



INSIDE INFORMATION ASTURIANA DE LAMINADOS, S.A.

29 July 2022

Pursuant to the provisions of article 17 of Regulation (EU) no. 596/2014 on market abuse and article 228 of the consolidated text of the Securities Market Law, approved by Royal Legislative Decree 4/2015, of 23 October, and concordant provisions, as well as BME GROWTH Circular 3/2020, we hereby bring to your attention the following information regarding the company **ASTURIANA DE LAMINADOS, S.A.** (hereinafter "ELZ" or "the Company" indistinctly).

With the end of the mobility restrictions resulting from the covid-19 crisis in the last quarter of 2020 and in 2021, there was a rapid reactivation in the entire building and construction market causing an exceptional increase in demand for all materials.

The steady rise in energy prices from May 2021 onwards led to a general price increase in the market, unprecedented in recent history, to which other factors also contributed, such as i) large producers of raw materials, real estate, etc., need a recovery time to reach again the full supply capacity; ii) changes in the global market for raw material supplies, resulting from the new tariff policy in the major supply areas and iii) the total closure of the Chinese market, which led to an imbalance in the supply chains, raising prices and logistics delivery times, especially in trans-oceanic transits.

However, this general price increase was being absorbed by the market in a situation of confidence as a result of the stimulus provided by governments to the economies, together with the need for a rapid recovery of activity.

Therefore, as demand was high and there were supply problems, warehouses loaded their stocks to maximum capacity and launched purchases until the end of the first quarter of 2022, based on a prospect of continued high demand.

In February 2022, however, a major event of great importance for the energy, processing and certain raw materials markets occurred: the war in Ukraine.

This unfortunate conflict has a major impact on five factors:

1. Reduction of gas imports from Russia with the consequent increase in the general price of energy in Europe in a sustained manner, which has not yet come to an end.
2. Rising prices and at the same time shortages of food or feedstuffs due to the same conflict.
3. Rising interest rates to curb price rises.
4. Rising fuel costs that affect all people and businesses on a daily basis.
5. The market does not accept further price rises.

The situation of confidence turns into general distrust, which is evident in the media.

At the same time, demand begins to fall, and the prices set by the London Metal Exchange, the basis for the prices of all processors and the market, begin to fall sharply.

In short, we are faced with short and medium-term market mistrust, full customer inventories and falling metal prices, which explain why the market has drastically reduced demand in a very short time.

There are factors that indicate that we are in a time of transition and rebound adjustment. There is still real estate investment, installers have work contracted for months and projects are still being approved at a high rate.

But there are also strong risks, rising interest rates, a cooling economy, a general tightening of financing criteria and very high energy prices.

In view of the forecast evolution of the order book, and the fact that the Company wishes to maintain its policy based on maintaining employment, an ERTE (Temporary Work Regulation Plan) covering the period August 2022 to March 2023 has been submitted to the labour authority, so that production capacity can be modulated according to incoming orders. This avoids having workers without a workload but who at the same time can remain in the company's labor structure as long as the period of erosion of the order book lasts.

In compliance with the provisions of BME Growth Circular 3/2020, it is hereby expressly stated that the information provided has been prepared under the sole responsibility of the issuer and the Chairman of the Board of Directors.

In Lena, 29 July 2022

D. Macario Fernández Fernández
Chairman of the Board of Directors