BEFESA

2024

Stifel 2024 Cross Sector Insight Conference

April 2024

Disclaimer

This presentation contains forward-looking statements and information relating to Befesa and its affiliates that are based on the beliefs of its management, including assumptions, opinions and views of Befesa and its affiliates as well as information cited from third party sources. Such statements reflect the current views of Befesa and its affiliates or of such third parties with respect to future events and are subject to risks, uncertainties and assumptions.

Many factors could cause the actual results, performance or achievements of Befesa and its affiliates to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others: changes in general economic, political, governmental and business conditions globally and in the countries in which Befesa and its affiliates do business; changes in interest rates; changes in inflation rates; changes in prices; changes to national and international laws and policies that support industrial waste recycling; legal challenges to regulations, subsidies and incentives that support industrial waste recycling; extensive governmental regulation in a number of different jurisdictions, including stringent environmental regulation; management of exposure to credit, interest rate, exchange rate and commodity price risks; acquisitions or investments in joint ventures with third parties; inability to obtain new sites and expand existing ones; failure to maintain safe work environments; effects of catastrophes, natural disasters, adverse weather conditions, unexpected geological or other physical conditions, or criminal or terrorist acts at one or more of our plants; insufficient insurance coverage and increases in insurance cost; loss of senior management and key personnel; unauthorised use of Befesa's intellectual property and claims of infringement by Befesa of others' intellectual property; Befesa's ability to generate cash to service its indebtedness changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted.

Befesa and its affiliates do not assume any guarantee that the assumptions underlying forward-looking statements are free of errors nor do they accept any responsibility for the future accuracy of the opinions expressed herein or the actual occurrence of the forecasted developments. No representation (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein or otherwise resulting, directly or indirectly, from the use of this document.

This presentation is intended for information only and should not be treated as investment advice. It is not intended as an offer for sale, or as a solicitation of an offer to purchase or subscribe to, any securities in any jurisdiction. Neither this presentation nor anything contained therein shall form the basis of, or be relied upon in connection with, any commitment or contract whatsoever. This presentation may not, at any time, be reproduced, distributed or published (in whole or in part) without prior written consent of Befesa.

2023 figures have been audited. First quarter 2024 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

Quarter on quarter improvement since Q3 despite weak zinc price environment

Revenue €298 million	Adjusted EBITDA €49 million	Operating cash flow €15 million
-7% yoy / +8% QoQ	-3% yoy / +7% QoQ	-27% yoy / -77% QoQ

Revenue €298 million (-7% yoy / +8% QoQ)

– Lower zinc and alu prices
+ Favourable zinc treatment charges (TC)
+ Higher zinc hedging price

Adjusted EBITDA €49 million (-3% yoy / +7% QoQ)

– Lower zinc and alu prices
+ Favourable zinc treatment charges (TC)
+ Higher zinc hedging price
+ Lower energy prices
+ Productivity and savings

Operating cash flow €15 million (-27% yoy / -77% QoQ)

– Lower earnings
+ Lower tax payments

Growth

- **Palmerton refurbishment**: On track to capture growth in 2025
- **Guangdong**: Monitoring market development; Cautiously progressing
- **Bernburg expansion**: Moving forward with permits and commercial contracts

Outlook

- **2024 guidance of €195m to €235m EBITDA**, +7% to +29% yoy (2023: €182m)
- **Mid-term**: Decarbonisation and EV trends driving mid-term growth

BEFESA

EBITDA

Total Adjusted EBITDA at €49m in Q1 2024, QoQ improvement of 7%.
However, still -3% yoy driven by lower zinc LME prices and aluminium metal margin partially compensated by favourable zinc TC, improved volumes & hedges, and lower energy prices

Adjusted EBITDA[1] Q1 2023 to Q1 2024

1 Q1 2024: €24.6m reported Total EBIT + €20.7m D&A = €45.3m reported Total EBITDA + €3.3m adjustments = €48.6m adjusted Total EBITDA
Q1 2023: €29.1m reported Total EBIT + €20.2m D&A = €49.3m reported Total EBITDA + €0.8m adjustments = €50.1m adjusted Total EBITDA

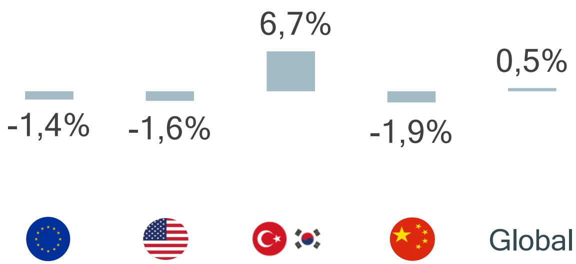
BEFESA

Key volume drivers & impact on Befesa: Q1 2024

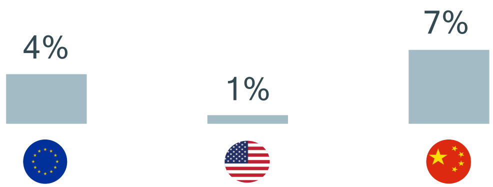
Key volume drivers

% vs prior year

Crude steel production[1]



Car sales[1,2]



Befesa's volumes

- European Steel Dust plants at solid levels despite yoy lower crude steel production
- Aluminium salt slags volumes grew yoy mainly driven by Hanover back in operation

---

- EAF steel dust volumes solid yoy; operational performance improving gradually
- Average plant utilisation of around 70%

- EAF steel dust throughput increased yoy; Plants running at normal levels

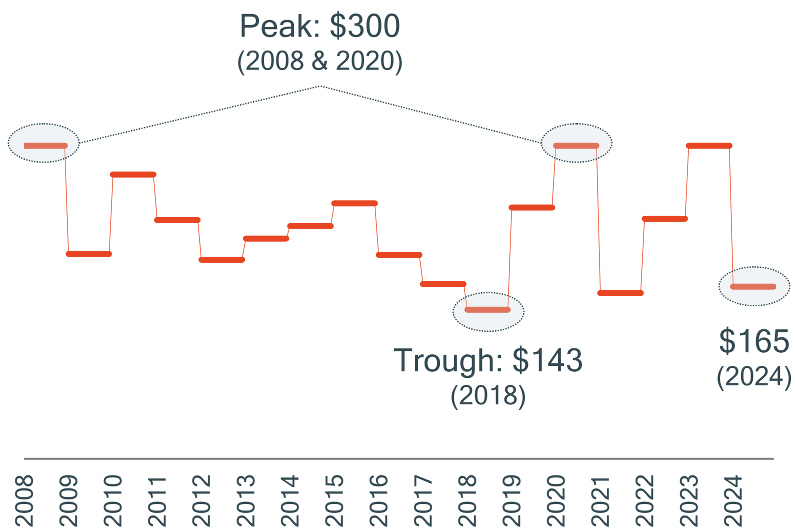
---

- EAF steel dust throughput affected by weak real estate
- Plant utilisation of around 60% in Jiangsu; Henan ramping up

1 % yoy evolution of crude steel based on Q1 figures
2 Production of new passenger cars for China; Registrations of new passenger cars for EU based on Q1 figures

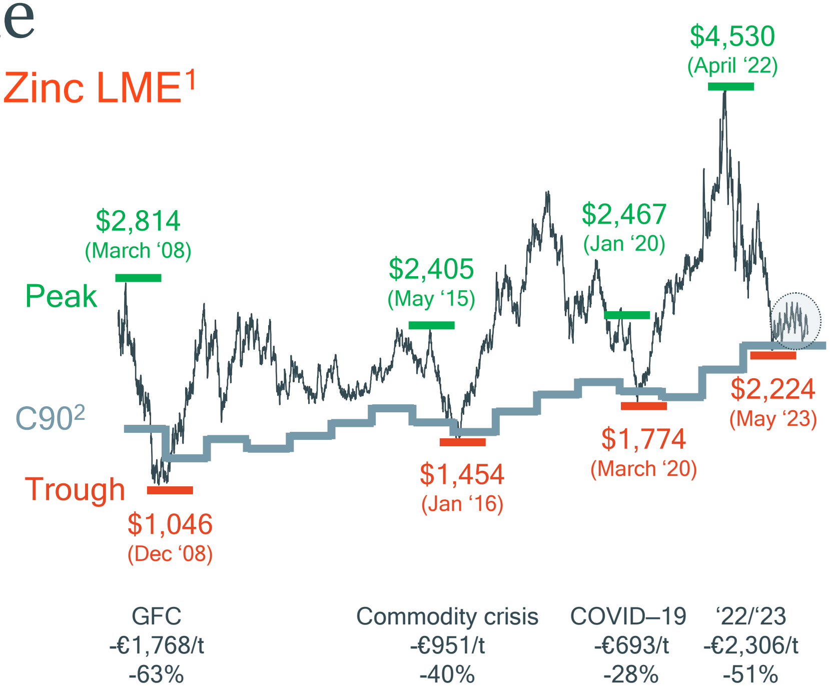
Zinc TC settled at $165/t for 2024 (vs $274/t in 2023) will drive 2024 earnings; However, zinc LME price environment remains volatile

Zinc TC



- Zinc TC for 2024 settled at $165/t, -40% or -$109/t yoy (2023: $274/t)
- Zinc TC as % of $LME at 7% (Q1 2024), lower versus last 10/15-year average at around 10%
- Each $10/t zinc TC variation impacts €2–2.5m FY EBITDA

Zinc LME[1]

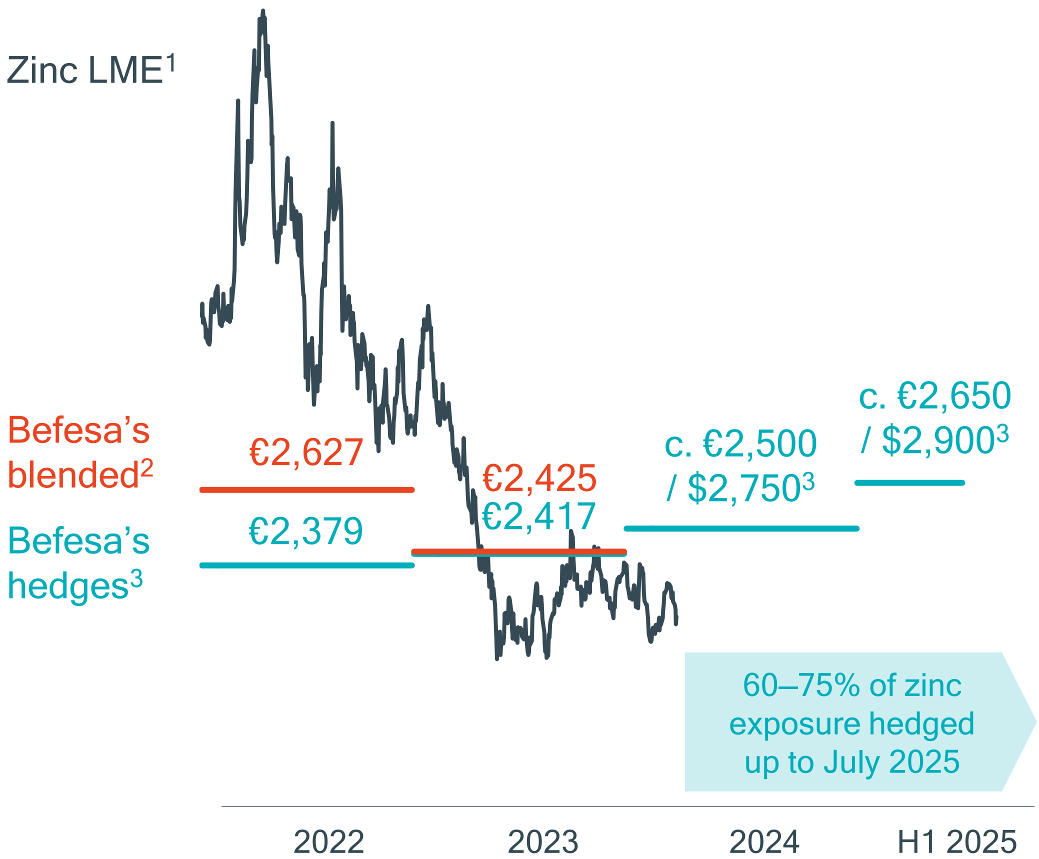


- In 2023, zinc LME prices decreased by >50% from $4,530/t peak (April'22) to $2,224/t trough (May'23); One of the largest decreases in the last 15 years
- Zinc LME price environment has remained volatile since then, trading between $2,300/t and $2,600/t
- Each $100/t zinc LME price variation impacts €7–8m FY EBITDA

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

BEFESA

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



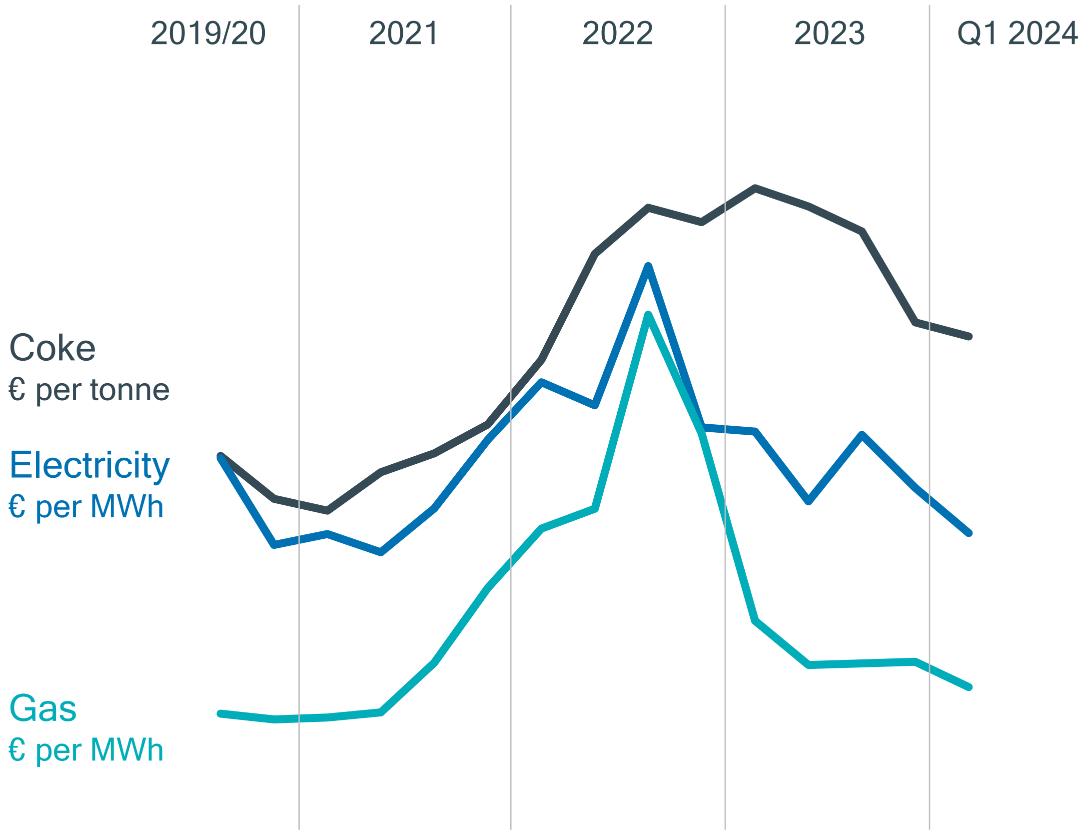
- Befesa's **hedging strategy unchanged**
  - 1–3 years forward
  - Targeting 60% to 75% of zinc equivalent volume
  - Befesa providing no collateral
- Befesa's hedging strategy has proven **successful** providing **price visibility** and **lowering impact from zinc price volatility**
- Befesa with **60–75%** of its zinc exposure **hedged up to July 2025**
- For the **unhedged portion**: **each $100/t change** in zinc **LME** price represents **€7–8m impact** on FY **EBITDA**

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

BEFESA

Coke price continued further normalisation in Q1; Gas & electricity prices stabilised around 2021 levels

Befesa's energy price evolution by source



Coke

- Befesa's coke price continued further normalisation in Q1'24 to levels below the 2022 average price (-25% yoy; -3% vs Q4'23)
- However, Q1'24 price still >40% above 2019–2021 average price level

Electricity

- Electricity prices decreased further in Q1'24 (-28% yoy, -16% vs Q4'23) to around levels of 2020/2021

Gas

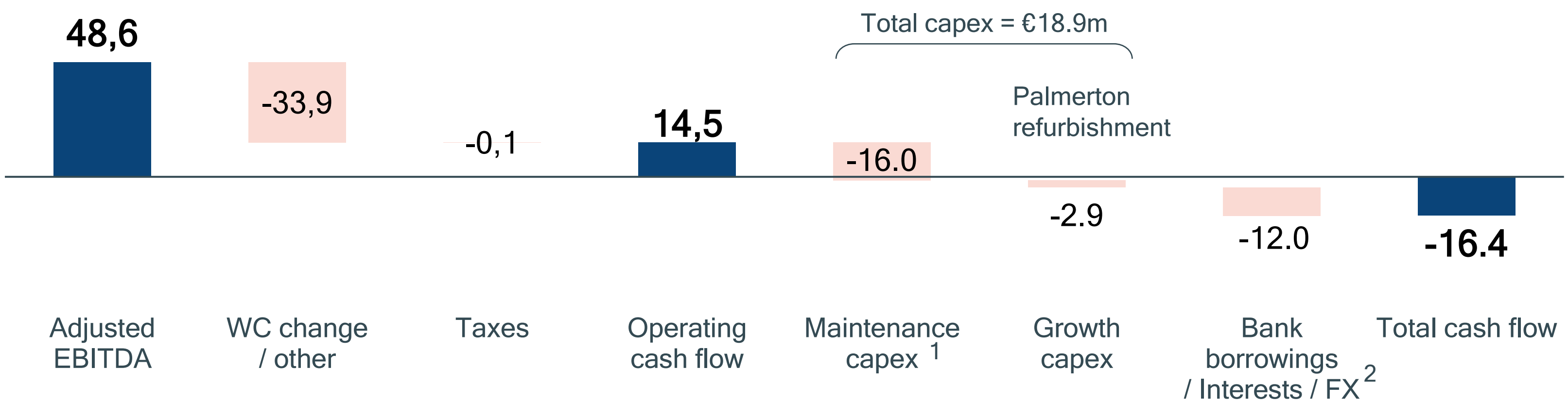
- Gas prices decreased further in Q1'24 (-42% yoy, -22% vs Q4'23) and stabilised around average levels of 2021

BEFESA

Cash flow, net debt & leverage

Cash on hand at €90m providing >€150m liquidity;
Net debt increased to €622m mainly explained by the decrease in cash balance; Net leverage of x3.45

Adjusted EBITDA to Total cash flow Q1 2024



€m	31.12.2023	31.03.2024	change yoy
LTM Adjusted EBITDA	182.0	180.4	-0.8%
LTM Operating cash Flow	147.4	142.2	-3.6%
Gross debt	710.8	712.1	+0.2%
Cash on hand	106.7	90.3	-15.3%
Net debt	604.0	621.7	+2.9%
Net leverage	x3.32	x3.45	

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, financial interests paid, and the effect of foreign exchange rate changes on cash

BEFESA

Guidance 2024

	Lower-end: €195m +€13m / **+7% yoy**	**Upper-end: €235m** +€53m / **+29% yoy**
EBITDA	• **Lower end**: Zinc prices continue at Q1 average of c. $2,450/t for the rest of the year; Zinc refining and China operations still at breakeven levels; Coke price recovering at slow pace; Aluminium metal margin depressed • **Upper end**: Zinc prices increasing to $2,600-$2,700/t for the rest of the year; China momentum accelerates; Coke price reducing rapidly to Q1'22 levels • Key EBITDA **sensitivities**:	
		Steel / **Alu Salt Slags**
	+/- €100/t Zinc LME price	+/-€7 to 8m / -
	+/- €100/t Aluminium FMB price	- / +/-€1.5 to 2m
Capex	• **Total capex of c. €120-€140m**: - €85-€95m growth (Palmerton refurbishment; Guangdong; Europe) - €35-€45m regular maintenance / US operational excellence / IT / Compliance	
Cash flow, cash position and net leverage	• c. **-€60m to -€50m total cash flow**[1] • c. €45-55m cash position at year end • Net **leverage at around x3.5**	• c. **-€5m to +€5m total cash flow**[1] • c. €95-105m cash position at year end • Net **leverage at around x2.7**

1 Total cash flow after capex and dividend payout

BEFESA

Positive mid-term outlook; balancing capex across markets with different dynamics

Favourable decarbonisation and EV macrotrends:
- Shift towards EAF steel mills will increase the generation of steel dust
- Transition to EV will drive higher aluminium demand

Globally balanced in core businesses

€110–€135m additional EBITDA

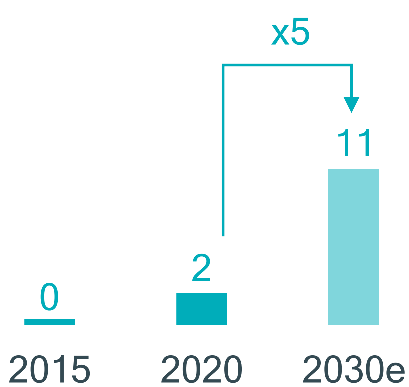
Low risks & high returns

Rigorous execution and monitoring timing

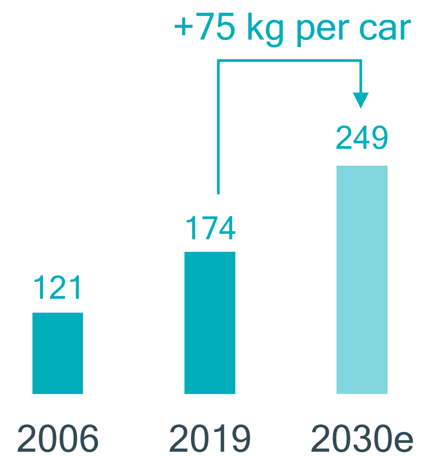
BEFESA

Decarbonisation and EV driving aluminium market growth in Europe

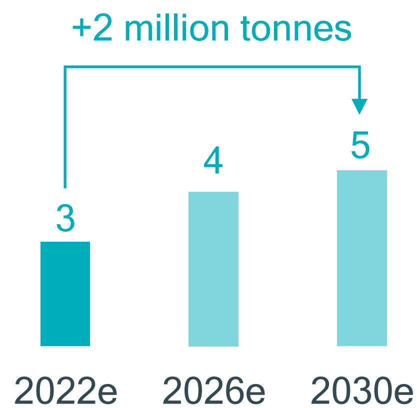
EV unit sales in Europe[1]
million units



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)

BEFESA

Well defined growth roadmap in execution

- **Market fundamentals** remain **strong and favourably support Befesa**'s business model & growth plan
  - Decarbonisation trend will drive increase of EAF steel production in the key markets where Befesa operates
  - EV trend will drive demand for aluminium in Europe & the US as the auto industry looks for light-weight solutions

- Befesa is **adapting capex deployment** to **market dynamics**

	Project	Capex / Run-rate EBITDA €m	Status
Moving fast to capture strong growth of US steel market by '25/26	1 Zinc refining	110–120 / 35–45	Turnaround on track; Focus on improving profitability
	2 Palmerton refurbishment		EPC contract signed; Works ongoing
Monitoring development of weak real estate market; Growth opportunity remains attractive	3 1st kiln Guangdong	115–125 / 30–35	Cautiously progressing; Supply agreements ongoing
	4 2nd kiln Jiangsu		Subject to 1st kiln Jiangsu loading
	5 2nd kiln Guangdong		Subject to 1st kiln Guangdong progress
New capacity planned for Steel Dust & Alu Salt Slags to maintain 40–50% market share	6 EAF dust recycling plant	105–115 / 30–35	Planned in 2026
	7 WOX washing plant		Planned in 2026
	8 2nd Aluminium expansion	80–90 / 15–20	Permits & commercial contracts ongoing
	9 Salt slags recycling plant		Land lot location and permits ongoing
		410–450 / 110–135	

Steel Dust Alu Salt Slags

Level of completion

BEFESA

Palmerton plant refurbishment progressing well to seize market growth in 2025

Plant overview

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

Indicative timing and status

H1 2025

✓ EPC contract signed

› Works ongoing

Timing confirmed:
Phase I: completed by H2 2024
Phase II: completed by H1 2025

Key financials

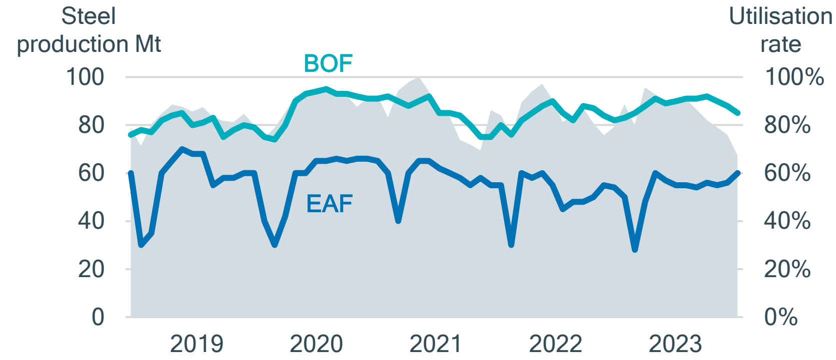
- **Capex**: €60–€70 million
- **EBITDA run-rate**: €25–€30 million
- **Payback**: 2–3 years; **IRR**: >30%

BEFESA

Growth opportunity in China is attractive and Befesa's plan is being adapted to current market challenges

Challenging market environment in the short term

- Crude steel production in 2023 stable yoy
- EAF mills running at 55–60% versus BOF at 80–90%, due to real estate crisis → reducing steel dust generation



EAF will grow in China

EAF penetration expected to grow to 20% by 2030

>60 Mt new EAF capacity announced / underway

Environmental regulation launched 2016/17

Getting stricter but following a two-step approach

Commercial office since 2008

Jiangsu started in 2021, Henan in 2023

Befesa's growth plan in China remains attractive

Cautiously progressing in Guangdong province:

- €45–€50m capex deployment likely in 2024/25, subject to ongoing negotiations with local steelmakers
- €8–€12m EBITDA run-rate; 4–5 years payback; >20% IRR

Bernburg expansion: Moving forward with permits and commercial contracts

Plant overview

- **Expand** alu alloy production **capacity at existing Bernburg** plant from current 75 kt **to 135 kt (+60 kt)**
  - **2 rotary furnaces** (and 2 holding furnaces)
- Total 2nd Alu capacity from 205 kt to 265 kt
- **30 new direct jobs**

Indicative timing and status

2026

✓ Existing contract with Novelis signed in July 2023; Expansion contract to be signed in April 2024

› Working with German authorities to get permits; Targeting Q4 2024 to obtain final permits

2025: 12-month construction; 2026: 6-month ramp up

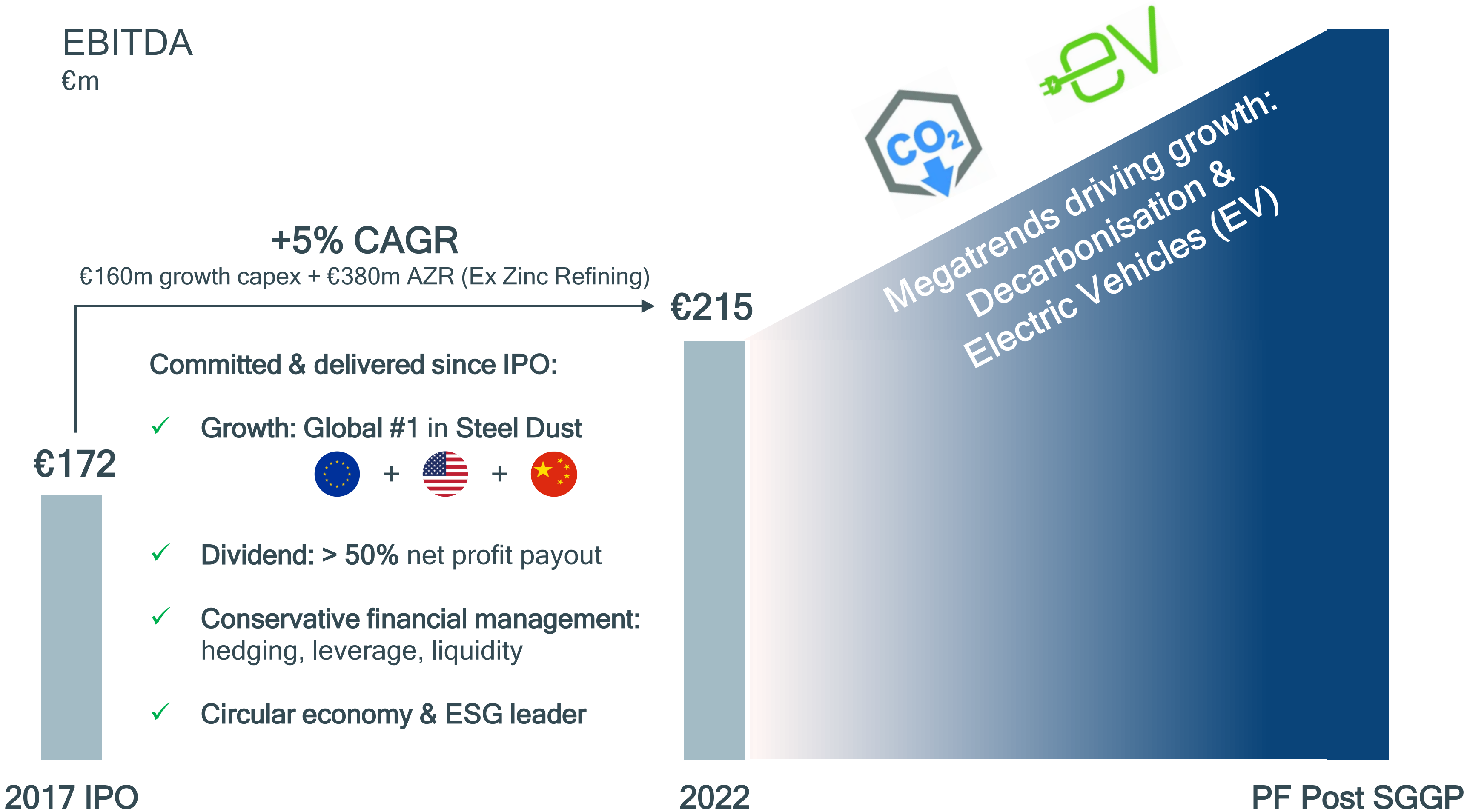
Key financials

- **Capex**: c. €30m (100% self-funded)
- **EBITDA run-rate**: €5m to €6m (c. 20% margin)
- **IRR**: 16%; **Payback**: c. 5 years

BEFESA

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

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

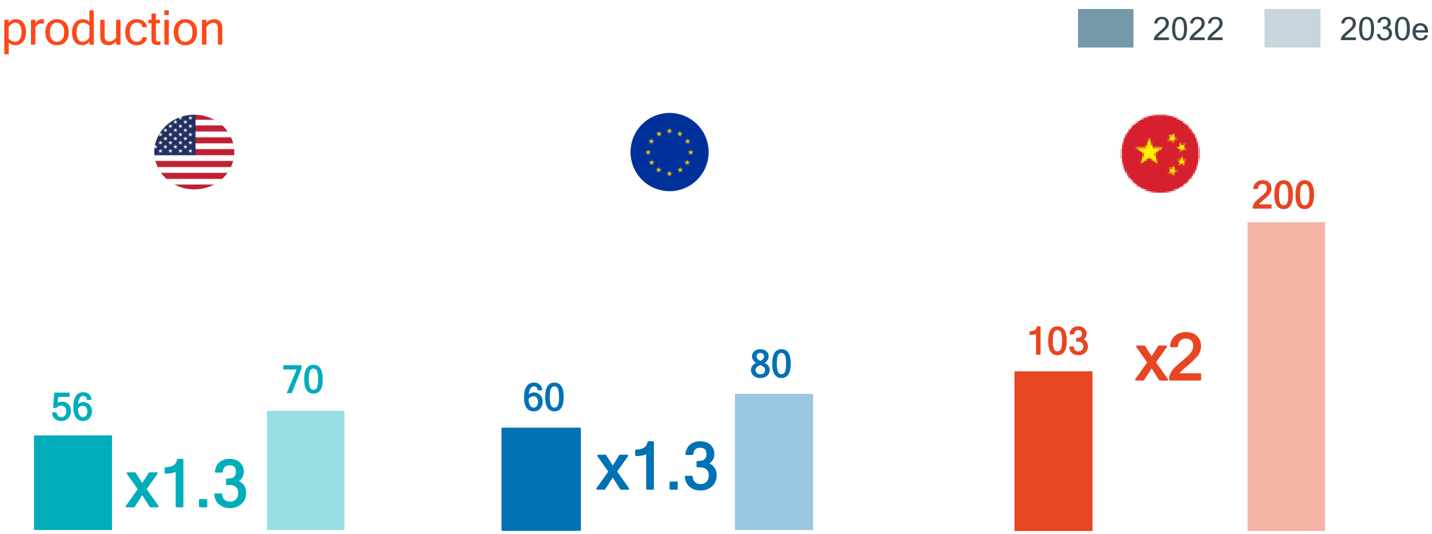


BEFESA

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**

BEFESA

Well defined growth roadmap in execution

- **Market fundamentals** remain **strong and favourably support Befesa**'s business model & growth plan
  - Decarbonisation trend will drive increase of EAF steel production in the key markets where Befesa operates
  - EV trend will drive demand for aluminium in Europe & the US as the auto industry looks for light-weight solutions

- Befesa is **adapting capex deployment** to **market dynamics**

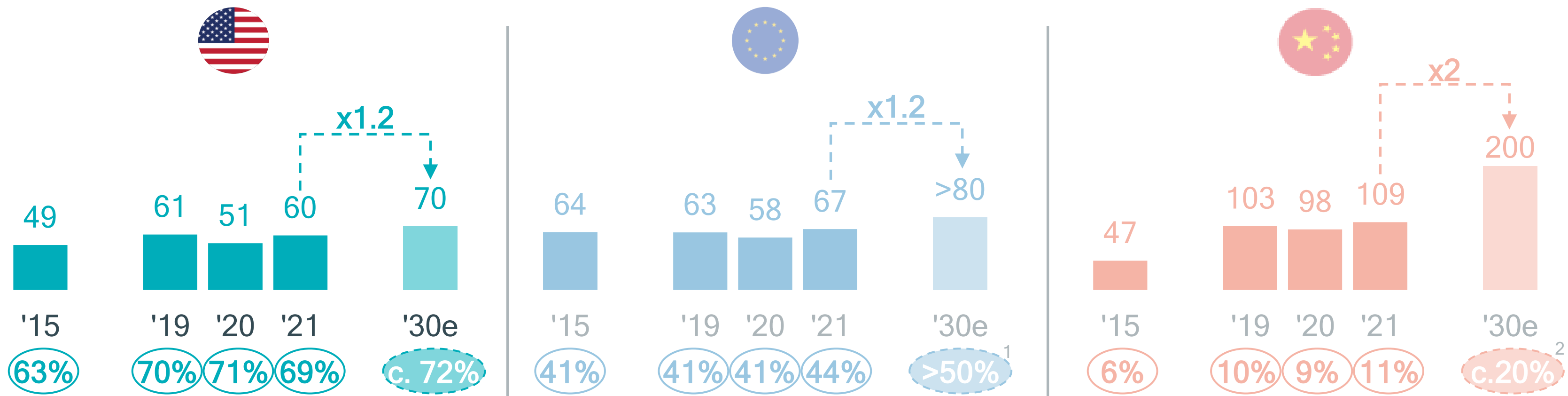
	Project	Capex / Run-rate EBITDA €m	Status
Moving fast to capture strong growth of US steel market by '25/26	1 Zinc refining	110–120 / 35–45	Turnaround on track; Focus on improving profitability
	2 Palmerton refurbishment		EPC contract signed; Works ongoing
Monitoring development of weak real estate market; Growth opportunity remains attractive	3 1st kiln Guangdong	115–125 / 30–35	Cautiously progressing; Supply agreements ongoing
	4 2nd kiln Jiangsu		Subject to 1st kiln Jiangsu loading
	5 2nd kiln Guangdong		Subject to 1st kiln Guangdong progress
New capacity planned for Steel Dust & Alu Salt Slags to maintain 40–50% market share	6 EAF dust recycling plant	105–115 / 30–35	Planned in 2026
	7 WOX washing plant		Planned in 2026
	8 2nd Aluminium expansion	80–90 / 15–20	Permits & commercial contracts ongoing
	9 Salt slags recycling plant		Land lot location and permits ongoing
		410–450 / 110–135	

Steel Dust · Alu Salt Slags · Level of completion

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 1^{st} mover** and **market leader** in **largest & new EAFD market**

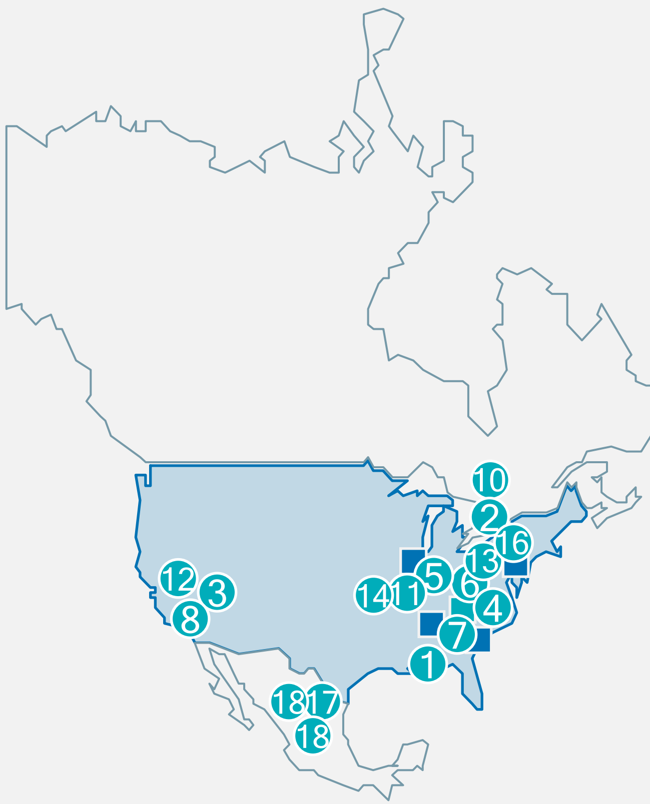
Befesa approach:

➢ 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)

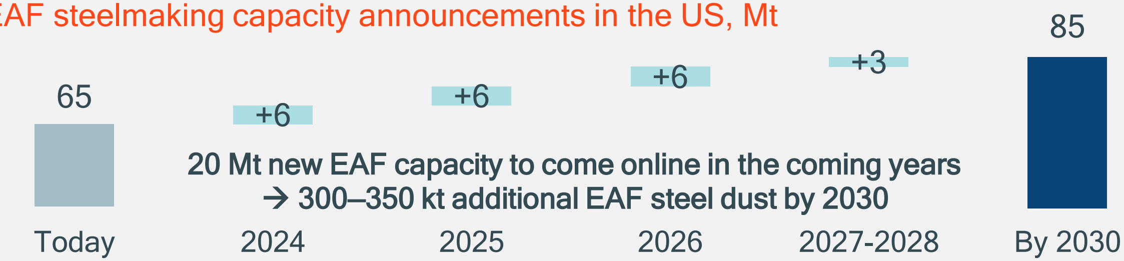
BEFESA

Decarbonisation capex in new EAF capacity on track; New announcements supported by US gov. funding programs



- Befesa EAF steel dust recycling plants
- Befesa zinc refining plant

EAF steelmaking capacity announcements in the US, Mt



Steelmaker	Location	New capacity, Mt	Start up
ArcelorMittal	1 Calvert, Alabama[1]	1.5	H2'24
	2 Hamilton, Ontario, Canada	2.4	2026
NUCOR	3 Kingman, Arizona	0.6	Q3'24
	4 Lexington, North Carolina	0.4	Q1'25
	5 Crawfordsville, Indiana	0.3	Mid '25
	6 Mason County, W Virginia	2.7	H2'25
	7 South Carolina	0.5	Mid'25
	8 Fontana, California	0.4	2026
	9 Pacific Northwest region	0.6	TBD
ALGOMA STEEL INC.	10 Ontario, Canada	0.8	YE'24
NIPPON STEEL / U.S. Steel	11 Osceola, Arkansas	2.7	Q3'24
PACIFIC STEEL & RECYCLING	12 Mojave, California	0.3	2026
CMC	13 Berkeley County, W Virginia	0.5	Q4'25
HYBAR	14 Osceola, Arkansas	0.6	2026
	15 TBD	0.6	TBD
72 STEEL LLC	16 Aliquippa, Pennsylvania	0.5	2025
Ternium	17 Pesquería, Mexico	2.6	H1'26
DEACERO	18 Saltillo & Celaya, Mexico	1.1	TBD
		20	

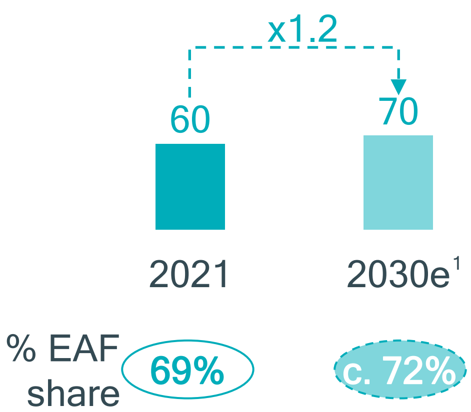
1 Option to add a second 1.5 Mt EAF at lower capex intensity

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

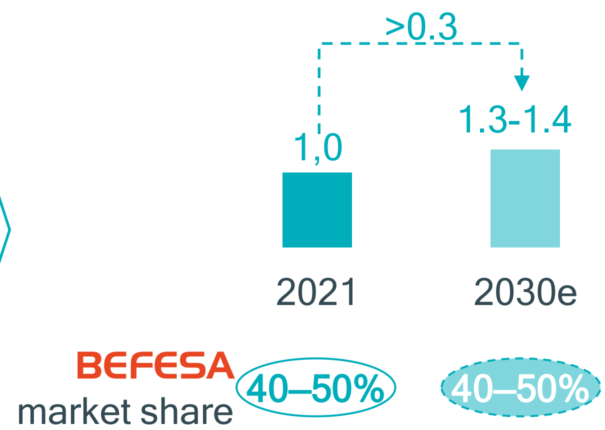
million tonnes, EAF % of total crude steel output



$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)

Turnaround of zinc refining plant on track; Expecting positive EBITDA in 2024

1

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 US

Turnaround in a 3-step process

✓ **1. Quality improvement**
- High quality needed; Standard SHG specifications to avoid discounts from customers

✓ **2. Utilisation increase**
- Breakeven around 83–90%

› **3. Cost reduction**
- Focus on reducing fixed cost

Key financials

- **Capex**: €50 million
- **EBITDA run-rate**: €10–15 million (2023: breakeven; 2024: €0–5 million)
- **Payback**: 4–5 years; **IRR**: >15%

BEFESA

Palmerton plant refurbishment progressing well to seize market growth in 2025

Plant overview

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

Indicative timing and status

H1 2025

✓ EPC contract signed

› Works ongoing

Timing confirmed:
Phase I: completed by H2 2024
Phase II: completed by H1 2025

Key financials

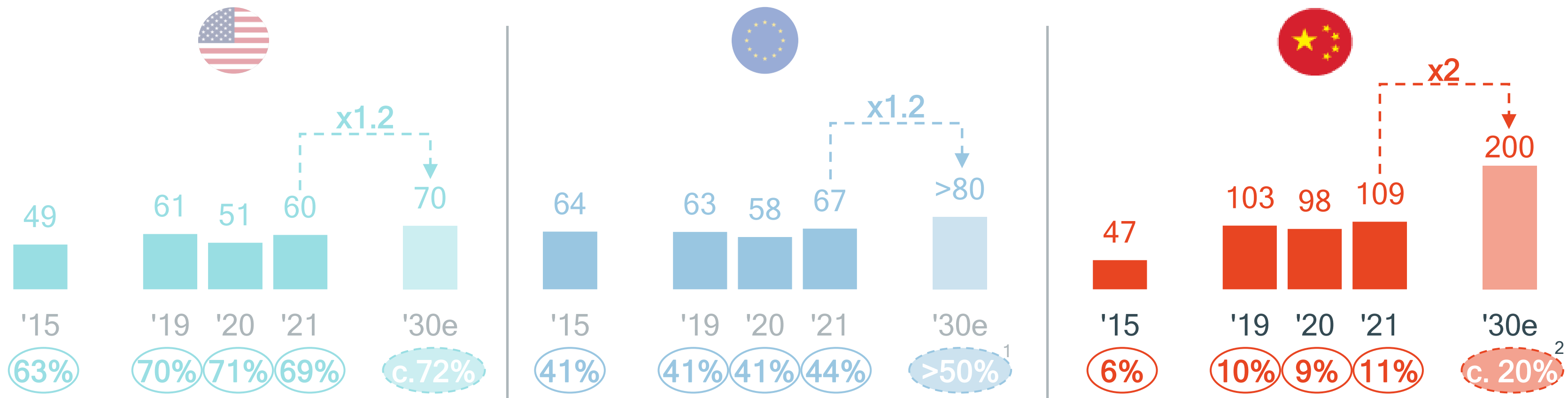
- **Capex**: €60–€70 million
- **EBITDA run-rate**: €25–€30 million
- **Payback**: 2–3 years; **IRR**: >30%

BEFESA

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)

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

BEFESA

EAFD recycling sites in China

EAFD generation

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

# EAF projects	Chinese province		New EAF steel production capacity, Mt
2	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)

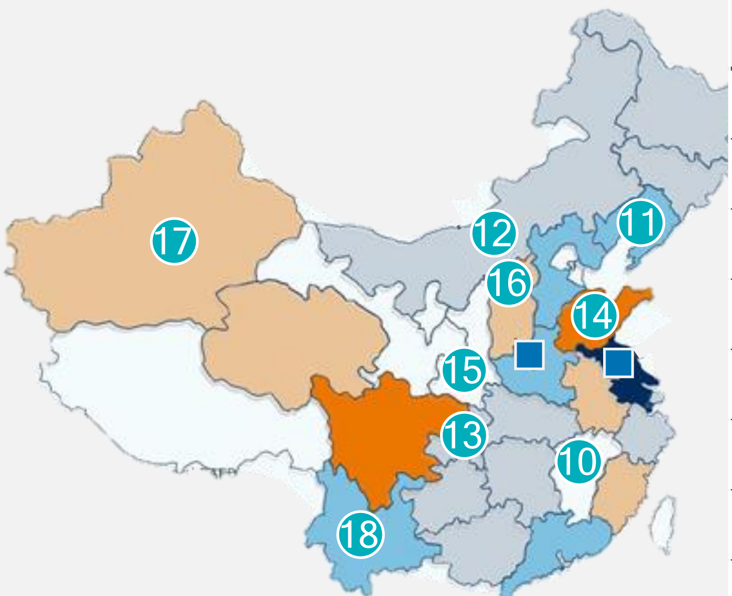
Sources: Internal analysis

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



BEFESA

EAFD recycling sites in China

EAFD generation

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

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

c. 1 Mt EAFD

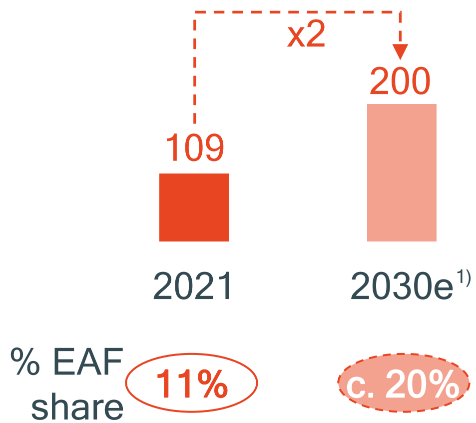
Sources: Internal analysis

SGGP – Steel Dust – China

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

EAF steel production

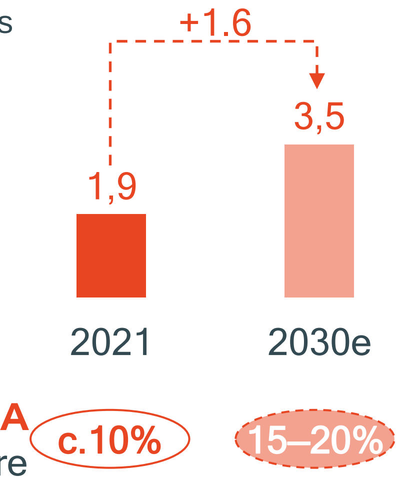
million tonnes, EAF % of total crude steel output



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

EAFD generation

million tonnes



BEFESA market share

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)

Cautiously progressing in Guangdong province

- 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 EAF dust p.a.

Plant overview

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

Indicative timing and status

2025/26

- ✓ Investment agreement signed Q1 2023
- ✓ Land lot assigned Q1 2023
- › Levelling lot; Preparing basic engineering
- › Long-term supply agreements ongoing

Start of construction to be monitored during 2024

Key financials

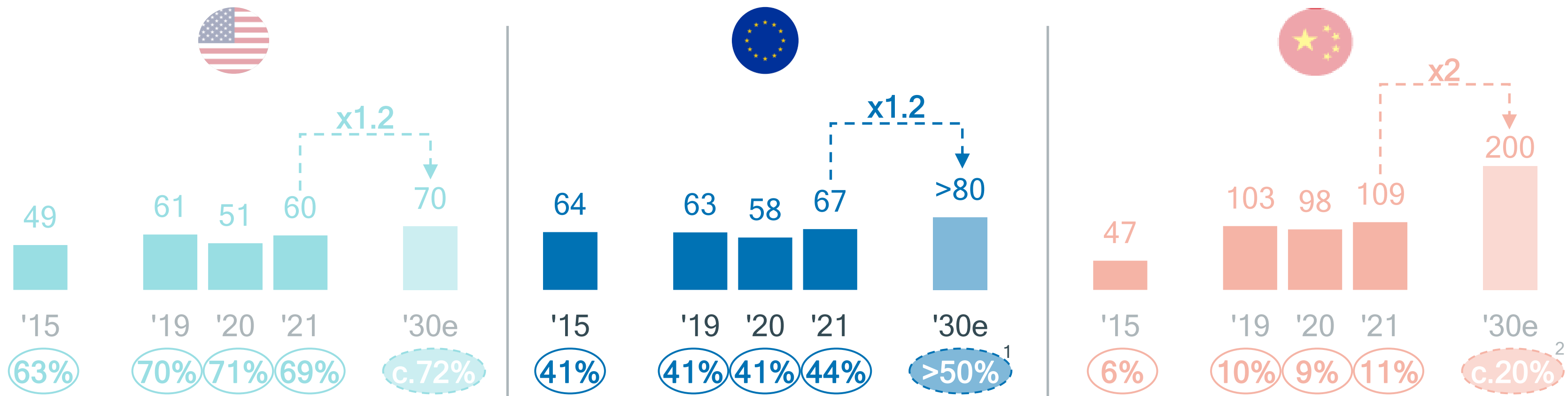
- **Capex**: €45–50 million
- **EBITDA run-rate**: €8–12 million
- **Payback**: 4–5 years; **IRR**: >20%

BEFESA

Megatrends and Befesa's approach by market

EAF steel production

million tonnes, EAF % share of total steel production



Primary steel (BOF) consumes 7x more CO²/t vs. secondary steel (EAF)[1]; Decarbonisation favours EAF steel production

Each tonne of **steel** through **EAF** vs. BOF → **saves 1.5 t CO_2, 1.4 t iron ore, 740 kg coal** & **120 kg limestone[3]**

- 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:

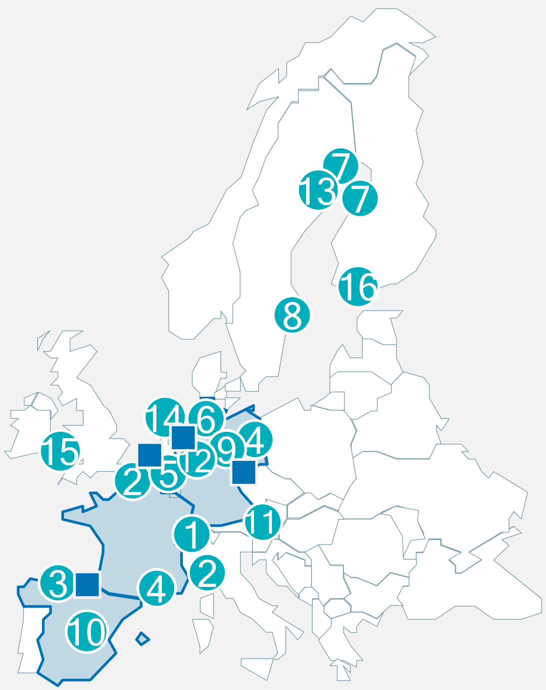
➢ Continue capacity **expansion step by step**, monitor recovery from **COVID**; Planning for **15-20% market share**

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)

BEFESA

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

EAF steelmaking capacity announcements in Europe, Mt



■ Befesa EAF steel dust recycling plants

Steelmaker	Location	New capacity, Mt	Start up
ArcelorMittal	1 Belval, Luxembourg	0.4	2025
	2 Genoa & Novi Ligure, Italy	2.5	H1'24
	3 Gijón, Spain	1.1	H1'26
	4 Fos-sur-Mer & Dunkirk, France	2.0	H1'27
	5 Ghent, Belgium	2.0	2030
	6 Bremen & Eisenhüttenstadt, Ger	1.0	2030
SSAB	7 Luleå, Sweden; Raahe, Finland	5.0	2030
	8 Oxelösund, Sweden	0.2	2030
SALZGITTER AG	9 Peine, Niedersachsen, Germany	1.9	'25–30
Hydnum Steel	10 Puertollano, Spain	1.5[1]	2026
voestalpine	11 Linz & Donawitz, Austria	2.5	H1'27
thyssenkrupp	12 Duisburg, Germany	2.5	H1'27
H2 green steel	13 Boden-Luleå, Sweden	5	2030
TATA STEEL	14 IJmuiden, The Netherlands	TBD	2030
	15 Port Talbot, UK	3.0	2027
BLASTR Green Steel	16 Inkoo, Finland	2.5	TBD
		33	

1 Plant capacity expected to expand to 2.6 Mt from 2030 (steelorbis)

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

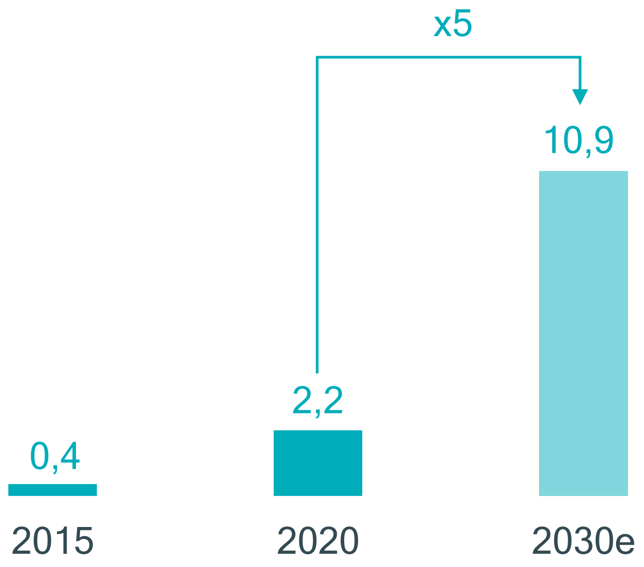
BEFESA

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

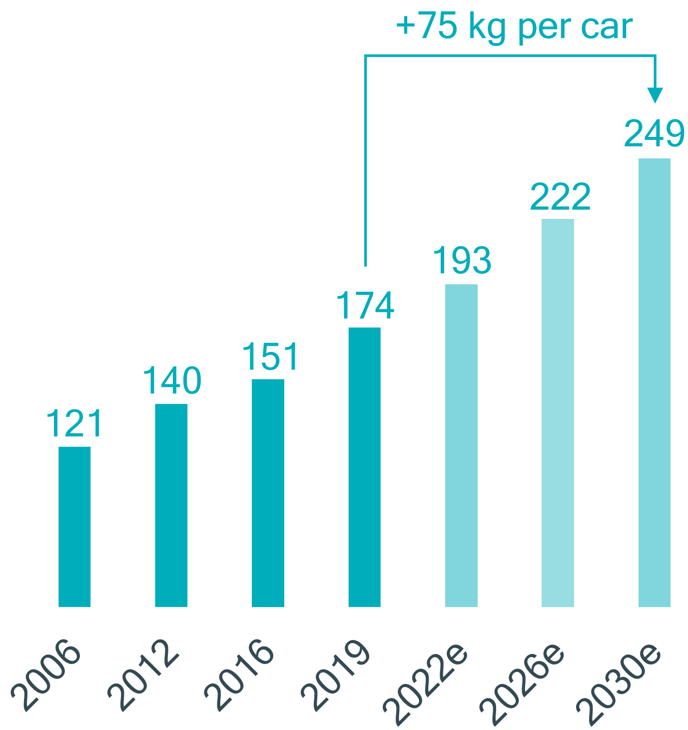


- **EU** approved plan **to ban sales of vehicles with combustion engines** (ICE) **by 2035**[2]
- **EV unit sales** forecasted **to grow x5** from c. 2 million in 2020 **to >10 million by 2030**
- **EV cars requiring light-weight construction**, favouring aluminium demand

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

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

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



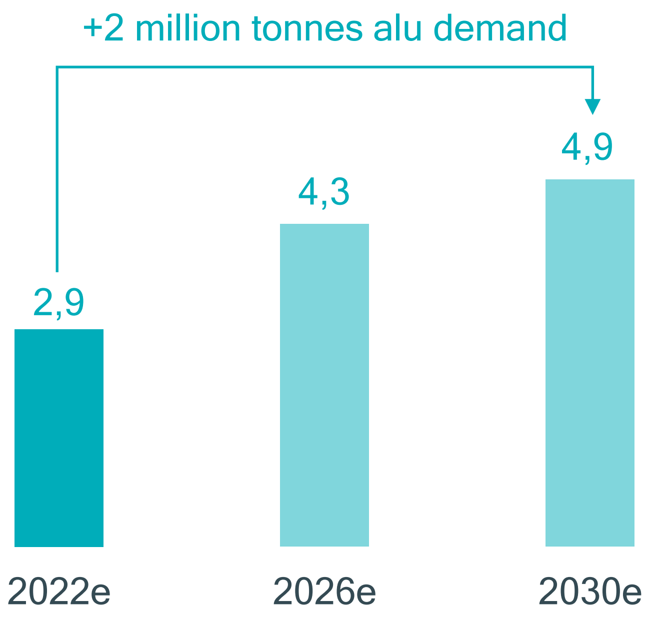
- Average **aluminium content per vehicle** (passenger cars) has steadily been **increasing**, from 121 kg/car in 2006 to **193 kg/car in 2022**
- Growing and mandatory **electrification** requires **light-weighting** construction and drives **growing demand for aluminium**
- **Aluminium content per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

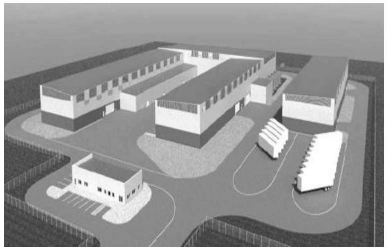
Expansion of 2nd Aluminium and New Salt Slags recycling plant

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**

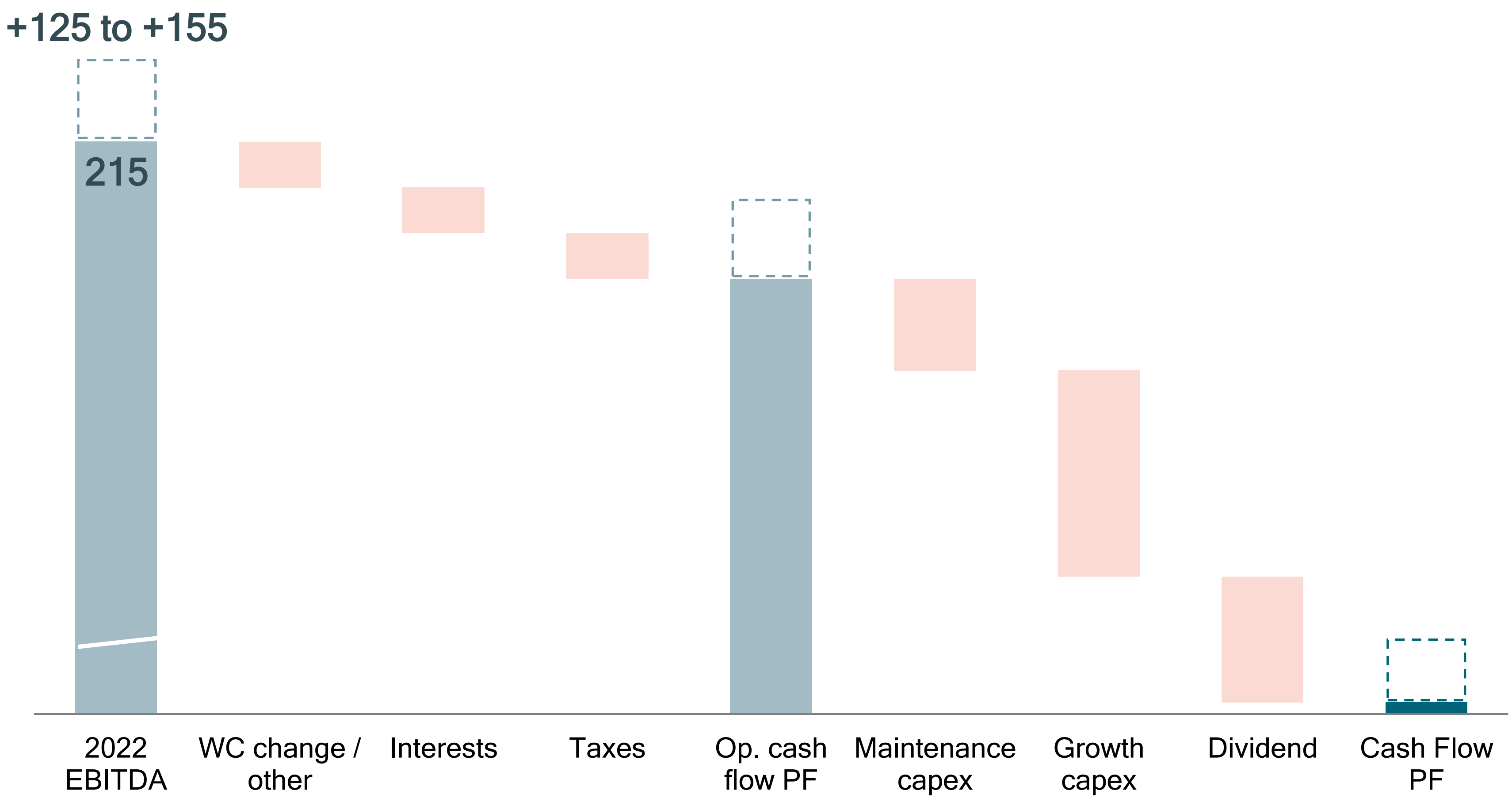
c. €80–90m total investment; +€15–20m total incremental EBITDA p.a.; Low-risk & medium-return projects

BEFESA

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

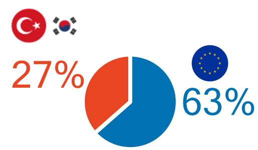
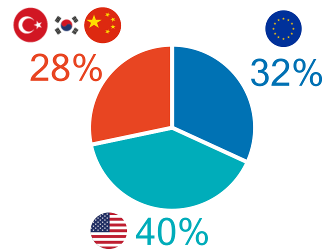
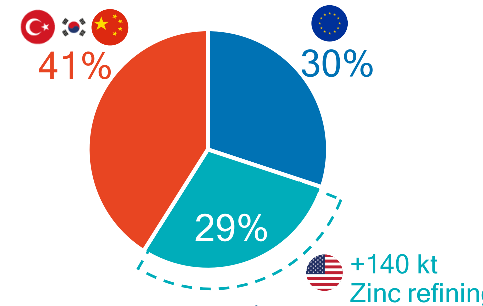
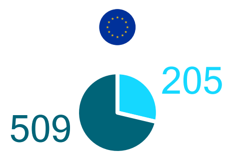
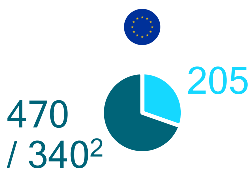
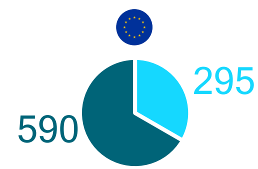
EBITDA to Cash flow management walk

Illustrative conceptual annual view within SGGP period, €m



BEFESA

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**

		2017 IPO	2022	PF Post SGGP
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

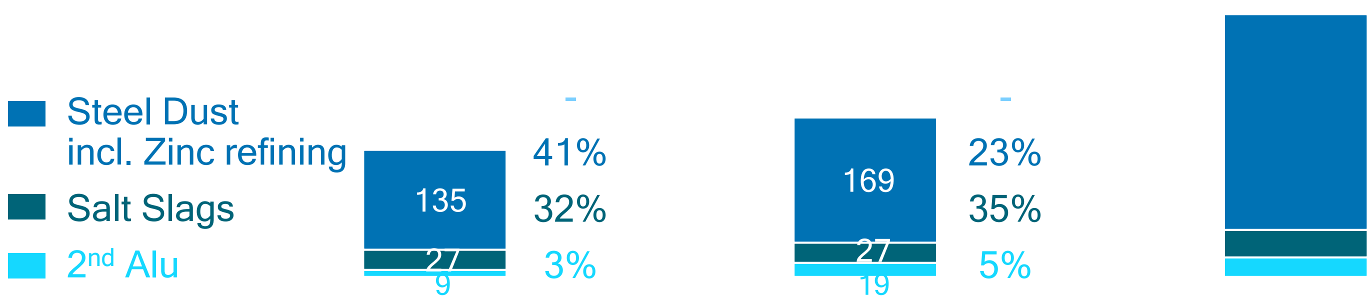
1 2,145 kt Steel Dust capacity excludes 140 kt from Zinc Refining
2 Normalised for 130 kt Hanover installed capacity due to plant shutdown in 2022

BEFESA

… core-business focus drives portfolio growth

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

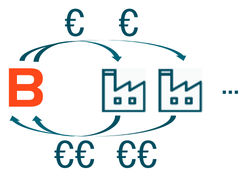
		2017 IPO	% margin	2022	% margin	PF Post SGGP	% margin
EBITDA, €m	Total[1]	€172	24%	€215	19%	c. €340–370	19–23%



1 Total revenue after intersegment adjustments; Total adjusted EBITDA

BEFESA

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

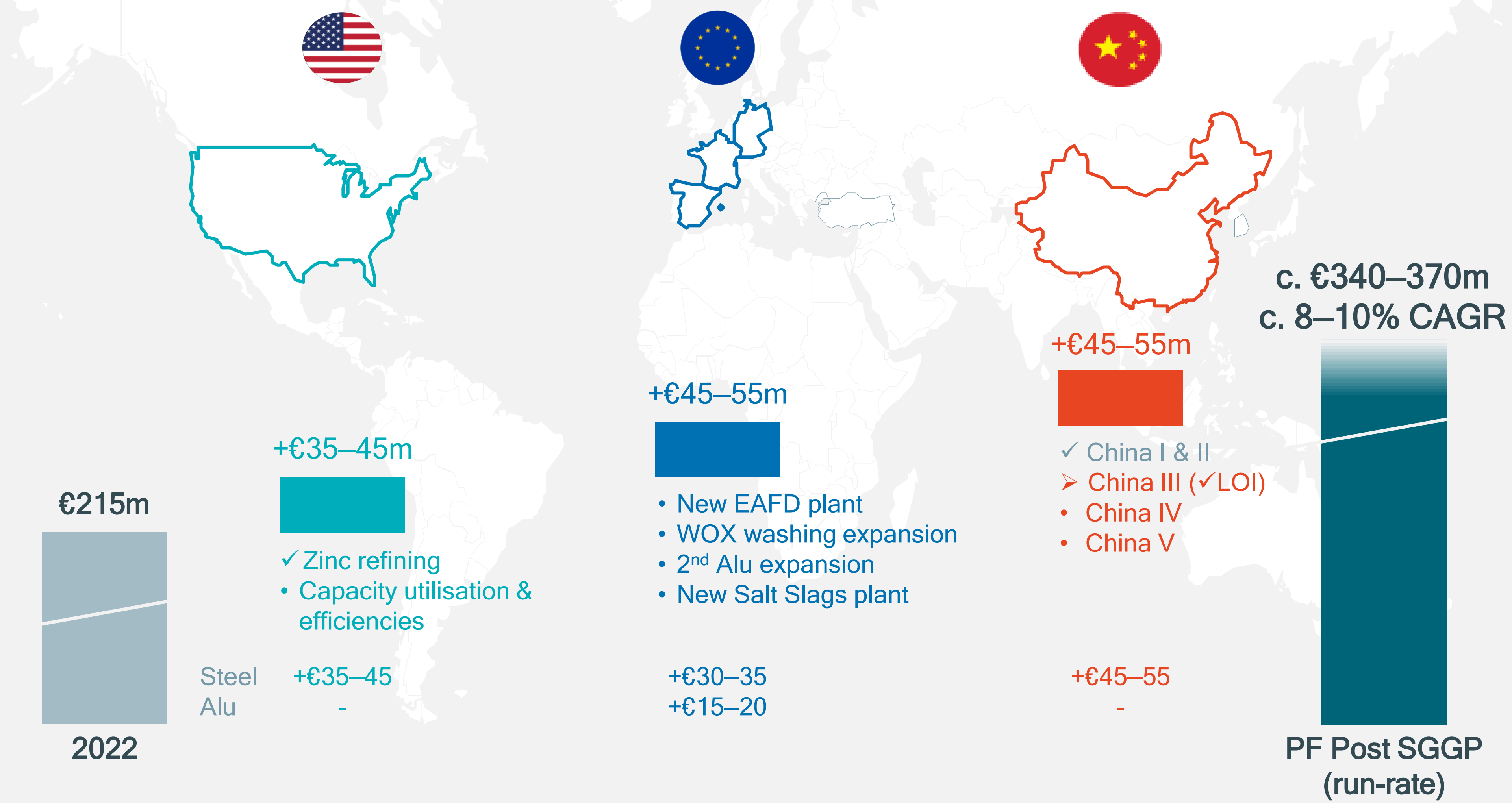
Prudent risk and liquidity management;
Modular SGGP growth initiatives timing **in control of Befesa**

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

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

BEFESA

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



03 / Q1 2024 results

EBITDA

Total Adjusted EBITDA at €49m in Q1 2024, QoQ improvement of 7%.
However, still -3% yoy driven by lower zinc LME prices and aluminium metal margin partially compensated by favourable zinc TC, improved volumes & hedges, and lower energy prices

Adjusted EBITDA[1] Q1 2023 to Q1 2024

1 Q1 2024: €24.6m reported Total EBIT + €20.7m D&A = €45.3m reported Total EBITDA + €3.3m adjustments = €48.6m adjusted Total EBITDA
Q1 2023: €29.1m reported Total EBIT + €20.2m D&A = €49.3m reported Total EBITDA + €0.8m adjustments = €50.1m adjusted Total EBITDA

BEFESA

Steel Dust Recycling Services

Adjusted EBITDA at €36m in Q1 2024, QoQ improvement of 12%.
However, -3% yoy driven by lower zinc LME prices partially compensated by favourable zinc TC, improved volumes & hedges, and lower coke price

Adjusted EBITDA Q1 2023 to Q1 2024

		Q1 2023	Q1 2024	yoy change
Revenue	€m	216.3	188.0	-13%
Adjusted EBITDA	**€m**	**37.0**	**36.0**	**-3%**
Adjusted EBITDA margin	%	17.1	19.2	
Steel dust throughput	Kt	287	303	+6%
Plant utilisation	%	69	71	
WOX sold	Kt	100	100	0%
Zinc LME	€/t	2,916	2,256	-23%
Zinc hedging	€/t	2,330	2,467	+6%
Zinc blended[1]	€/t	2,633	2,400	-9%
Zinc TC	$/t	274	165	-40%

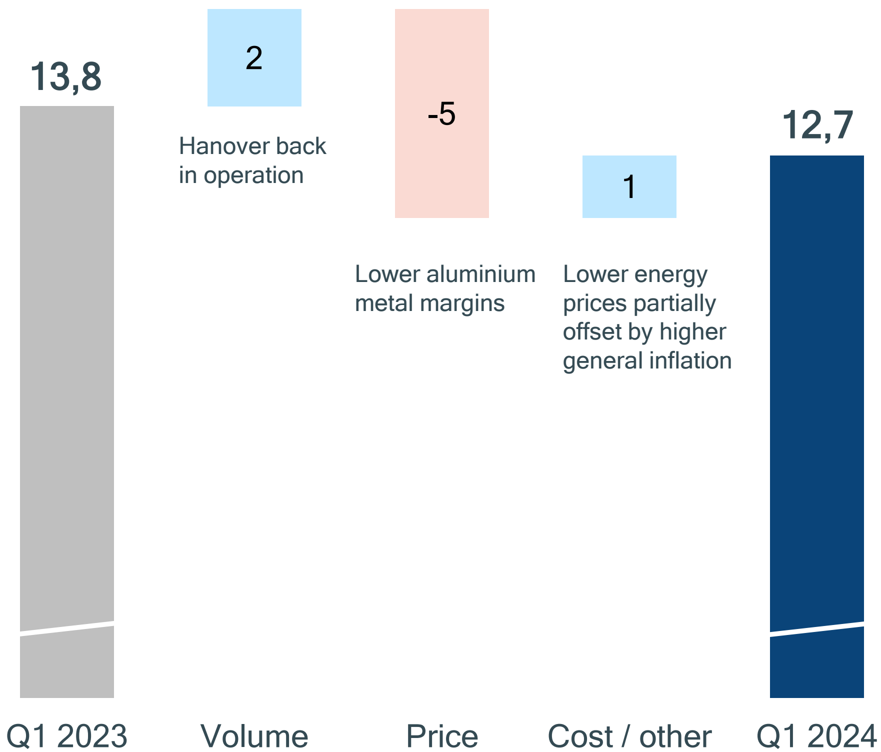
1 Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa

BEFESA

Aluminium Salt Slags Recycling Services

EBITDA at €13m in Q1 2024, QoQ improvement of 5%.
However, -8% yoy driven by lower aluminium metal margin partially compensated by improved volumes (Hanover) and lower energy prices

EBITDA Q1 2023 to Q1 2024



		Q1 2023	Q1 2024	yoy change
Revenue[1] – Salt Slags – Secondary Alu	€m	106.0 20.8 95.9	111.5 27.2 98.3	+5% +31% +3%
EBITDA – Salt Slags – Secondary Alu	€m	**13.8** 6.6 7.2	**12.7** 9.9 2.9	**-8%** +50% -60%
EBITDA margin (Salt Slags)	%	31.6	36.2	
Salt Slags & SPL treated	Kt	82	111	+35%
Salt Slags utilisation	%	71	95	
Alu alloys produced	Kt	44	44	+2%
Secondary Alu utilisation	%	86	87	
Aluminium FMB[2]	€/t	2,301	2,277	-1%

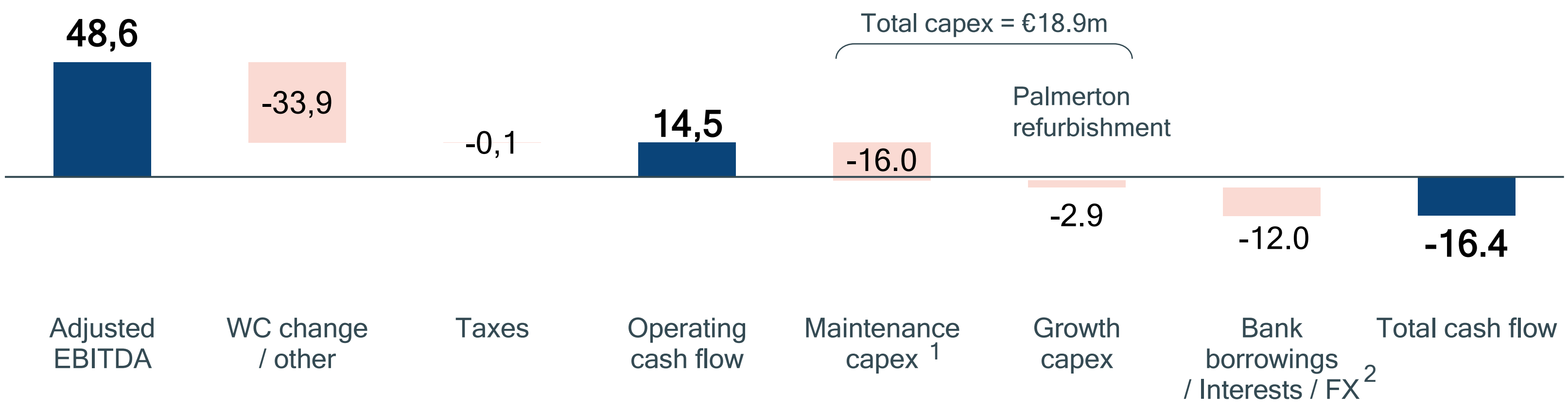
1 Total revenue is after intersegment eliminations (Q1 2023: €10.6m; Q1 2024: €14.1m)
2 Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

BEFESA

Cash flow, net debt & leverage

Cash on hand at €90m providing >€150m liquidity;
Net debt increased to €622m mainly explained by the decrease in cash balance; Net leverage of x3.45

Adjusted EBITDA to Total cash flow Q1 2024



€m	31.12.2023	31.03.2024	change yoy
LTM Adjusted EBITDA	182.0	180.4	-0.8%
LTM Operating cash Flow	147.4	142.2	-3.6%
Gross debt	710.8	712.1	+0.2%
Cash on hand	106.7	90.3	-15.3%
Net debt	604.0	621.7	+2.9%
Net leverage	x3.32	x3.45	

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, financial interests paid, and the effect of foreign exchange rate changes on cash

BEFESA

04 / Befesa overview

Environmental services for the steel & alu industries

- **24 plants** globally; **c. 1,800** employees
- **#1 globally** in **Steel Dust** Recycling and **#1 in Europe Alu Salt Slags** Recycling Services
- **€182m EBITDA** in 2023; Earnings split: **74% Steel Dust / 26% Alu Salt Slags** services
- **Dividend proposal** for **2023**: **€0.73/share**
- **2017 IPO** Frankfurt Stock Exchange → **2018 SDAX** → **2021 MDAX**

Circular economy

- **100% circular economy:** Recycling around **1.9 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

---

Growth

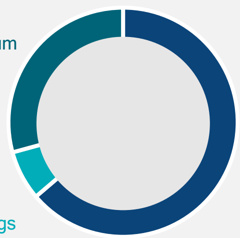
- **Environmental regulation** → Befesa 1st mover as market leader:
  - 2010 Turkey
  - 2012 South Korea
  - 2017 China
- **Acquisitions:**
  - 2021 Steel Dust recycling assets (AZR); 2022 Zinc refining asset (AZP)
- **Market and customers growth**:
  - CO_2 Decarbonisation drives EAF vs. BOF with c. 1.5t CO_2 less per ton of steel
  - EV EV drives alu demand: alu content per car growing, c. 120kg in ‘06 → c. 250kg ‘30

Befesa at a glance

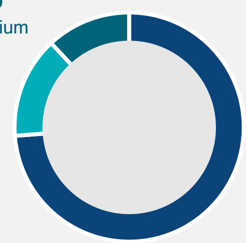
Global leader in Europe, the US and Asia in providing regulated critical hazardous waste recycling services to the steel and aluminium industries

2023

€1,181m
Revenue



€182m
Adjusted EBITDA



Steel Dust Recycling

#1
Position global
(c. 40–50% market share)

25%
EBITDA margin
(2020–2023 average)

>15 years
relationships

ArcelorMittal, Glencore, outokumpu, Trafigura, voestalpine

Aluminium Salt Slags Recycling

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

29%
EBITDA margin in salt slags subsegment
(2020–2023 average)

>15 years
relationships

trimet, Novelis, Hydro, speira, Alcoa

BEFESA

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
- ✓ Operating since December 2021

Xuchang, **Henan**:
- ✓ Completed construction December '21
- > Ramping up

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**

Entry in the US

- 100% of AZR recycling assets acquired Aug'21
- Zinc refining asset acquired September 2022

1987	**Founded** in Germany, **Metallgesellschaft**
1993	**Berzelius Umwelt Service** (**BUS**) grouped their Spanish assets into **Berzeilius Felguera (Befesa)**
2000	Abengoa acquired Befesa from BUS
2006	Befesa acquired remaining stake in BUS, becoming **European leader in EAFD recycling**
2009	**European leader in salt slags** recycling, acquiring Agor AG's German assets
2010	Entry in the **Turkish market**[1]
2012	Entry in the **Asian market**[2]; WOX washing plant at **Gravelines**
2013	Triton acquired Befesa
2014	Secondary aluminium plant in **Bernburg**
2015	Doubled capacity to 220 kt, Gyeongju
2017	**IPO on Frankfurt Stock Exchange**
2018	Entry to **SDAX**[3] September 2018
2019	1st WOX washing plant in Asia; EAFD recycling capacity at Iskenderun expanded to 110 kt
2020	Since September 2020 member of Global Challenges Index. Rated by: ISS ESG, MSCI, V.E, SUSTAINALYTICS
2021	**Global leader** in **EAFD recycling**; Entry to **MDAX** September 2021; Steel Dust expansion China; 100% of AZR recycling assets acquired Aug'21
2022/23	Zinc refining asset acquired September 2022

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

BEFESA

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 and critical service model

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

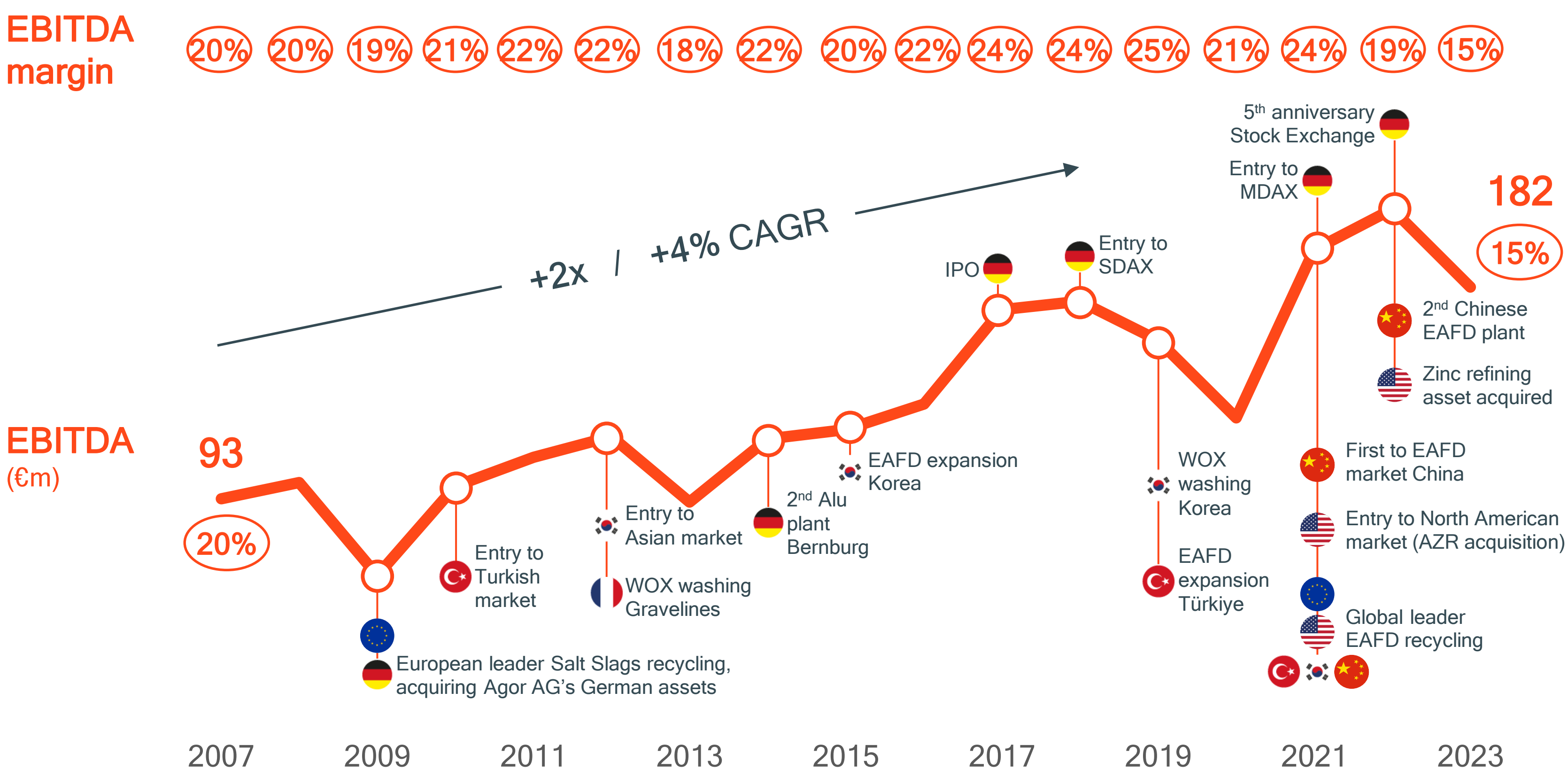
	HAZARDOUS RESIDUE	BEFESA RECYCLING	OUTPUTS	FINAL USAGE
EAF steelmakers / recyclers (mini-mills, scrap recyclers)	**1,195 kt** STEEL DUST Service fee c. 10-20%	BEFESA	**606 kt** IRON OXIDE **399 kt** WOX PRODUCED Sale of zinc in WOX c. 80-90%	Filler materials e.g., cement, roads **Zinc smelters** e.g., steel galvanisation
Aluminium producers / recyclers	**361 kt** SALT SLAGS & SPL Service fee c. 40%	BEFESA	**314 kt** ALU OXIDE & OTHERS **124 kt + 33 kt** MELTING SALT, ALU CONCENTRATE Sale of salt and aluminium concentrate c. 60%	Filler materials e.g., ceramics, cement, rockwool **Aluminium recyclers**

All figures are of the year 2023
Value chains are simplified and only reflect Befesa's core business segments, i.e. Steel Dust and Aluminium Salt Slags:
- Within the Steel Dust Recycling segment Befesa manages a Stainless sub-segment (90 kt stainless-steel dust throughput) and the US zinc refining plant (115 kt SHG zinc sales & 121 kt cathodes produced)
- Within the Aluminium Salt Slags Recycling segment Befesa manages a Secondary Aluminium sub-segment (168 kt secondary aluminium alloys produced)

Proven resilience & growth through cycles

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

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

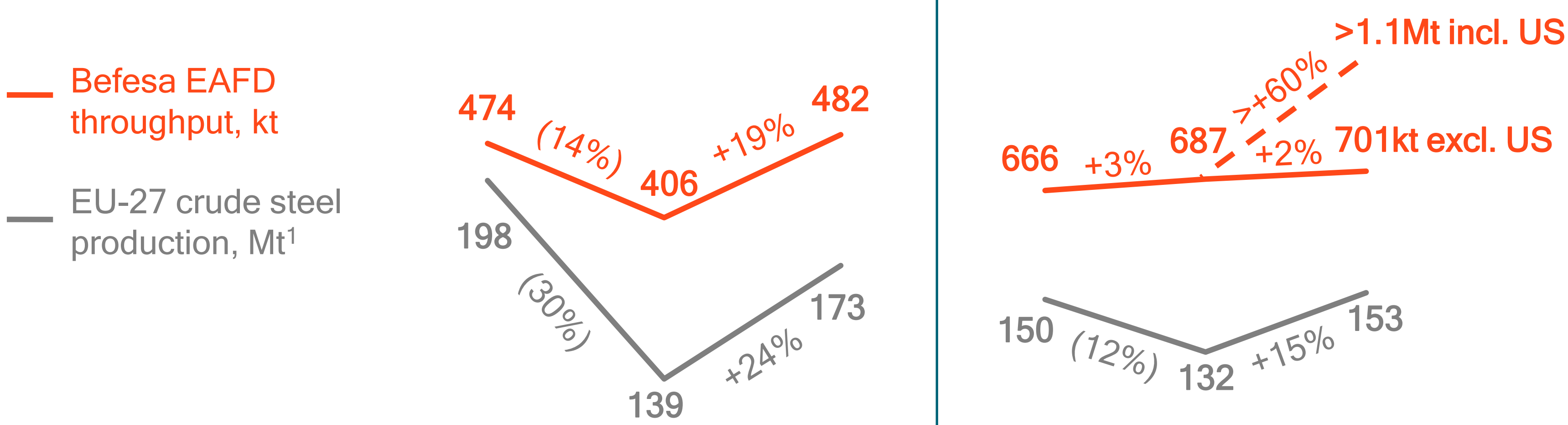


BEFESA

Befesa's resilience during latest crises

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

2008 / 2009 / 2010 | 2019 / 2020 / 2021

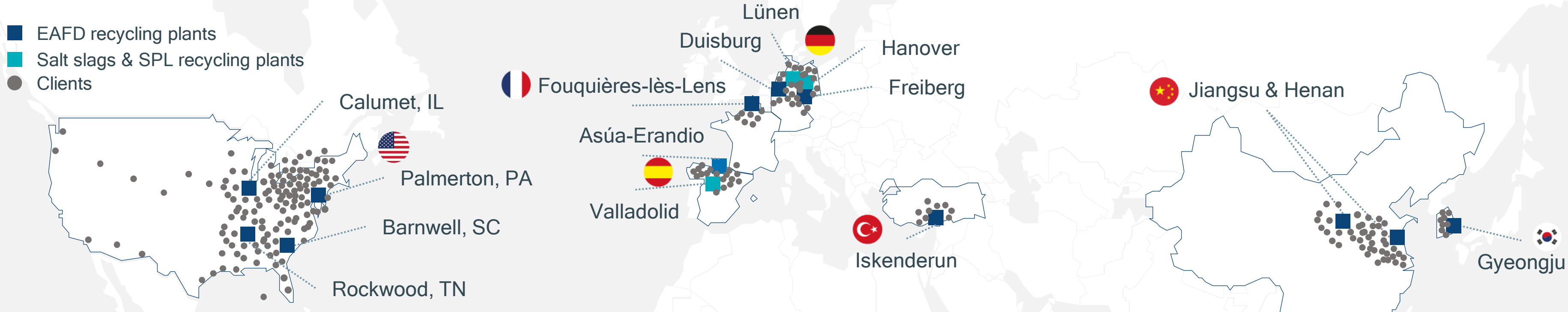


	2008	2009	2010	2019	2020	2021
Befesa EAFD utilisation, %	96%	82%	96%	81%	83%	83%
Befesa EBITDA, €m	€99[2]	€61[2)]	€99[2)]	€160	€127	€198
Befesa EBITDA margin %	20%	19%	21%	25%	21%	24%

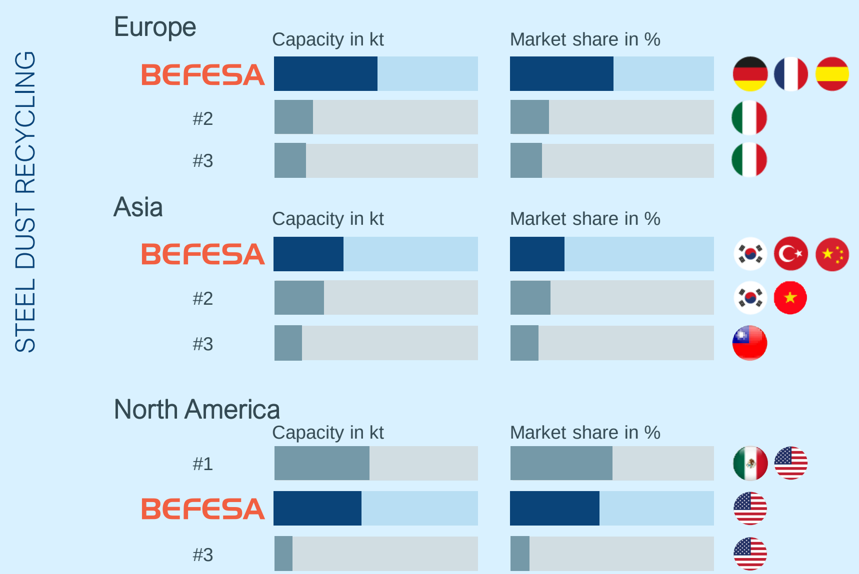
1 worldsteel.org
2 Total EBITDA is the sum of Steel Dust & Aluminium Salt Slags segments proforma (PF) comparable to Befesa structure in ´19/´20; Thus, it excludes divested IES, EPC and Concessions businesses

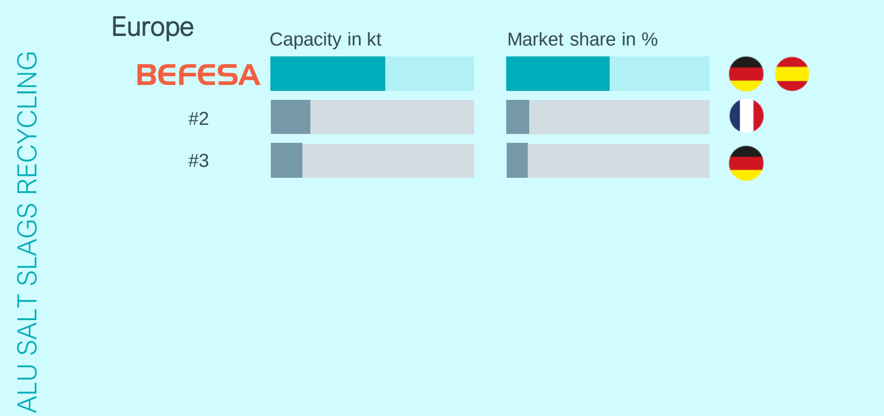
Global leader in Europe, North America and Asia

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

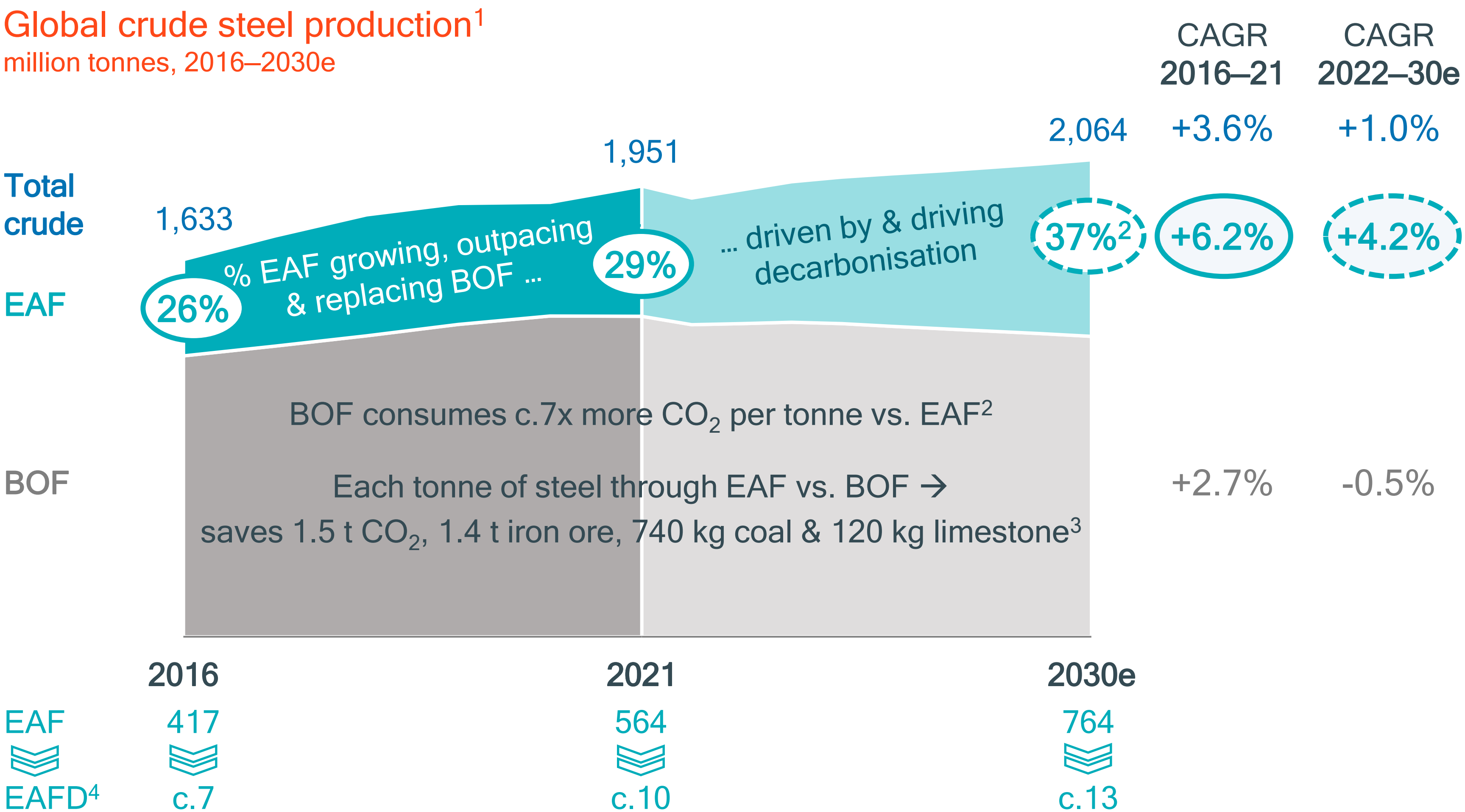


Note: Footprint reflects only Befesa's core recycling services - Steel Dust and Salt Slags & SPL





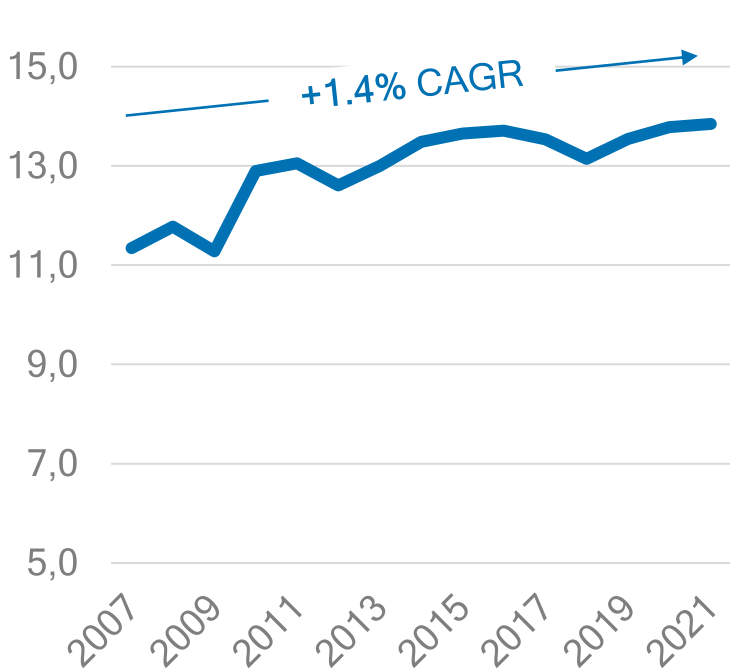
Decarbonisation megatrend favouring and driving EAF steel growth



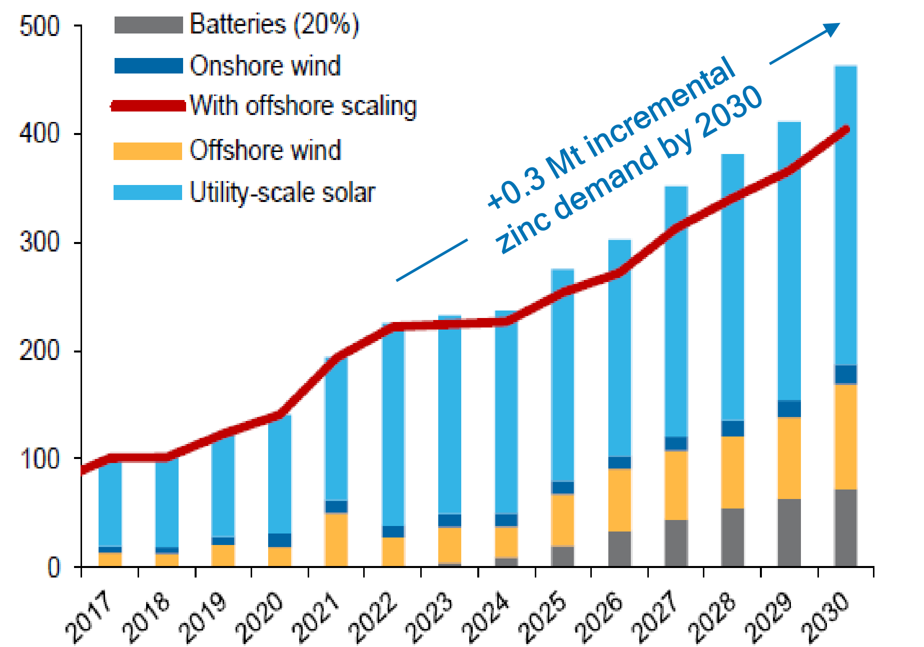
1 2016-21 actuals from Worldsteel; 2022-2030e from "Steel - Eye of the Storm", Morgan Stanley (September 2022)
2 "Net Zero by 2050: A Roadmap for the Global Energy Sector", IEA (May 2021); Green Steel for Europe Consortium (June 2021)
3 Bank of America Research (November 2022)
4 Total EAFD addressable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

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



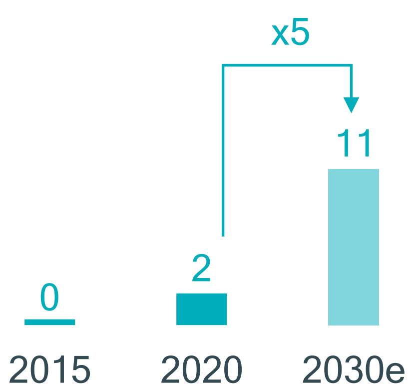
WOX, mixed with virgin zinc concentrates, preferred by smelters, is <5% of global zinc available; Befesa continues to be sold out

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

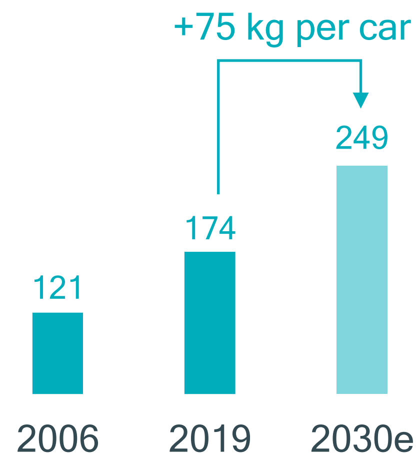
BEFESA

Decarbonisation and EV driving aluminium market growth in Europe

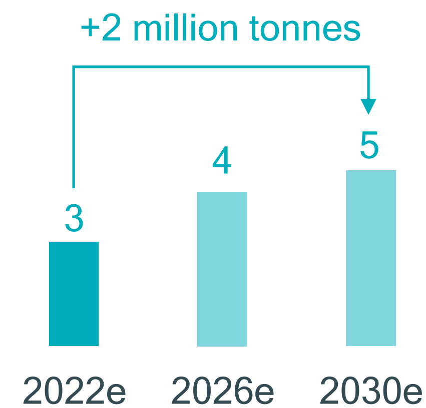
EV unit sales in Europe[1]
million units



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)

BEFESA

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

BEFESA

05 ESG

ESG highlights

Lost Time Injury Rate (LTIR)[1]

0.45 LTIR in 2023 (all time low)

-18% yoy (2022: 0.55)

-92% vs baseline (2015: 5.71)

ESG Ratings[2]

	31 March 2024
ISS ESG	B / Prime
SUSTAINALYTICS	#13 / 74
V.E	#7 / 103
MSCI	BBB
arabesque s-ray	Top 5%
S&P Global	Top 9%

ESG Report 2023

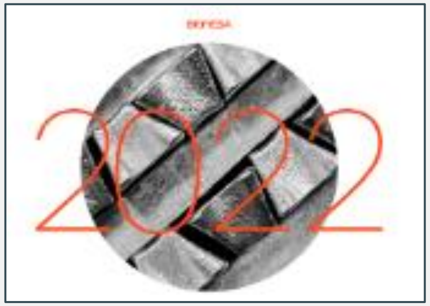
The Befesa ESG Report 2023 will be issued in **June 2024**

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

ESG: Enhanced transparency and performance

Transparency / reporting

Detailed ESG Report



External ratings

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

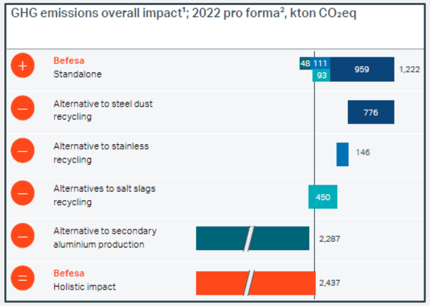
Health & safety

LTIR[1] improved by
92% since 2015

1 Lost Time Injury Rate (LTIR) of Befesa's own employees and contractors, 2023 vs 2015 baseline

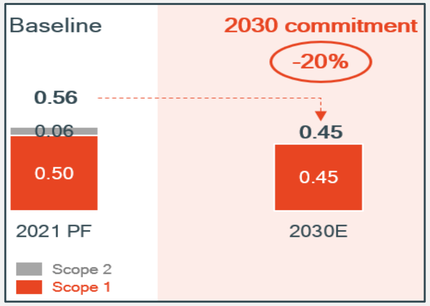
CO_2 holistic approach

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

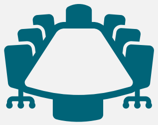


CO_2 intensity targets

-20% by 2030
Net zero by 2050



Sustainability Committee



Reviews and monitors sustainability strategy, policies, guidelines, plans and progress on a quarterly basis

BEFESA

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

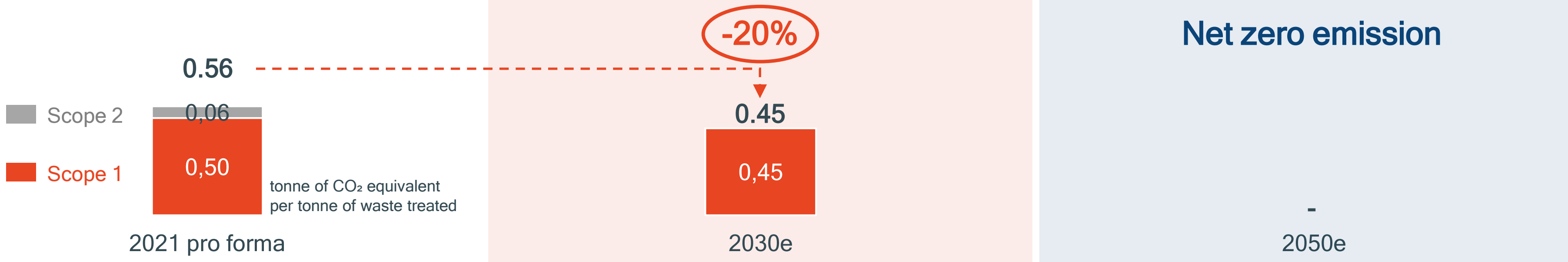
BEFESA

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

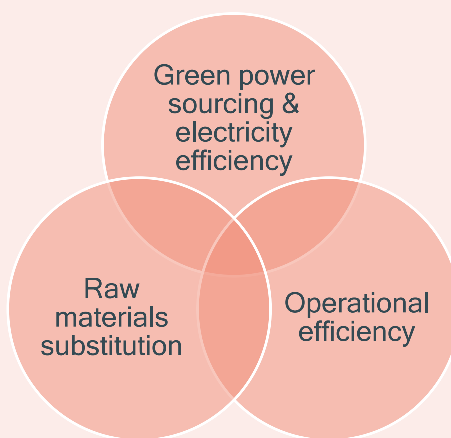
Committing to a 20% GHG emissions intensity reduction by 2030 and aiming at net zero emission by 2050

Baseline | 2030 commitment | 2050 vision



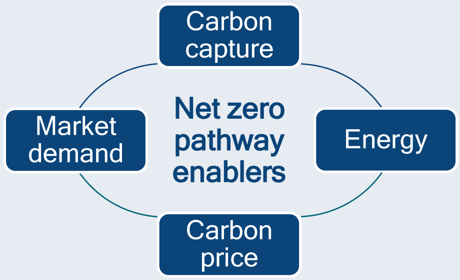
- Recognised sustainability leader in the circular economy
- Befesa Climate Change Policy
- Sustainability Committee established
- Further increase transparency on sustainability metrics
- Continuous dialogue with all stakeholders to better understand materiality of sustainability topics

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



BEFESA

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 and **≥90% coverage** by **2022**

risk — continue **annual risk assessment**

establish **Sustainability Committee** in 2022 ✓

x2 — **women** in **Board** 2022 ✓

BEFESA

06 / Appendix & Investor's agenda

Key financials Q1 2024 vs 2023

(€m, unless otherwise stated)

	Steel Dust	Salt Slags	Secondary Aluminium	Corporate & eliminations	Total Befesa
Revenue[1] *yoy change*	188.0 *-28.3 / -13.1%*	27.2 *+6.4 / +30.6%*	98.3 *+2.5 / +2.6%*	-15.2 *-4.2 / -*	298.3 *-23.7 / -7.3%*
Reported EBITDA *yoy change*	32.8 *-4.2 / -11.5%*	9.9 *+3.3 / +49.6%*	2.9 *-4.4 / -60.4%*	-0.2 *+1.3 / -*	45.3 *-4.4 / -8.1%*
Reported EBITDA margin % *yoy change*	17.4% *+32 bps*	36.2% *+460 bps*	2.9% *-463 bps*	- *-*	15.2% *-13 bps*
Adjusted EBITDA[2] *yoy change*	36.0 *-1.0 / -2.7%*	9.9 *+3.3 / +49.6%*	2.9 *-4.4 / -60.4%*	- *-*	48.6 *-1.5 / -3.1%*
Adjusted EBITDA margin % *yoy change*	19.2% *+206 bps*	36.2% *+460 bps*	2.9% *-463 bps*	- *-*	16.3% *+72 bps*

1 Total revenue in Aluminium Salt Slags Recycling Services amounted to €111.5m (Q1 2023: €106.0m) after intersegment eliminations of €14.1m (Q1 2023: €10.6m)
2 Q1 2024: €24.6m reported Total EBIT + €20.7m D&A = €45.3m reported Total EBITDA + €3.3m adjustments = €48.6m adjusted Total EBITDA

Multi-year trend – Key financials[1]

(€m, unless otherwise stated)

	2017	2018	2019	2020	2021	2022	2023
Revenue	667.4[2]	720.1	647.9	604.3	821.6	1,136.0	1,180.6
Reported EBITDA	153.0	176.0	159.6	123.5	189.6	234.9	188.8
Reported EBITDA margin %	22.9%[2]	24.4%	24.6%	20.4%	23.1%	20.7%	16.0%
Adjusted EBITDA[3]	172.4	176.0	159.6	127.0	197.6	214.6	182.0
Adjusted EBITDA margin %	25.8%[2]	24.4%	24.6%	21.0%	24.0%	18.9%	15.4%
Net profit[4]	49.3	90.2	82.7	47.6	99.7	106.2	58.0
EPS[5] (€)	1.02	2.65	2.43	1.40	2.68	2.66	1.45
Operating cash flow[6]	141.2	117.7	122.1	109.6	134.8	158.6	147.4
Cash position end of period	117.6	150.6	125.5	154.6	224.1	161.8	106.7
Net debt	406.4	376.8	416.9	393.6	470.6	549.0	604.0
Net leverage	x2.36	x2.14	x2.61	x3.10	x2.38	x2.56	x3.32

1 Full year actual figures audited by external auditors
2 2017 reported revenue amounted to €724.8m; Revenue of €667.4m is comparable after amendment IFRS 15 impacting non-operating revenue
3 2017 EBITDA adjusted due to one-off non-recurrent items primarily related to the IPO; 2020 EBITDA adjusted for €3.5m for the UK Salt Slags plant closure; 2021 EBITDA adjusted for €14.0.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; 2023 EBITDA adjusted for -€6.8m
4 Net profit and total basic earnings/(losses) per share attributable to the ordinary equity holders of Befesa S.A.
5 2017 EPS impacted by the conversion of the preferred shares carried out in Oct'17 prior to the IPO; The weighted average number of ordinary shares used as the denominator in calculating total basic EPS in 2017 was 25,025 thousand shares vs. 34,067 thousand shares used in 2018-2020; 2021 EPS based on 37,285 weighted average thousand shares after the capital increase of 5,933 thousand new shares to partly fund the AZR acquisition; EPS in 2022 and 2023 based on 39,999 thousand outstanding shares
6 Operating cash flow disclosed in the table are calculated as adjusted EBITDA +/- WC change - taxes paid; Operating cash flow figures reported in the Annual Reports of the corresponding years 2017 to 2023 included Interests paid in the calculation (2017: €91.5m; 2018: €103.8m; 2019: €102.5m; 2020: €92.5m; 2021: €117.9m; 2022: €137.3m; 2023: €117.3m)

BEFESA

Operational data Q1 2024 vs 2023 – Steel Dust Recycling Services

	Q1 2023	Q1 2024	*yoy change*
EAF steel dust throughput (kt)	287.1	303.1	*+16.0 / +5.6%*
EAF steel dust avg. capacity utilisation (%)	68.8%	70.9%	*+210 bps*
Waelz oxide (WOX) sold (kt)	99.8	100.0	*+0.2 / +0.2%*
Zinc LME price (€/t)	2,916	2,256	*-660 / -22.6%*
Zinc hedging price (€/t)	2,330	2,467	*+137 / +5.9%*
Zinc blended price[1] (€/t)	2,633	2,400	*-232 / -8.8%*

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

Operational data Q1 2024 vs 2023 – Aluminium Salt Slags Recycling Services

	Q1 2023	Q1 2024	*yoy change*
Salt slags & SPL treated (kt)	82.3	111.3	*+29.0 / +35.2%*
Salt slags & SPL avg. capacity utilisation (%)	71.0%	95.2%	*+2,420 bps*
Aluminium alloys produced (kt)	43.7	44.3	*+0.7 / +1.5%*
Secondary alu avg. capacity utilisation (%)	86.4%	87.0%	*+59 bps*
Aluminium alloy FMB price[1] (€/t)	2,301	2,277	*-24 / -1.0%*

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

1 Installed capacity and corresponding utilisation rates in 2019 are normalised for the capacity upgrade in Turkey, from 65 kt to 110 kt (plant was shutdown from end of January to mid-August 2019)
2 Installed capacity and corresponding utilisation rates in 2021 are proportional figures based on the actual number of days the China and the US plants (after acquisition) operated in the year
3 Blended rate between hedged prices and average spot prices, weighted by the respective hedged and non-hedged volumes, reflecting the effective price to Befesa
4 Installed capacity and corresponding utilisation rates in 2020 and following years is normalised for the UK plant closure occurred at year-end 2020; in 2022, it is normalised for the Hanover plant shutdown
5 Installed capacity and corresponding utilisation rates in 2018 are normalised for the furnace upgrades in Bilbao (plant was shutdown three months, from 2nd week of June to 3rd week of September), as well as the Barcelona - phase I (plant was shutdown two months, from 4th week of August to 4th week of October)
6 Installed capacity and corresponding utilisation rates in 2019 are normalised for the furnace upgrade in Barcelona - phase II (plant was shutdown three months, from mid-August to mid-November)
7 Aluminium scrap and foundry ingots aluminium pressure diecasting ingot DIN226/A380 European Metal Bulletin free market duty paid delivered works

Investor’s agenda

Financial calendar

Annual General Meeting
20 June 2024

H1 2024 Interim Report & Conference Call
25 July 2024

Q3 2024 Statement & Conf. Call
31 October 2024

Next investor conferences

May / June 2024

New York - Berenberg European Conference 2024
23 May - Berenberg

Kepler Cheuvreux ESG Conf. (virtual)
29 May - Kepler Cheuvreux

Boston - Stifel Cross Sector Insight Conf.
5 June - Stifel

Berenberg Chief Sustainability Officer (CSO) Conference (virtual)
11 June - Berenberg

London - ODDO BHF London Forum
27 June - ODDO BHF

Q3 2024

London - 4th Stifel London Industrials Conf.
4 & 5 September - Stifel

London - Citi’s Growth Conference 2024
18 & 19 September - Citi

Munich - 13th Baader Investment Conf.
23-26 September - Baader

Stockholm - Berenberg Stockholm Seminar
17 September - Berenberg

Contact details

Investor Relations
Phone: +49 (0) 2102 1001 0
email: irbefesa@befesa.com