



INVESTOR ANNOUNCEMENT

Moody's affirms Befesa's rating of Ba2 and upgrades to stable outlook

Luxembourg, 6 May 2021 – Befesa S.A. ("Befesa"), the leading provider of hazardous waste recycling services enabling the circular economy within the steel and aluminium industries, today received an upgraded corporate family rating (CFR) from Moody's Investors Services ("Moody's"). Following a credit committee meeting earlier this week, concluding a thorough analysis and review process, Moody's has decided to raise Befesa's rating from Ba2, with a negative outlook to Ba2, with a stable outlook.

Befesa has maintained its disciplined risk management approach and strong cash management throughout the pandemic. This upgrade is recognition of this and Befesa's operational resilience, consistently strong financial performance and robust liquidity position of €240m at the end of Q1. The stable outlook also reflects the improving macroeconomic trends, with increasing demand and predictability underlined by Befesa's ability to successfully extend its hedge book to fully cover until Q1 2024 at the targeted annual hedge tonnage of 92,400 at solid prices of €2,300/t.

In April, Befesa announced its strongest quarterly results in the company's history, with Q1 EBITDA of €48.8m, up 46% yoy and operating cash flow increased by €18m yoy to €27m. The company also confirmed that its China expansion plans are on track and on budget. Looking ahead to 2021, Befesa expects to see continued recovery and growth in 2021, supported by the resilience of its business, robust cash management and the execution of its expansion projects.

About Befesa

Befesa is a leading player in the circular economy, providing environmental, regulated services to the steel and aluminium industries with facilities located in Germany, Spain, Sweden, France, as well as in Turkey, South Korea and China. Through its two business units, Steel Dust and Aluminium Salt Slags recycling services, which are a critical part of the circular economy, Befesa manages and recycles around 1.5 million tonnes of residues annually, with a production of around 1.3 million tonnes of new materials, which Befesa reintroduces in the market, reducing the consumption of natural resources. Further information is available on the Company's website: www.befesa.com

Investor Relations

Rafael Pérez

Email: irbefesa@befesa.com

Phone: +49 2102 1001 0