

BEFESA

Company Presentation

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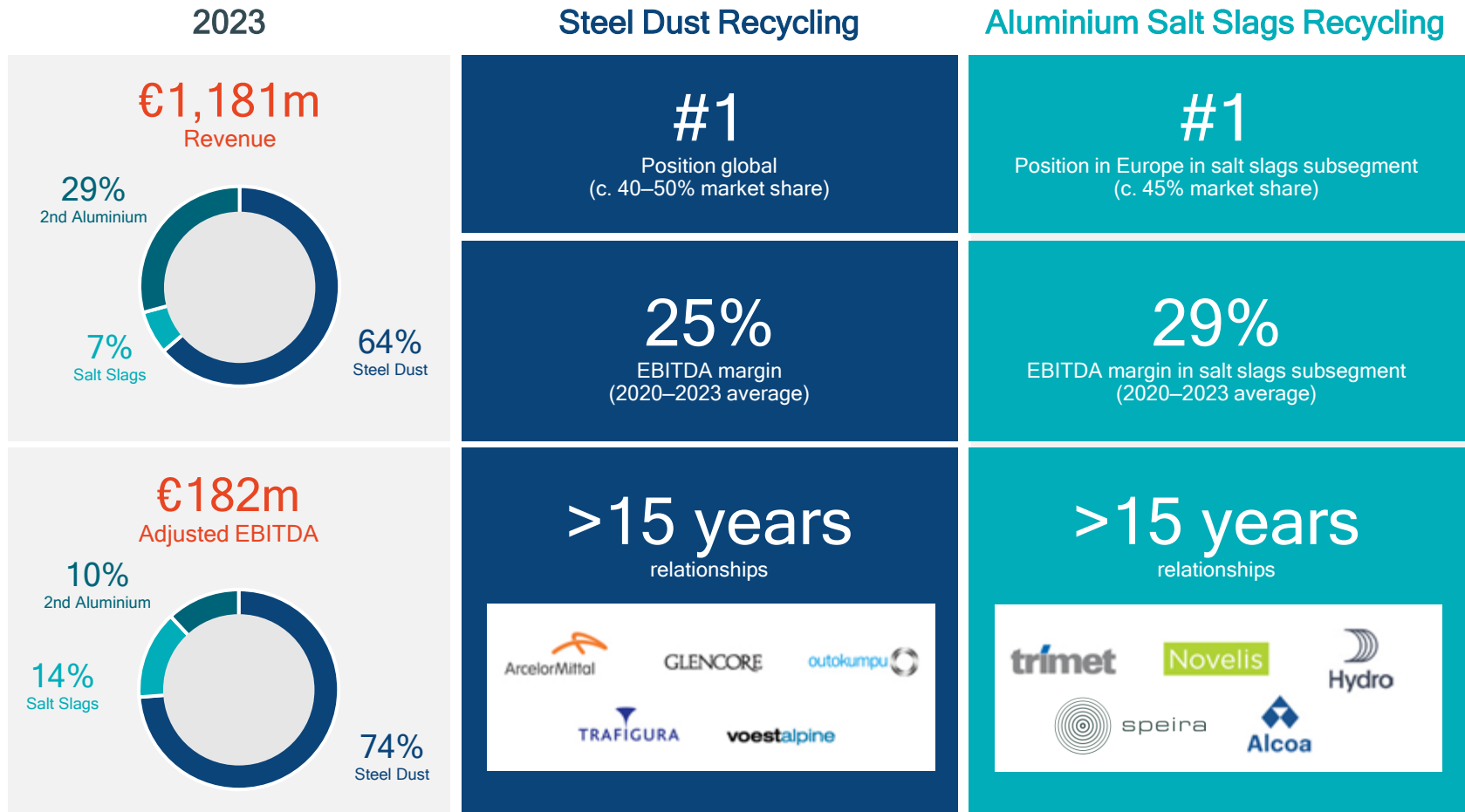
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2023 figures have been audited.

This presentation includes Alternative Performance Measures (APM), including EBITDA, EBITDA margin, EBIT, EBIT margin, net debt and capital expenditures which are not measures of liquidity or financial performance under International Financial Reporting Standards (IFRS). EBITDA is defined as operating profit for the period (i.e. EBIT) before the impact of amortisation, depreciation, impairment and provisions. EBITDA margin is defined as EBITDA divided by revenue. EBIT is defined as Operating profit for the year. The Company uses EBIT to monitor its financial return after both operating expenses and a charge representing the cost of usage of both its property, plant and equipment and definite-life intangible assets. EBIT margin is defined as EBIT as a percentage of revenue. These non-IFRS measures should not be considered in isolation or as an alternative to results from operating activities, cash flow from operating, investing or financing activities, or other financial measures of Befesa's results of operations or liquidity derived in accordance with IFRS. Befesa believes that the APM included in this report are useful measures of its performance and liquidity. Other companies, including those in the industry in which Befesa operates, may calculate similarly titled financial measures differently than Befesa does. Because all companies do not calculate these financial measures in the same manner, Befesa's presentation of such financial measures may not be comparable to other similarly titled measures of other companies. These APM are not audited.

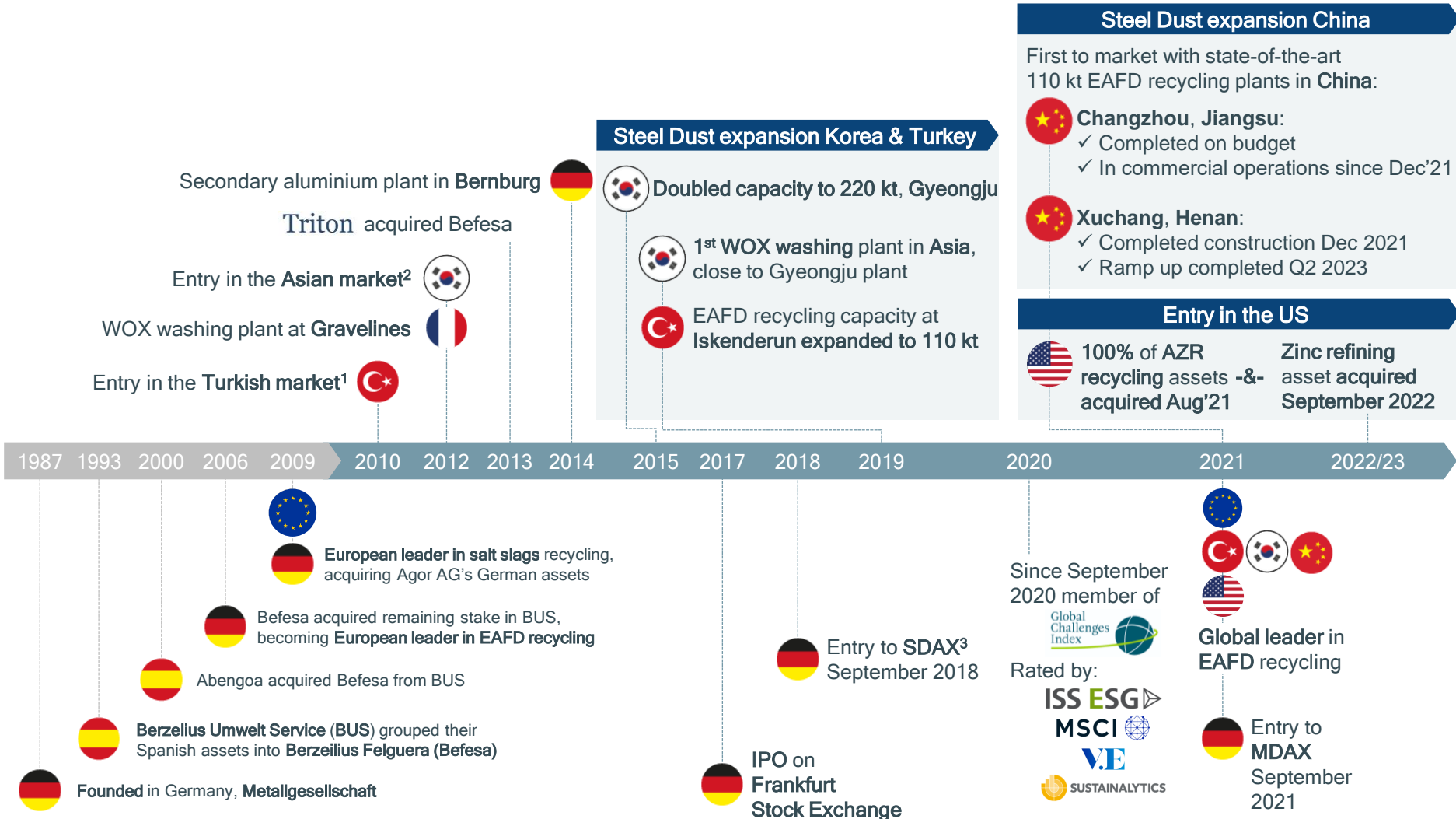
Befesa at a glance

Global leader in Europe, the US and Asia in providing regulated critical hazardous waste recycling services to the steel and aluminium industries



Key milestones

Befesa has grown successfully through organic initiatives and acquisitions



1 Through 51/49 JV with Canadian Silvermet

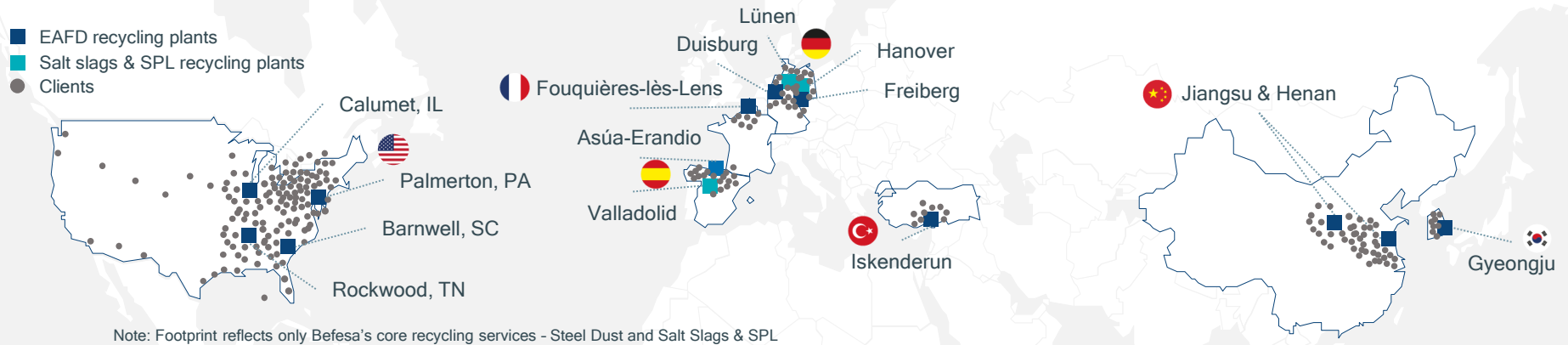
2 By acquiring subsequent stakes in the Korean Hankook

3 Free-float at 100% after Triton's exit on 6 June 2019

4 / Company Presentation - April 2024

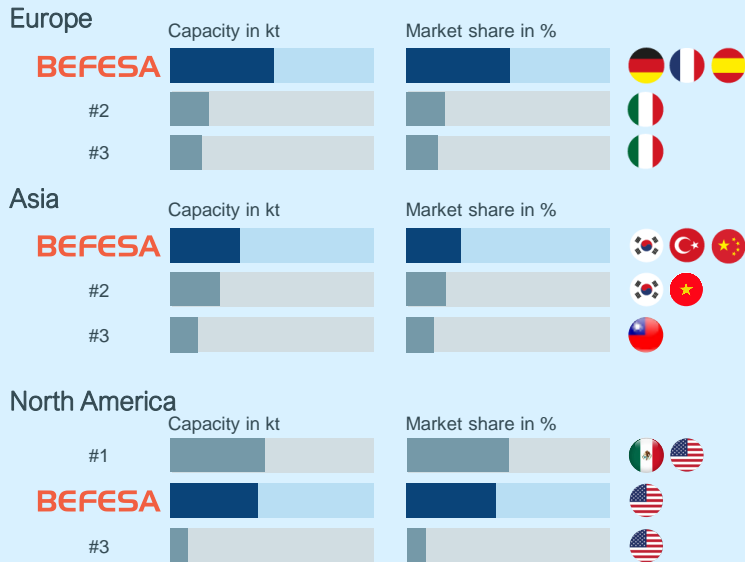
Global leader in Europe, North America and Asia

Befesa is the global leader in steel dust and the European leader in salt slags recycling services with a competitive advantage due to its close-proximity to key clients; 24 plants globally

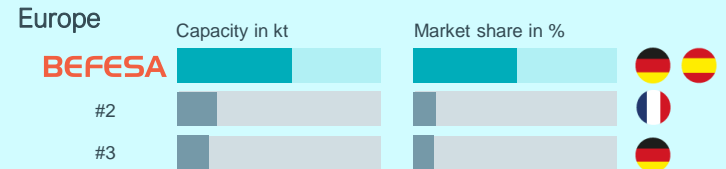


Note: Footprint reflects only Befesa's core recycling services - Steel Dust and Salt Slags & SPL

STEEL DUST RECYCLING



ALU SALT SLAGS RECYCLING



Highly regulated and critical service model

Befesa is the leading environmental services partner in the circular economy of the 2nd steel and aluminium industry by recycling and avoiding the landfilling of around 1.9 Mt hazardous residues and recovering around 1.7 Mt of new valuable materials

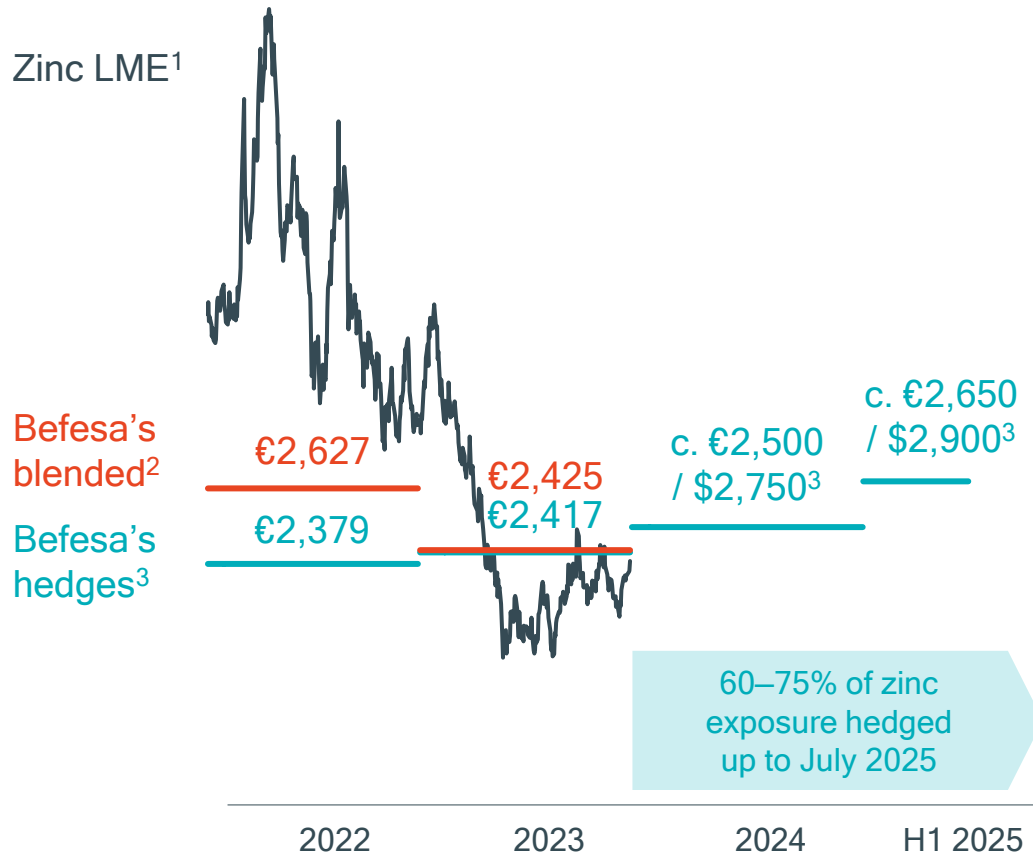


All figures are of the year 2023

Value chains are simplified and only reflect Befesa's core business segments, i.e. Steel Dust and Aluminium Salt Slags:

- Within the Steel Dust Recycling segment Befesa manages a Stainless sub-segment (90 kt stainless-steel dust throughput) and the US zinc refining plant (115 kt SHG zinc sales & 121 kt cathodes produced)
- Within the Aluminium Salt Slags Recycling segment Befesa manages a Secondary Aluminium sub-segment (168 kt secondary aluminium alloys produced)

Befesa's hedging strategy provides price visibility and lowers impact from zinc price volatility



- Befesa's hedging strategy unchanged
 - 1–3 years forward
 - Targeting 60% to 75% of zinc equivalent volume
 - Befesa providing no collateral
- Befesa's hedging strategy has proven **successful** providing **price visibility** and **lowering impact** from zinc price volatility
- Befesa with 60–75% of its zinc exposure **hedged** up to July 2025
- For the **unhedged** portion: **each \$100/t change** in zinc LME price represents c. **€8m impact** on FY EBITDA

¹ London Metal Exchange (LME) zinc daily cash settlement prices

² Zinc blended prices are averages computed based on the monthly effective LME zinc and hedging prices weighted with the respective hedged and non-hedged volumes

³ Assumes FX €/€ of 1.10 for 2024, and 2025

Well defined growth roadmap in execution ...

- **Market fundamentals** remain strong and favourably support Befesa's business model & growth plan



























Decarbonisation trend will drive increase of EAF steel production over the coming years in the key markets where Befesa operates

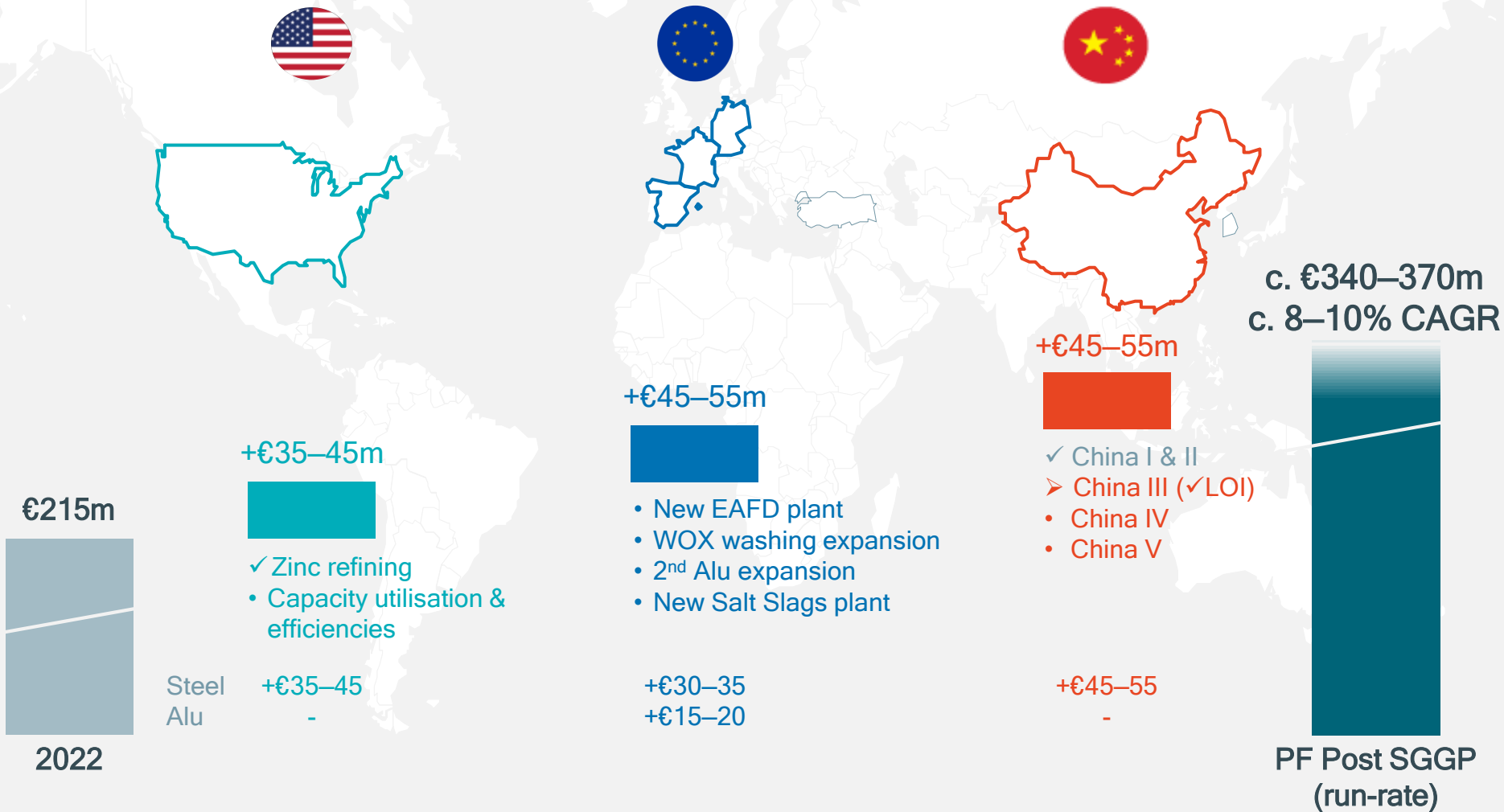


EV trend will drive demand for aluminium in Europe and the US over the coming years as the automotive industry looks for light-weight solutions

- Befesa is adapting capex deployment to market dynamics

	Project	Capex / Run-rate EBITDA €m	Status
 <p>Moving fast to capture strong growth of US steel market by 2025/26</p>	 Zinc refining		 Turnaround on track; Focus on improving profitability
	 Palmerton refurbishment	110–120 / 35–45	 EPC contract signed; Works ongoing
 <p>Monitoring development of weak real estate market; Overall growth opportunity remains attractive</p>	 1 st kiln Guangdong		 Cautiously progressing; Supply agreements ongoing
	 2 nd kiln Jiangsu	115–125 / 30–35	 Subject to 1 st kiln Jiangsu loading
	 2 nd kiln Guangdong		 Subject to 1 st kiln Guangdong progress
 <p>New capacity planned for Steel Dust & Alu Salt Slags to maintain 40–50% market share</p>	 EAF dust recycling plant	105–115 / 30–35	 Planned in 2026
	 WOX washing plant		 Planned in 2026
	 2 nd Aluminium expansion	80–90 / 15–20	 Permits ongoing
	 Salt slags recycling plant		 Land lot location and permits ongoing
	 Steel Dust  Alu Salt Slags	410–450 / 110–135	 Level of completion

... driving €125–155m incremental EBITDA, 8–10% CAGR, globally balanced



ESG highlights

Lost Time Injury Rate (LTIR)¹

0.45 LTIR in 2023 (all time low)

-18% yoy (2022: 0.55)

-92% vs baseline (2015: 5.71)

ESG Ratings²

ISS ESG

31 December 2023

B / Prime

SUSTAINALYTICS

#13 / 74

V.E

#7 / 103

MSCI

BBB

arabesque s-ray

Top 5%

S&P Global

Top 9%

ESG Report 2023


The Befesa ESG Report 2023 will be issued in **June 2024**

¹ Befesa's own employees and contractors

² Industry groups under which Befesa is ranked by the respective ESG rating companies: ISS ESG (Metals processing & production); Sustainalytics (Commercial services, subindustry facilities management); V.E (Business services); MSCI (Commercial services & supplies); arabesque-sray (Industrial services); S&P Global (Commercial & professional services)

Experienced and stable management team

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
Executive Chair

- Executive Chair since 2022
- Befesa CEO 2000-2022
- Leading Befesa for 22+ years



Asier Zarraonandia
CEO

- CEO since 2022
- VP Steel Dust 2006-2022
- 22 years with Befesa



Rafael Pérez
CFO

- CFO since 2023
- 15+ years with Befesa



Federico Barredo
VP Aluminium
Salt Slags
Recycling Services

- 25+ years with Befesa
- Running Befesa's Aluminium Salt Slags business for >20 years

Key achievements / track record

-  Extensive experience in steel and aluminium recycling business, incl. managing through the cycle
-  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, e.g., BUS, Agor, Alcasa, Hankook, Silvermet, AZR, AZP
-  Experience in developing greenfield projects, e.g., Gravelines, South Korea, Bernburg, China

Multi-year trend – Key financials¹

(€m, unless otherwise stated)

	2017	2018	2019	2020	2021	2022	2023
Revenue	667.4 ²	720.1	647.9	604.3	821.6	1,136.0	1,180.6
Reported EBITDA	153.0	176.0	159.6	123.5	189.6	234.9	188.8
Reported EBITDA margin %	22.9% ²	24.4%	24.6%	20.4%	23.1%	20.7%	16.0%
Adjusted EBITDA³	172.4	176.0	159.6	127.0	197.6	214.6	182.0
Adjusted EBITDA margin %	25.8% ²	24.4%	24.6%	21.0%	24.0%	18.9%	15.4%
Net profit⁴	49.3	90.2	82.7	47.6	99.7	106.2	58.0
EPS⁵ (€)	1.02	2.65	2.43	1.40	2.68	2.66	1.45
Operating cash flow⁶	91.5	103.8	102.5	92.5	117.9	137.3	117.3
Cash position end of period	117.6	150.6	125.5	154.6	224.1	161.8	106.7
Net debt	406.4	376.8	416.9	393.6	470.6	549.0	604.0
Net leverage	x2.36	x2.14	x2.61	x3.10	x2.38	x2.56	x3.32

1 Full year actual figures audited by external auditors

2 2017 reported revenue amounted to €724.8m; Revenue of €667.4m is comparable after amendment IFRS 15 impacting non-operating revenue

3 2017 EBITDA adjusted due to one-off non-recurrent items primarily related to the IPO; 2020 EBITDA adjusted for €3.5m for the UK Salt Slags plant closure; 2021 EBITDA adjusted for €14.0m one-time AZR acquisition costs, and -€6.0m Hanover Salt Slags plant fire impact; 2022 EBITDA adjusted for -€20.3m, mainly driven by Zinc refining acquisition impacts; 2023 EBITDA adjusted for -€6.8m

4 Net profit and total basic earnings/(losses) per share attributable to the ordinary equity holders of Befesa S.A.

5 2017 EPS impacted by the conversion of the preferred shares carried out in Oct'17 prior to the IPO; The weighted average number of ordinary shares used as the denominator in calculating total basic EPS in 2017 was 25,025 thousand shares vs. 34,067 thousand shares used in 2018-2020; 2021 EPS based on 37,285 weighted average thousand shares after the capital increase of 5,933 thousand new shares to partly fund the AZR acquisition; EPS in 2022 and 2023 based on 39,999 thousand outstanding shares

6 Operating cash flow is after WC change, taxes and interests; pre capex and pre dividend

Multi-year trend – Operational data

	2017	2018	2019	2020	2021	2022	2023
EAF steel dust throughput (kt)	661.0	717.1	665.8	687.0	885.7	1,193.8	1,194.8
EAF steel dust average capacity utilisation (%)	84.7%	92.0%	80.7% / 90.1% ¹	83.2%	83.3% ²	76.8%	69.5%
Waelz oxide (WOX) sold (kt)	217.8	240.9	217.6	239.2	291.0	407.4	399.1
Zinc LME price (€/t)	2,572	2,468	2,276	1,979	2,544	3,302	2,450
Zinc hedging price (€/t)	1,876	2,051	2,317	2,239	2,151	2,379	2,417
Zinc blended price ³ (€/t)	2,160	2,168	2,280	2,136	2,275	2,627	2,425
Salt Slags & SPL treated (kt)	509.9	517.0	492.6	444.6	395.0	322.1	360.8
Salt Slags & SPL avg. cap. utilisation (%)	96.2%	97.5%	92.9%	83.9% / 86.9% ⁴	84.0%	68.5% / 96.7% ⁴	76.8%
Alu alloys produced (kt)	184.1	169.3	176.7	174.3	185.8	160.6	168.2
Secondary Alu average capacity utilisation (%)	89.8%	82.6% / 98.1% ⁵	86.2% / 91.1% ⁶	85.0%	90.6%	78.4%	82.1%
Aluminium alloy FMB price ⁷ (€/t)	1,766	1,715	1,397	1,424	2,112	2,438	2,188

¹ Installed capacity and corresponding utilisation rates in 2019 are normalised for the capacity upgrade in Turkey, from 65 kt to 110 kt (plant was shutdown from end of January to mid-August 2019)

² Installed capacity and corresponding utilisation rates in 2021 are proportional figures based on the actual number of days the China and the US plants (after acquisition) operated in the year

³ Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

⁴ Installed capacity and corresponding utilisation rates in 2020 and following years is normalised for the UK plant closure occurred at year-end 2020; in 2022, it is normalised for the Hanover plant shutdown

⁵ Installed capacity and corresponding utilisation rates in 2018 are normalised for the furnace upgrades in Bilbao (plant was shutdown three months, from 2nd week of June to 3rd week of September), as well as the Barcelona - phase I (plant was shutdown two months, from 4th week of August to 4th week of October)

⁶ Installed capacity and corresponding utilisation rates in 2019 are normalised for the furnace upgrade in Barcelona - phase II (plant was shutdown three months, from mid-August to mid-November)

⁷ Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works