



Duro Felguera, S.A. (“Duro Felguera”), in compliance with Securities Market Law, hereby publishes the following

INSIDE INFORMATION

In relation to the “Jebel Ali Power Station ‘K’ Phase III” project that Duro Felguera is building in Dubai with a current progress rate of 55%, the Company reports that, as expected, the client Dubai Electricity & Water Authority (DEWA), has issued a “notice of termination” effective on 1 July 2020, alleging, in its opinion, a breach of the contractual obligations, within the framework of the strategy carried out by DEWA against the interests of Duro Felguera.

In relation to this contract:

- On 22 April 2020, the Company requested the suspension of work on the site to prevent risks to the health and safety of employees from the Covid-19 pandemic, when positive cases had been detected, but no response was obtained from the client.
- The Company reiterates the opinion expressed in the statement dated 14 May 2020, in which it reported that the calling on the bonds for an amount of 47.8 million Euros is not in accordance with the law.
- Likewise, the Company considers that the termination of the contract requested by the client is not in accordance with the law either.
- The Company is implementing all the mechanisms available under the contract together with the applicable laws in order to protect its interests.

On the basis of the information currently available, the Company considers that this contingency will not have any additional material economic impact on its equity, since the amount of the loss estimated for the delivery of the project, which is very close to the amount of the bonds called on by DEWA, was already provided for in the accounts for 2019.

Gijón, 28 June 2020