

Annual General Assembly 29/07/2020 – Answers to shareholders' written questions

How can shareholders still trust the team (Board and management) in place and believe in the future when they have a purchase price that they are not about to regain and see no prospect of a return on their investment?

Recylex S.A.'s Board of Directors is fully aware that the particularly difficult situation and of the shareholders' great concern about their investment and the confidence that they have placed in the company.

Recylex S.A.'s ability to continue as a going concern is dependent on the ability of Weser-Metall GmbH to continue its operations and to continue to source secondary materials from Recylex S.A., Weser-Metall GmbH being Recylex S.A.'s main customer. Since the orders issued by the Göttingen Insolvency Court on May 15, 2020, Recylex S.A. has lost control of Weser-Metall and no longer has any links with it (apart from business activities) or with the other entities in its former German subgroup. Recylex S.A. has no control over either the insolvency proceedings under German law initiated by Weser-Metall GmbH or of its timetable.

Recylex is therefore paying close attention to the progress of these proceedings, which may last several months, and to Recylex's business development in the meantime. As soon as Weser-Metall GmbH's situation has been clarified, in the event that a new shareholder takes over the business, Recylex will give priority to opening discussions with them in order to remain a key business partner.

The work of Recylex S.A.'s Board of Directors is focused to safeguarding the interests of all shareholders. The absolute priority of the Board of Directors and management is to find solutions to this situation and to the many uncertainties the Group is facing so that Recylex S.A. can continue to operate in the interests of all its employees, shareholders and stakeholders.

Couldn't the directors' curriculum be supplemented by information on the number of shares they hold?

The Board of Directors takes note of this comment. All regulatory information concerning the Board of Directors of Recylex S.A. is available in the Management Report of the Board of Directors of the Company. It is available on the company's website or on request by mail.

How will all this be reported in the specialised press and what about the position of institutional investors, especially on the day the question of recapitalisation is raised? If so, I would be grateful if you would not forget the principle of the « DPS » (Pre-emptive subscription rights).

It is not for the Board of Directors to comment on press articles or the potential position of institutional investors whose opinions are independent. To date, the Board of Directors specifies that no recapitalisation project is on the agenda. The top priority of the company and of the Board of Directors is to find solutions that will enable it to continue as a going concern, pending developments in the insolvency proceedings of Weser-Metall GmbH. With this in mind, the work of the Board of Directors focuses on developing a sustainable future in the interests of employees, shareholders and stakeholders, such as expanding the customer base and stabilising operational activities.

The Board of Directors takes due note of the comment regarding the Pre-emptive subscription rights.

When Europe is still looking for its way, when ecology is still looking for its way, when our raw materials (lanthanides and others) are so precious, what message will Management end up sending to all those it needs?

Recylex's Board of Directors and management are convinced of the fundamental role of the circular economy in building a sustainable future. Driven by an industrial vision at the service of the environment, Recylex's mission is to give new life to waste and used materials in order to meet the growing demand for sustainable and responsible "recycled raw materials". Thanks to its expertise, Recylex provides reliable solutions to the major challenges of the circular economy in Europe by recycling waste available near cities and industries, which are today's new urban mines.