



PRESS AND INVESTOR ANNOUNCEMENT

Making ground in South Korea: Befesa marks the start of construction of its first washing plant in Asia

Luxembourg, 29 May 2019 – Befesa S.A. ("Befesa"), the international market leader for steel dust and aluminium salt slags recycling services, today hosted a ground breaking ceremony to mark the start of construction of Befesa's new washing plant in Pohang, South Korea. The plant is designed to wash 60,000 tons of Waelz Oxide (WOX) per year and will increase the quality and purity of its final product, which is in high demand from its customers. The ramp-up of operations is expected by the end of 2019.

The city of Pohang, with a population of more than 500,000 habitants, is located in the province of North Gyeongsang (eastern South Korea). The city has experienced fast growth over the past few decades with a strong increase of the number of steel makers in the area.

Since 2012, Befesa has made strategic investments in South Korea to expand its recycling services into the Asian market. Both the strong steelmaking industry and well-established environmental policy in South Korea support the development of Befesa's business model. Befesa currently has 220,000 tons of steel dust recycling capacity in South Korea. The new washing plant compliments the company's operations greatly, allowing Befesa to offer the higher quality washed zinc oxide to its Asian customers going forward.

The ground breaking ceremony took place at the new site where Javier Molina, Befesa's CEO, Asier Zarraonandía, Vice President of Befesa's Steel Dust Recycling Business, Lee Gang Deok, the Mayor of Pohang, and other officials joined to celebrate the start of construction of Befesa's first washing plant in Asia.

Javier Molina, CEO of Befesa, said: "We are very pleased with our progress in South Korea. We have been committed to this region since 2012. Our first washing plant in Asia reaffirms that we are invested to improve environmental services together with local authorities as well as the steel producers in the region."

About Befesa

Befesa is a leading international provider of regulated environmental services to the steel and aluminium industries with facilities located in Germany, Spain, Sweden, France and the UK, as well as in Turkey and South Korea. Through its two business units, Steel Dust and Aluminium Salt Slags recycling services, Befesa manages and recycles more than 1,500 kt of residues annually, with a production of more than 600 kt of new materials, which Befesa reintroduces in the market, reducing the consumption of natural resources. Further information can be found on the company's website: www.befesa.com

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Ground breaking ceremony of Befesa's washing plant in Pohang, South Korea.

