Plan. As a result, the Company completed a full remeasurement of its pension obligations and plan assets associated with the Salaried Plan during the first quarter of 2024 and recorded a loss of $0.8 million.

In the second quarter of 2024, the Company entered into an agreement to purchase a group annuity contract from The Prudential Insurance Company of America (“Prudential”) in connection with the annuitization of the Salaried Plan. The Company remeasured the Salaried Plan upon annuitization on May 15, 2024. A loss of $1.0 million from the remeasurement of the Salaried Plan was recognized for the three months ended June 30, 2024. The loss was primarily due to investment losses on plan assets of $1.8 million partially offset by a decrease in the liability due to an increase in the discount rate of $0.7 million. In addition, the three months ended June 30, 2024 included a $0.1 million gain as a result of the completion of the Salaried Plan annuitization. As of December 31, 2024, the Company has no remaining liabilities or obligations as it relates to the Salaried Plan.

A net loss of $10.3 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2024. This loss was driven by investment losses on plan assets of $35.0 million partially offset by a $24.7 million decrease in the pension liability primarily due to an increase in discount rate, updated census data and updates to certain underlying assumptions.

A net loss of $40.6 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2023. This loss was driven by a $36.6 million increase in the pension liability primarily due to a decrease in discount rate, updated census data and updates to certain underlying assumptions, as well as a loss of $4.0 million due to investment losses on plan assets.

A net gain of $35.4 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2022. This gain was driven by a $359.9 million decrease in the pension liability primarily due to an

increase in discount rates and a $2.7 million non-cash settlement related to the partial annuitization of the Bargaining Plan. This was partially offset by a loss of $327.2 million driven primarily by investment losses on plan assets and lump sum basis losses.

In January 2025, the Company contributed an additional $5.3 million to the Bargaining Plan and expects total pension contributions of approximately $65.0 million in 2025.

For more details on the aforementioned remeasurements, refer to “Note 12 - Retirement and Postretirement Plans.”

During the second half of 2022, the Faircrest melt shop experienced unplanned operational downtime. Metallus recognizes an insurance recovery when it is realized or considered realizable, in accordance with the accounting guidance. The 2022 insurance claims were closed in the first quarter of 2024. Insurance recovery activity for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,			
	2024	**2023**	**2022**	**Total**
Insurance recovery income	$ —	$ 31.3	$ 34.5	**$ 65.8**
Insurance recovery cash collection	20.0	31.3	14.5	**65.8**

During the fourth quarter of 2023, the Company received a commitment from the State of Ohio related to the overpayment of sales and use taxes for the period of January 1, 2020 through March 31, 2023. This resulted in a gain recognized of $1.4 million, net of related professional fees, for the year ended December 31, 2023.

Provision for Income Taxes

	Year Ended December 31,		
	2024	**2023**	**$ Change**
Provision (benefit) for income taxes	**$ 3.3**	$ 27.0	$ (23.7)
Effective tax rate	**72.2%**	28.0%	44.2%

	Year Ended December 31,		
	2023	**2022**	**$ Change**
Provision (benefit) for income taxes	$ 27.0	$ 32.0	$ (5.0)
Effective tax rate	28.0%	32.9%	-4.9%

The provision for incomes taxes for the year ended December 31, 2024 was $3.3 million compared to a provision for income taxes of $27.0 million in 2023. The change from the prior year is primarily related to the impact of permanent items on a lower pre-tax net income for the year ended December 31, 2024 as compared to December 31, 2023. The provision for income taxes differs from the statutory rate due to the impact of permanent tax differences and state and local taxes.

Non-GAAP Financial Measures

Net Sales Adjusted to Exclude Surcharges

The tables below present net sales by end-markets, adjusted to exclude surcharges, which represents a financial measure that has not been determined in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). We believe presenting net sales by end-markets, both on a gross basis and on a per ton basis, adjusted to exclude raw material and energy surcharges, provides additional insight into key drivers of net sales such as base price and product mix. Due to the fact that the surcharge mechanism can introduce volatility to our net sales, net sales adjusted to exclude surcharges provides management and investors clarity of our core pricing and results. Presenting net sales by end-markets, adjusted to exclude surcharges including on a per ton basis, allows management and investors to better analyze key market indicators and trends and allows for enhanced comparison between our end-markets.

When surcharges are included in a customer agreement and are applicable (i.e., reach the threshold amount), based on the terms outlined in the respective agreement, surcharges are then included as separate line items on a customer's invoice. These additional surcharge line items adjust base prices to match cost fluctuations due to market conditions. Each month, the Company will post on the surcharges page of its external website, as well as our customer portal, the scrap, alloy, and energy surcharges that will be applied (as a separate line item) to invoices dated in the following month (based upon shipment volumes in the following month). All surcharges invoiced are included in GAAP net sales.

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(dollars in millions, ship tons in thousands)

	2024					
	Industrial	**Automotive**	**Aerospace & Defense**	**Energy**	**Other**	**Total**
Ship Tons	**220.0**	**250.0**	**47.0**	**38.5**	**—**	**555.5**
Net Sales	**$ 390.5**	**$ 452.3**	**$ 134.9**	**$ 87.3**	**$ 19.0**	**$ 1,084.0**
Less: Surcharges	**94.1**	**89.4**	**16.4**	**19.7**	**—**	**219.6**
Base Sales	**$ 296.4**	**$ 362.9**	**$ 118.5**	**$ 67.6**	**$ 19.0**	**$ 864.4**
Net Sales / Ton	**$ 1,775**	**$ 1,809**	**$ 2,871**	**$ 2,268**	**$ —**	**$ 1,951**
Surcharges / Ton	**$ 428**	**$ 358**	**$ 349**	**$ 512**	**$ —**	**$ 395**
Base Sales / Ton	**$ 1,347**	**$ 1,451**	**$ 2,522**	**$ 1,756**	**$ —**	**$ 1,556**

	2023					
	Industrial	**Automotive**	**Aerospace & Defense**	**Energy**	**Other**	**Total**
Ship Tons	264.6	306.4	45.6	67.2	—	683.8
Net Sales	$ 533.3	$ 531.9	$ 115.0	$ 160.4	$ 21.8	$ 1,362.4
Less: Surcharges	147.2	129.4	18.8	44.9	—	340.3
Base Sales	$ 386.1	$ 402.5	$ 96.2	$ 115.5	$ 21.8	$ 1,022.1
Net Sales / Ton	$ 2,015	$ 1,736	$ 2,522	$ 2,386	$ —	$ 1,992
Surcharges / Ton	$ 556	$ 422	$ 412	$ 668	$ —	$ 498
Base Sales / Ton	$ 1,459	$ 1,314	$ 2,110	$ 1,718	$ —	$ 1,494

	2022					
	Industrial	**Automotive**	**Aerospace & Defense**	**Energy**	**Other**	**Total**
Ship Tons	289.1	313.2	26.7	63.1	—	692.1
Net Sales	$ 549.0	$ 539.1	$ 79.7	$ 136.6	$ 25.5	$ 1,329.9
Less: Surcharges	185.4	171.6	15.2	43.1	—	415.3
Base Sales	$ 363.6	$ 367.5	$ 64.5	$ 93.5	$ 25.5	$ 914.6
Net Sales / Ton	$ 1,899	$ 1,721	$ 2,985	$ 2,165	$ —	$ 1,922
Surcharges / Ton	$ 641	$ 548	$ 569	$ 683	$ —	$ 600
Base Sales / Ton	$ 1,258	$ 1,173	$ 2,416	$ 1,482	$ —	$ 1,322

Liquidity and Capital Resources

Credit Agreement

On September 30, 2022, the Company, as borrower, and certain domestic subsidiaries of the Company, as subsidiary guarantors, entered into a Fourth Amended and Restated Credit Agreement (the "Amended Credit Agreement"), with JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto, which further amended and restated the Company's secured Third Amended and Restated Credit Agreement, dated as of October 15, 2019.

The Amended Credit Agreement extended the maturity date of the asset-based revolving credit facility (the "Credit Facility") from October 2024 to September 2027. Following the amendment, Credit Facility capacity remained at $400.0 million. Pursuant to the terms of the Amended Credit Agreement, the interest rate to be paid on any borrowings under the Credit Facility is now based on a two-tiered schedule rather than a three-tiered schedule with applicable rates decreasing by 25 basis points, references to LIBOR rates have been updated with references to SOFR rates, the advance rate on investment-grade eligible accounts receivable has been increased from 85% to 90%, and there has been an improvement in the springing fixed charge coverage ratio from 1.1x to 1.0x. The Credit Facility remains undrawn at this time.

Refer to "Note 11 - Financing Arrangements" in the Notes to the unaudited Consolidated Financial Statements for additional information.

Convertible Notes

In May 2016, the Company issued $75.0 million aggregate principal amount of Convertible Senior Notes due 2021, plus an additional $11.3 million principal amount to cover over-allotments.

In December 2020, the Company entered into separate, privately negotiated exchange agreements with a limited number of holders of the Company's then outstanding Convertible Senior Notes due 2021. Pursuant to the exchange agreements, the Company exchanged $46.0 million aggregate principal amount of Convertible Senior Notes due 2021 for $46.0 million aggregate principal amount of its new Convertible Senior Notes due 2025. The Company did not receive any cash proceeds from the issuance of the Convertible Senior Notes due 2025.

The Convertible Senior Notes due 2025 bear cash interest at a rate of 6.0% per year, payable semiannually on June 1 and December 1, beginning on June 1, 2021. The Convertible Senior Notes due 2025 will mature on December 1, 2025, unless earlier repurchased or converted. The net amount of this exchange was $44.5 million, after deducting the initial underwriters' fees and paying other transaction costs.

The Convertible Senior Notes due 2025 are convertible at the option of holders in certain circumstances and during certain periods into the Company's common shares, cash, or a combination thereof, at the Company's election. The Indenture for the Convertible Senior Notes due 2025 provides that notes will become convertible during a quarter when the share price for 20 trading days during the final 30 trading days of the immediately preceding quarter was greater than 130% of the conversion price. This criterion was met during the fourth quarter of 2024 (and each preceding quarter of 2024) and as such the notes can be converted at the option of the holders beginning January 1 through March 31, 2025. Whether the notes will be convertible following such period will depend on if this criterion, or another conversion condition, is met in the future. To date, no holders have elected to convert their notes during any optional conversion periods.

In the first half of 2022, the Company repurchased a total of $25.2 million aggregate principal amount of its Convertible Senior Notes Due 2025. There were no repurchases related to the Convertible Notes during the second half of 2022. Total cash paid to noteholders was $67.6 million. A loss on extinguishment of debt was recognized of $43.0 million, including a charge of $0.6 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs.

In the first quarter of 2023, the Company repurchased a total of $7.5 million aggregate principal amount of its Convertible Senior Notes Due 2025. Total cash paid to noteholders was $18.7 million. A loss on extinguishment of debt was recognized of $11.4 million, including a charge of $0.2 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs. As of December 31, 2023, the principal balance on the Convertible Senior Notes due 2025 was

$13.3 million, while the Convertible Senior Notes due 2025, net is $13.2 million after consideration of unamortized debt issuance costs.

In the fourth quarter of 2024, the Company repurchased a total of $7.8 million aggregate principal amount of its Convertible Senior Notes due 2025. Total cash paid to noteholders was $17.2 million. A loss on extinguishment of debt of $9.4 million was recognized, including a charge of $0.1 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs. As of December 31, 2024, the principal balance of the Convertible Senior Notes due 2025 was $5.5 million, while the Convertible Senior Notes due 2025, net is $5.4 million after consideration of unamortized debt issuance costs.

For additional details regarding the Amended Credit Agreement and the Convertible Notes, please refer to “Note 11 - Financing Arrangements” in the Notes to the Consolidated Financial Statements, and for our discussion regarding risk factors related to our business and our debt, see Risk Factors in this Annual Report on Form 10-K.

Additional Liquidity Considerations

The following represents a summary of total liquidity available under the Amended Credit Agreement in effect as of December 31, 2024 and 2023:

	December 31,	
	2024	**2023**
Cash and cash equivalents	**$ 240.7**	$ 280.6
Credit Agreement:		
Maximum availability	**$ 400.0**	$ 400.0
Suppressed availability[(1)]	**(176.8)**	(135.8)
Availability	**223.2**	264.2
Credit facility amount borrowed	**—**	—
Letter of credit obligations	**(5.3)**	(5.4)
Availability not borrowed	**217.9**	258.8
Total liquidity	**$ 458.6**	$ 539.4

[(1)] As of December 31, 2024 and 2023, the Company had less than $400.0 million in collateral assets to borrow against.

Our principal sources of liquidity are cash and cash equivalents, cash flows from operations and available borrowing capacity under our Amended Credit Agreement. As of December 31, 2024, taking into account our view of industrial, automotive, aerospace & defense and energy market demand for our products, and our 2025 operating and long-range plan, we believe that our cash balance as of December 31, 2024, projected cash generated from operations, borrowings available under the Amended Credit Agreement and committed government funding to support capital investments, will be sufficient to satisfy our working capital needs, capital expenditures and other liquidity requirements associated with our operations, including servicing our debt and pension and postretirement benefit obligations, for at least the next twelve months.

To the extent our liquidity needs prove to be greater than expected or cash generated from operations is less than anticipated, and cash on hand or credit availability is insufficient, we would seek additional financing to provide additional liquidity. We regularly evaluate our potential access to the equity and debt capital markets as sources of liquidity and we believe additional financing would likely be available if necessary, although we can make no assurance as to the form or terms of any such financing.

We continue to evaluate the best use of our liquidity which would allow us to invest in profitable growth, maintain a strong balance sheet, and return capital to shareholders. We expect capital expenditures to be approximately $125 million in 2025, inclusive of approximately $90 million of capital expenditures funded by the U.S. government.

In the twelve months ended December 31, 2024, the Company contributed a total of $42.8 million in pension contributions, most of which related to the Bargaining Plan. In January 2025, the Company contributed an additional $5.3 million to the Bargaining Plan and expects total pension contributions of approximately $65.0 million in 2025.

During the first half of 2022, we privately negotiated early repurchases of $25.2 million aggregate principal amount of our Convertible Senior Notes Due 2025. In addition to reducing outstanding debt and generating $1.5 million of annual interest savings, the repurchases of convertible notes reduced diluted shares outstanding for the year ended December 31, 2022 by 2.3 million shares and, on a go-forward basis, reduced diluted shares outstanding by 3.2 million shares.

In the first quarter of 2023, we privately negotiated early repurchases of $7.5 million aggregate principal amount of our Convertible Senior Notes Due 2025. In addition to reducing outstanding debt and generating annual interest savings of $0.5 million, the repurchases of convertible notes reduced weighted average diluted shares outstanding for the year ended December 31, 2023 by 0.7 million shares and, on a go-forward basis, reduced diluted shares outstanding by 1.0 million shares.

In the fourth quarter of 2024, we privately negotiated early repurchases of $7.8 million aggregate principal amount of our Convertible Senior Notes Due 2025. In addition to reducing outstanding debt and generating annual interest savings of $0.5 million, the repurchases of convertible notes reduced weighted average diluted shares outstanding for the year ended December 31, 2024 by 0.1 million shares and, on a go-forward basis, reduced diluted shares outstanding by 1.0 million shares.

For additional details regarding the Amended Credit Agreement and the Convertible Notes, please refer to “Note 11 - Financing Arrangements” in the Notes to the Consolidated Financial Statements, and for our discussion regarding risk factors related to our business and our debt, see Risk Factors in this Annual Report on Form 10-K.

On December 20, 2021 Metallus announced that its Board of Directors authorized a share repurchase program under which the Company may repurchase up to $50.0 million of its outstanding common shares. On November 2, 2022, the Board of Directors authorized an additional $75.0 million towards its share repurchase program and on May 6, 2024 the Board of Directors authorized an additional $100.0 million. The share repurchase program is intended to return capital to shareholders while also offsetting dilution from annual equity compensation awards. The share repurchase program does not require the Company to acquire any dollar amount or number of shares and may be modified, suspended, extended or terminated by the Company at any time without prior notice. These authorizations reflect the continued confidence of the Board and senior leadership in the Company’s ability to generate sustainable through-cycle profitability while maintaining a strong balance sheet and cash flow.

For the year ended December 31, 2024, the Company repurchased approximately 2.0 million common shares in the open market at an aggregate cost of $37.6 million, which equates to an average repurchase price of $18.45 per share. As of December 31, 2024, the Company had a balance of $102.8 million remaining under its share repurchase program. In total during 2024, 2023 and 2022, the Company repurchased 6.7 million common shares in the open market at an aggregate cost of $122.2 million.

Subsequent to December 31, 2024, the Company repurchased 0.2 million additional common shares in the open market at an aggregate cost of $3.3 million, which equates to an average repurchase price of $14.61 per share. As of February 17, 2025, the Company has $99.5 million remaining under its authorized share repurchase program.

Cash Flows

The following table reflects the major categories of cash flows for the years ended December 31, 2024, 2023, and 2022. For additional details, please refer to the Consolidated Statements of Cash Flows included in Item 8, "Financial Statements and Supplemental Data" of this Annual Report on Form 10-K.

	Year Ended December 31,		
	2024	**2023**	**2022**
Net cash provided (used) by operating activities	**$ 40.3**	$ 125.3	$ 134.5
Net cash provided (used) by investing activities	**(10.8)**	(49.9)	(21.7)
Net cash provided (used) by financing activities	**(68.9)**	(51.9)	(114.6)
Increase (Decrease) in Cash and Cash Equivalents	**$ (39.4)**	$ 23.5	$ (1.8)

Operating activities

Net cash provided by operating activities for the year ended December 31, 2024 was $40.3 million compared to net cash provided of $125.3 million for the year ended December 31, 2023. The change was primarily driven by lower profitability and higher pension contributions, partially offset by a decrease in cash from working capital during 2024 compared to 2023.

Investing activities

Net cash used by investing activities for the year ended December 31, 2024 was $10.8 million compared to net cash used of $49.9 million for the year ended December 31, 2023. The change was due to proceeds from government funding in 2024 compared to receiving no government funding in 2023, partially offset by higher capital spending in 2024.

Financing activities

Net cash used by financing activities for the year ended December 31, 2024 was $68.9 million compared to net cash used of $51.9 million for the year ended December 31, 2023. The change was primarily due to higher shares surrendered for taxes and common share repurchases compared to the same time period in 2023.

Contractual Obligations and Commitments

Our material cash commitments from known contractual and other obligations primarily consist of obligations for long-term debt and related interest, purchase commitments as part of normal operations, retirement benefits, and operating leases for property and equipment.

Refer to “Note 11 - Financing Arrangements” in the Notes to the Consolidated Financial Statements for more information regarding scheduled maturities of our long-term debt. Interest payments include interest on the Convertible Notes, as well as the unused commitment fee of 25 basis points related to the Amended Credit Agreement. Interest payable associated with our debt will be approximately $1.3 million due in the next twelve months and $1.7 million through maturity.

Purchase commitments are defined as agreements to purchase goods or services that are enforceable and legally binding. As of December 31, 2024, our undiscounted purchase commitments are approximately $117.1 million due in the next twelve months and $77.4 million due thereafter. Included in purchase commitments are certain obligations related to capital asset commitments, service agreements and energy consumed in our production processes. These purchase commitments do not represent our entire anticipated purchases in the future but represent only those items for which we are contractually obligated as of December 31, 2024. The majority of our products and services are purchased as needed, with no advance commitment. We do not have any off-balance sheet arrangements with unconsolidated entities or other persons.

Retirement benefits are paid from plan assets, cash and cash equivalents and borrowings available under the Amended Credit Agreement. These include payments to meet minimum funding requirements of our defined benefit pension plans, estimated benefit payments for our unfunded supplemental executive retirement pension, and estimated benefit payments for our postretirement plans. The retirement benefit funding requirements are estimated required contributions and are significantly affected by asset returns and several other variables. These amounts are subject to change year to year. These amounts are based on Company estimates and current funding laws; actual future payments may be different. Based on the results of the December 31, 2024 pension calculations, the Company estimates required Bargaining Plan contributions of approximately $65.0 million in 2025. Refer to “Note 12 - Retirement and Postretirement Plans” in the Notes to the Consolidated Financial Statements for further information related to the total pension and other postretirement benefit plans and expected benefit payments.

Refer to “Note 10 – Leases” in the Notes to the Consolidated Financial Statement for additional information on leases.

Critical Accounting Policies and Estimates

Our financial statements are prepared in accordance with U.S. GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the

financial statements and the reported amounts of revenues and expenses during the periods presented. We review our critical accounting policies throughout the year.

New Accounting Guidance

See “Note 2 - Significant Accounting Policies” in the Notes to the Consolidated Financial Statements.

Revenue Recognition

Metallus recognizes revenue from contracts at a point in time when it has satisfied its performance obligations and the customer obtains control of the goods, at the amount that reflects the consideration the Company expects to receive for those goods.

Substantially all performance obligations arise from the sale of manufactured steel products. The Company receives and acknowledges purchase orders from its customers, which define the quantity, pricing, payment and other applicable terms and conditions. In some cases, the Company receives a blanket purchase order from its customer, which includes pricing, payment and other terms and conditions, with quantities defined at the time the customer issues periodic releases from the blanket purchase order.

Transfer of control and revenue recognition for substantially all the Company’s sales occur upon shipment or delivery of the product, which is when title, ownership, and risk of loss pass to the customer and is based on the applicable customer shipping terms.

The Company invoices its customers at the time of title transfer. Payment terms are generally 30 days from the invoice date. Invoiced amounts are usually inclusive of shipping and handling activities incurred. Shipping and handling activities billed are included in net sales in the Consolidated Statements of Operations. The related costs incurred by the Company for the delivery of goods are classified as cost of products sold in the Consolidated Statements of Operations.

Certain contracts contain variable consideration, which primarily consists of rebates that are accounted for in net sales and accrued based on the estimated probability of the requirements being met.

Sales returns and allowances are treated as a reduction to net sales and are provided for primarily based on historical experience. These reserves also capture any potential warranty claims, which normally result in returned or replaced product.

The Company’s contracts with certain Manufactured Components customers extend multiple years and generally average five years. While these contracts set the duration of time, they do not cover or guarantee volumes but rather are focused on piece prices, which are established at the inception of the contract. From time to time, subsequent pricing adjustments are agreed to through negotiation. Pricing adjustments are occasionally determined retroactively based on historical shipments. The Company recognizes revenue for these subsequent price adjustments when they are determined to be probable and estimable.

Inventory

Inventories are stated at lower of cost or net realizable value. All inventories, including raw materials, manufacturing supplies inventory as well as international (outside the U.S.) inventories, have been valued using the FIFO or average cost method.

Income Taxes

We are subject to income taxes in the U.S. and non-U.S. jurisdictions, and we account for income taxes in accordance with applicable accounting guidance. Deferred tax assets and liabilities are recorded for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as net operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. We record valuation allowances against deferred tax assets by tax jurisdiction when it is more likely than not that such assets will not be realized. In determining the need for a valuation allowance, the historical and projected financial performance of the entity recording the net deferred tax asset is considered along with any other pertinent information. Net deferred tax assets relate

primarily to net operating losses and pension and other postretirement benefit obligations in the U.S., which we believe are more likely than not to result in future tax benefits.

In the ordinary course of our business, there are many transactions and calculations regarding which the ultimate income tax determination is uncertain. We are regularly under audit by tax authorities. Accruals for uncertain tax positions are provided for in accordance with the requirements of applicable accounting guidance. We record interest and penalties related to uncertain tax positions as a component of income tax expense.

Benefit Plans

Metallus recognizes an overfunded status or underfunded status (e.g., the difference between the fair value of plan assets and the benefit obligations) as either an asset or a liability for its defined benefit pension and other postretirement benefit plans on the Consolidated Balance Sheets. The Company recognizes actuarial gains and losses immediately through net periodic benefit cost in the Consolidated Statements of Operations upon the annual remeasurement at December 31, or on an interim basis as triggering events warrant remeasurement. An example of a potential triggering event would be settlements. The Company's accounting policy is to recognize settlements during the quarter in which it is projected that the costs of all settlements during the year will be greater than the sum of the service cost and interest cost components of net periodic benefit cost. In addition, the Company uses fair value to account for the value of plan assets.

As of December 31, 2024, our projected benefit obligations related to our pension and other postretirement benefit plans were $537.1 million and $80.1 million, respectively, and the underfunded status of our pension and other postretirement benefit obligations were $140.5 million and $30.7 million, respectively. These benefit obligations were valued using a weighted average discount rate of 5.71% for pension benefit plans and 5.73% for other postretirement benefit plans. The determination of the discount rate is generally based on an index created from a hypothetical bond portfolio consisting of high-quality fixed income securities with durations that match the timing of expected benefit payments. Changes in the selected discount rate could have a material impact on our projected benefit obligations and the unfunded status of our pension and other postretirement benefit plans.

For the year ended December 31, 2024, net periodic pension expense was $18.4 million and postretirement benefit income was $4.0 million. In 2024, net periodic pension expense and other postretirement benefit income were calculated using a variety of assumptions, including a weighted average discount rate of 5.33% and 5.43%, respectively, and a weighted average expected return on plan assets of 7.15% and 5.80%, respectively. The expected return on plan assets is determined based on forward-looking current market pricing. The forward-looking analysis is performed using a building block approach incorporating inputs such as current yields, valuations, economic data and broad macroeconomic themes.

The net periodic benefit cost and benefit obligation are affected by applicable year-end assumptions. Sensitivities to these assumptions may be asymmetric and are specific to the time periods noted. The impact of changing multiple factors simultaneously cannot be calculated by combining the individual sensitivities. The sensitivity to changes in discount rate assumptions may not be linear. A sensitivity analysis of the projected incremental effect of a 0.25% increase (decrease), holding all other assumptions constant, is as follows:

	Hypothetical rate increase (decrease)	
	0.25%	**(0.25)%**
Discount rate		
Net periodic benefit cost (income), prior to annual remeasurement gains or losses	$ 0.6	$ (0.6)
Benefit obligation	$ (12.3)	$ 12.8
Return on plan assets		
Net periodic benefit cost (income), prior to annual remeasurement gains or losses	$ (1.2)	$ 1.2

In 2025, net periodic pension expense is forecasted to be $7.3 million, while postretirement benefit income is forecasted to be $3.8 million. This estimate is based on a weighted average discount rate of 5.71% for the pension benefit plans and 5.73% for other postretirement benefit plans, as well as a weighted average expected return on assets of 7.62% for the pension benefit

plans and 5.90% for the other postretirement benefit plans. Actual costs are dependent on various other factors related to participants covered by these plans. Adjustments to our actuarial assumptions could have a material impact on our operating results.

Please refer to “Note 12 - Retirement and Postretirement Plans” in the Notes to the Consolidated Financial Statements for further information related to our pension and other postretirement benefit plans.

Forward-Looking Statements

Certain statements set forth in this Annual Report on Form 10-K (including our forecasts, beliefs and expectations) that are not historical in nature are “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995. In particular, Management’s Discussion and Analysis of Financial Condition and Results of Operations contains numerous forward-looking statements. Forward-looking statements generally will be accompanied by words such as “anticipate,” “aspire,” “believe,” “could,” “estimate,” “expect,” “forecast,” “outlook,” “intend,” “may,” “plan,” “possible,” “potential,” “predict,” “project,” “seek,” “should,” “strategic direction,” “strategy,” “target,” “will,” “would,” or other similar words, phrases or expressions that convey the uncertainty of future events or outcomes. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this Form 10-K. We caution readers that actual results may differ materially from those expressed or implied in forward-looking statements made by or on behalf of us due to a variety of factors, such as:

- the effects of fluctuations in customer demand on sales, product mix and prices in the industries in which we operate. This includes: our ability to respond to rapid changes in customer demand including but not limited to changes in customer operating schedules due to supply chain constraints or unplanned work stoppages; the ability of customers to obtain financing to purchase the Company’s products or equipment that contains its products; the effects of customer bankruptcies or liquidations; the impact of changes in industrial business cycles; and whether conditions of fair trade exist in the U.S. markets;
- changes in operating costs, including the effect of changes in our manufacturing processes; changes in costs associated with varying levels of operations and manufacturing capacity; availability of raw materials and energy; our ability to mitigate the impact of fluctuations in raw materials and energy costs and the effectiveness of our surcharge mechanism; changes in the expected costs associated with product warranty claims; changes resulting from inventory management, cost reduction initiatives and different levels of customer demands; the effects of unplanned work stoppages; availability of skilled labor; and changes in the cost of labor and benefits;
- the success of our operating plans, announced programs, initiatives and capital investments; the consistency to meet demand levels following unplanned downtime; and our ability to maintain appropriate relations with the union that represents our associates in certain locations in order to avoid disruptions of business;
- whether we are able to successfully implement actions designed to improve profitability on anticipated terms and timetables and whether we are able to fully realize the expected benefits of such actions;
- the Company's pension obligations and investment performance;
- with respect to the Company's ability to achieve its sustainability goals, including its 2030 environmental goals, the ability to meet such goals within the expected timeframe, changes in laws, regulations, prevailing standards or public policy, the alignment of the scientific community on measurement and reporting approaches, the complexity of commodity supply chains and the evolution of and adoption of new technology, including traceability practices, tools and processes;
- availability of property insurance coverage at commercially reasonable rates or insufficient insurance coverage to cover claims or damages;
- the availability of financing and interest rates, which affect the Company's cost of funds and/or ability to raise capital;
- the effects of the conditional conversion feature of the Convertible Senior Notes due 2025, which, if triggered, entitles holders to convert the notes at any time during specified periods at their option and therefore could result in potential

dilution if the holder elects to convert and the Company elects to satisfy a portion or all of the conversion obligation by delivering common shares instead of cash;

•the impacts from any repurchases of our common shares and convertible notes, including the timing and amount of any repurchases;

•competitive factors, including changes in market penetration; increasing price competition by existing or new foreign and domestic competitors; the introduction of new products by existing and new competitors; and new technology that may impact the way our products are sold or distributed;

•deterioration in global economic conditions, or in economic conditions in any of the geographic regions in which we conduct business, including additional adverse effects from global economic slowdown, terrorism or hostilities. This includes: political risks associated with the potential instability of governments and legal systems in countries in which we or our customers conduct business, and changes in currency valuations;

•the impact of global conflicts on the economy, sourcing of raw materials, and commodity prices;

•climate-related risks, including environmental and severe weather caused by climate changes, and legislative and regulatory initiatives addressing global climate change or other environmental concerns;

•unanticipated litigation, claims or assessments, including claims or problems related to intellectual property, product liability or warranty, employment matters, regulatory compliance and environmental issues and taxes, among other matters;

•cyber-related risks, including information technology system failures, interruptions and security breaches;

•the potential impact of pandemics, epidemics, widespread illness or other health issues;

•with respect to the equipment investments to support the U.S. Army's mission of ramping up munitions production in the coming years, whether the funding awarded to support these investments is received on the anticipated timetable, whether the Company is able to successfully complete the installation and commissioning of the new assets on the targeted budget and timetable, and whether the anticipated increase in throughput is achieved; and

•those items identified under the caption Risk Factors in our Annual Report on Form 10-K.

You are cautioned that it is not possible to predict or identify all of the risks, uncertainties and other factors that may affect future results, and that the above list should not be considered to be a complete list. Except as required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Further, this report includes our current policy and intent and is not intended to create legal rights or obligations. Certain standards of measurement and performance contained in this report are developing and based on assumptions, and no assurance can be given that any plan, objective, initiative, projection, goal, mission, commitment, expectation, or prospect set forth in this report can or will be achieved. Inclusion of information in this report is not an indication that the subject or information is material to our business or operating results.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Our borrowings include both fixed and variable-rate debt. The variable debt consists principally of borrowings under our Credit Agreement. We are exposed to the risk of rising interest rates to the extent we fund our operations with these variable-rate borrowings. As of December 31, 2024, we have $5.5 million of aggregate debt outstanding. None of our outstanding debt as of December 31, 2024 has variable interest rates, thus a rise in interest rates would not impact our interest expense at this point in time.

Foreign Currency Exchange Rate Risk

Fluctuations in the value of the U.S. dollar compared to foreign currencies may impact our earnings. Geographically, our sales are primarily made to customers in the United States. Currency fluctuations could impact us to the extent they impact the currency or the price of raw materials in foreign countries in which our competitors operate or have significant sales.

Commodity Price Risk

In the ordinary course of business, we are exposed to market risk with respect to commodity price fluctuations, primarily related to our purchases of raw materials and energy, principally scrap steel, other ferrous and non-ferrous metals, alloys, natural gas and electricity. Additionally, the current and potential future global conflicts could also exacerbate inflationary pressures throughout the global economy and lead to potential market disruptions, such as significant volatility in commodity prices and supply chain disruptions. Although our business has not been materially impacted by current conflicts to date, it is difficult to predict the extent to which our operations, or those of our suppliers, will be impacted in the future.

Whenever possible, we manage our exposure to commodity risks primarily through the use of supplier pricing agreements that enable us to establish the purchase prices for certain inputs that are used in our manufacturing business. We utilize a raw material surcharge as a component of pricing steel to pass through the cost increases of scrap, alloys and other raw materials, as well as energy. From time to time, we may use financial instruments to hedge a portion of our exposure to commodity price risk. In periods of stable demand for our products, the surcharge mechanism has worked effectively to reduce the normal time lag in passing through higher raw material costs so that we can maintain our gross margins. When demand and cost of raw materials are lower, however, the surcharge impacts sales prices to a lesser extent.

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Report of Independent Registered Public Accounting Firm

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Metallus Inc. (the Company) as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and the financial statement schedule listed in the Index at Item 15a (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2025, expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Accounting for pension and other postretirement benefit obligations

Description of the Matter	At December 31, 2024, the Company's aggregate defined benefit pension and other postretirement benefit obligation was $617.2 million and exceeded the fair value of defined benefit pension and other postretirement plan assets of $446.0 million, resulting in an unfunded defined benefit pension and other postretirement benefit obligation of $171.2 million. As explained in Note 2 and Note 12 to the consolidated financial statements, the Company recognizes actuarial gains and losses immediately through net periodic benefit cost upon the annual remeasurement in the fourth quarter, or on an interim basis if specific events trigger a remeasurement, through updating

the estimates used to measure the defined benefit pension and other postretirement benefit obligations and plan assets to reflect the actual return on plan assets and updated actuarial assumptions.

Auditing the defined benefit pension and other postretirement benefit obligations was complex due to the highly judgmental nature of the actuarial assumptions (e.g., discount rate and mortality rate) used in the measurement process. These assumptions had a significant effect on the benefit obligations.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accounting for the measurement of defined benefit pension and other postretirement benefit obligations. For example, we tested controls over management's review of the defined benefit pension and other postretirement benefit obligation calculations, the relevant data inputs and the significant actuarial assumptions, discussed above, used in the calculations.

To test the defined benefit pension and other postretirement benefit obligations, our audit procedures included, among others, evaluating the methodology used, the significant actuarial assumptions discussed above, and the underlying data used by the Company. We compared the actuarial assumptions used by management to historical trends and evaluated the change in the defined benefit pension and other postretirement benefit obligations from prior year due to the change in service cost, interest cost, actuarial gains and losses, benefit payments, contributions and other activities. In addition, we involved an actuarial specialist to assist with our procedures. For example, we evaluated management's methodology for determining the discount rate that reflects the maturity and duration of the benefit payments and is used to measure the defined benefit pension and other postretirement benefit obligations. In certain instances, as part of this assessment, we compared the projected cash flows to prior year and compared the current year benefits paid to the prior year projected cash flows. To evaluate the mortality rate, we assessed whether the information is consistent with publicly available information, and whether any market data adjusted for entity-specific adjustments were applied. We also tested the completeness and accuracy of the underlying data, including the participant data used in the determination of the pension and other postretirement benefit obligations.

/s/ Ernst & Young LLP

We have served as the Company's auditors since 2012.

Cleveland, Ohio
February 27, 2025

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Metallus Inc.

Opinion on Internal Control over Financial Reporting

We have audited Metallus Inc.'s internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Metallus Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and the financial statement schedule listed in the Index at Item 15a and our report dated February 27, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP
Cleveland, Ohio
February 27, 2025

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Metallus Inc.
Consolidated Statements of Operations

	Year Ended December 31,		
	2024	**2023**	**2022**
(Dollars in millions, except per share data)			
Net sales	**$ 1,084.0**	$ 1,362.4	$ 1,329.9
Cost of products sold	**986.3**	1,175.9	1,203.2
Gross Profit	**97.7**	186.5	126.7
Selling, general and administrative expenses	**87.7**	84.6	73.8
Restructuring charges	**—**	—	0.8
Loss (gain) on sale or disposal of assets, net	**0.6**	(2.5)	1.9
Interest (income) expense, net	**(9.6)**	(7.1)	0.6
Loss on extinguishment of debt	**9.4**	11.4	43.1
Other (income) expense, net	**5.0**	3.7	(90.6)
Income (Loss) Before Income Taxes	**4.6**	96.4	97.1
Provision (benefit) for income taxes	**3.3**	27.0	32.0
Net Income (Loss)	**$ 1.3**	$ 69.4	$ 65.1
Per Share Data:			
Basic earnings (loss) per share	**$ 0.03**	$ 1.58	$ 1.42
Diluted earnings (loss) per share	**$ 0.03**	$ 1.47	$ 1.30

See accompanying Notes to the Consolidated Financial Statements.

Metallus Inc.
Consolidated Statements of Comprehensive Income (Loss)

	Year Ended December 31,		
	2024	**2023**	**2022**
(Dollars in millions)			
Net income (loss)	**$ 1.3**	$ 69.4	$ 65.1
Other comprehensive income (loss), net of benefit (provision) for income taxes of $0.1 million in 2024, $(0.2) million in 2023, and $0.4 million in 2022:			
Foreign currency translation adjustments	**(1.2)**	0.3	(1.7)
Pension and postretirement liability adjustments	**(3.5)**	(2.6)	(4.3)
Other comprehensive income (loss), net of tax	**(4.7)**	(2.3)	(6.0)
Comprehensive Income (Loss), net of tax	**$ (3.4)**	$ 67.1	$ 59.1

See accompanying Notes to the Consolidated Financial Statements.

Metallus Inc.
Consolidated Balance Sheets

	December 31, 2024	December 31, 2023
(Dollars in millions)		
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 240.7**	$ 280.6
Accounts receivable, net of allowances (2024 - $1.7 million; 2023 - $2.0 million)	**90.8**	113.2
Inventories, net	**219.8**	228.0
Deferred charges and prepaid expenses	**29.9**	10.3
Other current assets	**6.1**	24.7
Total Current Assets	**587.3**	656.8
Property, plant and equipment, net	**507.3**	492.5
Operating lease right-of-use assets	**11.7**	11.4
Pension assets	**5.5**	9.9
Intangible assets, net	**3.4**	2.7
Other non-current assets	**1.5**	2.0
Total Assets	**$ 1,116.7**	$ 1,175.3
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	**$ 119.2**	$ 133.3
Salaries, wages and benefits	**16.8**	26.8
Accrued pension and postretirement costs	**66.5**	43.5
Current operating lease liabilities	**4.8**	5.0
Current convertible notes, net	**5.4**	13.2
Government funding liabilities	**53.5**	—
Other current liabilities	**15.3**	26.6
Total Current Liabilities	**281.5**	248.4
Credit Agreement	**—**	—
Non-current operating lease liabilities	**6.9**	6.4
Accrued pension and postretirement costs	**110.2**	160.5
Deferred income taxes	**14.3**	15.0
Other non-current liabilities	**13.3**	13.4
Total Liabilities	**426.2**	443.7
Shareholders' Equity		
Preferred shares, without par value; authorized 10.0 million shares, none issued	**—**	—
Common shares, without par value; authorized 200.0 million shares; issued 2024 - 48.2 million shares; issued 2023 - 47.1 million shares	**—**	—
Additional paid-in capital	**843.9**	844.2
Retained deficit	**(52.4)**	(53.7)
Treasury shares - 2024 - 5.9 million; 2023 - 4.0 million	**(108.7)**	(71.3)
Accumulated other comprehensive income (loss)	**7.7**	12.4
Total Shareholders' Equity	**690.5**	731.6
Total Liabilities and Shareholders' Equity	**$ 1,116.7**	$ 1,175.3

See accompanying Notes to the Consolidated Financial Statements.

Metallus Inc.
Consolidated Statements of Shareholders' Equity

(Dollars in millions)	Common Shares Outstanding	Additional Paid-in Capital	Retained Earnings (Deficit)	Treasury Shares	Accumulated Other Comprehensive Income (Loss)	Total
Balance at December 31, 2021	46,268,855	$ 832.1	$ (188.2)	$ —	$ 20.7	$ 664.6
Net income (loss)	—	—	65.1	—	—	65.1
Other comprehensive income (loss)	—	—	—	—	(6.0)	(6.0)
Stock-based compensation expense	342,805	8.8	—	—	—	8.8
Stock option activity	499,040	8.0	—	—	—	8.0
Purchase of treasury shares, including excise tax	(3,026,491)	—	—	(52.0)	—	(52.0)
Issuance of treasury shares	97,475	(1.7)	—	1.7	—	—
Shares surrendered for taxes	(116,793)	(0.2)	—	(1.8)	—	(2.0)
Balance at December 31, 2022	44,064,891	$ 847.0	$ (123.1)	$ (52.1)	$ 14.7	$ 686.5
Net income (loss)	—	—	69.4	—	—	69.4
Other comprehensive income (loss)	—	—	—	—	(2.3)	(2.3)
Stock-based compensation expense	—	11.5	—	—	—	11.5
Stock option activity	322,074	2.8	—	—	—	2.8
Purchase of treasury shares, including excise tax	(1,713,743)	(0.3)	—	(32.6)	—	(32.9)
Issuance of treasury shares	640,549	(16.8)	—	16.8	—	—
Shares surrendered for taxes	(177,460)	—	—	(3.4)	—	(3.4)
Balance at December 31, 2023	43,136,311	$ 844.2	$ (53.7)	$ (71.3)	$ 12.4	$ 731.6
Net income (loss)	**—**	**—**	**1.3**	**—**	**—**	**1.3**
Other comprehensive income (loss)	**—**	**—**	**—**	**—**	**(4.7)**	**(4.7)**
Stock-based compensation expense	**—**	**14.0**	**—**	**—**	**—**	**14.0**
Stock option activity	**134,552**	**1.4**	**—**	**—**	**—**	**1.4**
Purchase of treasury shares, including excise tax	**(2,037,110)**	**—**	**—**	**(37.6)**	**—**	**(37.6)**
Issuance of treasury shares	**1,780,574**	**(15.7)**	**—**	**15.7**	**—**	**—**
Shares surrendered for taxes	**(747,019)**	**—**	**—**	**(15.5)**	**—**	**(15.5)**
Balance at December 31, 2024	**42,267,308**	**$ 843.9**	**$ (52.4)**	**$ (108.7)**	**$ 7.7**	**$ 690.5**

See accompanying Notes to the Consolidated Financial Statements.

Metallus Inc.
Consolidated Statements of Cash Flows

	Year Ended December 31,		
	2024	2023	2022
(Dollars in millions)			
CASH PROVIDED (USED)			
Operating Activities			
Net income (loss)	**$ 1.3**	$ 69.4	$ 65.1
Adjustments to reconcile net income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	**54.1**	56.9	58.3
Amortization of deferred financing fees	**0.5**	0.5	0.7
Loss on extinguishment of debt	**9.4**	11.4	43.1
Loss (gain) on sale or disposal of assets, net	**0.6**	(2.5)	1.9
Deferred income taxes	**0.5**	(9.7)	24.9
Stock-based compensation expense	**14.0**	11.5	8.8
Pension and postretirement (benefit) expense, net	**14.4**	47.1	(40.5)
Changes in operating assets and liabilities:			
Accounts receivable, net	**21.7**	(33.4)	21.3
Inventories, net	**7.3**	(34.9)	18.8
Accounts payable	**(19.2)**	15.3	(33.2)
Other accrued expenses	**(21.7)**	5.3	(8.8)
Deferred charges and prepaid expenses	**(19.6)**	(3.9)	(2.6)
Pension and postretirement contributions and payments	**(45.5)**	(2.8)	(5.4)
Other, net	**22.5**	(4.9)	(17.9)
Net Cash Provided (Used) by Operating Activities	**40.3**	125.3	134.5
Investing Activities			
Capital expenditures	**(64.3)**	(51.6)	(27.1)
Proceeds from government funding	**53.5**	—	—
Proceeds from disposals of property, plant and equipment	**—**	1.7	5.4
Net Cash Provided (Used) by Investing Activities	**(10.8)**	(49.9)	(21.7)
Financing Activities			
Purchase of treasury shares	**(37.6)**	(32.6)	(52.0)
Proceeds from exercise of stock options	**1.4**	2.8	8.0
Shares surrendered for employee taxes on stock compensation	**(15.5)**	(3.4)	(2.0)
Repayments on convertible notes	**(17.2)**	(18.7)	(67.6)
Debt issuance costs	**—**	—	(1.0)
Net Cash Provided (Used) by Financing Activities	**(68.9)**	(51.9)	(114.6)
Increase (Decrease) in Cash, Cash Equivalents, and Restricted Cash	**(39.4)**	23.5	(1.8)
Cash, Cash Equivalents, and Restricted Cash at Beginning of Period	**281.3**	257.8	259.6
Cash, Cash Equivalents, and Restricted Cash at End of Period	**$ 241.9**	$ 281.3	$ 257.8
The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Consolidated Balance Sheets that sum to the total of the same such amounts shown in the Consolidated Statements of Cash Flows:			
Cash and cash equivalents	**$ 240.7**	$ 280.6	$ 257.2
Restricted cash reported in other current assets	**1.2**	0.7	0.6
Total cash, cash equivalents, and restricted cash shown in the Consolidated Statements of Cash Flows	**$ 241.9**	$ 281.3	$ 257.8

See accompanying Notes to the Consolidated Financial Statements.

Metallus Inc.
Notes to Consolidated Financial Statements
(dollars in millions, except per share data)

Note 1 - Basis of Presentation

Metallus Inc. (the "Company" or "Metallus") manufactures alloy steel, as well as carbon and micro-alloy steel using electric arc furnace ("EAF") technology. Metallus' portfolio includes special bar quality ("SBQ") bars, seamless mechanical tubing ("tubes"), manufactured components, such as precision steel components, and billets. Additionally, Metallus manages raw material recycling programs, which are used internally as a feeder system for our melt operations and allow us to sell scrap not used in our operations to third parties. The Company's products and services are used in a diverse range of demanding applications in the following end-markets: industrial, which includes industrial equipment, mining, construction, rail, heavy truck, agriculture and power generation; automotive; aerospace & defense; and energy.

The SBQ bar, tube, and billet production processes take place at the Company's Canton, Ohio manufacturing location. This location accounts for all of the SBQ bars, seamless mechanical tubes and billets the Company produces and includes three manufacturing facilities: the Faircrest, Harrison, and Gambrinus facilities. Metallus' production of manufactured components takes place at two downstream manufacturing facilities: Tryon Peak (Columbus, North Carolina) and St. Clair (Eaton, Ohio). Many of the production processes are integrated, and the manufacturing facilities produce products that are sold in all of the Company's markets. As a result, investments in the Company's facilities and resource allocation decisions affecting the Company's operations are designed to benefit the overall business, not any specific aspect of the business.

Our annual melt capacity is approximately 1.2 million tons and our shipment capacity is approximately 0.9 million tons. In addition to our internal melt capacity, the Company periodically purchases third party melt to supplement customer demand and leverage our downstream operations.

Basis of Consolidation:

The Consolidated Financial Statements include the consolidated assets, liabilities, revenues and expenses related to Metallus as of December 31, 2024, 2023 and 2022. All significant intercompany accounts and transactions within Metallus have been eliminated in the preparation of the Consolidated Financial Statements.

Use of Estimates:

The preparation of these Consolidated Financial Statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and accompanying notes. These estimates and assumptions are reviewed and updated regularly to reflect recent experience.

Presentation:

Certain items previously reported in specific financial statement captions have been reclassified to conform with current year presentation.

Note 2 - Significant Accounting Policies

Revenue Recognition:

Metallus recognizes revenue from contracts at a point in time when it has satisfied its performance obligation and the customer obtains control of the goods, at the amount that reflects the consideration the Company expects to receive for those goods.

Substantially all performance obligations arise from the sale of manufactured steel products. The Company receives and acknowledges purchase orders from its customers, which define the quantity, pricing, payment and other applicable terms and

conditions. In some cases, the Company receives a blanket purchase order from its customer, which includes pricing, payment and other terms and conditions, with quantities defined at the time the customer issues periodic releases from the blanket purchase order.

Transfer of control and revenue recognition for substantially all the Company's sales occur upon shipment or delivery of the product, which is when title, ownership, and risk of loss pass to the customer and is based on the applicable customer shipping terms.

The Company invoices its customers at the time of title transfer. Payment terms are generally 30 days from the invoice date. Invoiced amounts are usually inclusive of shipping and handling activities incurred. Shipping and handling activities billed are included in net sales in the Consolidated Statements of Operations. The related costs incurred by the Company for the delivery of goods are classified as cost of products sold in the Consolidated Statements of Operations.

Certain contracts contain variable consideration, which primarily consists of rebates that are accounted for in net sales and accrued based on the estimated probability of the requirements being met.

Sales returns and allowances are treated as a reduction to net sales and are provided for primarily based on historical experience. These reserves also capture any potential warranty claims, which normally result in returned or replaced product.

The Company's contracts with certain Manufactured Components customers extend multiple years and generally average five years. While these contracts set the duration of time, they do not cover or guarantee volumes but rather are focused on piece prices, which are established at the inception of the contract. From time to time, subsequent pricing adjustments are agreed to through negotiation. Pricing adjustments are occasionally determined retroactively based on historical shipments. The Company recognizes revenue for these subsequent price adjustments when they are determined to be probable and estimable. For the year ended December 31, 2023, the Company recognized $16.0 million in subsequent pricing adjustments. There were no subsequent price adjustments recognized for the year ended December 31, 2024.

Cash Equivalents and Restricted Cash:

Metallus considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The Company's restricted cash balance represents an imprest cash account used for the funding of employee healthcare costs. Funding of this account began in 2022 when the Company changed its healthcare plan administrator. The balance of restricted cash as of December 31, 2024 was $1.2 million, which is included in other current assets on the Consolidated Balance Sheets. The Company had $0.7 million of restricted cash as of December 31, 2023.

Accounts Receivables, Net:

The Company's accounts receivables arise from sales to customers across the industrial, automotive, aerospace & defense, and energy end markets. The allowance for doubtful account reserve has been established using qualitative and quantitative methods. In general, account balances are fully reserved when greater than one year of age or sent to third party collection. Account balances for customers that are viewed as higher risk are also analyzed for a reserve. In addition to these methods, the allowance for doubtful accounts is adjusted for forward-looking estimates of uncollectible balances based on end-market outlook and dynamics. Historically, write-offs for Metallus' allowance for doubtful accounts have been immaterial.

Inventories, Net:

Inventories are stated at lower of cost or net realizable value. All inventories, including raw materials, manufacturing supplies inventory, as well as international (outside the U.S.) inventories, have been valued using the FIFO or average cost method.

Property, Plant and Equipment, Net:

Property, plant and equipment, net are valued at cost less accumulated depreciation. Maintenance and repairs are charged to expense as incurred. The provision for depreciation is computed principally by the straight-line method based upon the estimated useful lives of the assets. The useful lives are approximately 30 years for buildings and 3 to 20 years for machinery and equipment.

Intangible Assets, Net:

Intangible assets, net are valued at cost less accumulated amortization. Intangible assets subject to amortization are amortized using a straight-line method over their legal or estimated useful lives. Definite lived intangible assets are primarily capitalized software with a weighted average useful life of 8 years and amortization expense of $1.7 million, $2.3 million and $2.8 million for the years ended December 31, 2024, 2023 and 2022. Intangible assets subject to amortization are amortized using a straight-line method over their legal or estimated useful lives.

Government Funding:

In November 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-10, "Government Assistance (Topic 832), Disclosures by Business Entities about Government Assistance", which requires business entities to provide disclosures on material government assistance transactions for annual reporting periods. The Company prospectively applied the guidance in conjunction with the agreement with the United States Army entered into during the first quarter of 2024 to support the Army's mission of ramping up munitions production in the coming years. In accordance with "International Accounting Standards ("IAS") 20 – Accounting for Government Grants and Disclosure of Government Assistance", funding for capital expenditures is recorded as a reduction to property, plant and equipment at the completion of the project, as the primary conditions for receipt of these funds are to build-out new assets to support increased munitions production for the United States Army.

For the year ended December 31, 2024, the Company received $53.5 million in funding related to this agreement and recorded the funding as a current liability on the Consolidated Balance Sheets and as investing within the Consolidated Cash Flows. There was $8.0 million in capital spending related to assets associated with this agreement in 2024.

In February 2025, the Company received an additional $11.9 million in funding related to this agreement.

Impairment and Disposal of Long-lived Assets, Net:

Long-lived assets (including property, plant and equipment, tangible assets and intangible assets subject to amortization) are reviewed for impairment when events or changes in circumstances have occurred indicating that the carrying value of the assets may not be recoverable.

Metallus tests recoverability of long-lived assets at the lowest level for which there are identifiable cash flows that are independent from the cash flows of other assets. Assets and asset groups held and used are measured for recoverability by comparing the carrying amount of the asset or asset group to the sum of future undiscounted net cash flows expected to be generated by the asset or asset group.

If an asset or asset group is considered to be impaired, the impairment loss that would be recognized is the amount by which the carrying amount of the assets exceeds the fair value of the assets. To determine fair value, Metallus uses internal cash flow estimates discounted at an appropriate interest rate, third party appraisals, as appropriate, and/or market prices of similar assets, when available.

Refer to "Note 9 - Property, Plant and Equipment" for additional information.

Income Taxes:

Deferred tax assets and liabilities are recorded for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases, as well as net operating loss and tax credit carryforwards. Metallus accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. Metallus recognizes deferred tax assets to the extent Metallus believes these assets are more likely than not to be realized. In making such a determination, Metallus considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If Metallus determines that it would be able to realize deferred tax assets in the future in excess of their net recorded amount, Metallus would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

Metallus records uncertain tax positions in accordance with applicable accounting guidance, on the basis of a two-step process whereby (1) Metallus determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position, and (2) for those tax positions that meet the more-likely-than-not recognition threshold, Metallus recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

Metallus recognizes interest and penalties related to unrecognized tax benefits within the provision (benefit) for income taxes line in the accompanying Consolidated Statements of Operations, if applicable. Accrued interest and penalties are included within the related tax liability line in the Consolidated Balance Sheets.

Pension and Other Postretirement Benefits:

Metallus recognizes an overfunded status or underfunded status (e.g., the difference between the fair value of plan assets and the benefit obligations) as either an asset or a liability for its defined benefit pension and other postretirement benefit plans on the Consolidated Balance Sheets. The Company recognizes actuarial gains and losses immediately through net periodic benefit cost in the Consolidated Statements of Operations upon the annual remeasurement at December 31, or on an interim basis as triggering events warrant remeasurement. An example of a potential triggering event would be settlements. The Company's accounting policy is to recognize settlements during the quarter in which it is projected that the costs of all settlements during the year will be greater than the sum of the service cost and interest cost components of net periodic benefit cost. In addition, the Company uses fair value to account for the value of plan assets.

Stock-Based Compensation:

Metallus recognizes stock-based compensation expense based on the grant date fair value of the stock-based awards over their required vesting period on a straight-line basis, whether the awards were granted with graded or cliff vesting. Stock options are issued with an exercise price equal to the closing market price of Metallus common shares on the date of grant. The fair value of stock options is determined using a Black-Scholes option pricing model, which incorporates assumptions regarding the expected volatility, the expected option life, the risk-free interest rate and the expected dividend yield.

Annual grants of performance-based restricted stock units vest based on achievement of a relative total shareholder return ("TSR") metric. The TSR metric is considered a market condition, which requires Metallus to reflect it in the fair value on grant date using an advanced option-pricing model. The fair value of each performance share was therefore determined using a Monte Carlo valuation model, a generally accepted lattice pricing model. The Monte Carlo valuation model, among other factors, uses commonly-accepted economic theory underlying all valuation models, estimates fair value using simulations of future share prices based on stock price behavior and considers the correlation of peer company returns in determining fair value.

In the fourth quarter of 2023, the Board approved and authorized a performance-based Transformation Incentive Grant program (the "Transformation Incentive Grant Program"). Under the Transformation Incentive Grant Program, certain employees were granted performance-based restricted stock unit awards designed to be earned based upon the closing price performance of the Company's common shares during a performance period running from December 1, 2023 through December 31, 2026. Similar to the annual performance-based restricted stock units, the fair value of each share is determined using a Monte Carlo valuation model, a generally accepted lattice pricing model. There were no additional grants under the Transformation Incentive Grant Program during 2024.

The fair value of stock-based awards that will settle in Metallus common shares, other than stock options and performance-based restricted stock units, is based on the closing market price of Metallus common shares on the grant date.

Metallus recognizes all excess tax benefits and tax deficiencies as income tax expense or benefit in the Consolidated Statements of Operations. The excess tax benefits and tax deficiencies are considered discrete items in the reporting period they occur and are not included in the estimate of an entity's annual effective tax rate.

Adoption of New Accounting Standards

The Company adopted the following Accounting Standard Updates ("ASU") during 2024:

Standard Adopted	Description	Date of Adoption	Impact
ASU 2023-07, Segment Reporting - Improvements to Reportable Segment Disclosures	The standard enhances reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses.	January 1, 2024	The Company adopted this standard retrospectively to all periods presented in the Form 10-K for the year ended December 31, 2024. The guidance resulted in additional disclosures and does not impact recognition or measurement in our Consolidated Financial Statements. Refer to Note 3 - Segment Information.

Accounting Standards Issued But Not Yet Adopted

The Company has considered the recent ASU's issued by the Financial Accounting Standards Board summarized below:

Standard Adopted	Description	Date of Adoption	Impact
ASU 2024-03, Disaggregated Expenses	The standard enhances the detail of expenses presented in the income statement including items such as: (a) purchases of inventory, (b) employee compensation, (c) depreciation, (d) intangible asset amortization.	January 1, 2027	The Company is currently evaluating the impact of the adoption of this ASU on its disclosures. The standard has no impact on the results of operations and financial condition.
ASU 2023-09, Income Taxes (Topic 740) - Improvements to Income Tax Disclosures	The standard enhances income tax disclosures primarily related to the rate reconciliation and income taxes paid.	January 1, 2025	The Company is currently evaluating the impact of the adoption of this ASU on its results of operations and financial condition.

Note 3 - Segment Information

We conduct our business activities and report financial results as one business segment. The presentation of financial results as one reportable segment is consistent with the way the Company operates its business and is consistent with the manner in which the Chief Operating Decision Maker ("CODM") evaluates performance and makes resource and operating decisions for the business as described above. Our CODM is our President and Chief Executive Officer. Furthermore, the Company notes that monitoring financial results as one reportable segment helps the CODM manage costs on a consolidated basis, consistent with the integrated nature of the operations. The CODM uses Net Income (Loss), as reported on our Consolidated Statements of Operations, in evaluating performance of the Company and determining how to allocate resources of the Company as a whole. As the CODM evaluates performance on a consolidated basis, all required financial segment information is included in our consolidated financial statements.

Geographic Information

Net sales by geographic area are reported by the country in which the customer is domiciled. Long-lived assets include property, plant and equipment and intangible assets subject to amortization. Long-lived assets by geographic area are reported by the location of the Metallus operations to which the asset is attributed.

	Year Ended December 31,		
	2024	**2023**	**2022**
Net Sales:			
United States	**$ 951.0**	$ 1,239.4	$ 1,201.3
Foreign	**133.0**	123.0	128.6
	$ 1,084.0	$ 1,362.4	$ 1,329.9

	December 31,	
	2024	**2023**
Long-lived Assets, net:		
United States	**$ 522.0**	$ 506.2
Foreign	**0.4**	0.4
	$ 522.4	$ 506.6

Note 4 - Revenue Recognition

The following table provides the major sources of revenue by end-market for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	**2023**	**2022**
Industrial	**$ 390.5**	533.3	549.0
Automotive	**452.3**	531.9	539.1
Aerospace and Defense	**134.9**	115.0	79.7
Energy	**87.3**	160.4	136.6
Other[(1)]	**19.0**	21.8	25.5
Total Net Sales	**$ 1,084.0**	$ 1,362.4	$ 1,329.9

[(1)] "Other" sales by end-market includes the Company's scrap sales.

The following table provides the major sources of revenue by product type for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	**2023**	**2022**
Bar	**$ 641.8**	$ 917.1	$ 887.4
Tube	**139.1**	170.1	173.7
Manufactured components	**284.1**	253.4	243.3
Other[2]	**19.0**	21.8	25.5
Total Net Sales	**$ 1,084.0**	$ 1,362.4	$ 1,329.9

[2] "Other" for sales by product type relates to the Company's scrap sales.

Contract liabilities are recognized when the Company has received consideration from a customer to transfer goods at a future point in time. Contract liabilities are primarily related to deferred revenue resulting from cash payments received in advance from customers and are included in other current liabilities on the Consolidated Balance Sheets. There were no contract liabilities as of December 31, 2024 and $0.8 million as of December 31, 2023.

Note 5 - Other (Income) Expense, net

The following table provides the components of other (income) expense, net for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	**2023**	**2022**
Pension and postretirement non-service benefit (income) loss	**$ (5.7)**	$ (4.6)	$ (20.3)
Loss (gain) from remeasurement of benefit plans	**10.3**	40.6	(35.4)
Foreign currency exchange loss (gain)	**0.4**	—	(0.2)
Insurance recoveries	**—**	(31.3)	(34.5)
Sales and use tax refund	**—**	(1.4)	—
Miscellaneous (income) expense	**—**	0.4	(0.2)
Total other (income) expense, net	**$ 5.0**	$ 3.7	$ (90.6)

Non-service related pension and other postretirement benefit income, for all years, consists primarily of the interest cost, expected return on plan assets and amortization components of net periodic cost.

The Company's Bargaining Unit Pension Plan ("Bargaining Plan"), the Supplemental Pension Plan ("Supplemental Plan") and the recently terminated Retirement Plan ("Salaried Plan") each have a provision that permits employees to elect to receive their pension benefits in a lump sum upon retirement. In the first quarter of 2024, the cumulative cost of all lump sum payments was expected to exceed the sum of the service cost and interest cost components of net periodic pension cost for the Salaried Plan. As a result, the Company completed a full remeasurement of its pension obligations and plan assets associated with the Salaried Plan during the first quarter of 2024 and recorded a loss of $0.8 million.

In the second quarter of 2024, the Company entered into an agreement to purchase a group annuity contract from The Prudential Insurance Company of America ("Prudential") in connection with the annuitization of the Salaried Plan. The Company remeasured the Salaried Plan upon annuitization on May 15, 2024. A loss of $1.0 million from the remeasurement of the Salaried Plan was recognized for the three months ended June 30, 2024. The loss was primarily due to investment losses on plan assets of $1.8 million partially offset by a decrease in the liability due to an increase in the discount rate of $0.7 million. In addition, the three months ended June 30, 2024 included a $0.1 million gain as a result of the completion of the Salaried Plan annuitization. As of December 31, 2024, the Company has no remaining liabilities or obligations as it relates to the Salaried Plan.

A net loss of $10.3 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2024. This loss was driven by investment losses on plan assets of $35.0 million partially offset by a $24.7 million decrease in the pension liability primarily due to an increase in discount rate, updated census data and updates to certain underlying assumptions.

A net loss of $40.6 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2023. This loss was driven by a $36.6 million increase in the pension liability primarily due to a decrease in discount rate, updated census data and updates to certain underlying assumptions, as well as a loss of $4.0 million due to investment losses on plan assets.

A net gain of $35.4 million from the remeasurement of all Company pension and postretirement benefit plans was recognized for the year ended December 31, 2022. This gain was driven by a $359.9 million decrease in the pension liability primarily due to an increase in discount rates and a $2.7 million non-cash settlement related to the partial annuitization of the Bargaining Plan. This was partially offset by a loss of $327.2 million driven primarily by investment losses on plan assets and lump sum basis losses.

In January 2025, the Company contributed an additional $5.3 million to the Bargaining Plan and expects total pension contributions of approximately $65.0 million in 2025.

For more details on the aforementioned remeasurements, refer to “Note 12 - Retirement and Postretirement Plans.”

During the second half of 2022, the Faircrest melt shop experienced unplanned operational downtime. Metallus recognizes an insurance recovery when it is realized or considered realizable, in accordance with the accounting guidance. The 2022 insurance claims were closed in the first quarter of 2024. Insurance recovery activity for the years ended December 31, 2024, 2023 and 2022 were as follows:

	Year Ended December 31,			
	2024	**2023**	**2022**	**Total**
Insurance recovery income	$ —	$ 31.3	$ 34.5	**$ 65.8**
Insurance recovery cash collection	20.0	31.3	14.5	**65.8**

During the fourth quarter of 2023, the Company received a commitment from the State of Ohio related to the overpayment of sales and use taxes for the period of January 1, 2020 through March 31, 2023. This resulted in a gain recognized of $1.4 million, net of related professional fees, for the year ended December 31, 2023.

Note 6 - Income Tax Provision

Income (loss) from operations before income taxes, based on geographic location of the operations to which such earnings are attributable, is provided below.

	Years Ended December 31,		
	2024	**2023**	**2022**
United States	**$ 4.5**	$ 103.2	$ 108.5
Non-United States	**0.1**	(6.8)	(11.4)
Income (loss) from operations before income taxes	**$ 4.6**	$ 96.4	$ 97.1

The provision (benefit) for income taxes consisted of the following:

	Years Ended December 31,		
	2024	**2023**	**2022**
Current:			
Federal	**$ 2.6**	$ 30.4	$ 0.6
State and local	**(0.1)**	6.1	5.7
Foreign	**0.3**	0.2	0.8
Total current tax expense (benefit)	**$ 2.8**	$ 36.7	$ 7.1
Deferred:			
Federal	**$ 0.4**	$ (9.2)	$ 24.2
State and local	**0.1**	(0.5)	0.7
Foreign	**—**	—	—
Total deferred tax expense (benefit)	**0.5**	(9.7)	24.9
Provision (benefit) for incomes taxes	**$ 3.3**	$ 27.0	$ 32.0

For the year ended December 31, 2024, Metallus made $21.5 million in U.S. federal payments, $6.1 million in state and local tax payments and $0.3 million in foreign tax payments. For the year ended December 31, 2023, the Company made $19.0 million in U.S. federal payments, $4.9 million in state and local tax payments, $1.4 million in foreign tax payments, and had refundable overpayments of $0.3 million related to U.S. federal, state, and local income taxes.

The reconciliation between Metallus' effective tax rate on income (loss) from continuing operations and the statutory tax rate is as follows:

	Years Ended December 31,		
	2024	**2023**	**2022**
U.S. federal income tax provision (benefit) at statutory rate	**$ 1.0**	$ 20.2	$ 20.4
Adjustments:			
State and local income taxes, net of federal tax benefit	**—**	4.2	8.4
Permanent differences	**1.9**	1.2	8.9
Foreign earnings taxed at different rates	**0.1**	—	(3.6)
Valuation allowance	**(0.5)**	1.8	(2.5)
U.S. research tax credit	**(0.1)**	(0.3)	(0.6)
Other items, net	**1.0**	(0.1)	1.0
Provision (benefit) for income taxes	**$ 3.3**	$ 27.0	$ 32.0
Effective tax rate	**72.2%**	28.0%	32.9%

Income tax expense includes U.S. and international income taxes. Except as required under U.S. tax law, U.S. income and foreign withholding taxes have not been recognized on the excess of the amount for financial reporting over the tax basis of investments in foreign subsidiaries that is indefinitely reinvested outside the U.S. This amount becomes taxable upon a repatriation of assets from the subsidiary or a sale or liquidation of the subsidiary.

The permanent differences for the year ended December 31, 2024 are primarily due to the non-deductible loss on extinguishment of Convertible Senior Notes due 2025 and non-deductible compensation.

The effect of temporary differences giving rise to deferred tax assets and liabilities at December 31, 2024 and 2023 was as follows:

	Years Ended December 31,	
	2024	**2023**
Deferred tax liabilities:		
Depreciation	**$ (69.5)**	$ (75.0)
Inventory	**—**	—
Prepaid insurance	**(1.3)**	(1.9)
Leases - right-of-use asset	**(2.8)**	(2.8)
Deferred tax liabilities	**$ (73.6)**	$ (79.7)
Deferred tax assets:		
Tax loss carryforwards	**$ 15.6**	$ 16.0
Pension and postretirement benefits	**41.2**	46.8
Other employee benefit accruals	**8.4**	8.0
Lease liability	**2.8**	2.8
State decoupling	**1.2**	1.2
Capital loss carryforward	**0.8**	0.8
Intangible assets	**0.1**	0.1
Inventory	**0.8**	0.8
Allowance for doubtful accounts	**0.4**	0.5
Capitalized R&D	**3.0**	3.2
Other, net	**—**	—
Deferred tax assets subtotal	**$ 74.3**	$ 80.2
Valuation allowances	**(15.0)**	(15.5)
Deferred tax assets	**59.3**	64.7
Net deferred tax assets (liabilities)	**$ (14.3)**	$ (15.0)

As of December 31, 2024 and 2023, the Company had a net deferred tax liability of $14.3 million and $15.0 million, respectively, on the Consolidated Balance Sheets. As of December 31, 2024, the Company had loss carryforwards in the UK totaling $58.6 million having various expiration dates. There are no federal loss carryforwards in the U.S.; however, there are $15.8 million in state and certain local loss carryforwards with various expiration dates.

During 2016, operating losses generated in the U.S. resulted in a decrease in the carrying value of the Company's U.S. deferred tax liability to the point that would result in a net U.S. deferred tax asset at December 31, 2016. In light of the Company's operating performance in the U.S. and current industry conditions, the Company assessed, based upon all available evidence at the time, and concluded that it was more likely than not that it would not realize a portion of its U.S. deferred tax assets. As such, the Company recorded a valuation allowance in 2016.

Each reporting period we assess available positive and negative evidence and estimate if sufficient future taxable income will be generated to utilize the Company's deferred tax assets. Due to Metallus' historical operating performance in the U.S., we have historically been limited in our ability to rely on other subjective evidence such as projections of our future profitability. However, as of December 31, 2022, based on consecutive years of profitability, utilization of the majority of previously generated loss carryforwards in the U.S., and forecasted future profitability, the Company released a portion of its U.S. valuation allowance. The Company maintained a domestic partial valuation allowance on a capital loss carryforward and certain state loss carryforwards that are expected to expire unused. Metallus has provided a valuation allowance on the aforementioned UK loss carryforward.

The need to maintain valuation allowances against deferred tax assets in the U.S. and other affected countries may cause variability in the Company's effective tax rate. The majority of Metallus' income taxes are derived from federal, domestic state and local taxes.

As of December 31, 2024 and 2023, the Company had no total gross unrecognized tax benefits, and no amounts which represented unrecognized tax benefits that would favorably impact Metallus' effective income tax rate in any future periods if such benefits were recognized. As of December 31, 2024, Metallus does not anticipate a change in its unrecognized tax positions during the next 12 months. Metallus had no accrued interest and penalties related to uncertain tax positions as of December 31, 2024 and 2023.

As of December 31, 2024, the tax years 2021 to the present remain open to examination by the IRS.

Note 7 - Earnings (Loss) Per Share

Basic earnings (loss) per share is computed based upon the weighted average number of common shares outstanding. Diluted earnings (loss) per share is computed based upon the weighted average number of common shares outstanding plus the dilutive effect of common share equivalents calculated using the treasury stock method or if-converted method. For the Convertible Notes, the Company utilizes the if-converted method to calculate diluted earnings (loss) per share. Under the if-converted method, the Company adjusts net earnings to add back interest expense (including amortization of debt issuance costs) recognized on the Convertible Notes and includes the number of shares potentially issuable related to the Convertible Notes in the weighted average shares outstanding. Treasury stock, if any, is excluded from the denominator in calculating both basic and diluted earnings (loss) per share.

Equity-based Awards

Common share equivalents for shares issuable for equity-based awards amounted to 2.6 million shares for the year ended December 31, 2024. For the year ended December 31, 2024, 0.8 million shares were excluded from the computation of diluted earnings (loss) per share, primarily related to options with exercise prices above the average market price of our common shares (i.e., “underwater” options), because the effect of their inclusion would have been anti-dilutive. The difference between the remaining 1.8 million shares and 0.7 million shares assumed purchased with potential proceeds for the year ended December 31, 2024, were included in the denominator of the diluted earnings (loss) per share calculation.

Common share equivalents for shares issuable for equity-based awards amounted to 3.4 million shares for the year ended December 31, 2023. For the year ended December 31, 2023, 0.4 million shares were excluded from the computation of diluted earnings (loss) per share, primarily related to options with exercise prices above the average market price of our common shares (i.e., “underwater” options), because the effect of their inclusion would have been anti-dilutive. The difference between the remaining 3.0 million shares and 0.9 million shares assumed purchased with potential proceeds for the year ended December 31, 2023, were included in the denominator of the diluted earnings (loss) per share calculation.

Common share equivalents for shares issuable for equity-based awards amounted to 4.0 million shares for the year ended December 31, 2022. For the year ended December 31, 2022, 0.8 million shares were excluded from the computation of diluted earnings (loss) per share, primarily related to options with exercise prices above the average market price of our common shares (i.e., “underwater” options), because the effect of their inclusion would have been anti-dilutive. The difference between the remaining 3.2 million shares and 1.1 million shares assumed purchased with potential proceeds for the year ended December 31, 2022, were included in the denominator of the diluted earnings (loss) per share calculation.

Convertible Notes

Common share equivalents for shares issuable upon the conversion of outstanding Convertible Notes were excluded in the computation of diluted earnings (loss) per share for the year ended December 31, 2024 as these shares would be anti-dilutive.

In the fourth quarter of 2024, the Company repurchased $7.8 million of outstanding principal related to the Convertible Notes. These repurchases of Convertible Notes reduced weighted average diluted shares outstanding by approximately 0.1 million shares for the year ended December 31, 2024. Refer to “Note 11 – Financing Arrangements” for additional information on the Convertible Notes.

In the first quarter of 2023, the Company repurchased $7.5 million of outstanding principal related to the Convertible Notes. These repurchases of Convertible Notes reduced weighted average diluted shares outstanding by approximately 0.7 million shares for the year ended December 31, 2023.

During the first half of 2022, the Company repurchased $25.2 million of outstanding principal related to the Convertible Notes. These repurchases of Convertible Notes reduced weighted average diluted shares outstanding by 2.3 million shares for the year ended December 31, 2022.

The following table sets forth the reconciliation of the numerator and the denominator of basic and diluted earnings (loss) per share for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	**2023**	**2022**
Numerator:			
Net income (loss), basic	**$ 1.3**	$ 69.4	$ 65.1
Add convertible notes interest	**—**	1.0	1.9
Net income (loss), diluted	**$ 1.3**	$ 70.4	$ 67.0
Denominator:			
Weighted average shares outstanding, basic	**43.2**	43.8	45.8
Dilutive effect of equity-based awards	**1.1**	2.1	2.1
Dilutive effect of convertible notes	**—**	1.9	3.6
Weighted average shares outstanding, diluted	**44.3**	47.8	51.5
Basic earnings (loss) per share	**$ 0.03**	$ 1.58	$ 1.42
Diluted earnings (loss) per share	**$ 0.03**	$ 1.47	$ 1.30

Note 8 – Inventories

The components of inventories as of December 31, 2024 and 2023 were as follows:

	December 31,	
	2024	**2023**
Manufacturing supplies	**$ 57.5**	$ 51.5
Raw materials	**13.6**	17.5
Work in process	**114.5**	109.6
Finished products	**35.3**	50.1
Gross inventory	**220.9**	228.7
Allowance for inventory reserves	**(1.1)**	(0.7)
Total inventories, net	**$ 219.8**	$ 228.0

Note 9 - Property, Plant and Equipment

The components of property, plant and equipment, net as of December 31, 2024 and 2023 were as follows:

	December 31,	
	2024	**2023**
Land	**$ 11.2**	$ 11.2
Buildings and improvements	**436.0**	429.2
Machinery and equipment	**1,375.5**	1,367.6
Construction in progress	**92.1**	59.3
Subtotal	**1,914.8**	1,867.3
Less allowances for depreciation	**(1,407.5)**	(1,374.8)
Property, plant and equipment, net	**$ 507.3**	$ 492.5

Total depreciation expense was $52.4 million, $54.6 million, and $55.5 million for the years ended December 31, 2024, 2023, and 2022, respectively. There was no accelerated depreciation for the years ended December 31, 2024, 2023 and 2022.

For the year ended December 31, 2024, the Company recorded a net loss on sale and disposal of assets of $0.6 million primarily related to the write-offs of aged assets removed from service. No impairment charges were recognized in 2024.

For the year ended December 31, 2023, the Company recorded a net gain on sale and disposal of assets of $2.5 million primarily related to the sale of the small-diameter seamless mechanical tubing machinery and equipment, partially offset by assets removed from service. No impairment charges were recognized in 2023.

For the year ended December 31, 2022, the Company recorded a net loss on sale of assets of $1.9 million primarily related to the sale of the remaining land and buildings at the Company's former facility in Houston, Texas, as well as the disposition of excess and aged assets. No impairment charges were recognized in 2022.

Supplemental cash flow information related to non-cash investing activity was as follows:

	Year Ended December 31,		
	2024	**2023**	**2022**
Accrued property, plant and equipment purchases	**$ 17.6**	$ 12.1	$ 10.6

Note 10 - Leases

The Company has operating leases primarily related to machinery and equipment, vehicles and information technology equipment. These leases have remaining lease terms of less than one year to approximately five years, some of which may include options to extend the lease for one or more years. Certain leases also include options to purchase the leased asset. As of December 31, 2024, the Company has no financing leases. The weighted average remaining lease term for our operating leases as of December 31, 2024 was 3.3 years.

Leases with an initial term of 12 months or less ("short-term leases") are not recorded on the balance sheet. Rather, the Company recognizes lease expense for these leases on a straight-line basis over the lease term in accordance with the applicable accounting guidance. For lease agreements entered into after the adoption of lease accounting guidance on January 1, 2019, the Company combines lease and non-lease components. The Company's lease agreements do not contain material residual value guarantees or material restrictive covenants.

The Company recorded lease cost for the years ended December 31, 2024, 2023 and 2022 as follows:

	Year Ended December 31,		
	2024	**2023**	**2022**
Operating lease cost	**$ 7.5**	$ 7.3	$ 6.7
Short-term lease cost	**1.5**	0.8	0.9
Total lease cost	**$ 9.0**	$ 8.1	$ 7.6

When available, the rate implicit in the lease is used to discount lease payments to present value; however, the Company's leases generally do not provide a readily determinable implicit rate. Therefore, the incremental borrowing rate to discount the lease payments is estimated using market-based information available at lease commencement. The weighted average discount rate used to measure our operating lease liabilities as of December 31, 2024 and 2023 was 4.9% and 4.3%, respectively.

Supplemental cash flow information related to leases was as follows:

	Year Ended December 31,		
	2024	2023	2022
Cash paid for amounts included in the measurement of operating lease liabilities	$ 6.9	$ 7.1	$ 6.7
Right-of-use assets obtained in exchange for operating lease obligations	$ 5.5	$ 5.6	$ 4.5

Future minimum lease payments under non-cancellable leases as of December 31, 2024 were as follows:

2025	$ 5.2
2026	2.8
2027	2.2
2028	1.6
2029 and after	0.9
Total future minimum lease payments	12.7
Less amount of lease payment representing interest	(1.0)
Total present value of lease payments	$ 11.7

Note 11 - Financing Arrangements

The following table summarizes the current and non-current debt as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
Credit Agreement	$ —	$ —
Convertible Senior Notes due 2025	5.4	13.2
Total debt	$ 5.4	$ 13.2
Less current portion of debt	5.4	13.2
Total non-current portion of debt	$ —	$ —

Credit Agreement

On September 30, 2022, the Company, as borrower, and certain domestic subsidiaries of the Company, as subsidiary guarantors (the "Subsidiary Guarantors"), entered into a Fourth Amended and Restated Credit Agreement (the "Amended Credit Agreement"), with JPMorgan Chase Bank, N.A., as administrative agent (the "Administrative Agent"), and the lenders party thereto (collectively, the "Lenders"), which further amended and restated the Company's secured Third Amended and Restated Credit Agreement, dated as of October 15, 2019.

The Amended Credit Agreement provides for a $400.0 million asset-based revolving credit facility (the "Credit Facility"), including a $15.0 million sublimit for the issuance of commercial and standby letters of credit and a $40.0 million sublimit for swingline loans. Pursuant to the terms of the Amended Credit Agreement, the Company is entitled, on up to two occasions and subject to the satisfaction of certain conditions, to request increases in the commitments under the Amended Credit Agreement in the aggregate principal amount of up to $100.0 million, to the extent that existing or new lenders agree to provide such additional commitments. In addition to and independent of any increase described in the preceding sentence, the Company is entitled, subject to the satisfaction of certain conditions, to request a separate "first-in, last-out" tranche (the "Incremental FILO Tranche") in an aggregate principal amount of up to $30.0 million with a separate borrowing base and interest rate margins, in each case, to be agreed upon among the Company, the Administrative Agent and the Lenders providing the Incremental FILO Tranche.

The availability of borrowings under the Credit Facility is subject to a borrowing base calculation based upon a valuation of the eligible accounts receivable, inventory and machinery and equipment of the Company and the Subsidiary Guarantors, each

multiplied by an applicable advance rate. The availability of borrowings may be further modified by reserves established from time to time by the Administrative Agent in its permitted discretion.

The interest rate per annum applicable to loans under the Credit Facility will be, at the Company's option, equal to either (i) the Alternate Base Rate (as defined in the Amended Credit Agreement) plus the applicable margin or (ii) the Adjusted Term SOFR Rate (as defined in the Amended Credit Agreement) plus the applicable margin. The applicable margin will be determined by a pricing grid based on the Company's average quarterly availability. The Alternate Base Rate is subject to a 1.00% floor, and the Adjusted Term SOFR Rate is subject to a 0.00% floor. In addition, the Company will pay a 0.25% per annum commitment fee on the average daily unused amount of the Credit Facility.

The Credit Facility may be used to finance working capital, capital expenditures, certain permitted acquisitions and for other general corporate purposes. All of the indebtedness under the Credit Facility is guaranteed by the Company's material domestic subsidiaries, as well as any other domestic subsidiary that the Company elects to make a party to the Amended Credit Agreement, and is secured by substantially all of the personal property of the Company and the Subsidiary Guarantors.

The Credit Facility matures on September 30, 2027. Prior to the maturity date, amounts outstanding are required to be repaid (without reduction of the commitments thereunder) from mandatory prepayment events from the proceeds of certain asset sales, equity or debt issuances or casualty events.

The Amended Credit Agreement contains certain customary covenants, including covenants that limit the ability of the Company and its subsidiaries to, among other things, (i) incur or suffer to exist certain liens, (ii) make investments, (iii) incur or guaranty additional indebtedness (iv) enter into consolidations, mergers, acquisitions, sale-leaseback transactions and sales of assets, (v) make distributions and other restricted payments, (vi) change the nature of its business, (vii) engage in transactions with affiliates and (viii) enter into restrictive agreements, including agreements that restrict the ability to incur liens or make distributions.

In addition, the Amended Credit Agreement requires the Company to maintain a minimum specified fixed charge coverage ratio on a springing basis if minimum availability requirements as specified in the Amended Credit Agreement are not maintained.

The Amended Credit Agreement contains certain customary events of default. If any event of default occurs and is continuing, the Lenders would be entitled to take various actions, including the acceleration of amounts due under the Amended Credit Agreement, and exercise other rights and remedies.

As of December 31, 2024, the amount available under the Amended Credit Agreement was $217.9 million, reflective of the Company's asset borrowing base with no outstanding borrowings. Additionally, the Company is in compliance with all covenants outlined in the Amended Credit Agreement.

Convertible Senior Notes due 2025

The Convertible Senior Notes due 2025 were issued pursuant to the provisions of the indenture dated May 31, 2016, as supplemented by a supplemental indenture dated December 15, 2020, which was filed with the Securities and Exchange Commission as an exhibit to a Form 8-K on December 15, 2020. The indentures contain a complete description of the terms of the Convertible Senior Notes due 2025. The key terms are as follows:

Maturity Date:	December 1, 2025 unless repurchased or converted earlier
Interest Rate:	6.0% cash interest per year
Interest Payments Dates:	June 1 and December 1 of each year, beginning on December 1, 2021
Initial Conversion Price:	$7.82 per common share of the Company
Initial Conversion Rate:	127.8119 common shares per $1,000 principal amount of Notes

The principal amount of the Convertible Senior Notes due 2025 as of December 31, 2024 is $5.5 million. Transaction costs related to the Convertible Senior Notes due 2025 incurred upon issuance were $1.5 million. These costs are amortized to interest expense over the term of the notes. The Convertible Senior Notes due 2025 are convertible at the option of the holders in certain circumstances and during certain periods into the Company's common shares, cash, or a combination thereof, at the Company's election.

The Indenture for the Convertible Senior Notes due 2025 provides that notes will become convertible during a quarter when the share price for 20 trading days during the final 30 trading days of the immediately preceding quarter was greater than 130% of the conversion price. This criterion was met during the fourth quarter of 2024 (and each preceding quarter of 2024 and 2023) and as such the notes can be converted at the option of the holders beginning January 1 through March 31, 2025. Whether the notes will be convertible following such period will depend on if this criterion, or another conversion condition, is met in the future. To date, no holders have elected to convert their notes during any optional conversion periods.

For details regarding all conversion mechanics and methods of settlement, refer to the Indenture for the Convertible Senior Notes due 2025 filed as an exhibit to a Form 8-K on December 15, 2020.

The components of the Convertible Senior Notes due 2025 as of December 31, 2024 and 2023 were as follows:

	December 31,	
	2024	**2023**
Principal	**$ 5.5**	$ 13.3
Less: Debt issuance costs, net of amortization	**(0.1)**	(0.1)
Convertible Senior Notes due 2025, net	**$ 5.4**	$ 13.2

In the fourth quarter of 2024, the Company repurchased a total of $7.8 million aggregate principal amount of its Convertible Senior Notes due 2025. Total cash paid to noteholders was $17.2 million. A loss on extinguishment of debt of $9.4 million was recognized, including a charge of $0.1 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs.

In the first quarter of 2023, the Company repurchased a total of $7.5 million aggregate principal amount of its Convertible Senior Notes due 2025. Total cash paid to noteholders was $18.7 million. A loss on extinguishment of debt of $11.4 million was recognized, including a charge of $0.2 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs.

In the first half of 2022, the Company repurchased a total of $25.2 million aggregate principal amount of its Convertible Senior Notes Due 2025. There were no repurchases related to the Convertible Notes during the second half of 2022. Total cash paid to noteholders was $67.6 million. A loss on extinguishment of debt was recognized of $43.0 million, including a charge of $0.6 million for unamortized debt issuance costs related to the portion of debt extinguished, as well as the related transaction costs.

Fair Value Measurement

The fair value of the Convertible Senior Notes due 2025 was approximately $10.2 million as of December 31, 2024 and $41.5 million as of December 31, 2023. The fair value of the Convertible Senior Notes due 2025, which falls within Level 2 of the fair value hierarchy as defined by applicable accounting guidance, is based on a valuation model primarily using observable market inputs and requires a recurring fair value measurement on a quarterly basis.

Metallus' Credit Facility is variable-rate debt. As such, any outstanding carrying value is a reasonable estimate of fair value as interest rates on these borrowings approximate current market rates. This valuation falls within Level 2 of the fair value hierarchy and is based on quoted prices for similar assets and liabilities in active markets that are observable either directly or indirectly. There were no outstanding borrowings on the Credit Facility as of December 31, 2024, 2023, and 2022.

Interest (income) expense, net

The following table provides the components of interest (income) expense, net for the years ended December 31, 2024, 2023 and 2022:

	Year Ended December 31,		
	2024	**2023**	**2022**
Interest expense	**$ 2.5**	$ 2.7	$ 3.9
Interest income	**(12.1)**	(9.8)	(3.3)
Interest (income) expense, net	**$ (9.6)**	$ (7.1)	$ 0.6

Interest income primarily relates to interest earned on cash invested in a money market fund and deposits with financial institutions. As of December 31, 2024, the carrying value of the Company's money market investment was $110.2 million, which approximates the fair value. The Company had $139.7 million invested in a money market fund as of December 31, 2023, and $209.5 cash invested in a money market fund as of December 31, 2022. The money market fund is a cash equivalent and is included in cash and cash equivalents on the Consolidated Balance Sheets. The fund consists of highly liquid investments with an average maturity of three months or less and falls within Level 1 of the fair value hierarchy as defined by applicable accounting guidance. Additionally, as of December 31, 2024 and 2023, the Company has $125.4 and $119.9 million, respectively, of cash held in other accounts which generate interest income at a rate similar to the money market fund.

The following table sets forth total interest expense recognized specifically related to the Convertible Notes:

	Year Ended December 31,		
	2024	**2023**	**2022**
Contractual interest expense	**$ 0.7**	$ 0.9	$ 1.7
Amortization of debt issuance costs	**0.1**	0.1	0.1
Total	**$ 0.8**	$ 1.0	$ 1.8

The total cash interest paid for the year ended December 31, 2024 , 2023, and 2022 was $ 2.0 million, $2.1 million and $3.1 million, respectively.

Treasury Shares

On December 20, 2021 Metallus announced that its Board of Directors authorized a share repurchase program under which the Company may repurchase up to $50.0 million of its outstanding common shares. On November 2, 2022, the Board of Directors authorized an additional $75.0 million towards its share repurchase program and on May 6, 2024 the Board of Directors authorized an additional $100.0 million. The share repurchase program is intended to return capital to shareholders while also offsetting dilution from annual equity compensation awards. The share repurchase program does not require the Company to acquire any dollar amount or number of shares and may be modified, suspended, extended or terminated by the Company at any time without prior notice. These authorizations reflect the continued confidence of the Board and senior leadership in the Company's ability to generate sustainable through-cycle profitability while maintaining a strong balance sheet and cash flow.

For the year ended December 31, 2024, the Company repurchased approximately 2.0 million common shares in the open market at an aggregate cost of $37.6 million, which equates to an average repurchase price of $18.45 per share. As of December 31, 2024, the Company had a balance of $102.8 million remaining under its share repurchase program. For the year ended December 31, 2023, the Company repurchased approximately 1.7 million common shares in the open market at an aggregate cost of $32.6 million, which equates to an average repurchase price of $19.03 per share. For the year ended December 31, 2022, the Company repurchased approximately 3.0 million common shares in the open market at an aggregate cost of $52.0 million, which equates to an average repurchase price of $17.18 per share.

Subsequent to December 31, 2024, the Company repurchased 0.2 million additional common shares in the open market at an aggregate cost of $3.3 million, which equates to an average repurchase price of $14.61 per share. As of February 17, 2025, the Company has $99.5 million remaining under its authorized share repurchase program.

Note 12 - Retirement and Postretirement Plans

Eligible employees, including certain employees in foreign countries, participate in the following Company-sponsored plans: Bargaining Unit Pension Plan ("Bargaining Plan"), Supplemental Pension Plan ("Supplemental Plan"), UK Pension Scheme ("Pension Scheme"), Mexico Pension Plan, and Postretirement Plans made up of the Company's Bargaining Unit Welfare Benefit Plan for Retirees and Welfare Benefit Plan for Retirees. The Retirement Plan ("Salaried Plan") was annuitized with the purchase of a group annuity contract on May 15, 2024.

Bargaining Plan

On October 29, 2021, the United Steelworkers ("USW") Local 1123 voted to ratify a new four-year contract (the "Contract"). The Contract is in effect until September 27, 2025 and resulted in several changes to the Bargaining Plan which increased the pension liability by $14.2 million in 2021. These plan amendments were recognized in other comprehensive income (loss) in 2021 and will be amortized as part of the pension net periodic benefit cost in future periods. The main change that drove the increase in the pension liability was the addition of a full lump sum form of payment for participants commencing benefits on or after January 1, 2022. In addition, the plan is now closed to new entrants effective January 1, 2022.

On July 7, 2022, the Company entered into an agreement with The Prudential Insurance Company of America ("Prudential") to purchase an irrevocable group annuity contract and transfer approximately $256.2 million of pension obligations under the Bargaining Plan. In connection with the agreement, Prudential began paying benefits under the group annuity contract as of October 1, 2022 for a specified group of approximately 1,900 participants and beneficiaries who previously received payments from the Bargaining Plan. Benefits payable to these participants and beneficiaries were not reduced as a result of this transaction. Plan participants and beneficiaries not included in the transaction remain in the Bargaining Plan. The Company recorded a non-cash settlement gain of approximately $2.7 million in the third quarter of 2022 related to this partial plan annuitization. This settlement is a significant event which also required remeasurement of the Bargaining Plan during the third quarter of 2022. The transaction was funded directly by the assets of the Bargaining Plan and required no cash contribution from the Company.

In the twelve months ended December 31, 2024, the Company contributed a total of $42.8 million in pension contributions, most of which related to the Bargaining Plan. The timing and amount of future required pension contributions is significantly affected by asset returns and actuarial assumptions. Based on the results of the December 31, 2024 pension calculations, the Company estimates total required Bargaining Plan contributions of approximately $65.0 million in 2025. In January 2025, the Company contributed an additional $5.3 million to the Bargaining Plan. Future required pension contribution timing and amounts are subject to significant change based on future investment performance, Company estimates and actuarial assumptions, as well as future funding laws.

Salaried Plan

During the fourth quarter of 2021, the Company's Board of Directors approved the termination of the Salaried Plan. Participants were notified in January 2022 and the plan was terminated effective March 31, 2022, subject to regulatory approval which was received in the fourth quarter of 2023. On May 15, 2024, the Company entered into an agreement to purchase a group annuity contract from Prudential in connection with the annuitization of the Salaried Plan. The Salaried Plan annuitization settled approximately $121 million of the Company's remaining U.S. pension obligations. Prudential began future benefit payments under the group annuity contract starting August 1, 2024 for all remaining participants in the Salaried Plan. Benefits payable to Salaried Plan participants were not reduced as a result of the annuitization. The group annuity contract was purchased using existing assets of the Salaried Plan and required no cash contribution from the Company. At the date of the annuitization of the Salaried Plan, the Company transferred the Salaried Plan assets and liabilities to Prudential and recorded a non-cash loss of approximately $1.0 million. As of December 31, 2024, the Company has no remaining liabilities or obligations as it relates to the Salaried Plan.

The following table sets forth the change in benefit obligation for the pension and postretirement benefit plans as of December 31, 2024:

	Pension						
	United States of America			United Kingdom	Mexico		
Change in benefit obligation:	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Pension Plan**	**Total Pension**	**Postretirement Plans**
Benefit obligation at the beginning of year	**$ 490.9**	**$ 124.0**	**$ 16.5**	**$ 56.7**	**$ 0.5**	**$ 688.6**	**$ 84.9**
Service cost	**8.9**	**0.3**	**—**	**—**	**—**	**9.2**	**0.6**
Interest cost	**25.4**	**2.3**	**0.9**	**2.5**	**—**	**31.1**	**4.3**
Actuarial (gains) losses	**(16.9)**	**(1.5)**	**(0.7)**	**(5.1)**	**(0.4)**	**(24.6)**	**(0.2)**
Benefits paid	**(36.7)**	**(6.9)**	**(0.6)**	**(4.0)**	**—**	**(48.2)**	**(9.5)**
Settlements	**—**	**(118.2)**	**—**	**—**	**—**	**(118.2)**	**—**
Foreign currency translation adjustment	**—**	**—**	**—**	**(0.8)**	**—**	**(0.8)**	**—**
Benefit obligation at the end of year	**$ 471.6**	**$ —**	**$ 16.1**	**$ 49.3**	**$ 0.1**	**$ 537.1**	**$ 80.1**

Significant actuarial gains related to changes in benefit obligations for 2024 primarily resulted from an increase in discount rates. Significant settlements were a result of the Salaried Plan annuity purchase as well as lump sum payments during 2024.

The following table sets forth the change in benefit obligation for the pension and postretirement benefit plans as of December 31, 2023:

	Pension						
	United States of America			United Kingdom	Mexico		
Change in benefit obligation:	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Pension Plan**	**Total Pension**	**Postretirement Plans**
Benefit obligation at the beginning of year	$ 474.9	$ 128.1	$ 15.5	$ 47.7	$ 0.4	$ 666.6	$ 87.4
Service cost	9.5	0.9	—	—	—	10.4	0.7
Interest cost	25.9	6.7	0.9	2.3	—	35.8	4.7
Actuarial (gains) losses	19.1	5.7	0.7	7.3	—	32.8	3.8
Benefits paid	(38.5)	(11.4)	(0.6)	(3.3)	—	(53.8)	(11.7)
Settlements	—	(6.0)	—	—	—	(6.0)	—
Foreign currency translation adjustment	—	—	—	2.7	0.1	2.8	—
Benefit obligation at the end of year	$ 490.9	$ 124.0	$ 16.5	$ 56.7	$ 0.5	$ 688.6	$ 84.9

Significant actuarial losses related to changes in benefit obligations for 2023 primarily resulted from a decrease in discount rates.

The following table sets forth the change in plan assets and funded status for the pension and postretirement benefit plan as of December 31, 2024:

	Pension						
	United States of America			United Kingdom			
Change in plan assets:	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Mexico Pension Plan**	**Total Pension**	**Postretirement Plans**
Fair value of plan assets at the beginning of year	**$ 334.7**	**$ 129.6**	**$ —**	**$ 61.0**	**$ 0.3**	**$ 525.6**	**$ 53.8**
Actual return on plan assets	**2.8**	**(0.9)**	**—**	**(3.4)**	**—**	**(1.5)**	**2.7**
Company contributions / payments	**40.9**	**(3.6)**	**0.6**	**1.9**	**—**	**39.8**	**2.4**
Benefits paid	**(36.7)**	**(6.9)**	**(0.6)**	**(4.0)**	**—**	**(48.2)**	**(9.5)**
Settlements	**—**	**(118.2)**	**—**	**—**	**—**	**(118.2)**	**—**
Foreign currency translation adjustment	**—**	**—**	**—**	**(0.9)**	**—**	**(0.9)**	**—**
Fair value of plan assets at end of year	**$ 341.7**	**$ —**	**$ —**	**$ 54.6**	**$ 0.3**	**$ 396.6**	**$ 49.4**
Funded status at end of year	**$ (129.9)**	**$ —**	**$ (16.1)**	**$ 5.3**	**$ 0.2**	**$ (140.5)**	**$ (30.7)**

The following table sets forth the change in plan assets and funded status for the pension and postretirement benefit plan as of December 31, 2023:

	Pension						
	United States of America			United Kingdom			
Change in plan assets:	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Mexico Pension Plan**	**Total Pension**	**Postretirement Plans**
Fair value of plan assets at the beginning of year	$ 353.9	$ 137.7	$ —	$ 57.5	$ 0.3	$ 549.4	$ 59.2
Actual return on plan assets	19.3	9.3	—	2.5	—	31.1	5.3
Company contributions / payments	—	—	0.6	1.2	—	1.8	1.0
Benefits paid	(38.5)	(11.4)	(0.6)	(3.3)	—	(53.8)	(11.7)
Settlements	—	(6.0)	—	—	—	(6.0)	—
Foreign currency translation adjustment	—	—	—	3.1	—	3.1	—
Fair value of plan assets at end of year	$ 334.7	$ 129.6	$ —	$ 61.0	$ 0.3	$ 525.6	$ 53.8
Funded status at end of year	$ (156.2)	$ 5.6	$ (16.5)	$ 4.3	$ (0.2)	$ (163.0)	$ (31.1)

The Bargaining Plan, Supplemental Plan and the recently terminated Salaried Plan have a provision that permits employees to elect to receive their pension benefits in a lump sum upon retirement. The Company's accounting policy is to recognize settlements during the quarter in which it is projected that the costs of all settlements during the year will be greater than the sum of the service cost and interest cost components.

In the first quarter of 2024, the cumulative cost of all lump sum payments was expected to exceed the sum of the service cost and interest cost components of net periodic pension cost for the Salaried Plan. As a result, the Company completed a full remeasurement of its pension obligations and plan assets associated with the Salaried Plan during the first quarter of 2024. On May 1, 2024, in advance of the annuitization of the Salaried plan and upon the election of certain participants, the Company made $20.8 million in lump sum payments. The Company also remeasured the Salaried Plan ahead of the annuitization on May 15, 2024.

In the first quarter of 2023, in anticipation of receiving the regulatory approval to move forward with the plan termination process, the cumulative costs of all lump sum payments and other settlements were projected to exceed the sum of the service cost and interest cost components of net periodic pension cost during 2023 for the Salaried Plan. Ultimately, these costs did not exceed this threshold for the Salaried Plan during 2023. The Salaried Plan's pension obligations and plan assets were remeasured during each quarter of 2023.

For the years ended December 31, 2024 and 2023, the administrative expenses for all plans totaled $3.3 million and $2.9 million, respectively. These expenses are included in benefits paid in the tables above.

The accumulated benefit obligation at December 31, 2024 exceeded the fair value of plan assets for the Bargaining Plan and the unfunded Supplemental Plan. For the Bargaining Plan and Supplemental Plan, the accumulated benefit obligation was $467.1 million and $16.1 million, respectively, as of December 31, 2024.

The accumulated benefit obligation for all pension plans was $532.5 million and $683.7 million as of December 31, 2024 and 2023, respectively.

Amounts recognized on the balance sheet at December 31, 2024 for the Company's pension and postretirement benefit plans include:

	Pension						Postretirement Plans
	United States of America			United Kingdom Pension Scheme	Mexico Pension Plan	Total Pension	
	Bargaining Plan	Salaried Plan	Supplemental Plan				
Non-current assets	$ —	$ —	$ —	$ 5.3	$ 0.2	$ 5.5	$ —
Current liabilities	(64.7)	—	(0.6)	—	—	(65.3)	(1.2)
Non-current liabilities	(65.2)	—	(15.5)	—	—	(80.7)	(29.5)
Total	$ (129.9)	$ —	$ (16.1)	$ 5.3	$ 0.2	$ (140.5)	$ (30.7)

Amounts recognized on the balance sheet at December 31, 2023 for the Company's pension and postretirement benefit plans include:

	Pension						
	United States of America						
	Bargaining Plan	Salaried Plan	Supplemental Plan	United Kingdom Pension Scheme	Mexico Pension Plan	Total Pension	Postretirement Plans
Non-current assets	$ —	$ 5.6	$ —	$ 4.3	$ —	$ 9.9	$ —
Current liabilities	(41.7)	—	(0.6)	—	—	(42.3)	(1.2)
Non-current liabilities	(114.5)	—	(15.9)	—	(0.2)	(130.6)	(29.9)
Total	$ (156.2)	$ 5.6	$ (16.5)	$ 4.3	$ (0.2)	$ (163.0)	$ (31.1)

Included in accumulated other comprehensive income (loss) at December 31, 2024 were the following before-tax amounts that had not been recognized in net periodic benefit cost:

	Pension						
	United States of America						
	Bargaining Plan	Salaried Plan	Supplemental Plan	United Kingdom Pension Scheme	Mexico Pension Plan	Total Pension	Postretirement Plans
Unrecognized prior service (benefit) cost	**$ 9.9**	**$ —**	**$ —**	**$ 0.4**	**$ —**	**$ 10.3**	**$ (38.0)**

Included in accumulated other comprehensive income (loss) at December 31, 2023 were the following before-tax amounts that had not been recognized in net periodic benefit cost:

	Pension						
	United States of America						
	Bargaining Plan	Salaried Plan	Supplemental Plan	United Kingdom Pension Scheme	Mexico Pension Plan	Total Pension	Postretirement Plans
Unrecognized prior service (benefit) cost	$ 11.1	$ —	$ —	$ 0.5	$ —	$ 11.6	$ (44.0)

The weighted average assumptions used in determining benefit obligation as of December 31, 2024 and 2023 were as follows:

	Pension		Postretirement	
Assumptions:	**2024**	**2023**	**2024**	**2023**
Discount rate	**5.71%**	5.33%	**5.73%**	5.43%
Future compensation assumption	**3.50%**	3.00%	**n/a**	n/a

The weighted average assumptions used in determining benefit cost for the years ended December 31, 2024 and 2023 were as follows:

	Pension		Postretirement	
Assumptions:	**2024**	**2023**	**2024**	**2023**
Discount rate	**5.33%**	5.61%	**5.43%**	5.70%
Future compensation assumption	**3.00%**	3.00%	**n/a**	n/a
Expected long-term return on plan assets	**7.15%**	7.13%	**5.80%**	6.25%

The discount rate assumption is based on current rates of high-quality long-term corporate bonds over the same period that benefit payments will be required to be made. The expected rate of return on plan assets assumption is based on the weighted-average expected return on the various asset classes in the plans' portfolios. The asset class return is developed using historical asset return performance as well as current market conditions such as inflation, interest rates and equity market performance.

For measurement purposes, the weighted-average annual rate of increase in the per capita cost ("health care cost trend rate") was not applicable for the years 2024 and 2023.

The components of net periodic benefit cost (income) for the year ended December 31, 2024 were as follows:

	Pension						
	United States of America			United Kingdom	Mexico		
Components of net periodic benefit cost (income):	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Pension Plan**	**Total Pension**	**Postretirement Plans**
Service cost	**$ 8.9**	**$ 0.3**	**$ —**	**$ —**	**$ —**	**$ 9.2**	**$ 0.6**
Interest cost	**25.4**	**2.3**	**0.9**	**2.5**	**—**	**31.1**	**4.3**
Expected return on plan assets	**(28.0)**	**(2.4)**	**—**	**(3.1)**	**—**	**(33.5)**	**(2.9)**
Amortization of prior service cost	**1.2**	**—**	**—**	**—**	**—**	**1.2**	**(5.9)**
Settlements	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Net remeasurement losses (gains)	**8.3**	**1.8**	**(0.7)**	**1.4**	**(0.4)**	**10.4**	**(0.1)**
Net Periodic Benefit Cost (Income)	**$ 15.8**	**$ 2.0**	**$ 0.2**	**$ 0.8**	**$ (0.4)**	**$ 18.4**	**$ (4.0)**

The components of net periodic benefit cost (income) for the year ended December 31, 2023 were as follows:

	Pension						
	United States of America			United Kingdom	Mexico		
Components of net periodic benefit cost (income):	**Bargaining Plan**	**Salaried Plan**	**Supplemental Plan**	**Pension Scheme**	**Pension Plan**	**Total Pension**	**Postretirement Plans**
Service cost	$ 9.5	$ 0.9	$ —	$ —	$ —	$ 10.4	$ 0.7
Interest cost	25.9	6.7	0.9	2.3	—	35.8	4.7
Expected return on plan assets	(26.9)	(7.5)	—	(2.7)	—	(37.1)	(3.4)
Amortization of prior service cost	1.3	—	—	—	—	1.3	(6.0)
Settlements	—	—	—	—	—	—	—
Net remeasurement losses (gains)	26.6	4.0	0.6	7.5	—	38.7	1.9
Net Periodic Benefit Cost (Income)	$ 36.4	$ 4.1	$ 1.5	$ 7.1	$ —	$ 49.1	$ (2.1)

The components of net periodic benefit cost (income) for the year ended December 31, 2022 were as follows:

	Pension						
	United States of America			United Kingdom	Mexico		
Components of net periodic benefit cost (income):	Bargaining Plan	Salaried Plan	Supplemental Plan	Pension Scheme	Pension Plan	Total Pension	Postretirement Plans
Service cost	$ 13.9	$ 0.3	$ —	$ —	$ —	$ 14.2	$ 1.1
Interest cost	31.1	6.5	0.7	1.3	—	39.6	3.4
Expected return on plan assets	(46.7)	(5.0)	—	(3.2)	—	(54.9)	(3.4)
Amortization of prior service cost	1.3	—	—	—	—	1.3	(6.0)
Curtailment	(2.7)	—	—	—	—	(2.7)	—
Net remeasurement losses (gains)	(37.2)	6.9	(6.5)	15.9	—	(20.9)	(11.8)
Net Periodic Benefit Cost (Income)	$ (40.3)	$ 8.7	$ (5.8)	$ 14.0	$ —	$ (23.4)	$ (16.7)

Metallus recognizes its overall responsibility to ensure that the assets of its various defined benefit pension plans are managed effectively and prudently and in compliance with its policy guidelines and all applicable laws. Preservation of capital is important; however, Metallus also recognizes that appropriate levels of risk are necessary to allow its investment managers to achieve satisfactory long-term results consistent with the objectives and the fiduciary character of the pension funds. Asset allocations are established in a manner consistent with projected plan liabilities, benefit payments and expected rates of return for various asset classes. The expected rate of return for the investment portfolios is based on expected rates of return for various asset classes, as well as historical asset class and fund performance.

The target allocations for each plan's assets are as follows:

	Pension						
	United States of America			United Kingdom	Mexico		
Target Allocations:	Bargaining Plan	Salaried Plan	Supplemental Plan	Pension Scheme	Pension Plan	Weighted Average Pension	Postretirement Plans
Equity securities	**38.0%**	**n/a**	**n/a**	**15.8%**	**—**	**34.9%**	**26.0%**
Debt securities	**34.0%**	**n/a**	**n/a**	**68.5%**	**100.0%**	**38.8%**	**67.0%**
Other investments	**28.0%**	**n/a**	**n/a**	**15.7%**	**—**	**26.3%**	**7.0%**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date ("exit price"). The inputs used to measure fair value are classified into the following hierarchy:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Unadjusted quoted prices in active markets for similar assets or liabilities, or unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 - Unobservable inputs for the asset or liability.

The following table presents the fair value hierarchy for those investments of the Company's pension assets measured at fair value on a recurring basis as of December 31, 2024:

	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 12.6	$ 3.3	$ 9.3	$ —
U.S government and agency securities	36.3	36.3	—	—
Mutual fund - equities	80.9	80.9	—	—
Mutual fund - fixed income	12.5	12.5	—	—
Mutual fund - tactical tilt	10.8	10.8	—	—
Exchange traded funds	0.5	0.5	—	—
Real estate	29.7	—	—	29.7
Private debt	22.2	—	—	22.2
Total Assets in the fair value hierarchy	$ 205.5	$ 144.3	$ 9.3	$ 51.9
Assets measured at net asset value [1]	191.1	—	—	—
Total Assets	$ 396.6	$ 144.3	$ 9.3	$ 51.9

[1] Certain assets that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Such assets include common collective trusts that invest in equity securities and fixed income securities, limited partnerships, real estate partnerships, and hedge funds. As of December 31, 2024, these assets are redeemable at net asset value within 90 days, except for certain private investments with an estimated liquidation period of one to ten years.

The following table presents the fair value hierarchy for those investments of the Company's pension assets measured at fair value on a recurring basis as of December 31, 2023:

	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 5.8	$ —	$ 5.8	$ —
U.S government and agency securities	59.8	50.7	9.1	—
Corporate bonds	39.8	—	39.8	—
Mutual fund - equities	83.3	83.3	—	—
Mutual fund - fixed income	12.2	12.2	—	—
Mutual fund - tactical tilt	10.6	10.6	—	—
Real estate	14.1	—	—	14.1
Private debt	25.7	—	—	25.7
Other	0.6	—	0.6	—
Total Assets in the fair value hierarchy	$ 251.9	$ 156.8	$ 55.3	$ 39.8
Assets measured at net asset value [1]	273.7	—	—	—
Total Assets	$ 525.6	$ 156.8	$ 55.3	$ 39.8

[1] Certain assets that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Such assets include common collective trusts that invest in equity securities and fixed income securities, limited partnerships, real estate partnerships, and hedge funds. As of December 31, 2023, these assets were redeemable at net asset value within 90 days, except for certain private investments with an estimated liquidation period of one to ten years.

The following table sets forth a summary of changes in the fair value of the Company's pension plan level three assets for the year ended December 31, 2024:

	Level 3 assets only 2024
Balance at the beginning of year	**$ 39.8**
Transfers in and/or out of Level 3	**—**
Actual return on plan assets:	
Realized gain (loss)	**(0.4)**
Net unrealized gain (loss)	**3.5**
Purchases, sales, issuances and settlements:	
Purchases	**15.5**
Sales	**(6.5)**
Balance at the end of year	**$ 51.9**

The following table presents the fair value hierarchy for those investments of the Company's postretirement assets measured at fair value on a recurring basis as of December 31, 2024:

	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 3.6	$ 3.6	$ —	$ —
Mutual fund - equities	11.9	11.9	—	—
Mutual fund - fixed income	6.6	6.6	—	—
Mutual fund - real assets	0.9	0.9	—	—
Mutual fund - tactical tilt	2.3	2.3	—	—
Total Assets in the fair value hierarchy	$ 25.3	$ 25.3	$ —	$ —
Assets measured at net asset value [1]	24.1	—	—	—
Total Assets	$ 49.4	$ 25.3	$ —	$ —

[1] Certain assets that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Such assets include common collective trusts that invest in equity securities and fixed income securities. As of December 31, 2024, these assets are redeemable at net asset value on a daily basis.

The following table presents the fair value hierarchy for those investments of the Company's postretirement assets measured at fair value on a recurring basis as of December 31, 2023:

	Total	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 2.2	$ 2.2	$ —	$ —
Mutual fund - equities	13.5	13.5	—	—
Mutual fund - fixed income	7.3	7.3	—	—
Mutual fund - real assets	1.1	1.1	—	—
Mutual fund - tactical tilt	2.5	2.5	—	—
Total Assets in the fair value hierarchy	$ 26.6	$ 26.6	$ —	$ —
Assets measured at net asset value [1]	27.2	—	—	—
Total Assets	$ 53.8	$ 26.6	$ —	$ —

[1] Certain assets that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. Such assets include common collective trusts that invest in equity securities, fixed income securities, and limited partnerships. As of December 31, 2023, these assets are redeemable at net asset value on a daily basis.

Future benefit payments are expected to be as follows:

	Pension						
	United States of America			United Kingdom	Mexico		
Benefit Payments:	Bargaining Plan	Salaried Plan [1]	Supplemental Plan	Pension Scheme	Pension Plan	Total Pension	Postretirement Plans
2025	$ 43.5	$ —	$ 0.6	$ 2.8	$ —	$ 46.9	$ 8.8
2026	43.2	—	0.6	2.7	—	46.5	8.3
2027	47.2	—	13.0	3.2	—	63.4	7.9
2028	46.4	—	0.5	3.3	—	50.2	7.5
2029	44.3	—	0.5	3.5	—	48.3	7.2
2030-2034	196.4	—	2.0	19.5	—	217.9	32.4

The Company expects to make required contributions and payments to its pension and postretirement plans of $68.5 million in the next 12 months and $103.3 million from 2026 through 2034. The timing and amount of future required pension contributions is significantly affected by asset returns and actuarial assumptions.

(1) As of August 1, 2024, Prudential assumed the responsibility for all future Salaried Plan benefit payments as a result of the annuitization that occurred.

Defined Contribution Plans

The Company recorded expense primarily related to employer matching and non-discretionary contributions to these defined contribution plans of $3.1 million in 2024, $3.4 million in 2023, and $3.3 million in 2022.

Note 13 - Stock-Based Compensation

Description of the Plan

On May 6, 2020, the Company's shareholders approved the 2020 Equity and Incentive Compensation Plan ("2020 Plan"), which replaced the previously approved Amended and Restated 2014 Equity and Incentive Compensation Plan ("2014 Plan"). The 2020 Plan authorizes the Compensation Committee to provide cash awards and equity-based compensation in the form of stock options, stock appreciation rights, restricted shares, restricted share units, performance shares, performance units, dividend equivalents, and certain other awards for the primary purpose of providing our employees, officers and directors incentives and rewards for service and/or performance. Subject to adjustment as described in the 2020 Plan, and subject to the 2020 Plan share counting rules, a total of 2.0 million common shares of the Company are available for awards granted under the 2020 Plan (plus shares subject to awards granted under the 2020 Plan or the 2014 Plan that are canceled or forfeited, expire, are settled for cash, or are unearned to the extent of such cancellation, forfeiture, expiration, cash settlement or unearned amount, as further described in the 2020 Plan). These shares may be shares of original issuance or treasury shares, or a combination of both. The aggregate number of shares available under the 2020 Plan will generally be reduced by one common share for every one share subject to an award granted under the 2020 Plan. The 2020 Plan also provides that, subject to adjustment as described in the 2020 Plan: (1) the aggregate number of common shares actually issued or transferred upon the exercise of incentive stock options will not exceed 2.0 million common shares; and (2) no non-employee director of the Company will be granted, in any period of one calendar year, compensation for such service having an aggregate maximum value (measured at the grant date as applicable, and calculating the value of any awards based on the grant date fair value for financial reporting purposes) in excess of $0.5 million.

On May 5, 2021, shareholders approved the Amended and Restated 2020 Equity and Incentive Compensation Plan (the “Amended 2020 Plan”), which amended and restated the 2020 plan. In general, the Amended 2020 Plan modified the 2020 Plan to (1) increase the number of common shares, without par value, of the Company available for awards by 2,000,000 shares, (2) correspondingly increase the limit on shares that may be issued or transferred upon the exercise of incentive stock options by 2,000,000 shares, (3) remove the 2020 Plan’s full value award limit of 1.8 million shares and (4) extend the plan term until May 5, 2031. In addition, the Amended 2020 Plan made certain other conforming, clarifying or non-substantive changes to the terms of the 2020 Plan to implement the Amended 2020 Plan but did not make other material changes to the 2020 Plan.

Stock Options

There were no stock options granted during the years ended December 31, 2024, 2023 and 2022.

The following summarizes the Company's stock option activity from January 1, 2024 to December 31, 2024:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (millions)
Outstanding as of December 31, 2023	621,350	$ 17.95		
Granted	—	—	—	—
Exercised	**(134,552)**	**10.83**	—	—
Canceled, forfeited or expired	**(186,580)**	**33.90**	—	—
Outstanding as of December 31, 2024	**300,218**	**$ 11.23**	**3.8**	**$ 3.8**
Options expected to vest	—	—	—	—
Options exercisable	**300,218**	**$ 11.23**	**3.8**	**$ 3.8**

Time-Based Restricted Stock Units

Time-based restricted stock units are issued with the fair value equal to the closing market price of Metallus common shares on the date of grant. These restricted stock units do not have any performance conditions for vesting. Expense is recognized over the service period, adjusted for any forfeitures that occur during the vesting period.

The following summarizes the Company's stock-settled, time-based restricted stock unit activity from January 1, 2024 to December 31, 2024:

	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	1,619,719	$ 11.99
Granted	**447,376**	**20.41**
Vested	**(839,669)**	**12.66**
Canceled, forfeited or expired	**(12,294)**	**19.80**
Outstanding as of December 31, 2024	**1,215,132**	**$ 14.55**

Performance-Based Restricted Stock Units

Annual grants of performance-based restricted stock units are generally earned (determined under a Compensation Committee approved matrix) based on the Company's relative total shareholder return as compared to an identified peer group of steel companies. The fair value of each unit is determined using a Monte Carlo valuation model, a generally accepted lattice pricing model. The overall vesting period is generally three years, with relative total shareholder return measured for the one, two and three-year periods creating effectively a “nested” 1-year, 2-year, and 3-year performance period. Relative total shareholder return is calculated for each nested performance period by taking the beginning and ending price points based off a 20-trading day average closing stock price as of December 31.

The following summarizes the Company's stock-settled performance-based restricted stock unit activity from January 1, 2024 to December 31, 2024:

	Number of Shares		Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	1,014,658	$	15.99
Granted	**205,944**		**18.73**
Vested	**(623,596)**		**7.41**
Canceled, forfeited or expired	**(6,119)**		**22.65**
Outstanding as of December 31, 2024	**590,887**	**$**	**25.93**

Transformation Incentive Grant Program

In the fourth quarter of 2023, the Board approved and authorized a performance-based Transformation Incentive Grant program (the "Transformation Incentive Grant Program"). Under the Transformation Incentive Grant Program, certain employees were granted performance-based restricted stock unit awards designed to be earned based upon the closing price performance of the Company's common shares during a performance period running from December 1, 2023 through December 31, 2026. Similar to the annual performance-based restricted stock units, the fair value of each share is determined using a Monte Carlo valuation model, a generally accepted lattice pricing model. There were no additional grants under the Transformation Incentive Grant Program during 2024.

The following summarizes the Company's Transformation Incentive Grant Program activity from January 1, 2024 to December 31, 2024:

	Number of Shares		Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	350,000	$	22.46
Granted (Tier 1-2)	**—**		**—**
Granted (Tier 3-4)	**—**		**—**
Canceled, forfeited or expired	**—**		**—**
Outstanding as of December 31, 2024	**350,000**	**$**	**22.46**

Other Information

Metallus recognized stock-based compensation expense of $14.0 million, $11.5 million and $8.8 million for the years ended December 31, 2024, 2023 and 2022, respectively.

As of December 31, 2024, future stock-based compensation expense related to the unvested portion of all awards is approximately $18.9 million, which is expected to be recognized over a weighted average period of 2.0 years.

Note 14 - Accumulated Other Comprehensive Income (Loss)

Changes in accumulated other comprehensive income (loss) for the years ended December 31, 2024 and 2023 by component were as follows:

	Foreign Currency Translation Adjustments	Pension and Postretirement Liability Adjustments	Total
Balance as of December 31, 2023	$ (6.5)	$ 18.9	$ 12.4
Other comprehensive income before reclassifications, before income tax	**(1.2)**	**—**	**(1.2)**
Amounts reclassified from accumulated other comprehensive income (loss), before income tax	**—**	**(3.6)**	**(3.6)**
Amounts deferred to accumulated other comprehensive income (loss), before income tax	**—**	**—**	**—**
Tax effect	**—**	**0.1**	**0.1**
Net current period other comprehensive income (loss), net of income taxes	**(1.2)**	**(3.5)**	**(4.7)**
Balance as of December 31, 2024	**$ (7.7)**	**$ 15.4**	**$ 7.7**

	Foreign Currency Translation Adjustments	Pension and Postretirement Liability Adjustments	Total
Balance as of December 31, 2022	$ (6.8)	$ 21.5	$ 14.7
Other comprehensive income before reclassifications, before income tax	—	—	—
Amounts reclassified from accumulated other comprehensive income (loss), before income tax	0.3	(4.9)	(4.6)
Amounts deferred to accumulated other comprehensive income (loss), before income tax	—	2.3	2.3
Tax effect	—	—	—
Net current period other comprehensive income (loss), net of income taxes	0.3	(2.6)	(2.3)
Balance as of December 31, 2023	$ (6.5)	$ 18.9	$ 12.4

The amount reclassified from accumulated other comprehensive income (loss) for the years ended December 31, 2024 and December 31, 2023 for the pension and postretirement liability adjustment was included in other (income) expense, net in the Consolidated Statements of Operations. The amount deferred to accumulated other comprehensive income (loss) for the year ended December 31, 2022 was a result of a plan amendment to the Company's Bargaining Plan. For more details refer to "Note 12 - Retirement and Postretirement Plans."

Note 15 – Contingencies

Metallus has a number of loss exposures incurred in the ordinary course of business, such as environmental claims, product warranty claims, employee-related matters, and other litigation. Establishing loss reserves for these matters requires management's estimate and judgment regarding risk exposure and ultimate liability or realization. These loss reserves are reviewed periodically and adjustments are made to reflect the most recent facts and circumstances. Accruals related to environmental claims represent management's best estimate of the fees and costs associated with these claims. Although it is not possible to predict with certainty the outcome of such claims, management believes that their ultimate dispositions should not have a material adverse effect on our financial position, cash flows or results of operations. As of December 31, 2024 and 2023 Metallus had a $0.5 million and $1.1 million contingency reserve, respectively, related to loss exposures incurred in the ordinary course of business.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Annual Report on Form 10-K, our management carried out an evaluation, under the supervision and with the participation of the Company's principal executive officer and principal financial officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e). Based upon that evaluation, the principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this Annual Report on Form 10-K.

Report of Management on Internal Control Over Financial Reporting

The management of Metallus is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Metallus' internal control system is designed to provide reasonable assurance regarding the preparation and fair presentation of published financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2024. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this assessment under COSO's "Internal Control-Integrated Framework (2013 framework)," management believes that, as of December 31, 2024, Metallus' internal control over financial reporting is effective.

Ernst & Young LLP (PCAOB ID: 42), an independent registered public accounting firm, has issued an audit report on our assessment of Metallus' internal control over financial reporting as of December 31, 2024. Please refer to Item 8, "Reports of Independent Registered Public Accounting Firm."

Changes in Internal Control over Financial Reporting

In 2022, the Company began a multi-year project to upgrade our legacy enterprise resource planning system environment to an updated version of SAP ("S/4 HANA") to upgrade our platforms and systems through a phased implementation approach. During the fourth quarter of 2024, we completed the migration of financial data into S/4 HANA, with implementation in the remaining business operations expected to occur in phases over the next several years. This change has not had and is not expected to have a material impact on the Company's internal controls over financial reporting. For a discussion of risks related to the implementation of new systems and hardware, please see our Information Technology risk factor "*We may be subject to risks relating to our information technology systems and cybersecurity"* in Item 1A. Risk Factors of this report

The Company believes we have maintained appropriate internal controls during our initial phased implementation period and will continue to evaluate, test and monitor our internal controls over financial reporting for effectiveness as processes and procedures in each of these impacted areas evolve.

Item 9B. Other Information

During the quarter ended December 31, 2024, officers (as defined in Exchange Act Rule 16a-1(f)) of the Company adopted written plans for the sale of the Company's common shares intended to satisfy the affirmative defense conditions of Exchange Act Rule 10b5-1(c) ("Rule 10b5-1 trading arrangements") as follows:

On November 14, 2024, Kristine C. Syrvalin, Executive Vice President, General Counsel and Chief Human Resources Officer, adopted a 10b5-1 trading arrangement that provides for the potential sale of up to 15,000 common shares, which trading arrangement is scheduled to start no sooner than March 3, 2025 and terminate no later than September 3, 2025.

On November 16, 2024, Michael S. Williams, President and Chief Executive Officer, adopted a 10b5-1 trading arrangement that provides for the potential sale of up to 100,000 common shares, which trading arrangement is scheduled to start no sooner than March 6, 2025 and terminate no later than September 19, 2025.

On November 18, 2024, Kristopher R. Westbrooks, Executive Vice President and Chief Financial Officer, adopted a 10b5-1 trading arrangement that provides for the potential sale of up to 12,000 common shares and up to 12,104 common shares acquired upon the exercise of stock options, which trading arrangement is scheduled to start no sooner than March 6, 2025 and terminate no later than September 8, 2025.

On December 5, 2024, Nicholas A. Yacobozzi, Chief Accounting Officer, adopted a 10b5-1 trading arrangement that provides for the potential sale of up to 21,974 common shares, which trading arrangement is scheduled to start no sooner than March 6, 2025 and terminate no later than September 8, 2025.

Each of the above-named officers is currently and is expected to remain in compliance with his or her share ownership guidelines following the sale of any common shares pursuant to his or her 10b5-1 trading arrangement.

Part III.

Item 10. Directors, Executive Officers and Corporate Governance

Required information will be set forth under the captions “Proposal 1: Election of directors” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference. Information regarding the executive officers of the registrant is included in Part I hereof. Information regarding the Company’s Audit Committee and its Audit Committee Financial Expert is set forth under the caption “Board of directors information - Audit committee” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference. Information regarding compliance with Section 16(a) by the Company's section 16 reporting persons is set forth under the caption "Delinquent Section 16(a) reports" in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025 and is incorporated herein by reference.

The Board of Directors has adopted insider trading policies and procedures that apply to all of the company's directors, officers, and employees, as well as certain other designated individuals, to prevent the misuse of confidential information about the company, as well as other companies with which we have a business relationship, and to promote compliance with all applicable securities laws. Required information will be set forth under the caption “Corporate governance – Insider Trading Policy” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference.

The Company’s Corporate Governance Guidelines and the charters of its Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee are available on the Company’s website at www.metallus.com. The information on the Company’s website is not incorporated by reference into this Annual Report on Form 10-K.

The Company has adopted a code of ethics that applies to all of its employees, including its principal executive officer, principal financial officer and principal accounting officer or controller, as well as to its directors. The Company’s code of ethics, the Metallus Code of Conduct, is available on its website at www.metallus.com. The Company intends to disclose any amendment to its code of ethics or waiver from its code of ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or any director, by posting such amendment or waiver, as applicable, on its website at www.metallus.com.

Item 11. Executive Compensation

Required information will be set forth under the captions “Compensation discussion and analysis”; “2024 Summary compensation table”; “2024 Grants of plan-based awards table”; “Outstanding equity awards at 2024 year-end table”; “2024 Option exercises and stock vested table”; “Pension benefits”; “2024 Nonqualified deferred compensation table”; “Potential payments upon termination or change in control”; “Director compensation”; “CEO pay ratio”; “Board of directors information - Compensation committee”; “Board of directors information - Compensation committee interlocks and insider participation”; and “Board of directors information - Compensation committee report” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Required information, regarding beneficial ownership by management and beneficial owners of more than 5% of the Company’s common shares, will be set forth under the caption “Beneficial ownership of common stock” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference. Required information regarding securities authorized for issuance under the Company’s equity compensation plans is included in Item 5 of this Annual Report on Form 10-K and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Required information will be set forth under the captions “Corporate governance - Director independence” and “Corporate governance - Related-party transactions approval policy” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

Required information regarding fees paid to and services provided by the Company’s independent auditor during the years ended December 31, 2024 and 2023 and the pre-approval policies and procedures of the Audit Committee of the Company’s Board of Directors will be set forth under the captions “ Proposal 2: Ratification of appointment of independent auditors - Services of independent auditor for 2024“ and “Proposal 2: Ratification of appointment of independent auditors - Audit committee pre-approval policies and procedures” in the proxy statement to be filed within 120 days of December 31, 2024 in connection with the annual meeting of shareholders to be held on May 7, 2025, and is incorporated herein by reference.

Part IV.

Item 15. Exhibits, Financial Statement Schedules

(a)(1) - Financial Statements are included in Part II, Item 8 of the Annual Report on Form 10-K.

(a)(2) - Schedule II - Valuation and Qualifying Accounts is submitted as a separate section of this report. Schedules I, III, IV and V are not applicable to the Company and, therefore, have been omitted.

(a)(3) Listing of Exhibits

Exhibit Number	Exhibit Description
2.1†	Separation and Distribution Agreement, dated as of June 30, 2014, by and between TimkenSteel Corporation and The Timken Company.
3.1	Amended and Restated Articles of Incorporation, as amended (incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K filed on February 28, 2024, File No. 001-36313).
3.2	Code of Regulations of Metallus Inc. (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K filed on February 28, 2024, File No. 001-36313).
4.1	Indenture, dated May 31, 2016, by and between the Company and U.S. Bank National Association, as Trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on May 31, 2016, File No. 001-36313).
4.2	First Supplemental Indenture, dated May 31, 2016, by and between the Company and U.S. Bank National Association, as Trustee (including Form of Note) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on May 31, 2016, File No. 001-36313).
4.3	Description of Common Stock (incorporated by reference to Exhibit 4.3 to the Company's Annual Report on Form 10-K filed on February 25, 2020, File No. 001-36313).
4.4	Second Supplemental Indenture, dated December 15, 2020, by and between the Company and U.S. Bank National Association, as Trustee (including Form of New Convertible Note) (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on December 15, 2020, File No. 001-36313).
10.1†	Tax Sharing Agreement, dated as of June 30, 2014, by and between TimkenSteel Corporation and The Timken Company.
10.2†	Employee Matters Agreement, dated as of June 30, 2014, by and between TimkenSteel Corporation and The Timken Company.
10.3	Form of Amended and Restated Employee Excess Benefits Agreement with TimkenSteel Corporation (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on June 13, 2014, File No. 001-36313).
10.4†	Trademark License Agreement, dated as of June 30, 2014, by and between TimkenSteel Corporation and The Timken Company.
10.5	Amended and Restated 2014 Equity and Incentive Compensation Plan (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8 filed on October 28, 2016, Registration No. 333-214297).
10.6	Amended and Restated Annual Performance Award Plan, effective January 1, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed February 9, 2023, File No. 001-36313).
10.7	Supplemental Pension Plan (Effective June 30, 2014) (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on June 13, 2014, File No. 001-36313).
10.8	Form of Severance Agreement with the Company (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on June 13, 2014, File No. 001-36313).
10.9††	Form of Director Indemnification Agreement.
10.10††	Form of Officer Indemnification Agreement.
10.11††	Form of Director and Officer Indemnification Agreement.
10.12	Amended and Restated 2014 Deferred Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 11, 2015, File No. 001-36313).

10.13	Amended and Restated Director Deferred Compensation Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on May 11, 2015, File No. 001-36313).
10.14	Form of Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 27, 2017, File No. 001-36313).
10.15	Form of Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 2, 2019, File No. 001-36313).
10.16	Form of Deferred Shares Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 4, 2016, File No. 001-36313).
10.17	Form of Director Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on August 6, 2020, File No. 001-36313).
10.18	Severance Agreement dated as of January 1, 2021 between the Company and Michael S. Williams (incorporated by reference to Exhibit 10.26 to the Company's Annual Report on Form 10-K filed on February 25, 2021, File No. 001-36313).
10.19	Form of Severance Agreement between the Company and Certain Executive Officers (incorporated by reference to Exhibit 10.27 to the Company's Annual Report on Form 10-K filed on February 25, 2021, File No. 001-36313).
10.20	2020 Equity and Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 7, 2020, File No. 001-36313).
10.21	Amended and Restated 2020 Equity and Incentive Compensation Plan (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 6, 2021, File No. 001-36313).
10.22	Form of Performance-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 6, 2021, File No. 001-36313).
10.23	Form of Time-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on May 6, 2021, File No. 001-36313).
10.24	Fourth Amended and Restated Credit Agreement, dated as of September 30, 2022, by and among the Company, the other loan parties and lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Company's Current report on Form 8-K filed on October 5, 2022, File No.001-36313).
10.25	Form of Performance-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 4, 2022, File No. 001-36313).
10.26	Form of Performance-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on February 9, 2023, File No. 001-36313).
10.27	Form of Transformation Incentive Grant Performance-Based Restricted Share Unit Agreement for Tier 1 and 2 Participants (incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K filed on February 28, 2024, File No. 001-36313).
10.28	Form of Transformation Incentive Grant Performance-Based Restricted Share Unit Agreement for Tier 3 and 4 Participants (incorporated by reference to Exhibit 10.31 to the Company's Annual Report on Form 10-K filed on February 28, 2024, File No. 001-36313).
10.29	Form of Performance-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2024, File No. 001-36313).
10.30	Form of Time-Based Restricted Share Unit Agreement (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on May 9, 2024, File No. 001-36313).
19.1*	Metallus Inc. Insider Trading Policies and Procedures.
21.1*	A list of subsidiaries of the Registrant.
23.1*	Consent of Independent Registered Public Accounting Firm.
24.1*	Power of Attorney.
31.1*	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Exchange Act, as adopted, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Exchange Act, as adopted, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

97.1	Metallus Inc. Compensation Recovery Policy (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed on February 28, 2024, File No. 001-36313).
101.INS*	Inline XBRL Instance Document - the instance document dose not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema with Embedded Linkbase Documents.
104	Cover Page formatted as Inline XBRL and contained in Exhibit 101.
†	Incorporated by reference to the exhibit filed under the corresponding Exhibit Number of the Company's Current Report on Form 8-K filed on July 3, 2014, File No. 001-36313.
††	Incorporated by reference to the exhibit filed under the corresponding Exhibit Number of Amendment No. 3 to the Company's Registration Statement on Form 10 filed on May 15, 2014, File No. 001-36313.
*	Filed herewith.
**	Furnished herewith.

Schedule II-Valuation and Qualifying Accounts

Allowance for uncollectible accounts:	**2024**	**2023**	**2022**
Balance at Beginning of Period	**$ 2.0**	$ 1.0	$ 1.9
Additions:			
Charged to Costs and Expenses [1]	**—**	1.2	—
Deductions [2]	**(0.3)**	(0.2)	(0.9)
Balance at End of Period	**$ 1.7**	$ 2.0	$ 1.0
Allowance for inventory reserves:	**2024**	**2023**	**2022**
Balance at Beginning of Period	**$ 0.7**	$ 0.5	$ 0.8
Additions:			
Charged to Costs and Expenses [3]	**0.6**	1.1	0.5
Deductions [4]	**(0.2)**	(0.9)	(0.8)
Balance at End of Period	**$ 1.1**	$ 0.7	$ 0.5
Valuation allowance on deferred tax assets:	**2024**	**2023**	**2022**
Balance at Beginning of Period	**$ 15.5**	$ 13.0	$ 15.5
Additions:			
Charged to Costs and Expenses [5]	**—**	2.5	—
Charged to Other Accounts [6]	**—**	—	—
Deductions [7]	**(0.5)**	—	(2.5)
Balance at End of Period	**$ 15.0**	$ 15.5	$ 13.0

[1] Provision for uncollectible accounts included in expenses.

[2] Actual accounts written off against the allowance, net of recoveries.

[3] Provisions for surplus and obsolete inventory and lower cost or net realizable value included in expenses.

[4] Inventory items released against the allowance, either via write-off or a recovery.

[5] Increase in valuation allowance is recorded as a component of the provision for income taxes.

[6] Amount relates to valuation allowances recorded against other comprehensive income (loss).

[7] For the year ended December 31, 2024, this amount related to the release of a portion of a foreign valuation allowance. For the year ended December 31, 2022, this amount related to the release of a portion of the U.S. valuation allowance.

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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

METALLUS INC.

Date: February 27, 2025

/s/ Kristopher R. Westbrooks
Kristopher R. Westbrooks
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Michael S. Williams **Michael S. Williams**	President and Chief Executive Officer (Principal Executive Officer)	February 27, 2025
/s/ Kristopher R. Westbrooks **Kristopher R. Westbrooks**	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 27, 2025
/s/ Nicholas A. Yacobozzi **Nicholas A. Yacobozzi**	Chief Accounting Officer (Principal Accounting Officer)	February 27, 2025
* **Mary Ellen Baker**	Director	February 27, 2025
* **Nicholas J. Chirekos**	Director	February 27, 2025
* **Randall H. Edwards**	Director	February 27, 2025
* **Kenneth V. Garcia**	Director	February 27, 2025
* **Ellis A. Jones**	Director	February 27, 2025
* **Melissa M. Miller**	Director	February 27, 2025
* **Donald T. Misheff**	Director	February 27, 2025
* **Jamy P. Rankin**	Director	February 27, 2025
* **Ronald A. Rice**	Director	February 27, 2025
* **Randall A. Wotring**	Director	February 27, 2025

*Signed by the undersigned as attorney-in-fact and agent for the directors indicated.

/s/ Kristopher R. Westbrooks **Kristopher R. Westbrooks**	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 27, 2025