2023

Commerzbank and ODDO BHF Corporate Conference

August 2023

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H1 and Q2 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 of H1 2023

Revenue €615 million 8% yoy	Adjusted EBITDA €95 million -20% yoy	Operating cash flow €42 million -34% yoy
+ US zinc refining operations – Lower zinc and aluminium market prices	– Lower zinc price – Unfavourable zinc TC – Higher coke prices + Higher zinc hedging prices + Lower gas & electricity prices + Productivity and savings	– Lower earnings – Higher interests

Growth

- **Zinc refining**: improving performance gradually
- **Palmerton refurbishment**: on track
- **Henan**: ramp up completed in Q2 2023
- **Guangdong**: preparation works ongoing

Outlook

Overall **expecting stronger H2** vs H1; **Guidance confirmed**

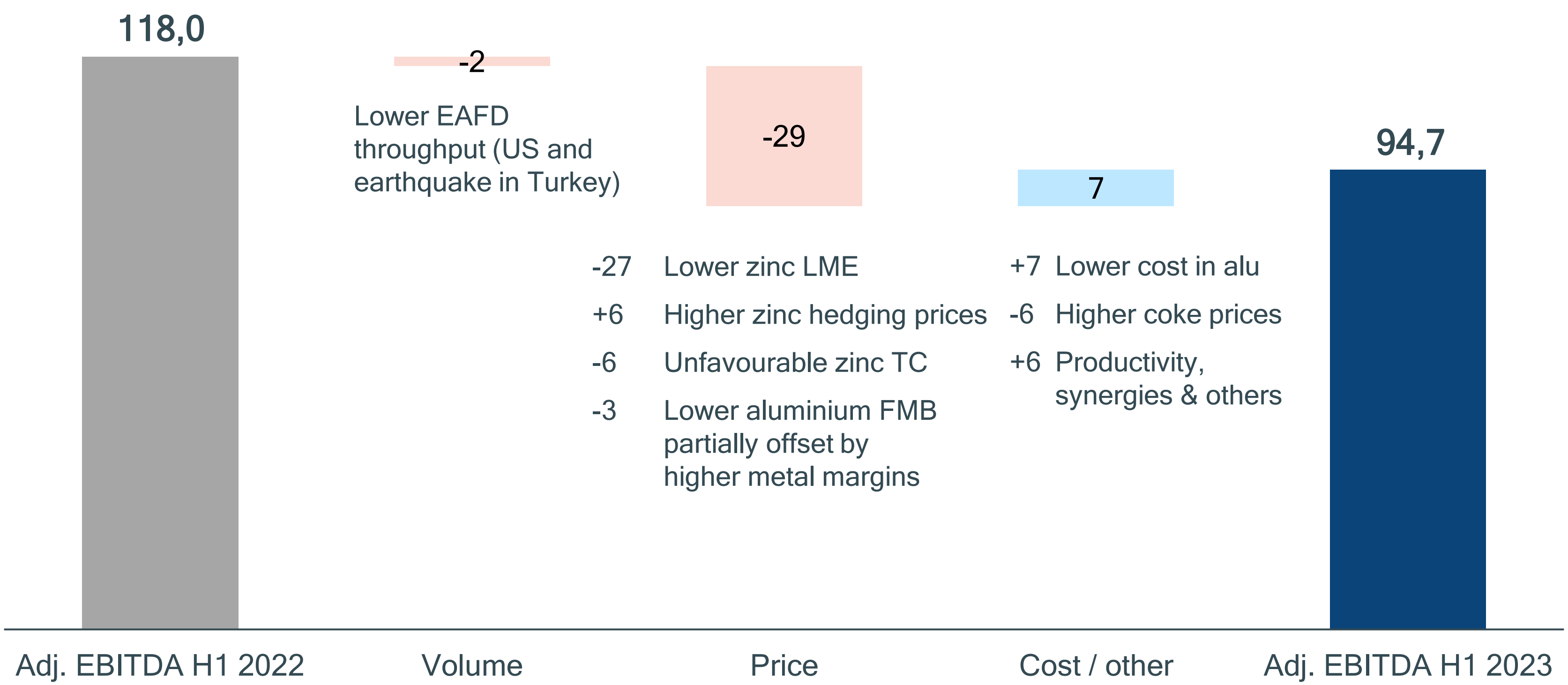
ESG

ESG Progress Report 2022 published on 30 June 2023

Total EBITDA decreased by 20% yoy to €95m in H1'23, mainly due to lower zinc market prices

Adjusted[1] EBITDA bridge H1 2023 vs H1 2022

€ million



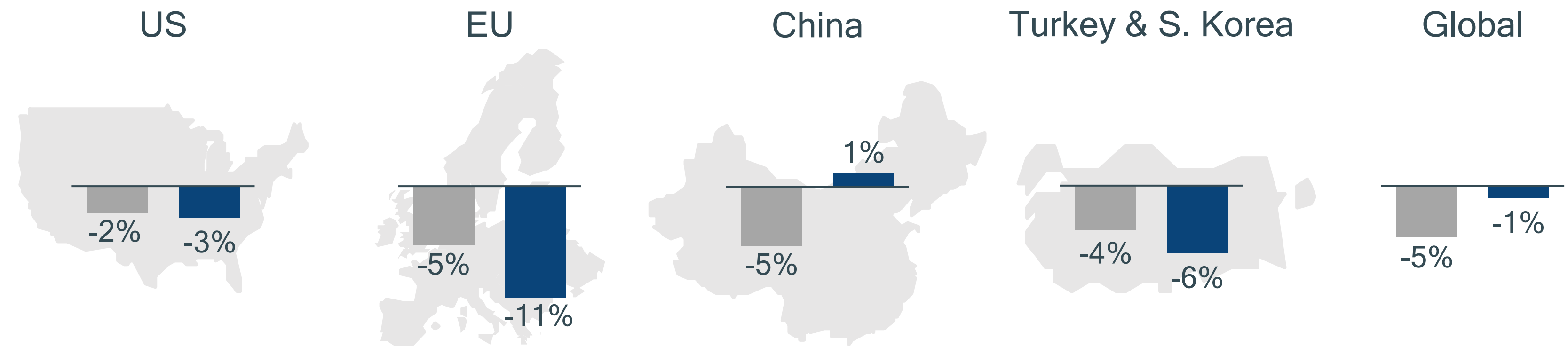
1 H1 2023: €50.4m reported Total EBIT + €40.4m D&A = €90.8m reported Total EBITDA + €3.9m adjustments = €94.7m adjusted Total EBITDA
H1 2022: €80.3m reported Total EBIT + €35.3m D&A = €115.7m reported Total EBITDA + €2.2m adjustments = €118.0m adjusted Total EBITDA

Aluminium Salt Slags benefited from favourable market environment while Steel Dust still challenged

Crude steel production

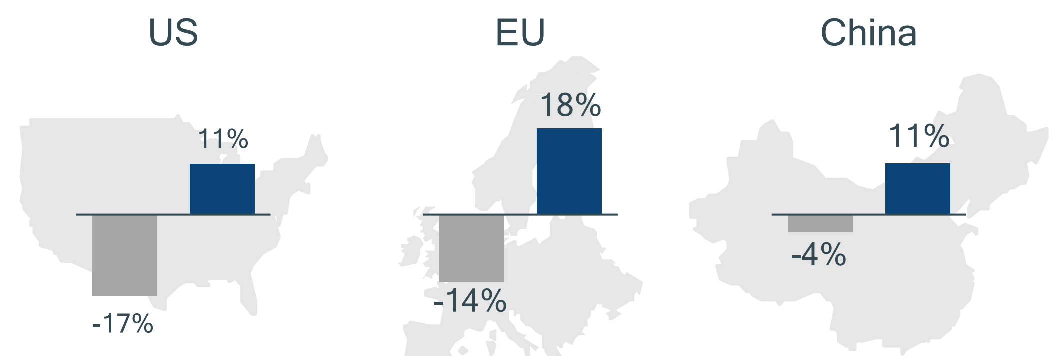
% vs prior year

H1 2022 H1 2023



Car sales[1]

% vs prior year



1 Sales of new passenger cars for US and China; registrations of new passenger cars for EU; China figures are May YTD

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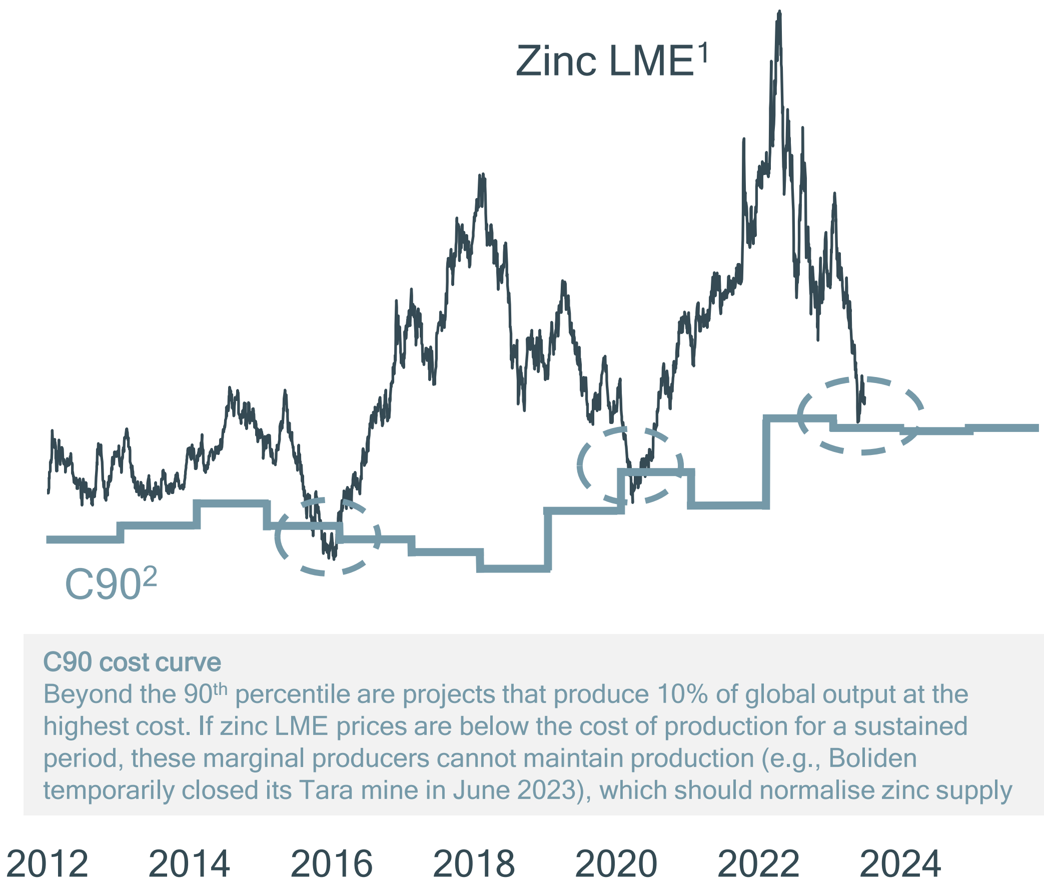
Zinc LME prices have historically bounced off the 90th percentile of the global cost curve



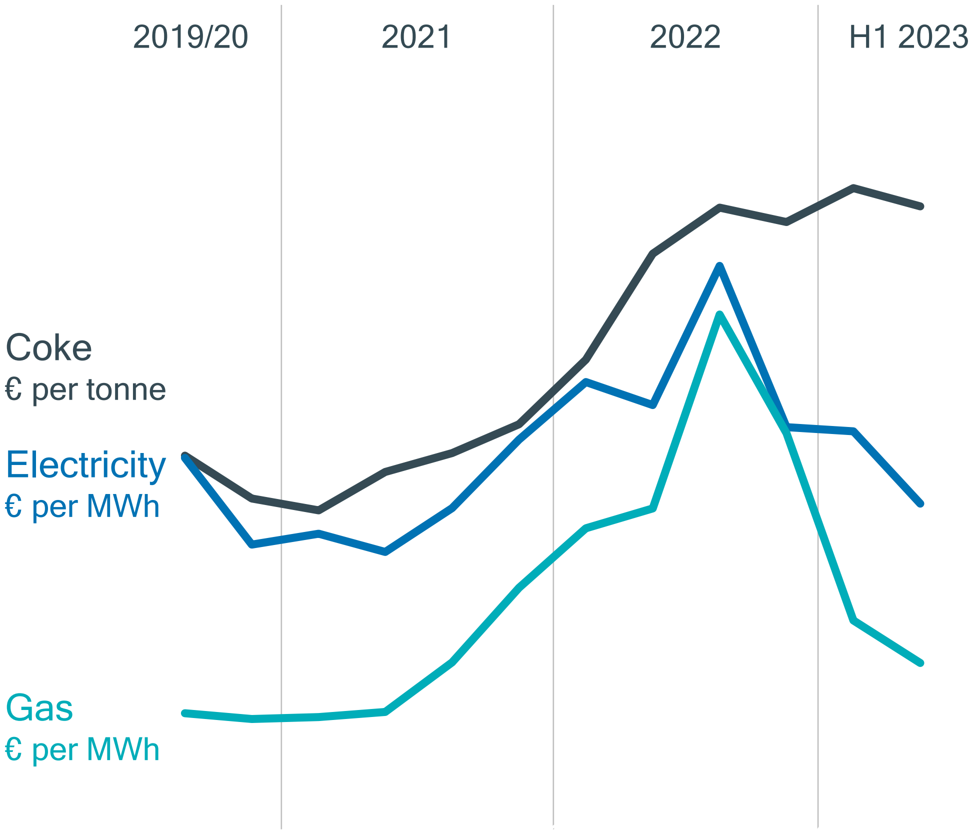
C90 cost curve
Beyond the 90th percentile are projects that produce 10% of global output at the highest cost. If zinc LME prices are below the cost of production for a sustained period, these marginal producers cannot maintain production (e.g., Boliden temporarily closed its Tara mine in June 2023), which should normalise zinc supply

- **Zinc LME prices** have **historically rebounded strongly upon touching** the **C90** curve
- Only during periods of strong economic stress, e.g., COVID-19 pandemic, zinc traded below the C90 curve
- Zinc **currently trailing around the C90** cost curve; this should balance supply / demand and hence provide **price support** at these levels
- C90 cost curve **upward trend** driven by **inflation**, **depletion** and **environmental cost increase**

1 London Metal Exchange (LME) zinc daily cash settlement prices, US$ per tonne
2 Morgan Stanley Research

Coke price has started to moderate in Q2; Electricity & gas prices decreased further

Befesa's energy price evolution by source



Coke

- After reaching an all-time-high level in Q1 2023, Befesa's coke price started to moderate in Q2 (-3% versus Q1)
- However, H1 2023 average price is still around 90% above the 2019–2021 average levels

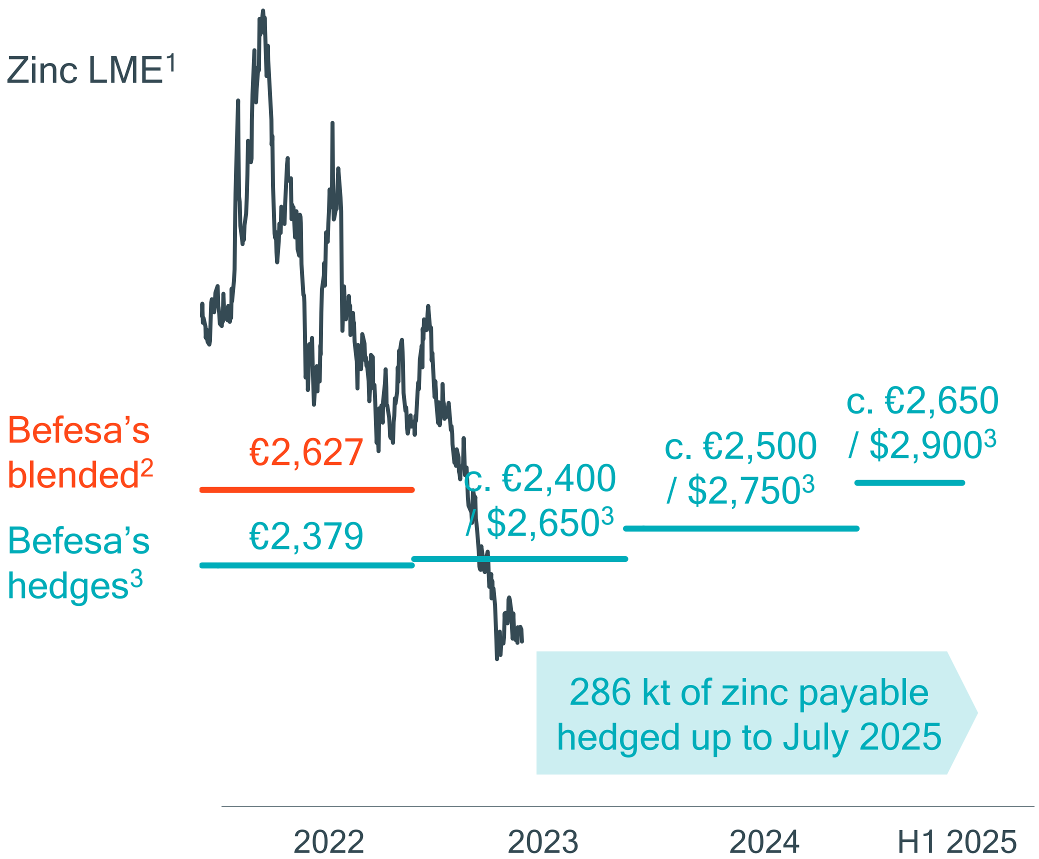
Gas

- Prices reduced further in Q2 (-27% versus Q1) back to 2021 average levels
- H1 2023 average price reduced by 48% yoy

Electricity

- Prices reduced further in Q2 (-20% versus Q1) back to 2021 average levels

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



- Befesa's **hedging strategy unchanged**
  - 1–3 years forward
  - Targeting 60% to 75% of zinc equivalent volume
  - Befesa providing no collateral
- Befesa's hedging strategy has proven **successful** providing **price visibility** and **lowering impact from zinc price volatility**
- Befesa with **60–75%** of its zinc exposure **hedged up to July 2025**
- For the **unhedged portion**: **each \$100/t change** in zinc **LME** price represents **€8–9m impact** on full year **EBITDA**

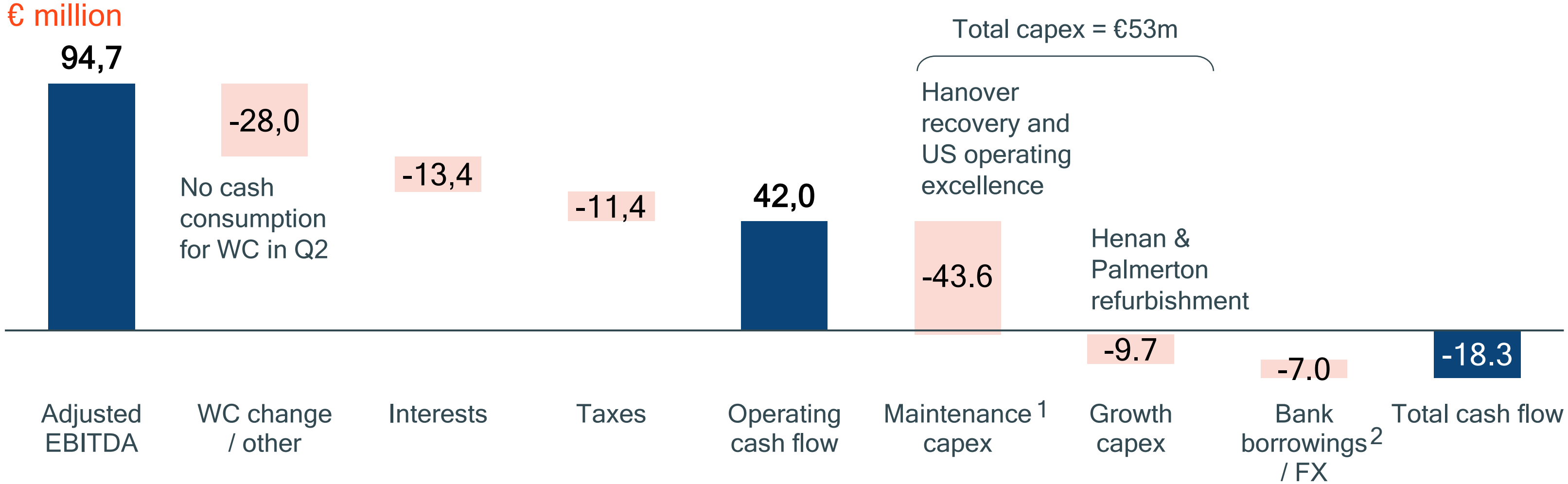
1 London Metal Exchange (LME) zinc daily cash settlement prices
2 Zinc blended prices are averages computed based on the monthly effective LME zinc and hedging prices weighted with the respective hedged and non-hedged volumes
3 Assumes FX €/\$ of 1.10 for 2023, 2024, and 2025

Cash flow, net debt & leverage

Cash on hand at €143m providing >€200m liquidity;
Net debt increased to €567m driven by lower earnings; Net leverage of x2.96

Adjusted EBITDA to Total cash flow in H1 2023

€ million



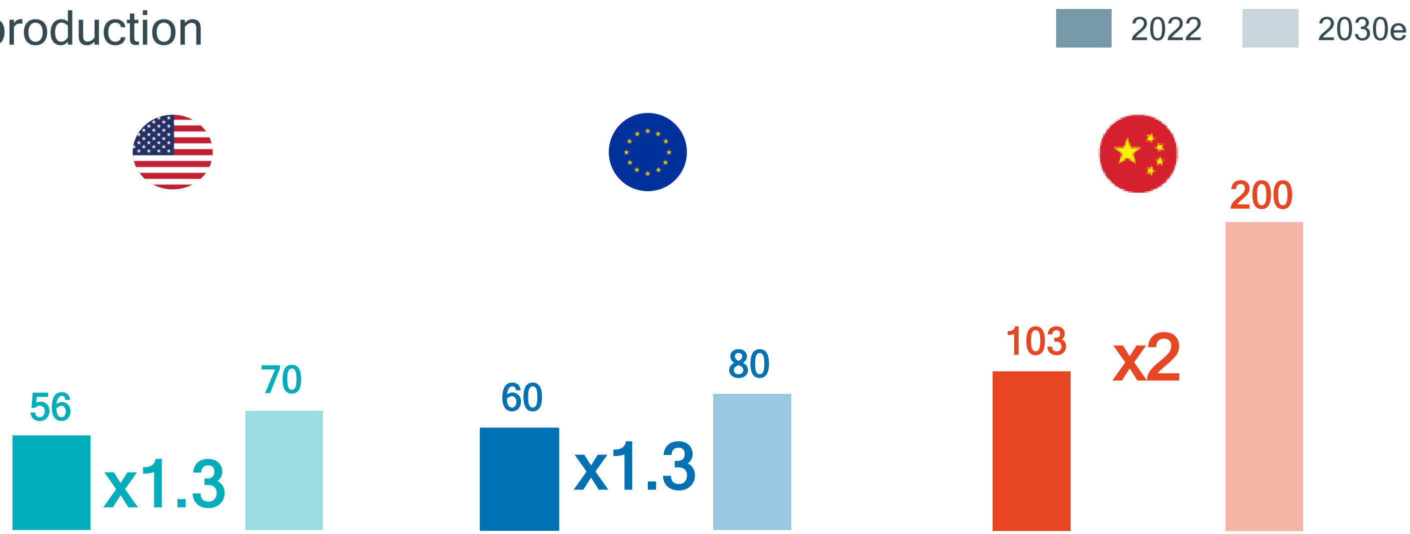
	At 30 June 2022	2022	*change*	At 30 June 2023
LTM Adjusted EBITDA	€221.4	€214.6	*-10.8%*	€191.4
LTM Operating cash flow	€111.6	€137.3	*-16.0%*	€115.3
Gross debt	€709.7	€710.8	*flat*	€710.5
Cash on hand	€238.7	€161.8	*-11.3%*	€143.5
Net debt	€470.9	€549.0	*+3.3%*	€567.0
Net leverage	x2.13	x2.56	*+x0.40*	x2.96

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

Decarbonisation driving EAF steel production in Befesa's key markets

EAF steel production

Million tonnes



% EAF share of total crude steel production

	2022	2030e
US	69%	>70%
EU	40%	>50%
China	10%	20%

- **Significant infrastructure spending** into transport, infrastructure & renewables in this decade will boost steel demand
- **Decarbonisation** driving EAF share >70%

- **Accelerating decarbonisation investments** will support EAF share growth to >50%

- **#1** steel producer **rapidly transitioning** from BOF **to EAF**
- **Ministry targets** EAF share of **20% by 2030**

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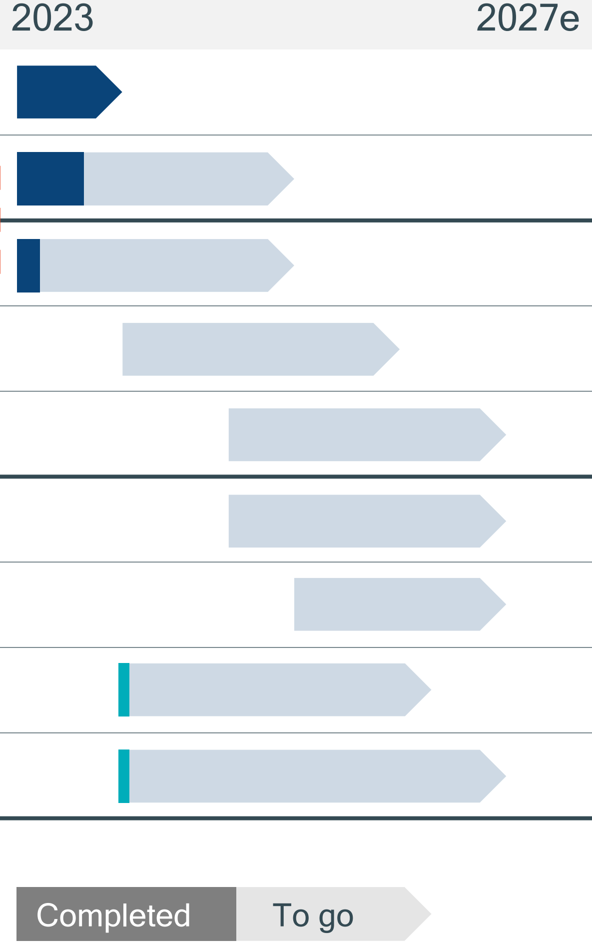
Well defined growth roadmap in execution towards 2027

Steel Dust / Alu Salt Slags

Growth projects	Indicative timing & progress (2023 – 2027e)	Capex €m	EBITDA run-rate €m
1 Zinc refining ✓		€110–120	€35–45
2 Palmerton refurbishment			
3 China III, 1st kiln Guangdong		€115–125	€30–35
4 China IV, 2nd kiln Jiangsu			
5 China V, 2nd kiln Henan			
6 EAFD recycling plant		€105–115	€30–35
7 WOX washing plant			
8 2nd Aluminium expansion		€80–90	€15–20
9 Salt Slags recycling plant			
		€410–450	**€110–135**



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Palmerton plant refurbishment progressing well to seize market growth in 2024/25

Plant overview

- **2 kilns** with c. **163 kt → 220 kt** (post-refurbishment) **EAFD recycling capacity**
- Producing **WOX** as a marketable product

Indicative timing and status

Q1 2025

- Demolition works ongoing
- Finishing EPC contract (two candidates)

Timing confirmed:
Phase I: completed by Q3 2024
Phase II: completed by beginning of 2025

Key financials

- **Capex**: €60–70 million
- **EBITDA run-rate**: €25–30 million
- **Payback**: 2–3 years; **IRR**: >30%

Preparing Befesa's next EAFD recycling plant in the province of Guangdong

- Around 126 million people (2022), 10–15% of China
- GDP: US$1.9 T (2022), Top 10 global; 5% growth target for 2023; 5–6% p.a. growth (2020–2035e)
- Largest auto production in China
- Top 5 EAF steelmaking clusters in China, with 200–400 kt EAFD p.a.

Plant overview

- **1 kiln** with **110 kt EAFD recycling capacity**
- **Option** for expansion on site:
  2 additional kilns x 110 kt = +220 kt capacity

Indicative timing and status

Q1 2025

- ✓ Investment agreement signed Q1 2023
- ✓ Land lot assigned Q1 2023
- › Levelling lot; Preparing basic engineering
- › Long-term supply contracts with 3rd parties ongoing
- Construction: Q4 2023 – Q4 2024
- Ramp up operations: Q1 2025

Key financials

- **Capex**: €45–50 million
- **EBITDA run-rate**: €8–12 million
- **Payback**: 4–5 years; **IRR**: >20%

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Outlook for H2 2023:
Overall expecting stronger H2 vs H1

Volume

- European operations expected to continue at current solid levels
- Turkish operations recovered after the earthquake in Q1 and are expected to continue delivering at usual levels in H2
- Hannover Aluminium Salt Slags plant fully ramped up and running since the end of Q2
- China gradually recovering after a challenging economic environment in H1

Zinc refining

- Plant performance gradually improving and targeting positive earnings contribution in H2

Market prices

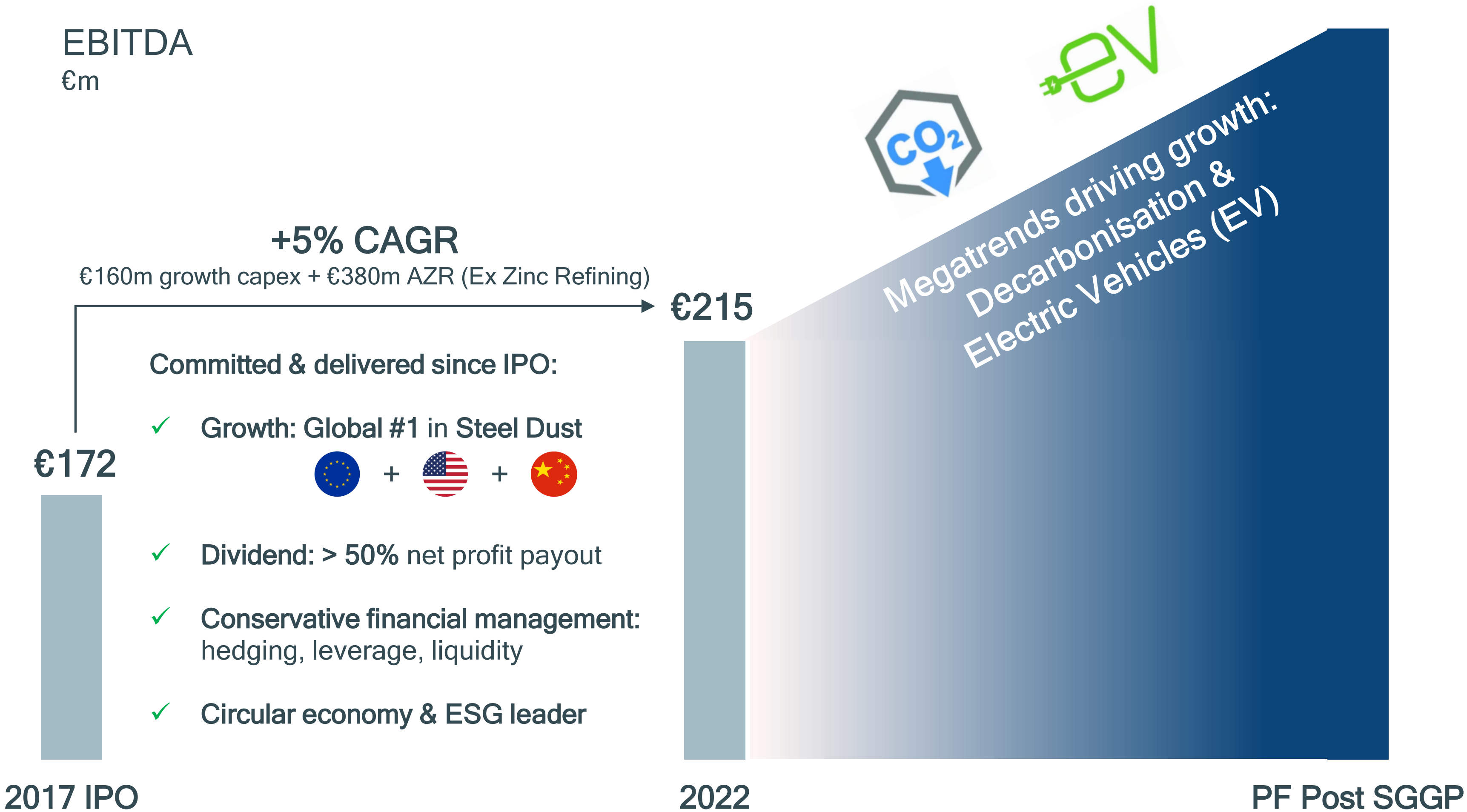
- Zinc LME historically rebounded supported by C90
- Aluminium FMB expected to remain flattish at Q2 levels

Energy prices

- Reduction of coke price in Q3 expected to continue through the year
- Moderation of gas and electricity prices expected to maintain

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

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



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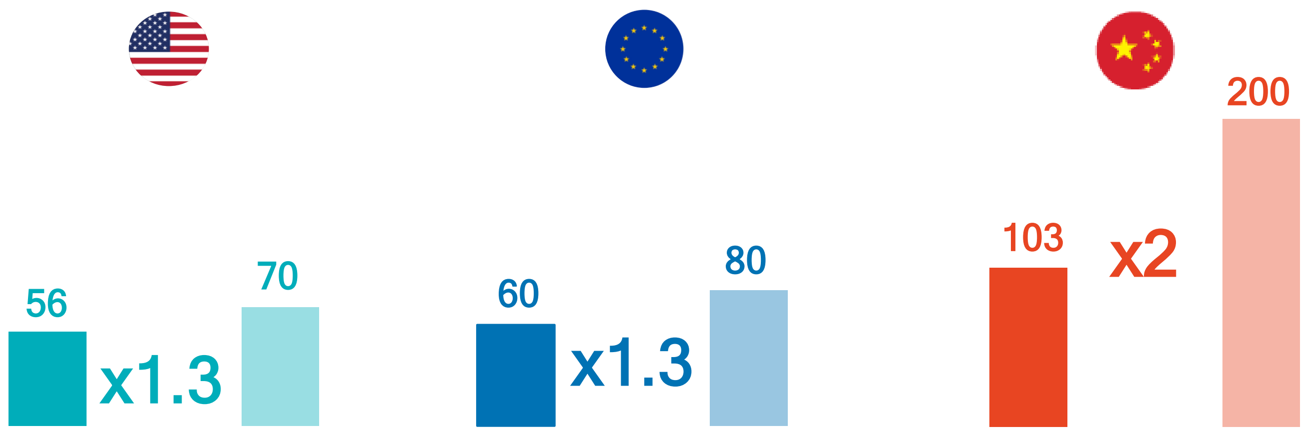
EAF steel production

2022 2030e

Million tonnes



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Completed | To go

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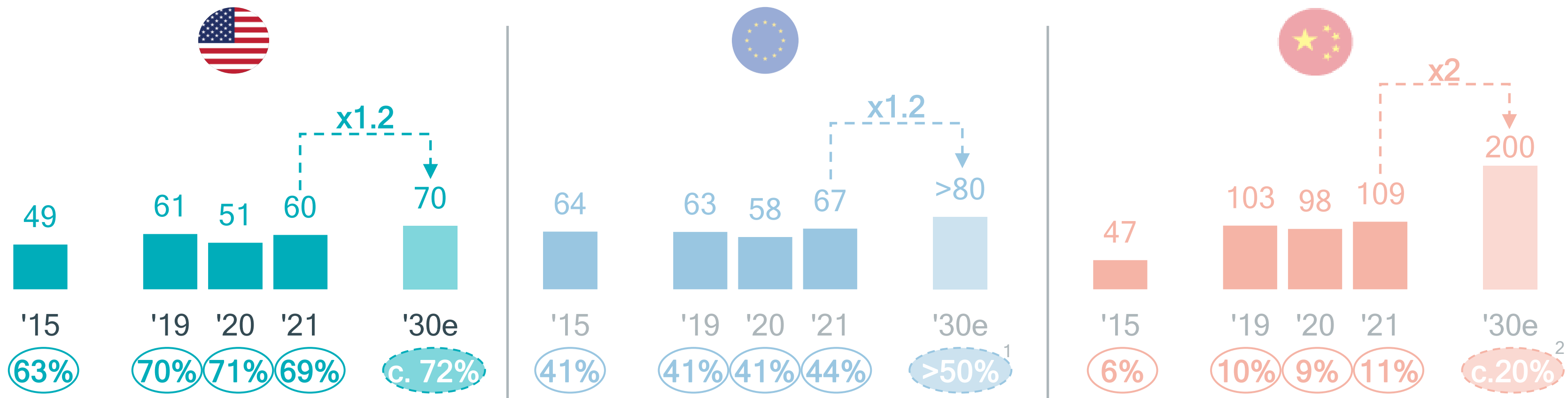
Megatrends and Befesa's approach by market

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

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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
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

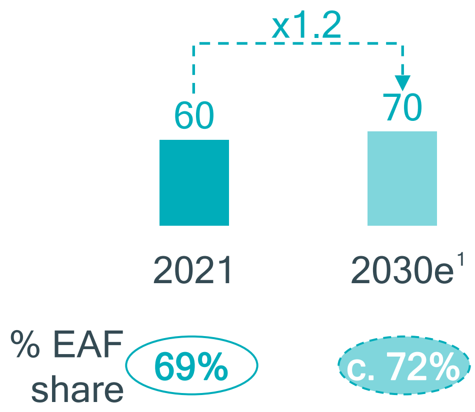
Sources: Corporate press releases and presentations

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

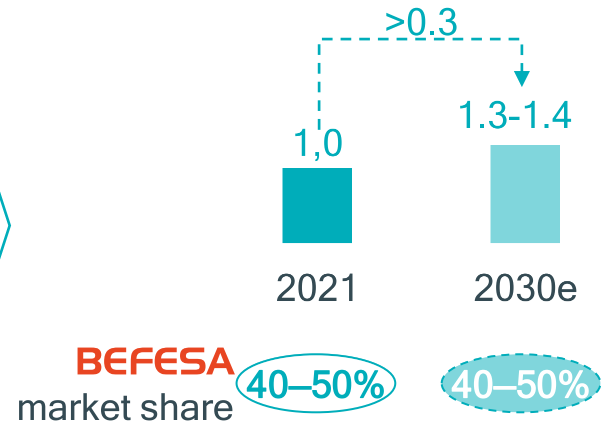
million tonnes, EAF % of total crude steel output



$1.2 T infrastructure plan driving higher steel volume and **decarbonisation** driving EAF share up

EAFD generation

million tonnes



Befesa's expansion projects

- ✓ **Acquisition** of **Zinc refining** asset on 30 September 2022 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 and refurbishment vital to achieve **throughput**, **energy** and **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)

Zinc refining plant improving performance gradually since acquisition in September 2022

Plant overview

- **#1 producer** of “**green zinc**” (SHG zinc), **100%** from **recycled materials (WOX)**
- **141 kt SHG zinc total capacity**
- Plant size can **process up to 220 kt WOX from Befesa’s recycling plants** in the USA

Indicative timing and status

H2 2023

✓ Plant integrated in normal operations in the USA

Capacity utilisation in May / June >90%

> Q1 EBITDA c. -€2m; Q2 breakeven; H2 expected positive

Key financials

- **Capex**: €50 million
- **EBITDA run-rate**: €10–15 million
- **Payback**: 4–5 years; **IRR**: >15%

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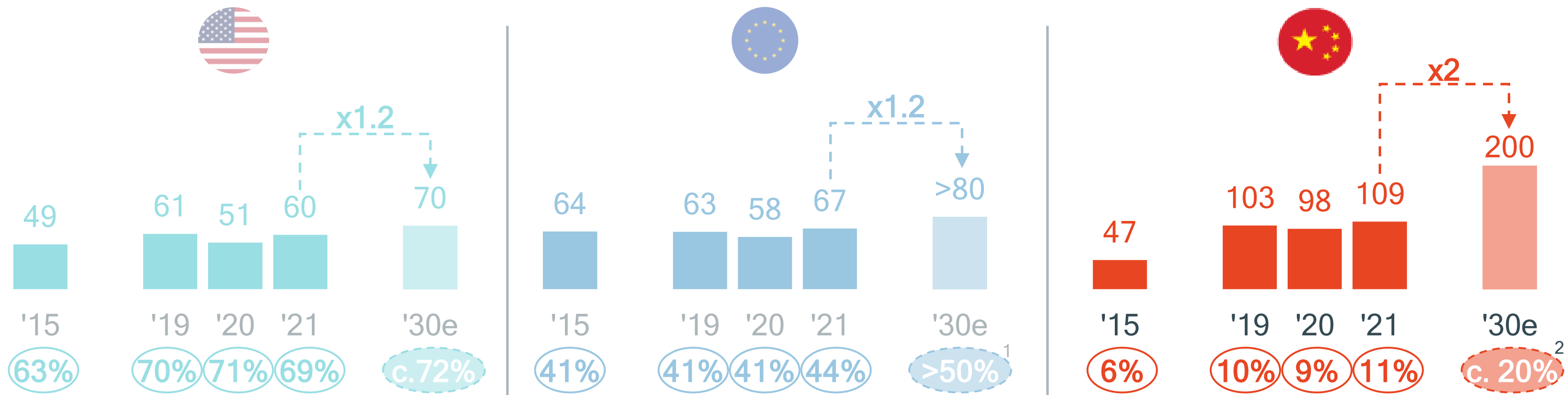

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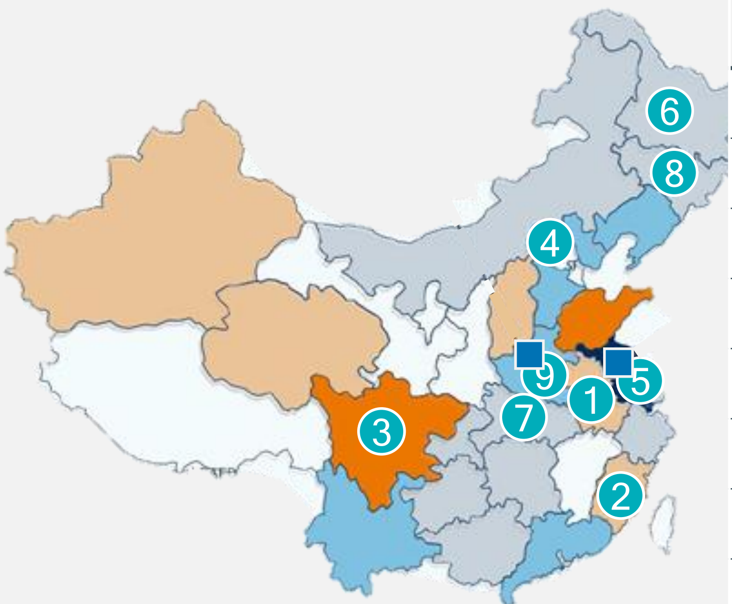
Largest producer of steel, rapidly transitioning from BOF to EAF; a strong growth opportunity

>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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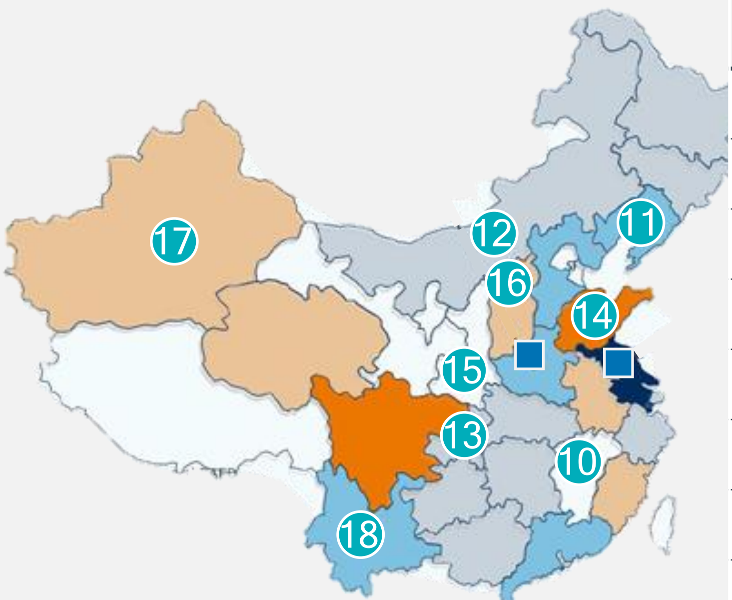
Overview of selected steelmakers

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

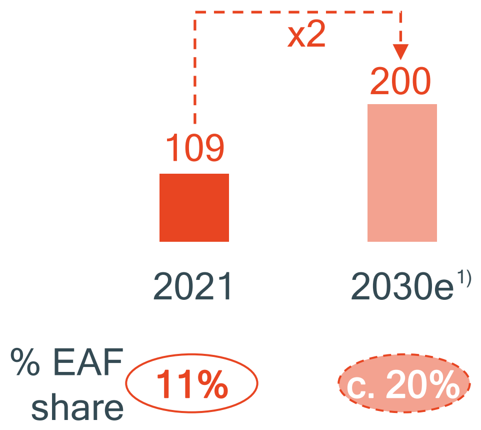
Sources: Internal analysis

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

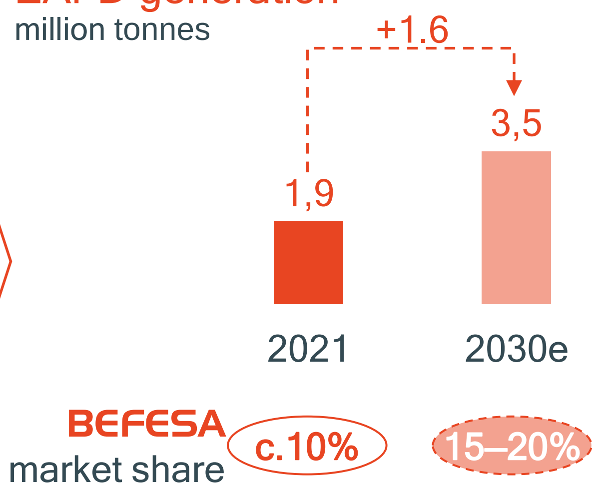
million tonnes, EAF % of total crude steel output



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

EAFD generation

million tonnes



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)

Preparing Befesa's next EAFD recycling plant in the province of Guangdong

- Around 126 million people (2022), 10–15% of China
- GDP: US$1.9 T (2022), Top 10 global; 5% growth target for 2023; 5–6% p.a. growth (2020–2035e)
- Largest auto production in China
- Top 5 EAF steelmaking clusters in China, with 200–400 kt EAFD p.a.

Plant overview

- **1 kiln** with **110 kt EAFD recycling capacity**
- **Option** for expansion on site:
  2 additional kilns x 110 kt = +220 kt capacity

Indicative timing and status

Q1 2025

- ✓ Investment agreement signed Q1 2023
- ✓ Land lot assigned Q1 2023
- › Levelling lot; Preparing basic engineering
- › Long-term supply contracts with 3rd parties ongoing
- Construction: Q4 2023 – Q4 2024
- Ramp up operations: Q1 2025

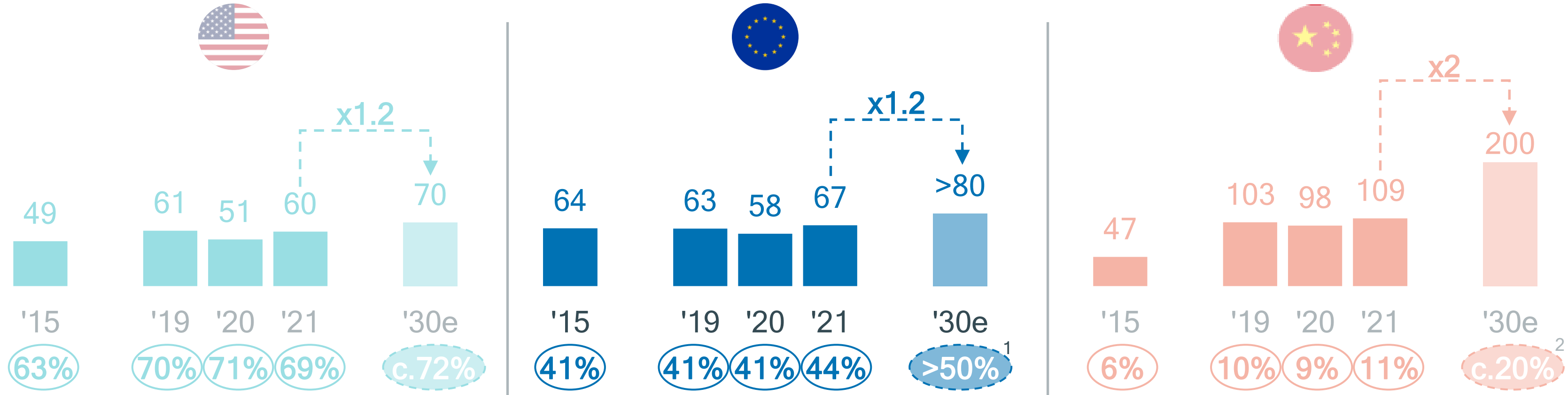
Key financials

- **Capex**: €45–50 million
- **EBITDA run-rate**: €8–12 million
- **Payback**: 4–5 years; **IRR**: >20%

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**

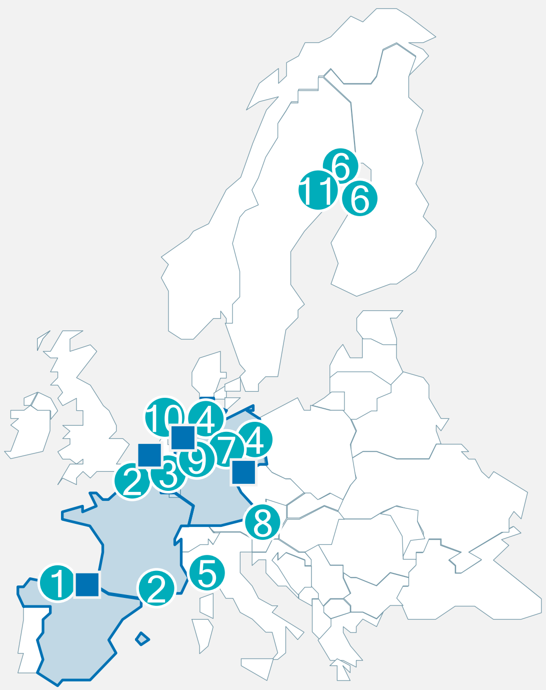
Sources: Worldsteel; Company data; IEA; S&P Global Commodity Insights
1 Net Zero by 2050 (IEA, May 2021), Green Steel for Europe Consortium (June 2021) 2 S&P Global Commodity Insights (April 2022) 3 Bank of America Research (November 2022)

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; 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

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** and **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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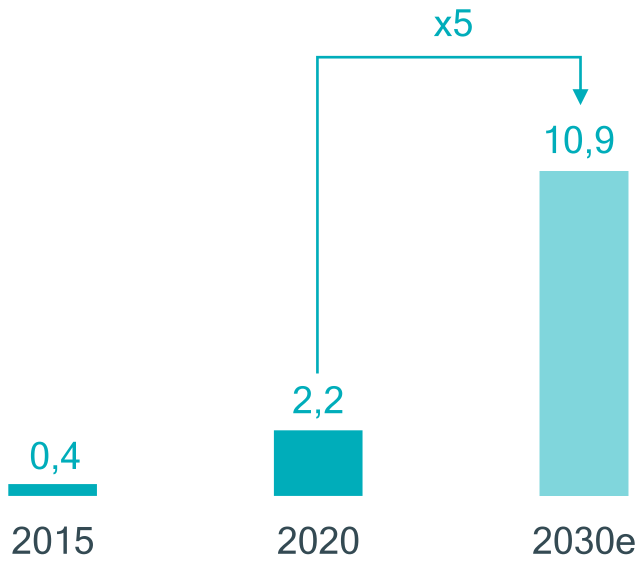
Aluminium Salt Slags Recycling Services – Decarbonisation trend drives transition to EV

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 (January 2022)
2 eceee.org (June 2022)

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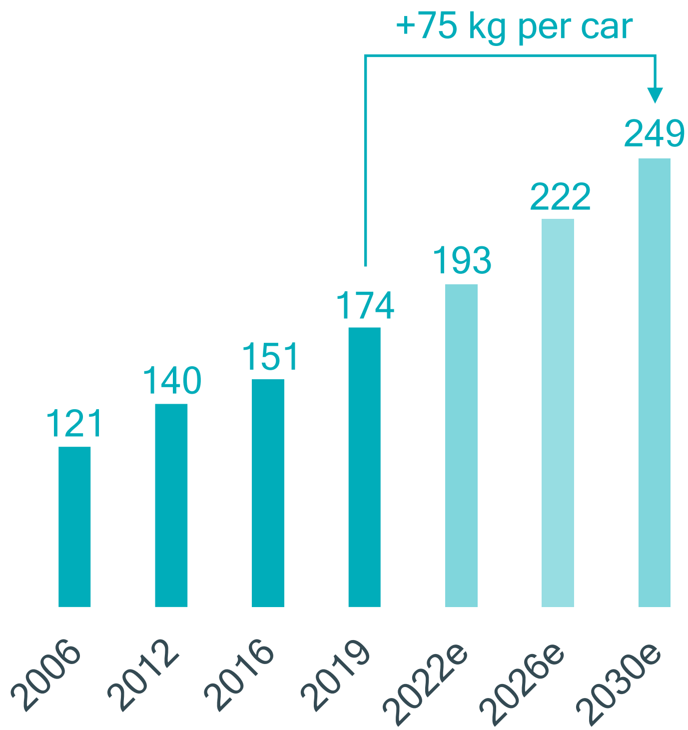
EV requiring higher aluminium content per car to achieve light-weight targets

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

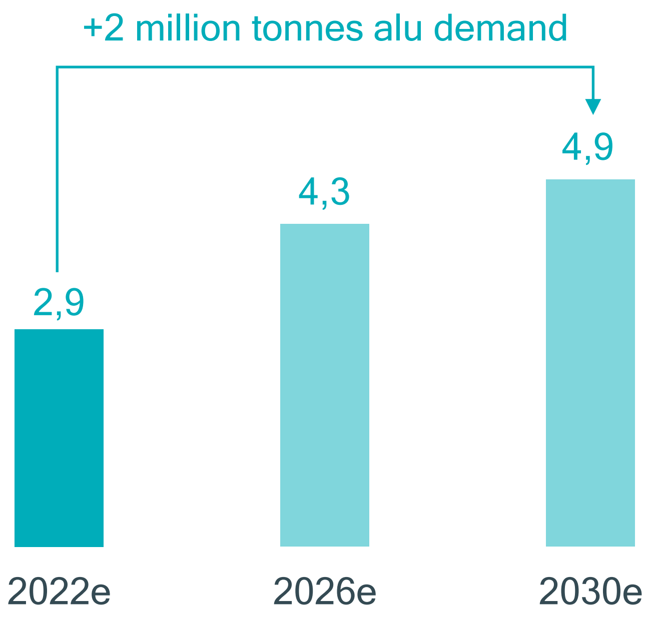
1 Ducker (October 2022)

BEFESA

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

Aluminium demand from Auto in Europe[1]

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 (October 2022)

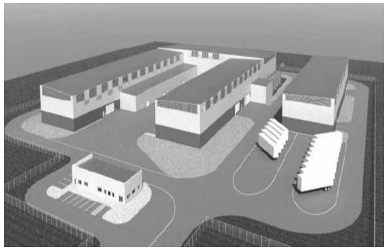
Expansion of 2nd Aluminium and New Salt Slags recycling plant

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**

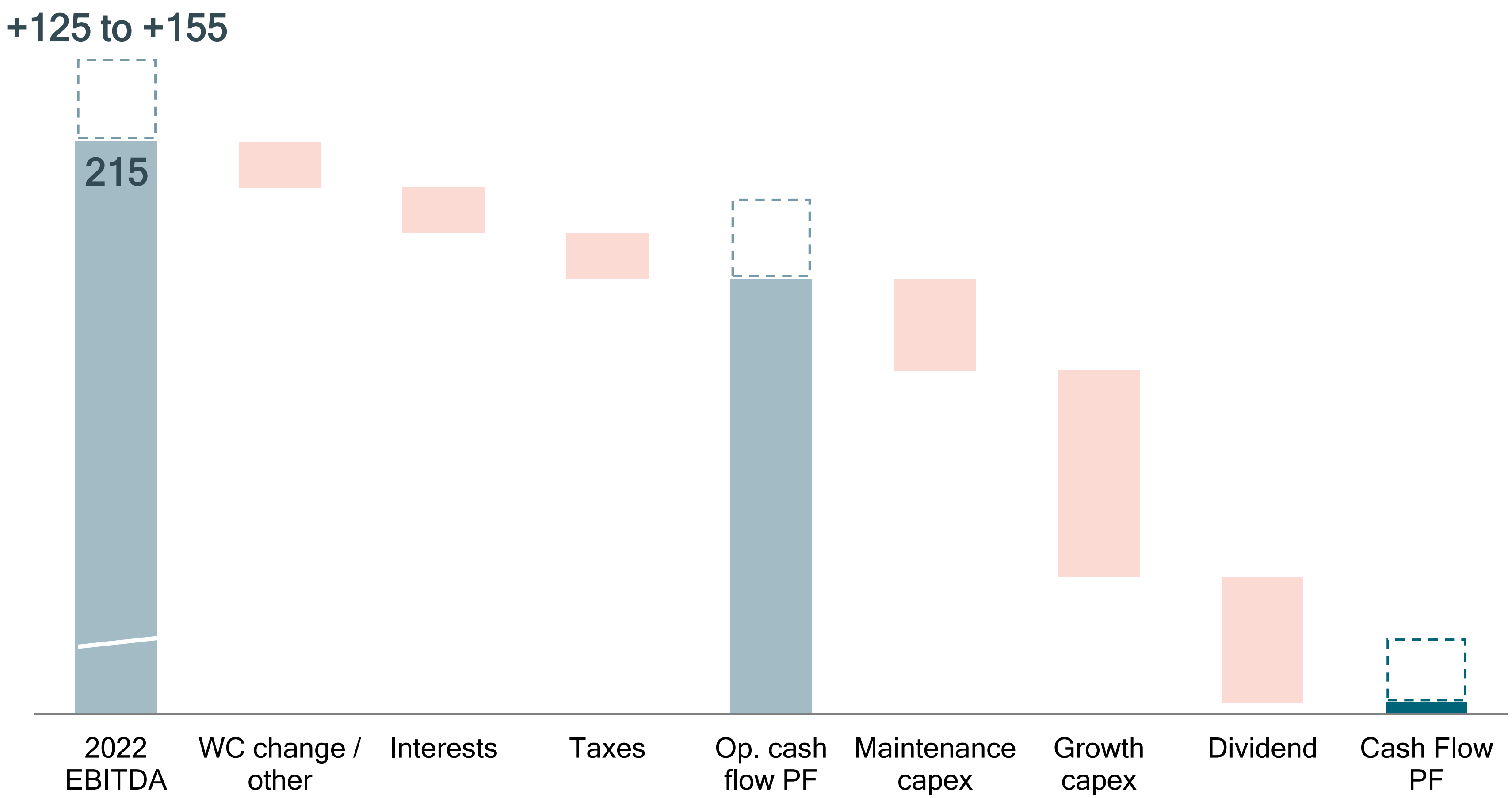
c. €80–90m total investment; +€15–20m total incremental EBITDA p.a.; Low-risk & medium-return projects

BEFESA

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

EBITDA to Cash flow management walk

Illustrative conceptual annual view within SGGP period, €m



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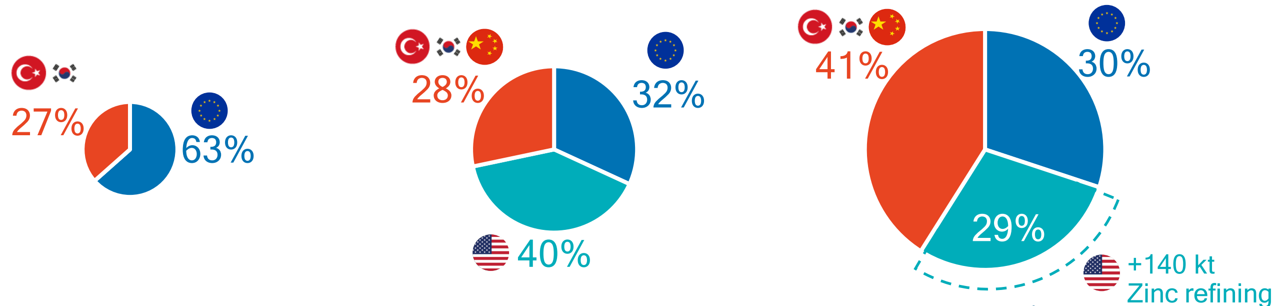
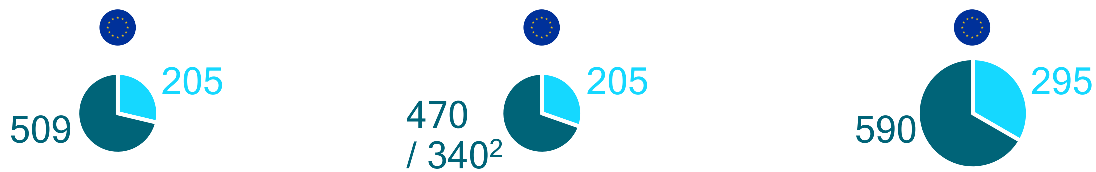
Diversifying Befesa's global footprint …

		2017 IPO	2022	PF Post SGGP

Capacity, kt



Capacity, kt		2017 IPO	2022	PF Post SGGP
	Steel Dust	780	1,555	2,145[1]



		2017 IPO	2022	PF Post SGGP
	Salt Slags	509	470 / 340[2]	590
	2nd Alu	205	205	295
	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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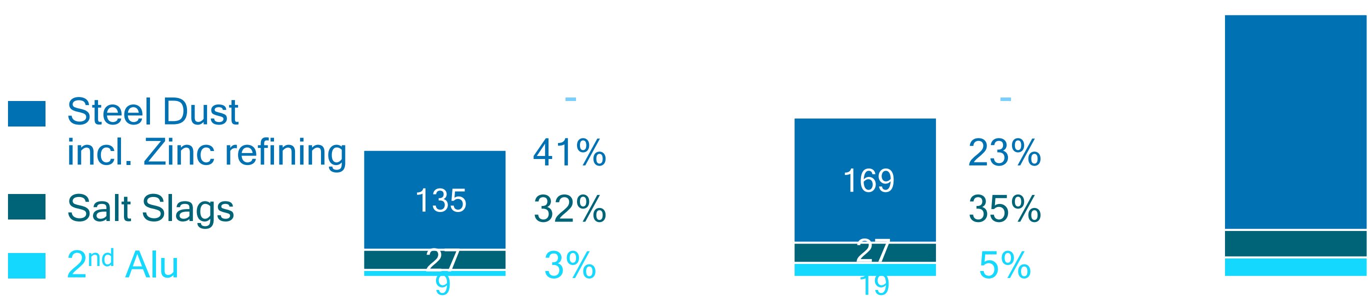
… core-business focus drives portfolio growth

		2017 IPO	2022	PF Post SGGP
Revenue, €m	Total[1]	€725	€1,136	c. €1,650–1,800

		2017 IPO	% margin	2022	% margin	PF Post SGGP	% margin
EBITDA, €m	Total[1]	€172	24%	€215	19%	c. €340–370	19–23%



1 Total revenue after intersegment adjustments; Total adjusted EBITDA

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Committing to growth through the cycle

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

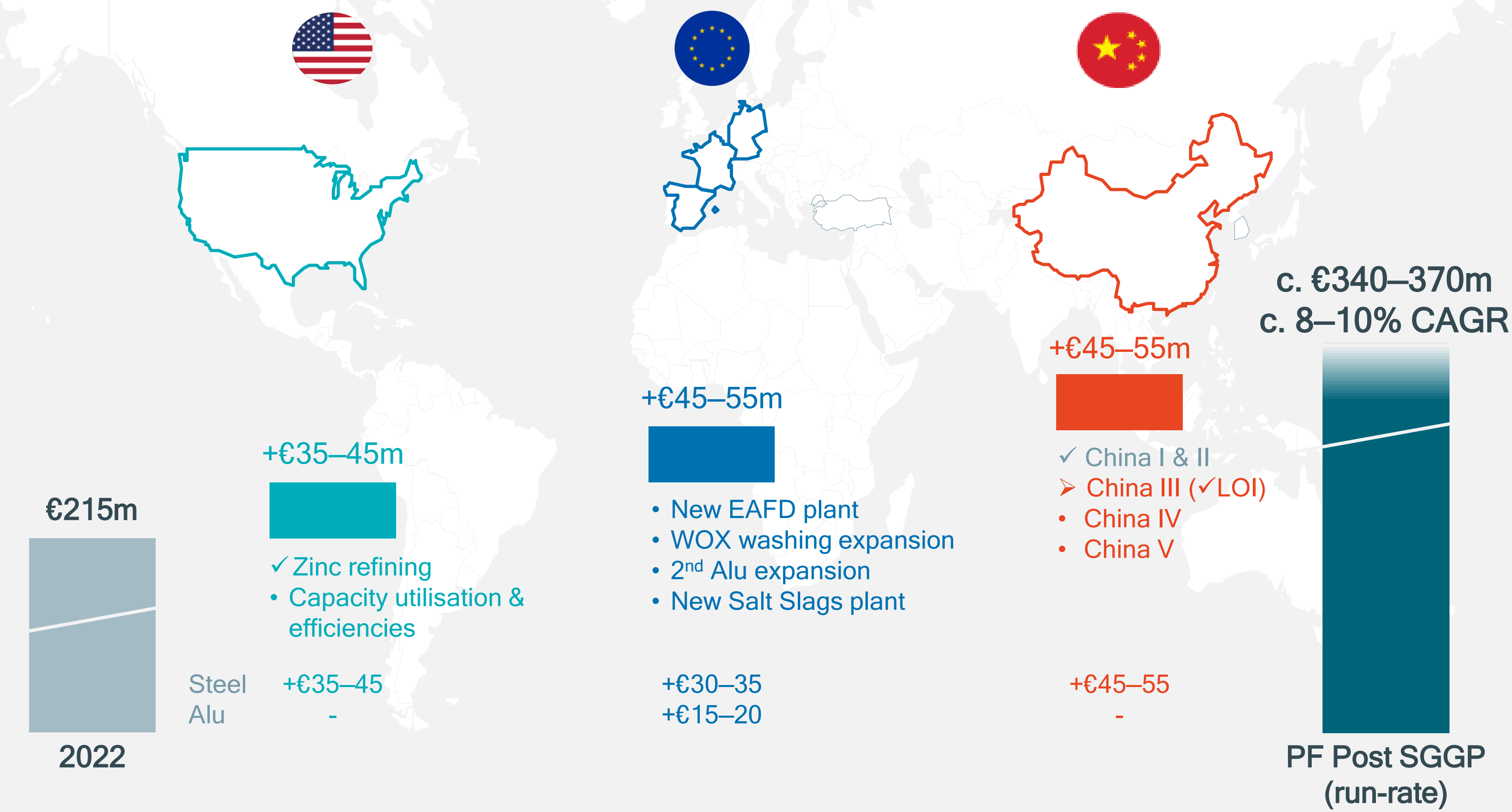
Targeting to continue **dividend** distribution at **40–50%** of net profit

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

Well defined growth roadmap driving +€125—155m EBITDA growth, 8—10% CAGR, globally balanced

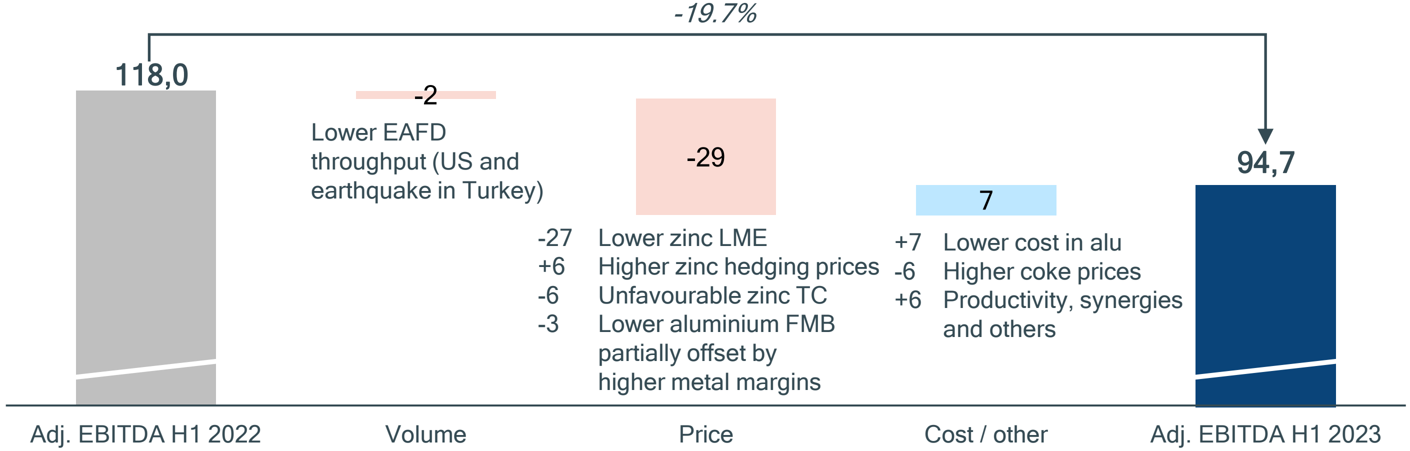


03 / H1 2023 results

Consolidated key financials

Adjusted EBITDA decreased by 20% yoy to €95m in H1 2023, mainly due to lower zinc market prices

Adjusted EBITDA bridge H1 2022 to H1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	H1 2022	*yoy change*	H1 2023
Revenue	€572.5	*+7.5%*	€615.5
Adjusted EBITDA[1]	€118.0	*-19.7%*	€94.7
Adjusted EBITDA margin %	20.6%	*-521 bps*	15.4%
Net profit	€50.0	*-59.5%*	€20.2
EPS (€)	€1.25	*-59.5%*	€0.51
Operating cash flow	€64.0	*-34.4%*	€42.0
Cash	€238.7	*-39.9%*	€143.5
Net debt	€470.9	*+20.4%*	€567.0
Net leverage[2]	x2.13	*+x0.84*	x2.96

1 H1 2023: €50.4m reported Total EBIT + €40.4m D&A = €90.8m reported Total EBITDA + €3.9m adjustments = €94.7m adjusted Total EBITDA
H1 2022: €80.3m reported Total EBIT + €35.3m D&A = €115.7m reported Total EBITDA + €2.2m adjustments = €118.0m adjusted Total EBITDA
2 Net leverage calculated as Net debt over Adjusted EBITDA.

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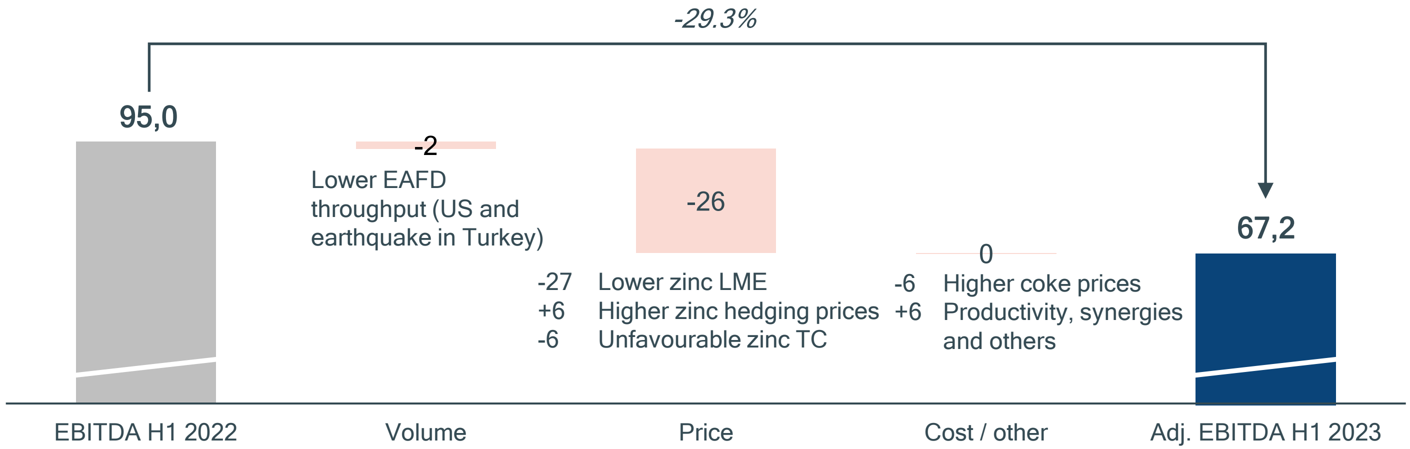
Steel Dust Recycling Services

Adjusted EBITDA decreased by 29% yoy to €67m in H1 2023, mainly due to lower zinc LME and minor volume decrease; Higher hedging prices offset by unfavourable zinc TC; Higher coke prices offset by productivity and synergies

Adjusted EBITDA bridge H1 2022 to H1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	H1 2022	*yoy change*	H1 2023
Revenue	€353.8	*+13.2%*	€403.0
Adj. EBITDA	€95.0	*-29.3%*	€67.2
Adj. EBITDA margin %	26.8%	*-1,113 bps*	16.7%
EAFD throughput (kt)	629.7	*-5.9%*	592.3
Plant utilisation	81.6%	*-1,109 bps*	70.6%
Waelz oxide (WOX) sold (kt)	213.8	*-7.8%*	197.2
Zinc LME price (€/t)	€3,510	*-25.3%*	€2,624
Zinc hedging price (€/t)	€2,329	*+1.2%*	€2,356
Zinc blended price[1] (€/t)	€2,668	*-7.6%*	€2,464
Treatment charge (TC) ($/t)	$230	*+19.1%*	$274

1 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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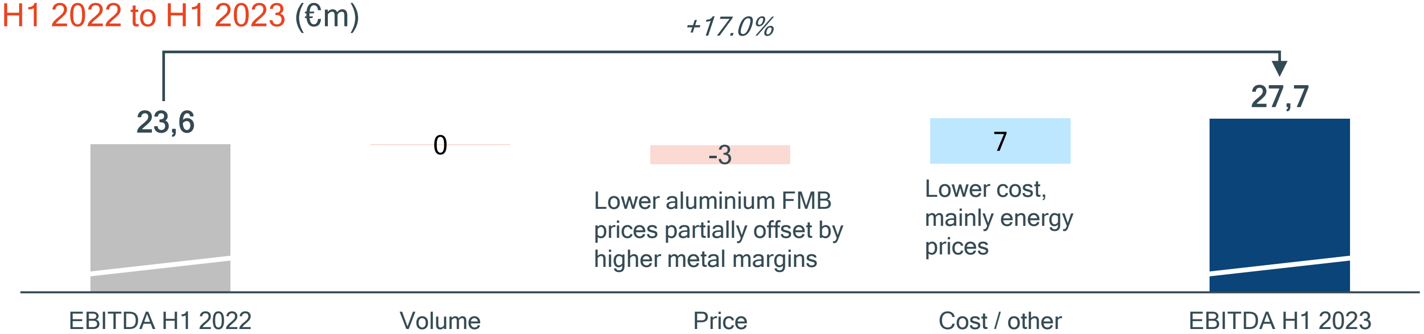
Aluminium Salt Slags Recycling Services

EBITDA increased by 17% yoy to €28m in H1 2023; Lower cost (mainly lower energy prices) partially offset by lower aluminium market prices

EBITDA bridge H1 2022 to H1 2023 (€m)



Key metrics (€m, unless otherwise stated)

	H1 2022	*yoy change*	H1 2023
Revenue[1]	€219.4	*-2.7%*	€213.5
• Salt Slags	€41.3	*flat*	€41.3
• Secondary Aluminium	€217.7	*-10.3%*	€195.2
EBITDA	€23.6	*+17.0%*	€27.7
• Salt Slags	€14.6	*-2.1%*	€14.3
• Secondary Aluminium	€9.0	*+48.1%*	€13.4
EBITDA margin % (Salt Slags)	35.4%	*-71 bps*	34.7%
Salt Slags & SPL treated (kt)	172.9	*-1.1%*	171.1
Plant utilisation	74.2%	*-80 bps*	73.4%
Aluminium alloys produced (kt)	84.6	*+3.0%*	87.2
Plant utilisation	83.3%	*+247 bps*	85.7%
Alu alloy FMB price[2] (€/t)	€2,558	*-12.3%*	€2,243

1 Total revenue is after intersegment eliminations (H1 2022: €39.6m; H1 2023: €23.0m)
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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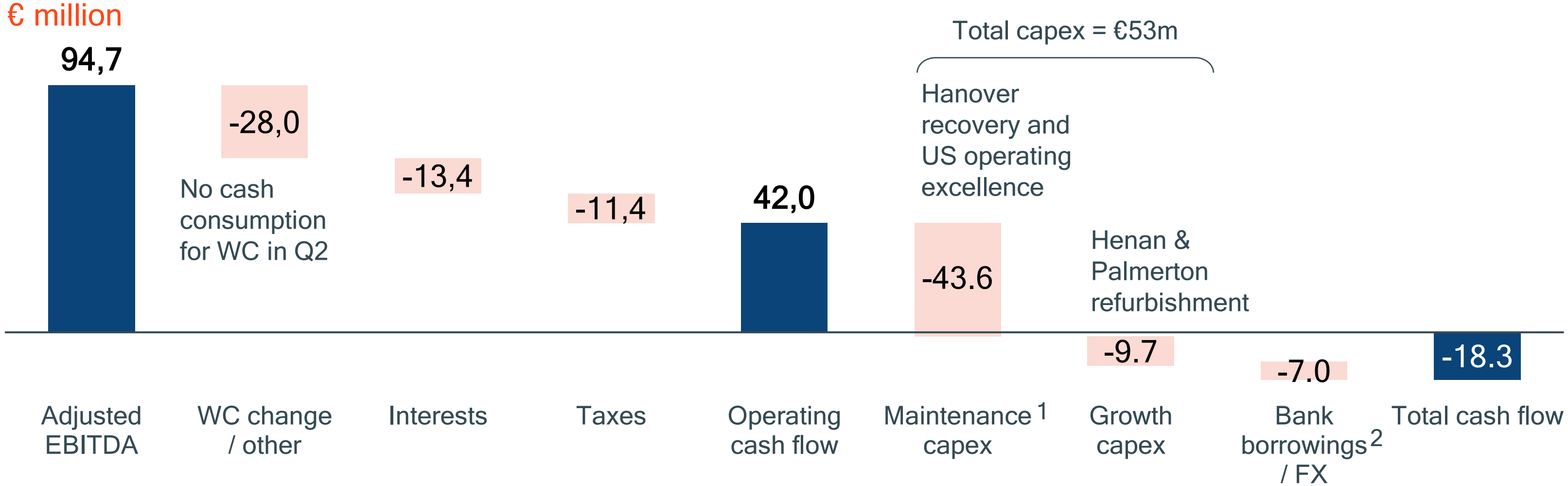
Cash flow, net debt & leverage

Cash on hand at €143m providing >€200m liquidity; Net debt increased to €567m driven by lower earnings; Net leverage of x2.96

Adjusted EBITDA to Total cash flow in H1 2023

€ million



	At 30 June 2022	2022	*change*	At 30 June 2023
LTM Adjusted EBITDA	€221.4	€214.6	*-10.8%*	€191.4
LTM Operating cash flow	€111.6	€137.3	*-16.0%*	€115.3
Gross debt	€709.7	€710.8	*flat*	€710.5
Cash on hand	€238.7	€161.8	*-11.3%*	€143.5
Net debt	€470.9	€549.0	*+3.3%*	€567.0
Net leverage	x2.13	x2.56	*+x0.40*	x2.96

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

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04 / Befesa overview

Environmental services for the Steel & Alu industries

- **25 plants** globally; **>1,800** employees
- **#1 globally** in **Steel Dust** Recycling and **#1 in Europe Alu Salt Slags** Recycling Services
- **€215m EBITDA** in 2022; Earnings split: **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 Steel Dust recycling assets (AZR); 2022 Zinc refining asset (AZP)
- **Market and customers growth**:
  - CO_2 Decarbonisation drives EAF vs. BOF with c. 1.5t CO_2 less per ton of steel
  - eV EV accelerates Alu growth (c. 120kg ´06 → 190kg ’22 → 250kg ‘30 alu per car)

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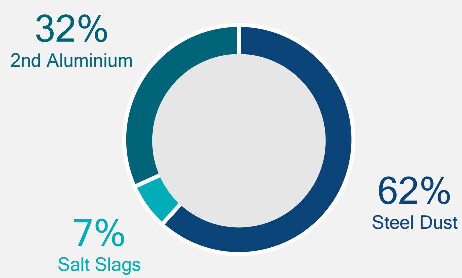
Befesa at a glance

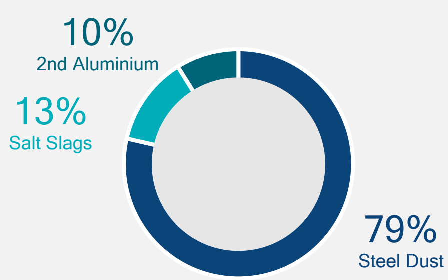
Global leader in Europe, the US and Asia in providing regulated critical hazardous waste recycling services to the steel and aluminium industries

2022	Steel Dust Recycling	Aluminium Salt Slags Recycling
€1,136m Revenue	#1 Position global (c. 40–50% market share)	#1 Position in Europe in salt slags subsegment (c. 45–50% market share)
	27% EBITDA margin (2020–2022 average)	29% EBITDA margin in salt slags subsegment (2020–2022 average)
€215m Adjusted EBITDA	>15 years relationships	>15 years relationships

€1,136m
Revenue



€215m
Adjusted EBITDA



Steel Dust Recycling customers: ArcelorMittal, Glencore, outokumpu, Trafigura, voestalpine

Aluminium Salt Slags Recycling customers: trimet, Novelis, Hydro, Real Alloy, Alcoa

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Key milestones

Befesa has grown successfully through organic initiatives and acquisitions

Steel Dust expansion China

First to market with state-of-the-art 110 kt EAFD recycling plants in **China**:

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

Xuchang, **Henan**:
- ✓ Completed construction Dec 2021
- ✓ Ramp up completed Q2 2023

Entry in the US

100% of **AZR recycling** assets **-&-** **acquired Aug'21**

Zinc refining asset **acquired September 2022**

Steel Dust expansion Korea & Turkey

Doubled capacity to 220 kt, Gyeongju

1st **WOX washing** plant in **Asia**, close to Gyeongju plant

EAFD recycling capacity at **Iskenderun expanded to 110 kt**

Secondary aluminium plant in **Bernburg**

Triton acquired Befesa

Entry in the **Asian market**[2]

WOX washing plant at **Gravelines**

Entry in the **Turkish market**[1]

1987	1993	2000	2006	2009	2010	2012	2013	2014	2015	2017	2018	2019	2020	2021	2022/23

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

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

Abengoa acquired Befesa from BUS

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

Founded in Germany, **Metallgesellschaft**

IPO on **Frankfurt Stock Exchange**

Entry to **SDAX**[3] September 2018

Since September 2020 member of Global Challenges Index

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

Global leader in **EAFD** recycling

Entry to **MDAX** September 2021

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

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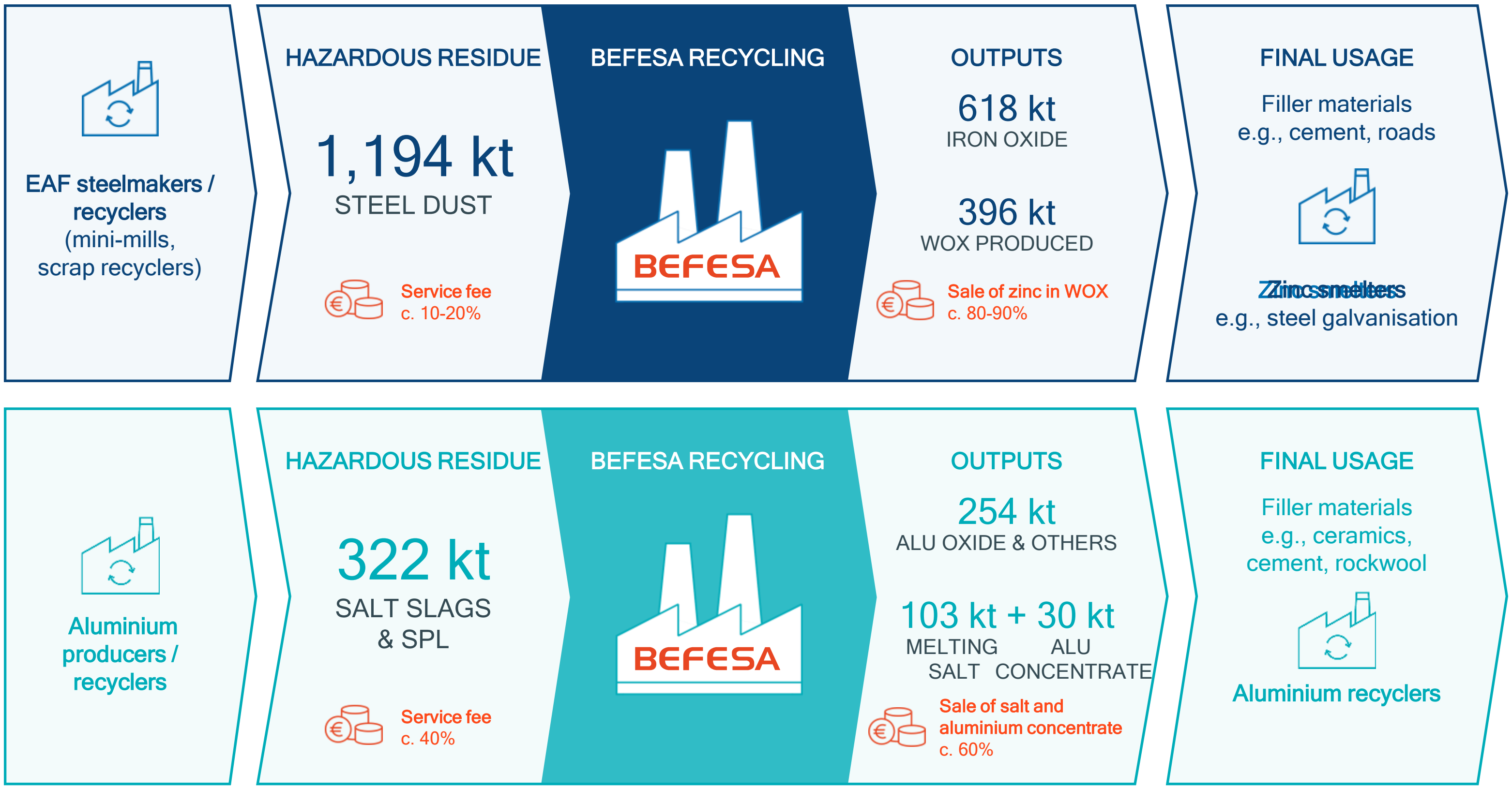
Highly regulated and critical service model

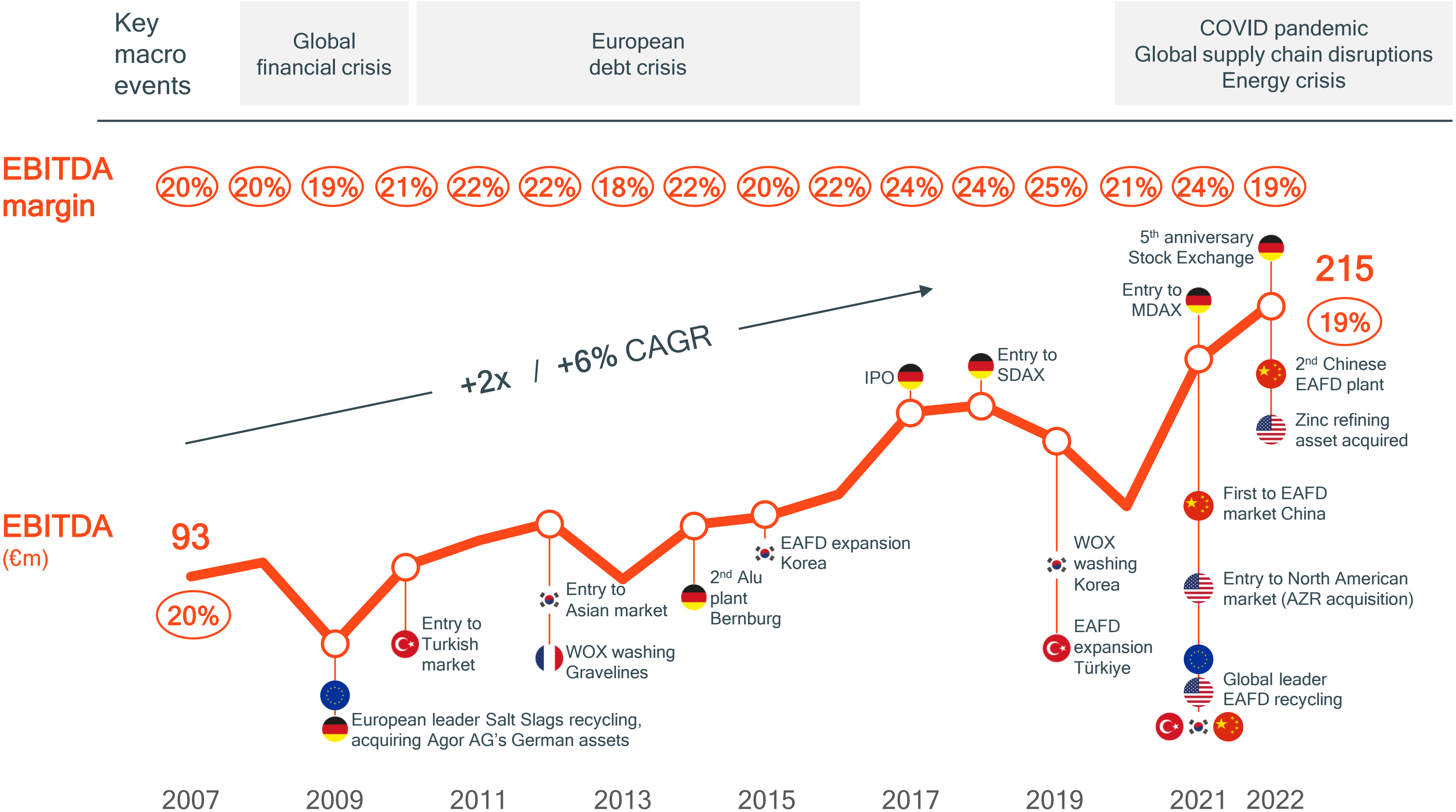
Befesa is the leading environmental services partner in the circular economy of the 2nd steel and aluminium industry by recycling and avoiding the landfilling of c. 1.8 Mt hazardous residues and recovering c. 1.5 Mt of new valuable materials



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



BEFESA

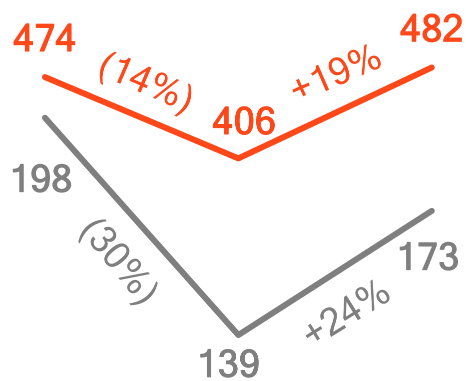
Befesa's resilience during latest crises

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

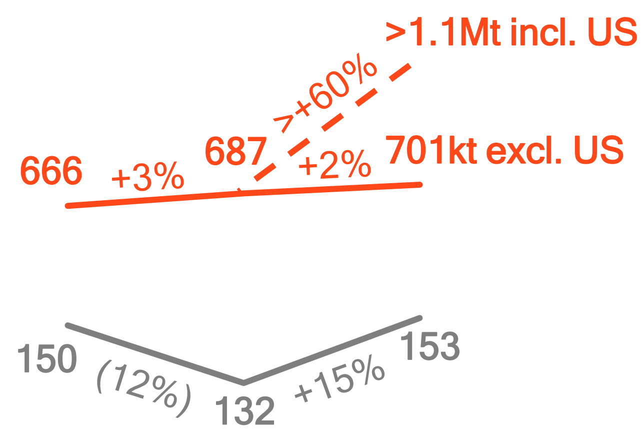
Befesa EAFD throughput, kt

EU-27 crude steel production, Mt[1]

2008 / 2009 / 2010



2019 / 2020 / 2021

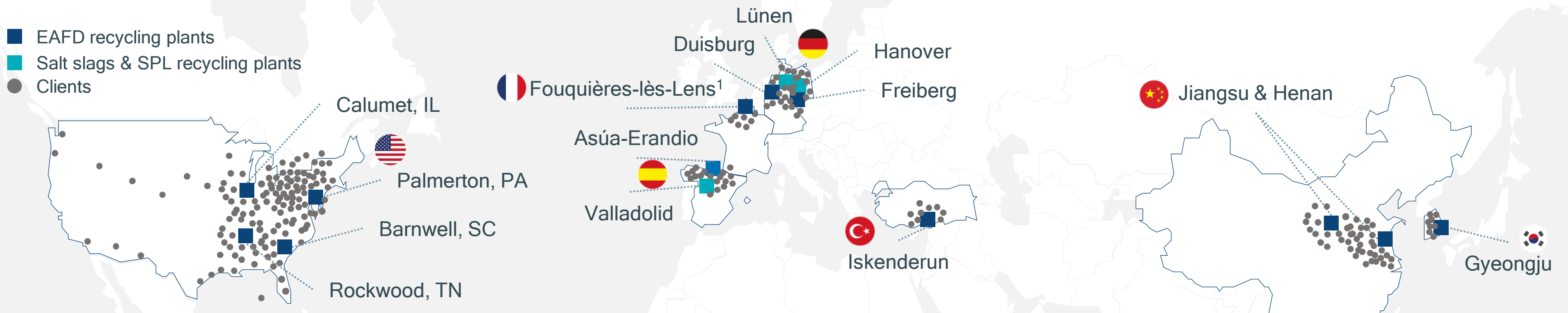


	2008	2009	2010	2019	2020	2021
Befesa EAFD utilisation, %	96%	82%	96%	81%	83%	83%
Befesa EBITDA, €m	€99[2]	€61[2)]	€99[2)]	€160	€127	€198
Befesa EBITDA margin %	20%	19%	21%	25%	21%	24%

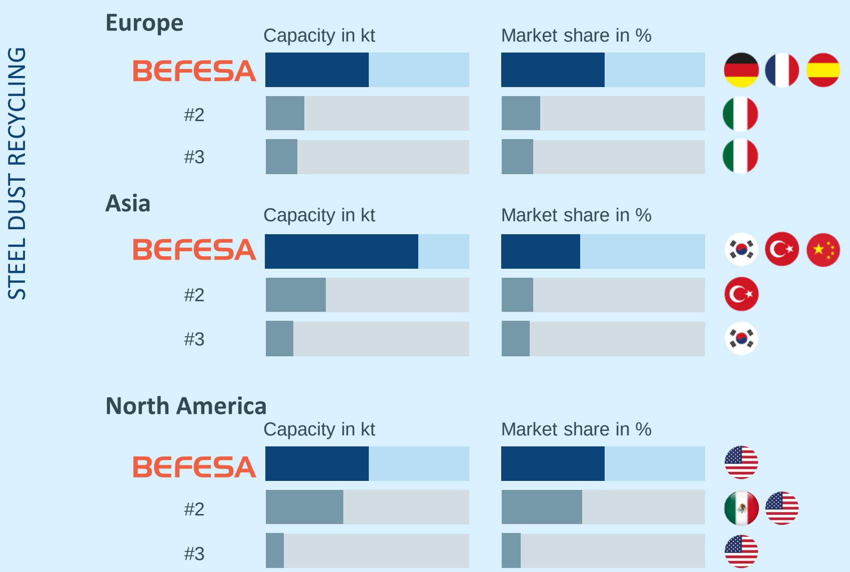
1 worldsteel.org
2 Total EBITDA is the sum of Steel Dust & Aluminium Salt Slags segments proforma (PF) comparable to Befesa structure in ´19/´20; Thus, it excludes divested IES, EPC and Concessions businesses

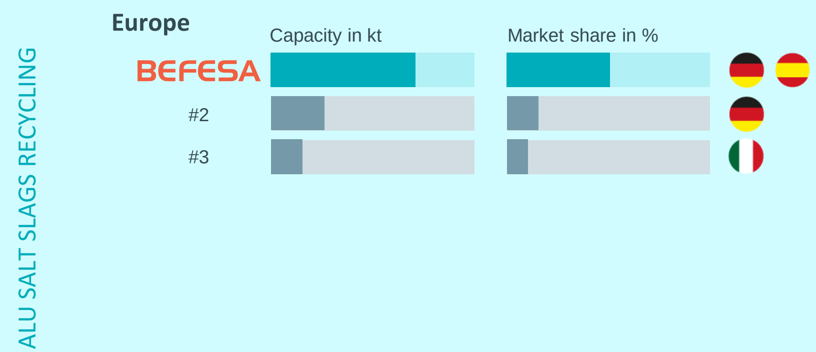
Global leader in Europe, North America and Asia

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



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



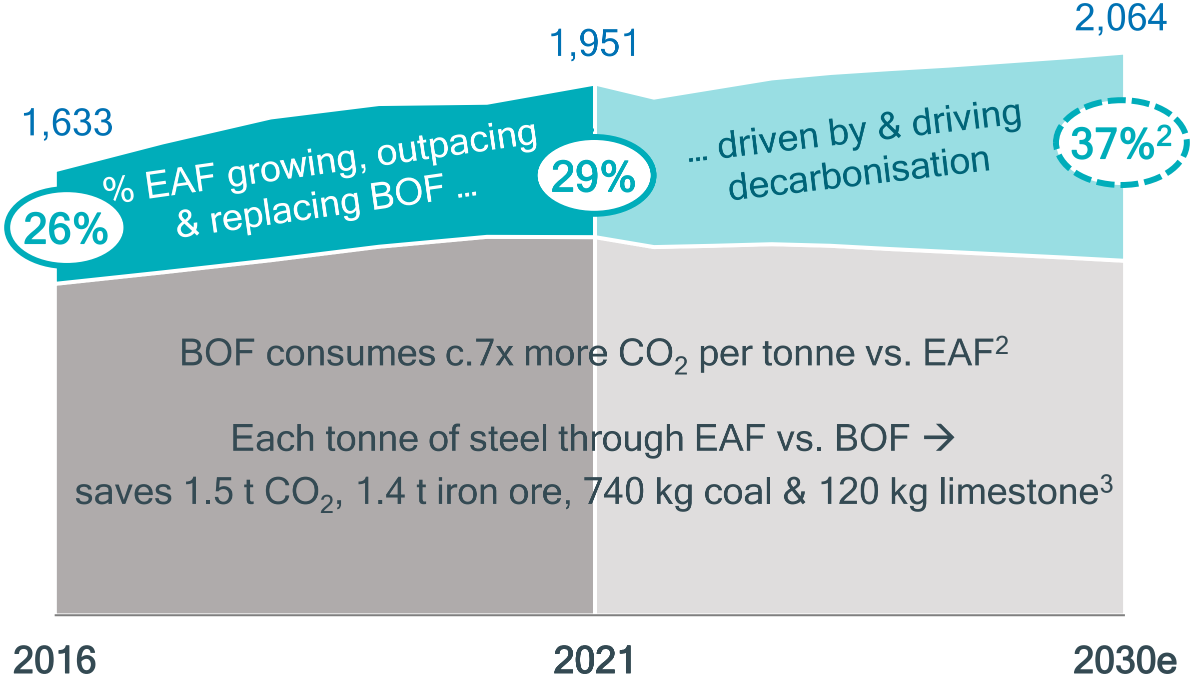


1 50/50 joint venture with Recylex

Decarbonisation megatrend favouring and driving EAF steel growth

Global crude steel production[1]

million tonnes, 2016–2030e



	CAGR 2016–21	CAGR 2022–30e
Total crude	+3.6%	+1.0%
EAF	+6.2%	+4.2%
BOF	+2.7%	-0.5%

	2016	2021	2030e
EAF	417	564	764
EAFD[4]	c.7	c.10	c.13

1 2016-21 actuals from Worldsteel; 2022-2030e from "Steel - Eye of the Storm", Morgan Stanley (September 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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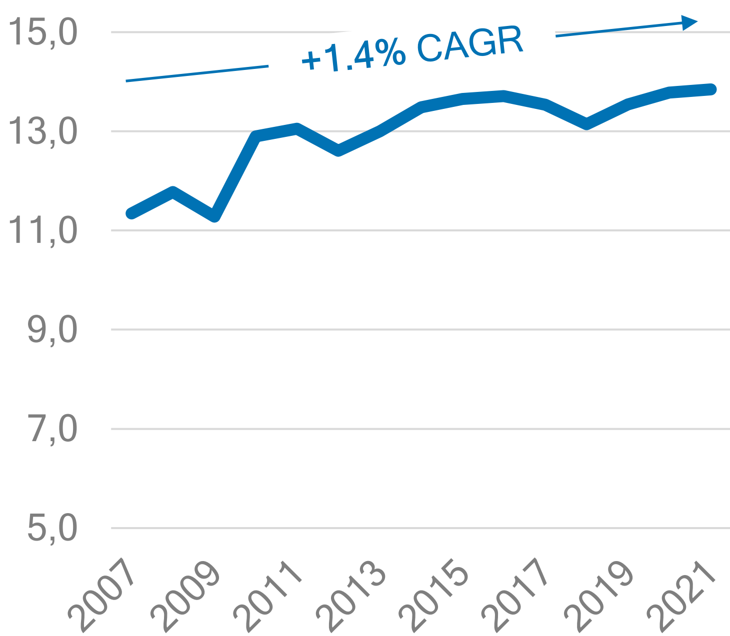
Zinc global production grew at 1.4% CAGR over L15 years; Incremental demand from transition to renewable energy

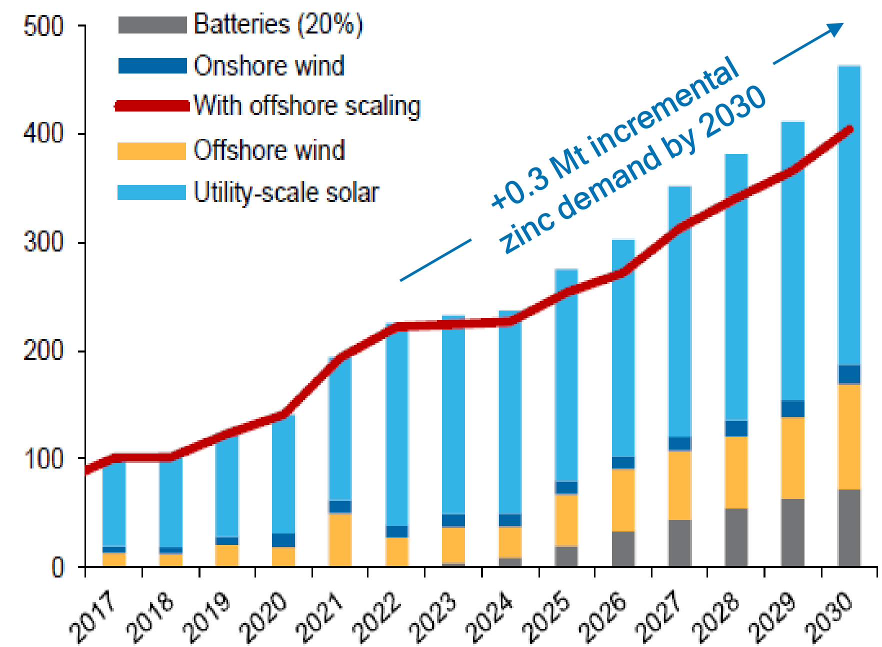
Global refined zinc metal production[1]

million tonnes



Zinc annual demand from wind, solar & batteries[2]

thousand tonnes



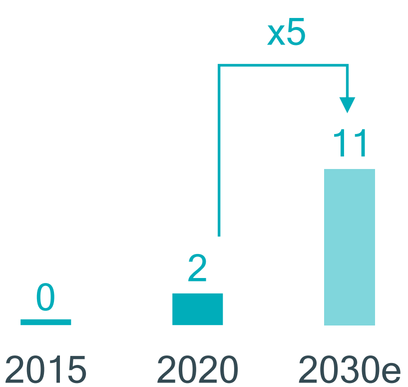
WOX, mixed with virgin zinc concentrates, preferred by smelters, is <5% of global zinc available; Befesa continues to be sold out

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

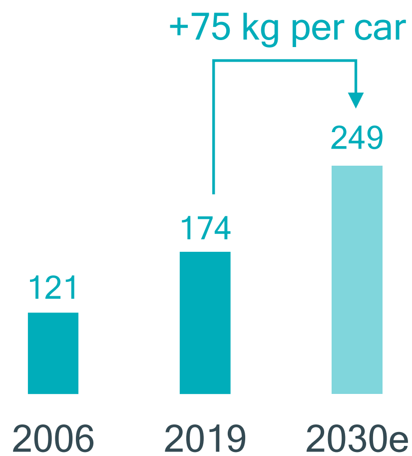
BEFESA

Decarbonisation and EV driving aluminium market growth in Europe

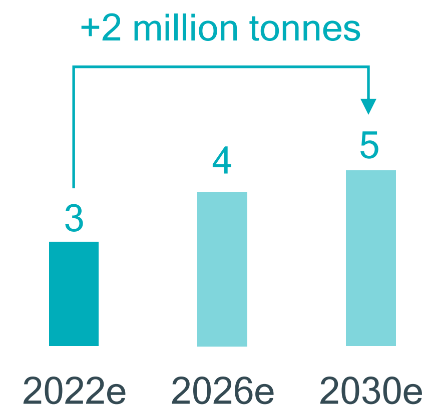
EV unit sales in Europe[1]
million units



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 (January 2022)
2 Ducker (October 2022)

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Strong financial backbone

Long-term and efficient capital structure with no maturities up to July 2026

Prudent zinc hedging approach

Rigorous cash management

→ **Resilient earnings** and **cash flows**

→ Stable & high **liquidity**

→ Moderate **leverage** at c. x2.5

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

BEFESA

Experienced and stable management team

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

Javier Molina
Executive Chair

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

Asier Zarraonandia
CEO

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

Rafael Pérez
CFO

- CFO since 2023
- 15+ years with Befesa

Federico Barredo
VP Aluminium Salt Slags Recycling Services

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

Key achievements / track record

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

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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

Lost Time Injury Rate (LTIR)[1]

0.55 LTIR in 2022 (all time low)

-32% yoy (2021: 0.81)

-90% vs baseline (2015: 5.71)

ESG Ratings[2]

	30 June 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
esgbook	**Top 12%**	Top 5%
S&P Global	**Top 15%**	Top 15%

ESG Progress Report 2022

- **Published** on 30 June 2023
- Including **progress on CO_2 intensity reduction** plan **and** EU **Taxonomy alignment** disclosures
- **New topics**: Scope 3 emissions; Production of green metals from 100% recycled material; Befesa's contribution to biodiversity

1 Befesa's own employees and contractors
2 Industry groups under which Befesa is ranked by the respective ESG rating companies: ISS ESG, Metals & mining; Sustainalytics, Commercial services; V.E, Business services; MSCI, Commercial services & supplies; esgbook, Industrial services; S&P Global, Commercial services & supplies

ESG: Enhanced transparency & performance

Transparency / reporting

Detailed ESG Report

External ratings

ISS ESG

SUSTAINALYTICS

MSCI

V.E

arabesque s-ray

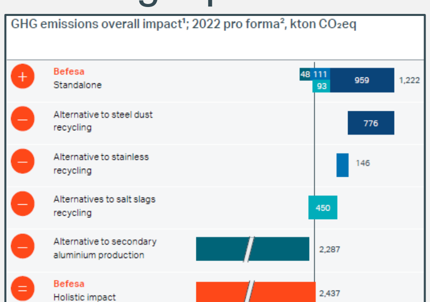
S&P Global

Health & safety

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

CO_2 holistic approach

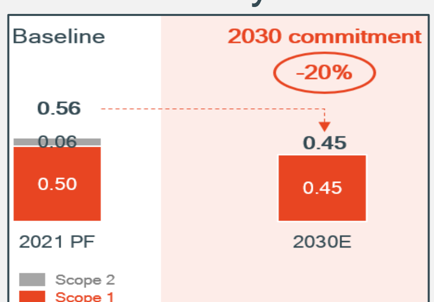
Saving >2mt CO_{2eq} vs. virgin production



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	Indirect sustainability benefits
Avoidance of GHG emissions	Circular economy pure player
Reducing landfill of hazardous residues	Decarbonisation of steel and aluminium, 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

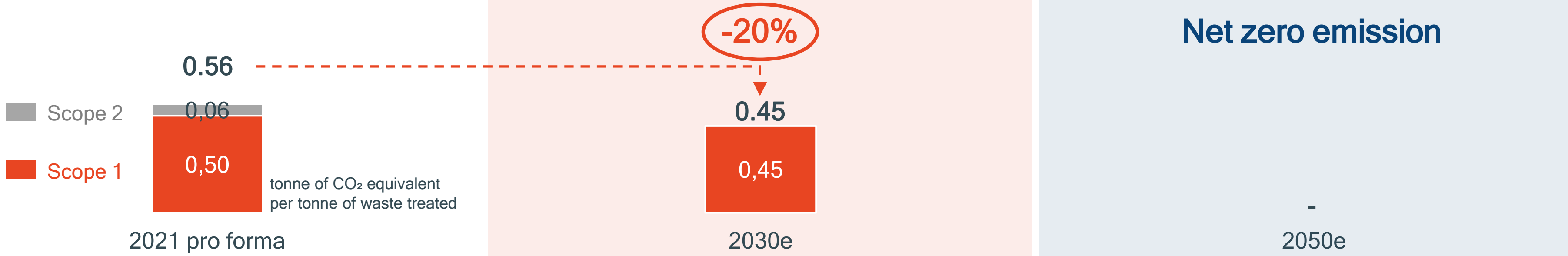
Committing to a 20% GHG emissions intensity reduction by 2030 and aiming at net zero emission by 2050

Baseline

2030 commitment

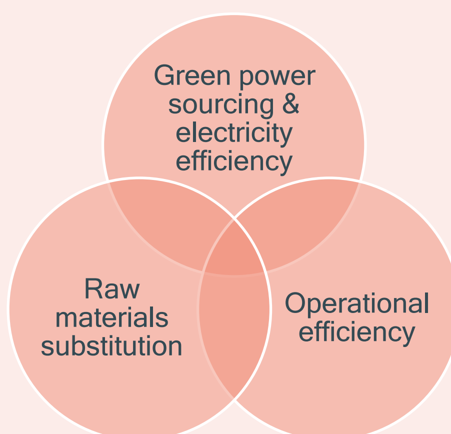
2050 vision

Net zero emission



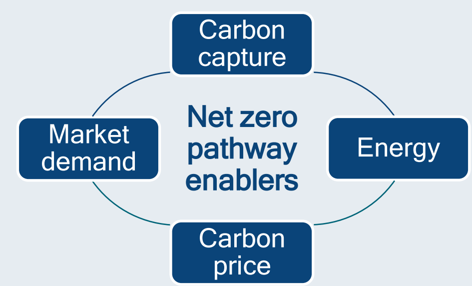
- Recognised sustainability leader in the circular economy
- Befesa Climate Change Policy
- New Sustainability Committee
- Further increase transparency on sustainability metrics
- Continuous dialogue with all stakeholders to better understand materiality of sustainability topics

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 and **≥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

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

Next investor conferences

Q3 2023

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

London - Stifel 2023 London Industrials & Renewables Summit
6 & 7 September - Stifel

London - Citi Growth Conference 2023
14 September - Citi

Munich - 12th German Corporate Conf.
19 & 20 September - Berenberg & Goldman Sachs

Munich - 12th Baader Investment Conf.
21 September - Baader

Q4 2023

ODDO BHF Iberian Digital Forum (virtual)
4 & 5 October - ODDO BHF

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

Frankfurt - Deutsches Eigenkapitalforum
27–29 November - Deutsche Börse AG

London - 4th Annual Carbonomics Conf.
28 November - Goldman Sachs

Pennyhill Park, Surrey - Berenberg European Conference 2023
5 & 6 December - Berenberg

Contact details

Investor Relations
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email: irbefesa@befesa.com

H1 2023/22 – Key financials

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1] *yoy change*	**€403.0** *+€49.2 / +13.9%*	**€41.3** *-€0.0 / -0.1%*	**€195.2** *-€22.5 / -10.3%*	**-€24.0** *+€16.3 / -*	**€615.5** *+€43.0 / +7.5%*
Reported EBITDA *yoy change*	**€63.4** *-€31.6 / -33.3%*	**€14.3** *-€0.3 / -2.1%*	**€13.4** *+€4.3 / +48.1%*	**-€0.2** *+€2.7 / -*	**€90.8** *-€24.9 / -21.5%*
Reported EBITDA margin % *yoy change*	**15.7%** *-1,113 bps*	**34.7%** *-71 bps*	**6.8%** *+270 bps*	**-** *-*	**14.8%** *-545 bps*
Adjusted EBITDA[2] *yoy change*	**€67.2** *-€27.8 / -29.3%*	**€14.3** *-€0.3 / -2.1%*	**€13.4** *+€4.3 / +48.1%*	**-€0.1** *+€0.6 / -*	**€94.7** *-€23.2 / -19.7%*
Adjusted EBITDA margin % *yoy change*	**16.7%** *-1,018 bps*	**34.7%** *-71 bps*	**6.8%** *+270 bps*	**-** *-*	**15.4%** *-521 bps*

1 Total revenue in Aluminium Salt Slags Recycling Services amounted to €213.5 (H1 2022: €219.4m) after intersegment eliminations of €23.0m (H1 2022: €39.6m)
2 H1 2023: €50.4m reported Total EBIT + €40.4m D&A = €90.8m reported Total EBITDA + €3.9m adjustments, mainly driven by US acquisition impacts = €94.7m adjusted Total EBITDA

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Q2 2023/22 – Key financials

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1] *yoy change*	€186.7 *-€11.2 / -5.6%*	€20.4 *-€1.7 / -7.6%*	€99.4 *-€20.4 / -17.0%*	-€13.0 *+€15.6 / -*	€293.5 *-€17.6 / -5.7%*
Reported EBITDA *yoy change*	€26.3 *-€13.9 / -34.5%*	€7.7 *-€0.5 / -5.9%*	€6.1 *-€1.7 / -21.8%*	€1.3 *+€1.8 / -*	€41.5 *-€14.2 / -25.5%*
Reported EBITDA margin % *yoy change*	14.1% *-621 bps*	37.9% *+70 bps*	6.2% *-37 bps*	- *-*	14.1% *-377 bps*
Adjusted EBITDA[2] *yoy change*	€30.2 *-€10.0 / -25.0%*	€7.7 *-€0.5 / -5.9%*	€6.1 *-€1.7 / -21.8%*	€0.6 *€0.0 / -*	€44.6 *-€12.2 / -21.5%*
Adjusted EBITDA margin % *yoy change*	16.2% *-417 bps*	37.9% *+70 bps*	6.2% *-37 bps*	- *-*	15.2% *-307 bps*

1 Total revenue in Aluminium Salt Slags Recycling Services amounted to €107.4m (Q2 2022: €113.4m) after intersegment eliminations of €12.4m (Q2 2022: €28.5m)
2 Q2 2023: €21.4m reported Total EBIT + €20.2m D&A = €41.5m reported Total EBITDA + €3.1m adjustments, mainly driven by US acquisition impacts = €44.6m adjusted Total EBITDA

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 Full year actual figures audited by external auditors
2 2017 reported revenue amounted to €724.8m; Revenue of €667.4m is comparable after amendment IFRS 15 impacting non-operating revenue
3 2017 EBITDA adjusted due to one-off non-recurrent items primarily related to the IPO; 2020 EBITDA adjusted for €3.5m for the UK Salt Slags plant closure;
2021 EBITDA adjusted for €14.0.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

H1 2023/22 – Operational data – Steel Dust Recycling Services

	H1 2022	H1 2023	*yoy change*
EAFD throughput (kt)	629.7	592.3	*-37.3 / -5.9%*
EAFD average capacity utilisation (%)	81.6%	70.6%	*-1,109 bps*
Waelz oxide (WOX) sold (kt)	213.9	197.2	*-16.7 / -7.8%*
Zinc LME price (€/t)	€3,510	€2,624	*-€886 / -25.3%*
Zinc hedging price (€/t)	€2,329	€2,356	*+€27 / +1.2%*
Zinc blended price[1] (€/t)	€2,668	€2,464	*-€203 / -7.6%*

1 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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Q2 2023/22 – Operational data – Steel Dust Recycling Services

	Q2 2022	Q2 2023	*yoy change*
EAFD throughput (kt)	292.3	305.3	*+13.0 / +4.4%*
EAFD average capacity utilisation (%)	75.4%	72.3%	*-306 bps*
Waelz oxide (WOX) sold (kt)	110.2	97.4	*-12.8 / -11.6%*
Zinc LME price (€/t)	€3,683	€2,331	*-€1,352 / -36.7%*
Zinc hedging price (€/t)	€2,371	€2,382	*+€11 / +0.5%*
Zinc blended price[1] (€/t)	€2,789	€2,290	*-€499 / -17.9%*

1 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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H1 2023/22 – Operational data – Aluminium Salt Slags Recycling Services

	H1 2022	H1 2023	*yoy change*
Salt slags & SPL treated (kt)	172.9	171.1	*-1.9 / -1.1%*
Salt slags & SPL avg. capacity utilisation (%)	74.2%	73.4%	*-80 bps*
Aluminium alloys produced (kt)	84.6	87.2	*+2.5 / +3.0%*
Secondary alu avg. capacity utilisation (%)	83.3%	85.7%	*+247 bps*
Aluminium alloy FMB price[1] (€/t)	€2,558	€2,243	*-€315 / -12.3%*

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

Q2 2023/22 – Operational data – Aluminium Salt Slags Recycling Services

	Q2 2022	Q2 2023	*yoy change*
Salt slags & SPL treated (kt)	85.5	88.8	*+3.3 / +3.8%*
Salt slags & SPL avg. capacity utilisation (%)	73.0%	75.8%	*+280 bps*
Aluminium alloys produced (kt)	42.4	43.5	*+1.1 / +2.5%*
Secondary alu avg. capacity utilisation (%)	83.0%	85.1%	*+209 bps*
Aluminium alloy FMB price[1] (€/t)	€2,488	€2,184	*-€304 / -12.2%*

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

Multi-year trend – Operational data

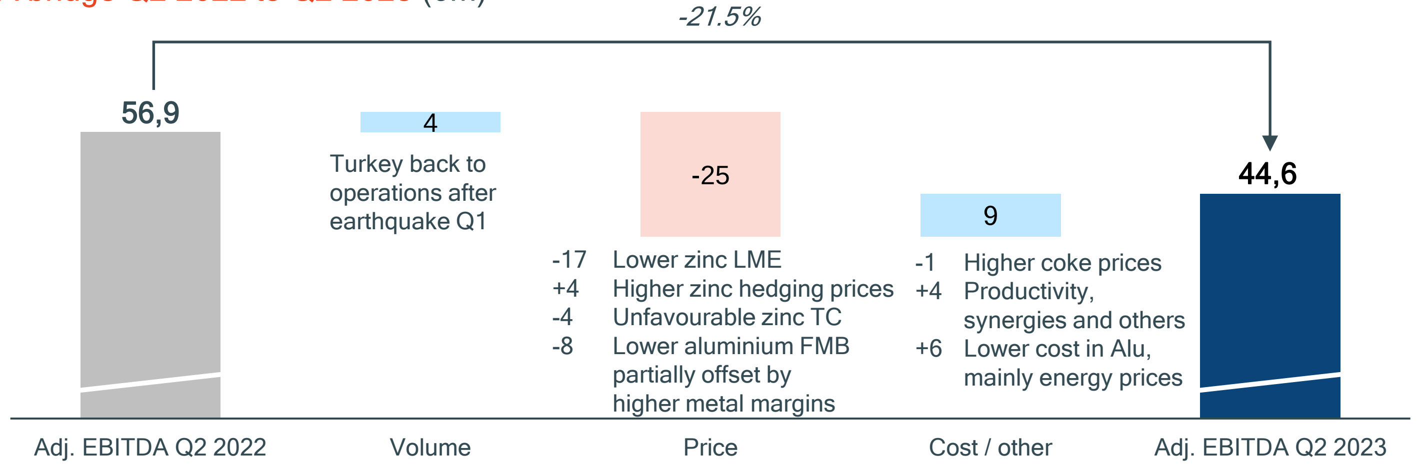
	2017	2018	2019	2020	2021	2022
EAFD throughput (kt)	661.0	717.1	665.8	687.0	885.7	1,193.8
EAFD average capacity utilisation (%)	84.7%	92.0%	80.7% / 90.1%[1]	83.2%	83.3%[2]	76.8%
Waelz oxide (WOX) sold (kt)	217.8	240.9	217.6	239.2	291.0	407.4
Zinc LME price (€/t)	€2,572	€2,468	€2,276	€1,979	€2,544	€3,302
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 average 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

Consolidated key financials

Adjusted EBITDA decreased by 22% yoy to €45m in Q2 2023; Lower zinc and aluminium market prices partially offset by improved volumes, lower gas & electricity prices as well as productivity & synergies

Adjusted EBITDA bridge Q2 2022 to Q2 2023 (€m)



Key metrics (€m, unless otherwise stated)

	Q2 2022	*yoy change*	Q2 2023
Revenue	€311.1	*-5.7%*	€293.5
Adjusted EBITDA[1]	€56.9	*-21.5%*	€44.6
Adjusted EBITDA margin %	18.3%	*-307 bps*	15.2%
Net profit	€23.0	*-77.9%*	€5.1
EPS (€)	€0.58	*-77.9%*	€0.13
Operating cash flow	€38.3	*-24.2%*	€29.0
Cash	€238.7	*-39.9%*	€143.5
Net debt	€470.9	*+20.4%*	€567.0
Net leverage[2]	x2.13	*+x0.84*	x2.96

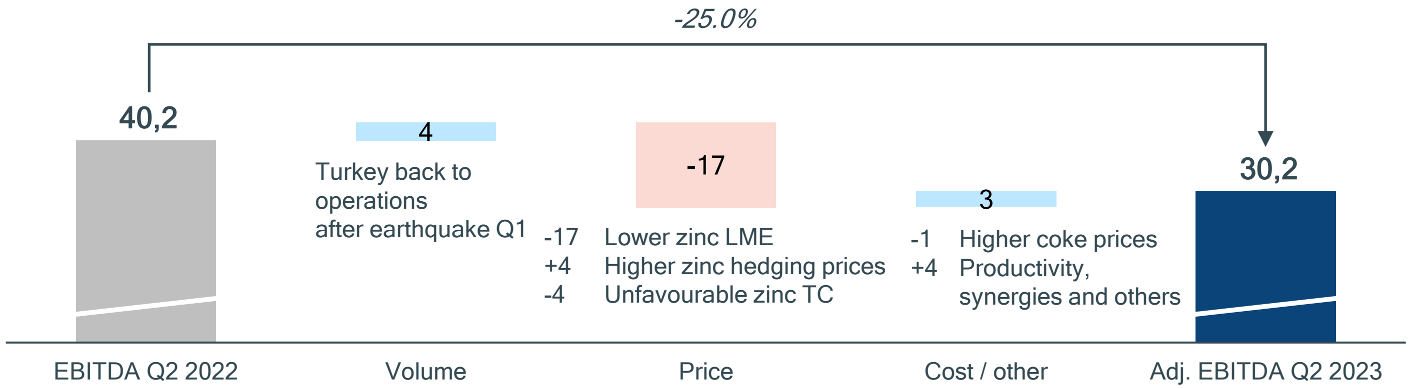
1 Q2 2023: €21.4m reported Total EBIT + €20.2m D&A = €41.5m reported Total EBITDA + €3.1m adjustments = €44.6m adjusted Total EBITDA
Q2 2022: €37.4m reported Total EBIT + €18.3m D&A = €55.7m reported Total EBITDA + €1.1m adjustments = €56.9m adjusted Total EBITDA
2 Net leverage calculated as Net debt over Adjusted EBITDA.

BEFESA

Steel Dust Recycling Services

Adjusted EBITDA decreased by 25% yoy to €30m in Q2 2023, mainly due to lower zinc market price; Unfavourable zinc TC offset by higher hedging prices and volumes; Higher coke prices more than offset by productivity and synergies

Adjusted EBITDA bridge Q2 2022 to Q2 2023 (€m)



Key metrics (€m, unless otherwise stated)

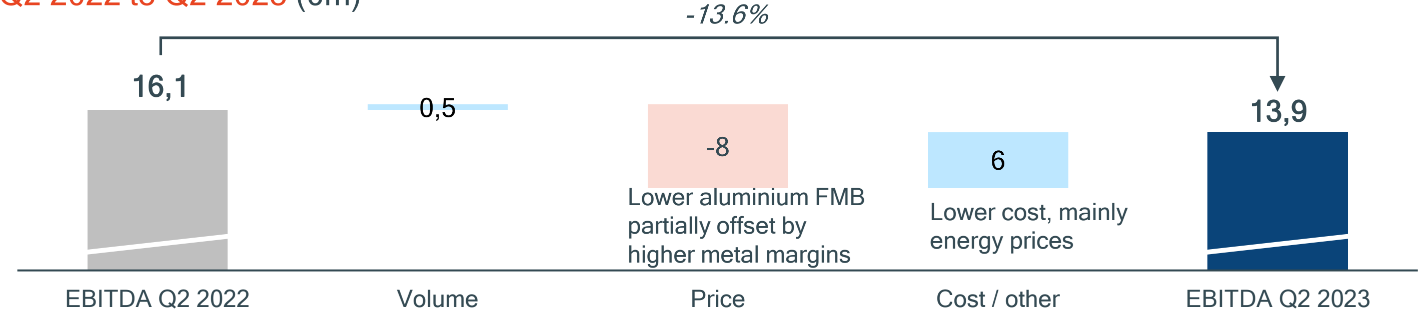
	Q2 2022	*yoy change*	Q2 2023
Revenue	€197.9	*-5.6%*	€186.7
Adjusted EBITDA	€40.2	*-25.0%*	€30.2
Adjusted EBITDA margin %	20.3%	*-417 bps*	16.2%
EAFD throughput (kt)	292.3	*+4.4%*	305.3
Plant utilisation	75.4%	*-306 bps*	72.3%
Waelz oxide (WOX) sold (kt)	110.1	*-11.6%*	97.4
Zinc LME price (€/t)	€3,683	*-36.7%*	€2,331
Zinc hedging price (€/t)	€2,371	*+0.5%*	€2,382
Zinc blended price[1] (€/t)	€2,789	*-17.9%*	€2,290
Treatment charge (TC) ($/t)	$230	*+19.1%*	$274

1 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

EBITDA decreased by 14% yoy to €14m in Q2 2023, mainly due to lower aluminium market prices partially offset by lower cost (mainly through lower energy prices)

EBITDA bridge Q2 2022 to Q2 2023 (€m)



Key metrics (€m, unless otherwise stated)

	Q2 2022	*yoy change*	Q2 2023
Revenue[1]	€113.4	*-5.2%*	€107.4
• Salt Slags	€22.1	*-7.6%*	€20.4
• Secondary Aluminium	€119.8	*-17.0%*	€99.4
EBITDA	€16.1	*-13.6%*	€13.9
• Salt Slags	€8.2	*-5.9%*	€7.7
• Secondary Aluminium	€7.8	*-21.8%*	€6.1
EBITDA margin % (Salt Slags)	37.2%	*+70 bps*	37.9%
Salt Slags & SPL treated (kt)	85.5	*+3.8%*	88.8
Plant utilisation	73.0%	*+280 bps*	75.8%
Aluminium alloys produced (kt)	42.4	*+2.5%*	43.5
Plant utilisation	83.0%	*+209 bps*	85.1%
Alu alloy FMB price[2] (€/t)	€2,488	*-12.2%*	€2,184

1 Total revenue is after intersegment eliminations (Q2 2022: €28.5m; Q2 2023: €12.4m)
2 Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

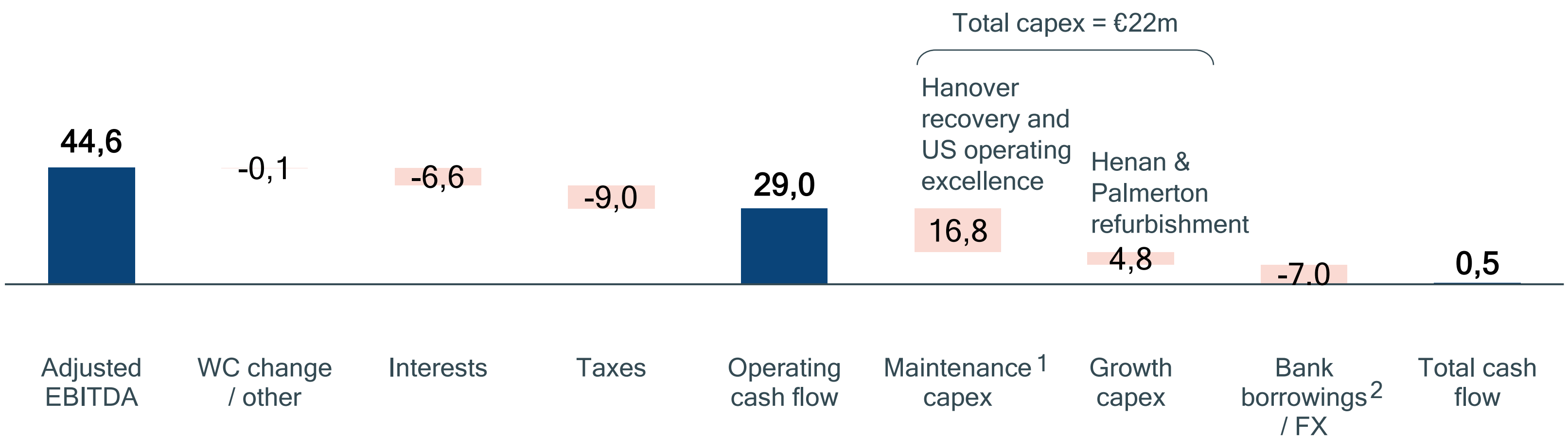
BEFESA

Cash flow, net debt & leverage

Cash on hand at €143m providing >€200m liquidity; Net leverage of x2.96

Adjusted EBITDA to Total cash flow in Q2 2023

€ million



	At 30 June 2022	At 31 March 2023	*change*	At 30 June 2023
LTM Adjusted EBITDA	€221.4	€203.6	*-6.0%*	€191.4
LTM Operating cash flow	€111.6	€124.6	*-7.4%*	€115.3
Gross debt	€709.7	€714.7	*-0.6%*	€710.5
Cash on hand	€238.7	€143.0	*+0.3%*	€143.5
Net debt	€470.9	€571.6	*-0.8%*	€567.0
Net leverage	x2.13	x2.81	*+x0.16*	x2.96

1 Includes investments required to maintain or replace assets as well as those related to productivity, compliance and IT

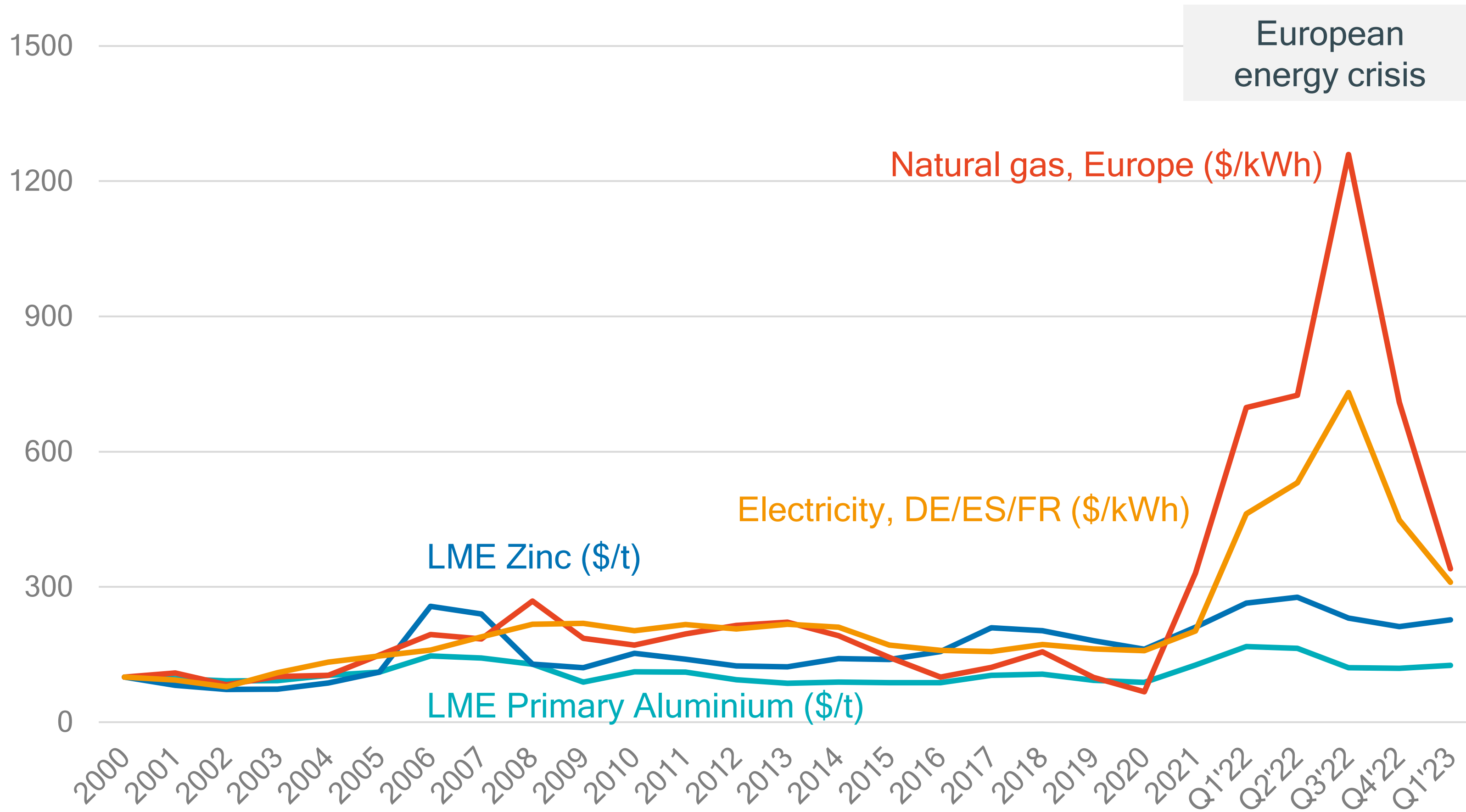
2 Mainly includes cash bank inflows/outflows from bank borrowings and other liabilities, as well as the effect of foreign exchange rate changes on cash

BEFESA

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

Indexed annual price trend[1], 2000 to H1 2023

Index, year 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