
PRESS RELEASE

Tubacex Anticipates Achievement of Financial Objectives in Its Strategic Plan Thanks to Outstanding Results

- Tubacex celebrates its General Shareholders' Meeting, already achieving part of the financial objectives in its first year of the strategic plan, such as the reduction of net financial debt and operating margin
- Due to the early achievement of the financial objectives outlined in its Strategic Plan, the company will review these objectives in the second half of the year.
- Tubacex aims to become a provider of advanced industrial products and high-value-added services for the energy and mobility sectors.
- Additionally, the distribution of a gross dividend of €8.1 million, representing a 40% pay-out, as proposed by the board of directors, has been approved and will be effective on June 6.

Bilbao, May 24, 2023.

With the goal of becoming a provider of advanced industrial products and high-value-added services for the energy and mobility sectors, Tubacex concluded the previous year with historical results in profitability, liquidity, and order book visibility. In fact, these were the group's best results in the past 14 years. Regarding the first year of their 2022-2025 strategic plan, Tubacex CEO Jesús Esmorís explained, "We are already achieving many of the objectives set for 2025, such as reducing net debt, and we are approaching the anticipation of others, like business stability, which were presented at last year's general shareholders' meeting."

The company's current strategic plan is based on five strategic lines: sustainability, reduction of net debt, business stability, diversification, and competitiveness. In terms of sustainability in its environmental axis, Tubacex has reached its first milestone of reducing emissions by 60% by 2030. The second milestone is to achieve carbon neutrality for Tubacex by 2050.

Sustainability indicators recorded in 2022 support the company's progress toward the established objectives in its Strategic Plan. The group obtained an A- sustainability rating from the prestigious organization CDP (Carbon Disclosure Project), placing it among the best worldwide in its category. Additionally, it was included for the first time in the supplier engagement leaders list, which evaluates the results of companies' climate actions in relation to their supply chain. Regarding the **reduction of net debt**, the company has already achieved its target set for 2025 by reaching a net financial debt-to-EBITDA ratio of 2.8x, within the established range of 2x to 3x. Regarding **business stability**, which aims to achieve a turnover of approximately €1 billion at the end of the strategic plan,

Tubacex is also on track with its objectives thanks to the signing of over 30 long-term commercial agreements with current customers and multisectoral partners. These agreements are aligned with the strategic objective of diversifying the business, which the company is currently immersed in. In 2022, the turnover reached €714.7 million, while in the first quarter of this year, sales amounted to €232.2 million, also marking the highest quarterly sales figure in the company's history.

The growth in sales reflects both volume increases and improvements in the company's product diversification, all within a market context that remains at high levels of performance and contracting. Tubacex boasts a historic order book of €1.65 billion, providing significant visibility for the current year and anticipating a period of clear economic growth. During the first quarter of 2023, Tubacex acquired the minority stakes it held in Saudi Arabia and Norway and commenced the planned investments in the new OCTG-CRA plant located in the Emirate

of Abu Dhabi. These investments totaled €8.5 million in the first three months of 2023. Regarding **business diversification**, the company has already undertaken significant projects in energy sustainability, specifically in the low-carbon segment, with significant orders for carbon capture and storage (CCS) in the United States and Norway. In parallel, Tubacex has made significant progress in R&D+i for the development of advanced solutions applicable to hydrogen production processes through its participation in six programs.

Lastly, in terms of **competitiveness**, it is important to highlight the cost-cutting efforts the company has undertaken in recent years, which have allowed it to offset the current inflationary environment and achieve positive profitability in all of the Group's plants, including those in Spain. Consequently, due to the early achievement of the financial objectives outlined in its Strategic Plan, the company will review these objectives in the second half of the year. In other matters, the General Shareholders' Meeting ratified and appointed Ms. Gracia López Granados as an independent director for a statutory period of four years. In addition, Mr. Francisco Javier García Sanz and Mr. Manuel Moreu Munaiz were reappointed as independent directors, Mr. Jesús Esmorís Esmorís as an executive director, Ms. Gema Navarro Mangado as a dominical director, and Mr. Antonio M^a Pradera Jauregui and Ms. Nuria López de Guereñu Ansola as independent directors, all for the statutory period of four years.

Finally, the amortization of 2.4 million shares of the company has been approved, along with the distribution of a gross dividend of 8.1 million euros, representing a 40% payout as proposed by the Board of Directors. The payment will be made effective on June 6th.

About Tubacex

Tubacex is a global leader in the design, manufacturing, and installation of advanced industrial products and high-value-added services for the energy and mobility sectors. Tubacex brings value to its customers through its global presence, with production plants and service centers in Spain, Austria, Italy, the United States, India, Thailand, Saudi Arabia, Dubai, Norway, Canada, Singapore, Guyana, and Kazakhstan. Its sustainability and environmental policies are endorsed by leading ESG certification organizations, such as Science Based Targets (SBT) commitments for emissions reduction, an A-rating from CDP (Carbon Disclosure Project), and sustainability standards from S&P and Ecovadis. Tubacex has been listed on the Spanish stock exchange since 1970 as part of the Ibex Small Caps Index.

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