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Business Update 2022

Post Capital Markets Day

November 2022

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Electric arc furnace steel dust (EAFD) recycling plant at Asúa-Erandio, Spain

01 / Business update

Executive summary

- **Continuing solid yoy EBITDA growth: Q3 +8%, 9M +20%**
  - Q3 at €46m, +8% / +€3m yoy;
  - 9M at €164m +20% / +€27m yoy; LTM at €225m

- **Metal prices decreased QoQ** with recessionary & lower China market sentiment
  – although – **energy inflation continued** at high levels;
  Q3 YTD inflation compensated with higher metal prices

- **FY'22 guidance**: **confirmed** at **lower end**, ≥ €220m EBITDA, +11% yoy,
  due to higher energy prices & China Zero COVID policy

- €50m or €1.25 per share **dividend distributed**; **50%** of FY'21 **net profit**

- **US zinc refining** asset **acquired 30 Sep'22**
  - Paid $47m in cash, c.5x adj. EBITDA multiple, for >$500m asset;
  - Opportunity to improve further, post current high inflation environment;
  - WOX + Solvent extraction = "Green zinc"

- **Sustainable Global Growth Plan (SGGP) for next 5 years** presented in the CMD
  - **Investing €410-450m** to target **double-digit earnings growth**
  - **Globally balanced** expansion: 1/3 Asia/China, US & Europe

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9M & Q3 2022 business highlights

Steel Dust

- **EAFD throughput**:
  898 kt 9M, +59% yoy;
  268 kt Q3, +20% yoy
- **Plant utilisation**: 77% 9M, 68% Q3;
  Lower EU volume
  (seasonal maintenance overhauls)
- **Zinc blended** prices: 9M +18%, Q3 +17%
- **EBITDA** at €131m 9M, +28% yoy;
  €36m Q3, +7% yoy

Alu Salt Slags

- **Salt slags** volumes / *normalised for Hanover*:
  240 kt 9M, -21% / *+9%* yoy;
  67 kt Q3, -38% / *-9%* yoy;
- **2nd aluminium alloys**:
  122 kt 9M, -14% yoy;
  37 kt Q3, -13% yoy
- **Plant utilisation**: 71% 9M, 59% Q3
  100%, 83% normalised
- **Alu FMB** prices: 9M +25%, Q3 +16%
- **EBITDA** at €34m 9M, flat yoy;
  €11m Q3, +14% yoy

US

- Operations **delivering as expected**
- **Driving progress** on **integration and** related **synergies**
- 30 Sep '22: **acquired zinc refining asset** for $47m cash, c.5x adj. EBITDA multiple

China

- **Managing challenging continued COVID restrictions**
- **Jiangsu**: In commercial production; Contracted >80% volumes, but COVID constrained
- **Henan**: Finalising commissioning Q4
- Working on **new projects** / further expansion

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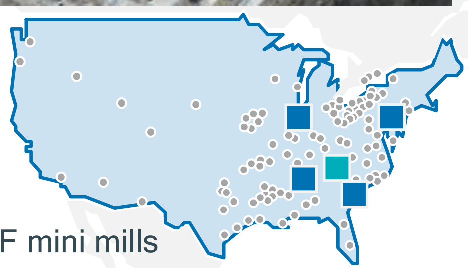
US Zinc refining asset acquisition: Transaction highlights

Zinc refining plant
Location: Rutherford County, NC
Installed capacity: c. 140 kt SHG zinc p.a.



EAF mini mills

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EAFD recycling sites in the US
Zinc refining plant

Zinc refining plant centrally located amongst Befesa's EAFD recycling plants close to the major US EAF steel mini mills

- **Acquired** remaining 93% of zinc refining asset on 30 Sep '22 for **$47m cash** transaction; **65% or $88m below original purchase option of $135m**
- **Attractive multiple** of around **5x Adj. EBITDA** and at about **1/10th of >$500m invested**
- **Long-term view** around asset potential **unchanged**; **Opportunity to improve performance** of the **plant further**, especially post current high inflation environment
- **Size** of refining plant **sufficient to process zinc Waelz oxide (WOX)** of up to 220 kt **of all 4 recycling assets** at full capacity to pure zinc
- Recycled **WOX + Solvent extraction** zinc refining **= Green zinc**

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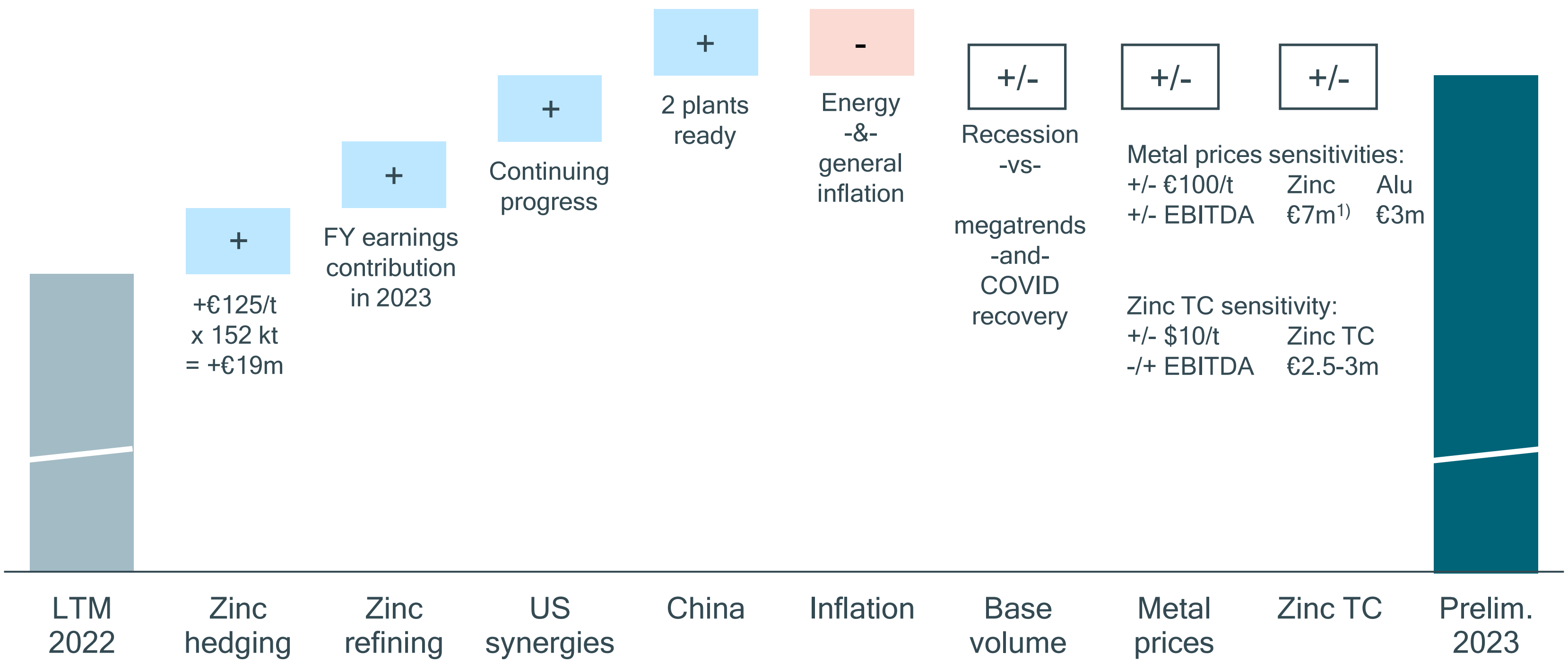
FY'22 guidance confirmed at ≥€220m EBITDA, +11% yoy, a new record result

- **Confirming FY'22 guidance** ≥ €220m EBITDA, +11% yoy
  LTM Q3'22 at **€225m EBITDA**
- **Acquired US Zinc Refining** asset at **$47m** (vs. original $135m) on 30 Sep;
  All cash transaction
- Total **capex** guidance **adjusted** for US Zinc Refining,
  from €55-65m to **€110-120m**, excl. Hanover reimbursed by insurance
- Total **cash flow adjusted** for US Zinc Refining from c.+€40m to c.**-€20m**;
  Cash on hand at c.**€200m** at YE'22
- **Net leverage** remains **around x2**

Preliminarily expecting 2022 as “floor” for 2023

Key EBITDA drivers for 2023 (vs. 2022)



1) Zinc price sensitivities for the unhedged portion and excluding opposite zinc treatment charge effect

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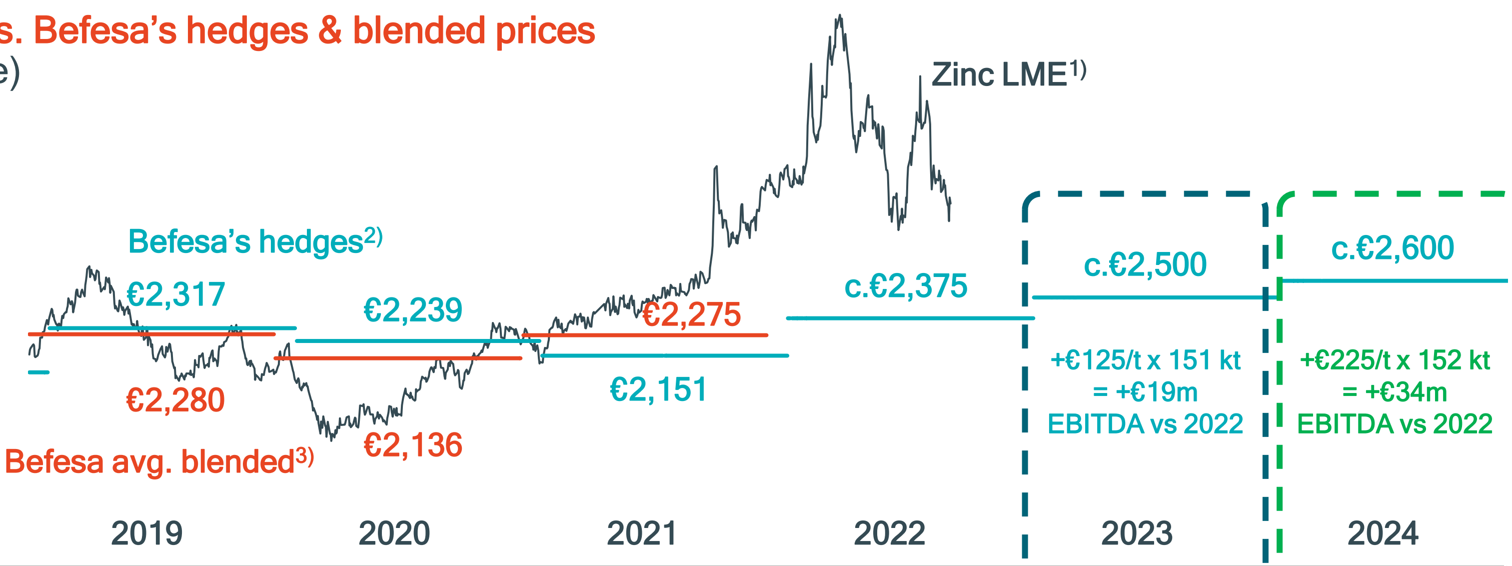
Zinc prices & hedging strategy

Hedge book fully extended up to Jan'25, c.2.5 years; Improving earnings & cash flows visibility

Zinc LME vs. Befesa's hedges & blended prices
(€ per tonne)



	2019	2020	2021	2022	2023	2024
Zinc content hedged	92.4 kt / 74%	92.4 kt / 67%	120.0 kt / 73%	155.8 kt / c.67%	151.0 kt	152.4 kt

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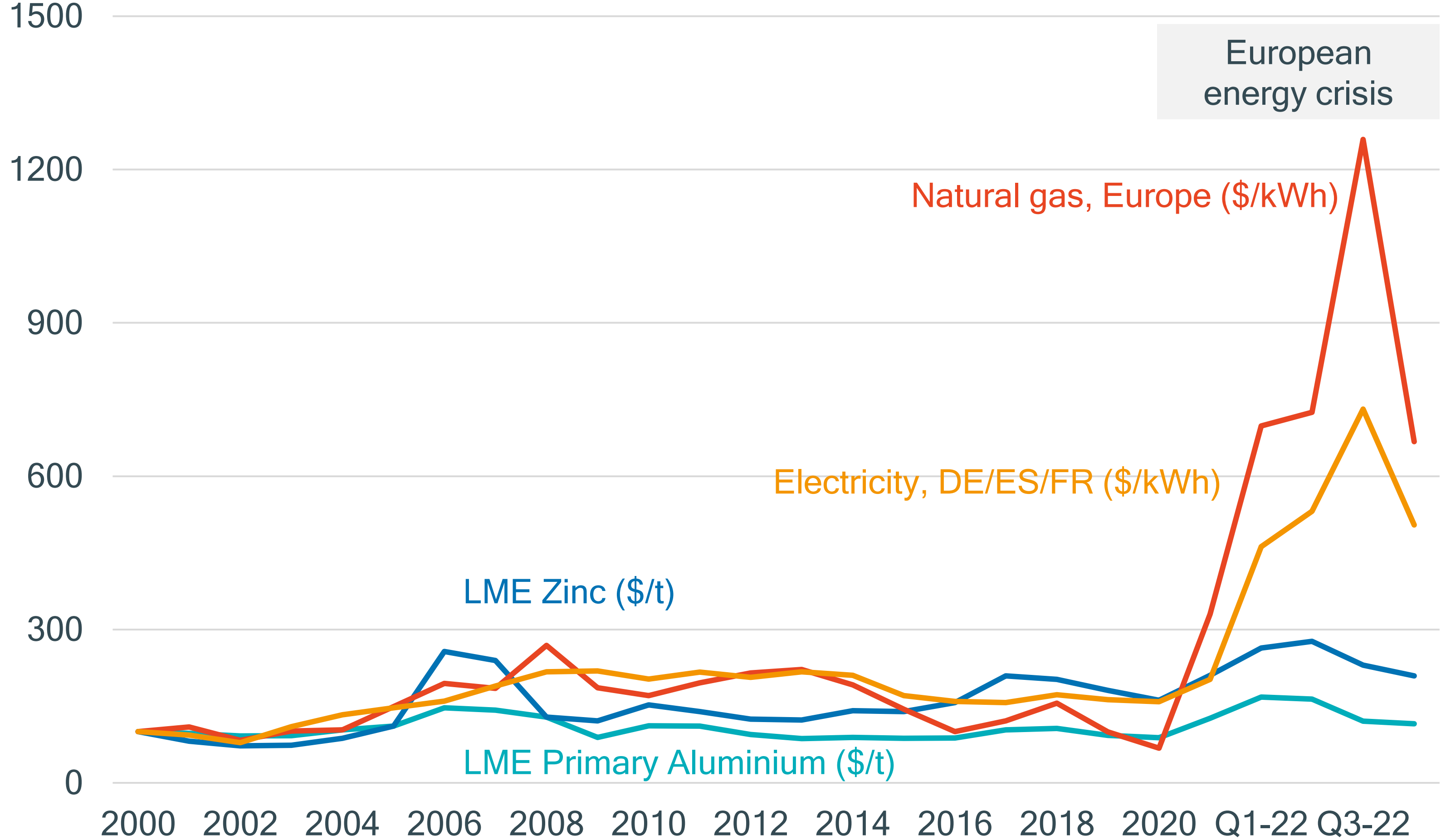
Hedging strategy unchanged

- **1-3 years forward** hedging strategy
- Targeting **60% to 75%** of **zinc equivalent** volume
- Befesa providing **no collateral**

1) London Metal Exchange (LME) zinc daily cash settlement prices
2) Includes BZ US (former AZR) hedge book for the following periods: 18 Aug'21-Jan'22: 36.8kt zinc hedged at c.$2,500 (c.€2,160 at FX 1.16); Feb'22-Jan'23: 63.4kt zinc hedged at c.$2,765 (c.€2,630 at FX 1.05); Feb'23-Jan'24: 58.6kt zinc hedged at c.$2,900 (c.€2,900 at FX 1.00); Feb'24-Jan'25: 60.0kt zinc hedged at c.$2,975 (or c.€2,975 at FX 1.00)
3) 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

Zinc & alu metal prices directly correlated with electricity & gas prices over the last >20 years

Indexed annual price trend[1), 2000 - Oct YTD 2022
(Index, 2000 = 100)



1) Natural gas, LME Aluminium & Zinc historical trend, 2000-2021, are average real prices from World Bank Commodity Price Data (The Pink Sheet); 2000-2021 electricity prices are annual average of Germany, Spain & France for medium consumers (consuming 2,000 - 19,999 MWh per annum) excluding VAT and other recoverable taxes and levies; 2022 prices: Natural gas prices are monthly average of Dutch TTF closing prices; Electricity prices are monthly average of Germany, Spain & France prices; LME zinc & primary aluminium prices are monthly average of cash settlement prices quoted on the London Metal Exchange

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Managing through "Zero COVID", ready for '23

China I, Changzhou plant, Jiangsu province

Key facts of the plant:

- 1st EAFD recycling plant, 110 kt EAFD p.a.
- Total investment: c.€42m

Status update:

✓ Construction completed on budget
✓ In commercial production & selling WOX
→ Contracted for >80% EAFD volumes from customers, but **COVID** constrained

↑ Changzhou plant, in operations

China II, Xuchang plant, Henan province

Key facts of the plant:

- 2nd EAFD recycling plant, 110 kt EAFD p.a.
- Total investment: c.€42m

Status update:

✓ Construction completed Dec'21 on budget
→ Commissioning prolonged due to **COVID**, finalising in Q4

↑ Xuchang plant, mid-June 2022, commissioning

China III, GuangDong province, ✓LOI signed

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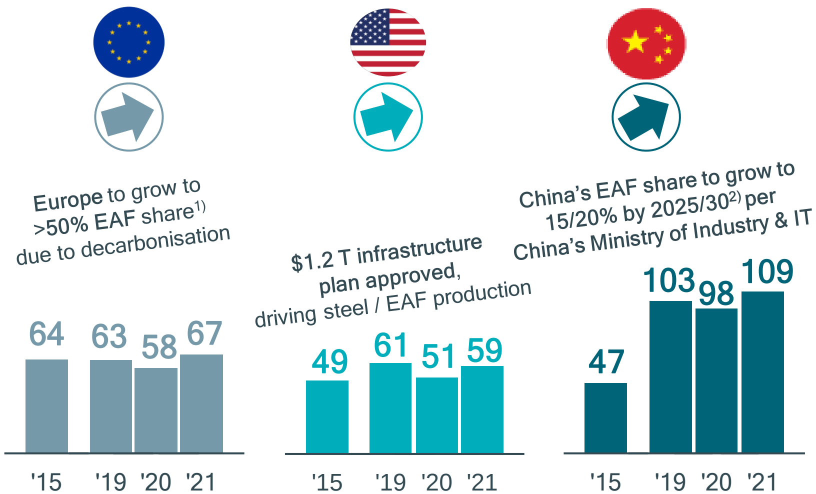
EAF steel production -&- Befesa's steel portfolio growth & diversification

Befesa growing and diversifying its portfolio to capture Europe, the US and China addressable markets

EAF steel production: EU-27, US & China, Mt

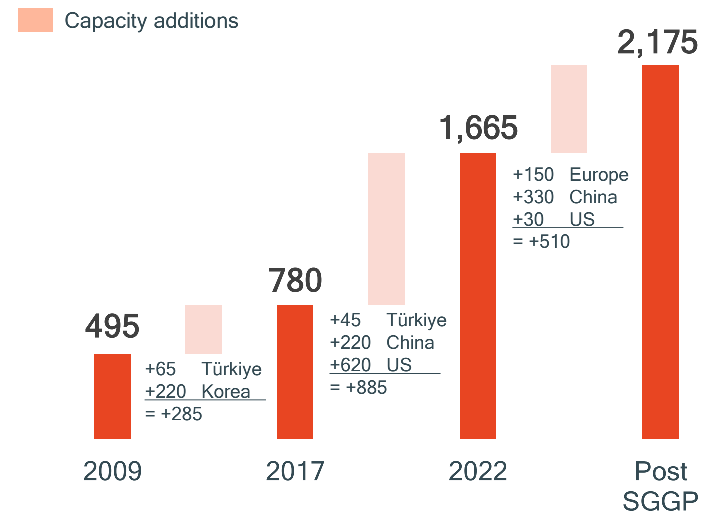


EAF % of total steel production:

41%	41%	41%	44%	63%	70%	71%	69%	6%	10%	9%	11%

- **Primary steel (BOF) consumes 7x more CO²/t vs. secondary steel (EAF)**[1]**; Decarbonisation favours EAF steel production**
- **Each tonne** of **steel** through **EAF** vs. BOF → **saves 1.5 t CO_2, 1.4 t iron ore, 740 kg coal & 120 kg limestone**[3]

Befesa's EAFD recycling capacity trend, kt



	2009	2017	2022	Post SGGP
Europe	495 / 100%	495 / 63%	495 / 30%	645 / 30%
Türkiye / Korea	-	285 / 37%	330 / 20%	330 / 15%
China	-	-	220 / 13%	550 / 25%
US	-	-	620 / 37%	650 / 30%

- Befesa Steel portfolio **growing @ c. 6% CAGR** (around twice GDP) …
- … while **diversifying to a well-balanced Europe / Asia / US footprint**

Sources: Worldsteel; Company data; IEA; S&P Global Commodity Insights
1) Net Zero by 2050 (IEA, May 2021), Green Steel for Europe Consortium (June 2021) 2) S&P Global Commodity Insights (April 2022) 3) Bank of America Research (November 2022)

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Proven track record since IPO; Megatrends driving growth over next 5 years

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SGGP indicative timeline; Befesa in control; Adjusting timing to macroeconomic developments

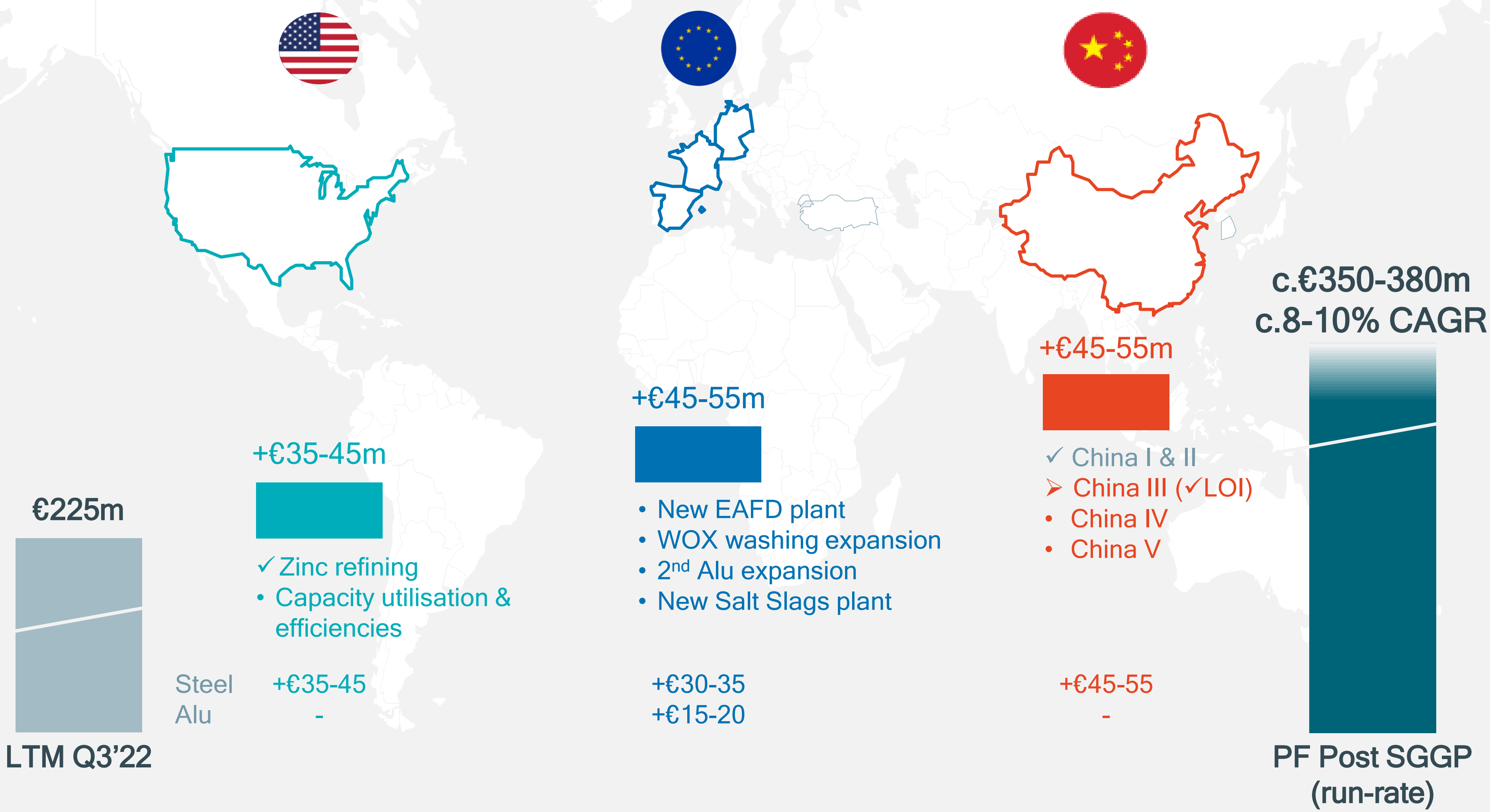
€410-450m total capex requirement over next 5 years

● Steel Dust ● Alu Salt Slags

	SGGP growth projects	Timing (2022e – 2027e)	Capex €m	EBITDA run-rate €m	Pay-back[1)]	IRR[2)]
✓ 1	Zinc refining		€110-120	€35-45	3-4	>30%
2	Cap. utilisation	Refurbishing / efficiencies				
3	EAFD plant	Construction + ramp-up	€105-115	€30-35	3-4	>30%
4	WOX washing	Construction				
5	China III ✓ LOI signed	Construction + ramp-up	€115-125	€30-35	4-5	>20%
5	China IV	Construction + ramp-up				
5	China V	Construction + ramp-up				
6	2nd Alu expansion	Permits + construction + ramp-up	€80-90	€15-20	5	>15%
7	Salt Slags plant	Permits + construction + ramp-up				
			€410-450	**€110-135**	**3-4**	**>20%**

1) Payback calculated dividing total capex by run-rate EBITDA
2) IRR estimated based on incremental EBITDA less WC & taxes to Operating cash flow contribution vs. growth & maintenance capex, discounted at an 8% WACC

Well defined growth roadmap driving +€125-155m EBITDA growth, 8-10% CAGR, globally balanced, c.1/3 US/EU/Asia



Committing to growth through the cycle

Strong financial backbone and **high cash flow** generation allows to **self-fund SGGP**

Targeting to continue **dividend** distribution at **40-50%** of net profit

Prudent risk and liquidity management;
Modular SGGP growth initiatives timing **in control of Befesa**

Investing in core businesses; **Low risk** and **high returns**, at **3-5 years payback** and **>20% IRR**

Integrate SGGP into annual **guidance & budget** process

ESG: Enhanced transparency & performance

Transparency / reporting

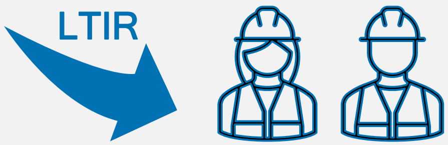
Detailed ESG Report

External ratings

ISS ESG
SUSTAINALYTICS
MSCI
V.E
arabesque s-ray
S&P Global

Health & safety

Lost Time Injury Rate (LTIR)[1] improved by 85% since 2015

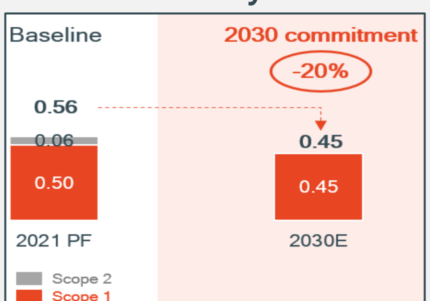


CO_2 holistic approach

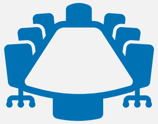
Saving >2mt CO_{2eq} vs. virgin production

CO_2 intensity targets

-20% by 2030
Net zero by 2050



Sustainability Committee



EU Taxonomy

1) Befesa's own employees and contractors

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Nanjing City, Location of Befesa China's HQ

02 Sustainable Global Growth Plan (SGGP), 2022-2027

Decarbonisation investments & Infrastructure Programme will support EAF growth by 2030

c.$9-10 Bn capex equal to c.13-14 Mt EAF announced; Plus, $1.2 T infrastructure program requires more steel overall in the US → generating >300 kt incremental EAFD

Overview of selected steelmakers
(€ billion capex, million tonnes of new EAF steel capacity)

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■ EAFD recycling sites in the US
■ Zinc refining plant

Steel-maker	Location	Capex, $Bn	New EAF cap., Mt	Start up
ArcelorMittal NIPPON STEEL 50/50 JV	1 Calvert, Alabama	$0.8	1.5	H1'23
NUCOR	2 Mason County, Virginia	$2.7	2.7	2024
	3 Kingman, Arizona	$0.1	0.5	2024
	4 Crawfordsville, Indiana	$0.3	0.5	YE'24
	5 Lexington, NC	$0.4	0.4	c.2024
USS	6 Osceola, Arkansas	$3.0	2.7	2024
ALGOMA STEEL INC.	7 Ontario, Canada	$0.6	0.6	2024
PACIFIC STEEL & RECYCLING	8 Mojave, California	$0.4	0.3	2025
ArcelorMittal	9 Hamilton, Ontario, Canada	$1.3	4.0	2028
CMC Commercial Metals	10 Northeast US	TBD	TBD	TBD
		$9-10 Bn	**13-14 Mt**	

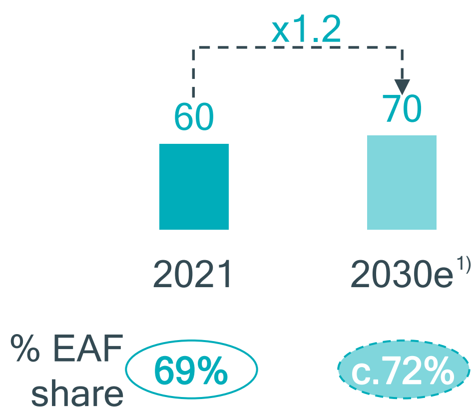
>300 kt EAFD

Sources: Corporate press releases and presentations

SGGP – Steel Dust – US

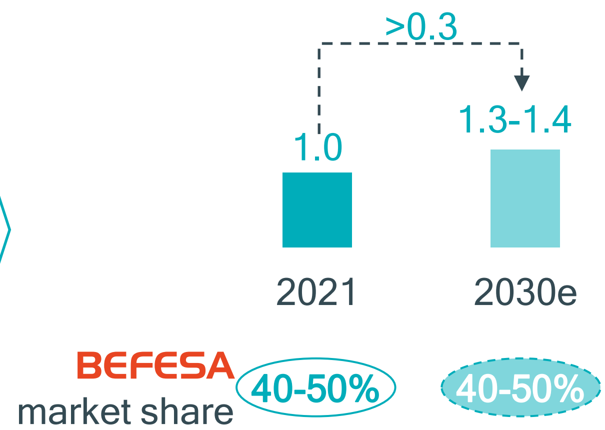
EAFD generation in the US expected to increase >0.3 Mt by 2030 …
Befesa to fully utilise existing c.620 kt annual installed capacity

EAF steel production
(million tonnes, EAF % of total crude steel output)



$1.2 T infrastructure plan driving higher steel volume
-&-
decarbonisation driving EAF share up

EAFD generation
(million tonnes)



Befesa's expansion projects

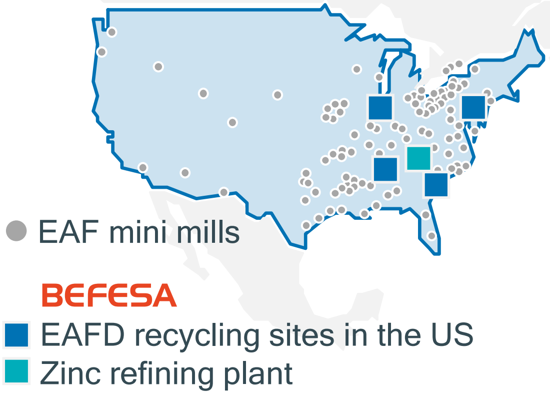
- ✓ **Acquisition** of **Zinc refining** asset on 30 Sep '22 for $47m cash transaction
- **Executing capacity utilisation increase** in 2023-26;
  - Targeting c.**200 kt incremental throughput** to fully utilise existing c.620 kt nameplate capacity
  - **Refurbishing** Palmerton site in 2023-24, to be ready for expected volume increase in '24-26 onwards
  - Efficiencies & refurbishment vital to achieve **throughput**, **energy** & **CO_2 intensity improvements**

c. €110-120m total investment; c. €35-45m total incremental EBITDA p.a.; Low-risk & high-return projects

1) Macquarie (June 2022)

US Zinc refining asset acquisition: Transaction highlights

Zinc refining plant
Location: Rutherford County, NC
Installed capacity: c. 140 kt SHG zinc p.a.



Zinc refining plant centrally located amongst Befesa's EAFD recycling plants close to the major US EAF steel mini mills

- **Acquired** remaining 93% of zinc refining asset on 30 Sep '22 for **$47m cash** transaction; **65% or $88m below original purchase option of $135m**
- **Attractive multiple** of around **5x Adj. EBITDA** and at about **1/10th of >$500m invested**
- **Long-term view** around asset potential **unchanged**; **Opportunity to improve performance** of the **plant further**, especially post current high inflation environment
- **Size** of refining plant **sufficient to process zinc Waelz oxide (WOX)** of up to 220 kt **of all 4 recycling assets** at full capacity to pure zinc
- Recycled **WOX + Solvent extraction** zinc refining **= Green zinc**

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Refurbishing Palmerton to drive efficiencies and increase capacity utilisation by 2026

EAFD recycling assets

1 Barnwell, SC

165 kt

2 Rockwood, TN

147 kt

3 Calumet, IL

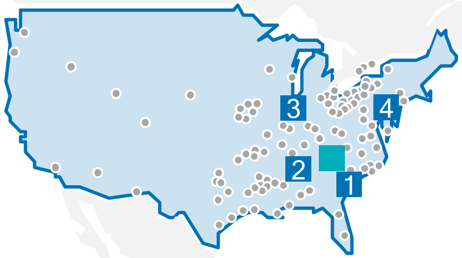
142 kt

4 Palmerton, PA

163 kt

x EAFD annual nameplate recycling capacity

- c.620 kt nameplate **recycling capacity**; c.70% current utilisation
- Targeting c.**200 kt incremental throughput** to fully utilise Befesa's capacity and maintain market share in the US
- Refurbishing Palmerton site in 2023-24, to **be ready for expected volume increase** in 2024-26 onwards
- Efficiency projects & refurbishment vital to achieve **throughput**, **energy & CO_2 intensity improvements**



EAF mini mills

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EAFD recycling sites in the US

Zinc refining plant

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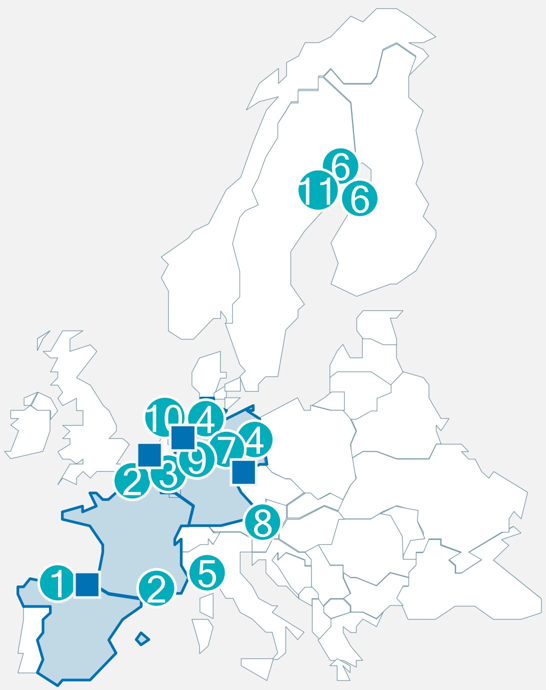
Accelerating decarbonisation investments in EU will support EAF share growing to >50% by 2030

c.€14-15 Bn investments in new steel EAF projects in Europe announced …
Representing c.20-21 Mt incremental steel EAF capacity → generating c.350 kt EAFD

Overview of selected steelmakers

(€ billion capex, million tonnes of new EAF steel production capacity)



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■ EAFD recycling sites in Europe

Steel-maker	Location	Capex, €Bn	New EAF cap., Mt	Start up
ArcelorMittal	1 Gijón, Spain	€1.0	1.1	YE'25
	2 Fos-sur-Mer & Dunkirk, France	€1.7	2.0	H1'27
	3 Ghent, Belgium	€1.1	2.0	2030
	4 Bremen & Eisenhüttenstadt, Ger	€1.3	1.0	2030
	5 Genoa & Novi Ligure, Italy	€1.3	2.5	H1'24
SSAB	6 Luleå, Sweden; Raah, Finland	€4.2	5.0	2030
SALZGITTER AG	7 Peine, Niedersachsen, Germany	€1.1	1.9	'25-30
voestalpine	8 Linz & Donawitz, Austria	€1.0	2.5	H1'27
thyssenkrupp	9 Duisburg, Germany	€2.0	2.5	'25-29
TATA STEEL	10 IJmuiden, The Netherlands	TBD	TBD	2025
H2green steel	11 Boden-Luleå, Sweden	TBD	5.5	'24-26
		€14-15 Bn	**20-21 Mt**	

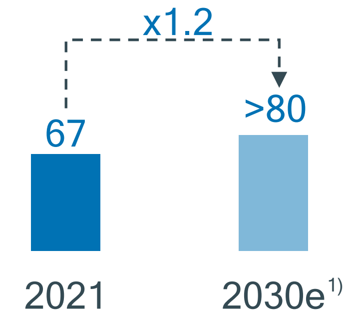
c.350 kt EAFD

Sources: ArcelorMittal Annual Report 2021; S&P Global (Jan 2022); Salzgitter Roadshow Presentation (March 2022); voestalpine's Consolidated Financial Statements 2021/22

SGGP – Steel Dust – Europe

EAFD generation in Europe expected to increase >0.3 Mt by 2030 …
Befesa adding 140-160 kt new EAFD recycling capacity to maintain its current c.45% market share

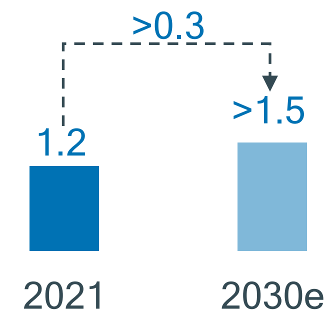
EAF steel production
(million tonnes, EAF % of total crude steel output)



% EAF share: 44% | >50%

Large scale **decarbonisation investments** supporting EAF % growth to >50%[2]

EAFD generation
(million tonnes)



BEFESA market share: c.45% | c.45%

Befesa's expansion projects

- Grow with EAFD market & invest in **new state-of-the-art EAFD recycling capacity**; 140-160 kt incremental EAFD capacity
- **Expand WOX washing** capacity in line with incremental EAFD volume

c. €105-115m total investment; c. €30-35m total incremental EBITDA p.a.; Low-risk & high-return projects

1) Macquarie (June 2022), Green Steel for Europe Consortium (June 2021) 2) Green Steel for Europe Consortium (2021)

Adding new EAFD recycling capacity –and– WOX washing expansion

c.€105-115m total investment; c.€30-35m total incremental EBITDA p.a.; Low-risk & high-return projects

New EAFD recycling plant

- Grow with EAFD addressable market and invest in a **new 140-160 kt state-of-the-art EAFD plant**
- Construction + ramp-up in 2025-26; **Operational by 2026-27**
- **Low-risk** & **high-return** project

WOX washing expansion

- **Expand WOX washing capacity** at Gravelines, France, in line with incremental European EAFD capacity
- Construction + ramp-up in 2025-26; **Operational by 2026-27**
- Investment required to enable EAFD capacity growth

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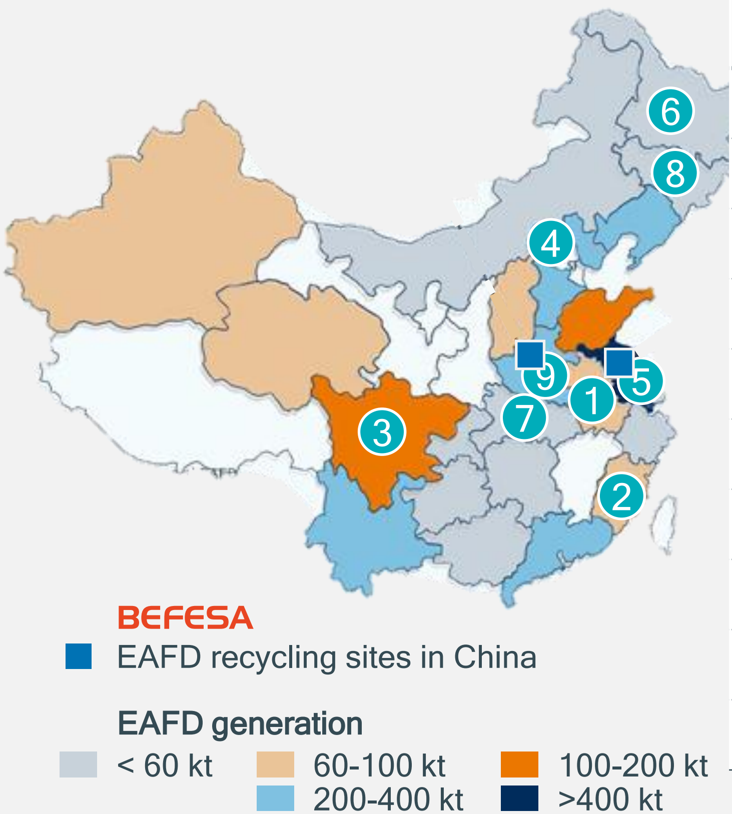
Largest producer of steel, rapidly transitioning from BOF to EAF; a strong growth opportunity

>60 Mt new EAF capacity announced, representing c.1 Mt EAFD incremental generation; Befesa strategically located in provinces with high EAFD generation

Overview of selected steelmakers
(million tonnes of new EAF steel production capacity)



# EAF projects	Chinese province		New EAF steel production capacity, Mt
2	1	Anhui	3.0
2	2	Fujian	2.1
1	3	Guangdong	8.0
9	4	Hebei	13.9
3	5	Henan	2.4
1	6	Heilongjiang	2.1
5	7	Hubei	4.5
1	8	Jilin	0.8
5	9	Jiangsu	6.0

(continues on next page)

Sources: Internal analysis

Largest producer of steel, rapidly transitioning from BOF to EAF; a strong growth opportunity

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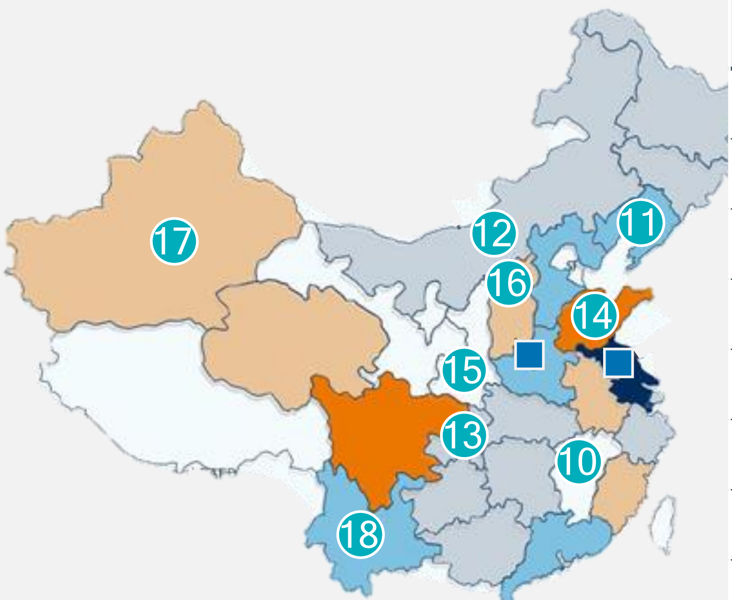


BEFESA
EAFD recycling sites in China

EAFD generation
< 60 kt
60-100 kt
100-200 kt
200-400 kt
>400 kt

# EAF projects	Chinese province		New EAF steel production capacity, Mt
2	10	Jiangxi	1.5
1	11	Liaoning	1.8
3	12	Inner Mongolia	2.5
1	13	Chongqing	4.0
3	14	Shandong	3.0
1	15	Shaanxi	1.1
1	16	Shanxi	0.7
1	17	Xinjiang	1.0
1	18	Yunnan	2.0
Total # new EAF projects in China: 43			>60 Mt EAF steel production capacity

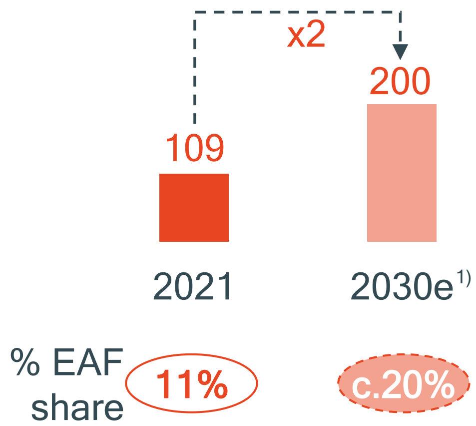
c.1 Mt EAFD

Sources: Internal analysis

SGGP – Steel Dust – China

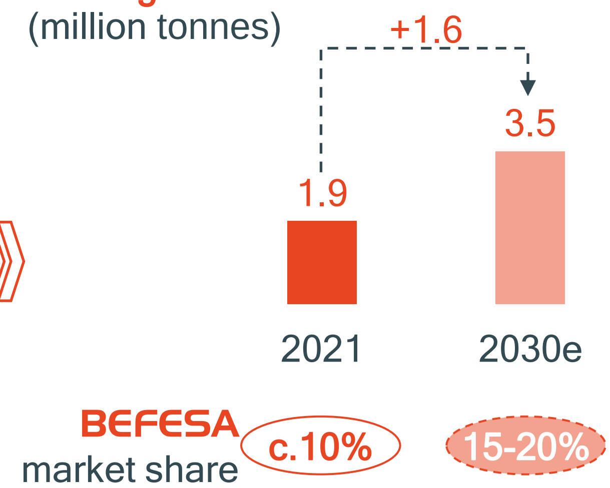
EAFD generation in China expected to increase about 1.6 Mt by 2030 as it transitions from BOF to EAF; Befesa to add 3x 110 kt = 330 kt new capacity which will increase market share to 15-20%

EAF steel production
(million tonnes, EAF % of total crude steel output)



Ministry targets EAF share of 15% by 2025 / **20% by 2030**[1)]
-&-
60 Mt of targeted **90 Mt** EAF steel **already announced**

EAFD generation
(million tonnes)



Befesa's expansion projects

- **Awaiting / Expecting improved COVID approach** in China ahead of next expansion projects
- **Expanding** into **additional provinces**; ✓ **LOI signed** at **GuangDong**
- **Scale up** existing plant sites -and- **new province** (GuangDong); Overall, 3x 110 kt = **+330 kt**
- **Risk-averse:** Debt - **ring-fenced** local financing; Equity - investment guaranteed by German Gov. (**DIA**)

c. €115-125m total investment; c. €25-30m total incremental EBITDA p.a.; Cautious risk-averse approach

1) S&P Global Commodity Insights (Aug 2022); Macquarie (June 2022)

Befesa strategically located in provinces with high EAFD generation

EAFD generation in China

Xuchang (Henan)

Changzhou (Jiangsu)

GuangDong
LOI signed ✓

BEFESA
EAFD recycling sites in China

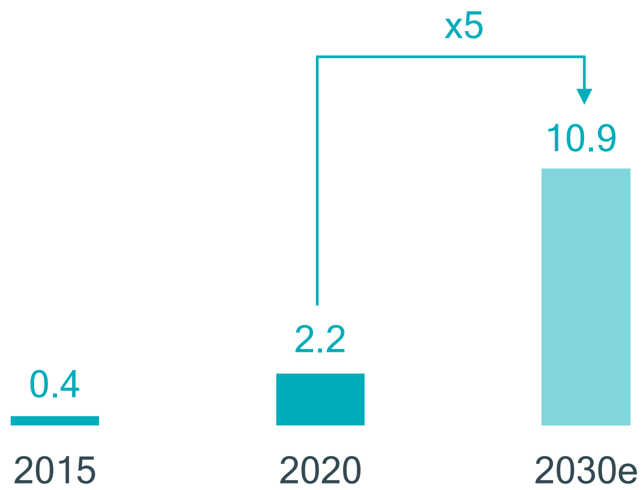
EAFD generation - Chinese market

- < 60 kt
- 60-100 kt
- 100-200 kt
- 200-400 kt
- >400 kt

Decarbonisation trend drives transition to Electric Vehicles (EV)

Automotive industry switching from combustion to EV

EV unit sales in Europe[1)]
(million units)



- **EU** approved plan **to ban sales of vehicles with combustion engines** (ICE) **by 2035**[2)]
- **EV unit sales** forecasted **to grow x5** from c.2 million in 2020 **to >10 million by 2030**
- **EV cars requiring light-weight construction**, favouring aluminium demand

1) CRU (Jan 2022)
2) eceee.org (June 2022)

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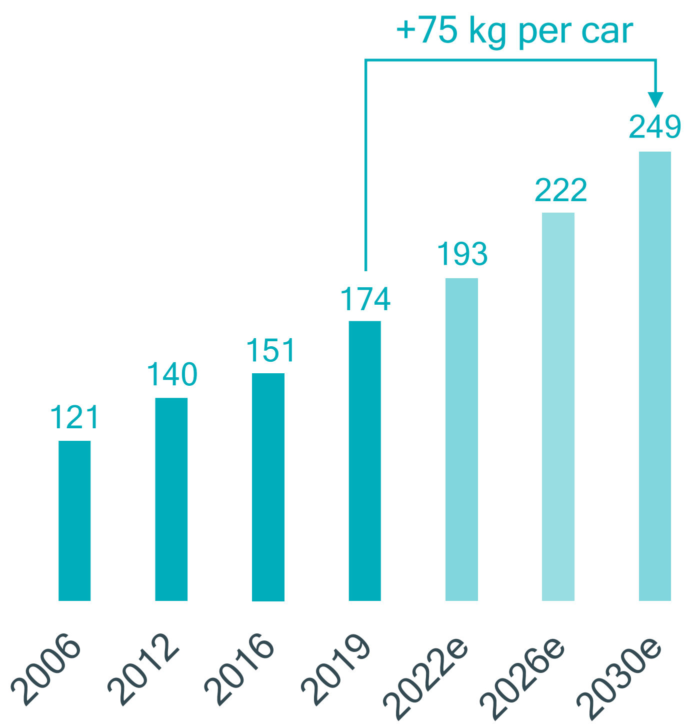
EV requiring higher aluminium content per car to achieve light-weight targets

Average aluminium content per vehicle[1)], net weight
(kg per passenger car)



- Average **aluminium content per vehicle** (passenger cars) has steadily been **increasing**, from 121 kg/car in 2006 to **193 kg/car in 2022**
- Growing and mandatory **electrification** requires **light-weighting** construction and drives **growing demand for aluminium**
- **Aluminium content per vehicle** expected **to accelerate** to 249 kg/car by 2030

1) Ducker (Oct 2022)

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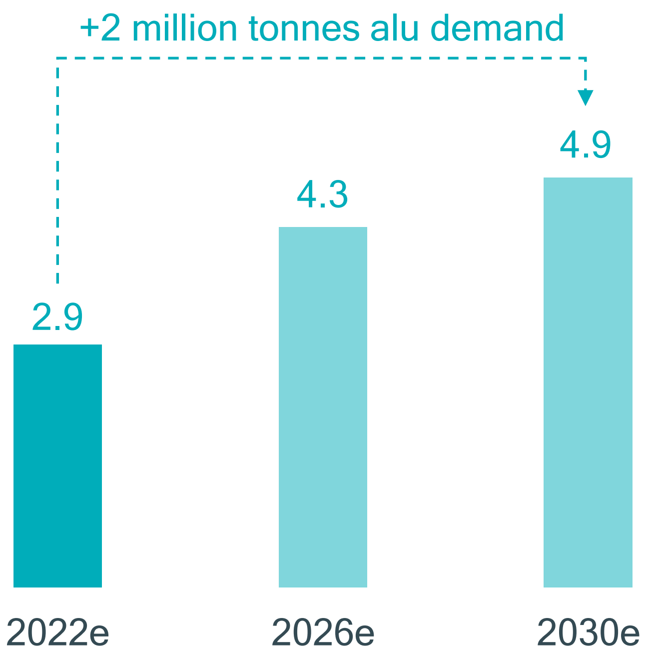
… driving higher aluminium demand with increased needs for 2nd alu & salt slags recycling

Aluminium demand from Auto[1] in Europe, net weight
(million tonnes)



- **Automotive aluminium demand** will continue **to grow** to address light-weighting needs
- **OEMs** aim to **reduce** their **carbon footprint** through **use of recycled metal**
- **Requiring increased production of secondary aluminium** and **salt slags recycling** volumes
- Expecting **incremental >300 kt salt slags generation** in Europe by 2030
- Befesa's salt slags recycling market share is c.45%; **Adding** recycling **capacity** to **maintain leadership market share**

1) Aluminium demand from passenger cars and light commercial vehicles; Ducker (Oct 2022)

BEFESA

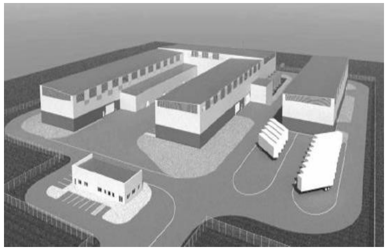
Expansion of 2nd Aluminium –and– New Salt Slags recycling plant

Expansion of 2nd Aluminium

- **Expand 2nd aluminium** production capacity by **c.90 kt at existing** site (**Bernburg**) in line with expected volume
- Permits + construction + ramp-up: 2023-25; **Operational by 2026**
- **Low-risk** & **medium-return** project

New Salt Slags recycling plant

- Invest in a **new c.120 kt state-of-the-art salt slags recycling plant** in line with incremental secondary aluminium capacity
- Permits + construction + ramp-up: 2023-26; **Operational by 2026-27**
- **Low-risk** & **medium-return** project



Befesa's expansion projects

- **Expansion** of **2nd Aluminium** will **increase capacity** from existing 205 kt **to c.295 kt**
- **New Salt Slags recycling plant** will **increase capacity** from existing 450 kt **to c.570 kt**

c.€80-90m total investment; +€15-20m total incremental EBITDA p.a.; Low-risk & medium-return projects

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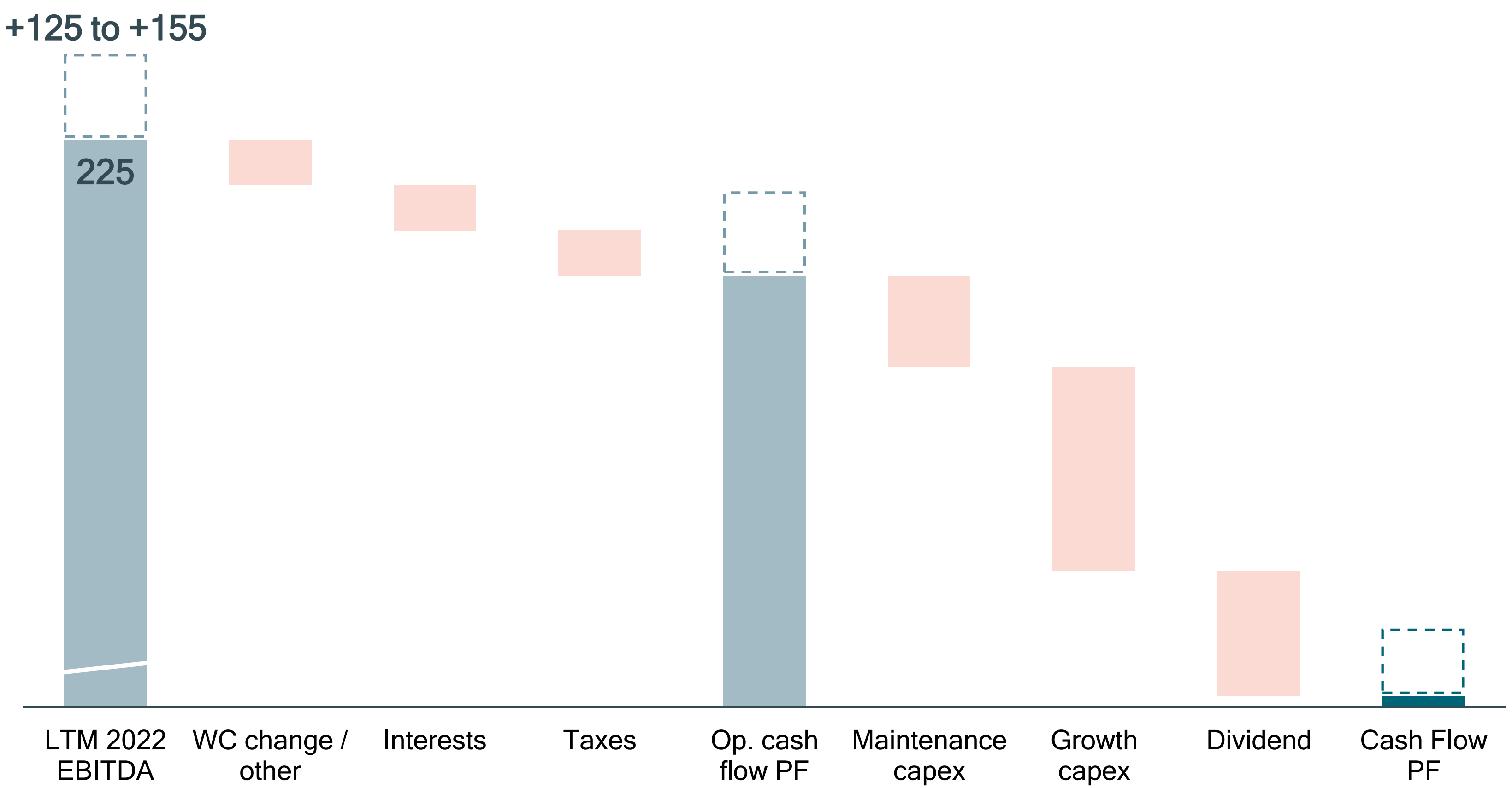
Befesa can self-fund SGGP while keeping leverage ≤x2 -&- distributing dividends

EBITDA to Cash flow management walk, Illustrative conceptual annual view within SGGP period
(€m)

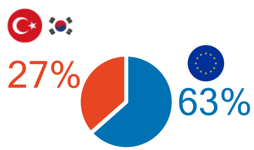


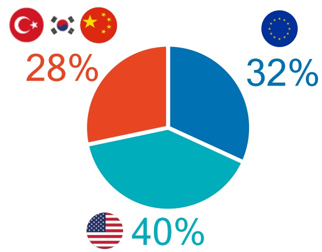
BEFESA

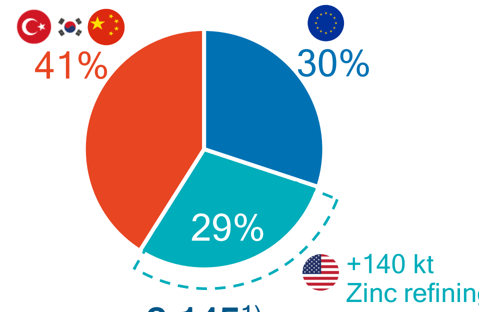
Diversifying Befesa's global footprint …

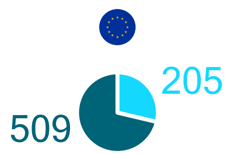
		2017 IPO	LTM 2022	PF Post SGGP

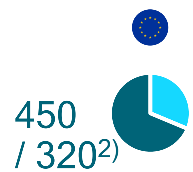
Capacity, kt

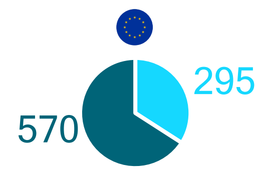












	2017 IPO	LTM 2022	PF Post SGGP
Steel Dust	780	1,555	2,145[1)]
Salt Slags	509	450 / 320[2)]	570
2nd Alu	205	205	295
Total Alu Salt Slags	714	655 / 525[2)]	865 kt

Utilisation rates

	2017 IPO	LTM 2022	PF Post SGGP
Steel Dust	85%	78%	c. 85%
Salt Slags	100%	74% / 100%[2)]	c. 95%
2nd Alu	90%	80%	c. 80%

Volumes, kt

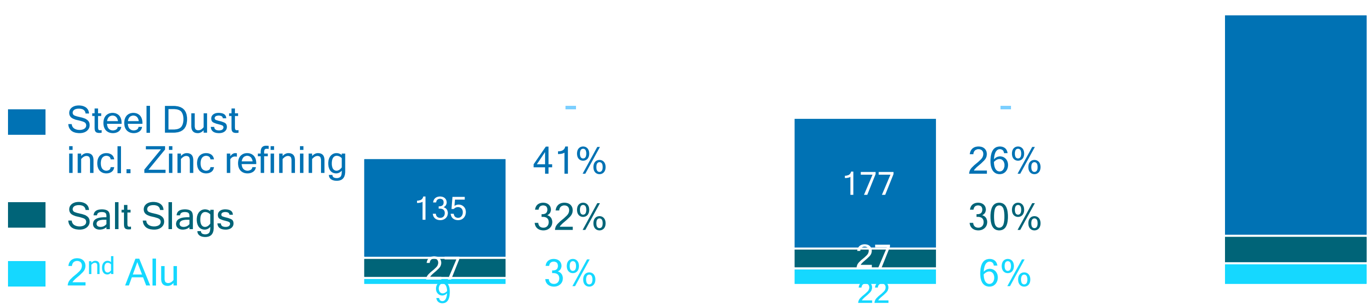
	2017 IPO	LTM 2022	PF Post SGGP
Steel Dust	661	1,220	c. 1,800-1,850
Salt Slags	510	332	c. 540-570
2nd Alu	184	165	c. 230-240

1) 2,145 kt Steel Dust capacity excludes 140 kt from Zinc Refining; 2) Normalised for 130 kt Hanover installed capacity due to plant shutdown in 2022

... core-business focus drives portfolio growth

		2017 IPO	LTM 2022	PF Post SGGP
Revenue, €m	Total[1)]	€725	€1,105	c. €1,650-1,800

		2017 IPO	% margin	LTM 2022	% margin	PF Post SGGP	% margin
EBITDA, €m	Total[1)]	€172	24%	€225	20%	c. €350-380	19-23%



1) Total revenue after intersegment adjustments; Total adjusted EBITDA

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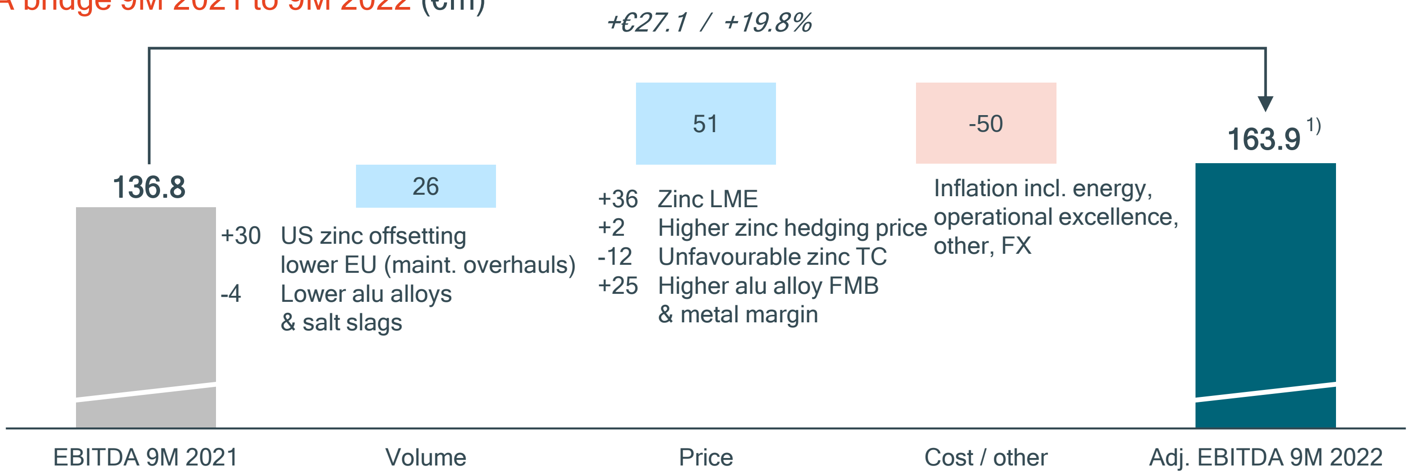
03 / 9M 2022 results

Consolidated key financials

9M adjusted EBITDA at €163.9m, +20% yoy, driven mainly by US zinc operations delivering as planned; yoy higher base metal prices offsetting energy inflation & unfavourable Zinc TC

Adjusted EBITDA bridge 9M 2021 to 9M 2022 (€m)



Key metrics (€m, unless otherwise stated)

	9M 2021	*yoy change*	9M 2022
Revenue	€574.2	*+€283.7 / +49.4%*	€857.9
Adjusted EBITDA[1]	€136.8	*+€27.1 / +19.8%*	€163.9
Adjusted EBITDA margin %	23.8%	*-472 bps*	19.1%
Net profit	€61.5	*+€25.7 / +41.8%*	€87.2
EPS[2] (€)	€1.69	*+€0.49 / +29.0%*	€2.18
Operating cash flow	€73.9	*+€4.4 / +5.9%*	€78.3
Cash	€200.7	*-€61.5 / -30.7%*	€139.1
Net debt	€482.1	*+€92.1 / +19.1%*	€574.2
Net leverage[3]	x2.33	*+x0.23*	x2.56

1) €126.4m 9M'22 reported Total EBIT + €54.8m D&A = €181.1m 9M'22 reported Total EBITDA - €17.3m adjustments, mainly driven by Zinc refining acquisition impacts = €163.9m 9M'22 adjusted Total EBITDA
2) EPS in 9M'21 is based on 36,370,474 weighted average shares and 9M'22 is based on 39,999,998 shares after the capital increase of 5,933,293 new shares on 16 June 2021 to partly fund the AZR acquisition
3) Net leverage calculated on an LTM basis; Bank debt covenant reporting normalised and adjusted for synergies results in lower net leverage

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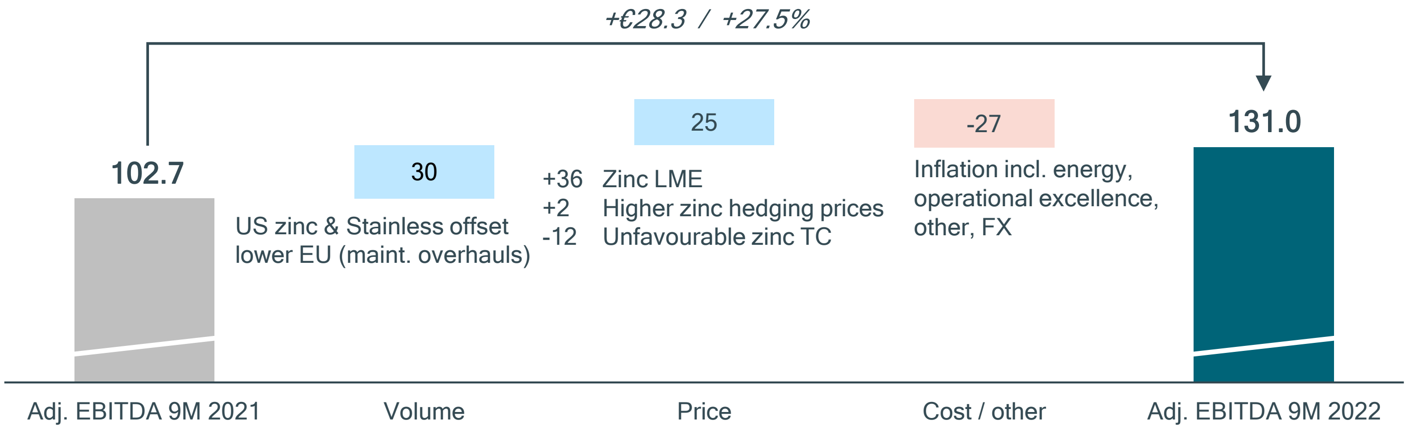
Steel Dust Recycling Services

9M EBITDA at €131.0m, +28% yoy, driven mainly by US operations delivering as planned;
yoy higher zinc market prices offsetting energy inflation & unfavourable TC

Adjusted EBITDA bridge 9M 2021 to 9M 2022 (€m)



Key metrics (€m, unless otherwise stated)

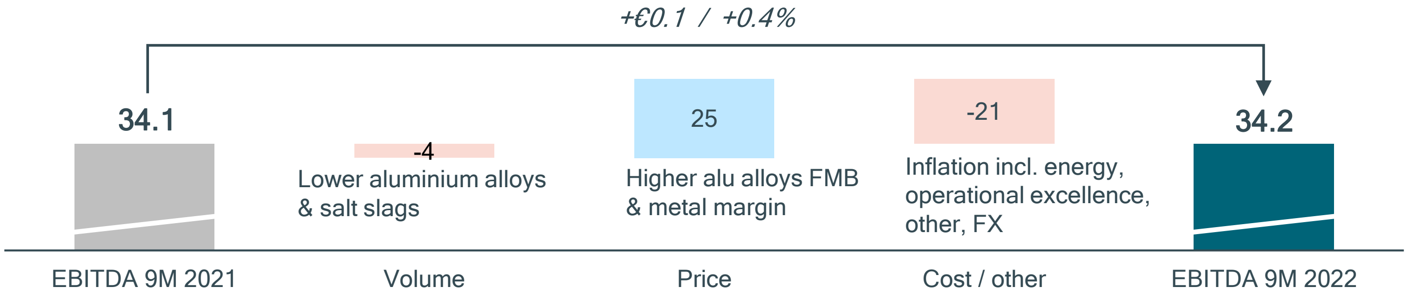
	9M 2021	*yoy change*	9M 2022
Revenue	€304.1	*+€229.2 / +75.4%*	€533.3
Adjusted EBITDA	€102.7	*+€28.3 / +27.5%*	€131.0
Adjusted EBITDA margin %	33.8%	*-922 bps*	24.6%
EAFD throughput (kt)	563.3	*+334.3 / +59.4%*	897.6
Plant utilisation	81.0%	*-381 bps*	77.2%
Waelz oxide (WOX) sold (kt)	192.6	*+118.7 / +61.6%*	311.3
Zinc LME price (€/t)	€2,412	*+€1,010 / +41.9%*	€3,422
Zinc hedging price (€/t)	€2,170	*+€193 / +8.9%*	€2,363
Zinc blended price[2)] (€/t)	€2,241	*+€406 / +18.1%*	€2,647
Treatment charge (TC) ($/t)	$159	*+$71 / +44.7%*	$230

1) €109.2m 9M'22 reported Steel EBIT + €42.2m D&A = €151.3m 9M'22 reported Steel EBITDA - €20.3m adjustments, mainly driven by Zinc refining acquisition impacts = €131.0m 9M'22 adjusted Steel EBITDA
2) Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

Aluminium Salt Slags Recycling Services

9M EBITDA at €34.2m, flat yoy; Energy inflation and some volume pressure mitigated with higher aluminium metal prices

EBITDA bridge 9M 2021 to 9M 2022 (€m)



Key metrics (€m, unless otherwise stated)

	9M 2021	*yoy change*	9M 2022
Revenue[1]	€272.2	*+€53.2 / +19.6%*	€325.4
• Salt Slags	€57.3	*+€13.6 / +23.7%*	€70.9
• Secondary Aluminium	€244.3	*+€45.7 / +18.7%*	€290.0
EBITDA	€34.1	*+€0.1 / +0.4%*	€34.2
• Salt Slags	€15.9	*+€6.1 / +38.4%*	€22.0
• Secondary Aluminium	€18.2	*-€5.9 / -32.7%*	€12.2
EBITDA margin % (Salt Slags)	27.7%	*+328 bps*	31.0%
Salt Slags & SPL treated (kt)	303.0	*-63.1 / -20.8% or +9%[2]*	239.8
Plant utilisation	90.0%	*-1,876 bps*	71.3% / 100%[2]
Aluminium alloys produced (kt)	142.4	*-20.4 / -14.3%*	121.9
Plant utilisation	92.8%	*-1,331 bps*	79.5%
Alu alloy FMB price[3] (€/t)	€1,980	*+€501 / +25.3%*	€2,481

1) Total revenue is after intersegment eliminations (9M'21: €29.4m; 9M'22: €35. 5m)
2) Normalising for Hanover plant shutdown in 2022
3) Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

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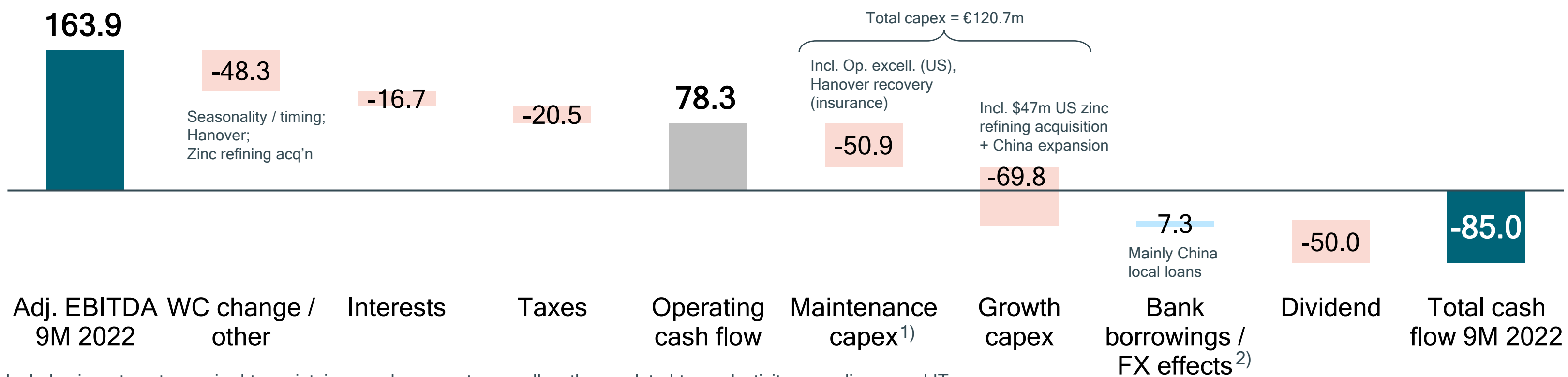
Cash flow, net debt & leverage

€139m cash on hand at Q3’22 closing vs. €239m at Q2’22 closing; Balanced cash flow normalised for €50m dividend distributed and $47m zinc refining acquisition; Net leverage of x2.56 at Q3’22; Targeting lower leverage towards year end

9M adjusted EBITDA to total cash flow (€m)



1) Includes investments required to maintain or replace assets as well as those related to productivity, compliance and IT
2) Mainly includes cash bank inflows/outflows from bank borrowings and other liabilities, as well as the effect of foreign exchange rate changes on cash

	At 30 Sep 2021	YE 2021	*change*	At 30 Sep 2022
LTM Adj. EBITDA[3)]	€207.2	€217.8	*+€6.8 / +3.1%*	€224.6
LTM Operating cash flow[4)]	€128.7	€117.9	*+€4.4 / +3.7%*	€122.3
Gross debt[5)]	€682.8	€694.7	*+€18.6 / +2.7%*	€713.4
Cash on hand	€200.7	€224.1	*-€85.0 / -37.9%*	€139.1
Net debt	€482.1	€470.6	*+€103.6 / +22.0%*	€574.2
Net leverage	x2.33	x2.16	*+x0.40*	x2.56

3) LTM Adj. EBITDA of €217.8m at YE’21 and €224.6m at Q3’22 closing incorporate full-twelve-rolling months of the US operations.
4) LTM Operating cash flow of €117.9m at YE’21 and €122.3m at Q3’22 closing include AZR’s operating cash flows since closing of the acquisition on 17 Aug 2021
5) Gross debt of €694.7m at YE’21 and €713.4m at Q3’22 closing include €100m TLB add-on to partly fund the AZR acquisition, as well as China local loans

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Secondary aluminium production plant at Bernburg, Germany

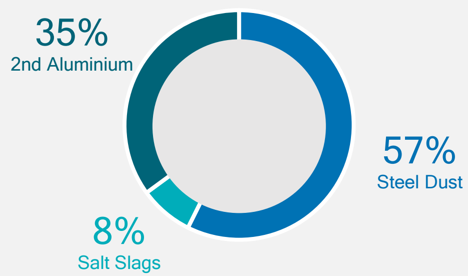
04 / Befesa overview

Befesa at a glance

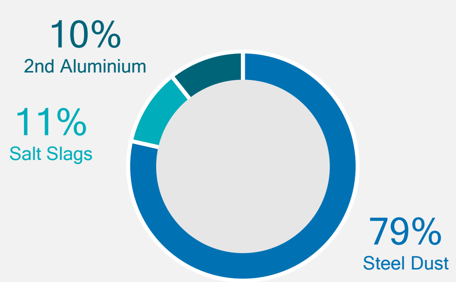
Global leader in Europe, the US and Asia in providing regulated critical hazardous waste recycling services to the steel and aluminium industries

LTM Q3 2022[1)]

€1,005m
Revenue[2)]



€225m
EBITDA



Steel Dust Recycling[1)]

#1
Position Global
(c. 40-50% market share)

26%
EBITDA margin
(LTM Q3 2022)

>15yrs
Relationships

Aluminium Salt Slags Recycling

#1
Position in Europe in salt slags subsegment
(c. 45-50% market share)

29%
EBITDA margin in salt slags subsegment[3)]
(LTM Q3 2022)

>15yrs
Relationships

1) Figures only consolidate the contribution from US zinc operations since the closing of the AZR acquisition on 17 Aug 2021
2) Excluding internal revenue; revenue split is calculated on revenues including internal revenue; 3) Including recycling of SPL (a hazardous waste generated in primary aluminium production)

Key milestones

Befesa has grown successfully through organic initiatives and acquisitions

1987 – **Founded** in Germany, **Metallgesellschaft**

1993 – **Berzelius Umwelt Service** (**BUS**) grouped their Spanish assets into **Berzeilius Felguera (Befesa)**

2000 – Abengoa acquired Befesa from BUS

2006 – Befesa acquired remaining stake in BUS, becoming **European leader in EAFD recycling**

2009 – **European leader in salt slags** recycling, acquiring Agor AG's German assets

2010 – Entry in the **Turkish market**[1)]

2012 – WOX washing plant at **Gravelines**; Entry in the **Asian market**[2)]

2013 – Triton acquired Befesa

2014 – Secondary aluminium plant in **Bernburg**

EAFD expansion Korea & Türkiye

- **Doubled capacity to 220kt**, **Gyeongju**
- 1st **WOX washing** plant in **Asia**, close to Gyeongju plant
- EAFD recycling capacity at **Iskenderun expanded to 110kt**

2017 – **Successful IPO on Frankfurt Stock Exchange**

2018 – Entry to **SDAX**[3)] on 24 Sep 2018

2020 – Since 18 Sep'20 member of Global Challenges Index

Rated by: ISS ESG, MSCI, V.E, SUSTAINALYTICS

EAFD expansion China

First to market with state-of-the-art EAFD recycling plants in **China**:

Changzhou, **Jiangsu**:
- ✓ Completed on budget
- ✓ In commercial operations since Dec'21

Xuchang, **Henan**:
- ✓ Completed construction Dec'21;
- → Ramping up H2'22

Entry in the US

- **100%** of **AZR recycling** assets -&- **acquired Aug'21**
- **Zinc refining** asset **acquired Sep'22**

2021 – **Global leader** in **EAFD** recycling; Entry to **MDAX** Sep'21

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

Leader in circular economy for >30 years

Environmental regulations

getting stricter and expanding into new geographies; enforcing recycling to drive resource efficiency and lower carbon footprint

Recycling service solutions

critical to the steel and aluminium industries; long-term service relationships with strong barriers to entry and high captive demand

Proven track record

to grow and diversify Befesa's portfolio; developing markets as industry leader & first mover; resilient through the cycles

Global leader

with balanced footprint, close to clients, in Europe, the US & Asia, applying state-of-the-art technology

Favourable mega trends

Decarbonisation, Electric Vehicles (EV), circular economy, drive secondary steel & aluminium demand → requiring Befesa's recycling services

Strong financial backbone

Long-term capital structure & prudent hedging approach enable stable cash flows to fund growth SGGP roadmap

Experienced & stable team

focused on customer service, ESG, profitable and sustainable growth

Shareholder returns

through consistent dividend distribution and high returns on expansion projects

Highly regulated & 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 c. 2 MT hazardous residues and recovering c. 1.5 MT of new valuable materials

EAF steelmakers / recyclers (mini-mills, scrap recyclers)

HAZARDOUS WASTE
886 kt
STEEL DUST
Service fee
c. 10-20%

BEFESA RECYCLING
BEFESA

OUTPUTS
446 kt
IRON OXIDE

291 kt
WOX SOLD
Sale of zinc in WOX
c. 80-90%

FINAL USAGE
Filler materials
e.g., cement, roads

Zinc smelters
e.g. steel galvanization

Aluminium producers / recyclers

HAZARDOUS WASTE
395 kt
SALT SLAGS & SPL
Service fee
c. 40%

BEFESA RECYCLING
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OUTPUTS
308 kt
ALU OXIDE & OTHERS

134 kt + 33 kt
MELTING SALT + ALU CONCENTRATE
Sale of salt & alu conc.
c. 60%

FINAL USAGE
Filler materials
e.g., ceramics, cement, rockwool

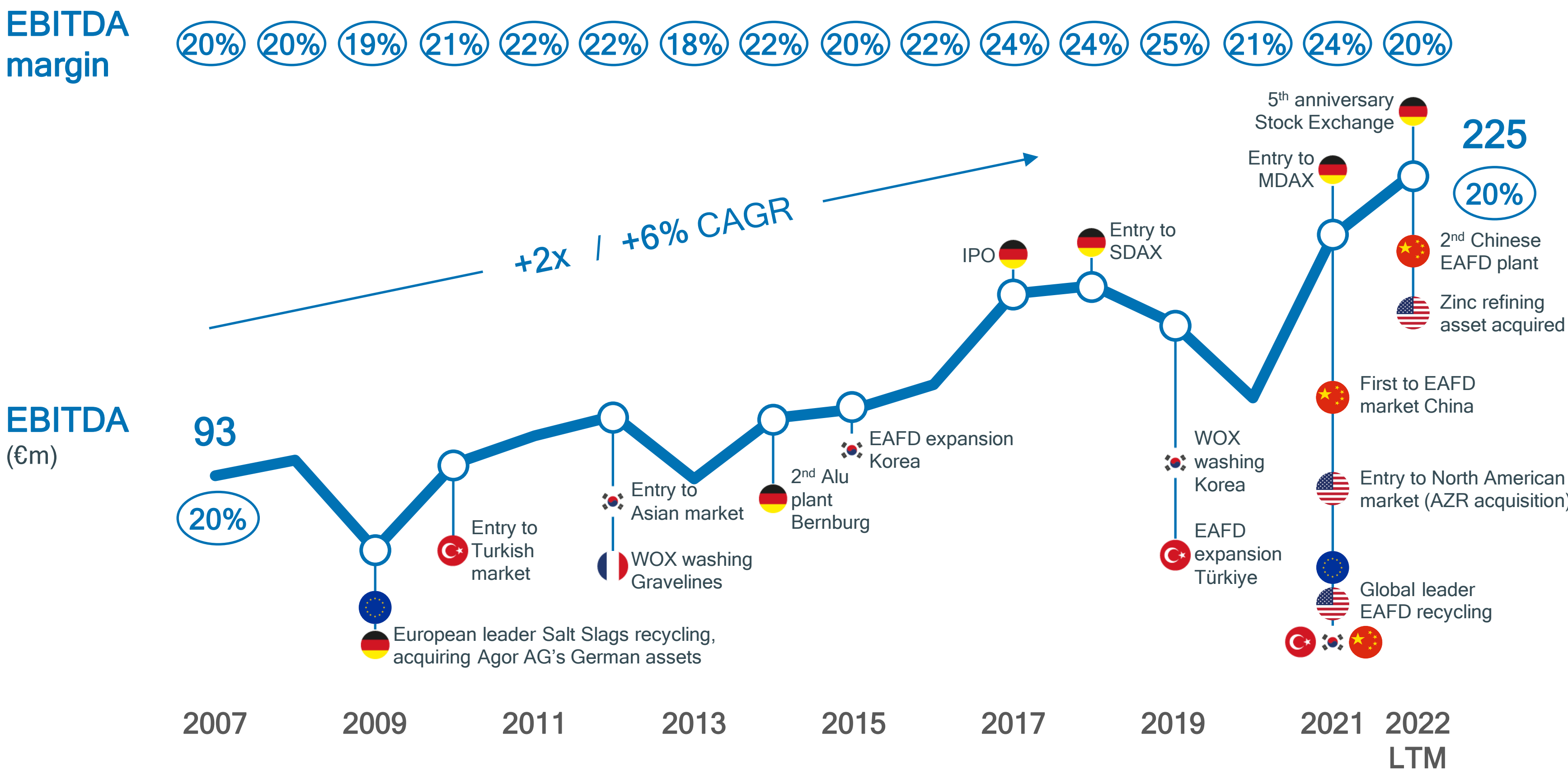
Aluminium recyclers

All figures are of the year 2021, thus only include c.4.5 months contribution from Zinc US operations
Value chains are simplified and only reflect Befesa's core business segments (i.e. Steel Dust; Aluminium Salt Slags):
- Within Steel Dust Recycling Services business segment Befesa manages a Stainless sub-segment (90 kt stainless-steel dust throughput in 2021)
- Within Aluminium Salt Slags Recycling Services business segment Befesa manages a Secondary Aluminium sub-segment (186 kt secondary aluminium alloys produced in 2021)

Proven resilience & growth through cycles

Attractive growth track record with proven margin resilience despite volatile environment - driven by a successful service-focused business model & prudent financial practices

Key macro events	Global financial crisis	European debt crisis		COVID pandemic Global supply chain disruptions Energy crisis



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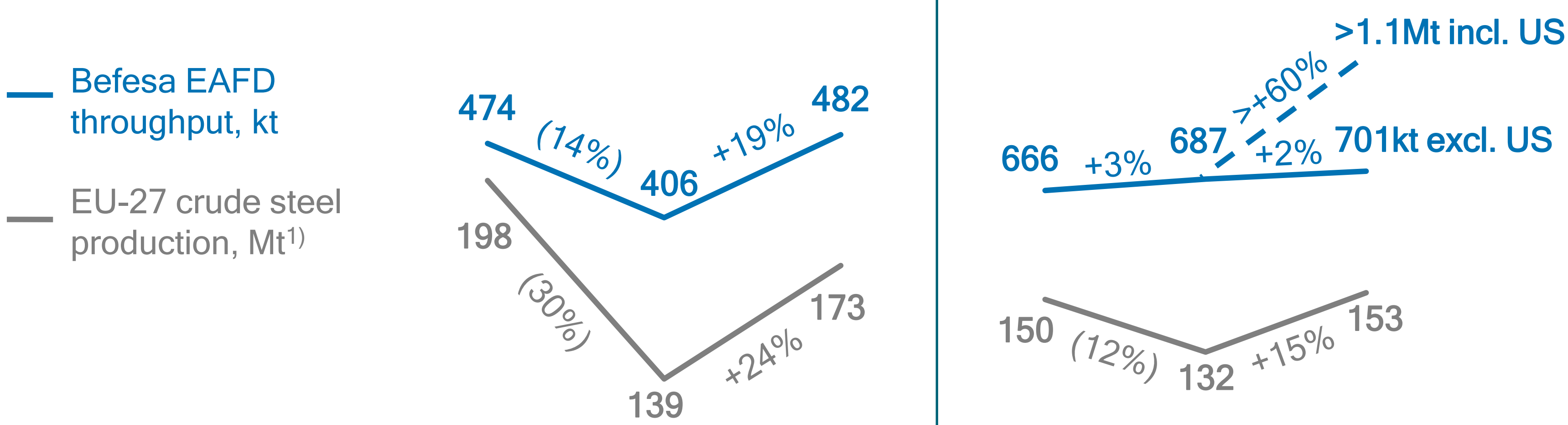
Befesa's resilience during latest crises

Befesa has demonstrated resilient volumes and capacity utilisation levels during the latest crises

2008 / 2009 / 2010

2019 / 2020 / 2021



	2008	2009	2010	2019	2020	2021
Befesa EAFD utilisation, %	96%	82%	96%	81%	83%	83%
Befesa EBITDA, €m	€99[2)]	€61[2)]	€99[2)]	€160	€127	€198
Befesa EBITDA margin %	20%	19%	21%	25%	21%	24%

1) worldsteel.org
2) Total EBITDA is the sum of Steel Dust & Aluminium Salt Slags segments proforma (PF) comparable to Befesa structure in ´19/´20; Thus, it excludes divested IES, EPC and Concessions businesses

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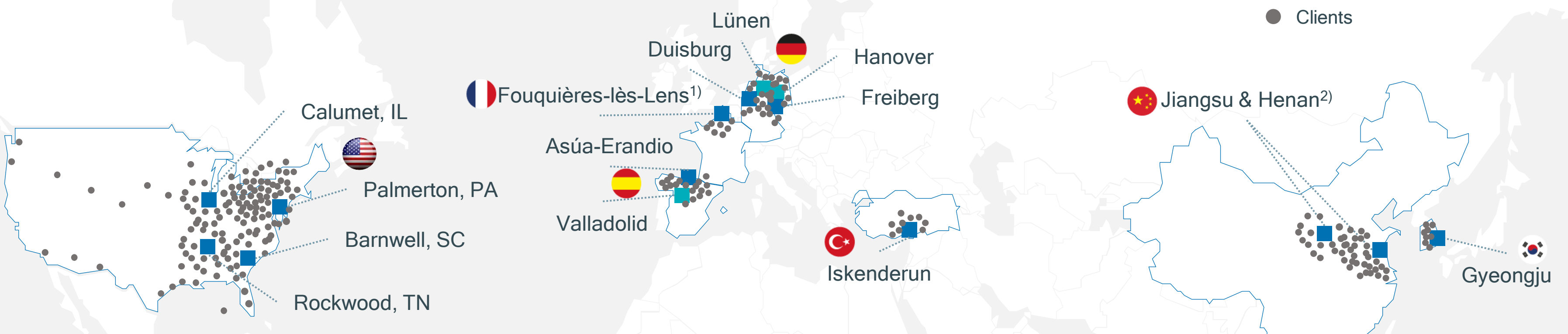
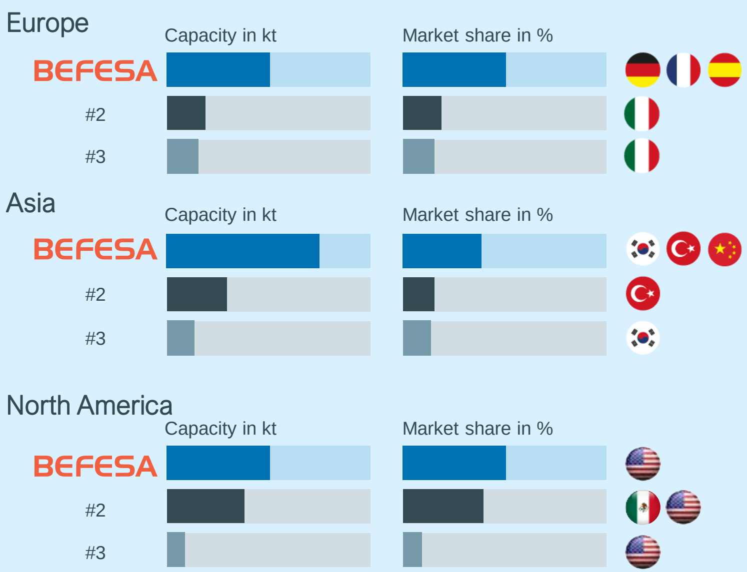
Global leader in Europe, North America & Asia

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

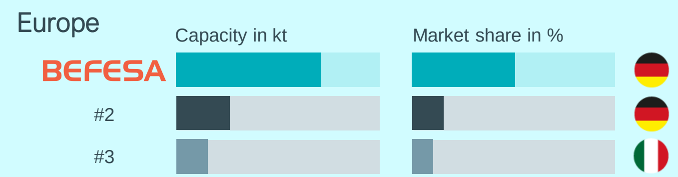


Note: Footprint reflects only Befesa's core recycling services - Steel Dust and Salt Slags & SPL

STEEL DUST RECYCLING



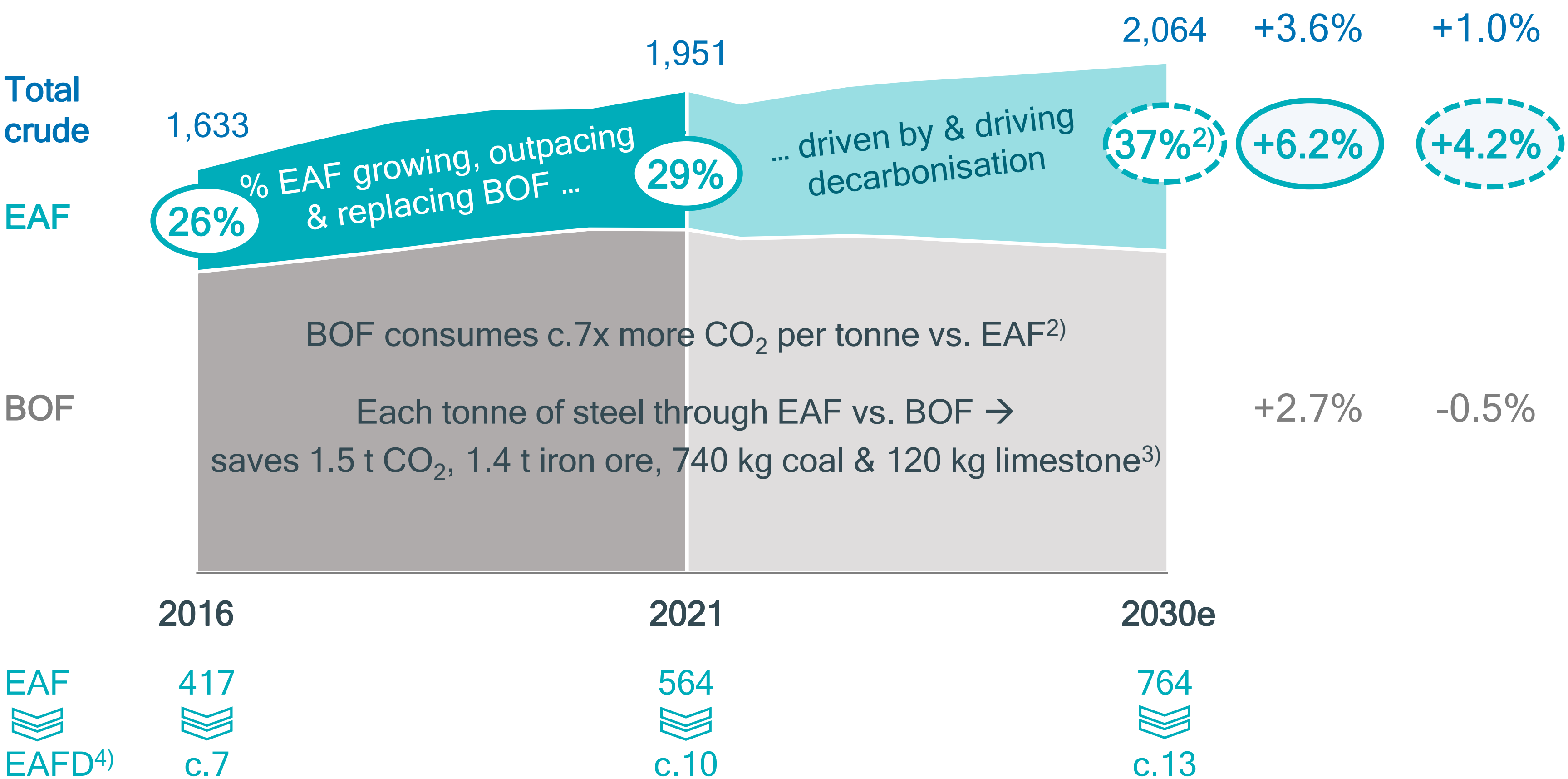
ALU SALT SLAGS RECYCLING



1) 50/50 joint venture with Recylex
2) Changzhou, Jiangsu province: In commercial production and selling WOX since Dec´21; Managing COVID restrictions
Xuchang, Henan province: Completed construction Dec´21 on budget; Commissioning prolonged due to COVID, finalising in Q4'22

Decarbonisation megatrend favouring & driving EAF steel growth

Global crude steel production[1]**, 2016-2030e**
(million tonnes)



1) 2016-21 actuals from Worldsteel; 2022-2030e from "Steel - Eye of the Storm", Morgan Stanley (Sep 2022); 2) "Net Zero by 2050: A Roadmap for the Global Energy Sector", IEA (May 2021); Green Steel for Europe Consortium (June 2021)
3) Bank of America Research (November 2022); 4) Total EAFD addressable market based on the assumed mid-point 17.5kg EAFD generation per tonne of EAF steel output

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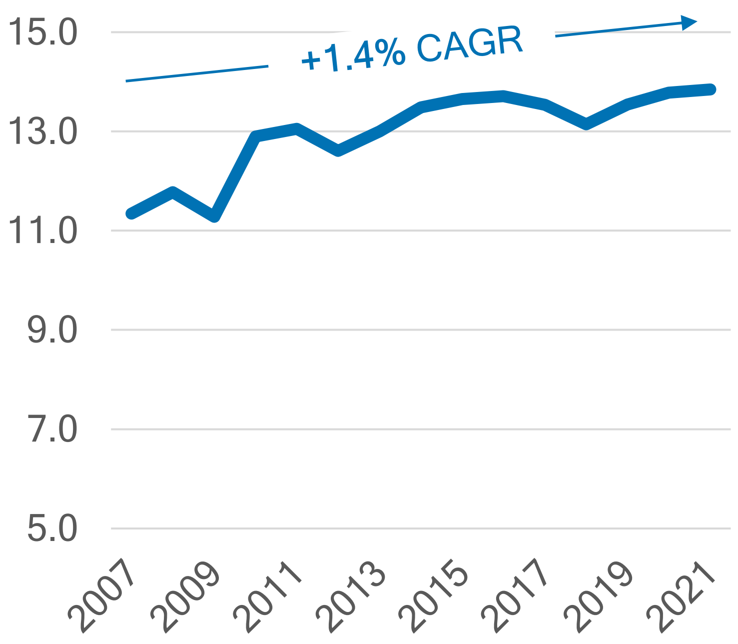
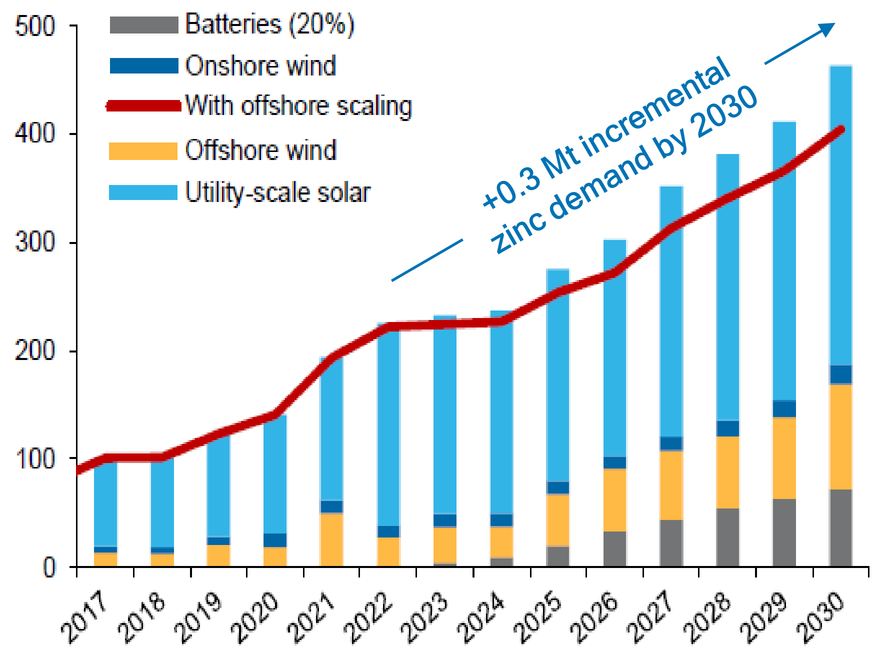
Zinc global production grew at 1.4% CAGR over L15 years; Incremental demand from transition to renewable energy

Global refined zinc metal production[1)]
(million tonnes)



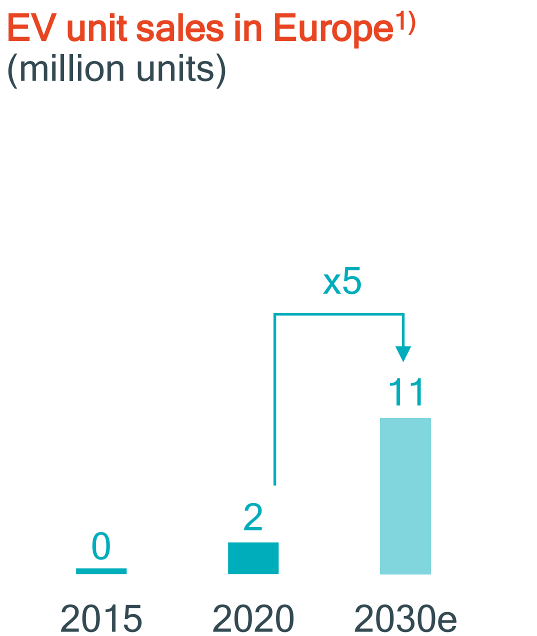
Zinc annual demand from wind, solar & batteries[2)]
(thousand tonnes)

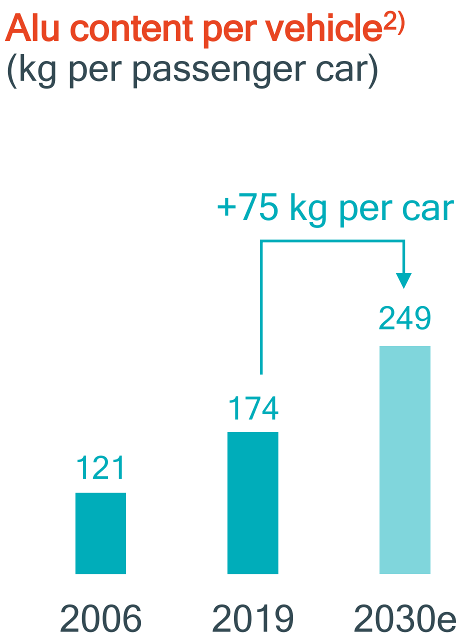


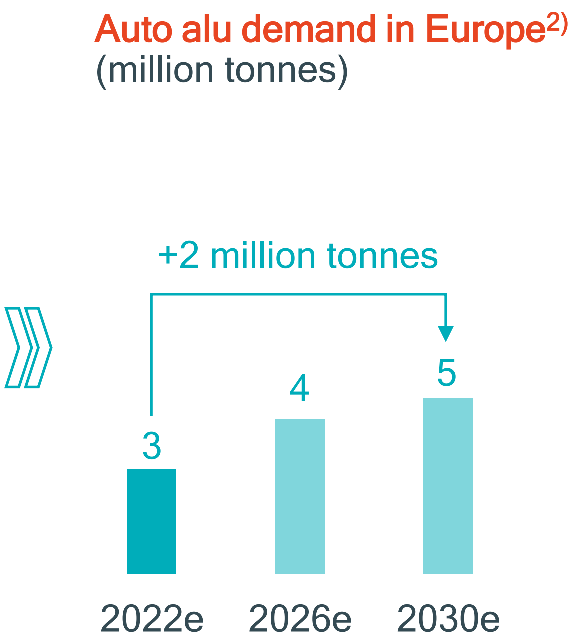
WOX, mixed with virgin zinc concentrates, preferred by smelters, is <5% of global zinc available; Befesa continues to be sold out

1) International Lead & Zinc Study Group (ILZSG) 2) "Commodities Outlook: The (super) cycle is dead, long live the cycle“, Macquarie (Oct 2022)

Decarbonisation and EV driving aluminium market growth in Europe







- **Decarbonisation** trend **drives** transition to Electric Vehicles (**EV**)
- EV requiring **higher aluminium content per car** to achieve light-weight targets
- … driving **higher aluminium demand** in Europe and increased **need for secondary aluminium and salt slags recycling** capacity

1) CRU (Jan 2022)
2) Ducker (Oct 2022)

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Strong financial backbone

Long-term and efficient capital structure with no maturities up to Jul-26

Prudent zinc hedging approach

Rigorous cash management

→ **Resilient earnings & cash flows**

→ Stable & high **liquidity**

→ Moderate **leverage** at c.x2

… to **self-fund** growth roadmap in the **US**, **Europe** & **Asia**

BEFESA

Experienced & 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

- 21+ years with Befesa
- Running Befesa's Steel Dust business for 16+ years

Wolf Lehmann
CFO;
incl. responsibilities for operational excellence & IT

- CFO since 2014
- 25+ years in finance & operational leadership roles, 50/50 General Electric / PE

Federico Barredo
Vice-president 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
- Experience in developing greenfield projects, e.g., Gravelines, South Korea, Bernburg, China

BEFESA

05 / ESG

ESG: Enhanced transparency & performance

Transparency / reporting

Detailed ESG Report

External ratings

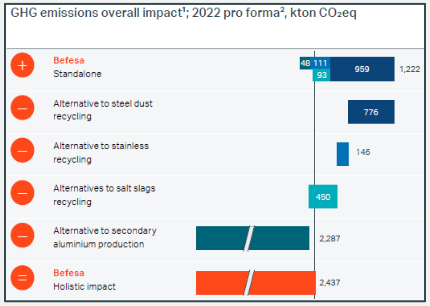
ISS ESG
SUSTAINALYTICS
MSCI
V.E
arabesque s-ray
S&P Global

Health & safety

Lost Time Injury Rate (LTIR)[1] improved by 85% since 2015

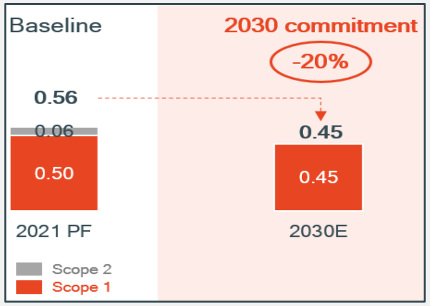
CO_2 holistic approach

Saving >2mt CO_{2eq} vs. virgin production

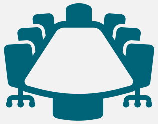


CO_2 intensity targets

-20% by 2030
Net zero by 2050



Sustainability Committee



EU Taxonomy

1) Befesa's own employees and contractors

Sustainability at the core of Befesa

Befesa's operations have a direct net positive environmental impact as well as multiple positive indirect effects by enabling EAF steel and aluminium recycling

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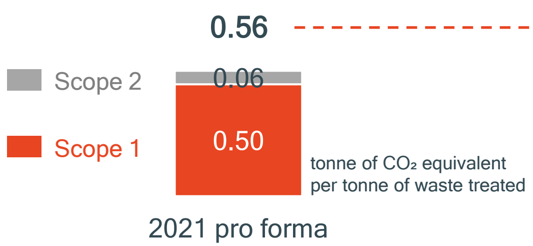
Direct environmental benefits	Indirect sustainability benefits
Avoidance of GHG emissions	Circular economy pure player
Reducing landfill of hazardous residues	Decarbonisation of steel & alu and energy transition
Recovery and production of new valuable materials	Natural resources depletion rate
Best-in-class technology (BAT)	Growth ambition to increase recycling capacity

Climate action plan

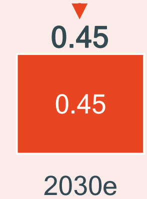
Committing to a 20% GHG emissions intensity reduction by 2030 and aiming at net zero emission by 2050

Baseline



2030 commitment

-20%



2050 vision

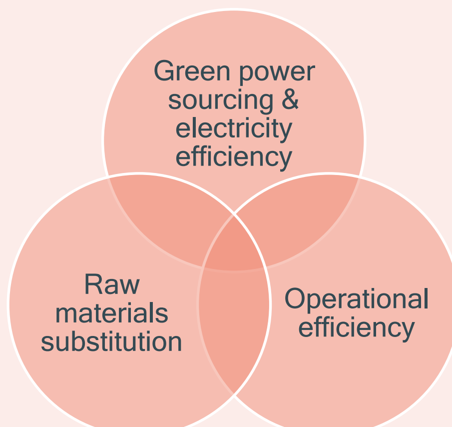
Net zero emission

-

2050e

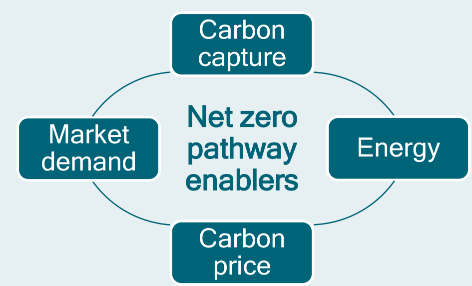
- ✓ Recognised sustainability leader in the circular economy
- ✓ Befesa Climate Change Policy
- ✓ New Sustainability Committee
- » Further increase transparency on sustainability metrics
- » Continuous dialogue with all stakeholders to better understand materiality of sustainability topics

2030 roadmap



Technology investment commitments

- Substitution of coke with CO_2-neutral reducing agent (biomass)
- New technologies to recycle EAFD
- Carbon capture on Waelz kiln
- Replacement of fuel by hydrogen
- Energy generation from gas capture



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Selected ESG targets

Environmental

- >2.4mt[1)] **waste recycled** by **2025**
- >1.8mt[2)] **new materials recovered** by **2025**
- ISO — **ISO certification** schedule (**China & US**)
- CO_2 — **-20%** by **2030**, **net zero** by **2050**

1) Updated from the target set in 2020 of >2 Mt
2) Updated from the target set in 2020 of >1.6 Mt

Social

- -50%[3)] **LTIR** by **2024**
- **BE**zero — maintain **zero fatalities**
- HR policies & procedures — **full integration** across **US** business
- boost **initiatives** for **people with disabilities**
- **HR digitalisation**
- continue **leadership training** programmes

3) Compared to 2019

Governance

- IT — improve **CIS assessment rating** until **2023**
- ≥90% — admin employees trained in **compliance** each year
- Code of Conduct — continue **training** for all employees
- Code of Conduct for Suppliers — continue roll-out & **≥90% coverage** by **2022**
- risk — continue **annual risk assessment**
- establish **Sustainability Committee** in 2022 ✔
- x2 — **women** in **Board** 2022 ✔

Waelz kiln at EAFD recycling plant in Gyeongju, South Korea

06 / Investor agenda & appendix

Investor's agenda

Financial calendar

2023

Prelim. YE Results 2022 & Conf. Call
Thursday, 3 Mar 2023

Annual Report 2022
Thursday, 23 Mar 2023

Q1 2023 Statement & Conf. Call
Thursday, 4 May 2023

Annual General Meeting
Thursday, 15 Jun 2023

H1 2023 Interim Report & Conf. Call
Thursday, 27 Jul 2023

Q3 2023 Statement & Conf. Call
Thursday, 26 Oct 2023

Next investor conferences

Q4 2022

BBVA Iberian Forum (virtual)
6 & 7 Oct - BBVA

London - Befesa 1st Capital Markets Day
8 Nov - Hybrid, London / virtual

London - Global Natural Resources Conf.
10 Nov - Goldman Sachs

Paris - BNP 5th MidCap Conference
16 & 17 Nov - BNP Paribas Exane

Frankfurt - Deutsche Börse Deutsche Eigenkapitalforum
28 & 29 Nov - Deutsche Börse AG

Pennyhill Park, Surrey - Berenberg European Conference 2022
6 Dec - Berenberg

Q1 2023

Lyon - ODDO BHF Forum 2023
5-10 Jan - ODDO BHF

New York - 25th German Investment Seminar
9-11 Jan - Commerzbank & ODDO BHF

BofA C-Suite SMID Conference (virtual)
12 Jan - Bank of America

Frankfurt - 22nd German Corporate Conf.
16-18 Jan - UniCredit & Kepler Cheuvreux

Contact details

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Q3 2022/21 – Key financials

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1)] *yoy change*	€179.5 *+€70.7 / +65.0%*	€29.6 *+€9.6 / +48.1%*	€72.2 *+€0.2 / +0.3%*	€4.0 *+€14.8 / -*	€285.3 *+€95.4 / +50.2%*
Reported EBITDA *yoy change*	€56.3 *+€26.4 / +88.2%*	€7.3 *+€2.6 / +54.6%*	€3.2 *-€1.3 / -28.1%*	-€1.5 *+€3.2 / -*	€65.5 *+€30.9 / +89.4%*
Reported EBITDA margin % *yoy change*	31.4% *+387 bps*	24.8% *+104 bps*	4.5% *-177 bps*	- *-*	22.9% *+474 bps*
Adjusted EBITDA[2)] *yoy change*	€36.0 *+€2.5 / +7.4%*	€7.3 *+€2.6 / +54.6%*	€3.2 *-€1.3 / -28.1%*	-€0.7 *-€0.6 / -*	€45.9 *+€3.2 / +7.6%*
Adjusted EBITDA margin % *yoy change*	20.1% *-1,076 bps*	24.8% *+104 bps*	4.5% *-177 bps*	- *-*	16.1% *-637 bps*

1) Total revenue in Aluminium Salt Slags Recycling Services in Q3'22 amounted to €106.0m (Q3'21: €82.1m) after intersegment eliminations of -€4.1m (Q3'21: €9.9m)
2) €46.0m Q3'22 reported Total EBIT + €19.4m D&A = €65.5m Q3'22 reported Total EBITDA - €19.6m adjustments, mainly driven by Zinc refining acquisition impacts = €45.9m Q3'22 adjusted Total EBITDA

9M 2022/21 – Key financials

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1)] *yoy change*	€533.3 *+€229.2 / +75.4%*	€70.9 *+€13.6 / +23.7%*	€290.0 *+€45.7 / +18.7%*	-€36.3 *-€4.8 / -*	€857.9 *+€283.7 / +49.4%*
Reported EBITDA *yoy change*	€151.3 *+€52.2 / +52.6%*	€22.0 *+€6.1 / +38.4%*	€12.2 *-€5.9 / -32.7%*	-€4.4 *+€0.1 / -*	€181.1 *+€52.4 / +40.7%*
Reported EBITDA margin % *yoy change*	28.4% *-423 bps*	31.0% *+328 bps*	4.2% *-322 bps*	- *-*	21.1% *-130 bps*
Adjusted EBITDA[2)] *yoy change*	€131.0 *+€28.3 / +27.5%*	€22.0 *+€6.1 / +38.4%*	€12.4 *-€5.9 / -32.7%*	-€1.4 *-€1.4 / -*	€163.9 *+€27.1 / +19.8%*
Adjusted EBITDA margin % *yoy change*	24.6% *-922 bps*	31.0% *+328 bps*	4.2% *-322 bps*	- *-*	19.1% *-472 bps*

1) Total revenue in Aluminium Salt Slags Recycling Services in 9M'22 amounted to €325.4m (9M'21: €272.2m) after intersegment eliminations of €35.5m (9M'21: €29.4m)
2) €126.4m 9M'22 reported Total EBIT + €54.8m D&A = €181.1m 9M'22 reported Total EBITDA - €17.3m adjustments, mainly driven by Zinc refining acquisition impacts = €163.9m 9M'22 adjusted Total EBITDA

Multi-year trend – Key financials[1)]

(€m, unless otherwise stated)

	2017	2018	2019	2020	2021
Revenue	€667.4[2)]	€720.1	€647.9	€604.3	€821.6
Reported EBITDA	€153.0	€176.0	€159.6	€123.5	€189.6
Reported EBITDA margin %	22.9%[2)]	24.4%	24.6%	20.4%	23.1%
Adjusted EBITDA	€172.4[3)]	€176.0	€159.6	€127.0[3)]	€197.6[3)]
Adjusted EBITDA margin %	25.8%[2)]	24.4%	24.6%	21.0%	24.0%
Net profit[4)]	€49.3	€90.2	€82.7	€47.6	€99.7
EPS[5)] (€)	€1.02[5)]	€2.65	€2.43	€1.40	€2.68[5)]
Operating cash flow[6)]	€91.5	€103.8	€102.5	€92.5	€117.9
Cash position end of period	€117.6	€150.6	€125.5	€154.6	€224.1
Net debt	€406.4	€376.8	€416.9	€393.6	€470.6
Net leverage	x2.36	x2.14	x2.61	x3.10	x2.16

1) 2017, 2018, 2019, 2020 and 2021 are full year actual reported 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 €14.0.m one-time AZR acquisition costs, and -€6.0m Hanover Salt Slags plant fire impact
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
6) Operating cash flow is after WC change, taxes and interests; pre capex and pre dividend

Q3 2022/21 – Operational data – Steel Dust Recycling Services

	Q3 2021[1)]	Q3 2022	*yoy change*
EAFD throughput (kt)	222.6	267.9	*+45.3 / +20.4%*
EAFD average capacity utilisation (%)	77.7%	68.3%	*-939 bps*
Waelz oxide (WOX) sold (kt)	73.2	97.5	*+24.2 / +33.1%*
Zinc LME price (€/t)	€2,538	€3,245	*+€707 / +27.9%*
Zinc hedging price (€/t)	€2,110	€2,432	*+€322 / +15.3%*
Zinc blended price[2)] (€/t)	€2,220	€2,596	*+€376 / +16.9%*

1) EAFD throughput, corresponding capacity utilisation, and WOX sold figures in Q3'21 include partial figures contributed by the acquired US operations since acquisition in Aug'21 (c. six weeks of Q3'21)
2) Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

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9M 2022/21 – Operational data – Steel Dust Recycling Services

	9M 2021[1)]	9M 2022	*yoy change*
EAFD throughput (kt)	563.3	897.6	*+334.3 / +59.4%*
EAFD average capacity utilisation (%)	81.0%	77.2%	*-381 bps*
Waelz oxide (WOX) sold (kt)	192.6	311.3	*+118.7 / +61.6%*
Zinc LME price (€/t)	€2,412	€3,422	*+€1,010 / +41.9%*
Zinc hedging price (€/t)	€2,170	€2,363	*+€193 / +8.9%*
Zinc blended price[2)] (€/t)	€2,241	€2,647	*+€406 / +18.1%*

1) EAFD throughput, corresponding capacity utilisation, and WOX sold figures in 9M'21 include partial figures contributed by the acquired US operations since acquisition in Aug'21 (c. six weeks of 9M'21)
2) Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

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Q3 2022/21 – Operational data – Aluminium Salt Slags Recycling Services

	Q3 2021	Q3 2022	*yoy change*
Salt slags & SPL treated (kt)	107.2	66.9	*-40.3 / -37.6%* *-6.9[1) / -9.3%[1)*
Salt slags & SPL avg. capacity utilisation (%)	94.5%	59.0% / 82.9%[1)	*-3,556 bps* */ -854 bps[1)*
Aluminium alloys produced (kt)	42.9	37.3	*-5.6 / -13.1%*
Secondary alu avg. capacity utilisation (%)	83.0%	72.2%	*-1,085 bps*
Aluminium alloy FMB price[2) (€/t)	€2,012	€2,327	*+€315 / +15.7%*

1) Normalised for Hanover plant shutdown in 2022
2) Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

9M 2022/21 – Operational data – Aluminium Salt Slags Recycling Services

	9M 2021	9M 2022	*yoy change*
Salt slags & SPL treated (kt)	303.0	239.8	*-63.1 / -20.8%* *+19.4[1)] / +8.8%[1)]*
Salt slags & SPL avg. capacity utilisation (%)	90.0%	71.3% / 100.2%[1)]	*-1,876 bps* */ +809 bps[1)]*
Aluminium alloys produced (kt)	142.4	121.9	*-20.4 / -14.3%*
Secondary alu avg. capacity utilisation (%)	92.8%	79.5%	*-1,331 bps*
Aluminium alloy FMB price[2)] (€/t)	€1,980	€2,481	*+€501 / +25.3%*

1) Normalised for Hanover plant shutdown in 2022
2) Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

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Multi-year trend – Operational data

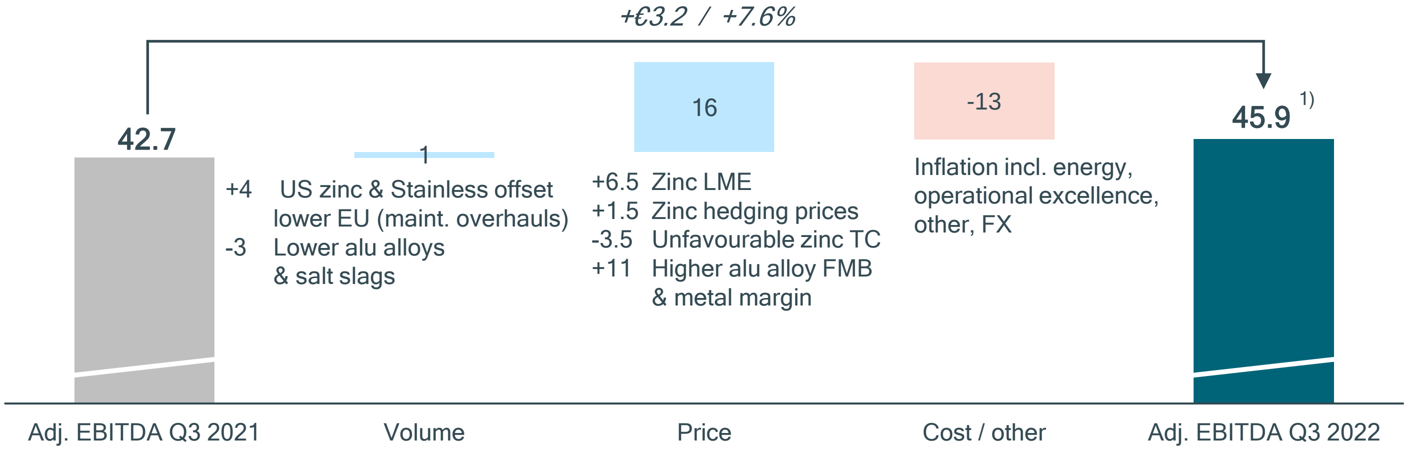
	2017	2018	2019	2020	2021
EAFD throughput (kt)	661.0	717.1	665.8	687.0	885.7
EAFD average capacity utilisation (%)	84.7%	92.0%	80.7% / 90.1%[1)]	83.2%	83.3%[2)]
Waelz oxide (WOX) sold (kt)	217.8	240.9	217.6	239.2	291.0
Zinc LME price (€/t)	€2,572	€2,468	€2,276	€1,979	€2,544
Zinc hedging price (€/t)	€1,876	€2,051	€2,317	€2,239	€2,151
Zinc blended price[3)] (€/t)	€2,160	€2,168	€2,280	€2,136	€2,275
Salt Slags & SPL treated (kt)	509.9	517.0	492.6	444.6	395.0
Salt Slags & SPL avg. cap. utilisation (%)	96.2%	97.5%	92.9%	83.9% / 86.9%[4)]	87.8%
Alu alloys produced (kt)	184.1	169.3	176.7	174.3	185.8
Secondary Alu avg. capacity utilisation (%)	89.8%	82.6% / 98.1%[5)]	86.2% / 91.1%[6)]	85.0%	90.6%
Aluminium alloy FMB price[7)] (€/t)	€1,766	€1,715	€1,397	€1,424	€2,112

1) Installed capacity and corresponding utilisation rates in 2019 are normalised for the capacity upgrade in Turkey, from 65kt to 110kt (plant was shutdown from end of Jan to mid-Aug 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 are normalised for the UK salt slags plant closure by year-end 2020
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

Consolidated key financials

Q3 adjusted EBITDA at €45.9m, +8% yoy, mainly driven by yoy US zinc offsetting lower aluminium volumes; higher base metal prices offsetting energy inflation and unfavourable Zinc TC

Adjusted EBITDA bridge Q3 2021 to Q3 2022 (€m)



Key metrics (€m, unless otherwise stated)

	Q3 2021	*yoy change*	Q3 2022
Revenue	€190.0	*+€95.4 / +50.2%*	€285.3
Adjusted EBITDA[1)]	€42.7	*+€3.2 / +7.6%*	€45.9
Adjusted EBITDA margin %	22.5%	*-637 bps*	16.1%
Net profit	€15.9	*+€21.3 / +133.7%*	€37.2
EPS[2)] (€)	€0.40	*+€0.53 / +133.7%*	€0.93
Operating cash flow	€3.7	*+€10.7 / +287.8%*	€14.4
Cash	€200.7	*-€61.5 / -30.7%*	€139.1
Net debt	€482.1	*+€92.1 / +19.1%*	€574.2
Net leverage[3)]	x2.33	*+x0.23*	x2.56

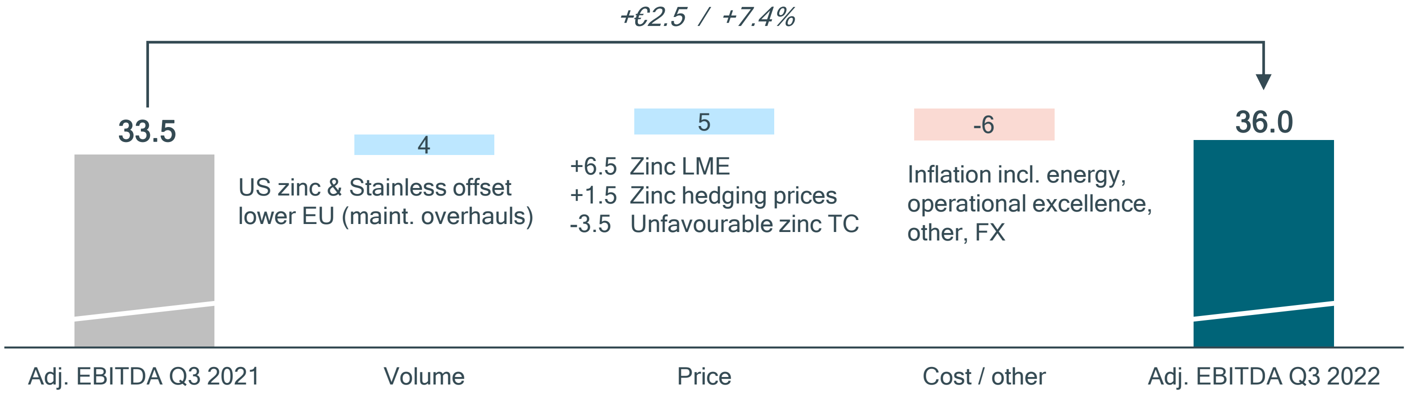
1) €46.0m Q3'22 reported Total EBIT + €19.4m D&A = €65.5m Q3'22 reported Total EBITDA - €19.6m adjustments, mainly driven by Zinc refining acquisition impacts = €45.9m Q3'22 adjusted Total EBITDA
2) EPS is based on 39,999,998 shares after the capital increase of 5,933,293 new shares on 16 June 2021 to partly fund the AZR acquisition
3) Net leverage calculated on an LTM basis; Bank debt covenant reporting normalised and adjusted for synergies results in lower net leverage

BEFESA

Steel Dust Recycling Services

Q3 EBITDA at €36.0m, +7% yoy, mainly driven by yoy US zinc, higher zinc market prices offsetting energy inflation and unfavourable TC

Adjusted EBITDA bridge Q3 2021 to Q3 2022 (€m)



Key metrics (€m, unless otherwise stated)

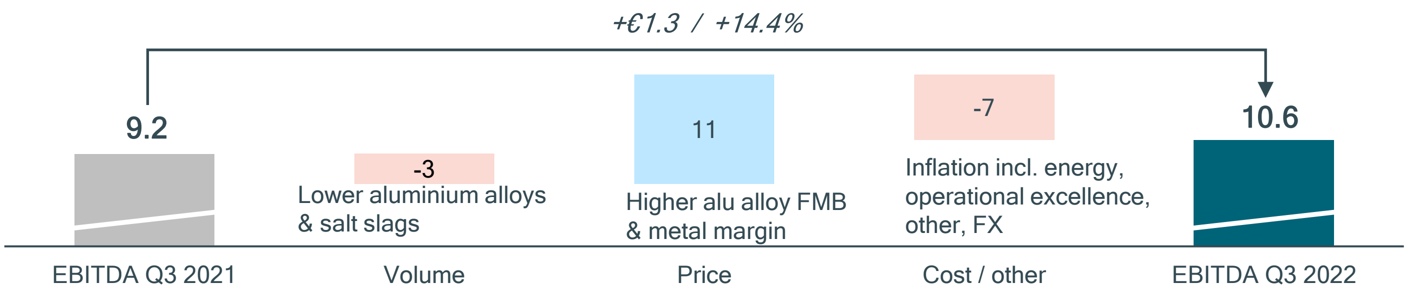
	Q3 2021	*yoy change*	Q3 2022
Revenue	€108.8	*+€70.7 / +65.0%*	€179.5
Adjusted EBITDA[1)]	€33.5	*+€2.5 / +7.4%*	€36.0
Adjusted EBITDA margin %	30.8%	*-1,076 bps*	20.1%
EAFD throughput (kt)	222.6	*+45.3 / +20.4%*	267.9
Plant utilisation	77.7%	*-939 bps*	68.3%
Waelz oxide (WOX) sold (kt)	73.2	*+24.2 / +33.1%*	97.5
Zinc LME price (€/t)	€2,538	*+€707 / +27.9%*	€3,245
Zinc hedging price (€/t)	€2,110	*+€322 / +15.3%*	€2,432
Zinc blended price[2)] (€/t)	€2,220	*+€376 / +16.9%*	€2,596
Treatment charge (TC) ($/t)	$159	*+$71 / +44.7%*	$230

1) €40.8m Q3'22 reported Steel EBIT + €15.5m D&A = €56.3m Q3'22 reported Steel EBITDA - €20.3m adjustments, mainly driven by Zinc refining acquisition impacts = €36.0m Q3'22 adjusted Steel EBITDA
2) Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

Aluminium Salt Slags Recycling Services

Q3 EBITDA at €10.6m, +14% yoy; Energy inflation and some volume pressure offset with higher aluminium metal prices

EBITDA bridge Q3 2021 to Q3 2022 (€m)



Key metrics (€m, unless otherwise stated)

	Q3 2021	*yoy change*	Q3 2022
Revenue[1]	€82.1	*+€23.9 / +29.1%*	€106.0
• Salt Slags	€20.0	*+€9.6 / +48.1%*	€29.6
• Secondary Aluminium	€72.0	*+€0.2 / +0.3%*	€72.2
EBITDA	€9.2	*+€1.3 / +14.4%*	€10.6
• Salt Slags	€4.8	*+€2.6 / +54.6%*	€7.3
• Secondary Aluminium	€4.5	*-€1.3 / -28.1%*	€3.2
EBITDA margin % (Salt Slags)	23.8%	*+104 bps*	24.8%
Salt Slags & SPL treated (kt)	107.2	*-40.3 / -37.6% or -9%[2]*	66.9
Plant utilisation	94.5%	*-3,556 bps*	59.0% / 83%[2]
Aluminium alloys produced (kt)	42.9	*-5.6 / -13.1%*	37.3
Plant utilisation	83.0%	*-1,085 bps*	72.2%
Alu alloy FMB price[3] (€/t)	€2,012	*+€315 / +15.7%*	€2,327

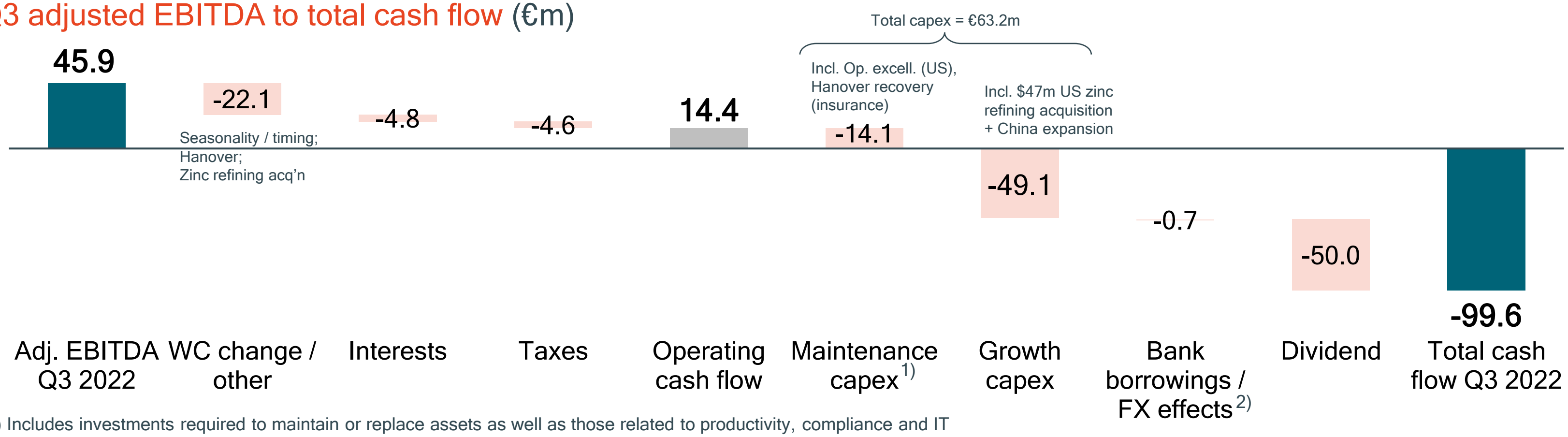
1) Total revenue is after intersegment eliminations (Q3'21: €9.9m; Q3'22: -€4.1m)
2) Normalising for Hanover plant shutdown in 2022
3) Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

BEFESA

Cash flow, net debt & leverage

€139m cash on hand at Q3'22 closing vs. €239m at Q2'22 closing; Balanced cash flow normalised for €50m dividend distributed and $47m zinc refining acquisition; Net leverage of x2.56 at Q3'22; Targeting lower leverage towards year end

Q3 adjusted EBITDA to total cash flow (€m)



1) Includes investments required to maintain or replace assets as well as those related to productivity, compliance and IT
2) Mainly includes cash bank inflows/outflows from bank borrowings and other liabilities, as well as the effect of foreign exchange rate changes on cash

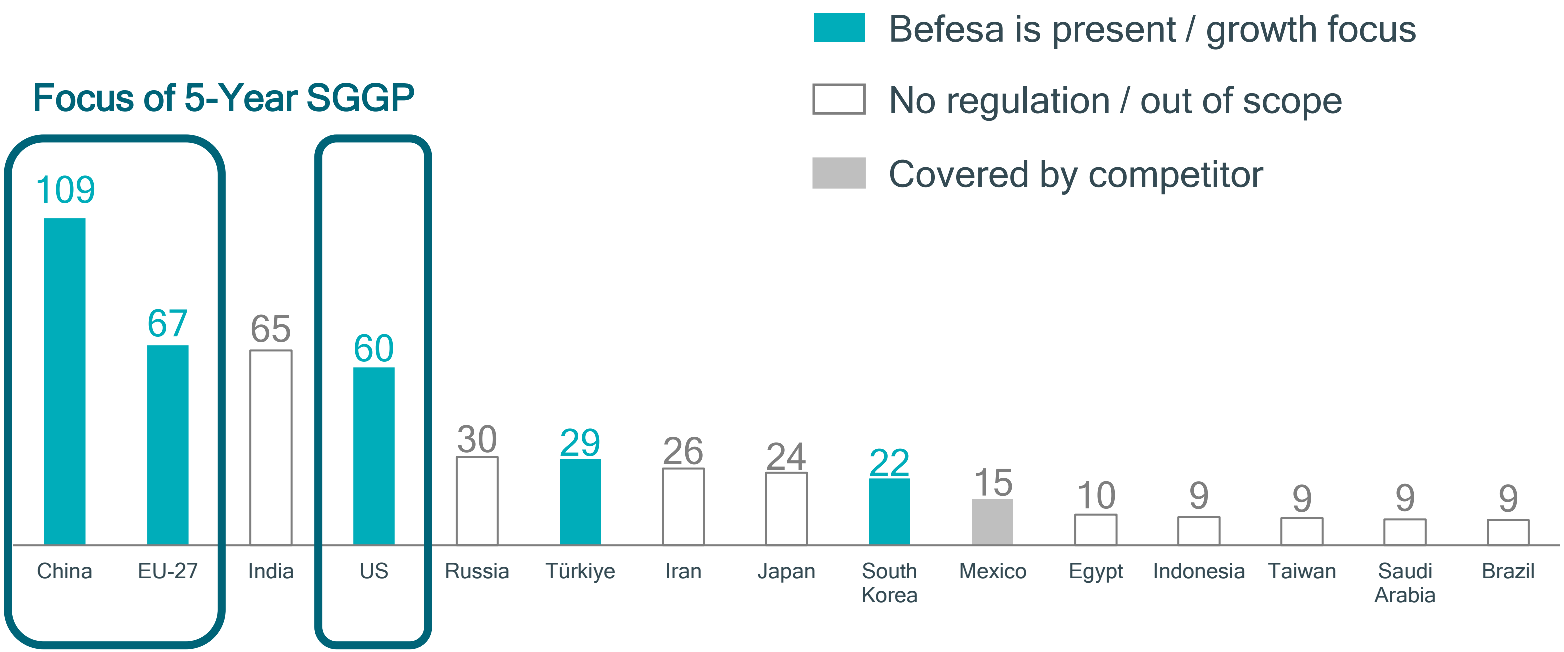
	At 30 Sep 2021	YE 2021	*change*	At 30 Sep 2022
LTM Adj. EBITDA[3)]	€207.2	€217.8	*+€6.8 / +3.1%*	€224.6
LTM Operating cash flow[4)]	€128.7	€117.9	*+€4.4 / +3.7%*	€122.3
Gross debt[5)]	€682.8	€694.7	*+€18.6 / +2.7%*	€713.4
Cash on hand[6)]	€200.7	€224.1	*-€85.0 / -37.9%*	€139.1
Net debt	€482.1	€470.6	*+€103.6 / +22.0%*	€574.2
Net leverage	x2.33	x2.16	*+x0.40*	x2.56

3) LTM Adj. EBITDA of €217.8m at YE'21 and €224.6m at Q3'22 closing incorporate full-twelve-rolling months of the US operations.
4) LTM Operating cash flow of €117.9m at YE'21 and €122.3m at Q3'22 closing include AZR's operating cash flows since closing of the acquisition on 17 Aug 2021
5) Gross debt of €694.7m at YE'21 and €713.4m at Q3'22 closing include €100m TLB add-on to partly fund the AZR acquisition, as well as China local loans

Top-15 EAF steel producing countries

Top-15 EAF steel producing countries represent close to 90% of global EAF output; Befesa present in key & growing markets – Europe, Asia/China and the US

Top-15 EAF steel producing countries[1]**, 2021**
(million tonnes)



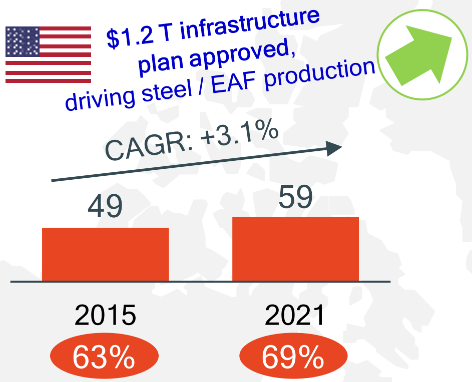
	China	EU-27	US	Türkiye	South Korea
EAFD[2]	1.9	1.2	1	0.5	0.4
BEFESA	✓	✓	✓	✓	✓
	1st mover	#1	#1 / #2	#2 / #3	#1

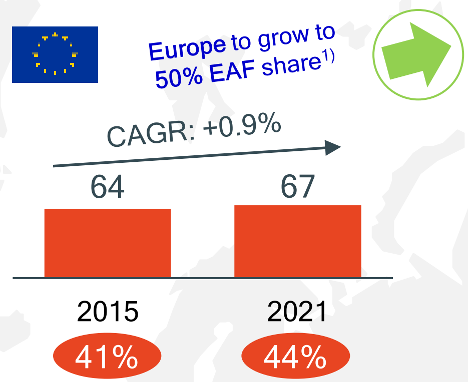
1) worldsteel (Jun 2022); 2022 World Steel in Figures;
2) Total EAFD addressable market based on the assumed mid-point 17.5kg EAFD generation per tonne of EAF steel output

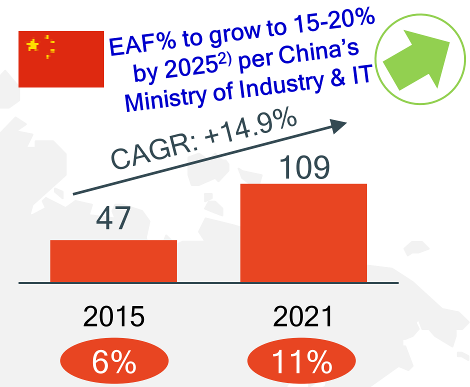
EAF steel production, MT
% EAF share
Outlook
Befesa is present

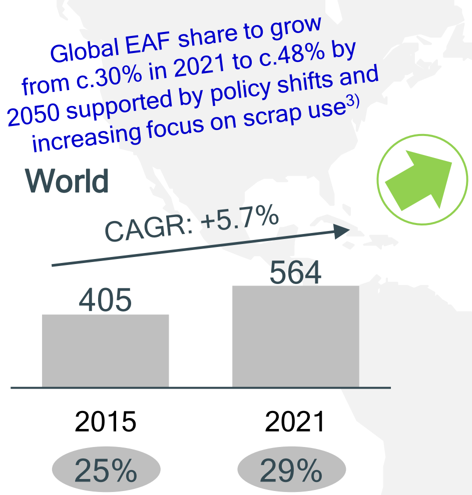
EAF steel production: Regional overview

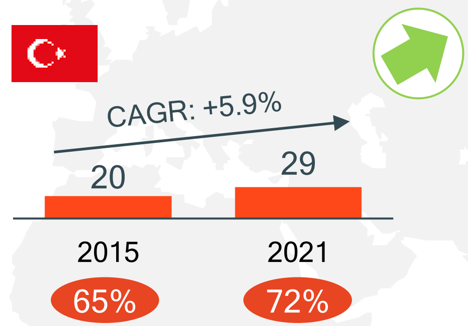
Decarbonization driving accelerated growth of EAF

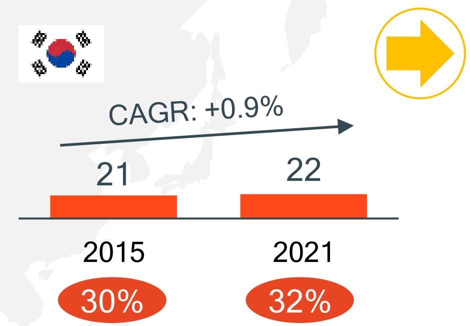


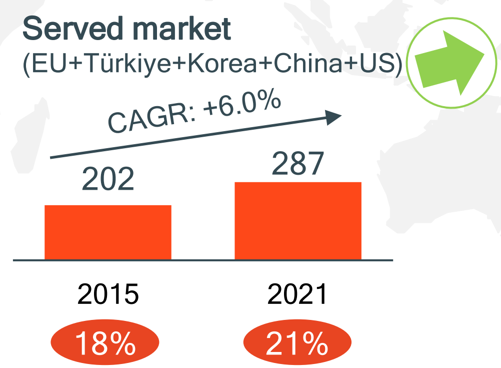












Source: worldsteel (Jun 2022)
1) Net Zero by 2050 (IEA, May 2021), Green Steel for Europe Consortium (June 2021)
2) S&P Global Commodity Insights (April 2022)
3) Wood Mackenzie (May 2022)