

CORPORATE PRESENTATION

April 2020

The logo for TUBACEX GROUP, featuring the word "TUBACEX" in a bold, black, sans-serif font with a red arc above the letter "A", and the word "GROUP" in a smaller, black, sans-serif font directly below it.

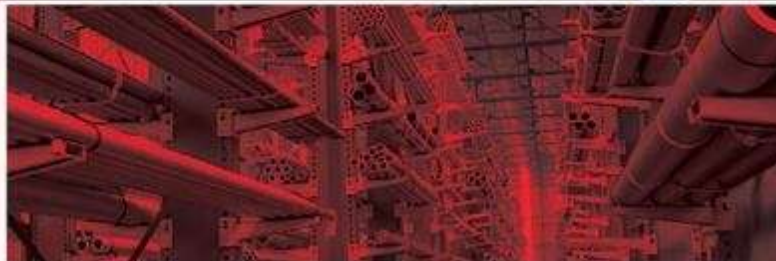
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Index

1. Current situation
2. Where was Tubacex
3. Future prospects
4. Tubacex Share



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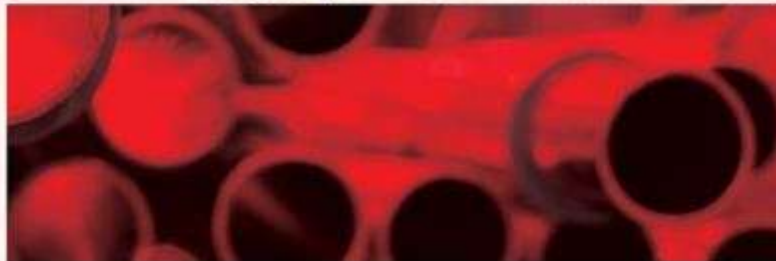




1

Current situation

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Current Situation



Covid-19 Status

	TUBACEX		Special Components		Steel and Extrusion		Tubacex Asia		Tubacex America		Tubacex Advanced Solutions		Corporate Office	
	Num	%	Num	%	Num	%	Num	%	Num	%	Num	%	Num	%
Total Headcount Heads not FTEs	2573		639		1339		205		172		154		64	
Confirmed Infected COVID-19	2	0%	1	0%	1	0%	0	-	0	-	0	-	0	-
Mandatory Quarantine	51	2%	17	3%	31	2%	0	-	0	-	0	-	3	5%
Sick no COVID-19	118	5%	17	3%	95	7%	0	-	1	1%	4	3%	1	2%
Vacation Temporary leaves	204	8%	72	11%	79	6%	3	1%	0	-	12	8%	38	60%
Smart Working	279	11%	66	10%	70	5%	69	34%	21	12%	30	19%	23	37%
<i>Last complete update</i>			<i>09 - 13 APR</i>		<i>24-mar - 1-apr</i>		<i>30-mar</i>		<i>06-08 APR</i>		<i>25-mar - 1-apr</i>		<i>01-apr - 06-apr</i>	
Employees Health and Safety Measures*														
Transmission Risk Minimization	94%	92%	94%	94%	94%	98%	100%	88%						
Support to affected personnel	96%	95%	100%	100%	83%	97%	100%							
Compliance with regulatory requirements	96%	75%	100%	100%	100%	100%	100%							








*Following Boston Consult Group Coronavirus crisis management guidelines

**Currently 2 confirmed cases so far, and 52 quarantined. No confirmed cases in Spain
Protocols and measures adopted have helped the minimization of the transmission**

Current Situation



Plant situation

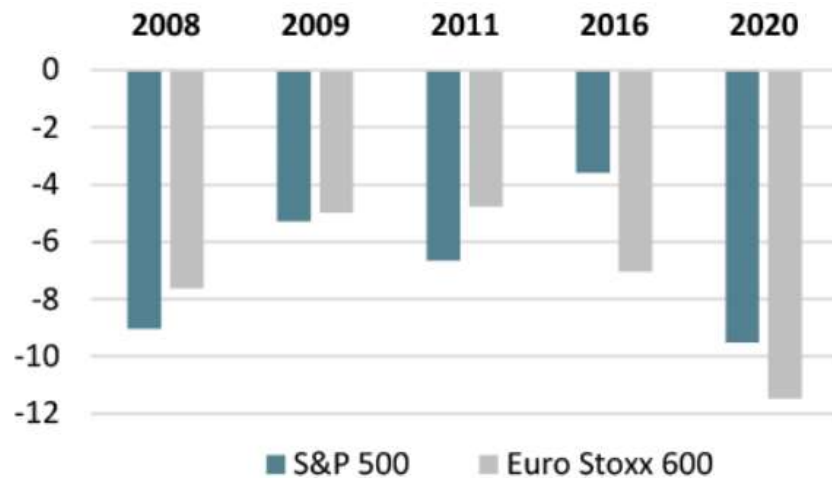
Plant	Status
 Spain	<ul style="list-style-type: none">Working normally until Tuesday 17th of MarchStoppage due to union's pressure from 18th March to 22nd March when we re-started reducing shiftsStoppage after Royal Decree from 30th March to April 9th when we reopen thanks to the explanatory notes with 1 shiftRestarting of the normal activity on April 14th until end of month. From May onwards expected reduction in workforce
 Italy	<ul style="list-style-type: none">Plants were open and working but with slowdown in production until 26th March, with reduction of shiftsFrom Thursday 26th of March and until at least 3rd of April, Italy plants needed to be shut down after Italian Government decisionReopening of one of the two mills on 31st March after an approved application made to Government, but at minimum production level (at least until 3rd May)
 Middle East & Norway	<ul style="list-style-type: none">Working at limited level of activity in Norway, UAE and Saudi because of some workers absence and restrictions.Major concern is UAE and government measures, although we have been classified as essential industry
 Austria	<ul style="list-style-type: none">Working at 70% of production approximatelyReduction of personnel working for health and safety reasons
 Asia	<ul style="list-style-type: none">Tubacex India working normally until March 24th. Complete shutdown until 3rd MayLevel of reported cases still zero or low in the regions we operate in India. In case the situation deteriorate the team at Mumbai office will work from home .China & Singapore since January have been working from home .
 USA	<ul style="list-style-type: none">Both US plants still working, although with low volumeUS government has classified, at list per now, our business as essential because of our sales to aerospace/defense
 Service centers	<ul style="list-style-type: none">Overall activity is slowing down, and the order intake is experiencing a slowdownMajor risk related with borders closing. Deliveries from TSS central.

Overall orders slowdown during this period. Production at around 50% in March

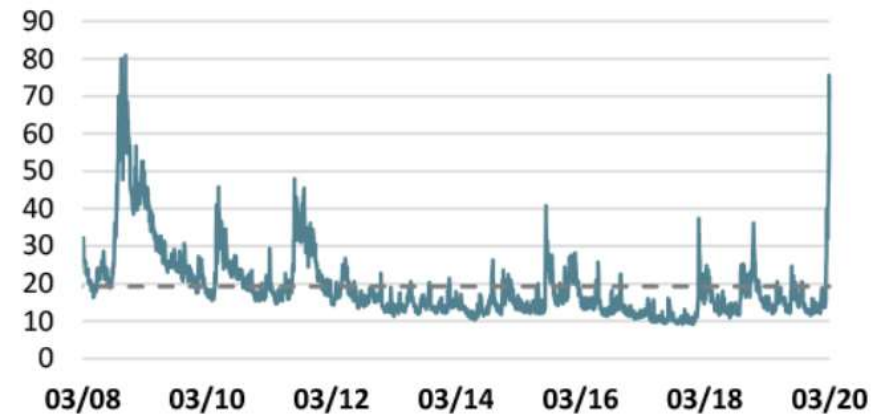
Financial Markets situation (1/2)

- During the last weeks we have lived moments of maximum volatility and uncertainty on the markets
- The fast spread of COVID-19 worldwide and its economic consequences fed investors' risk aversion, causing unprecedented falls in the stock exchanges

Biggest falls in Stock Exchanges in one day



Volatility of Stock Exchange



- World's stocks exchanges have experienced drops about 30% in one month, mainly in tourism, transportation, hospitality and energy sectors, together with other cyclical sectors such as the financial one

Financial Markets situation (2/2)

- Investors have not found comfort on the bond markets, very pressed by the fiscal stimulus announced and the current desire of liquidity
- Risk premiums, not only the corporate ones but also the sovereign ones, have increased until very high levels, what could distort the transmission of the monetary policy in Europe
- Additionally the oil war between Saudi Arabia and Russia has led to a drop of close to 60% in the brent barrel price year-to-date, affecting even more negatively to companies related to the energy sector
- In this situation the new base scenario for 2020 is a global recession with an expected global GDP of 0.9% vs. 3.2% expected at 2019 year-end

Germany: IFO Index



China: Activity Index



USA: Manufacturing Index



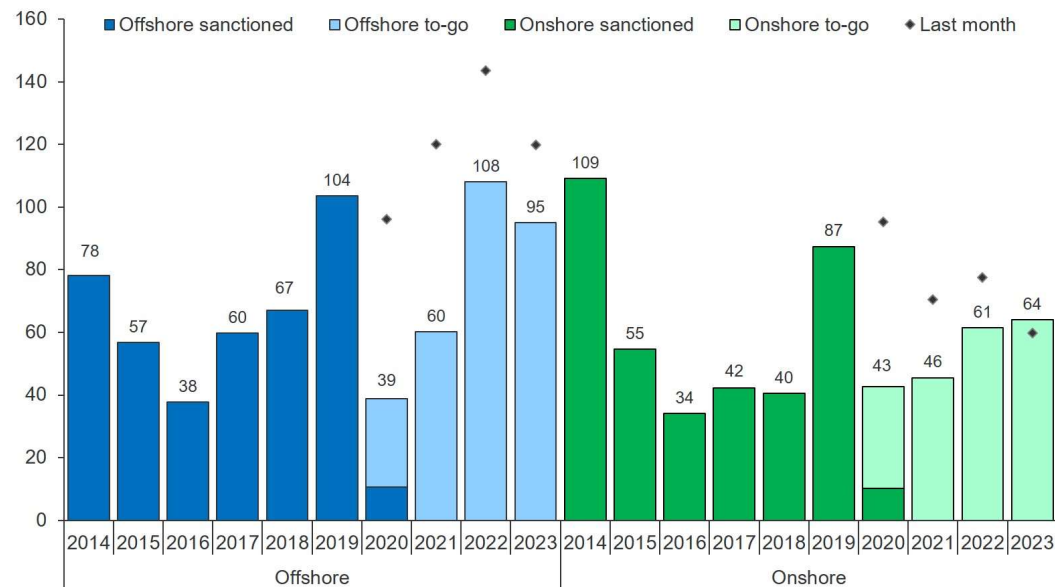
Source: Caixabank Research

Oil Market situation

- The current situation effects on oil demand and the global economy, throws many projects into doubt when will be sanctioned
- Companies have already started reducing their annual capital spending for 2020 by more than 25% in recent financial updates, although improving in the upcoming years

Figure 1: Project sanctioning status and forecast from 2014 to 2023

Billion USD, by commitment year

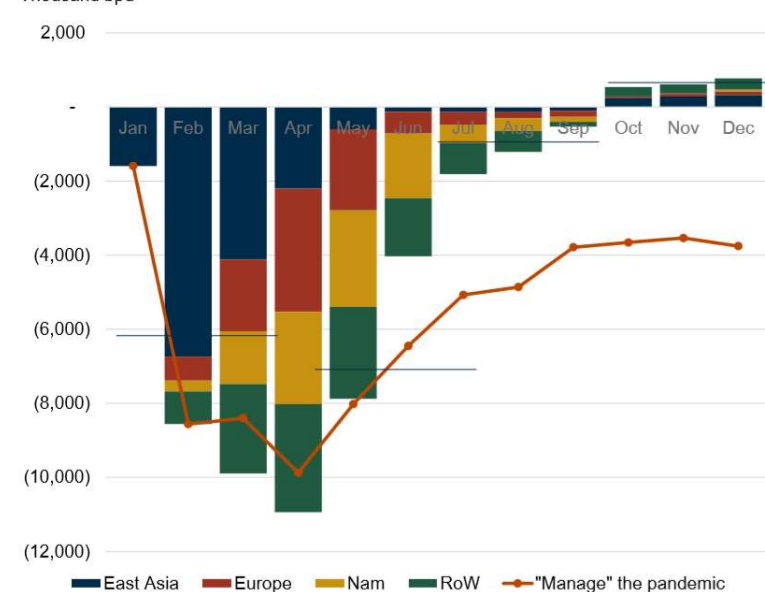


Source: Rystad Energy ServiceDemandCube

Impact on global oil demand

Global oil and petroleum products could contract by more than 10 million bpd in near term

Effective Prevention Scenario, supported by the spring



Taken Actions - Summary

Tubacex Group Crisis Committee cross-functional team created to ensure clear execution, coordinate and communicate the contingency plan with focus on the following 4 workstreams

HEALTH & SAFETY	BUSINESS CONTINUITY	FINANCIAL RESILIENCE	COMMERCIAL FOCUS
1. Hygiene & cleaning	1. Key products & services	1. Scenario based stress tests	1. Cash collection
2. Travel restrictions	2. Supply Chain Stabilization	2. Ensure liquidity/ Cash management	2. Contractual coverage, avoid penalties
3. Facility and on-site guidelines	3. Human Resources	3. Cost control, specific plan	2. Analyze short term opportunities
4. Communication		4. Analyze legal implications	4. Communication to customers
		5. Reduction of fixed cost	

Current Situation



Taken Actions – Health & Safety



Hygiene & cleaning

- We have communicated personal hygiene good practices.
- We have increased cleaning protocols frequency.
- Disinfectants.
- Specific protocols in the factories.



Separation

- Working with protection and physical separation in office spaces, production plants, dining rooms (some closure), etc.
- Restriction for meetings and boost the use of Microsoft Teams.



Travel restrictions

- Restriction to travel and customer visits since end of February.
- Stop travelling since March.



Home office

- Split between key teams per function area.
- Home office has been proactively recommended to personnel that can work from home.



Communication

- Constant and continuous proactive communication with our employees.
- Global guideline created for covid-19.
- Created a safe channel for employees to notify company about an infection.
- Management of stress and rumors through each Business Unit Director.

Taken Actions – Business Continuity



Products & Services

- Analysis of critical products and services implementing corrective actions:
 - ✓ Secure necessary stocks.
 - ✓ Validate substitutive products and manufacturing routes.



Current orders

- Advance delivery of planned orders.
- Development of alternative suppliers.
- Balance risk in collaboration with other business units.



Suppliers

- Assess the criticality of the supplier service or materials, based on impact on production, considering current and project demand and existing stocks.
- Estimate the probability of SC disruptions based on location and activity of supplier considering country/regions situation.



Mitigate stop costs

- Evaluation of existing contracts and commitments with suppliers for a potential temporary interruption of operations.
- Define actions to activate Force majeure clauses and reduce risk exposure.



Human Resources

- Identification of key personnel and backup plans.
- Legal labor actions scenarios analysis on going for each area with HR in order to ensure coordinated actions.
- Financial and operations impact have been considered.

Taken Actions – Financial Resilience



Scenario based stress test

- Conduct Stress test scenarios for our economic cost structure in case of stoppage or interruption of the activity. Best, Base and Worst cases.



Cash and liquidity management

- Cash management action plan in place to maximize cash position.
- Management of maturities of all our financing and debt issues in the short and long term.
- Maturities and actions with private, public banks, regional and national governments with their different entities.



Cost control

- Ensure cost control, transition of fixed cost to variable cost as much as possible.
- Stoppage of capital expenditures.



Legal

- Analyze current legal situation of our contracts and different cases for contracts with insurance companies in view of potential stops, losses, etc. in an extraordinary situation .



Fixed cost reduction

- Application of different measures in different scenarios.
- Specific plan for fixed costs reduction.
- Apply temporary employment regulation with Public support.

Taken Actions – Commercial focus



Cash collection

- Proactive collection management, main priority.
- Management of defaults with customers.



Contracts coverage

- Force majeure coverage in contracts being proactively analyzed with customers in a very positive way.



Multiannual contracts

- Large multiannual contracts still in effect today, last conversations with customers confirm the contract
- Important contracts to be sign in short time.



Short-term opportunities

- Order Intake clearly reduced, projects postponed, some cancelations...
- No clear visibility of the consequences regarding market volume and price.
- Close urgently orders under negotiation.



Customer communication

- Formal feedback to customers regarding our operations status already provided.
- Provided efficient communication with customers.



2

Where was
Tubacex?

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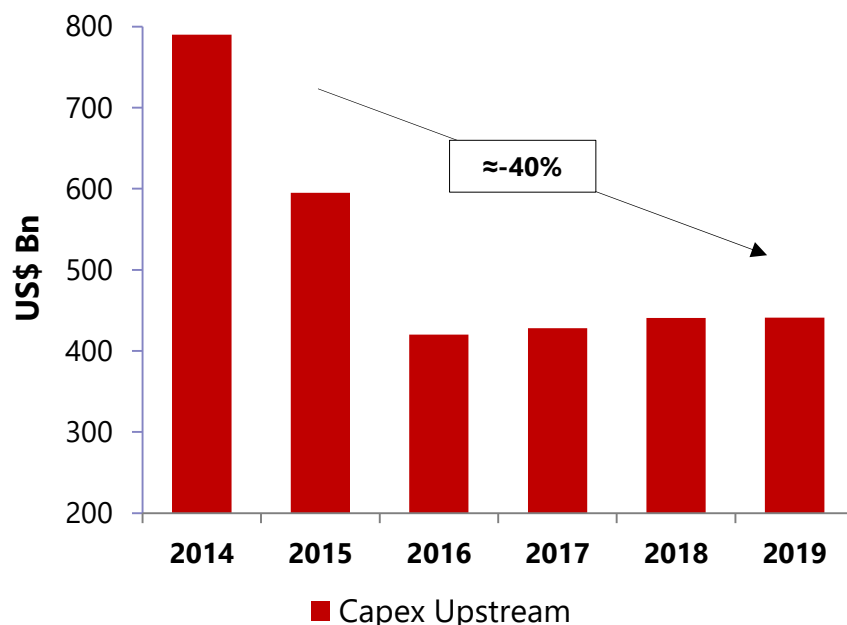
Where was Tubacex?



Before Covid-19 - Sales evolution

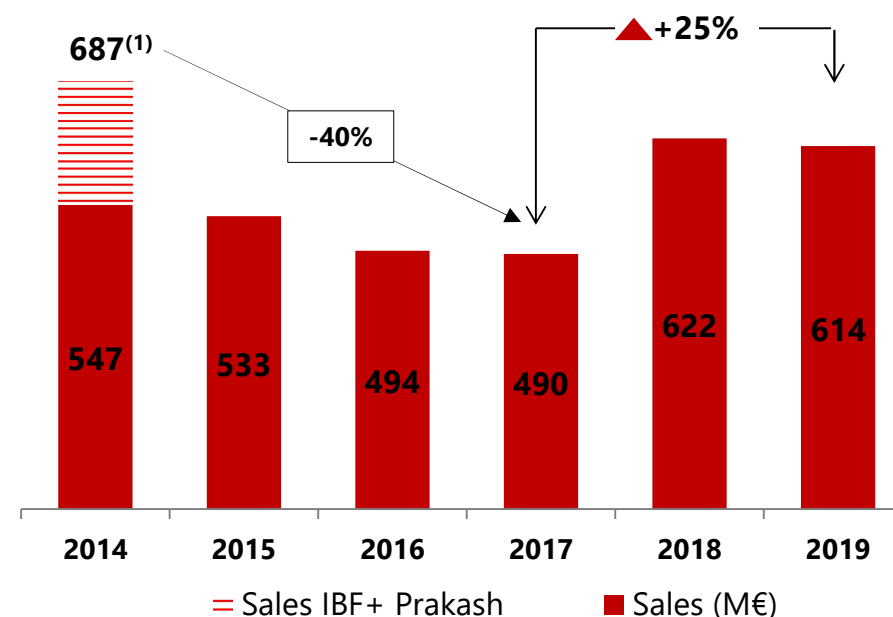
- The dramatic crisis in the Oil sector characterized by an unprecedented fall in Upstream Capex affected Tubacex's revenues
- However, the correct positioning in premium products allowed the Group to increase revenues in 2018 -2019

Global investment in Upstream



Source: World Energy Investment EIA; Tubacex

Tubacex Revenues



Revenues in recent years heavily affected by the investment reduction in the market

(1) Pro-forma sales, including the two companies acquired and incorporated in 2015 (IBF & Prakash)

Where was Tubacex?



Before Covid – 19 New Perimeter set up during Crisis

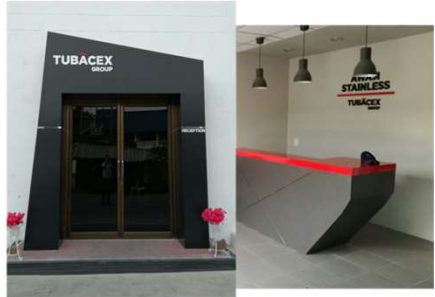
IBF (Italy)



Prakash (India)



Awaji (Thailand)



Nobu (Abu Dhabi)



Tubacex Upstream



Tubacex Services



Tubacex Service Solutions



Tubacex Durant



New perimeter investing in 9 productive mills with potential revenues of approx. €300M and with a positioning focused on complete solutions

Where was Tubacex?



So now, we are better positioned for the recovery

	Pre Crisis 2014 (Proforma)	Crisis 2016 - 2017	Recovery 2018 - 2019	Change
Revenues	750 M€	500 M€	677 M€	+177 M€ (+35%)
Gross margin	370 M€ (50%)	230 M€ (46%)	320 M€ (47%)	+90 M€ (+36%)
EBITDA	82 M€ (12%)	35 M€ (7%)	70 M€ (10%)	+35 M€ (+100%)
Headcount	2.800	2.314	~2.600	+286 p.
# Patents	0	7	8	+1
Order Intake	≈ 700 M€	≈ 1.000 M€	500 M€	-500 M (-50%)*
% Premium Product	40%	65%	73%	▲ 8%
Sales to End User / EPC	35%	65%	50%	▲ 30%

Loss of volume and reduction in prices not offset by cost reduction measures

*) Not including Iran Order

Where was Tubacex?



Getting closer to our previous Strategic Target

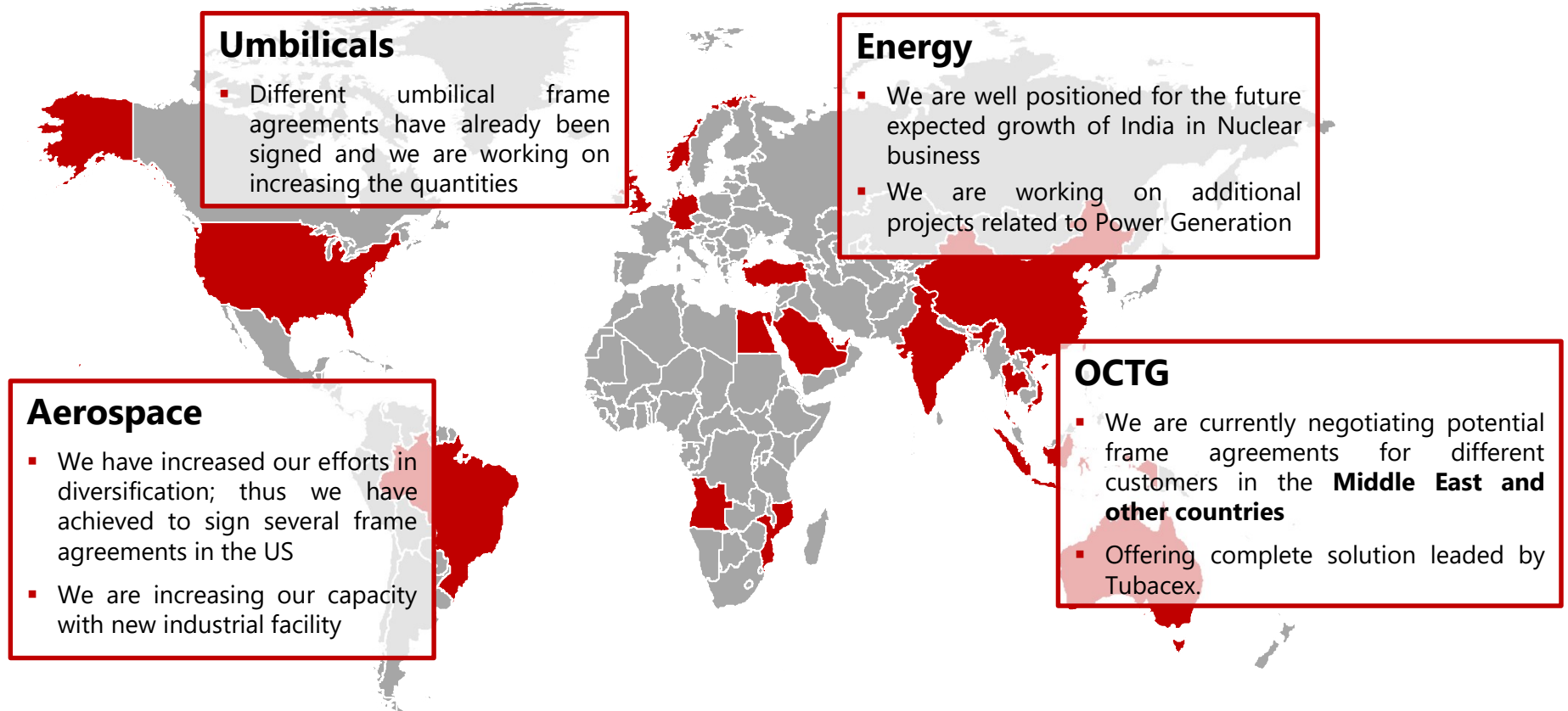
	Starting point	Improvement	Oil&Gas Crisis	Recovery	Strategic Target
	FY 2012	2013-2014	2015-2017	2018 - 2019	2020 - 2021
Product Mix (% premium over sales)	27%	36.2% Premium Products	60% Premium Products	70% Premium Products	70% Premium
Sales	n.a.	+15%	-30%	700-800M€	1,000M€
EBITDA Margin	8.6%	11.7%	7-8%	12%	13-15%
Net Debt / EBITDA	5.7x	2.4x	>3x	<3x	<3x
RoCE	5.2%	10%	<1%	10%	>10%
Working Capital / Sales	55.3%	37%	40%	35%	35%

Before covid-19 we were aligned with market consensus for FY20

Where was Tubacex?



Main relevant projects under discussion

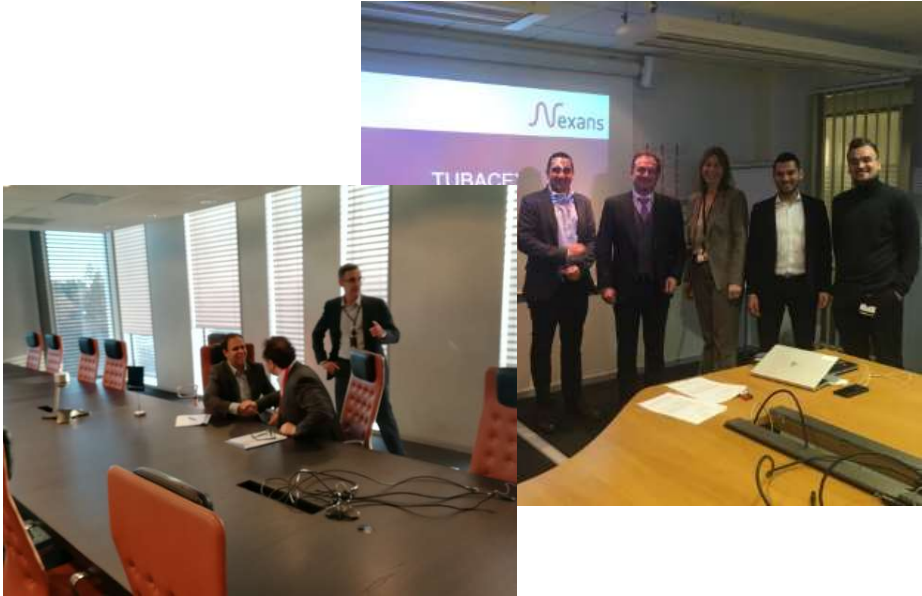


We are now better positioned for large frame agreements in different products

Where was Tubacex?



Focused on long term agreements

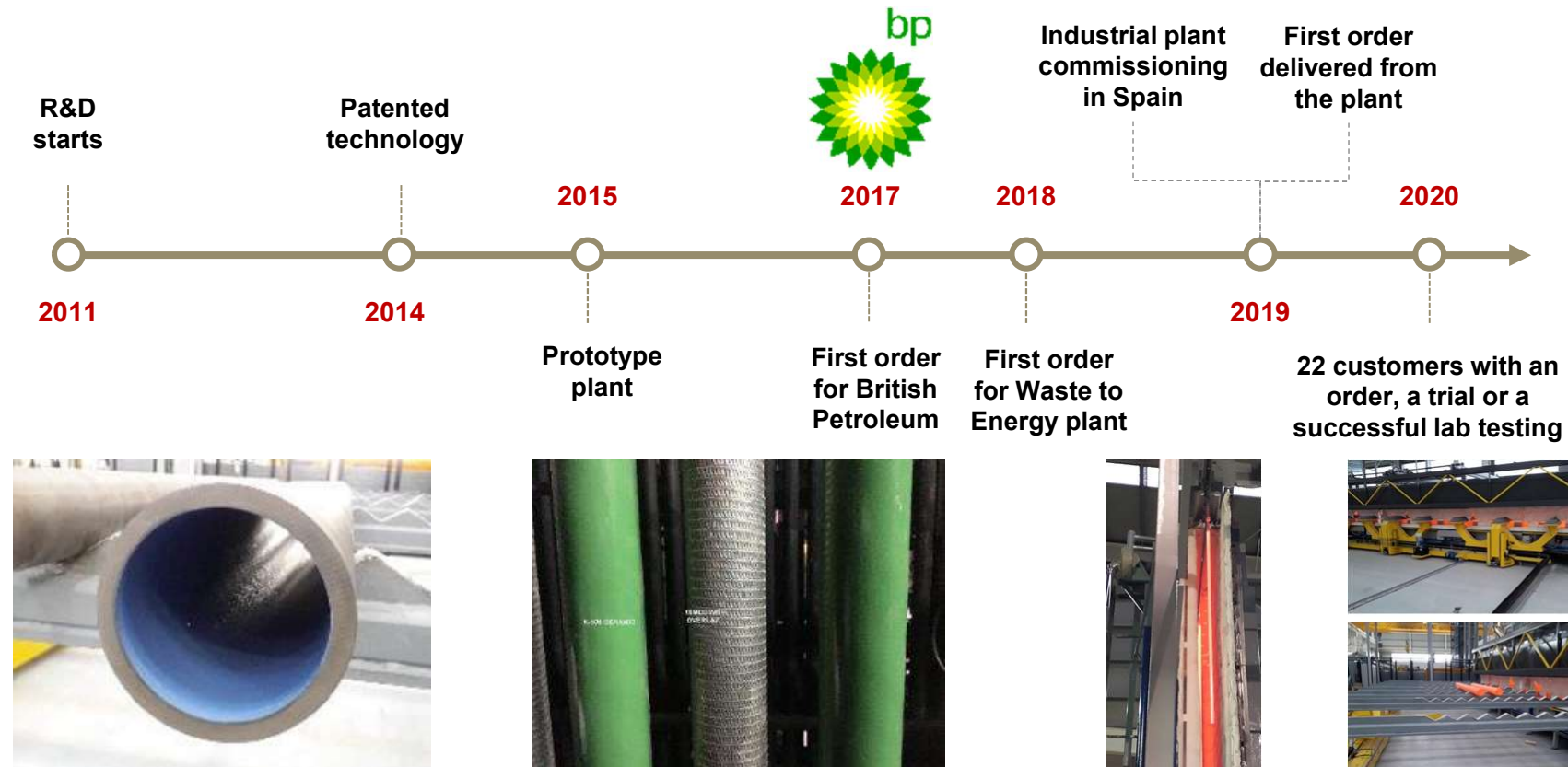


Where was Tubacex?



I+D – we have bet heavily in Innovation and we have a large backlog of projects: Tubacoat example

An R&D effort that has become a reality with a successful go-to-market strategy



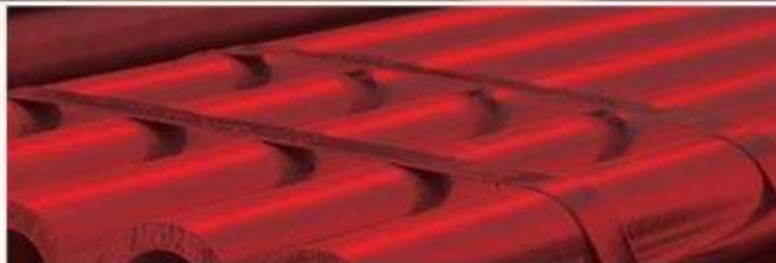
The technology is being widely accepted with orders already invoiced, trials and testing being done by most of the main refining companies in the world

3

Future prospects



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Social support (1/2)

- We have created a supply management team based on our international structure and related companies

Protective mask

- 10,000 protective masks
- Purchasing of material and distribution to a “maker group” to produce and distribute masks produced by 3D printers



Regular masks

- We have bought more than 500k masks that we are distributing mainly at nursing homes in the Basque Country



PPE

- We have bought and currently delivering other types of Personal Protective Equipment such as boiler suits, coats, gloves, thermometers, etc.



Future prospects

Social support (2/2)



- We have offered our resources to the Basque Government to support them in logistics related to:



- To use our kitchens to cook and deliver that food to most needy



- To use our installations to storage and manage all kind of material



- To use our medical service infrastructure in Llodio and Amurrio in order to realize rapid tests to population

Year 2020 – Summary of actions

▪ CASH MANAGEMENT DEFENSIVE TOOLS:

- Diversified and **resilient financial structure** (public and private financing facilities, bilateral structure, main banks compromised to renew short-term revolving lines, etc)
- Starting point of **140M€ of cash** at the end of February proof of our financial strength
- Even under COVID crisis the effect on cash of our **“stress test in operations”** including collections, payments and capex disbursements shows that the **financial structure of the company withstands the current situation**

▪ Important **cost reduction** at all levels:

- Salary reductions:
 - Management Committee & Board: 30%
 - Other groups and executives: 10%-30%
- Stoppage of non-strategic investments
- Non-essential costs removal
- Fixed costs reduction
- Job regulation measures (i.e. ERTes) analysis according to current regulation

- To **keep** current **financial sources**: renewing/substituting credit lines and activating all the cash management defensive tools available, including Public supported measures
- **Don't burn cash at operating level** despite the current situation
- **Don't stop strategic projects**
- To complete **multiannual contracts** with customers and significant orders
- Big **uncertainty** in real effects **depending on the duration** of the pandemic

Our main target is to maintain neutral cashflow

Future...

- It is too early to forecast possible scenarios for the upcoming years, but it is important to highlight that our market positioning has significantly improved in the last years and that we have an experienced team that has already overcome different crisis periods:

1.

- New perimeter of Group, including 9 mills and 12 services centers, offering solutions and services, not only straight tubes
- New bundled products and services offered

2.

- New positioning in key products such as OCTG, Umbilical tubes, high-alloys...

3.

- We have signed important frame agreements with end-users and EPCs
- There are still more relevant projects pending of signature

4.

- New technological developments with great potential.
- 8 patents registered in recent years

5.

- Less dependent on oil. Great diversification effort: Gas, aerospace, automotive, energy generation, etc.

Frame Agreements Success

Customer	Status
Customer 1	Pending
Customer 2	Signed
Customer 3	Signed
Customer 4	Signed
Customer 5	Signed
Customer 6	Pending
Customer 7	Signed
Customer 8	Signed
Customer 9	Pending
Customer 10	Signed
Customer 11	Pending
Customer 11	Pending
Customer 12	Signed
...	

Objective to sign over **15 frame agreements** in 2019-2020

Objective to sign multiannual contracts for over **1.000M€ value** for the next 4-5 years.

Stronger market positioning oriented to long-term agreements
Offering a complete solution gives us a competitive advantage vs other players

Possible scenarios of recovery

- We are considering three different scenarios depending on the rhythm of recovery:

"V" Scenario

- Great drop in 2020 but recovery starting on Q3 2020 until Q2 2021, to come back to 2019 situation
- 2021 would be in line with our previous projections, mainly in the second part of the year

"U" Scenario

- Great drop in 2020 that is maintained during the whole year
- Recovery takes longer and is lengthened during 2021 and 2022
- Our objectives would be postponed 1.5 or 2 years

Long-term crisis

- Longer stagnation scenario
- Great drop in 2020 that is extended to 2021
- Market situation in our sector similar to 2015-2018 period but we are better prepared



4

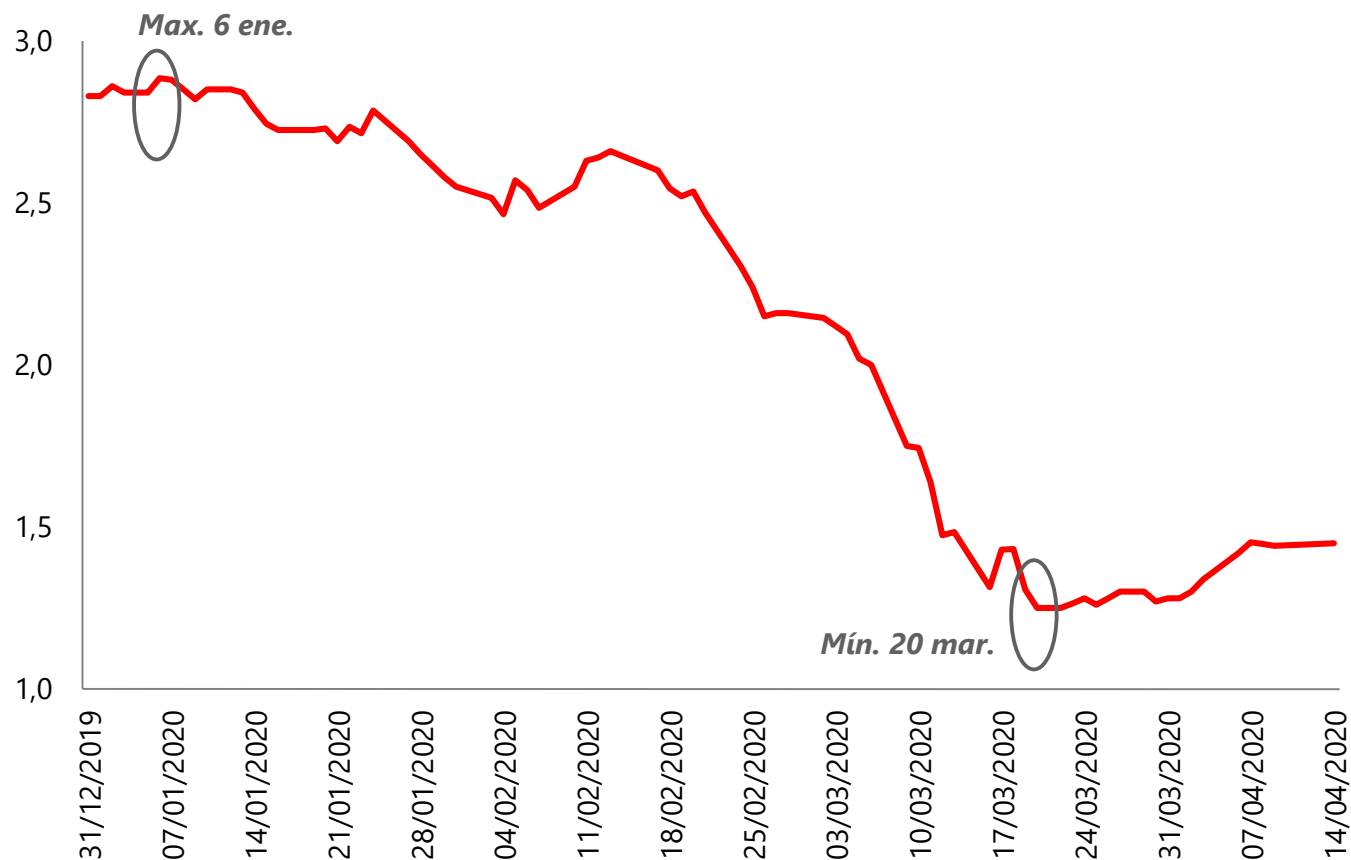
Tubacex Share

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Tubacex share in 2020

Tubacex share Price (€/share)



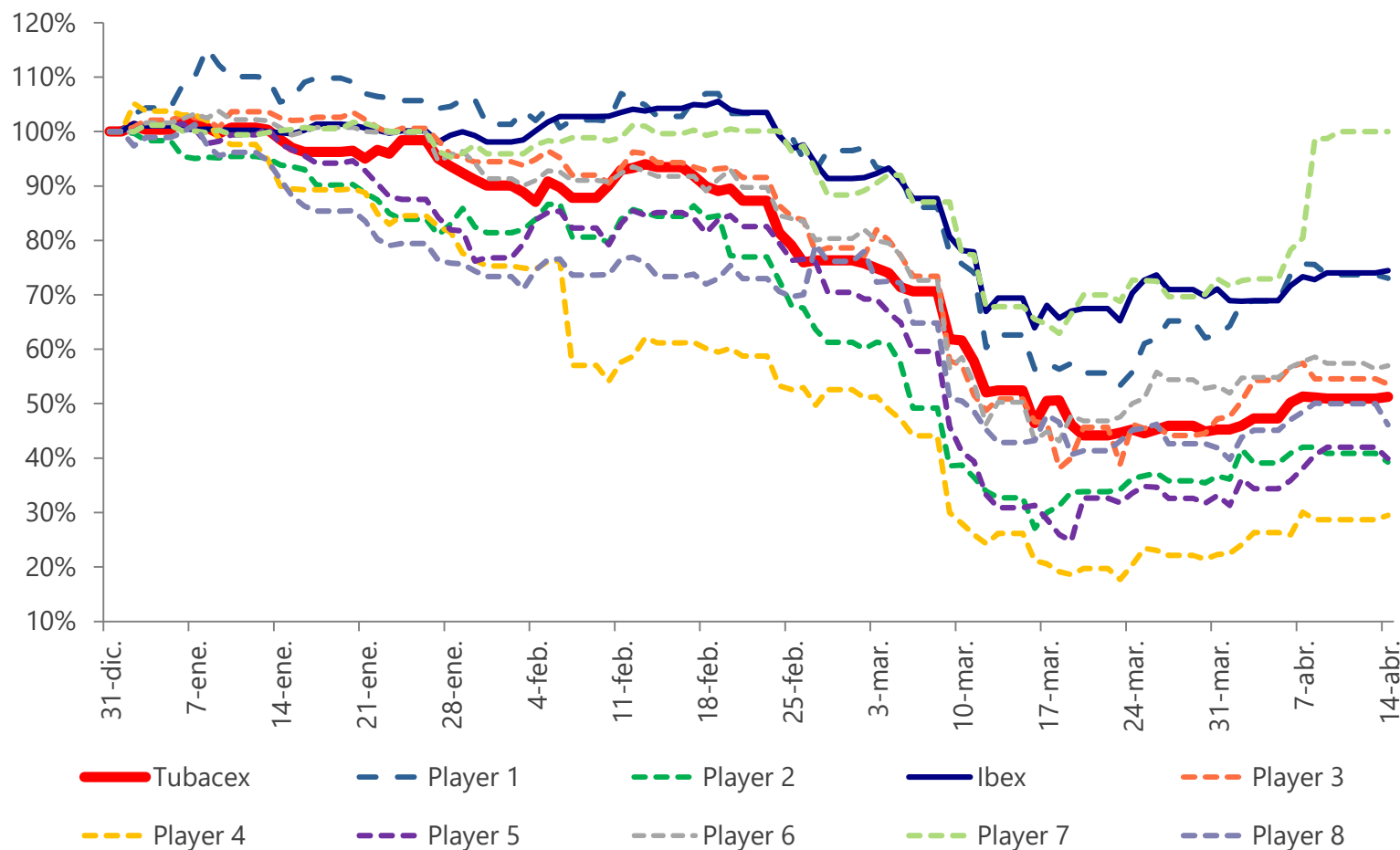
Key data

€/share (14.04.20)	1.45€
Market Cap. (M€)	192.8M€
Annual min.	1.25€ (20 Mar.)
Annual max.	2.885€ (6 Jan)
% evolution YTD	-48.8%
Daily volume (#shares)	287,971

Data as of 14th April 2020

Tubacex vs. other players in 2020

Stock Market evolution

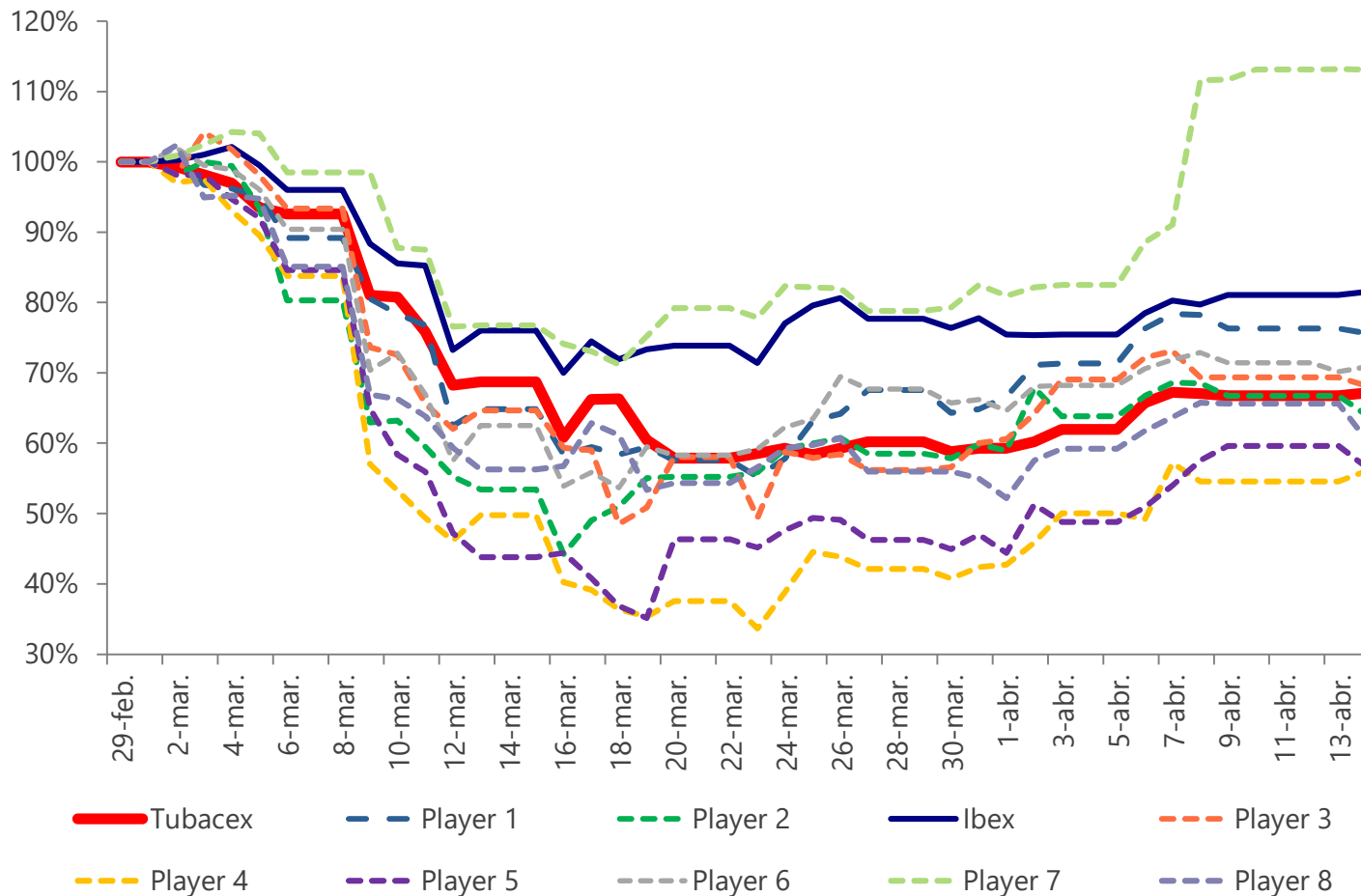


Cía	% evol.
Tubacex	-48,8%
Player 1	-26.9%
Player 2	-60.7%
Player 3	-46.4%
Player 4	-70.5%
Player 5	-60.1%
Player 6	-43.0%
Player 7	0.0%
Player 8	-53.9%
IBEX	-25.6%

Data as of 14th April 2020

Tubacex vs. other players in March & April 2020

Stock Market evolution



Cía	% evol.
Tubacex	-32.9%
Player 1	-24.3%
Player 2	-35.9%
Player 3	-31.8%
Player 4	-43.9%
Player 5	-43.4%
Player 6	-29.1%
Player 7	+13.1%
Player 8	-39.4%
IBEX	-18.5%

Data as of 14th April 2020

Buy back Program – Goal and detail

- On 12nd March at Market closing suspension of liquidity program is announced due to the beginning of a Buy Back Program
- Main characteristics:
 - Destinated funds: 6M€
 - Objective: amortization
 - Duration: 6 months
 - Financial broker: JB Capital

Data	Acquired shares		Average price	Investment (€)	% share capital accumulated
	#	Accumulated	€/share		
13/03/2020	69.450	69.450	1,4722	102.248	0,1%
16/03/2020	85.145	154.595	1,3509	115.022	0,1%
17/03/2020	77.590	232.185	1,4049	109.006	0,2%
18/03/2020	73.340	305.525	1,4358	105.302	0,2%
19/03/2020	88.970	394.495	1,3023	115.866	0,3%
20/03/2020	93.644	488.139	1,3010	121.831	0,4%
23/03/2020	89.551	577.690	1,2660	113.372	0,4%
24/03/2020	89.985	667.675	1,2822	115.379	0,5%
25/03/2020	98.018	765.693	1,2820	125.659	0,6%
26/03/2020	93.180	858.873	1,2813	119.392	0,6%
27/03/2020	96.692	955.565	1,2952	125.235	0,7%
30/03/2020	84.671	1.040.236	1,2627	106.914	0,8%
31/03/2020	78.746	1.118.982	1,2842	101.126	0,8%
01/04/2020	75.100	1.194.082	1,2634	94.881	0,9%
02/04/2020	47.212	1.241.294	1,2658	59.761	0,9%
03/04/2020	38.000	1.279.294	1,3060	49.628	1,0%
06/04/2020	28.397	1.307.691	1,3929	39.554	1,0%
07/04/2020	43.218	1.350.909	1,4680	63.444	1,0%
08/04/2020	54.157	1.405.066	1,4576	78.939	1,1%
09/04/2020	61.000	1.466.066	1,4520	88.572	1,1%
14/04/2020	25.080	1.491.146	1,4400	36.115	1,1%
Total	1.491.146		1,3327	1.987.245	1,1%

THANK YOU!

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