Befesa Presentation
Berenberg European Opportunities Conference
London, 10 – 12 March 2020

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Business Update – March 2020

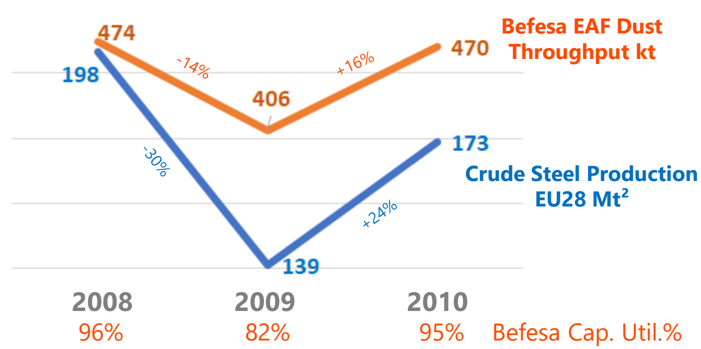
Strong Liquidity, Hedged to Oct ´21 -&- Long-Term Capital Structure

- **€126m Cash** on Hand at Year End 2019
- **€75m Undrawn Revolving** Credit Facility (RCF)
- **Long-Term** €526m covenant lite **Term Loan** B (TLB), **maturing July 2026**, in around 6.5 years
- **No covenant**; unless ≥ 40% of RCF used; in which case leverage to stay ≤ x4.5 … YE´19 at x2.6
- **Repriced** TLB in Feb; Saved 50 bps or €2.6m p.a.; **Interest at E+200 bps** for leverage > x2.25
- **Hedged until Oct ´21**; 150kt zinc sold forward at ~€2250/t ´20 / ~€2200/t ´21; ~€64m value vs. ~€1800 spot
- **19 March** ´20: **S&P**[1] reviewed Befesa **credit rating** and **maintained "BB, stable" !**

China Office Re-Opened & Resumed Construction Works

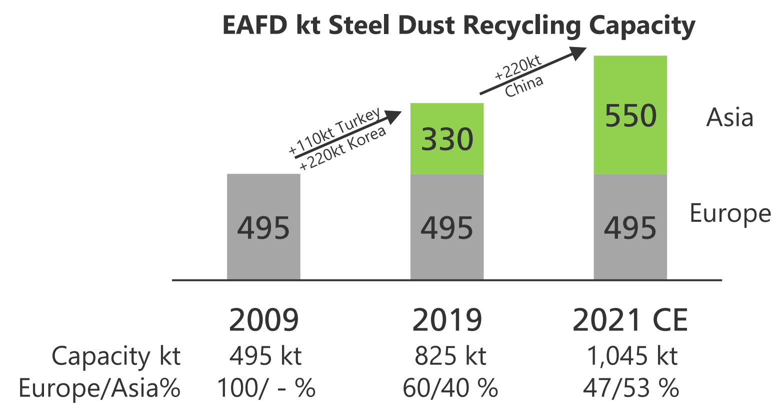
- **Nanjing HQ office re-opened** on **25 Feb**
- **Construction site Changzhou**, **1st plant**, **re-opened** 10 Mar; Expecting **completion end ´20 / begin ´21**
- **Henan, 2nd plant**, also "open", Preparing site for construction; Expecting **completion mid ´21**

Resilience Through Last Crisis ´08/´09/´10



- **Befesa in ´09**: Respectable 19% EBITDA, WOX Sold Out, Positive CF
- Befesa w/ better **resilience** vs. General EU Crude Steel:
  a) ´08/´09 Vol. Decrease ~Half: -14% Befesa EAFD vs -30% EU Crude
  b) Befesa EAFD in ´10 ~Back at ´08 Volume and Utilization

Portfolio Growth & Diversification



Growing to ~50/50 Europe/Asia … at 6.4% CAGR; ~Twice GDP

1) For full S&P report: www.spglobal.com/ratings/; 2) Source: www.worldsteel.org

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Good operational performance & plant utilisation, considering downtimes for plant upgrades: Turkey (Steel), Barcelona (Aluminium)

- Steel Dust throughput 666kt (-7% YoY): Turkey upgrade
- Salt Slags & SPL recycled at 493kt (-5% YoY)
- Core businesses normalised at ~90% utilisation rates
- Aluminium alloys produced 177kt (+4% YoY): Furnace upgrades in H2'18 and H2'19 delivering

Full year 2019 earnings as expected; YoY impacted by lower metal prices:
- Treatment charges (TC);
- Zinc LME -&- aluminium alloy FMB

… Delivered strong 25% EBITDA margin

- EBITDA at €160m (-9% / €-16m YoY)
  - ▼ Steel volume: Turkey upgrade (7 months down)
  - ▼ Unfavourable metal prices: $245/t TC (+67% YoY); €2,274/t LME zinc (-8% YoY); €1,397/t Alu FMB (-19%)

  Partially offset by:
  - ▲ Zinc hedges (€2,310/t in 2019)
  - ▲ Stainless operations recovering
- Profitability continues at strong 25% EBITDA margin

Solid cash flow funding a record growth capex; Cash at €126m & leverage at x2.6; Proposing stable dividend distribution of €45m or €1.32 per share

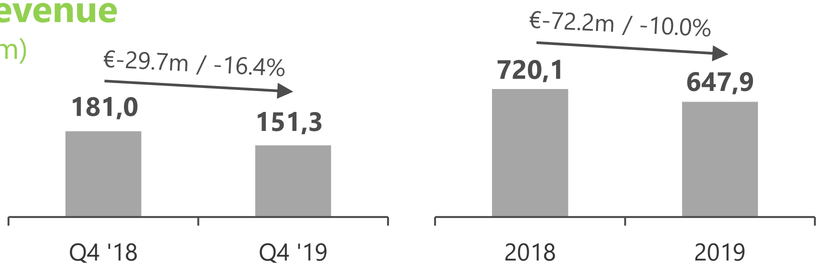
- Solid operating cash flow at €103m; Cash on hand at €126m after funding capex (€56m growth initiatives; €24m maintenance / prod. / compliance / IT) & dividend (€45m paid in July 2019); Leverage at moderate x2.6
- Proposing stable dividend distribution of €45 equal to €1.32 per share in ´20 (same as ´19); 3.5% dividend yield

Completed growth projects on time & on budget (Turkey, Korea, Barcelona); Progressing in China ~on schedule; Set up well for growth in 2020+

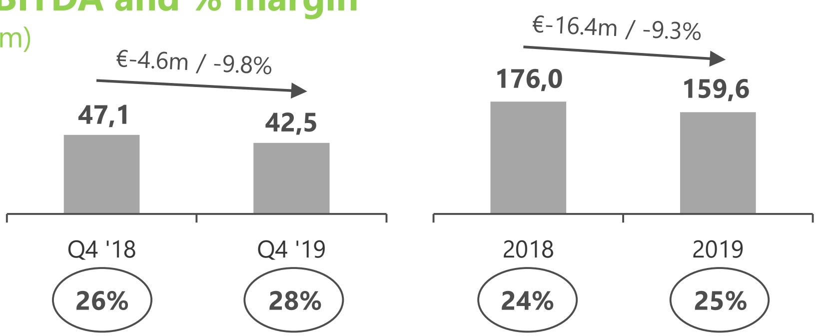
- ✓ Turkey capacity upgrade: Completed in August
- ✓ 2nd Alu Barcelona furnace upgrade completed in Nov
- ✓ Korea Waelz oxide (WOX) washing plant completed Dec
- ➢ Progressing in China: Jiangsu in construction -&- Henan broke ground mid-Nov

EBITDA €160m (-9% YoY) as expected: Lower volume due to Turkey upgrade; Unfavourable TC & metal prices; Partially offset by higher hedges, recovering Stainless operations and 2nd Alu efficiencies; Strong 25% EBITDA margin

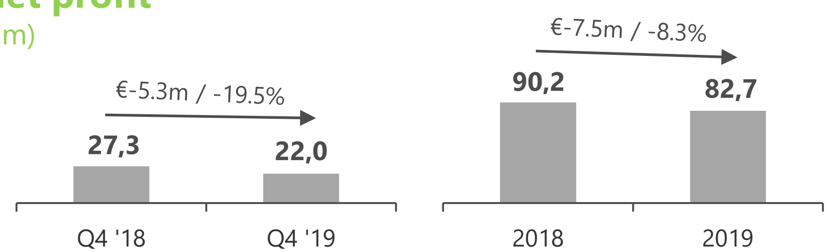
Revenue
(€m)



EBITDA and % margin
(€m)



Net profit
(€m)

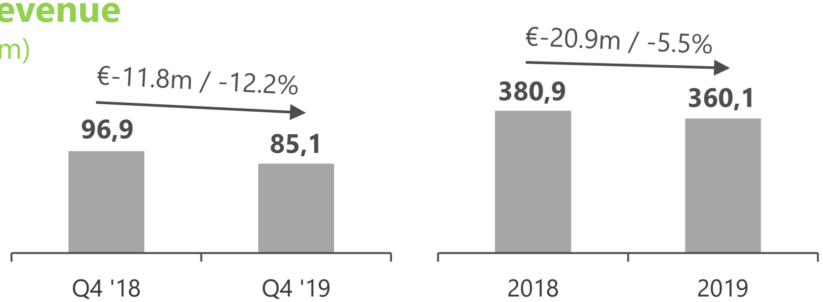


- **2019 revenue** at **€647.9m** (€-72 / -10% YoY) primarily due to:
  - **EAF dust throughput** at 666kt (-7% YoY): Lower volumes in Turkey due to scheduled 7-month downtime to upgrade; **Salt slags & Spent Pot Linings (SPL)** at 493kt (-5%): Prolonged maintenance downtimes; Partly offset by **higher aluminium alloys produced** at 177kt (+4% YoY): New furnaces at Bilbao delivering
  - **Unfavourable zinc TC for 2019** ~$245/t vs. $147/t '18
  - **Lower market prices**: Zinc LME prices down 8% (2019: €2,274/t; 2018: €2,468/t); Aluminium alloy FMB prices down 19% (2019: €1,397/t; 2018: €1,715/t)
  - Revenue decrease partially offset by:
    (a) **Improved hedging prices** (2019: €2,310; 2018: €2,051)
    → improved zinc blended prices (2019: €2,280; 2018: €2,168)
    (b) **Recovered** YoY performance in **Stainless** operations
- **EBITDA at €160m** (€-16m / -9% YoY);
  Strong 25% margin; following the above drivers:
  - Lower volumes Steel: Turkey upgrade (~€-10);
  - Unfavourable TC (~€-21);
  - Lower metal market prices (Zinc €-9; Alu alloy ~€-6)
  + Partially offset by better zinc hedges (~€+24);
  + Recovering Stainless operations (~€+5)
- **Net Profit at €83m** (-€7 / -8% YoY); Following reduced EBITDA; Proposing stable €45m / €1.32 per share dividend distribution

EBITDA at €125m (-9% YoY), driven by lower volume in Turkey -&- unfavourable zinc LME prices & TC; Partly offset by improved hedges & Stainless operations

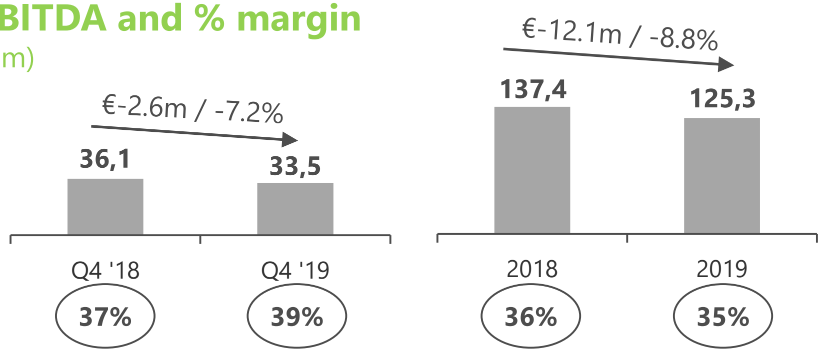
Revenue

(€m)



EBITDA and % margin

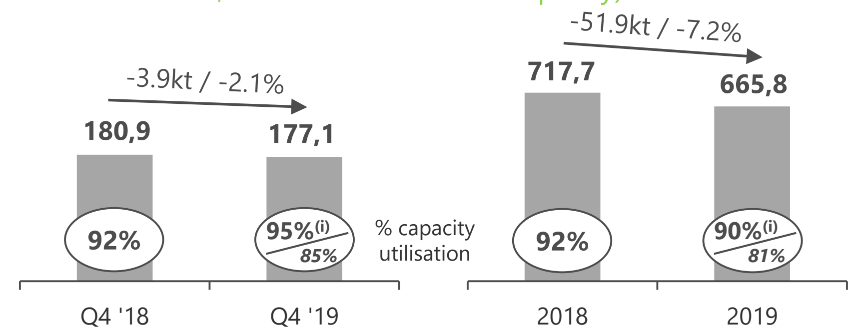
(€m)



- **FY revenue down 5%** driven by 7% lower throughput YoY
  - Turkey: seven months down to upgrade capacity
  - Unfavourable TC: ~$245/t in ´19 vs. ~$147/t in ´18
  + Partly offset with higher blended zinc prices (+5% YoY) & Stainless operations recovering
- **FY EBITDA down €12m YoY** primarily driven by:
  - Turkey volume (~€-10); Unfavourable TC (~€-21); Lower zinc market prices (~€-9); Partially offset by
  + Better zinc hedges (~€+24) & recovering Stainless (~€+5)

EAFD throughput & capacity utilisation

(thousand tonnes, % of annual installed capacity)



(i) Utilisation rates in 2019 are normalised for the capacity upgrade in Turkey, from 65kt to 110kt (plant was down seven months, from end of January to mid August)

- Throughput impacted as expected mainly by downtime in Turkey to expand capacity (Jan-Aug ’19)
- Continued high ~90% plant utilisation, normalised for Turkey plant upgrade

Prices

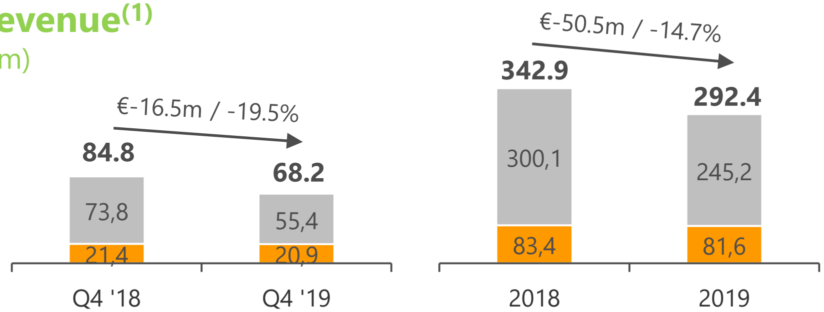
(€ per tonne)

	Q4 2018	Q4 2019	% Var.	2018	2019	% Var.
Befesa blended(ii) zinc price (€/t)	2,191	2,273	+3.8%	2,168	2,280	+5.2%
LME avg. price (€/t)	2,305	2,157	-6.4%	2,468	2,274	-7.9%

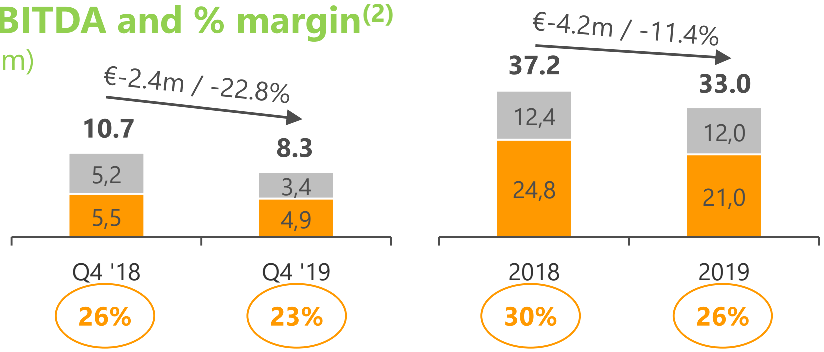
(ii) Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

EBITDA at €33m (-11% YoY) mainly driven by lower aluminium alloy prices; Plant utilisations >90% normalised for furnace upgrades

Revenue(1)
(€m)



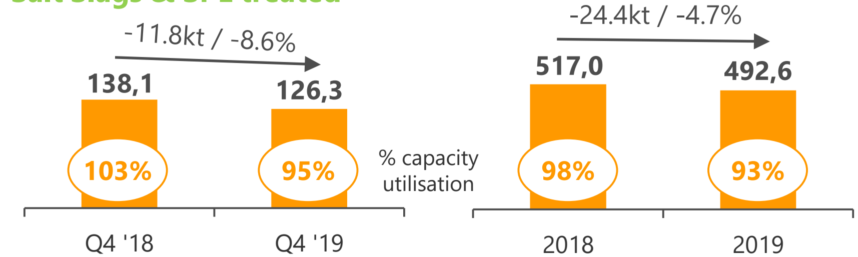
EBITDA and % margin(2)
(€m)



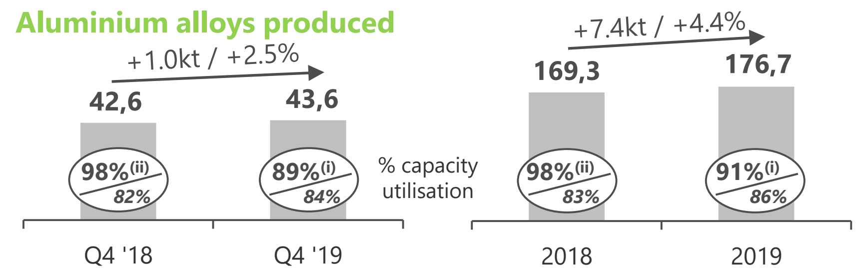
- **2nd Alu**: FY EBITDA ~flat YoY at €12m – Furnace upgrades in H2'18 delivering and offset impact from scheduled downtime at Barcelona plant to upgrade furnace in H2'19
- **Salt Slags & SPL**: FY EBITDA down €4m YoY mainly due to 19% decrease in aluminium alloy market prices (~€-6); Slightly reduced salt slags volumes; Partially offset by improved efficiencies

Volumes & capacity utilisation
(thousand tonnes, % of annual installed capacity)

Salt Slags & SPL treated



Aluminium alloys produced



(i) Utilisation rates in 2019 are normalised for the furnace upgrade in Barcelona plant (three-month downtime, from 2nd week of Aug to 2nd week of Nov)

(ii) In 2018, they are normalised for the furnace upgrades in Bilbao plant (three-month downtime, from 2nd week of Jun to 3rd week of Sep) and Barcelona (two-month downtime, from 4th week of Aug to 4th week of Oct)

Prices
(€ per tonne)

	Q4 2018	Q4 2019	% Var.	2018	2019	% Var.
Aluminium alloy avg. price (iii) (€/t)	1,508	1,312	-13%	1,715	1,397	-19%

(iii) Aluminium Scrap and Foundry Ingots Aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin Free Market Duty paid delivered works

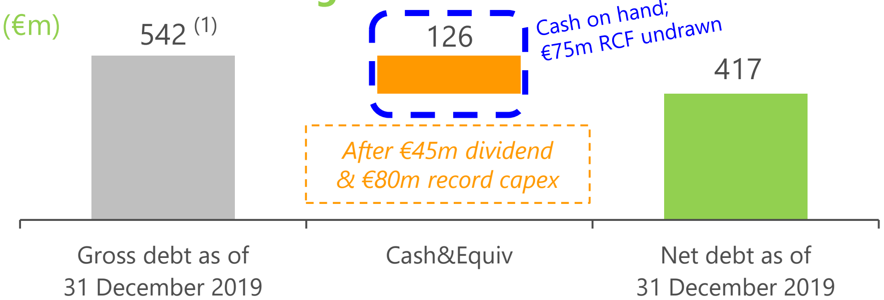
Salt Slags subsegment
Secondary Aluminium subsegment

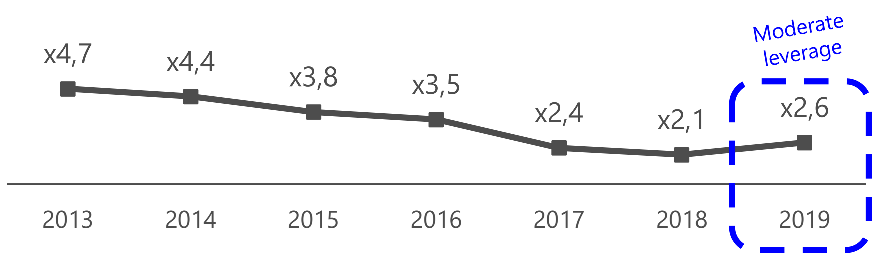
(1) Total revenue after inter-segment eliminations
(2) EBITDA margins refer to the Salt Slags sub-segment

Solid operating cash flow: Funding record €80m capex -&- €45m dividend; YE´19 cash on hand of €126m, Leverage at moderate x2.6; Reduced interest rate of long-term capital structure by 50 bps in Feb 2020

Net debt & leverage rate evolution

(€m)





2019 EBITDA to total cash flow – main drivers

(€m)

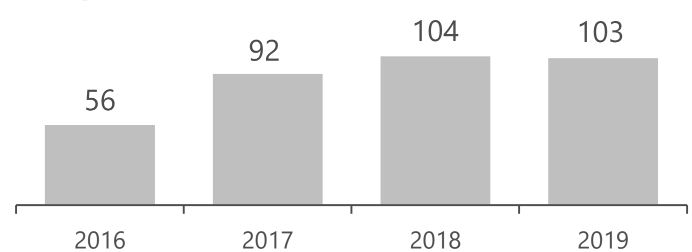
EBITDA	€160	Down €16.4m / 9.3% YoY
WC change	€-16	Mainly a) higher inventories ref. to Korea washing & ramp-up of Alu furnace -&- b) hedge accounting
Taxes	€-21	Cash tax rate 20.6%
Interest & other[2]	€-22	
Capex & other investing activities	€-80	€24 Maint. / prod. / compl./ IT spend; €56 Growth: Turkey, Korea, Alu furnaces & China expansion
Dividends	€-45	Paid in July 2019
Total Cash Flow	**€-25**	**→ €126 cash on hand & x2.6 leverage**

Capital Structure

- 17 Feb'20, term loan B (TLB) **successfully repriced**; Interest rate **down 50 bps** to E+200 bps; **€2.6 savings p.a.**; Other terms unchanged
- After a fixed 9-months period, interest rate could be reduced further alongside certain leverage ratchets, e.g. E+125 bps if leverage < x1.75
- **Long-term** capital structure, cov-lite TLB, with remaining **~6.5 years** tenor to July ´26; Includes loan baskets to accommodate China growth
- **Moody's / S&P** corporate ratings unchanged: **Ba2 / BB**; stable

Operating cash flow[3]

(€m)

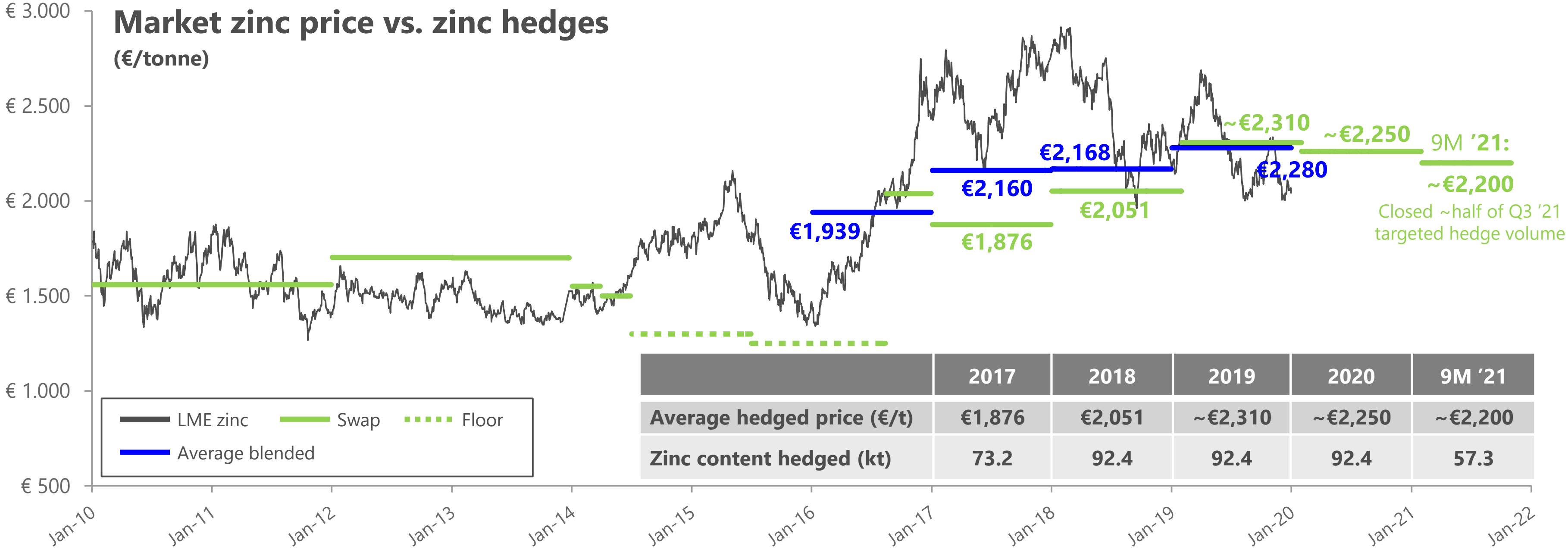


(1) Gross debt at YE'19 includes €12.2m under current financial indebtedness, primarily explained by €6.8m accrued bi-annual interests of TLB paid in Jan'20, and €3.5m effect from implementing IFRS 16 amendment (renting & leasing) from 1 January 2019 onwards

(2) "Other" includes cash bank inflows/outflows from bank borrowings and other liabilities, as well as the effect of foreign exchange rate changes on cash

(3) Total operating cash flow per audited consolidated statement of cash flows; after WC, taxes & interest; pre capex & dividend; 2019 figures are preliminary and currently being audited

Hedging up to Oct ´21 improves earnings & cash flows visibility for 2020 & 2021



	2017	2018	2019	2020	9M '21
Average hedged price (€/t)	€1,876	€2,051	~€2,310	~€2,250	~€2,200
Zinc content hedged (kt)	73.2	92.4	92.4	92.4	57.3

Source: London Metal Exchange (LME) zinc daily cash settlement prices; Company information

Zinc hedges & blended average prices

	2018	2019
Unhedged	32% or 44kt @ €2,468/t LME	26% or 33kt @ €2,274/t LME
Hedged	68% or 92kt @ €2,051 hedge price	74% or 92kt @ €2,310/t hedge price
Blended (i)	**€2,168**	**€2,280**

+€112 per tonne / +5.2% YoY

- Hedges in place **until & including Oct '21**
- **Continuous monitoring** of the market to close further hedges
- **Majority** of hedges **Euro based**
- Befesa providing **no collateral**

(i) Zinc blended prices are annual averages computed based on the monthly effective LME zinc and hedging prices weighted with the respective hedged and non-hedged volumes

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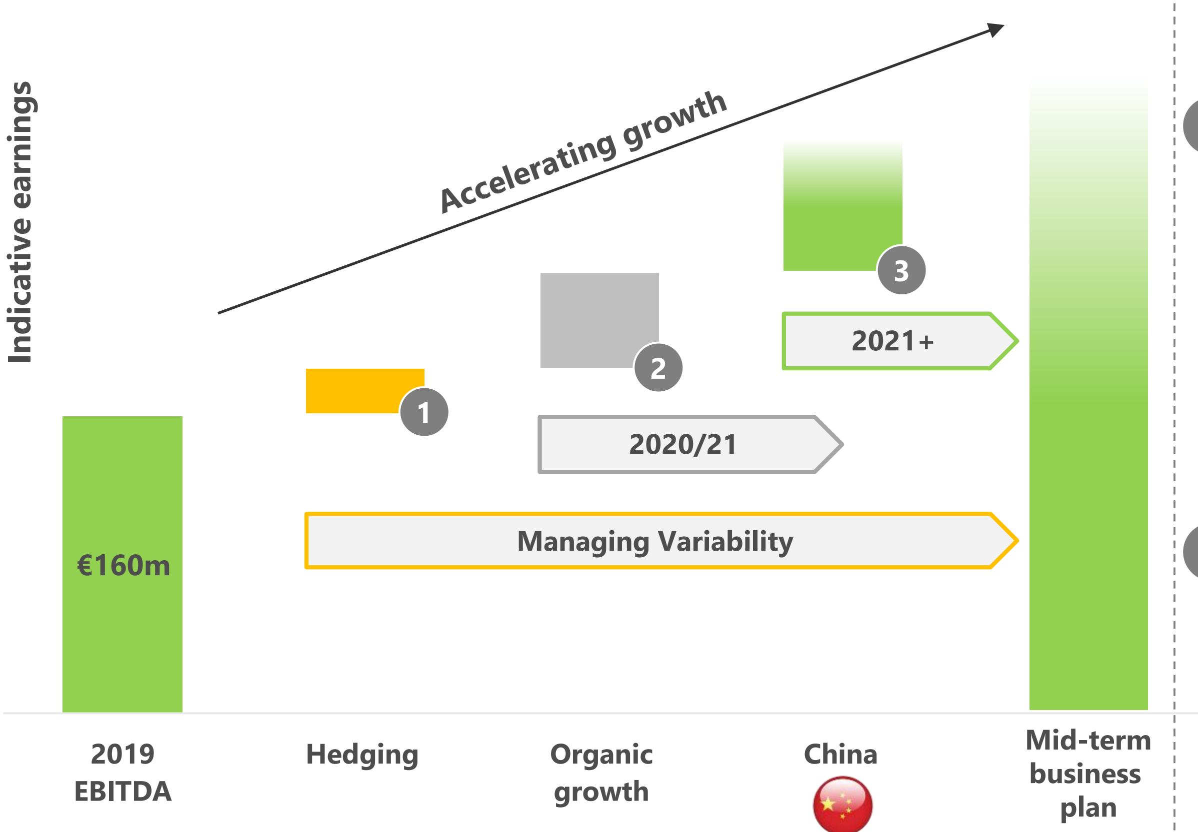
- Completed organic growth projects of 2019 (Turkey, Korea, Barcelona) driving volume & earnings growth in 2020; Expecting record high plant utilisation levels in both core segments: Steel Dust >90% and Salt Slags >95%
- 2020 Prelim. view: Operational growth partially offset with lower YoY hedging prices (~€2,260 ´20 vs. €2,310/t '19); Monitoring spot zinc & alu alloy prices as well as TC to be settled in Mar/Apr → Providing 2020 earnings guidance in Q1 call (Apr 30)
- Focus on China growth: Finish 1st EAFD recycling Jiangsu plant by ~YE'20 / begin '21; Progress on construction on 2nd plant in Henan to be completed by ~mid 2021; Capex ~similar to 2019: ~€55m expansion* & ~€25m maintenance
- There is still uncertainty about the impact of the coronavirus; Short-term, we expect some delay in construction, to be quantified further; Befesa remains committed to building its 1st plant in China at the earliest time allowed
- Re-priced debt 17 Feb: Achieved 50 bps reduction to E+200, €2.6 interest savings p.a.; Planning for ~balanced total cash flow & stable leverage at approx. current levels
- Targeting a stable dividend distribution of €1.32 per share in 2020 (same as 2019)

* Part of which will be funded through China local loan

Accelerating growth through well defined roadmap: Hedging in place; Organic growth on track; Building two EAF steel dust recycling plants in China



1 Hedging

- 2019: 92.4kt @ ~€2,310/t
- 2020: 92.4kt @ ~€2,250/t
- 9M 2021: 57.3kt @ ~€2,200/t

2 Organic growth

2019/2020 focus – top 5 projects:

- Steel Dust:
  - ✓ Turkey 65kt → 110kt; Completed
  - ✓ Korea washing; Completed Dec'19
- Aluminium Salt Slags:
  - ✓ 2 tilting furnaces (Bilbao; Barcelona)
  - - Expand Hannover (130kt → 170kt)

3 China

Developing two EAF steel dust recycling plants in two provinces:

- #1 (Jiangsu): Completion of construction expected ~YE'20 / begin '21
- #2 (Henan): Completion of construction expected ~mid of ´21

Note: Chart is illustrative and size of respective arrows in the chart is not indicative to the underlying growth potential

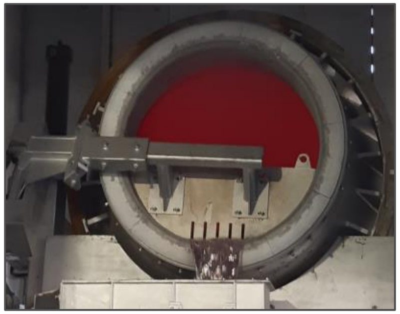
Organic Projects in Turkey, Korea & Barcelona Completed on Time & Budget … Supporting Growth in 2020+

Turkey 65kt to 110kt capacity expansion completed on time & budget

- ✓ Electric Arc Furnace (EAF) dust recycling plant "brownfield" capacity expansion from 65kt to 110kt
- ✓ On time and budget; Overall in around seven months – Started downtime end of January 2019 and back in operations in August 2019
- ✓ Ramp-up completed in Q4 2019; Delivering growth in 2020

Korea: New WOX washing plant completed on time & budget; Ramped up in December 2019

- ✓ "Greenfield" investment in the 1st WOX washing plant of Befesa at Asia
- ✓ Completed on time and budget
- ✓ Ramp-up completed in December 2019; Delivering growth in 2020



Barcelona furnace upgrade completed on time and budget; Pouring ingots; Ramped up in December 2019

- ✓ Barcelona 2nd Aluminium plant refurbishment with high efficiency furnaces; All secondary production plants now with latest furnace technology (Bernburg, Bilbao, Barcelona)
- ✓ Completed on time and budget
- ✓ Ramped up volume further in December; Delivering growth in 2020

China Plant #1: Jiangsu – Construction Progressing

Changzhou (Jiangsu) plant construction progressing; Completion of construction expected by ~end of '20 / begin of '21

Structural works – Plant buildings

Structural works – Plant buildings

Key facts of the plant

- 1st EAF steel dust recycling plant in China
- Capacity to recycle 110kt EAF steel dust p.a.
- Total investment: ~€42m

Status

✓ Ground breaking ceremony on 10 April 2019

✓ Construction restarted 10 March 2020

➢ Completion of construction expected by ~end of '20 / begin of '21

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3 China Plant #2: Henan – Preparing Site for Construction

Xuchang (Henan) ground breaking ceremony held on 13 November; Preparing site for construction; Completion of construction expected by ~mid '21

Site preparation at Xuchang (Henan province)

Ground breaking ceremony, 13 Nov 2019

Key facts of the plant

- 2nd EAF steel dust recycling plant in China
- Capacity to recycle 110kt EAF steel dust p.a.
- Total investment: ~€42m

Status

✓ Signed development contract on 8 April 2019

✓ Ground breaking 13 November 2019; Preparing site for construction

➢ Completion of construction expected by ~mid'21

1	Recent Developments & Prelim. FY 2019 Update
2	Befesa Overview

Befesa a market leader in Europe & Asia in providing regulated critical hazardous waste recycling services to the steel and aluminium industries

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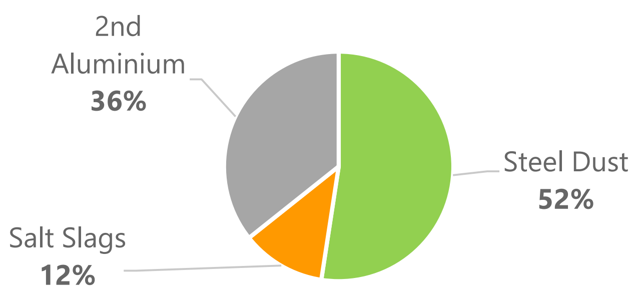
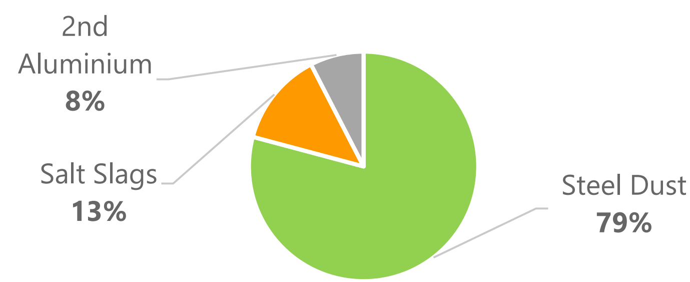
Prelim. FY 2019 Revenue: €648m[1]



Prelim. FY 2019 EBITDA: €160m



+90% EBITDA generated from two core >30% EBITDA margin operations with low capital intensity

Steel Dust Recycling Services[2]

#1	Position in Europe (c. 45–50% market share) and Asia[4]
35%	EBITDA margin (Prelim. FY 2019)[2]
Relationships >15yrs	ArcelorMittal, voestalpine, TRAFIGURA, OUTOKUMPU, GLENCORE

Aluminium Salt Slags Recycling Services

#1	Position in Europe in Salt Slags subsegment (c. 45–50% market share)
26%	EBITDA margin in Salt Slags subsegment (Prelim. FY 2019)[3]
Relationships >15yrs	oetinger aluminium, Compañía Valenciana de Aluminio, REAL ALLOY, ADITYA BIRLA NOVELIS, HYDRO

Source: Company information, International Consulting Firm based on World Steel Association's Steel Statistical Yearbooks, WBMS, industry research, expert Interviews.

(1) Excluding internal revenues; sales split is calculated on revenues including internal revenues. (2) Including stainless steel.
(3) Including recycling of Spent Pot Linings (SPL) which is a hazardous waste generated in primary aluminium production. (4) Excluding China.

BEFESA

Befesa has grown successfully through organic initiatives and acquisitions

Founded in Germany

1987
Metallgesellschaft, German industrial conglomerate, creates Berzelius Umwelt Service (B.U.S.)

1993
B.U.S. AB, together with two other companies, group their environmental assets in Spain creating Berzelius Felguera (Befesa)

1998
Befesa IPO at the Madrid and Bilbao Stock Exchanges

2000
Abengoa acquires a 51% stake in Befesa from B.U.S. to develop its environmental services business (stake increased over time)

2011
Delisting from the Madrid and Bilbao Stock Exchanges

Acquisitions & turnarounds

2006
Befesa acquires a 100% stake in B.U.S., becoming the **European leader in steel dust** recycling

2009
Befesa becomes the **European leader in salt slags recycling** after acquiring 3 plants in Germany from Agor

2013
Triton(2) acquires Befesa

2010
Entry in the **Turkish market** through JV with Canadian Silvermet

2012
- Entry in the Asian market by acquiring successive stakes in the **Korean** Hankook(1)
- Inauguration of Waelz oxide (WOX) washing plant at Gravelines

Entered two new markets through JV & acquisition with subsequent turnaround

Successful greenfield (state-of-the-art technology)

2014
Inauguration of the 2nd aluminium production plant in **Bernburg**

2015
Commissioned 2nd kiln in Korea, becoming Befesa's largest recycling plant

Expansion in Korea

Frankfurt Stock Exchange & SDAX

2017 / 2018
- Successful **IPO on Frankfurt Stock Exchange**;
- Entry to **SDAX** on 24 Sep 2018

2019
- EAF steel dust recycling plant at Turkey expanded to 110kt capacity
- First WOX washing plant in Asia, located close to Korea's EAF steel dust recycling

Expansion in Turkey & Korea

2019 / 2020
Developing first 2 EAF steel dust recycling plants in **China**:
- Jiangsu province: Completion of construction expected by ~YE'20 / begin '21
- Henan province: Completion of construction expected by ~mid-2021

Expanding into China

Source: Company information
(1) Befesa subsequently acquired 100%
(2) Free-float at 100% after Triton's exit on 06 June 2019

BEFESA

Investment Highlights

LEADING THE WAY FOR HAZARDOUS WASTE SERVICES

BEFESA

Steel Dust Recycling Services

Aluminium Salt Slags Recycling Services

1. Favourable macro and mega trends supporting Steel Dust and Aluminium markets
2. European market leader in niche recycling markets with competitive advantage from plants close to clients
3. Critical environmental regulated services to long-term clients
4. Highly protected service business model with strong barriers to entry / captive demand
5. High growth and margins, proven resilience and cash flow generation
6. Accretive and feasible expansion opportunities and upside from M&A opportunities
7. Experienced management team with proven track record of growth and internationalization

BEFESA

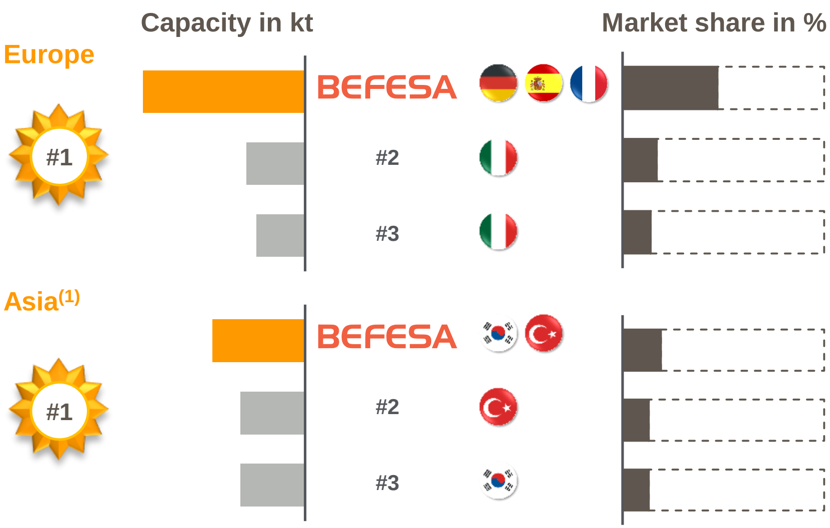
2 Market Leader and Close Proximity to Clients

Befesa is the market leader in steel dust and salt slags recycling services with a competitive advantage due to its close proximity to key clients

Established market leader

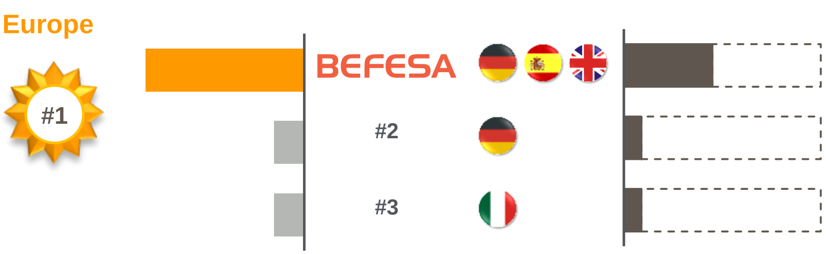
Steel Dust Recycling Services

Clear market leader in Europe and Asia[1]



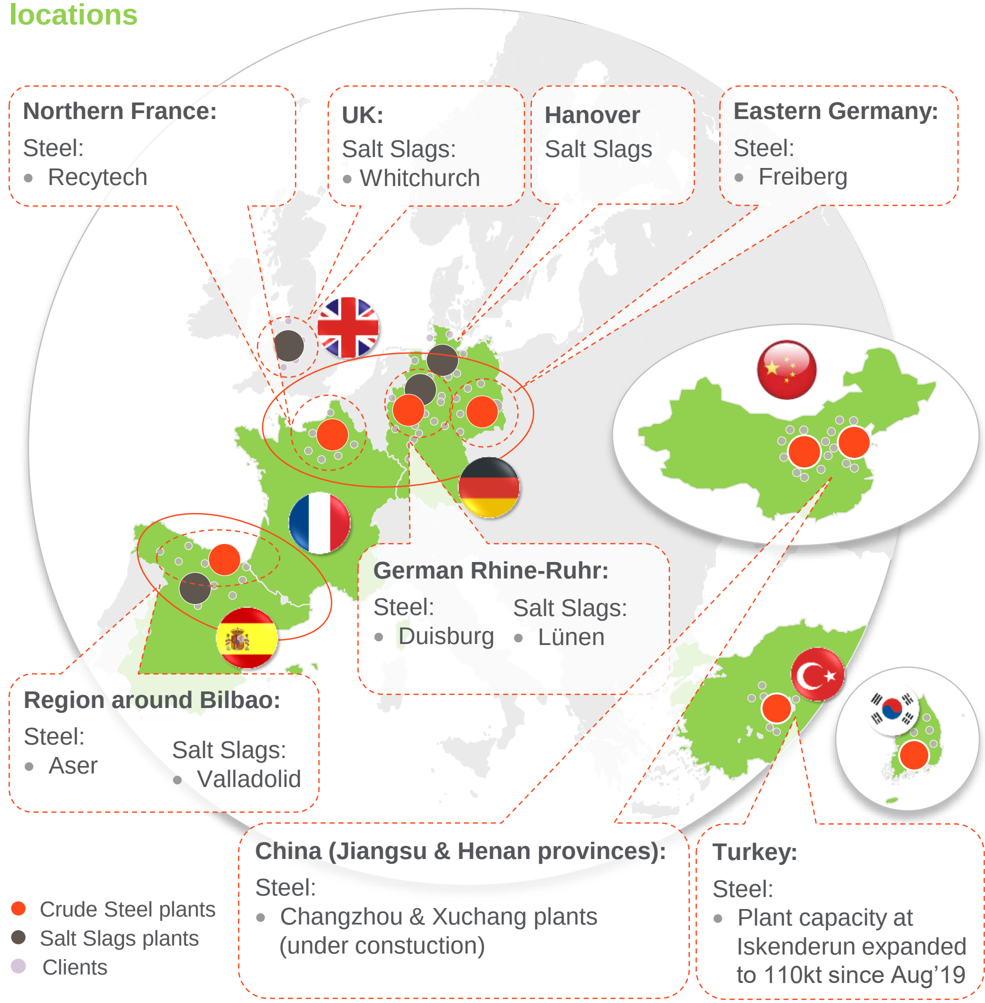
Salt Slags Recycling Services

Clear market leader in Europe



Proximity to clients provides strong competitive advantage

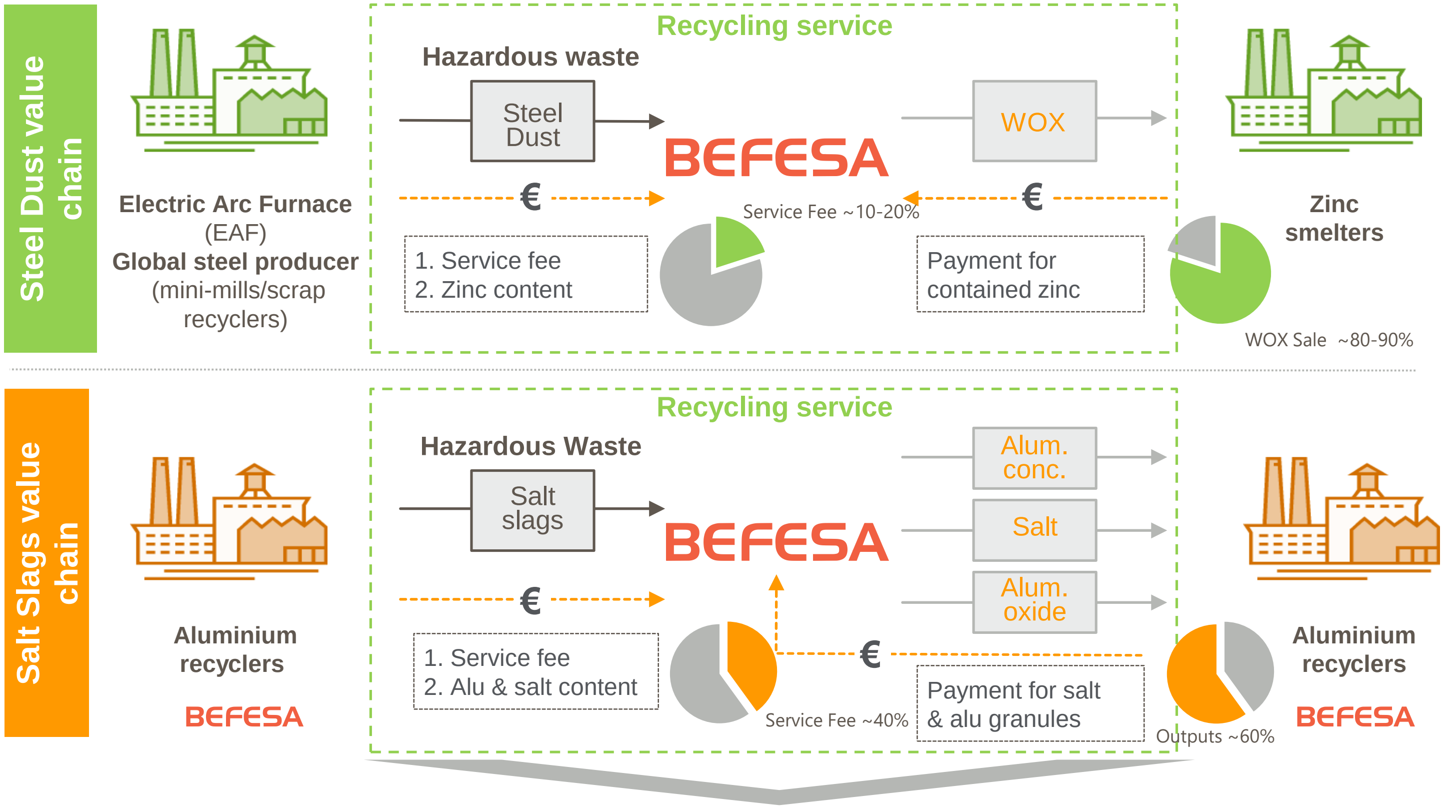
Each Befesa plant usually collects waste from at least 10-15 client locations



Source: Company information.

(1) Excluding China.

Befesa offers a crucial service taking care of highly regulated hazardous waste in the value chain of secondary steel and aluminium producers



- Befesa collects and recycles hazardous waste from steel producers and aluminium recyclers
- Recycling is mandatory for Befesa's clients due to environmental regulations
- Befesa takes off and effectively takes care of environmental liability for their clients
- Without timely and regulatory compliant offtake of hazardous waste clients face risk of complete shut-down of production as well as severe penalty payments
- Befesa therefore offers a critical element of its clients value chain

Consequences of non-compliance

- Major European steel producer struggles with large plant (producing 8% of European steel) due to breaching environmental regulations (contamination of environment)
- Court ordered to partly shut down the plant
- Owner prompted to invest $3.8bn to bring the plant back to required standards

- In 2002 the owners of a metal foundry in Italy faced prison time for illegal transport and landfilling of hazardous waste

- In 2004 a big aluminium refinery in Italy abandoned 450kt of hazardous waste in the open air over half an hectare
- More than 10 years later the local administration is still collecting funds to proceed to the removal and cleaning of the area

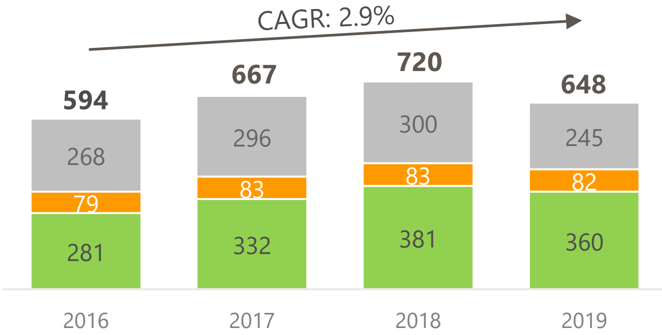
- In 2011 a big producer of aluminium alloys in Spain was involved in the transport without authorisation and illegal landfilling of 1.5kt of salt slags on a vacant lot
- Befesa was ultimately contracted to treat the waste properly

Source: Public information.

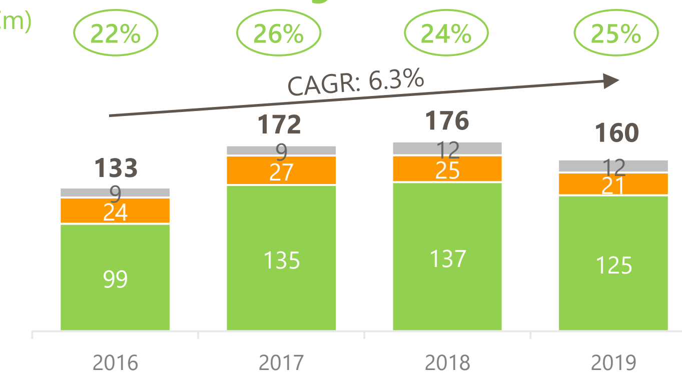
BEFESA

5 Highly Resilient Business

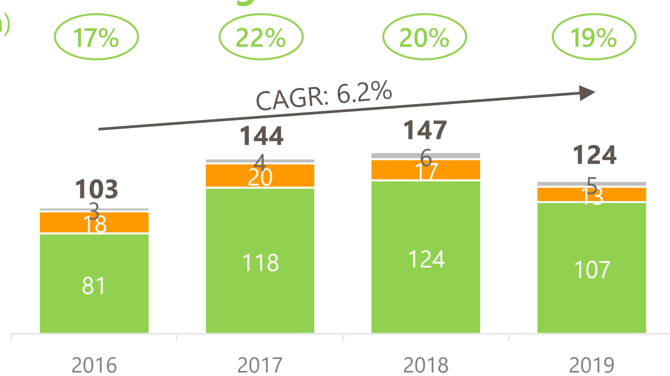
Revenues[1]
(€m)



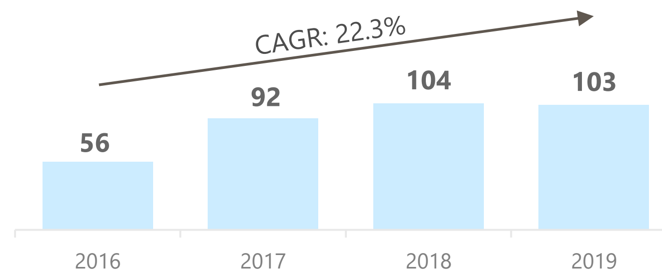
EBITDA and % margin[2]
(€m)



EBIT and % margin[2]
(€m)



Operating cash flow[3]
(€m)



Steel Dust | Salt Slags | 2nd Aluminium

Revenue growth underpinned by **sustainable increase in volumes accelerating growth**

Low capital intensity exemplified by **low, stable D&A** and **high earnings margins**

Solid operational cash flow generation due to **low maintenance requirements** providing **funds for growth**

Continue profitable growth trend … solid operational cash flow funds growth initiatives

(1) Total revenue excludes internal revenues and are comparable figures after amendment IFRS 15 affecting the revenue recognition of non-operating sales in the 2nd Aluminium sub-segment; These non-operating sales have limited margin contribution; Reported revenues amounted to €611.7m in fiscal year 2016 and €724.8m in fiscal year 2017
(2) EBITDA and EBIT margins as a % of comparable revenue; EBITDA and EBIT in fiscal years 2016 and 2017 are adjusted from one-off extraordinary items; Reported EBITDA amounted in €128.8m in fiscal year 2016 and €153.0m in fiscal year 2017; Reported EBIT amounted to €84.3m in fiscal year 2016 and €122.4m in fiscal year 2017
(3) Total operating cash flow per audited consolidated statement of cash flows; after WC, taxes & interest; pre capex & pre dividend; 2019 figures are preliminary and currently being audited

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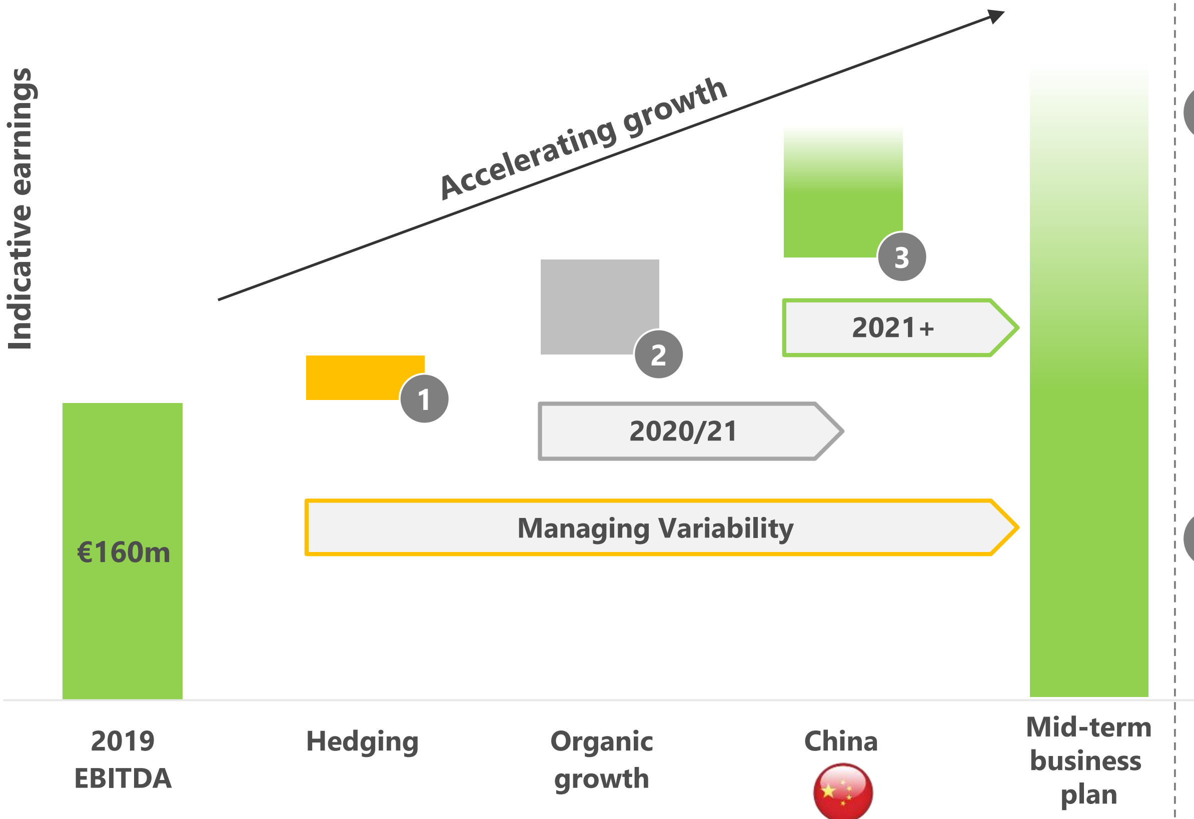
6 Mid-Term Growth Roadmap

Accelerating growth through well defined roadmap: Hedging in place; Organic growth on track; Building two EAF steel dust recycling plants in China



1 Hedging

- 2019: 92.4kt @ ~€2,310/t
- 2020: 92.4kt @ ~€2,250/t
- 9M 2021: 57.3kt @ ~€2,200/t

2 Organic growth

2019/2020 focus – top 5 projects:

- Steel Dust:
  - ✓ Turkey 65kt → 110kt; Completed
  - ✓ Korea washing; Completed Dec'19
- Aluminium Salt Slags:
  - ✓ 2 tilting furnaces (Bilbao; Barcelona)
  - - Expand Hannover (130kt → 170kt)

3 China

Developing two EAF steel dust recycling plants in two provinces:

- #1 (Jiangsu): Completion of construction expected ~YE'20 / begin '21
- #2 (Henan): Completion of construction expected ~mid of ´21

Note: Chart is illustrative and size of respective arrows in the chart is not indicative to the underlying growth potential

Senior management team delivering results through long standing industry expertise, entrepreneurial spirit and focus on operational excellence as well as governance and compliance processes

Javier Molina
CEO

CEO since 2000

Has run Befesa for >15 Years
Became President of Abengoa's Environmental Services Division in 1994

Wolf Lehmann
CFO; including responsibilities for Operational Excellence and IT

CFO since 2014

20+ years in finance and operational leadership roles
50/50 General Electric / Private Equity

Asier Zarraonandia
Vice President
Steel Dust
Recycling Services

>15 yrs with Befesa

Has run the Steel Dust Recycling Services Business for >10 years

Federico Barredo
Vice President
Aluminium Salt Slags
Recycling Services

>25 yrs with Befesa

Has run the Aluminium Salt Slags Recycling Service Business for >15 years

Key achievements / track record

- Extensive experience in steel and aluminium recycling business
- Strong performance results through focus on operational excellence
- Building strong business foundation of ESG, compliance and health & safety processes
- Successful international expansion
- Track record of successful acquisitions and turnarounds (BUS, Agor, Alcasa, Hankook, Silvermet etc.)
- Experience in developing greenfield projects (South Korea, Gravelines, Bernburg)

Befesa is a vital player in the circular economy providing sustainable solutions

- Befesa **recycles annually around 1.5 million tonnes** of hazardous residues, avoiding landfilling and **recovering and reintroducing** around **1.2 million tonnes of valuable new materials**
- Befesa's business model is **vital part** of the **circular economy** … Befesa's core business is sustainability
- Befesa is deploying its **proven environmental services technologies** in other parts of the world, like **China**, and will contribute to the environmental protection in these **new regions**

Befesa agrees with all 17 **United Nations Sustainable Development Goals** and supports all of them. Based on Befesa's business model it focuses to the contribution and impact on the following five goals:

Available ESG ratings for Befesa

MSCI

SUSTAINALYTICS RATED

vigeoeiris

ISS ESG

BEFESA

Investor Agenda

Financial calendar

- ✓ **Thursday, 20 February 2020:** Preliminary Year-End Results 2019 & Analyst Call
- **Thursday, 26 March 2020:** Annual Report 2019
- **Thursday, 30 April 2020:** Q1 2020 Statement & Analyst Call
- **Thursday, 18 June 2020:** Annual General Meeting in Luxembourg
- **Friday, 31 July 2020:** H1 2020 Interim Report & Analyst Call
- **Thursday, 29 October 2020:** Q3 2020 Statement & Analyst Call

IR contact
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Director of Investor Relations & Strategy
Phone: +49 (0) 2102 1001 340
email: irbefesa@befesa.com

Meet Befesa ...

- ✓ **04-05 February 2020 – HSBC** Frankfurt, 15th ESG Conference
- ✓ **05-06 February 2020 – Santander** Madrid, XXVI Santander Iberian Conference
- ✓ **11 March 2020 – Berenberg** London, Berenberg European Opportunities Conference
- **18 March 2020 – Berenberg** London, Berenberg Circular Economy Conf. (cancelled/postponed)
- **19 March 2020 – JP Morgan** London, JPM Pan-European Small/Mid Cap Conf. (virtual)
- **23 March 2020 – Citi** Paris, Citi's Paris Symposium 2020 (virtual)
- **01 April 2020 – MainFirst** Copenhagen, 5th MainFirst Corporate Conf. (cancelled/postponed)
- **12 May 2020 – Mainfirst** Frankfurt, 3rd MainFirst SMID CAP One-on-One Forum
- **13-14 May 2020 – Commerzbank** New York & Boston, Northern European Conference 2020
- **18-20 May 2020 – Berenberg** Tarrytown (New York), Berenberg US Conference 2020
- **08-10 June 2020 – Stifel** Boston, 3rd Stifel Cross Sector Insights Conference
- **01-03 September 2020 – Commerzbank** Frankfurt, Commerzbank Corporate Conference
- **17-18 September 2020 – Citi** London, SMID/Growth Conference 2020
- **21-23 September 2020 – Goldman Sachs & Berenberg** Munich, 9th German Corporate Conference
- **21-25 September 2020 – Baader** Munich, Baader Investment Conference 2020
- **11-12 November 2020 – Goldman Sachs** London, Global Natural Resources Conference 2020
- **30 November – 03 December 2020 – Berenberg** Pennyhill, London, Berenberg European Conference 2020

Note: Befesa's financial reports and statements are published at 7:30 am CET
Befesa cannot rule out changes of dates and recommends checking them in the Investor Relations / Financial Calendar section of Befesa's website www.befesa.com