Tubacex closes a challenging first half with €323.6 million in sales and an EBITDA margin of 11.7%, in a context still heavily affected by instability in the Middle East

The premium product mix and industrial and geographical diversification make it possible to protect profitability in a lower-activity environment, while the Company prioritizes the normalization of operations in Abu Dhabi, the reduction of working capital and cash protection.

- **Sales:** €323.6 million, 10.5% lower than in the first half of 2025, reflecting the effect of the lower order intake during 2025, in a new tariff and regulatory policy environment, with a slowdown in projects and investment decisions across all markets.

- **EBITDA:** €37.9 million, with a margin of 11.7%. Excluding the additional operating costs arising from the conflict in the Middle East and assuming a normalized level of activity, the EBITDA margin would have been within the strategic target range.

- **Results:** EBIT of €12.9 million and attributable net profit of €0.7 million.

- **Working capital and debt:** working capital stood at €349.0 million and net financial debt at €363.1 million, representing increases of €25.2 million and €18.3 million, respectively, since December 2025. Both figures were affected by a temporary impact arising from the operational and logistical disruptions caused by instability in the Middle East. These disruptions resulted in higher working capital and higher net financial debt than forecast by the Company, amounting to approximately €20 million, which is recoverable as it is linked to a multi-year take-or-pay contract.

- **Liquidity and investment:** the Company maintains a liquidity position in excess of €200 million and an equity-to-total-assets ratio of 33%. CAPEX for the first half amounted to €26 million, maintaining financial discipline and a focus on efficiency improvements and selective initiatives linked to premium and higher value-added products.

- **Order book:** €1.148 billion at the end of June, mainly concentrated on high value-added products, with a solid pipeline in subsea, nuclear, aerospace & defence and highly demanding industrial applications.

- **Outlook:** the short term will continue to be affected by seasonality and by a commercial and geopolitical environment that remains challenging. As the geopolitical context improves and logistics flows stabilize, the Company expects a progressive improvement in activity and results.

Bilbao, 24 July 2026. Tubacex closed the first half of 2026 with sales of €323.6 million, 10.5% lower than in the same period of the previous year, and EBITDA of €37.9 million, equivalent to a margin of 11.7%.

The performance during the first half reflects the effect of the lower order intake recorded during 2025, in a context marked by a new tariff and regulatory policy environment, greater commercial volatility and delays in purchasing and investment decisions in all the markets in which the Company operates.

Since March, the Group's activity has been particularly affected by the operational and logistical disruptions arising from the instability in the Middle East, which have affected planning, scheduling, production, logistics and invoicing throughout the entire value chain serving Abu Dhabi.

Tubacex's priority has been to avoid interrupting supply and production in Abu Dhabi. To this end, following the closure of the Strait of Hormuz, the Company has resorted to different logistics routes to prevent a break in the supply chain, although some shipments have been temporarily held in transit. This situation has resulted in a temporary increase in working capital and net financial debt.

This is a temporary impact linked to operational and logistical disruptions, which should gradually normalize as the environment stabilizes.

Profitability is affected by lower volumes and additional logistics costs.

EBITDA for the first half stood at €37.9 million, compared with €61.0 million recorded in the same period of 2025. The EBITDA margin was 11.7%, compared with 16.9% in the previous year. The performance of profitability is mainly attributable to lower activity volumes, which have limited the absorption of fixed costs, and to higher transport, insurance and logistics expenses associated with supplies to Abu Dhabi. In fact, **excluding the additional operating costs arising from the conflict in the Middle East, and with a normalized level of activity, the EBITDA margin would have been within the strategic target range.**

Nevertheless, even in this context, operating discipline, project selection, the weight of higher value-added solutions and industrial and geographical diversification have made it possible to maintain a double-digit margin.

EBIT reached €12.9 million, while attributable net profit was positive at €0.7 million.

MAIN **FINANCIAL FIGURES**

(€M)	H1 2025	H1 2026	% Var.
Sales	361.4	323.6	-10.5%
EBITDA	61.0 *16.9%*	37.9 *11.7%*	-37.9%
EBIT	37.4 *10.3%*	12.9 *4.0%*	-65.6%
Profit Before Tax and Minorities	20.3 *5.6%*	0.6 *0.2%*	-96.8%
Net Income	15.6 *4.3%*	0.7 *0.2%*	-95.8%

	Dec. 25	Jun. 26	Var. (€M)
Working Capital *% sales*	323.9 *45.0%*	349.0 *51.2%*	+25.2
Net Financial Debt *(x EBITDA)*[1]	344.8 *3.3x*	363.1 *4.4x*	+18.3

The EBITDA, working capital and net financial debt figures for the semester are directly related to the effects of instability in the Middle East, which have affected the entire value chain destined for Abu Dhabi.

This is a temporary impact, linked to operational and logistical disruptions, and should gradually normalize as the environment stabilizes.

1. Calculated based on last twelve months' EBITDA, before the voluntary year-end 2025 adjustments.

H1 2026 RESULTS / PAG. 1

TUBACEX GROUP

Market performance and multisector positioning

The sales mix during the first half maintained a significant contribution from strategic businesses. E&P represented 50.2% of sales, with 30.6% corresponding to E&P Gas and 19.6% to E&P Oil. The Industrial business contributed 27.0%, followed by Other Markets, with 12.7%; Power Generation, with 5.9%; and Aerospace, with 4.2%.

By geography, Asia and the Middle East remained the leading region, with 43.0% of sales, followed by Europe, with 28.0%; the Americas, with 27.0%; and Africa, with 2.0%.

Commercial activity showed an uneven performance across segments. Premium businesses and those supported by long-cycle projects demonstrated greater resilience, while markets more exposed to the cycle, pricing and geopolitical uncertainty continued to be subject to greater pressure.

In OCTG, the Company maintained solid operating activity and robust revenues, supported by Abu Dhabi, ensuring the continuity of supplies to ADNOC despite the difficulties in the operating environment. In Brazil, activity with Petrobras continued to progress, with new orders and greater visibility for the second half of the year.

The SURF segment maintained a satisfactory level of activity, with an order book extending beyond 18 months and more than €100 million in orders for umbilical tubes secured during 2026. Drilling showed resilient performance in the Western Hemisphere and Norway, while the Middle East continued to be affected by a more challenging environment.

Aerospace & Defence performed constructively, with greater commercial momentum during the second quarter, new defence orders and progress in space applications and aircraft engines.

In Power Generation, activity in conventional thermal power focused on maintenance orders for biomass and waste-to-energy applications in Europe. In Nuclear, Tubacex secured significant references with EDF and obtained its first order for a Small Modular Reactor, SMR, project in Canada. The nuclear pipeline continues to strengthen, supported by long-cycle opportunities and a qualified and certified supply chain.

By contrast, Process Industry, Hydraulic & Instrumentation and Fertilizers continued to be affected by project delays, competitive pressure and greater caution in investment decisions. For its part, Low Carbon activity continued to progress, particularly in CCUS, with references in projects such as Brevik, in Norway; Kasawari, in Malaysia; and Summit, in the United States, in addition to opportunities linked to hydrogen and other energy-transition applications.

High-quality order book and solid pipeline

The order book stood at €1.148 billion at the end of the first half and remains concentrated on high value-added products and applications. E&P Gas represents 77.8% of the order book, including the multi-year contract with ADNOC for gas extraction. The commercial pipeline remains solid in strategic segments, particularly subsea, nuclear, aerospace & defence and highly demanding industrial applications. Nevertheless, the geopolitical and commercial environment continues to create uncertainty regarding award and execution schedules, meaning that the conversion of these opportunities may remain difficult to predict in the short term.

Focus on the normalization of working capital and cash protection.

Working capital stood at €349.0 million at the end of June, compared with €323.9 million recorded in December 2025, representing an increase of €25.2 million and equivalent to 51.2% of sales. Net financial debt reached €363.1 million, €18.3 million higher than at the end of the previous year, bringing the net financial debt-to-EBITDA ratio to 4.4 times. The ratio is calculated based on EBITDA for the last 12 months before the voluntary adjustments were made at year-end 2025.

In turn, the performance of both figures is mainly attributable to the operational and logistical disruptions arising from the instability in the Middle East and their impact on the value chain serving Abu Dhabi. These circumstances have resulted in a temporary impact of approximately €20 million compared with the Company's forecasts, an amount that is recoverable, as it is linked to a multi-year take-or-pay contract under which ADNOC continues to request material.

Tubacex continues to prioritize the progressive reduction of working capital as operations and logistics flows stabilize, together with cash protection and the strengthening of the conversion of earnings into cash over the coming quarters. For its part, the Company maintains a liquidity position in excess of €200 million and an equity-to-total-assets ratio of 33%.

Structural net financial debt, calculated as the difference between net financial debt and working capital, stood at €14.1 million. CAPEX for the first half amounted to €26 million, maintaining financial discipline and concentrating resources on efficiency improvements and selective initiatives related to premium and higher value-added products.

Outlook: short-term prudence and capacity for improvement

The third quarter of the year, which is always characterized by seasonality, will continue to be affected by a commercial and geopolitical environment that remains challenging. The conflict in the Middle East, together with the instability in global trade flows arising from the new tariff and regulatory policies, will continue to affect the Company's operating and commercial visibility. For their part, the trade defence measures adopted by the European Union from July onwards should contribute to a gradual recovery in activity on the continent.

Tubacex expects a progressive improvement in its sales and results as the uncertainties described above recede. The pipeline of bids and negotiations for highly significant projects, particularly in subsea and nuclear, has accelerated compared with year-end 2025 and the first quarter of 2026, which will influence the volume and margin of the order book.

Management priorities for the second half will focus on restoring full operational normality in Abu Dhabi, ensuring smooth logistics flows, protecting margins through the selection of projects with a high return profile, and strengthening cash generation and conversion through the reduction of working capital. The combination of a solid order book, a more premium business mix, a presence in strategic markets and industrial and geographical diversification continues to consolidate the Company's positioning in key products and segments for the energy sector.

About Tubacex

Tubacex is at the forefront of the global market in the design, manufacture and installation of complex, high-value-added industrial products and services, with a specific focus on the energy and mobility industries. The company specialises in advanced stainless steels, corrosion-resistant alloys (CRA) and advanced machining services. Committed to innovation and excellence, it operates through an integrated value chain spanning research and development through to final product delivery. Tubacex has production facilities and service centres in more than 30 countries. Its commitment to sustainability and environmental management is recognised and validated by leading certification bodies, including adherence to Science Based Targets (SBTi) for emissions reduction, Carbon Disclosure Project ("A"), and compliance with the sustainability criteria established by S&P. www.tubacex.com.

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