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Business Update

2023

Morgan Stanley Metals&Mining Cannonball Run 2023

June 2023

Environmental services for the Steel & Alu industries

- **25 plants** globally; **>1,800** employees
- **#1 globally** in **Steel Dust** Recycling & **#1 in Europe Alu Salt Slags** Recycling Services
- **€215m EBITDA** in 2022; Earnings share **c. 80% Steel / 20% Alu** services
- **Dividend** distribution: **40-50% of net profit**; €50m or **€1.25/share** in July 2023 for 2022
- **2017 IPO** Frankfurt Stock Exchange → **2018 SDAX** → **2021 MDAX**

Circular economy

- **100% circular economy:** Recycling **2 Mt hazardous residues** from secondary steel (EAF) and aluminium industries
- **Extracting zinc, aluminium, salt** and selling those back to the market **preventing the use of virgin resources**
- Producing iron oxide and aluminium oxide as useful industrial filler materials

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Growth

- **Environmental regulation** → Befesa 1st mover as market leader:
  - 2010 Turkey, 2012 South Korea, 2017 China
- **Acquisition:**
  - **2021 USA** Steel Dust Recycling (Ex. AZR); 2022 USA Zinc Refining
- **Market and customers growth**:
  - Decarbonisation drives EAF vs. BOF with c. 1.5t CO_2 less per ton of steel
  - EV accelerates Alu growth (c. 120kg ´06 → 190kg ’22 → 250kg ‘30 alu per car)

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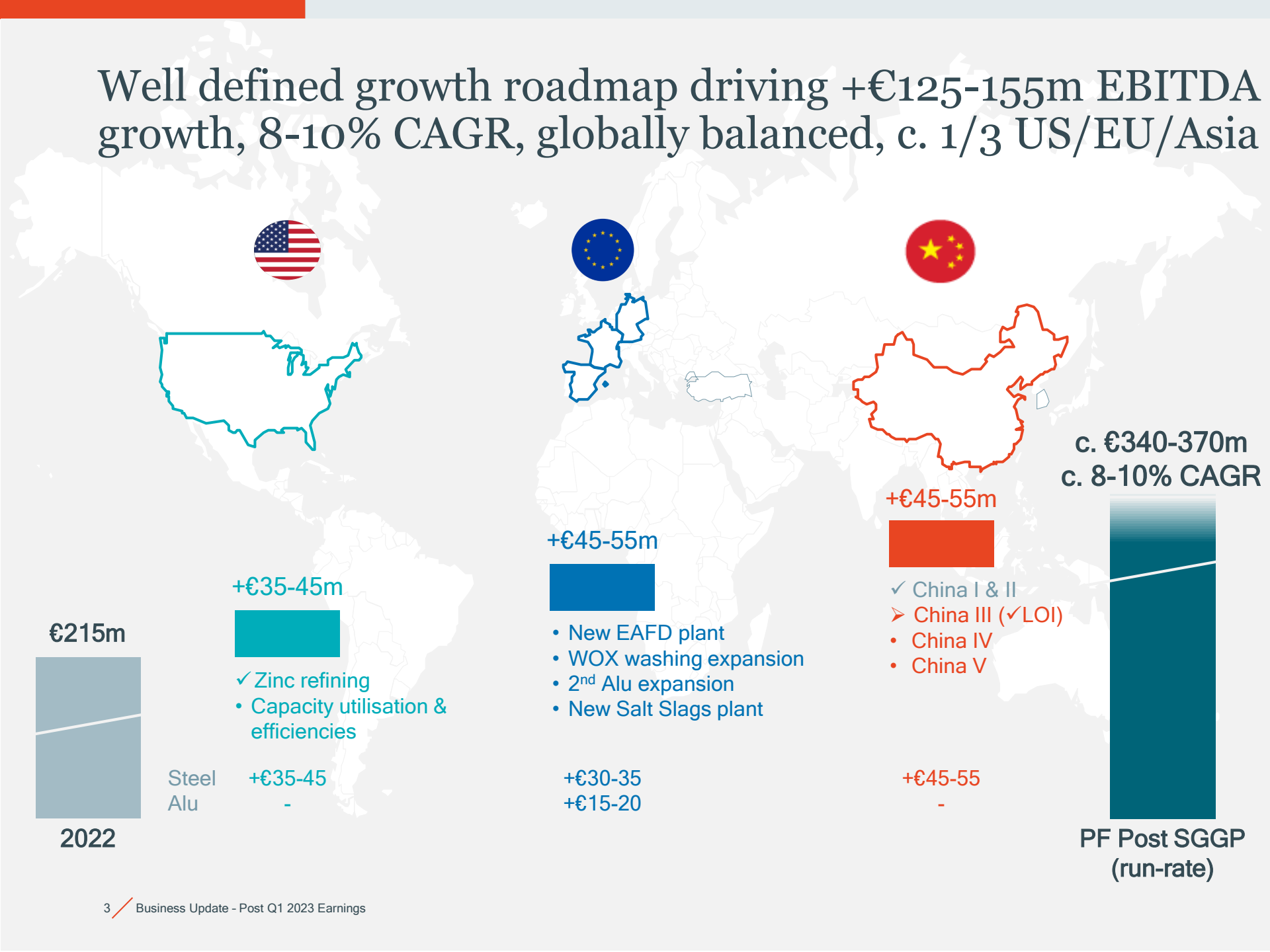
Well defined growth roadmap driving +€125-155m EBITDA growth, 8-10% CAGR, globally balanced, c. 1/3 US/EU/Asia

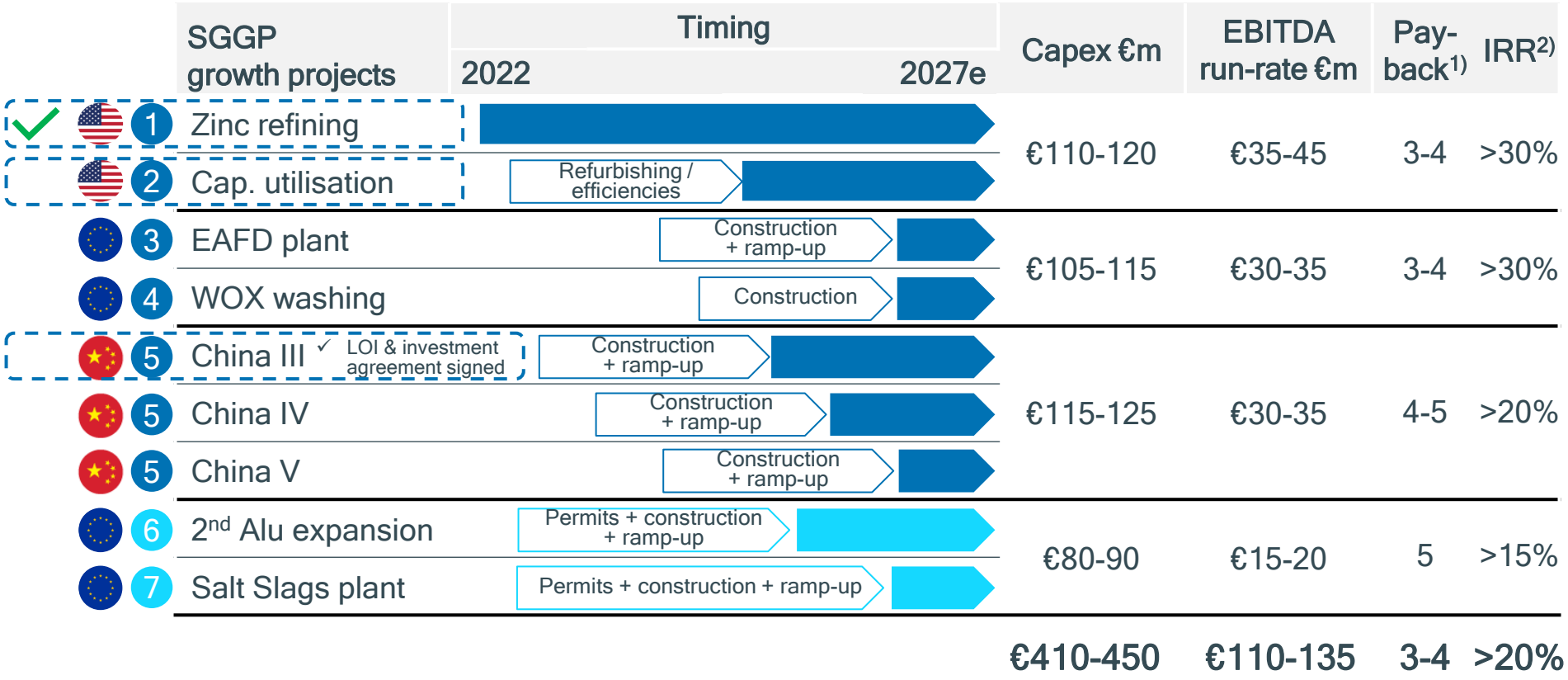


Steel	+€35-45	+€30-35	+€45-55
Alu	-	+€15-20	-

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

€410-450m total capex requirement over the next five years

● Steel Dust ● Alu Salt Slags



Note: €360-400m post c. €50m invested in US zinc refining acquisition

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

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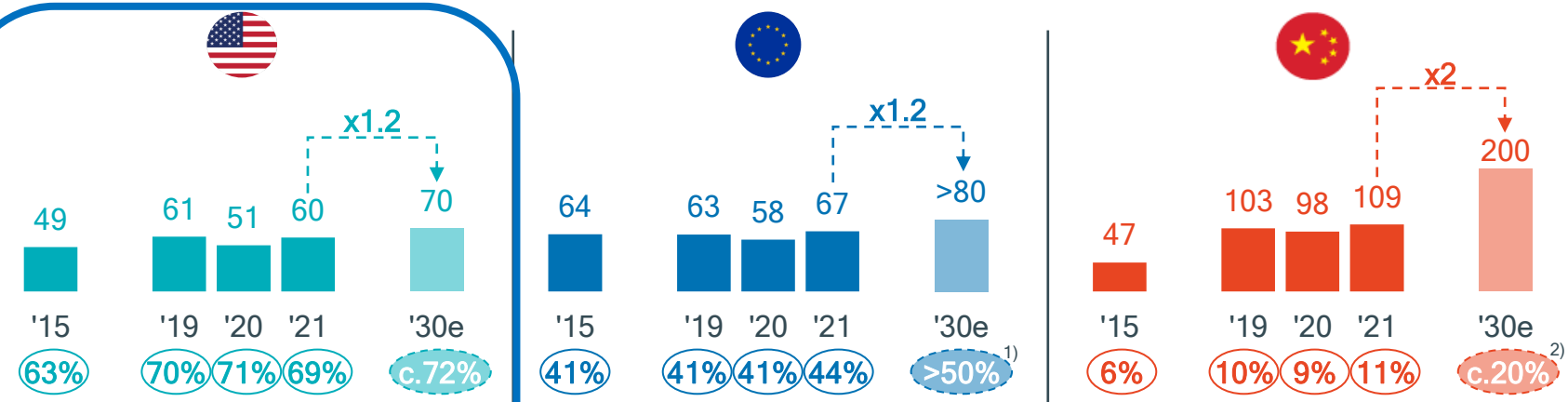
Megatrends and Befesa's approach by market

EAF steel production

(million tonnes, EAF % share of total steel production)



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- **Shortage** of **zinc smelting**

Befesa approach:

➢ c.**40-50% market** share in EAFD; **Improving asset efficiency ahead of higher volume 2024/25 onwards → Load assets & maintain share**

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➢ Continue capacity **expansion step by step**, monitor recovery from **COVID**; Planning for **15-20% market share**

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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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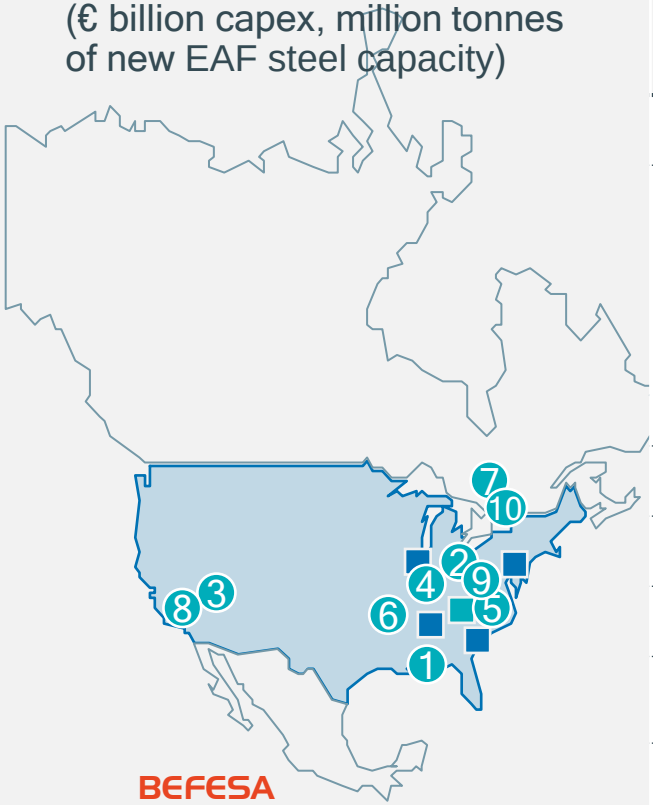
Decarbonisation investments & Infrastructure Programme will support EAF growth by 2030

c.$10-11 Bn capex equal to c.13-14 Mt EAF announced; Plus, $1.2 T infrastructure plan 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)



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
CMC Commercial Metals	9	Berkeley County, West Virginia	$0.5	0.5	YE'25
ArcelorMittal	10	Hamilton, Ontario, Canada	$1.3	4.0	2028
			$10-11 Bn	13-14 Mt	

>300 kt EAFD

Sources: Corporate press releases and presentations

Refurbishing Palmerton in 2023/24 to drive efficiencies & increase capacity utilisation by 2026

EAFD recycling sites

1 Barnwell, SC

165 kt

2 Rockwood, TN

147 kt

3 Calumet, IL

142 kt

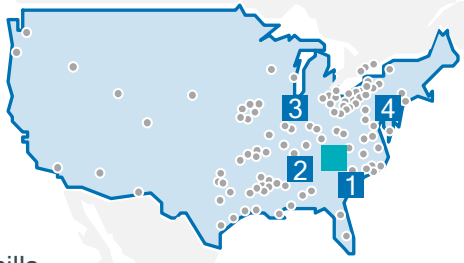
4 Palmerton, PA

163 → 200 kt

x EAFD annual nameplate recycling capacity

Palmerton refurbishment status update

- Engineering / design across 6 working areas (packages) in process
- Request For Quote with suppliers started; Completion scheduled for Q2 2023
- Scheduling downtimes across production lines ensuring continuation of customer service



- EAF mini mills
- Befesa's EAFD recycling sites
- Befesa's zinc refining plant

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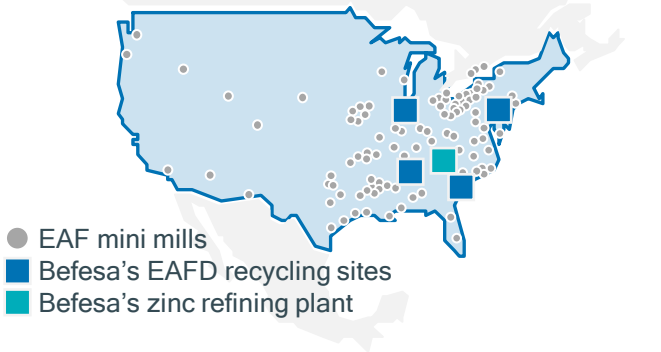
US Zinc refining asset acquired on 30 Sep 2022

Rutherford County, NC



x Special High Grade (SHG) zinc production capacity

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 September 2022 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
- **Largest producer** of **"green zinc"** (SHG) **100% from recycled materials** (WOX) using solvent extraction

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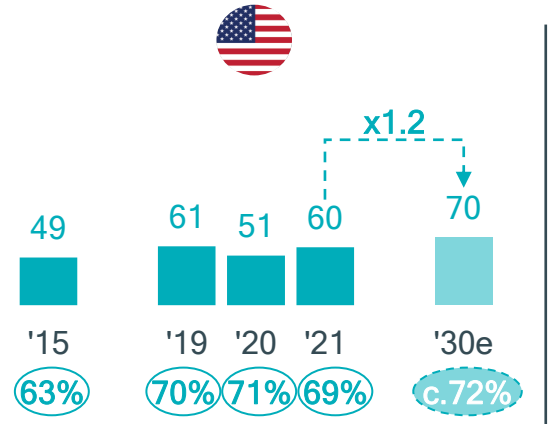

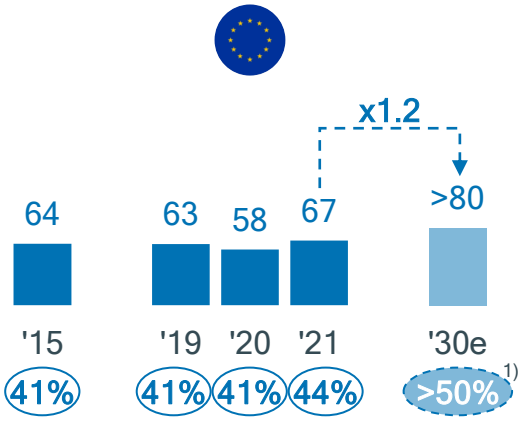

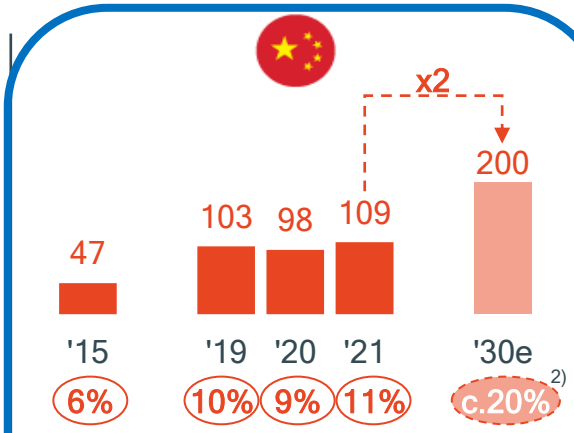

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Largest producer of steel, rapidly transitioning from BOF to EAF; a strong growth opportunity

>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)

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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	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

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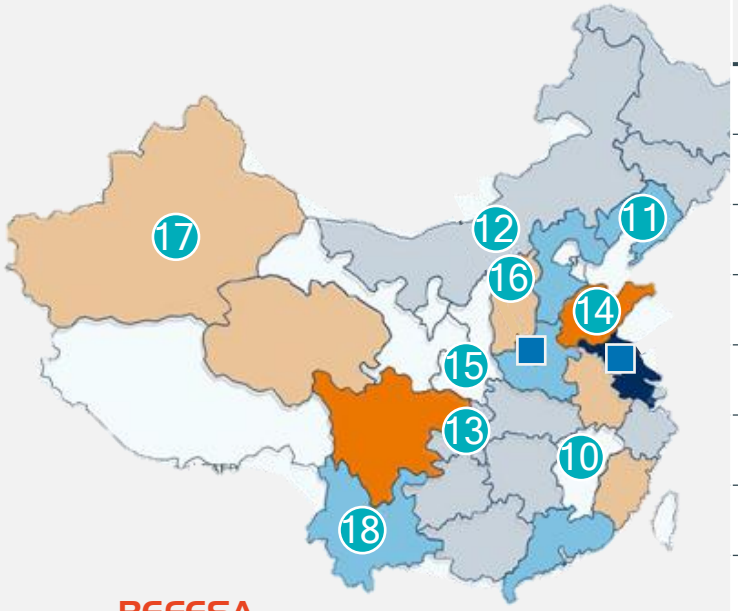

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EAFD recycling sites in China

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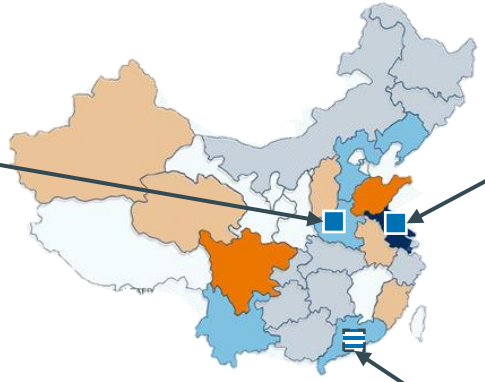
# EAF projects	Chinese province	New EAF steel production capacity, Mt
2	10 Jiangxi	1.5
1	11 Liaoning	1.8
3	12 Inner Mongolia	2.5
1	13 Chongqing	4.0
3	14 Shandong	3.0
1	15 Shaanxi	1.1
1	16 Shanxi	0.7
1	17 Xinjiang	1.0
1	18 Yunnan	2.0
Total # new EAF projects in China: 43		>60 Mt EAF steel production capacity

c.1 Mt EAFD

Sources: Internal analysis

Operating 2 plants in 2023; Preparing 3rd province, Guangdong

China II, Xuchang (Henan)
- ✓ Commissioning completed Dec 2022
- ✓ Inaugurated on 23 February 2023
- ➢ Ramping up operations



China I, Changzhou (Jiangsu)
- ✓ Ramped up Q1 2022

China III, Yunfu (Guangdong)
- ✓ LOI signed in Q4 2022
- ✓ Signed investment agreement with local authorities on 22 February
- ➢ Land lot assigned; Preparation works in progress (levelling lot)
- ➢ Preparing basic engineering
- ➢ Starting negotiations with local steelmakers

Befesa's EAFD recycling sites

EAFD generation - Chinese market

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

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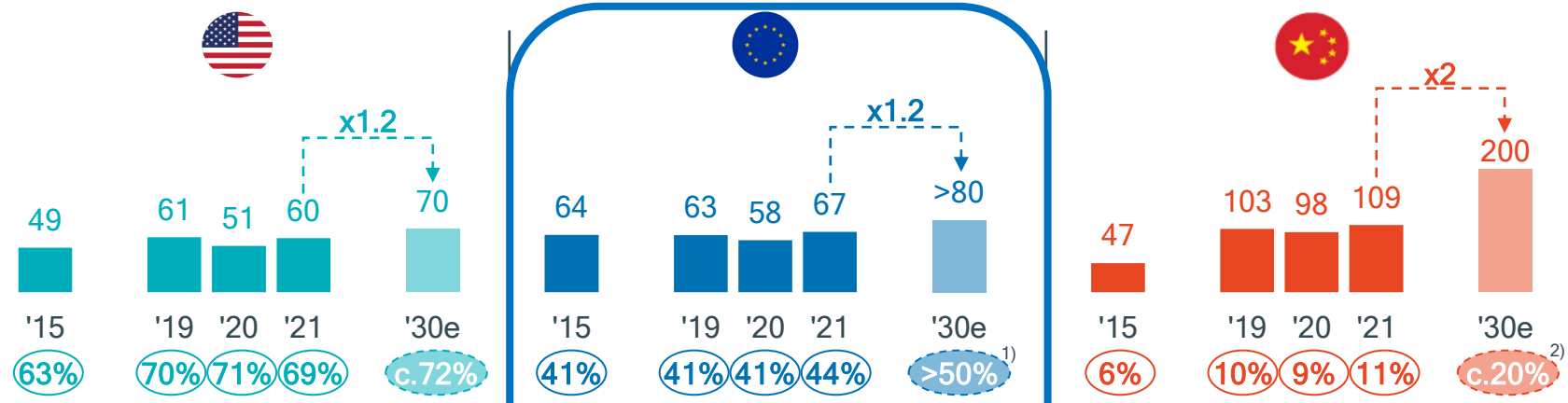

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Accelerating decarbonisation investments in EU will support EAF share growing to >50% by 2030

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

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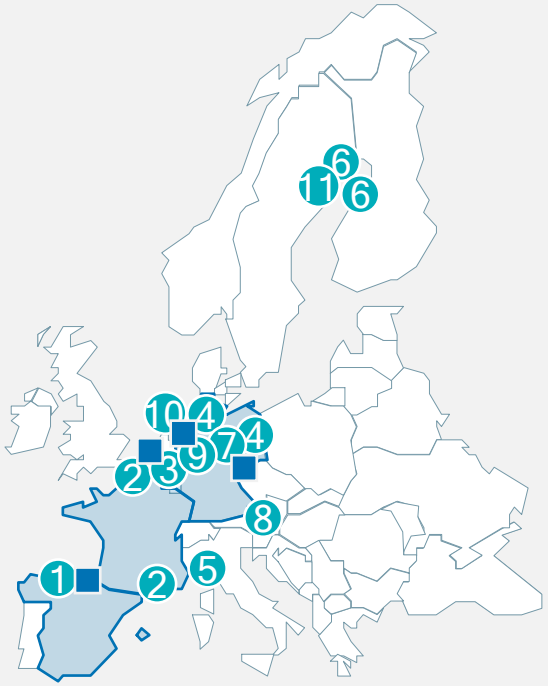

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	2	Fos-sur-Mer & Dunkirk, France	€1.7	2.0	H1'27
	3	Ghent, Belgium	€1.1	2.0	2030
	4	Bremen & Eisenhüttenstadt, Ger	€1.3	1.0	2030
	5	Genoa & Novi Ligure, Italy	€1.3	2.5	H1'24
SSAB	6	Luleå, Sweden; Raahe, Finland	€4.2	5.0	2030
SALZGITTER AG	7	Peine, Niedersachsen, 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	

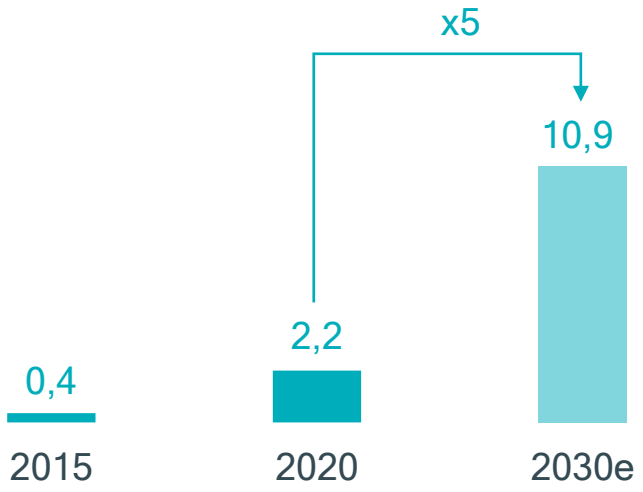
c.350 kt EAFD

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

Aluminium Salt Slags Recycling Services - Decarbonisation trend drives transition to EV

Automotive industry switching from combustion to Electric Vehicles (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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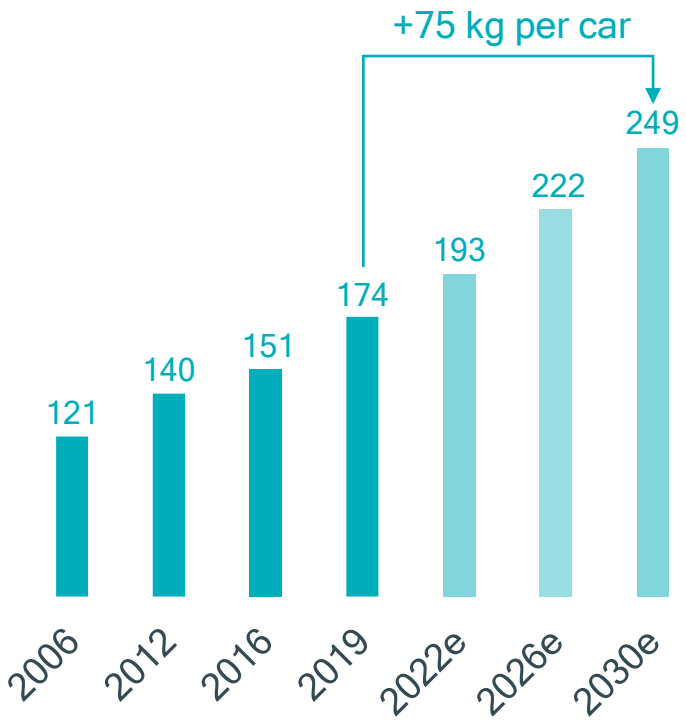
EV requiring higher aluminium content per car to achieve light-weight targets

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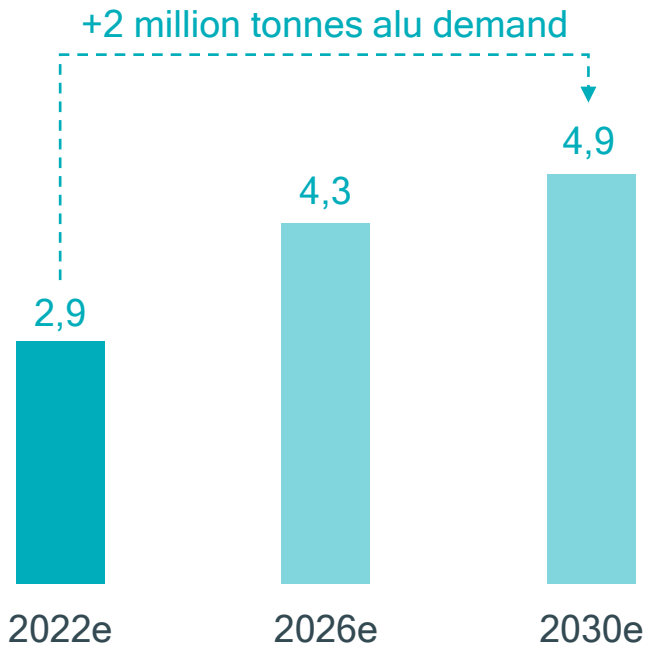
… driving higher aluminium demand with increased needs for 2nd alu & salt slags recycling

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)

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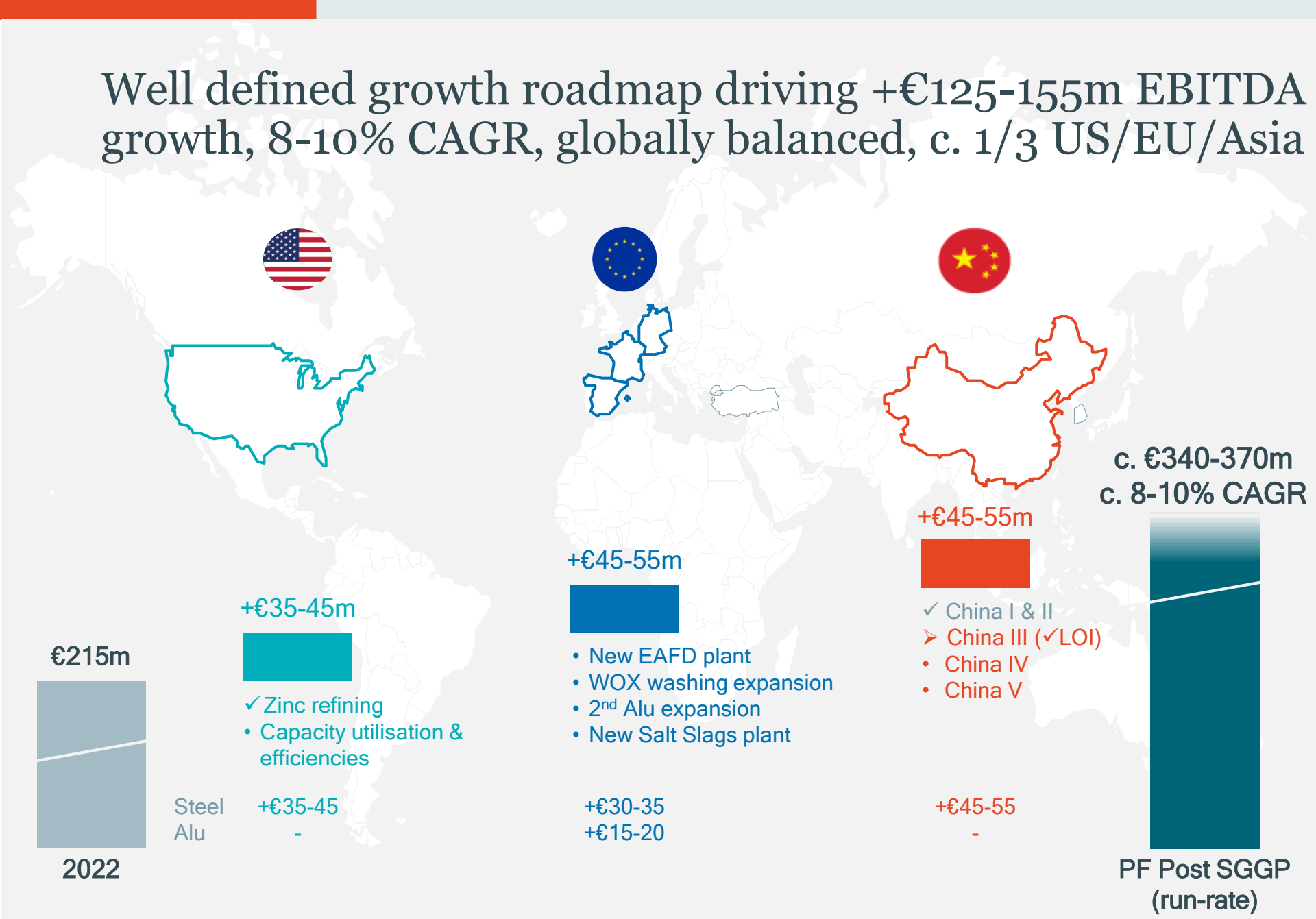
Well defined growth roadmap driving +€125-155m EBITDA growth, 8-10% CAGR, globally balanced, c. 1/3 US/EU/Asia



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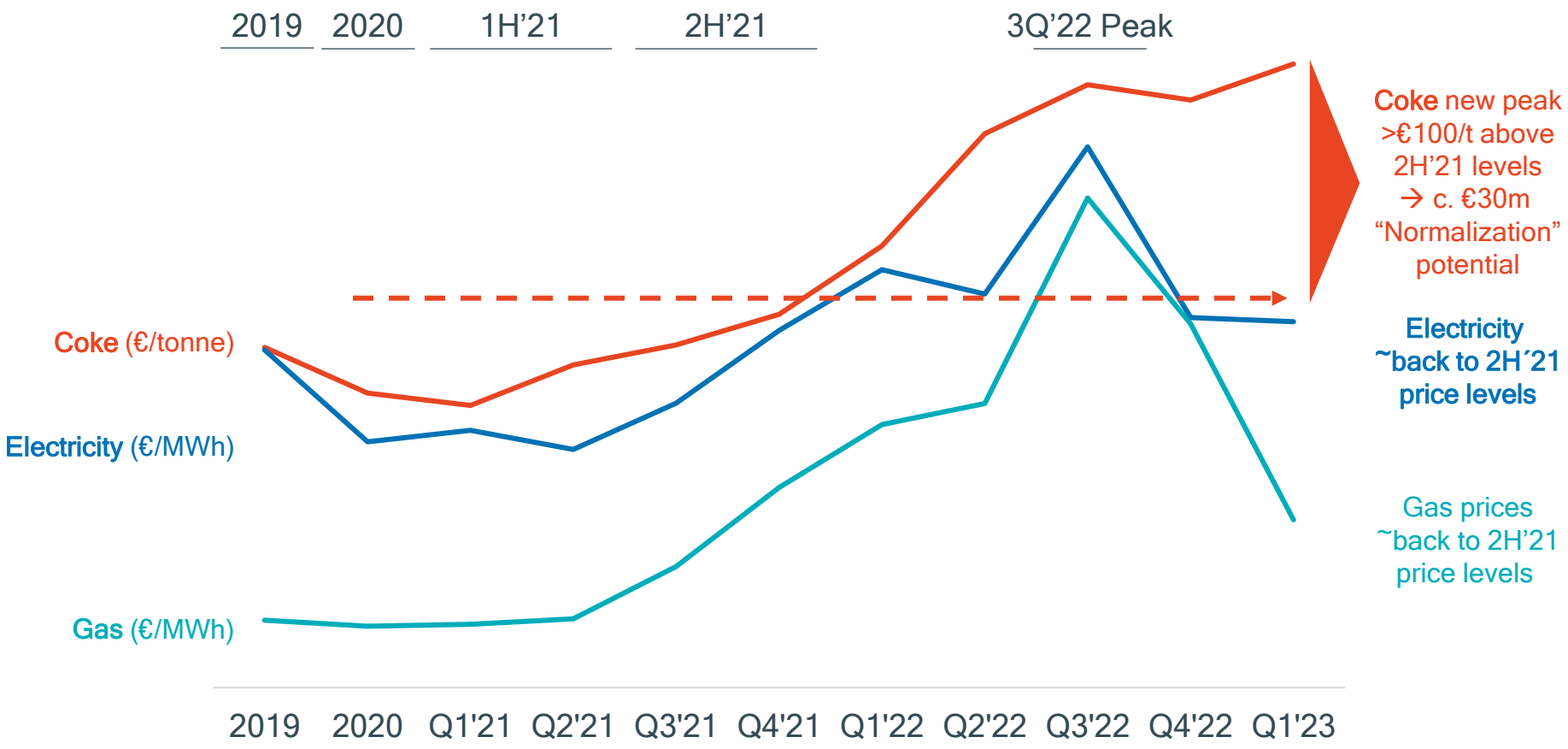
Price trend by energy source

- Gas and electricity peaked at 3Q'22 and **moderated back to ~2H'21 levels**
- Coke prices peaked in 1Q'23; No "moderation" yet … Current **price > €100 per tonne above 2H´21** … Representing **an approx. €30m cost reduction "normalization" potential**



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Business Update

2023

Post Q1 Earnings

May 2023

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First quarter 2023 figures are unaudited.

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.

01 Business update

Executive summary

- **Revenue increased by 23% to €322m** (Q1'22: €261m) driven by the US operations
- **Adj. EBITDA at €50.1m,** approx. **stable qoq** (Q4'22: €50.7m); **-18% yoy** (Q1'22: €61.1m); lower zinc LME prices, unfavourable 19% higher TC and continued coke inflation
- **Operating cash flow at €13m** (Q1'22: €26m), approx. stable yoy normalised for final Hanover fire insurance proceeds, expected Q2; Cash at €143m provides >€200m liquidity

2023 guidance of €200m to €230m EBITDA, -7% to +7% yoy (2022: €215m);
Proposing **stable dividend** of **€1.25 per share** for 2023 (2022: €1.25)

Integrating & ramping up zinc refining operations acquired on 30 September;
Continuing efficiency projects to improve earnings going forward, refurbishing Palmerton

Henan plant: **Ramping up**; **Two plants operating** in 2023;
Working on the **third province**, Guangdong

ESG Reporting on ESG in June 2023

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Q1 business highlights

Steel Dust

- **EAFD throughput**:
  -19% yoy to 274 kt, -8% qoq, mainly due to Turkey operations impacted by earthquake (restarted in March), and the US
- **Plant utilisation**: 71%
- **Zinc LME** prices: -13% yoy, -1% qoq
- **Adj. EBITDA**: €37m, -32% yoy, stable qoq

Alu Salt Slags

- **Salt slags & SPL** volumes:
  -6% yoy to 82 kt, stable qoq
- **2nd aluminium alloys**:
  +3% yoy to 44 kt, +13% qoq
- **Plant utilisation**:
  71% (>90% normalised for Hanover, ramping up)
- **Alu FMB** prices: -12% yoy, -0.5% qoq
- **Adj. EBITDA**: +82% to €14m, +17% qoq

US

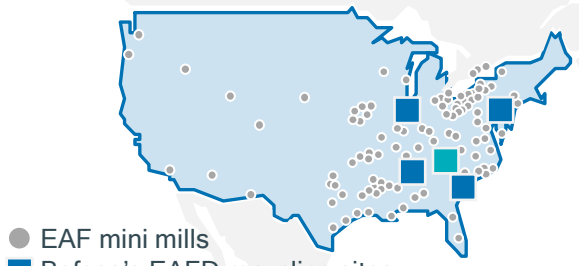
- **Integrating & ramping up zinc refining asset** acquired on 30 September
- **Executing efficiency projects**, preparing **Palmerton** plant refurbishment

China

- **Henan: Ramping up** operations
- **Operating Jiangsu & Henan plants in 2023**
- Working on **Guangdong** as third province

✓ US Zinc refining asset acquired on 30 Sep 2022; Integration progressing, ramping up operations

Rutherford County, NC



x Special High Grade (SHG) zinc production capacity

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 September 2022 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
- **Largest producer** of **"green zinc"** (SHG) **100% from recycled materials** (WOX) using solvent extraction

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Refurbishing Palmerton in 2023/24 to drive efficiencies & increase capacity utilisation by 2026

EAFD recycling sites

1 Barnwell, SC

165 kt

2 Rockwood, TN

147 kt

3 Calumet, IL

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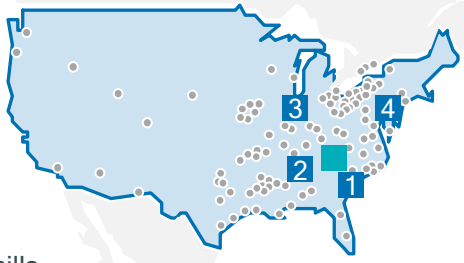
4 Palmerton, PA

163 → 200 kt

x EAFD annual nameplate recycling capacity

Palmerton refurbishment status update

- Engineering / design across 6 working areas (packages) in process
- Request For Quote with suppliers started; Completion scheduled for Q2 2023
- Scheduling downtimes across production lines ensuring continuation of customer service



- EAF mini mills
- Befesa's EAFD recycling sites
- Befesa's zinc refining plant

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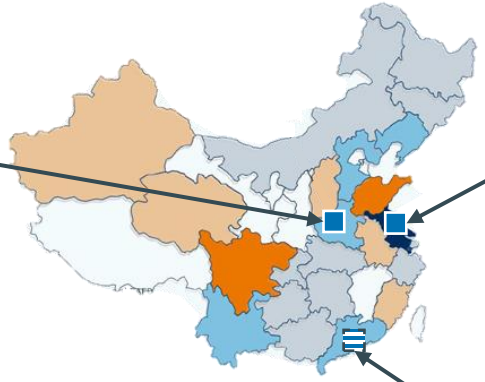
Operating 2 plants in 2023; Preparing 3rd province, Guangdong

China II, Xuchang (Henan)
- ✓ Commissioning completed Dec 2022
- ✓ Inaugurated on 23 February 2023
- ➢ Ramping up operations



China I, Changzhou (Jiangsu)
- ✓ Ramped up Q1 2022

China III, Yunfu (Guangdong)
- ✓ LOI signed in Q4 2022
- ✓ Signed investment agreement with local authorities on 22 February
- ➢ Land lot assigned; Preparation works in progress (levelling lot)
- ➢ Preparing basic engineering
- ➢ Starting negotiations with local steelmakers

Befesa's EAFD recycling sites

EAFD generation - Chinese market

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

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Outlook 2023

	Lower-end: €200m -€15m / **-7% yoy**	Upper-end: €230m +€15m / **+7% yoy**
EBITDA	• **Lower end**: Continued c. €50m per quarter run-rate; Coke prices remain high; Zinc prices c. $2,800-2,900/t rest of the year • **Upper-end**: Coke prices reducing to H1'22 levels; China momentum accelerates; Zinc prices strengthen in H2 • Key EBITDA **sensitivities**: **Steel**: +/- €100/t Zinc LME price: +/-€8 to 9m; +/- €100/t Aluminium FMB price: - **Alu Salt Slags**: +/- €100/t Zinc LME price: -; +/- €100/t Aluminium FMB price: +/-€1.5 to 2m	
Capex	• **Total capex of c. €85-95m**: c. €20m growth (US Palmerton refurbishment) c. €65-75m regular maintenance / US operational excellence / IT / Compliance	
Dividend	• Proposing yoy stable dividend distribution of **€50m** (**€1.25 per share**)	
Cash flow, cash position & net leverage	• **c. -€40m to -€50m cash flow**[1)] • c. €110-120m cash position • Net **leverage at around x2.9**	• **c. -€15m to -€25m cash flow**[1)] • c. €135-145m cash position • Net **leverage at around x2.5**

1) Total cash flow after capex and dividend payout

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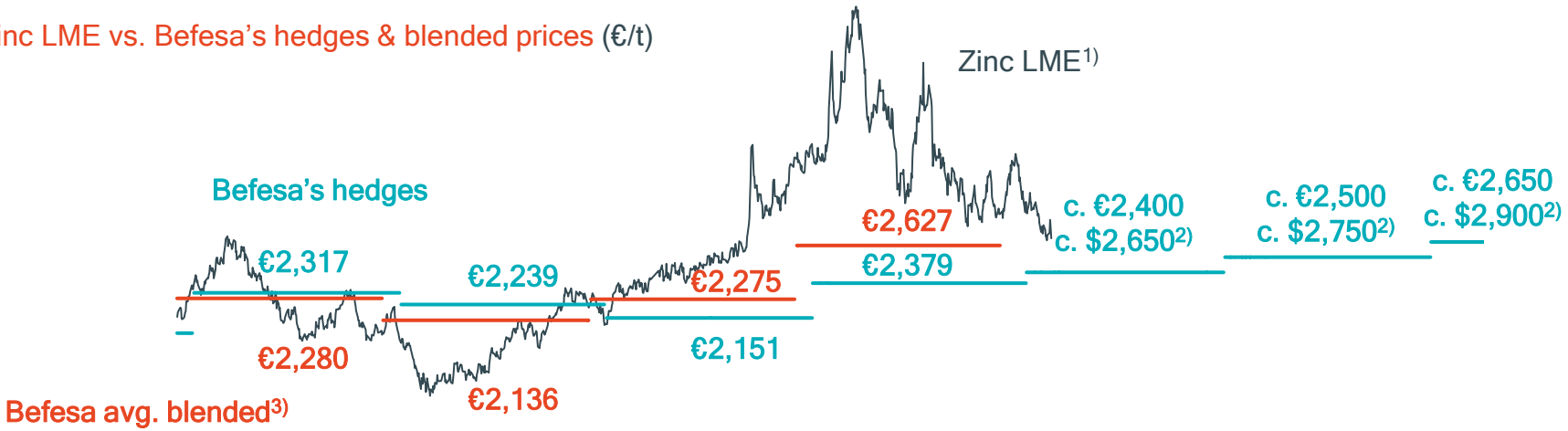
Zinc prices & hedging strategy

Hedge book extended further up to July 2025, c. 2 years; Improving earnings & cash flows visibility

Zinc LME vs. Befesa's hedges & blended prices (€/t)



	2019	2020	2021	2022	2023	2024	H1'25
Zinc content hedged[4)]	92 kt / 74%	92 kt / 67%	120 kt / 73%	163 kt / 72%	155 kt	152 kt	58 kt

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Hedging strategy unchanged

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

1) London Metal Exchange (LME) zinc daily cash settlement prices
2) Assumes FX $/€ of 1.10 for 2023, 2024, and 2025
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
4) As percentage of total zinc payable output

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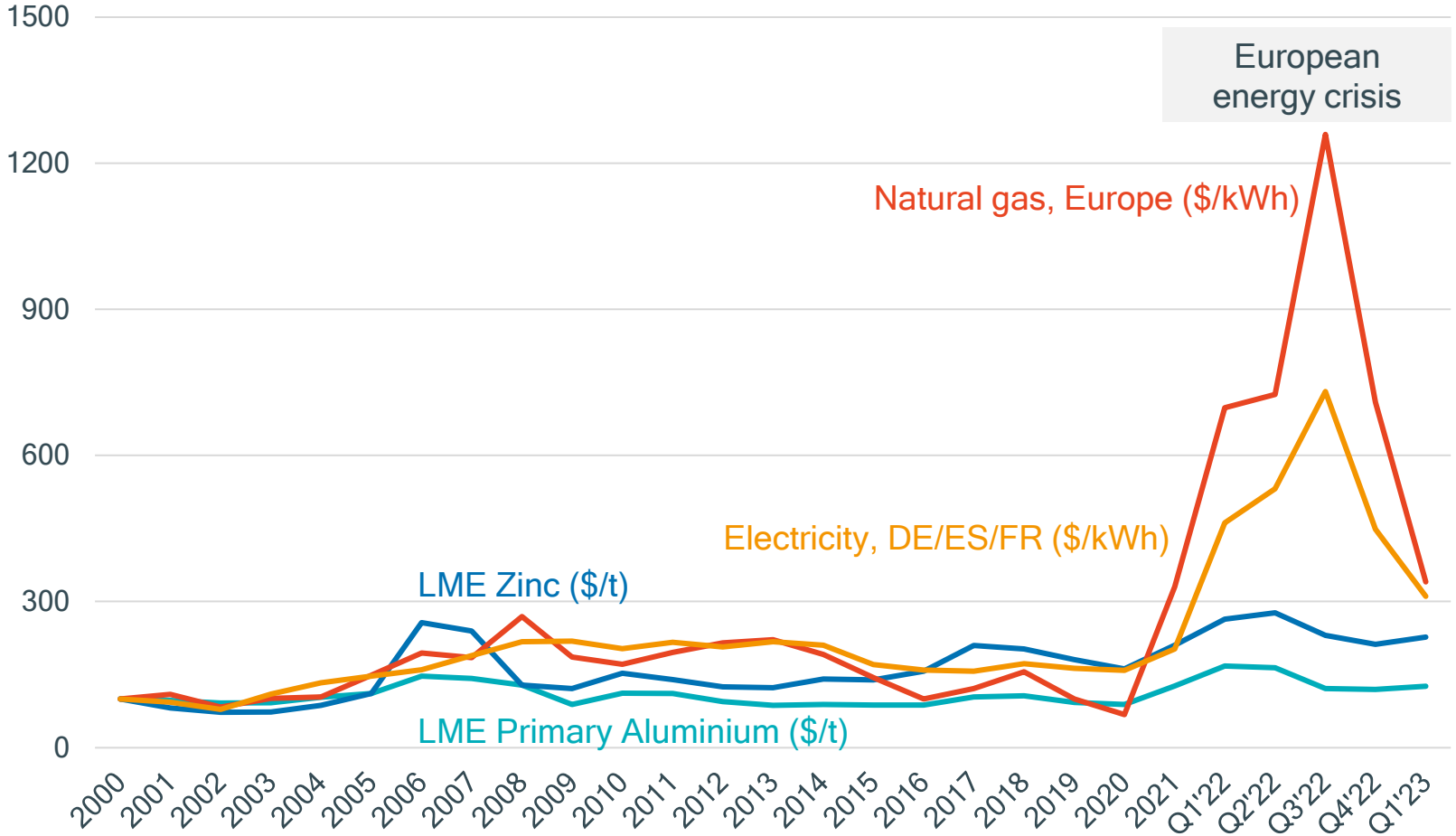
Zinc & alu metal prices directly correlated with electricity & gas prices over the last >20 years

Indexed annual price trend[1)], 2000 to Q1 2023
(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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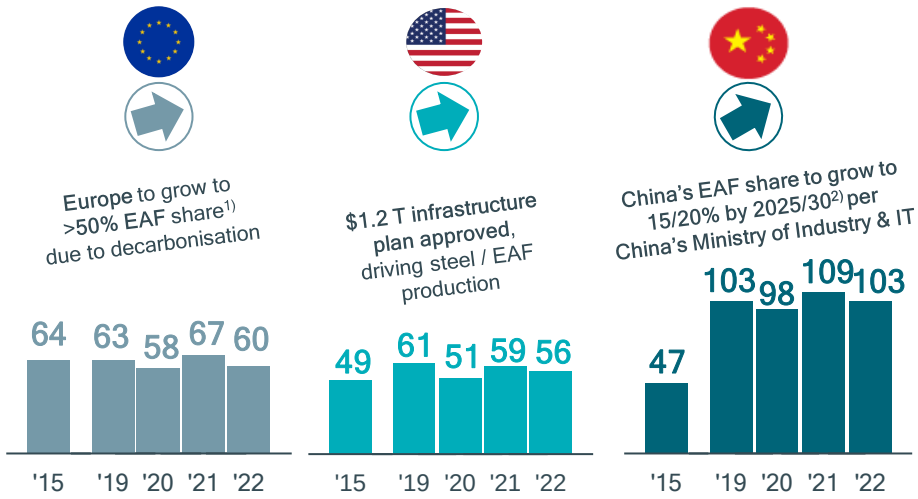
EAF steel production -&- Befesa's steel portfolio growth & diversification

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

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

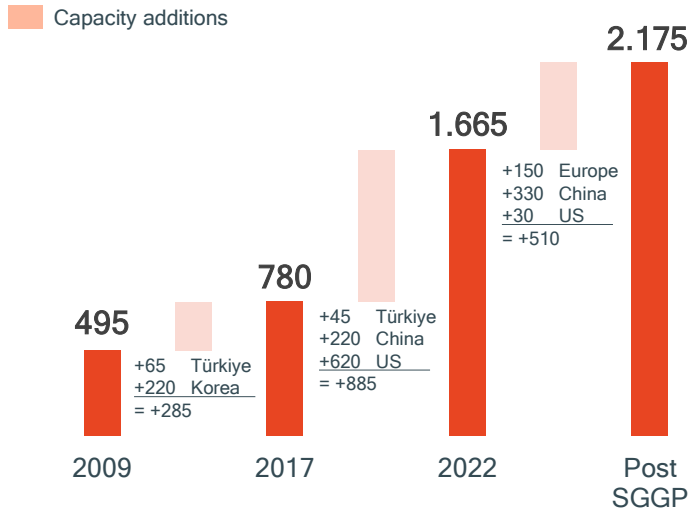


EAF % of total steel production:

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

- **Primary steel (BOF) consumes 7x more CO^2/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%
Turkey / 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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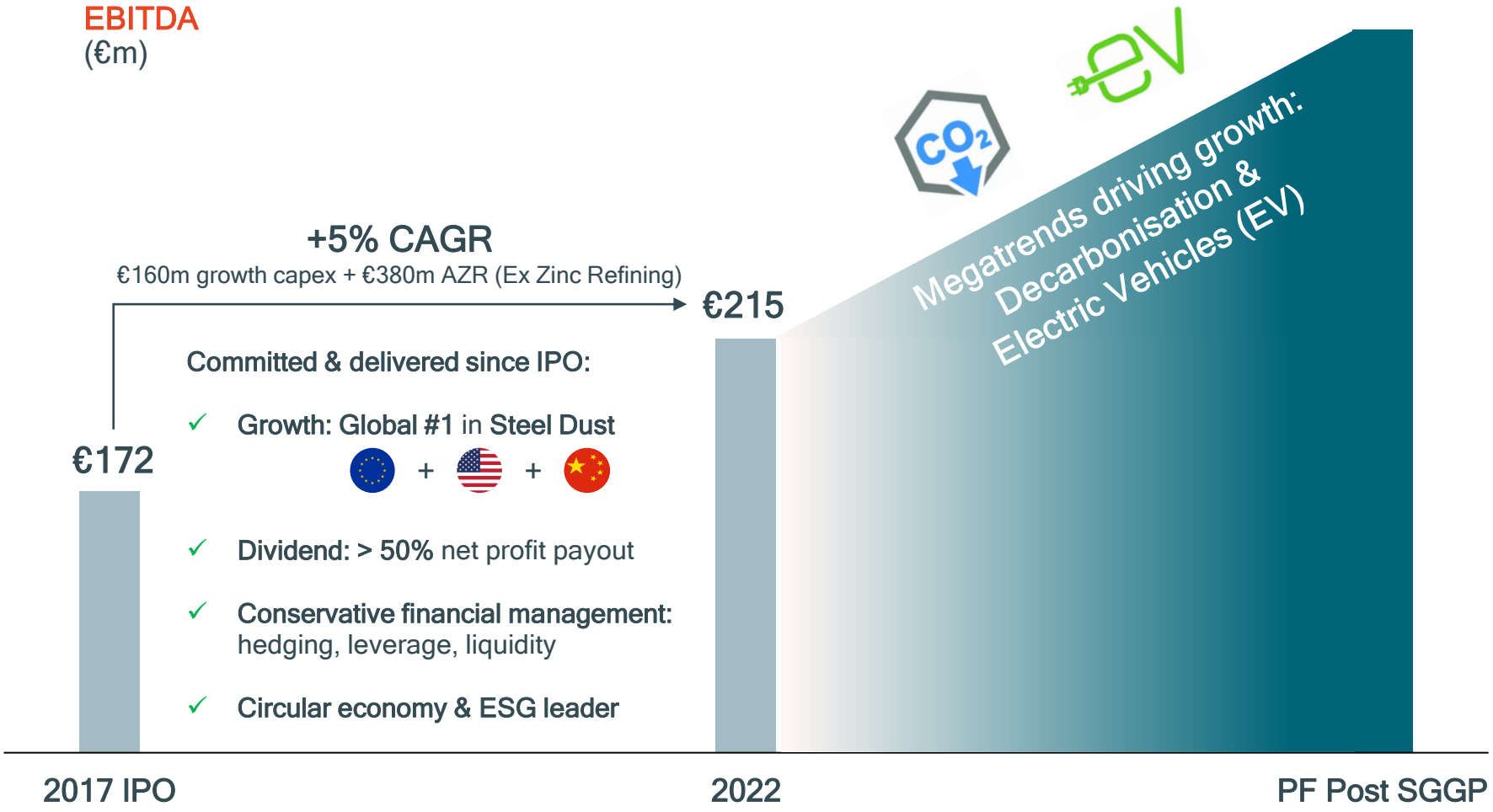
Proven track record since IPO; Megatrends driving growth over next 5 years



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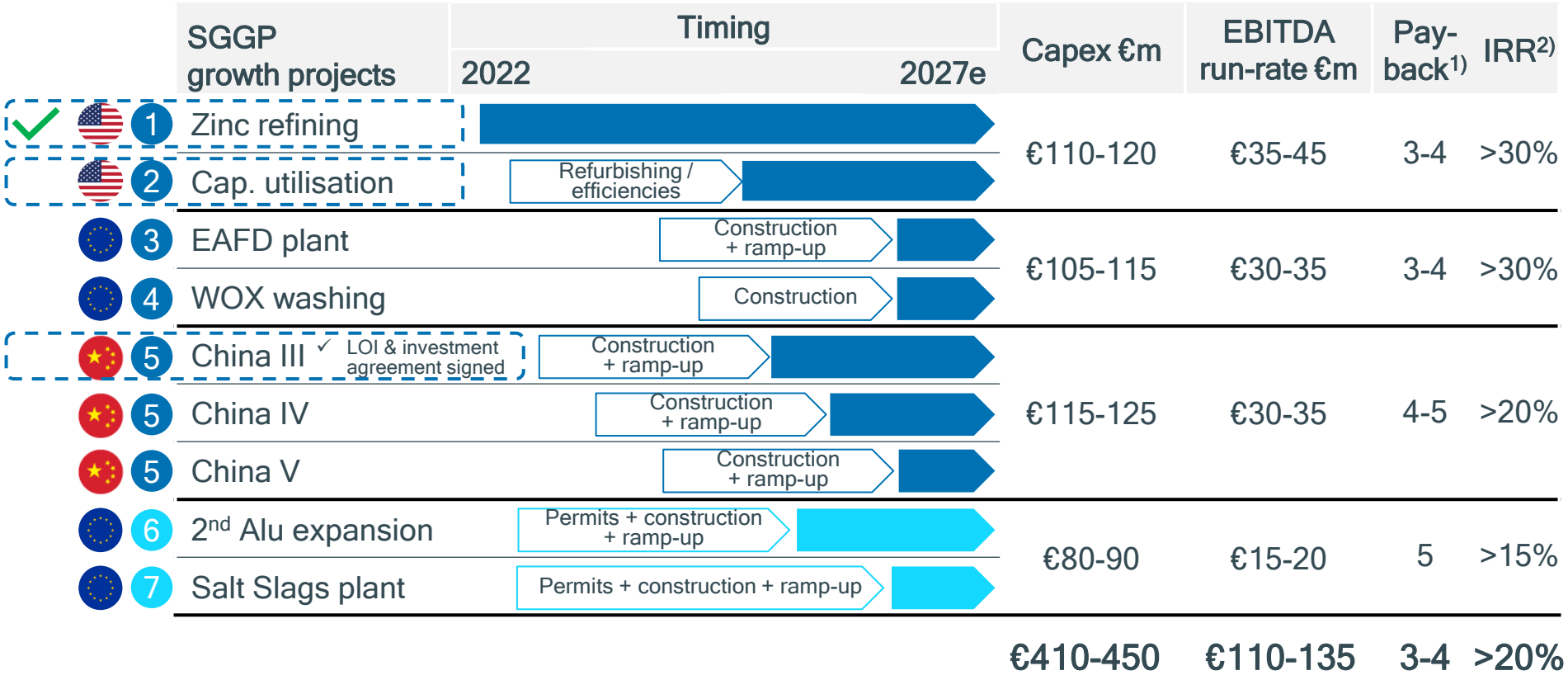
SGGP indicative timeline; Befesa in control; Adjusting timing to macroeconomic developments

€410-450m total capex requirement over the next five years

● Steel Dust ● Alu Salt Slags



Note: €360-400m post c. €50m invested in US zinc refining acquisition

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

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

€215m

2022

+€35-45m

✓ Zinc refining
• Capacity utilisation & efficiencies

+€45-55m

• New EAFD plant
• WOX washing expansion
• 2nd Alu expansion
• New Salt Slags plant

+€45-55m

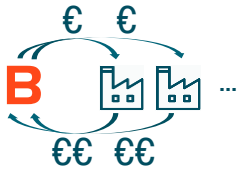
✓ China I & II
➢ China III (✓LOI)
• China IV
• China V

c. €340-370m
c. 8-10% CAGR

PF Post SGGP (run-rate)

Steel	+€35-45	+€30-35	+€45-55
Alu	-	+€15-20	-

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

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ESG: Enhanced transparency & performance

Transparency / reporting

Detailed ESG Report

External ratings

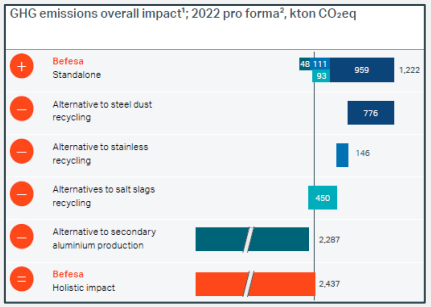
ISS ESG
SUSTAINALYTICS
MSCI
V.E
arabesque s-ray
S&P Global

Health & safety

Lost Time Injury Rate (LTIR)[1] improved by 90% since 2015

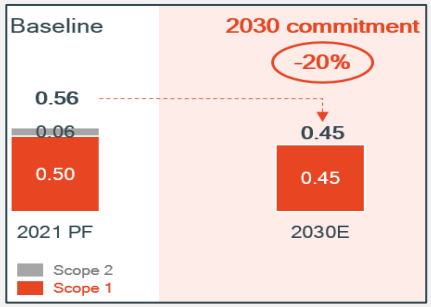
CO_2 holistic approach

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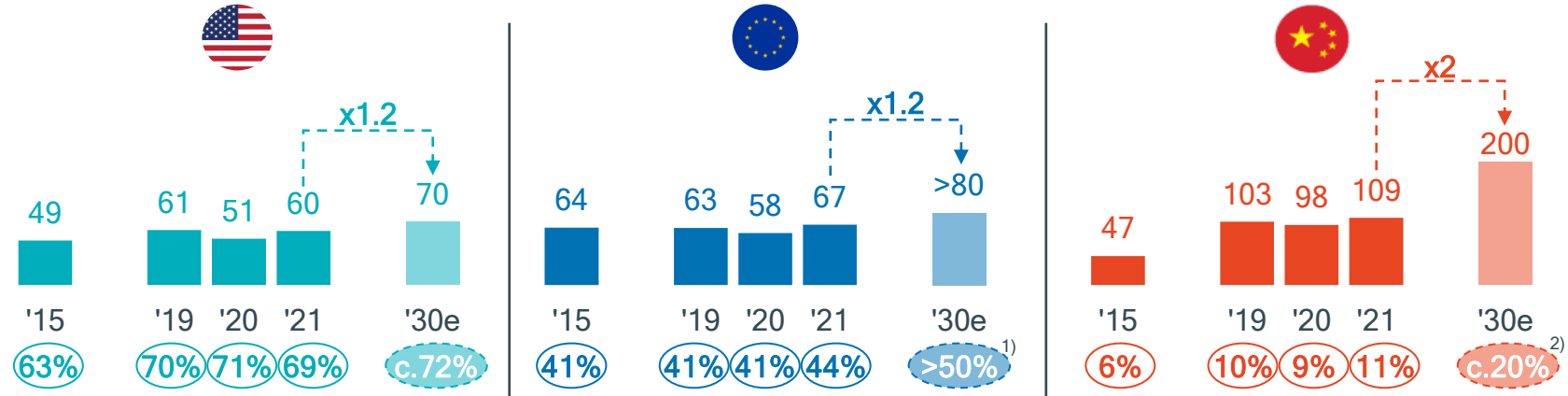
02 Sustainable Global Growth Plan (SGGP), 2022-2027

Megatrends and Befesa's approach by market

EAF steel production

(million tonnes, EAF % share of total steel production)



Primary steel (BOF) consumes 7x more CO^2/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]

- Approved **$1.2 T infrastructure plan** requires more steel output, from '24/25 onwards; Plus, **new announced EAF capacity** driving EAF share **>70%**
- **Shortage** of **zinc smelting**

Befesa approach:

➢ c.**40-50% market** share in EAFD; **Improving asset efficiency ahead of higher volume 2024/25 onwards** → **Load assets & maintain share**

- **Replacing BOF with EAF essential** for steelmakers **to achieve CO_2 targets; EAF share** growing **to >50%**
- **EV** transition drives **alu demand** up & **OEMs** with **preference** for **recycled** alu

Befesa approach:

➢ c.**40-50% market** share in EAFD & Alu Salt Slags, and **high-cap. utilisation;** → Invest in **new cap.** & **maintain share**

- **Government's masterplan** demands **doubling EAF share to c.20%** by 2030[2]
- Regulation launched 2016/17; **Befesa is 1st mover** and **market leader** in **largest & new EAFD market**

Befesa approach:

➢ Continue capacity **expansion step by step**, monitor recovery from **COVID**; Planning for **15-20% market share**

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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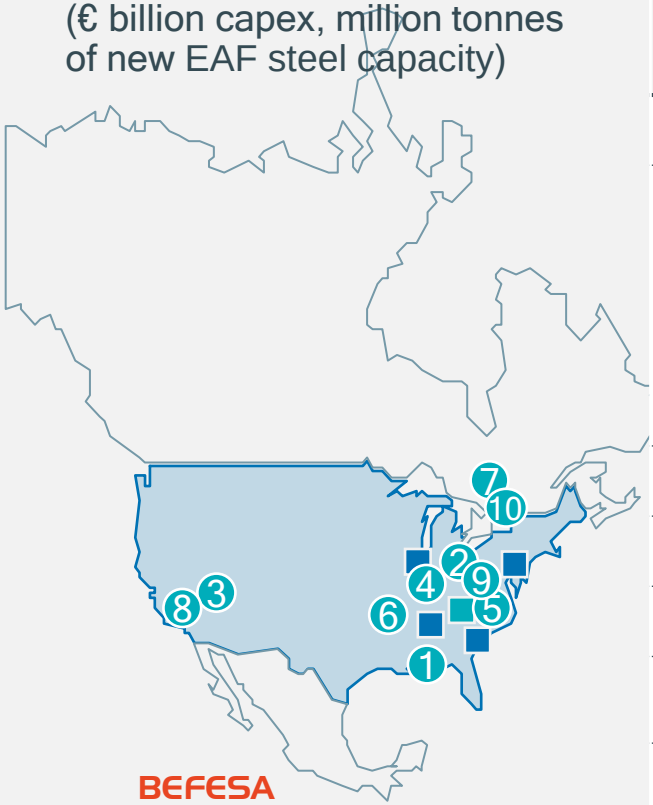
Decarbonisation investments & Infrastructure Programme will support EAF growth by 2030

c.$10-11 Bn capex equal to c.13-14 Mt EAF announced; Plus, $1.2 T infrastructure plan 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)



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
CMC Commercial Metals	9	Berkeley County, West Virginia	$0.5	0.5	YE'25
ArcelorMittal	10	Hamilton, Ontario, Canada	$1.3	4.0	2028
			$10-11 Bn	13-14 Mt	

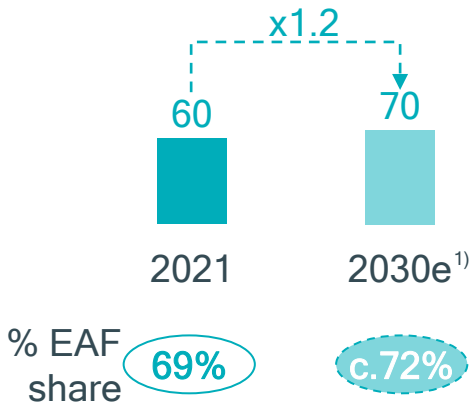
>300 kt EAFD

Sources: Corporate press releases and presentations

SGGP – Steel Dust – US

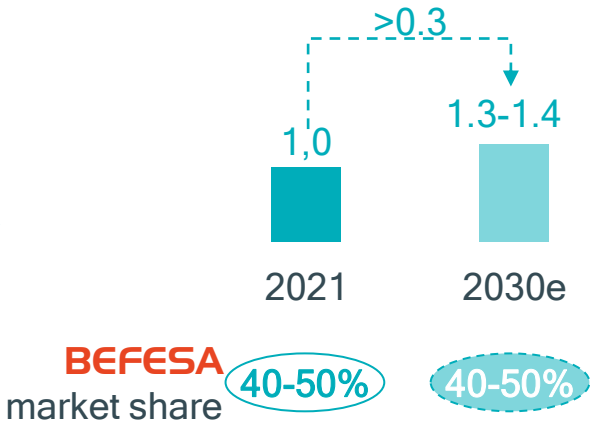
EAFD generation in the US expected to increase >0.3 Mt by 2030 …
Befesa to fully utilise existing c.620 kt annual installed capacity

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)

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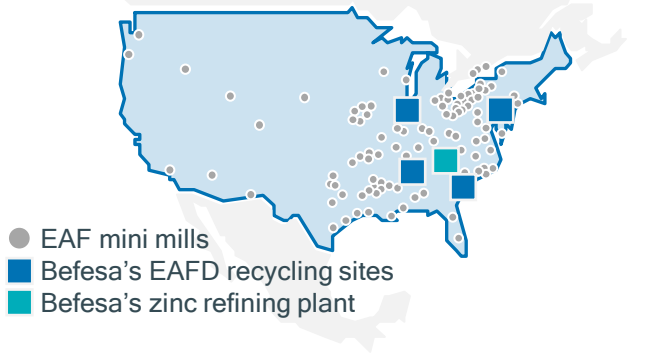
US Zinc refining asset acquired on 30 Sep 2022

Rutherford County, NC



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BEFESA

Refurbishing Palmerton in 2023/24 to drive efficiencies & increase capacity utilisation by 2026

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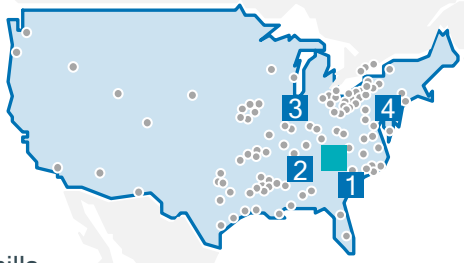

EAF mini mills
Befesa's EAFD recycling sites
Befesa's zinc refining plant

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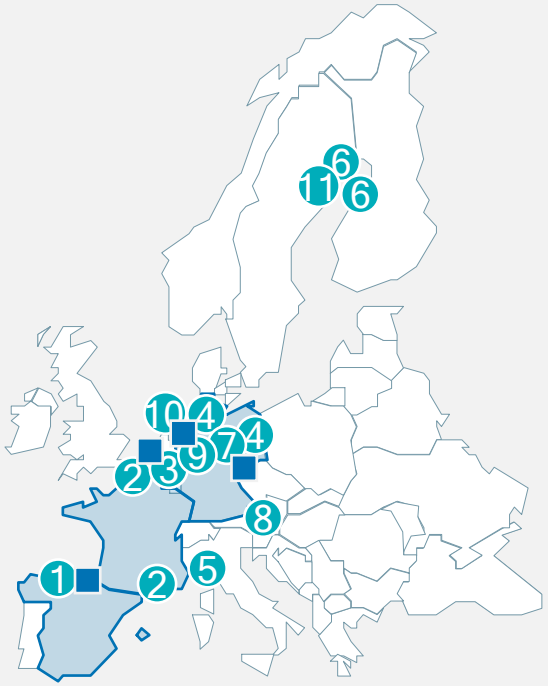
Accelerating decarbonisation investments in EU will support EAF share growing to >50% by 2030

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)



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; Raahe, 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	

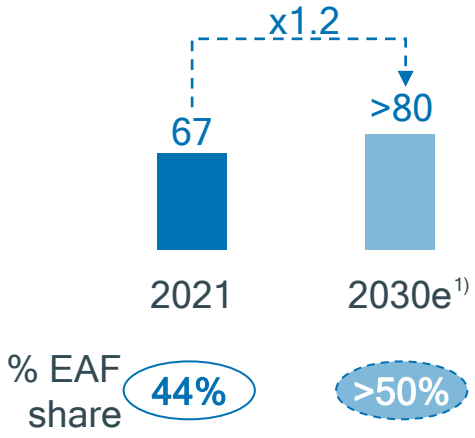
c.350 kt EAFD

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

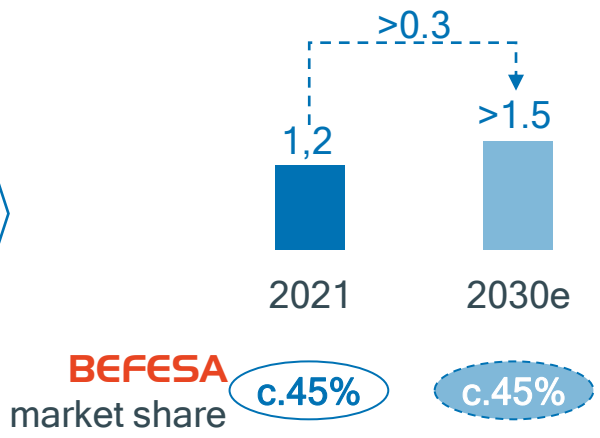
EAFD generation in Europe expected to increase >0.3 Mt by 2030 …
Befesa adding 140-160 kt new EAFD recycling capacity to maintain its current c.45% market share

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



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

EAFD generation
(million tonnes)



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)

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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

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)

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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	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)

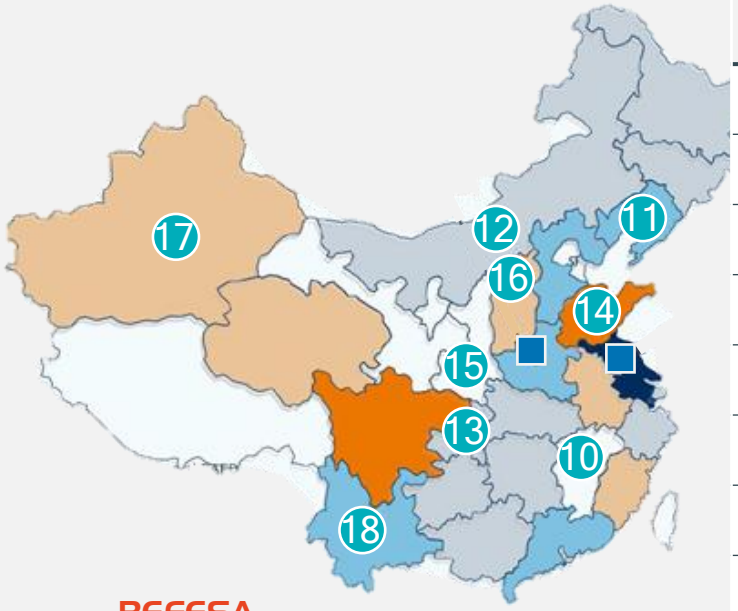
Sources: Internal analysis

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

>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)



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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

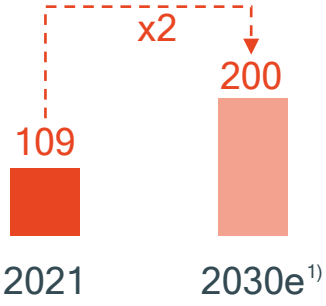
c.1 Mt EAFD

Sources: Internal analysis

SGGP – Steel Dust – China

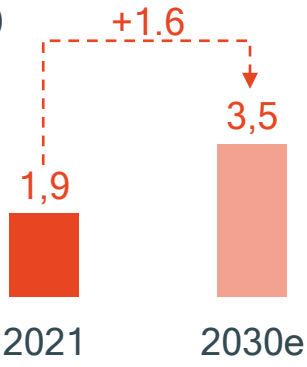
EAFD generation in China expected to increase about 1.6 Mt by 2030 as it transitions from BOF to EAF; Befesa to add 3x 110 kt = 330 kt new capacity which will increase market share to 15-20%

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)



	2021	2030e
% EAF share	11%	c.20%
BEFESA market share	c.10%	15-20%

Befesa's expansion projects

- **Monitoring recovery from COVID** 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)

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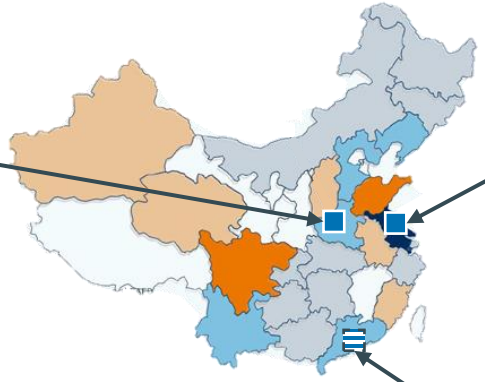
Operating 2 plants in 2023; Preparing 3rd province, Guangdong

China II, Xuchang (Henan)
- ✓ Commissioning completed Dec 2022
- ✓ Inaugurated on 23 February 2023
- ➢ Ramping up operations



China I, Changzhou (Jiangsu)
- ✓ Ramped up Q1 2022

China III, Yunfu (Guangdong)
- ✓ LOI signed in Q4 2022
- ✓ Signed investment agreement with local authorities on 22 February
- ➢ Land lot assigned; Preparation works in progress (levelling lot)
- ➢ Preparing basic engineering
- ➢ Starting negotiations with local steelmakers

Befesa's EAFD recycling sites

EAFD generation - Chinese market

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

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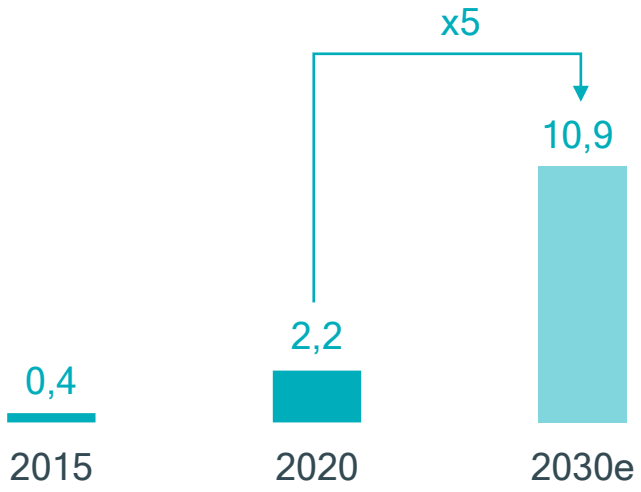
Decarbonisation trend drives transition to Electric Vehicles (EV)

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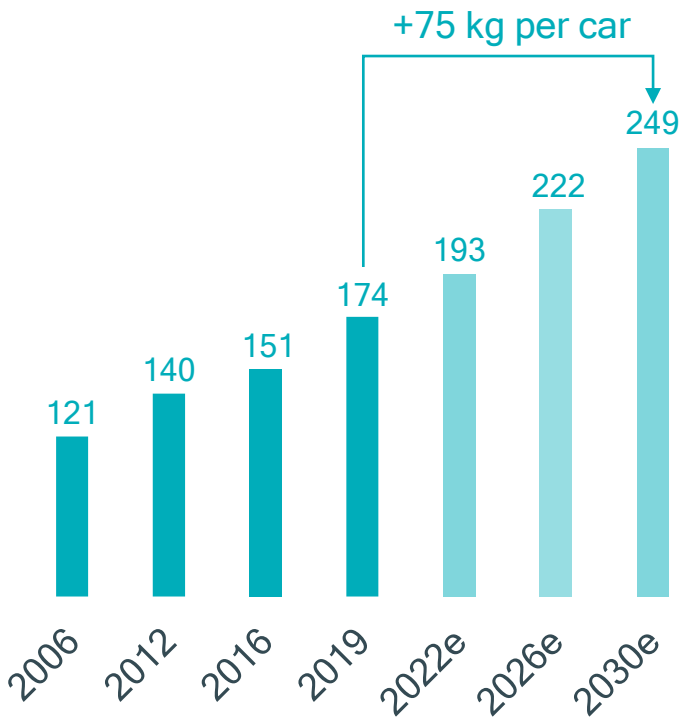
EV requiring higher aluminium content per car to achieve light-weight targets

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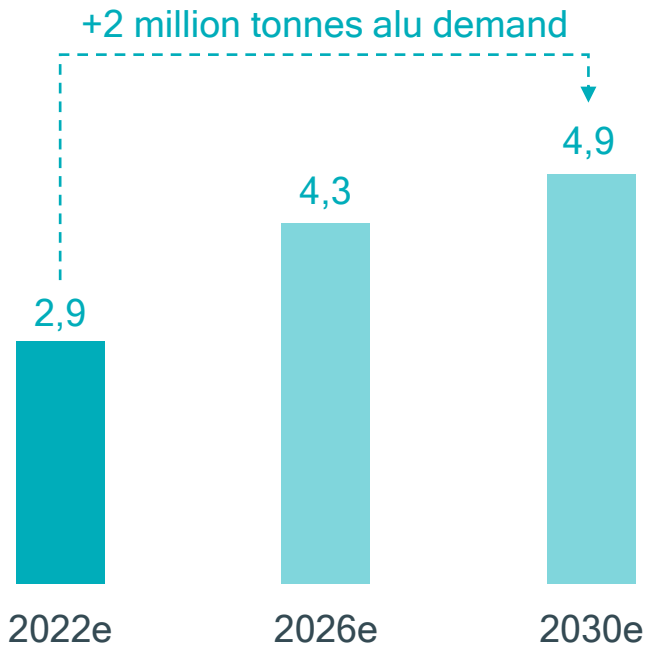
… driving higher aluminium demand with increased needs for 2nd alu & salt slags recycling

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)

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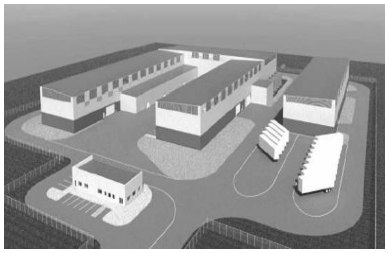
Expansion of 2nd Aluminium –and– New Salt Slags recycling plant

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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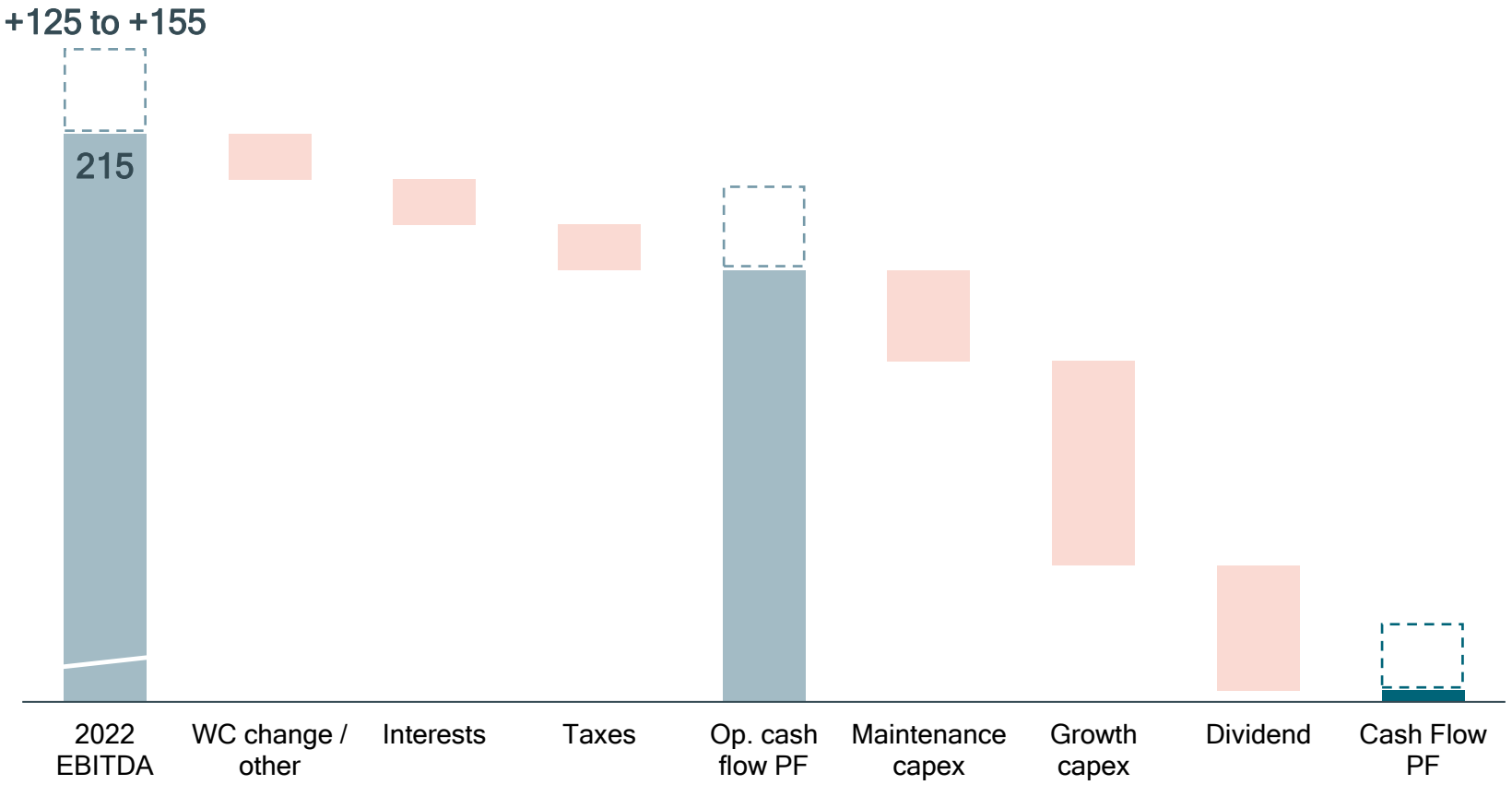
Befesa can self-fund SGGP while keeping leverage c. x2.5 -&- distributing dividends

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



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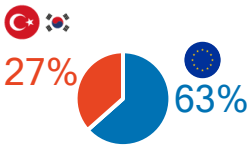
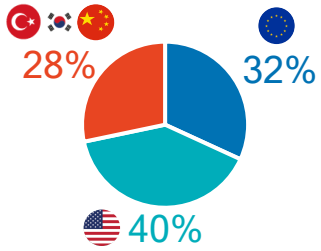
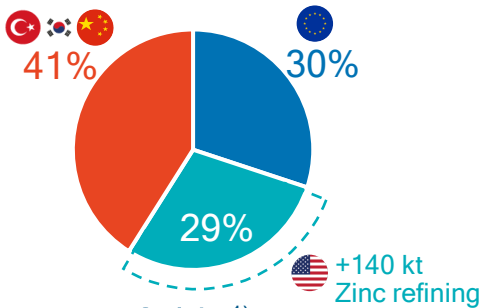
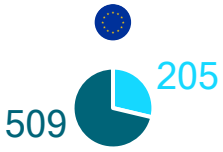
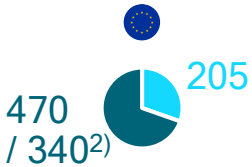
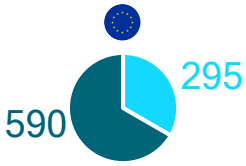
Diversifying Befesa's global footprint …

		2017 IPO	2022	PF Post SGGP
Capacity, kt				
	Steel Dust	**780**	**1,555**	**2,145**[1]
	Salt Slags 2nd Alu			
	Total Alu Salt Slags	**714**	**675 / 545**[2]	**885 kt**
Utilisation rates	Steel Dust	85%	77%	c. 85%
	Salt Slags	100%	69% / 95%[2]	c. 95%
	2nd Alu	90%	78%	c. 80%
Volumes, kt	Steel Dust	661	1,194	c. 1,800-1,850
	Salt Slags	510	322	c. 540-570
	2nd Alu	184	161	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

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… core-business focus drives portfolio growth

1) Total revenue after intersegment adjustments; Total adjusted EBITDA

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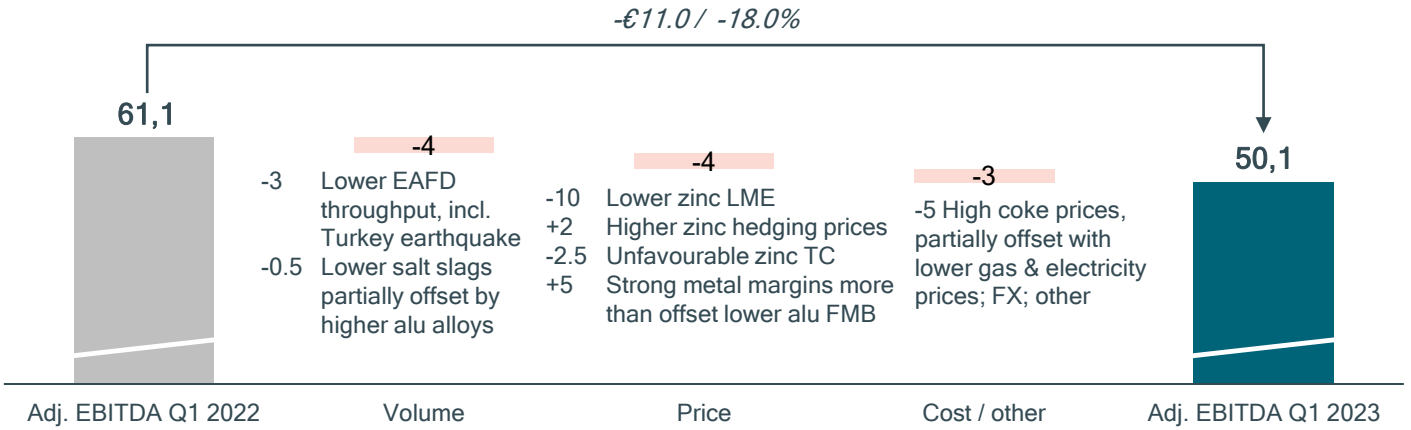
03 / Q1 2023 results

Consolidated key financials

Q1 adjusted EBITDA at €50.1m, approx. stable qoq with Q4'22 at €50.7m; -18% yoy, mainly due to lower zinc prices incl. unfavourable TC partially offset with stronger aluminium margins, and lower volumes incl. Turkey earthquake

Adjusted EBITDA bridge Q1 2022 to Q1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	Q1 2022	*yoy change*	Q1 2023
Revenue	€261.4	*+€60.6 / +23.2%*	€322.0
Adjusted EBITDA[1)]	€61.1	*-€11.0 / -18.0%*	€50.1
Adjusted EBITDA margin %	23.4%	*-781 bps*	15.6%
Net profit	€27.0	*-€11.8 / -43.8%*	€15.2
EPS (€)	€0.67	*-€0.30 / -43.8%*	€0.38
Operating cash flow	€25.7	*-€12.7 / -49.6%*	€13.0
Cash	€237.1	*-€94.1 / -39.7%*	€143.0
Net debt	€473.5	*+€98.2 / +20.7%*	€571.6
Net leverage[2)]	x2.26	*+x0.55*	x2.81

1) Q1 2023: €29.1m reported Total EBIT + €20.2m D&A = €49.3m reported Total EBITDA + €0.8m adjustments, mainly driven by US acquisition impacts = €50.1m adjusted Total EBITDA
Q1 2022: €42.9m reported Total EBIT + €17.0m D&A = €59.9m reported Total EBITDA + €1.1m adjustments, mainly driven by US acquisition impacts = €61.1m adjusted Total EBITDA
2) Net leverage calculated as Net debt over Adjusted EBITDA.

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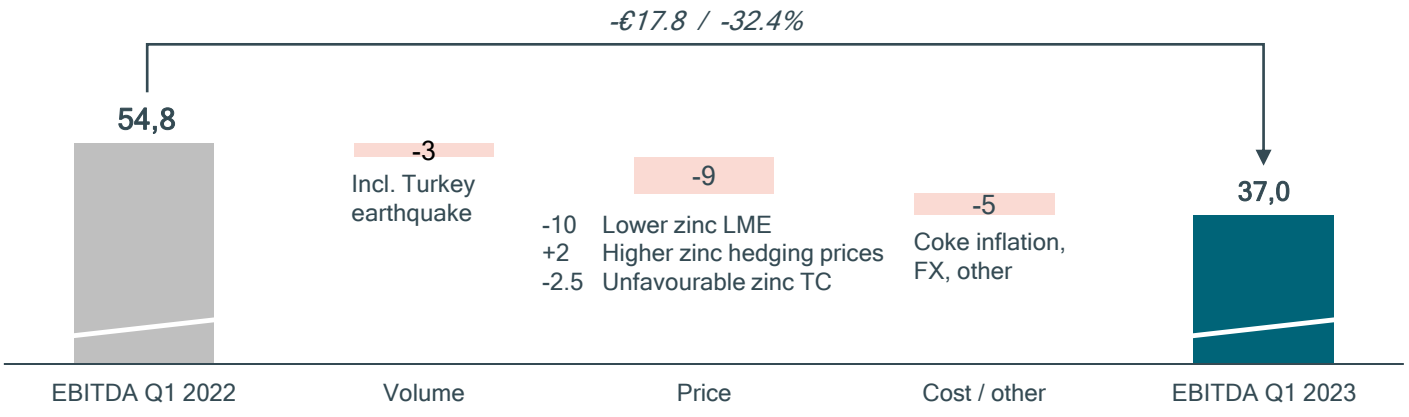
Steel Dust Recycling Services

Q1 EBITDA at €37.0m, approx. stable qoq with Q4'22 at €37.6m; -32% yoy, mainly due to lower zinc prices incl. unfavourable TC at $274/t (+19% yoy), continued record high coke prices (+6% qoq, +41% yoy) and lower EAFD volumes

EBITDA bridge Q1 2022 to Q1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	Q1 2022	*yoy change*	Q1 2023
Revenue	€155.9	*+€60.3 / +38.7%*	€216.3
EBITDA	€54.8	*-€17.8 / -32.4%*	€37.0
EBITDA margin %	35.1%	*-1,802 bps*	17.1%
EAFD throughput (kt)	337.4	*-63.5 / -18.8%*	273.8
Plant utilisation	88.0%	*-1,657 bps*	71.4% / 74.9%[1)]
Waelz oxide (WOX) sold (kt)	103.7	*-3.9 / -3.8%*	99.8
Zinc LME price (€/t)	€3,337	*-€421 / -12.6%*	€2,916
Zinc hedging price (€/t)	€2,287	*+€61 / +2.7%*	€2,348
Zinc blended price[2)] (€/t)	€2,533	*+€99 / +3.9%*	€2,633
Treatment charge (TC) ($/t)	$230	*+$44 / +19.1%*	$274

1) Normalised for Turkey, stopped in January and February 2023 due to impacts from earthquake
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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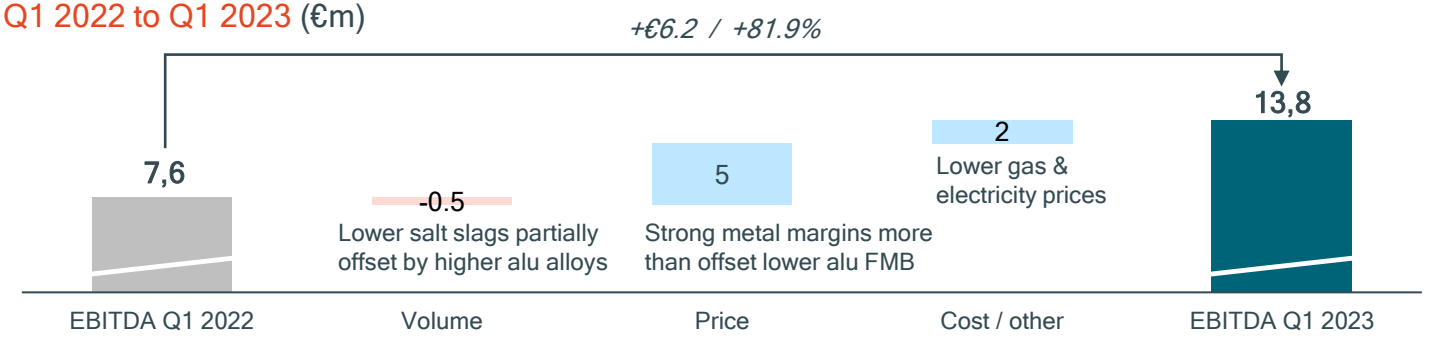
Aluminium Salt Slags Recycling Services

Q1 EBITDA at €13.8m, up €2m qoq from Q4'22 at €11.8m; up €6m or 82% yoy; mainly due to strong aluminium metal margins and lower gas and electricity prices

EBITDA bridge Q1 2022 to Q1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	Q1 2022	yoy change	Q1 2023
Revenue[1]	€106.1	*flat*	€106.0
• Salt Slags	€19.2	*+€1.6 / +8.6%*	€20.8
• Secondary Aluminium	€97.9	*-€2.1 / -2.1%*	€95.9
EBITDA	€7.6	*+€6.2 / +81.9%*	€13.8
• Salt Slags	€6.4	*+€0.2 / +2.7%*	€6.6
• Secondary Aluminium	€1.2	*+€6.0 / favourable*	€7.2
EBITDA margin % (Salt Slags)	33.4%	*-180 bps*	31.6%
Salt Slags & SPL treated (kt)	87.5	*-5.2 / -5.9%*	82.3
Plant utilisation	75.5% / 100%[2]	*-445 bps*	71.0% / 98%[2]
Aluminium alloys produced (kt)	42.2	*+1.4 / +3.4%*	43.7
Plant utilisation	83.6%	*+284 bps*	86.4%
Alu alloy FMB price[3] (€/t)	€2,627	*-€326 / -12.4%*	€2,301

1) Total revenue is after intersegment eliminations (Q1 2022: €11.1m; Q1 2023: €10.6m)
2) Normalising for Hanover plant shutdown
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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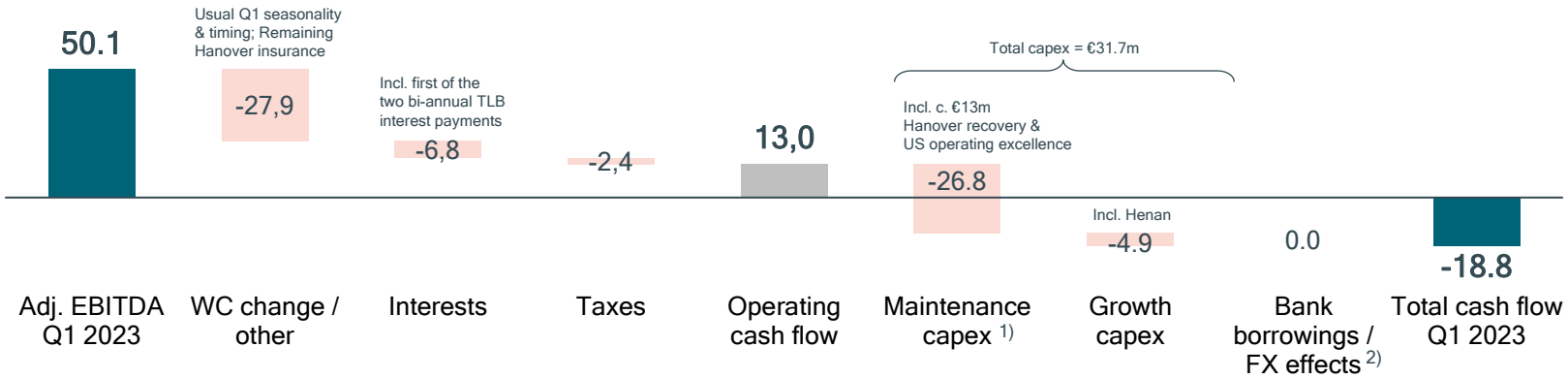
Cash flow, net debt & leverage

Cash on hand at €143m providing >€200m liquidity; Net leverage of x2.81

Adjusted EBITDA to total cash flow (€m)



	At 31 March 2022	2022	*change*	At 31 March 2023
Adjusted EBITDA[3)]	€209.8	€214.6	*-€11.0 / -5.1%*	€203.6
Operating cash flow[3)]	€117.1	€137.3	*-€12.7 / -9.3%*	€124.6
Gross debt	€710.6	€710.8	*+€3.9 / +0.5%*	€714.7
Cash on hand	€237.1	€161.8	*-€18.8 / -11.6%*	€143.0
Net debt	€473.5	€549.0	*+€22.7 / +4.1%*	€571.6
Net leverage[4)]	x2.26	x2.56	*+x0.25*	x2.81

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
3) LTM figures
4) Net leverage calculated as Net debt over Adjusted EBITDA.

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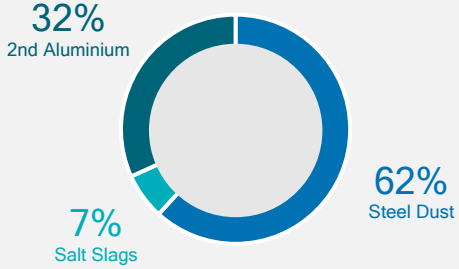
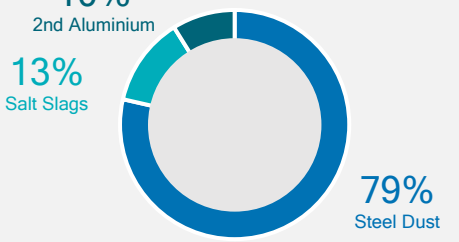
04 / Befesa overview

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

2022	Steel Dust Recycling	Aluminium Salt Slags Recycling
€1,136m Revenue[1)]	#1 Position Global (c. 40-50% market share)	#1 Position in Europe in salt slags subsegment (c. 45-50% market share)
32% 2nd Aluminium; 62% Steel Dust; 7% Salt Slags	27% EBITDA margin (2020-2022 average)	29% EBITDA margin in salt slags subsegment[2)] (2020-2022 average)
€215m EBITDA	>15yrs Relationships	>15yrs Relationships
10% 2nd Aluminium; 79% Steel Dust; 13% Salt Slags	ArcelorMittal, GLENCORE, outokumpu, TRAFIGURA, voestalpine	trimet, Novelis, Hydro, REAL ALLOY, Alcoa





1) Excluding internal revenue; revenue split is calculated on revenues including internal revenue
2) Including recycling of SPL (a hazardous waste generated in primary aluminium production)

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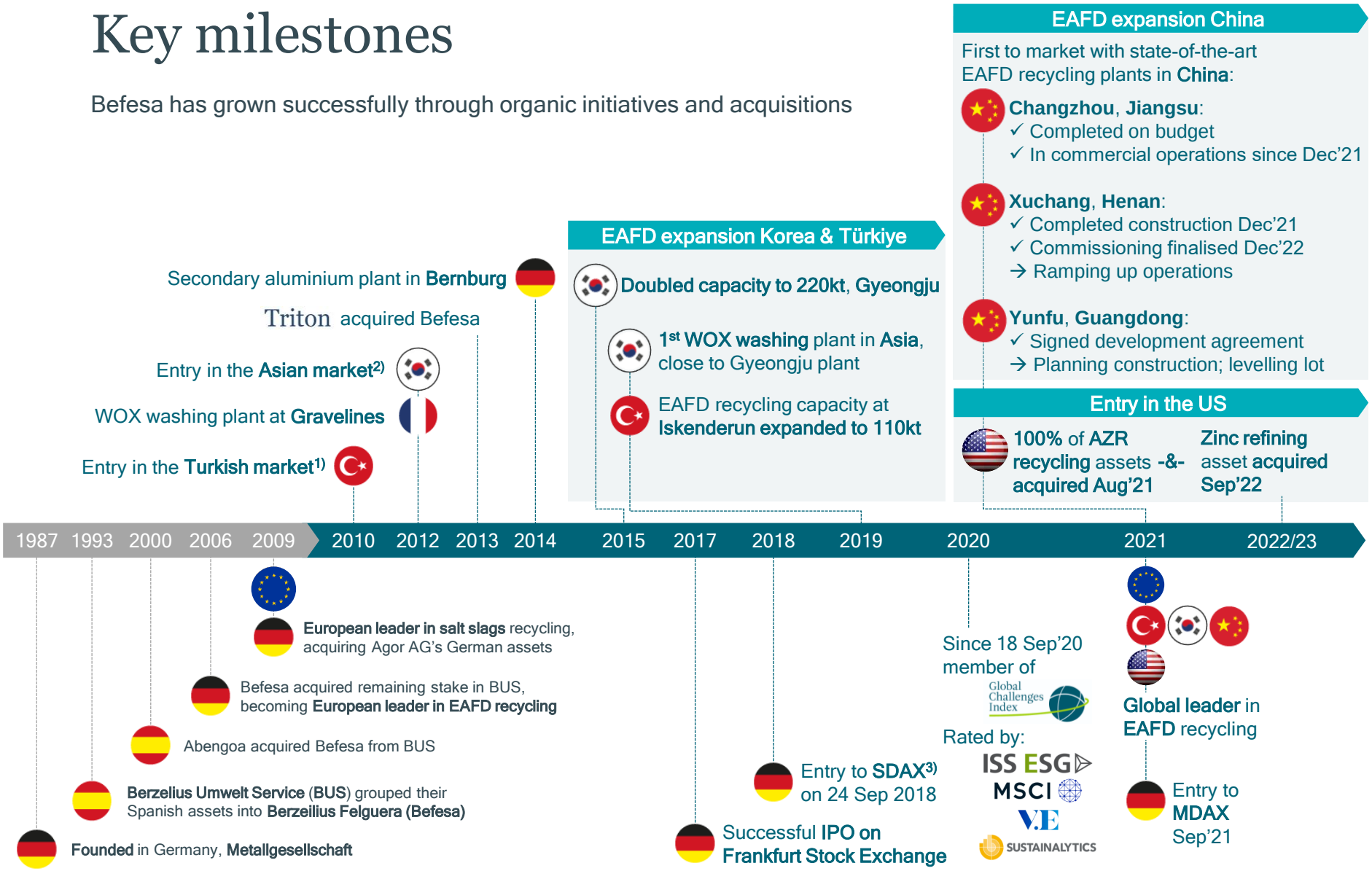
Key milestones

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

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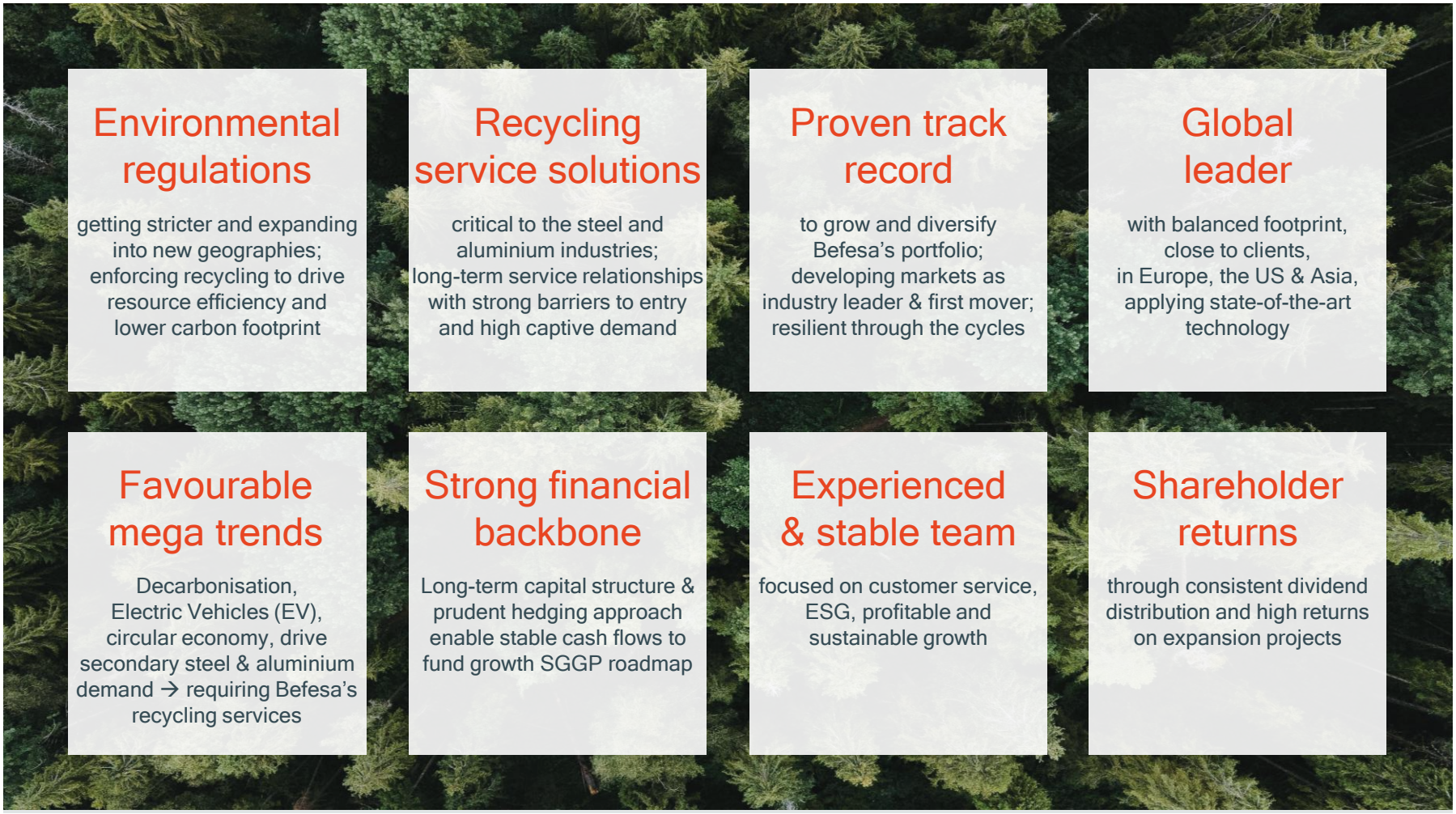
Leader in circular economy for >30 years



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

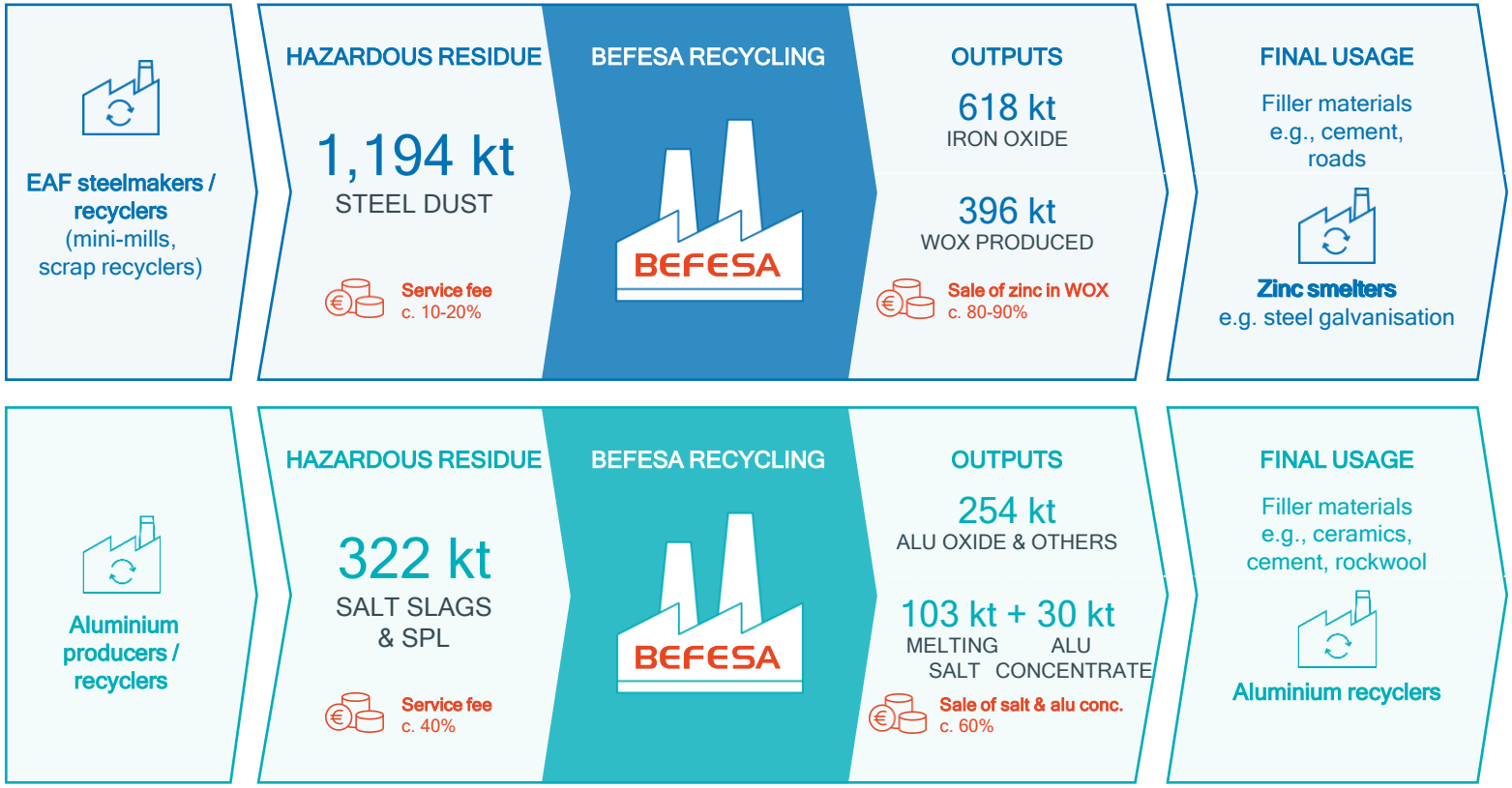
focused on customer service, ESG, profitable and sustainable growth

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. 1.8 Mt hazardous residues and recovering > 1.5 Mt of new valuable materials

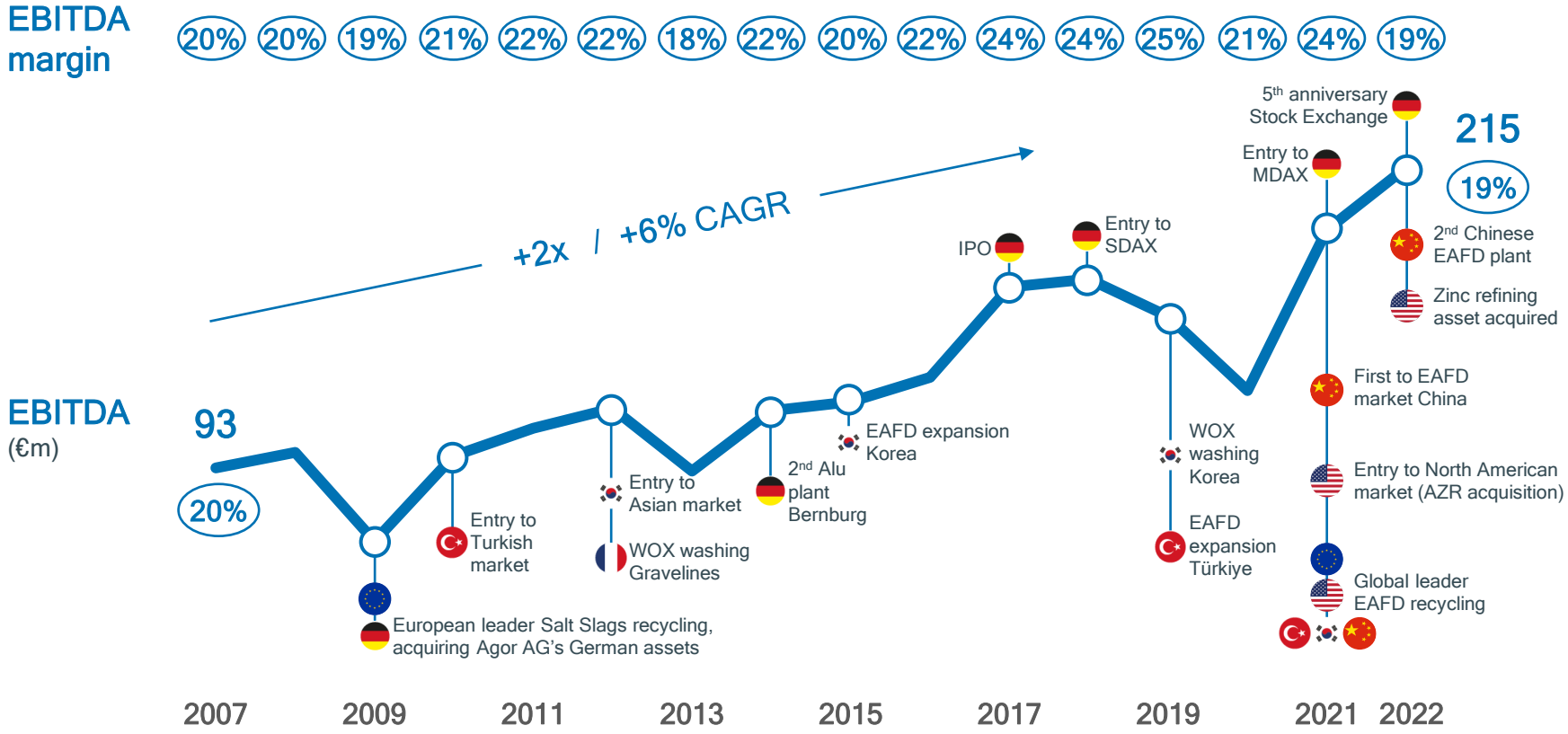


All figures are of the year 2022
Value chains are simplified and only reflect Befesa's core business segments (i.e. Steel Dust; Aluminium Salt Slags):
- Within Steel Dust Recycling Services business segment Befesa manages a Stainless sub-segment (90 kt stainless-steel dust throughput in 2022)
- Within Aluminium Salt Slags Recycling Services business segment Befesa manages a Secondary Aluminium sub-segment (161 kt secondary aluminium alloys produced in 2022)

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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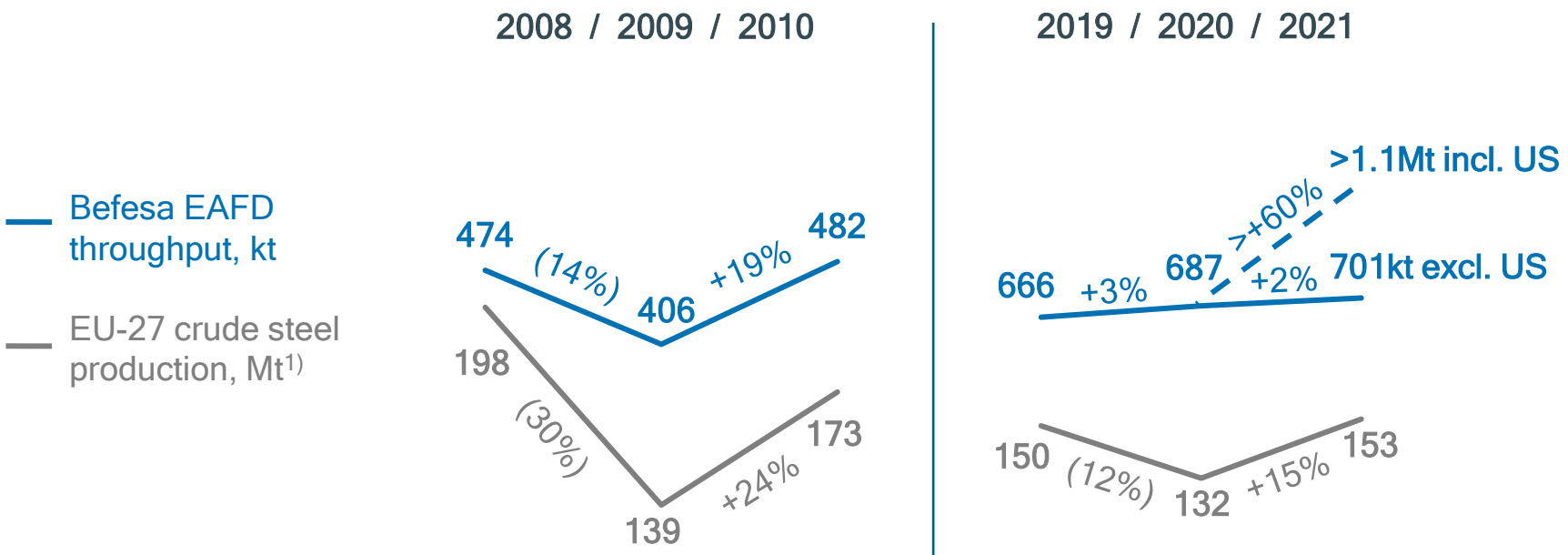
Befesa's resilience during latest crises

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



	2008	2009	2010	2019	2020	2021
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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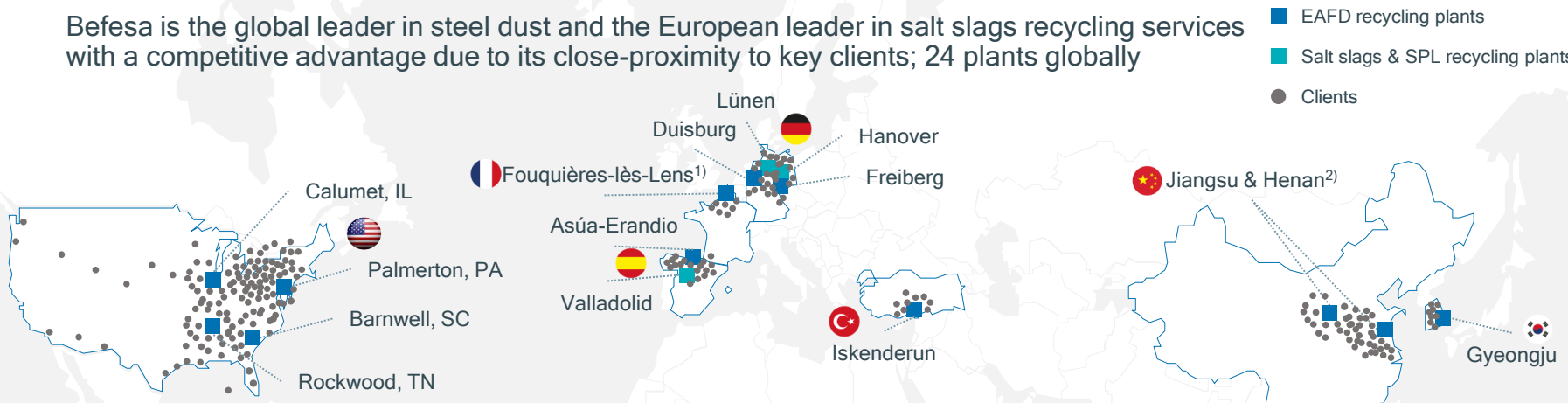
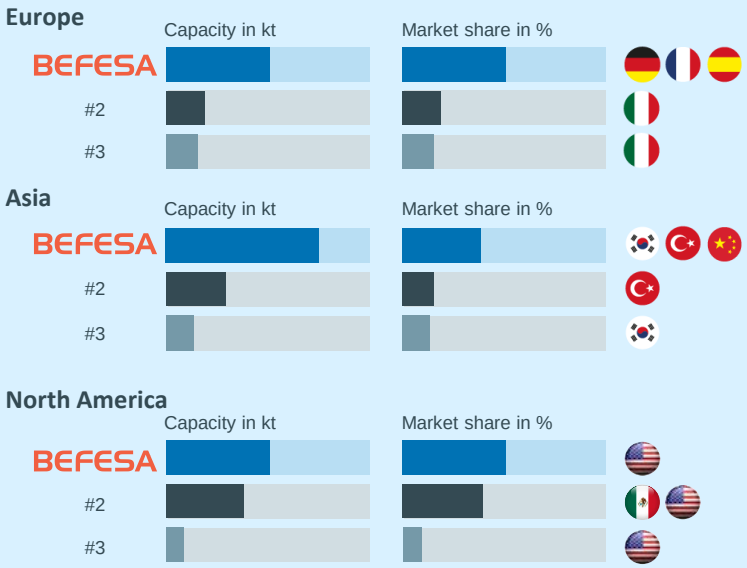
Global leader in Europe, North America & Asia

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

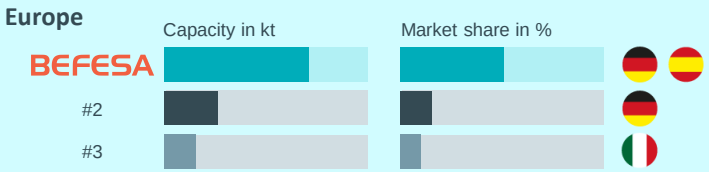


Note: Footprint reflects only Befesa's core recycling services - Steel Dust and Salt Slags & SPL

STEEL DUST RECYCLING



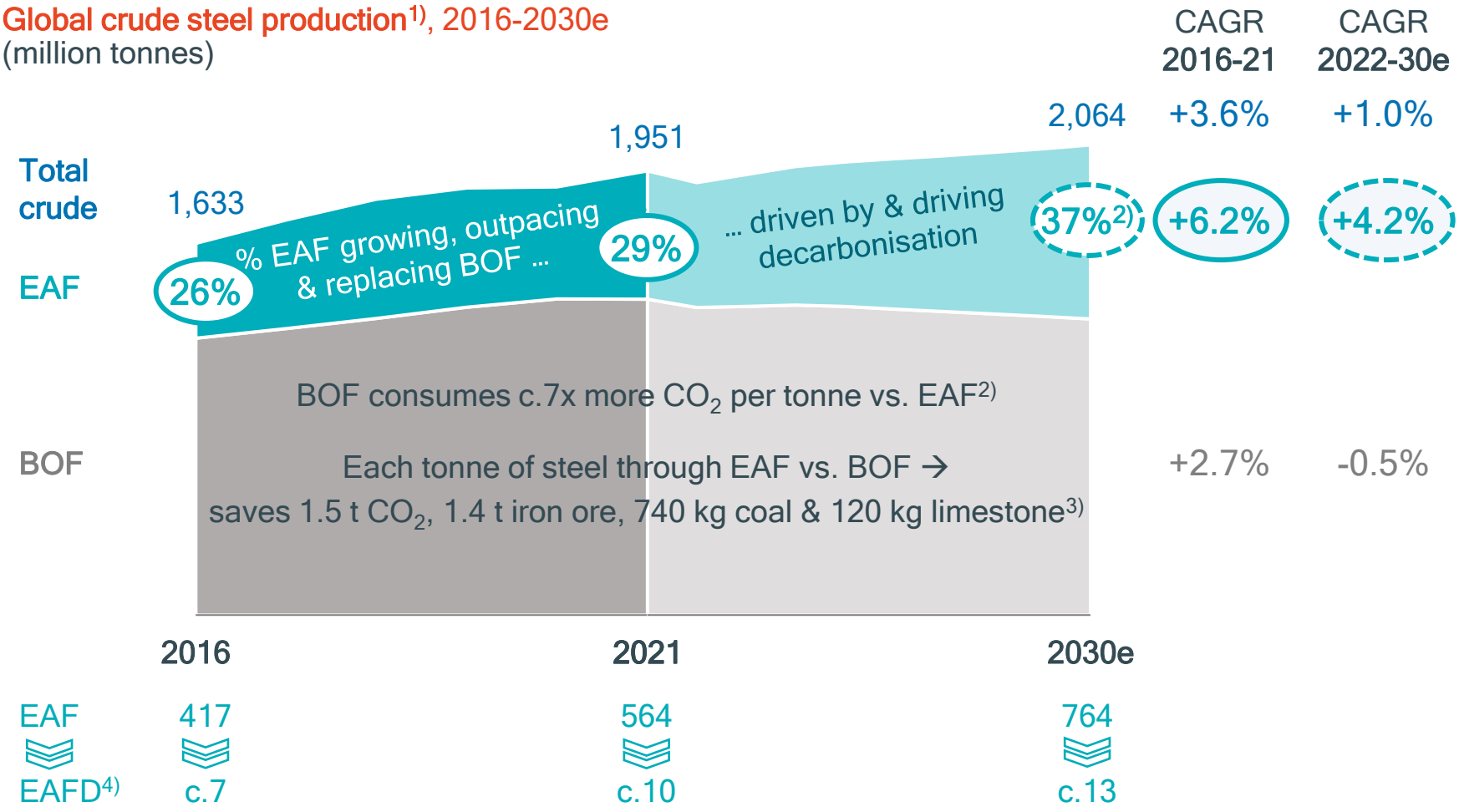
ALU SALT SLAGS RECYCLING



1) 50/50 joint venture with Recylex
2) Changzhou, Jiangsu province: In commercial production and selling WOX since Dec´21; Monitoring recovery from COVID
Xuchang, Henan province: Completed construction Dec´21 on budget; Commissioning prolonged due to COVID, finalised in Dec'22 and ramping up operations

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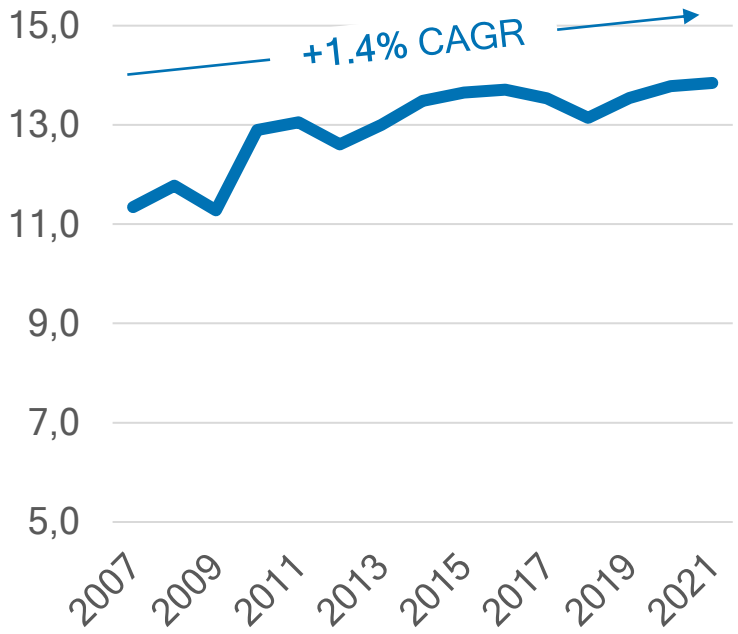
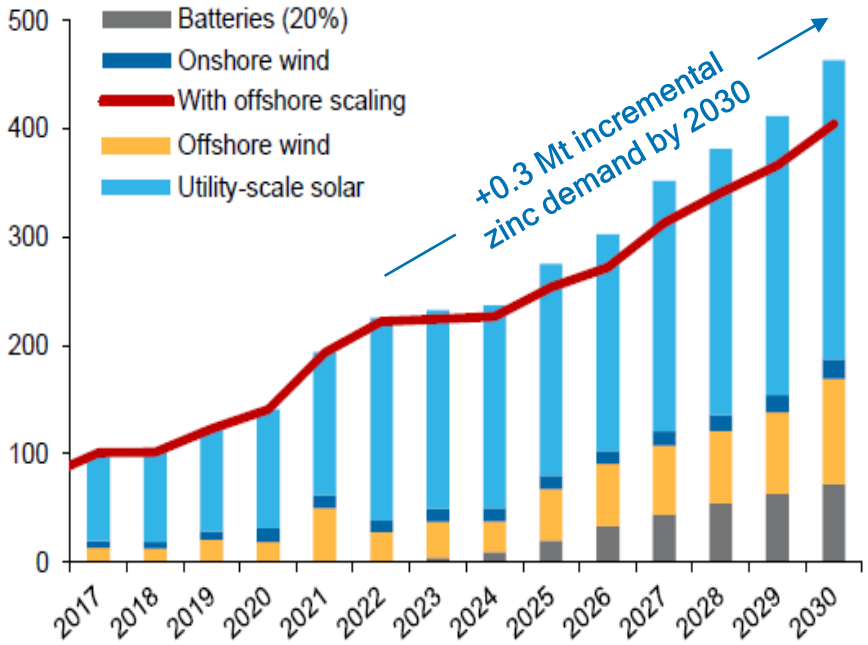
Zinc global production grew at 1.4% CAGR over L15 years; Incremental demand from transition to renewable energy

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)

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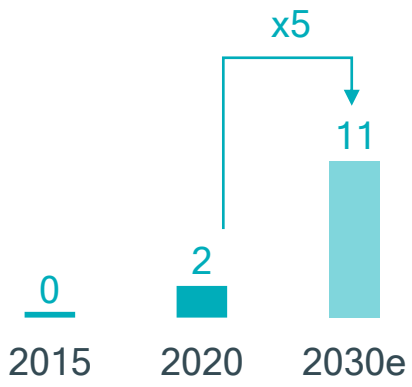
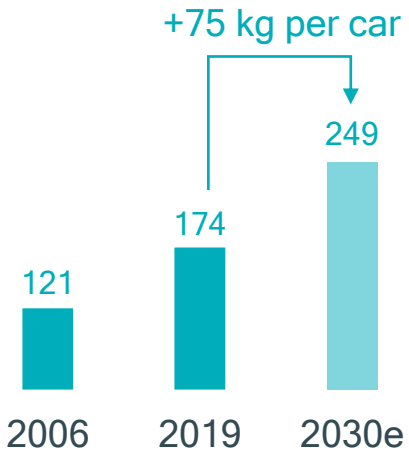
Decarbonisation and EV driving aluminium market growth in Europe

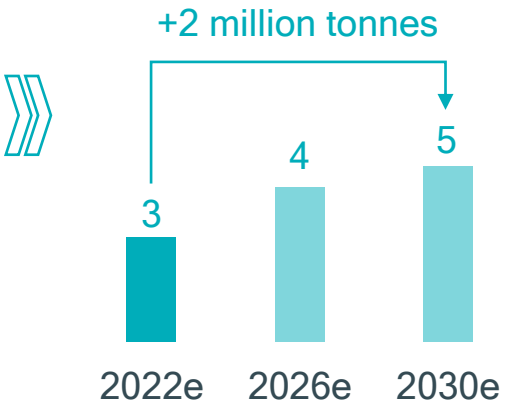
EV unit sales in Europe[1)]
(million units)



Alu content per vehicle[2)]
(kg per passenger car)



Auto alu demand in Europe[2)]
(million tonnes)



- **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.x2.5

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

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

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

Wolf Lehmann
CFO

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

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

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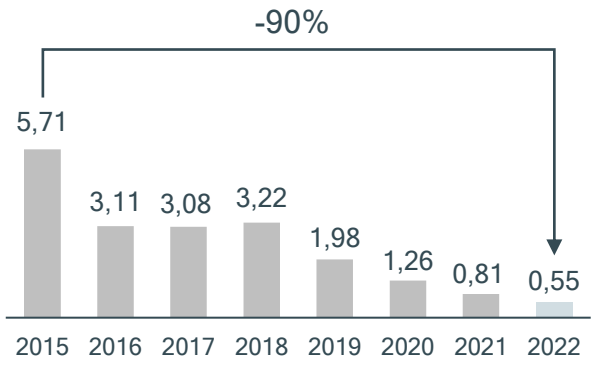
05 / ESG

ESG highlights

Key player within the circular economy, with c. 1.8 Mt recycled and c. 1.5 Mt of valuable materials; LTIR further reduced by >30% yoy to new low of 0.55

Lost Time Injury Rate (LTIR)[1)]

- **Reduced** by **-32% yoy**
- Reduced by **-90% vs. 2015** baseline



ESG Ratings[2)]

	31 March 2023	31 December 2022
ISS ESG	B / Prime	Top 3 of 69
SUSTAINALYTICS	#181 / 430	#181 / 430
V.E	#7 / 103	#7 / 103
MSCI	BBB	BBB
arabesque s-ray	Top 5%	Top 5%
S&P Global	Top 15%	Top 15%

ESG Update 2022

Will be published in **June 2023**

EU Taxonomy

Detailed regulation for 'Transition to a circular economy' pending

CO_2 intensity

Defined & executing 20% reduction plan by 2030

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; V.E, Business services; MSCI, Commercial services & supplies; arabesque s-ray, Industrial services; S&P Global, n.d.

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ESG: Enhanced transparency & performance

Transparency / reporting

Detailed ESG Report

External ratings

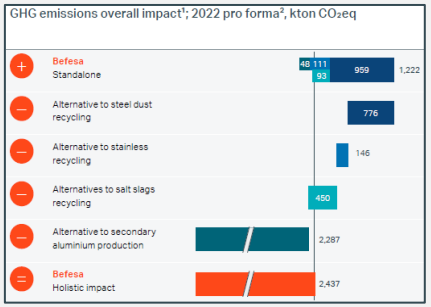
ISS ESG
SUSTAINALYTICS
MSCI
V.E
arabesque s-ray
S&P Global

Health & safety

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

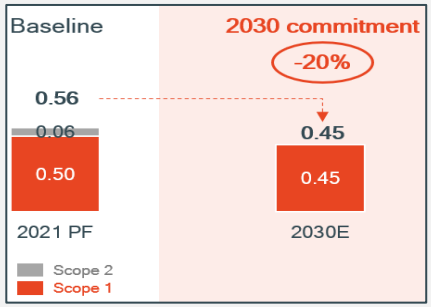
CO_2 holistic approach

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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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

- Avoidance of GHG emissions
- Reducing landfill of hazardous residues
- Recovery and production of new valuable materials
- Best-in-class technology (BAT)

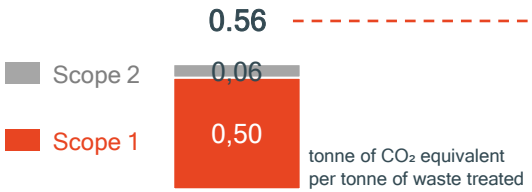
Indirect sustainability benefits

- Circular economy pure player
- Decarbonisation of steel & alu and energy transition
- Natural resources depletion rate
- Growth ambition to increase recycling capacity

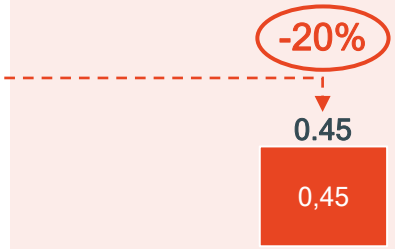
Climate action plan

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

Baseline



2030 commitment



2050 vision

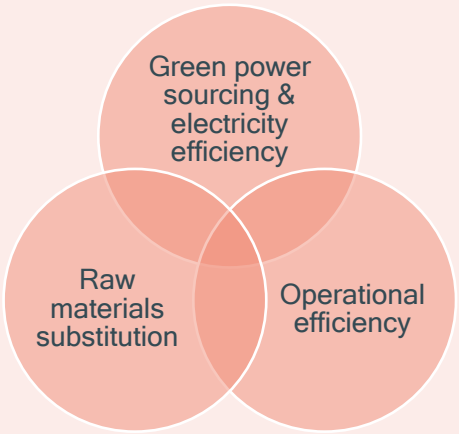
Net zero emission

-

2050e

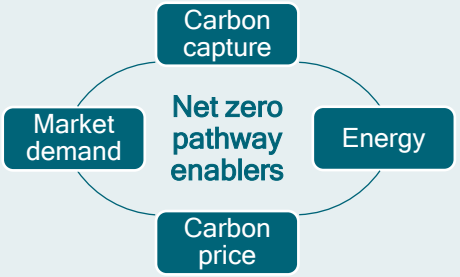
- Recognised sustainability leader in the circular economy
- Befesa Climate Change Policy
- New Sustainability Committee
- Further increase transparency on sustainability metrics
- Continuous dialogue with all stakeholders to better understand materiality of sustainability topics

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**

BEzero — 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 ✓

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06 Investor agenda & appendix

Investor's agenda

Financial calendar 2023

Annual General Meeting
Thursday, 15 June 2023

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

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

Next investor conferences

Q2 2023

4th ESG Conference (virtual)
1 June - Kepler Cheuvreux

Boston - Stifel Cross Sector Insight 2023
7 June - Stifel

Virtual Metals & Mining Cannonball Run 2023
14 June - Morgan Stanley

Chief Sustainability Officer (CSO) Conf (virtual)
20 June - Berenberg

London - ODDO BHF London Conference
22 June - ODDO BHF

BofA SmartMine 4.0 Conference (virtual)
28 June - Bank of America

H2 2023

Frankfurt - Commerzbank & ODDO BHF Corporate Conference
5 & 6 September - Commerzbank & ODDO

London - Stifel 2023 London Industrials & Renewables Summit
6 September - Stifel

Hong Kong - Jefferies Asia Forum
6-8 September - Jefferies

Munich - 12th Baader Investment Conference
18-22 September - Baader

Munich - 12th German Corporate Conference
20 Sep - Berenberg & Goldman Sachs

Paris - 6th MidCap CEO Conference
13-15 November - BNP Paribas Exane

Frankfurt - Deutsches Eigenkapitalforum
27-29 November - Deutsche Börse

Pennyhill Park, Surrey - Berenberg European Conference 2023
5 December - Berenberg

Q1 2023/22 – Key financials

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1)] *yoy change*	**€216.3** *+€60.3 / +38.7%*	**€20.8** *+€1.6 / +8.6%*	**€95.9** *-€2.1 / -2.1%*	**-€11.0** *+€0.7 / -*	**€322.0** *+€60.6 / +23.2%*
Reported EBITDA *yoy change*	**€37.0** *-€17.8 / -32.4%*	**€6.6** *+€0.2 / +2.7%*	**€7.2** *+€6.0 / favourable*	**-€1.5** *+€0.9 / -*	**€49.3** *-€10.7 / -17.8%*
Reported EBITDA margin % *yoy change*	**17.1%** *-1,907 bps*	**31.6%** *+185 bps*	**7.5%** *-22 bps*	**-** *-*	**15.3%** *-1,005 bps*
Adjusted EBITDA[2)] *yoy change*	**€37.0** *-€17.8 / -32.4%*	**€6.6** *+€0.2 / +2.7%*	**€7.2** *+€6.0 / favorable*	**-€0.7** *+€0.6 / -*	**€50.1** *-€11.0 / -18.0%*
Adjusted EBITDA margin % *yoy change*	**17.1%** *-1,907 bps*	**31.6%** *+185 bps*	**7.5%** *-22 bps*	**-** *-*	**15.6%** *-980 bps*

1) Total revenue in Aluminium Salt Slags Recycling Services amounted to €106.0m (Q1 2022: €106.1m) after intersegment eliminations of €10.6m (Q1 2022: €11.1m)
2) €29.1m reported Total EBIT + €20.2m D&A = €49.3m reported Total EBITDA + €0.8m adjustments, mainly driven by US acquisition impacts = €50.1m adjusted Total EBITDA

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Multi-year trend – Key financials[1)]

(€m, unless otherwise stated)

	2017	2018	2019	2020	2021	2022
Revenue	€667.4[2)]	€720.1	€647.9	€604.3	€821.6	€1,136.0
Reported EBITDA	€153.0	€176.0	€159.6	€123.5	€189.6	€234.9
Reported EBITDA margin %	22.9%[2)]	24.4%	24.6%	20.4%	23.1%	20.7%
Adjusted EBITDA	€172.4[3)]	€176.0	€159.6	€127.0[3)]	€197.6[3)]	€214.6[3)]
Adjusted EBITDA margin %	25.8%[2)]	24.4%	24.6%	21.0%	24.0%	18.9%
Net profit[4)]	€49.3	€90.2	€82.7	€47.6	€99.7	€106.2
EPS[5)] (€)	€1.02[5)]	€2.65	€2.43	€1.40	€2.68[5)]	€2.66[5)]
Operating cash flow[6)]	€91.5	€103.8	€102.5	€92.5	€117.9	€137.3
Cash position end of period	€117.6	€150.6	€125.5	€154.6	€224.1	€161.8
Net debt	€406.4	€376.8	€416.9	€393.6	€470.6	€549.0
Net leverage	x2.36	x2.14	x2.61	x3.10	x2.38	x2.56

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; 2022 EBITDA adjusted for -€20.3m, mainly driven by Zinc refining acquisition impacts
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; 2022 EPS based on 39,999 thousand outstanding shares
6) Operating cash flow is after WC change, taxes and interests; pre capex and pre dividend

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Q1 2023/22 – Operational data – Steel Dust Recycling Services

	Q1 2022	Q1 2023	*yoy change*
EAFD throughput (kt)	337.4	273.8	*-63.5 / -18.8%*
EAFD average capacity utilisation (%)	88.0%	71.4% / 75.1%[1)]	*-1,657 bps*
Waelz oxide (WOX) sold (kt)	103.7	99.8	*-3.9 / -3.8%*
Zinc LME price (€/t)	€3,337	€2,916	*-€421 / -12.6%*
Zinc hedging price (€/t)	€2,287	€2,348	*+€61 / +2.7%*
Zinc blended price[2)] (€/t)	€2,533	€2,633	*+€99 / +3.9%*

1) Normalised for Turkey, stopped in January and February 2023 due to impacts from earthquake
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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Q1 2023/22 – Operational data – Aluminium Salt Slags Recycling Services

	Q1 2022	Q1 2023	*yoy change*
Salt slags & SPL treated (kt)	87.5	82.3	*-5.2 / -5.9%*
Salt slags & SPL avg. capacity utilisation (%)	75.5% / 104.3%[1)]	71.0% / 98.1%[1)]	*-445 bps*
Aluminium alloys produced (kt)	42.2	43.7	*+1.4 / +3.4%*
Secondary alu avg. capacity utilisation (%)	83.6%	86.4%	*+284 bps*
Aluminium alloy FMB price[2)] (€/t)	€2,627	€2,301	*-€326 / -12.4%*

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

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

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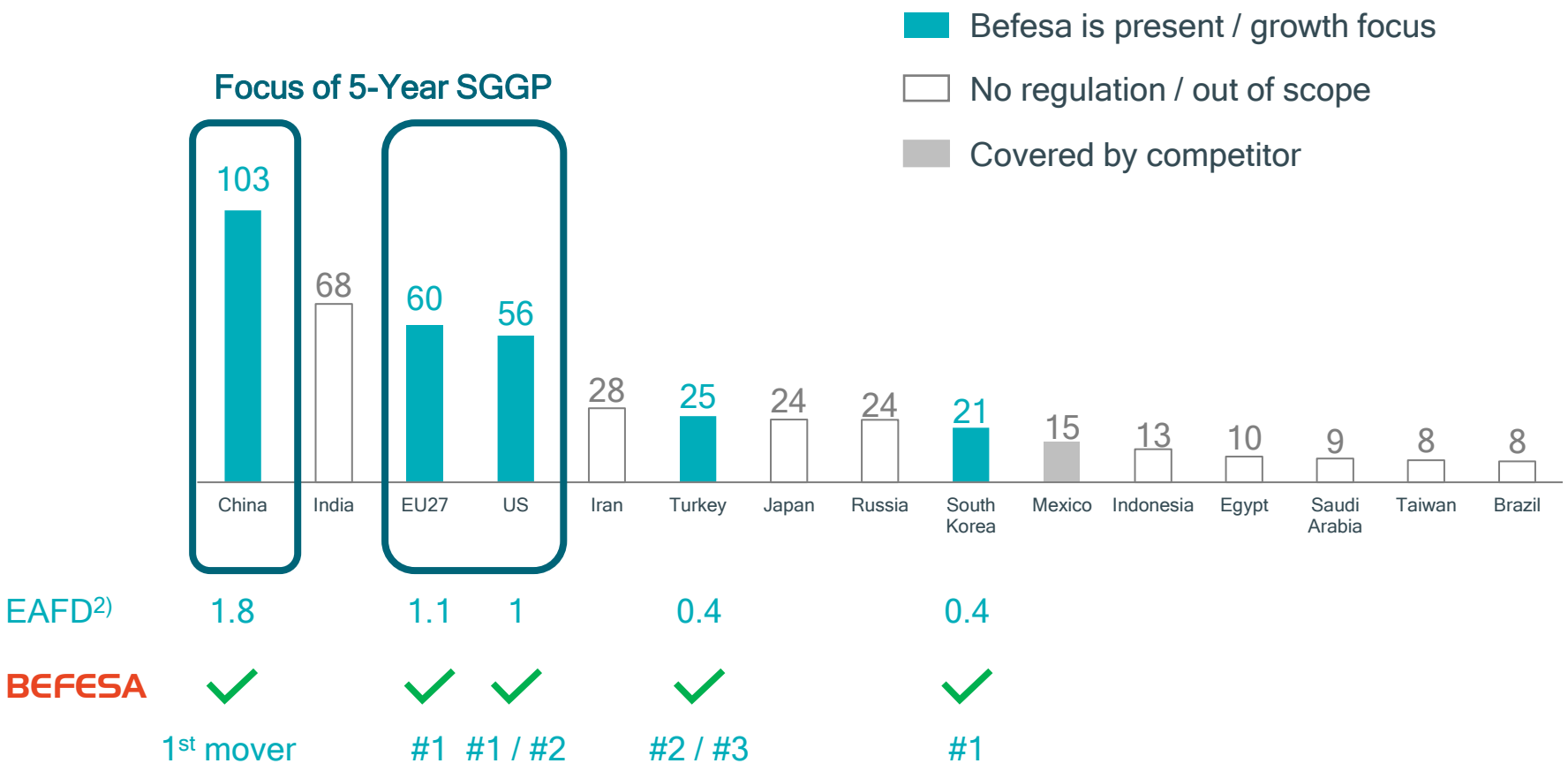
Top-15 EAF steel producing countries

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], 2022
(million tonnes)



1) worldsteel.org;
2) Total EAFD addressable market based on the assumed mid-point 17.5kg EAFD generation per tonne of EAF steel output

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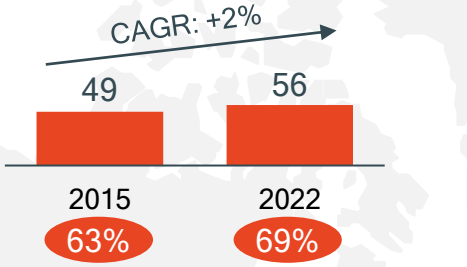
EAF steel production: Regional overview

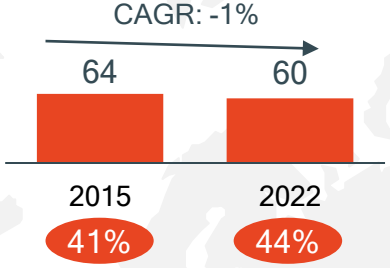
EAF steel production, MT
% EAF share
Outlook
Befesa is present

Decarbonization driving accelerated growth of EAF

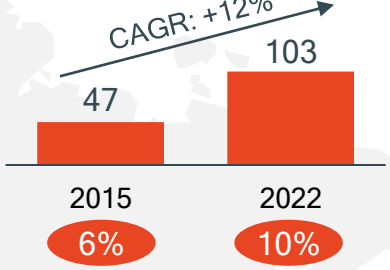
$1.2 T infrastructure plan approved, driving steel / EAF production



Europe to grow to 50% EAF share[1]

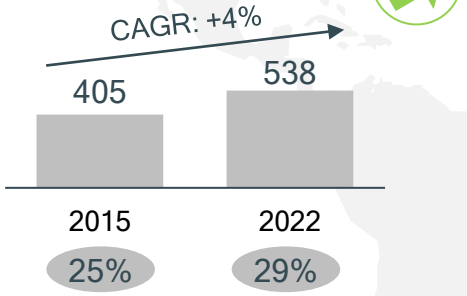


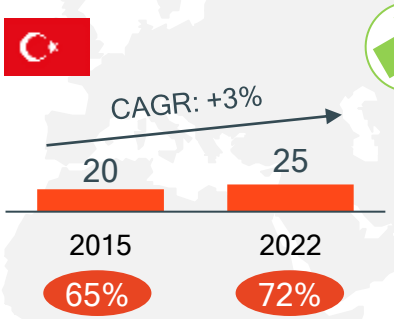
EAF% to grow to 15-20% by 2025[2] per China's Ministry of Industry & IT

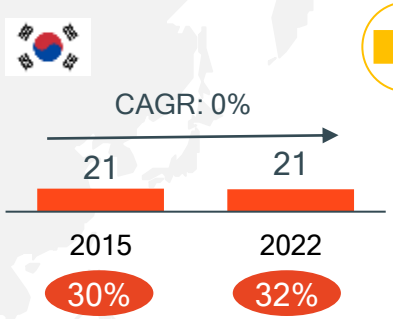


Global EAF share to grow from c.30% in 2021 to c.48% by 2050 supported by policy shifts and increasing focus on scrap use[3]

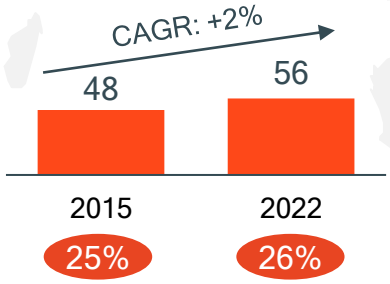
World







Served market
(EU+Turkey+Korea+China+US)



Source: worldsteel.org
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)

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