



## PRESS AND INVESTOR ANNOUNCEMENT

Preliminary full-year 2024 results

### Befesa delivers highest ever Q4 EBITDA of €62m and strong full-year 2024 results with 17% EBITDA growth

- Adjusted EBITDA increased by 17% to €213.4m in FY2024, with Q4 reaching all-time high of €61.6m
- Strong Operating Cash Flow up 30% to €191.8m in FY2024, driven by solid cash conversion
- Net leverage (LTM) improved to x2.9 at year-end 2024, from x3.4 in the previous quarter
- Dividend proposal for 2024: €0.64 per share (2023: €0.73)
- Outlook 2025: Expecting strong double-digit EBITDA growth and leverage below x2.5

*Luxembourg, 27 February 2025* - Befesa S.A. ("*Befesa*"), the leading provider of hazardous waste recycling services enabling the circular economy within the steel and aluminium industries, today announced strong results for the fourth quarter and full year of 2024, achieving record quarterly EBITDA despite challenging market conditions.

Revenue increased by 5% to €1,239.0m in FY2024 (FY2023: €1,180.6m), with strong performance across key segments:

- Steel Dust segment: Revenue €825.6m (FY2023: €785.6m), Adjusted EBITDA €170.4m (FY2023: €134.1m)
- Aluminium Salt Slags subsegment: Revenue €105.9m (FY2023: €86.3m), EBITDA €31.8m (FY2023: €26.0m)
- Secondary Aluminium subsegment: Revenue €367.3m (FY2023: €360.2m), EBITDA €11.2m (FY2023: €21.6m)

This robust performance was achieved despite challenging macroeconomic conditions in the steel sector and automotive industry worldwide. **Adjusted EBITDA** grew by 17% to €213.4m (FY2023: €182.0m), with Q4 delivering an all-time high of €61.6m, driven by solid volumes in Europe and US, higher zinc prices, and better operating cost in Steel Dust, partially offset by compressed aluminium metal margin in our secondary aluminium business.

**Operating cash flow** rose significantly by 30% to €191.8m in FY2024 (FY2023: €147.4m), reaching a record level, reflecting strong cash conversion and effective working capital management. Cash on hand stood at €102.5m at year-end 2024 (€106.7m at year-end 2023). **Net leverage (LTM)** greatly improved to x2.9 at year-end 2024, compared to x3.4 at the end of the previous quarter and improving on the initial target of x3.0.

#### Operational performance

The **Steel Dust segment** showed resilience, with plants running at high-capacity utilisation averaging 92% in Europe during FY2024, despite the five-year low in European steel production. EAF steel dust throughput reached 1,210,685 tonnes in 2024 (2023: 1,194,771 tonnes), with an overall capacity utilisation of 70.4%. US operations maintained good utilisation levels around 70%, with operational improvements delivering higher EBITDA per tonne. Operations in China continued at reduced utilisation levels of around 50% and achieved breakeven EBITDA for the year, reflecting the ongoing challenges in the Chinese market.

The **Aluminium Salt Slags recycling segment** achieved strong volume performance with 91% capacity utilisation. Salt slags recycled volumes reached 425,668 tonnes (2023: 360,770 tonnes), whilst secondary aluminium alloys production increased to 171,278 tonnes (2023: 168,216 tonnes), with an average capacity utilisation of 83.6%. The salt slags recycling business demonstrated strong performance, whilst the secondary aluminium business encountered headwinds due to both the challenging conditions in the European automotive industry and restricted access to aluminium scrap in Europe.

### Market environment

Metal prices showed positive development overall, with zinc LME averaging €2,569 per tonne in 2024 (2023: €2,450 per tonne). Zinc TC was set at \$165 per tonne for the full year 2024 (2023: \$274 per tonne). Aluminium alloy prices averaged €2,306 per tonne (2023: €2,188 per tonne).

Further information on ESG at Befesa during 2024 will be provided in the company's first audited integrated Annual Report, combining financial and non-financial reporting, to be published on 30 April 2025.

**Asier Zarraonandia, CEO of Befesa**, said: "Our strong performance in 2024 demonstrates not only the resilience of our business model but also our commitment to delivery. The highest EBITDA achieved in the fourth quarter and 17% full-year EBITDA growth reflect both the success of our operational initiatives and our disciplined execution of strategic projects. We are very confident about the outlook for 2025, which is underpinned by higher zinc hedges, steel dust volume growth in the US, and continuing operational improvements in our zinc refining plant. This will result in another strong year."

### Outlook and strategy

Looking ahead to 2025, Befesa expects strong double-digit EBITDA growth and targets a leverage ratio below x2.5. The business plan and capital allocation will focus on deleveraging and executing approved capex projects, with growth investments concentrated on the low-risk expansions at Palmerton and Bernburg, which are designed to capture growth in key markets. Given current market conditions, Befesa continues to pause its expansion plans in China until further notice, allowing the company to focus resources on more immediate growth opportunities in other core markets.

Once the benchmark TC are settled in the zinc industry for 2025 - around March/April - Befesa will provide its earnings guidance for the full 2025 year. This will be released alongside the Q1 2025 results, which are scheduled for 30 April 2025.

The company's unique positioning, supported by its irreplaceable asset footprint and well-diversified portfolio, continues to benefit from favourable macro trends in decarbonisation and circular economy solutions.

In line with Befesa's dividend policy (40-50% of earnings payout), the proposed dividend for the AGM on 19 June 2025 is €0.64 per share (2023: €0.73).

### Key figures

in €m	2023	2024	Change	Q4 2023	Q4 2024	Change
Revenue	1,180.6	1,239.0	4.9%	276.4	324.2	17.3%
Adj. EBITDA	182.0	213.4	17.2%	45.2	61.6	36.2%
Net profit	58.0	50.8	-12.3%	30.4	25.8	-15.0%
EPS (€)	1.45	1.27	-12.3%	0.76	0.65	-15.0%
Operating cash flow <sup>1</sup>	147.4	191.8	30.1%	62.6	73.5	17.6%
Net debt	604.0	619.0	2.5%	604.0	619.0	2.5%
Net leverage	x3.32	x2.90		x3.32	x2.90	

<sup>1</sup> Cash flow from operating activities

### **Webcast**

Befesa will host a webcast on its preliminary 2024 results at 9:00 CET on 27 February 2025. Further details, a replay and other events are available on Befesa's website: [www.befesa.com](http://www.befesa.com)

### **Financial calendar**

The Befesa Annual Report 2024 will be released on 30 April 2025.

The full financial calendar is available in the Investor Relations / Investor's Agenda section of Befesa's website. For more information, please visit [www.befesa.com](http://www.befesa.com)

### **About Befesa**

Befesa is a leading player in the circular economy, providing environmental, regulated services to the steel and aluminium industries with facilities located in Germany, Spain, Sweden, France, as well as in Turkey, South Korea, China and the US. Through its two business units, Steel Dust and Aluminium Salt Slags recycling services, which are a critical part of the circular economy, Befesa manages and recycles around 1.9 million tonnes of residues annually, with a production of around 1.7 million tonnes of new materials, which Befesa reintroduces in the market, reducing the consumption of natural resources. Further information is available on the Company's website: [www.befesa.com](http://www.befesa.com)

### **Investor Relations**

Email: [irbefesa@befesa.com](mailto:irbefesa@befesa.com)

Phone: +49 2102 1001 0

### **Media Relations**

Richard Rigby

Email: [richard.rigby@kekstcnc.com](mailto:richard.rigby@kekstcnc.com)

Phone: +44 7970 767607