AGENDA

10:00 Welcome
Jesús Esmorís, CEO

10:05 Tubacex Equity Story
Jesús Esmorís, CEO

10:05-10:45 Energy technology trends and Tubacex’s value proposition
Diego Herrero, Corporate Innovation Director

10:45 Tubacex’s Low Carbon strategy
Miguel Gómez, Low Carbon Managing Director

11:05 Financial highlights
Guillermo Ruiz-Longarte, CFO

11:25 Conclusions & Closure
Jesús Esmorís, CEO

11:40 Strategic Plan Update
Jesús Esmorís, CEO

11:55 Q&A Session
Jesús Esmorís, CEO; Guillermo Ruiz-Longarte, CFO; and Raquel Ruiz, IR
Moderator: Vicente Varó, Finect

12:30
DRIVING TUBACEX’S TRANSFORMATION
SUCCESS STORY TOWARDS THE NEXT TRANSITION

CAPITAL MARKETS DAY
NOVEMBER 21ST, 2023

Jesús Esmorís
CEO
OUR PURPOSE:
“We are committed to human progress by addressing new challenges, providing advanced industrial products and services”
WE EMERGE AS A WORLD LEADER IN ADVANCED INDUSTRIAL SOLUTIONS FOR ENERGY AND MOBILITY

Demanding environments: high/low temperature, high pressure and high corrosion

FROM TUBULAR TO ADVANCED INDUSTRIAL SOLUTIONS

We are a global benchmark in the design, manufacturing, and installation of advanced industrial products and high-value-added services where only the most sophisticated solutions deliver the best performance.

PREFERRED GLOBAL PARTNER

Clients are our asset. We meet their needs, transcend national boundaries and foster collaboration on a global scale with our fully integrated production model, covering the entire life cycle of the products. We take pride in co-creating innovative solutions alongside our customers.

PIONEERING DIVERSIFICATION ACROSS MULTIPLE BUSINESS SECTORS

From the oil & gas sector to the low-carbon industry. As part of our commitment to high technological value products, we have developed production capabilities in those segments requiring higher levels of expertise where significant growth is expected.
A GLOBAL LEADER IN INDUSTRIAL PRODUCTS AND SERVICES FOR ENERGY AND MOBILITY

GLOBAL PRESENCE AND THREE MAIN HUBS

2500 EMPLOYEES
24 PRODUCTION PLANTS
14 SERVICE CENTERS
2 INNOVATION CENTERS
60 COUNTRIES SUPPLIED
15 COMMERCIAL OFFICES
400 QUALITY CERTIFICATIONS

Sales by geography (as of 2023E)

- 42% Asia
- 33% America
- 21% Europe
- 4% Africa

2023E Sales: €900M
Focus on industries where:

- Only the most sophisticated solutions can deliver the best performance
- High requirements applications become critical
WITH A **ROBUST PORTFOLIO**

LOOKING AHEAD BY REACHING LONG-TERM AGREEMENTS WITH KEY CUSTOMERS

- **01** Stainless steel & high nickel alloys bars and billets
- **02** Seamless Stainless-Steel Pipes & Tubes
- **03** Forged fittings and special connections
- **04** High precision machining
- **05** Value added operation & services
- **06** Stock, Service & Trading

**+30 FRAME AGREEMENTS**  
**HIGH VISIBILITY**  
**SECURE MARGIN**
1. **STAINLESS STEEL & HIGH NICKEL ALLOYS BARS AND BILLETs**

Long stainless-steel products, specialized in ingots, bars and billets, rolled and forged (120-600 mm)

**Application sector**
- Pipes & bars
- Flanges
- Valves
- Industrial
- Hollow bars & other metal mechanical applications

Served from
- SPAIN
2. **SEAMLESS STAINLESS-STEEL** PIPES & TUBES

SEAMLESS STAINLESS-STEEL PIPES & TUBES (EXTRUSION, PIERCING AND COLD FINISHING) – UP TO 8”

*Served from*

- **SPAIN**
- **AUSTRIA**
- **INDIA**
- **USA**

*Photo caption: Tube typology (OCTG, H&I, Umbilicals, Linepipe and heat exchanger, space tubes).*

**Application sector**

- E&P of Oil & Gas
- Offshore subsea
- Industrial
- Chemical
- Nuclear Powergen
- Aerospace
- Low Carbon Solutions
3. FORGED AND MACHINED TUBULAR COMPONENTS, FITTINGS AND SPECIAL CONNECTIONS

Application sector

- Nuclear Powergen
- Industrial & Petrochemical
- E&P of Oil & Gas
4. **HIGH PRECISION** MACHINING

COMPLEX MECHANICAL SOLUTIONS FOR HIGH GRADE ALLOY EQUIPMENT THAT SUPPORTS DRILLING, WELLBORE EVALUATION, COMPLETIONS, PRODUCTION, AND UPSTREAM O&G OPERATIONS

Served from

- USA
- UAE
- NORWAY
- SINGAPORE
- CANADA
- GUYANA
- SAUDI ARABIA

Application sector

- E&P of Oil & Gas
- Offshore subsea
- Aerospace
- Drilling tools
5. **VALUE ADDED** OPERATION & SERVICES

Application sector

- Tube Threading
- Welding & bending
- Tool rental & Repair
- Heat treatment
- Component machining
- Coatings

Served from

- SPAIN
- USA
- DUBAI
- SINGAPORE
- CANADA
- ABU DHABI
6. **STOCK, SERVICE & TRADING**

MASTER STOCKIST IN SEAMLESS STAINLESS STEEL TUBES AND PIPES

**Application sector**

- All industries and energy sector
- Stock management
- Service centers

**Served from**

- Spain
- USA
- Austria
- Dubai
- India
- Saudi Arabia
- France
- Norway
- Brazil
- Singapore
A **FULLY INTEGRATED** AND TRACEABLE SOLUTION BUSINESS MODEL

01 CONCEPT & PRODUCT DESIGN
02 ENGINEERING
03 MANUFACTURE
04 SUPPLY CHAIN
05 SERVICES REPAIR & MAINTENANCE

**INTEGRAL CUSTOMER SERVICE**
TUBACEX’S KEY SUCCESS FACTORS

1. Global and diversified footprint
2. Long-term agreements with key customers
3. A best in class in sustainability according to the most demanding ratings

UNIQUE VALUE PROPOSITION

4. Cutting-edge industrial products and services for multi-energy & mobility
5. Fully integrated and traceable production model
6. World’s largest manufacturer of seamless stainless-steel pipes
7. World’s leading CRA-OCTG for E&P of Oil & Gas

SOLID STRATEGY

8. High visibility for the coming years
9. Proven track record in long-term targets delivery
10. Highly qualified leadership team

SHAREHOLDER VALUE CREATION

11. Shareholders remuneration: 30-40% pay-out
12. 48% stock price appreciation YTD
13. Significant growth potential according to market consensus

2022

Outstanding performance in a very challenging international economic climate

RECORD CONTRACT: $1bn FOR GAS EXTRACTION / 10 YEARS

9M23

2023: a record year for the group

- €641.9M SALES
- €93.8M EBITDA
- 14.6% EBITDA MARGIN
- €1,630M BACKLOG
### MAIN FINANCIAL FIGURES

**9M 2023 Results**

<table>
<thead>
<tr>
<th>Metric</th>
<th>9M 2022 (€M)</th>
<th>9M 2023 (€M)</th>
<th>% Var.</th>
<th>Q3 2022 (€M)</th>
<th>Q3 2023 (€M)</th>
<th>% Var.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>527.1</td>
<td>641.9</td>
<td>21.8%</td>
<td>173.3</td>
<td>207.2</td>
<td>19.6%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>67.3</td>
<td>93.8</td>
<td>39.3%</td>
<td>24.8</td>
<td>29.5</td>
<td>18.7%</td>
</tr>
<tr>
<td><strong>EBITDA Margin</strong></td>
<td>12.8%</td>
<td>14.6%</td>
<td>14.6%</td>
<td>14.3%</td>
<td>14.2%</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>31.7</td>
<td>60.6</td>
<td>91.1%</td>
<td>13.6</td>
<td>19.6</td>
<td>43.4%</td>
</tr>
<tr>
<td><strong>EBIT Margin</strong></td>
<td>6.0%</td>
<td>9.4%</td>
<td>56.6%</td>
<td>7.9%</td>
<td>9.4%</td>
<td>1.5%</td>
</tr>
<tr>
<td><strong>Earnings Before Taxes</strong></td>
<td>20.3</td>
<td>38.9</td>
<td>91.8%</td>
<td>9.9</td>
<td>11.0</td>
<td>11.1%</td>
</tr>
<tr>
<td><strong>Earnings Before Taxes Margin</strong></td>
<td>3.9%</td>
<td>6.1%</td>
<td>46.8%</td>
<td>5.7%</td>
<td>5.3%</td>
<td>7.5%</td>
</tr>
<tr>
<td><strong>Net Profit</strong></td>
<td>17.0</td>
<td>27.8</td>
<td>63.5%</td>
<td>7.9</td>
<td>7.8</td>
<td>-1.2%</td>
</tr>
<tr>
<td><strong>Net Profit Margin</strong></td>
<td>3.2%</td>
<td>4.3%</td>
<td>31.4%</td>
<td>4.5%</td>
<td>3.8%</td>
<td>-1.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Metric</th>
<th>Dec. 22</th>
<th>Sept. 23</th>
<th>Var. (€M)</th>
<th>Structural Net Financial Debt&lt;sup&gt;(1)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Working Capital</strong></td>
<td>230.0</td>
<td>234.9</td>
<td>+4.9</td>
<td>31 x</td>
</tr>
<tr>
<td><strong>Working Capital / Sales</strong></td>
<td>32.2%</td>
<td>28.3%</td>
<td>+4.1</td>
<td>3.1x</td>
</tr>
<tr>
<td><strong>Net Financial Debt</strong></td>
<td>287.1</td>
<td>291.2</td>
<td>+4.1</td>
<td>57.1</td>
</tr>
<tr>
<td><strong>Net Financial Debt / EBITDA</strong></td>
<td>3.1x</td>
<td>2.5x</td>
<td>-0.9</td>
<td></td>
</tr>
</tbody>
</table>

<sup>(1) Net Financial Debt - Working Capital</sup>
MAIN FIGURES FROM THE INCOME STATEMENT

9M 2023 Results

Quarterly Average EBITDA evolution

<table>
<thead>
<tr>
<th>Performance (€M)</th>
<th>2018*</th>
<th>2019*</th>
<th>2020*</th>
<th>Q1 2021</th>
<th>Q2 2021</th>
<th>Q3 2021</th>
<th>Q4 2021</th>
<th>Q1 2022</th>
<th>Q2 2022</th>
<th>Q3 2022</th>
<th>Q4 2022</th>
<th>Q1 2023</th>
<th>Q2 2023</th>
<th>Q3 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018*</td>
<td>17.4</td>
<td>16.8</td>
<td>9.5</td>
<td>4.7</td>
<td>12.6</td>
<td>19.0</td>
<td>23.4</td>
<td>24.8</td>
<td>25.0</td>
<td>30.5</td>
<td>33.9</td>
<td>29.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Quarterly average EBITDA in the relevant period

Annual EBITDA evolution

<table>
<thead>
<tr>
<th>Performance (€M)</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>69.6</td>
<td>67.1</td>
<td>38.1</td>
<td>17.5</td>
<td>92.3</td>
<td>93.8</td>
</tr>
</tbody>
</table>

THE MARKET TREND AND THE RECORD LEVEL OF THE BACKLOG CONFIRM THE POSITIVE OUTLOOK FOR 2023 AND INCREASE VISIBILITY FOR 2024
CONCLUSIONS

Expectations for 2023 to become a landmark year have been confirmed.

Strategic commitment to sustainability and the energy transition.

Good market momentum in which securing the energy supply is a priority.

Order intake remains at high levels, enabling the backlog to remain at record levels.

Q4 results will be in line with previous quarters.

The current backlog increases visibility for 2024 and foresees a good financial year.

Tubacex is ahead of schedule in meeting most of the strategic objectives for 2025.

We have updated our strategic plan.

HISTORICAL MOMENT FOR TUBACEX
A SUCCESSFUL TRANSFORMATION STORY
SINCE OUR ESTABLISHMENT IN 1963, WE HAVE CONTINUALLY EVOLVED
HAND IN HAND WITH OUR CUSTOMERS AND THE SOCIETY

Benchmark transformation based on high value-added solutions instead of volumes, obtaining higher margins & getting closer to our customers

Advanced industrial solutions, positioning Tubacex as a strategic long-term partner and a key player in the energy transition

PROACTIVELY ANTICIPATING MARKET TRENDS, POSITIONING OURSELVES AHEAD OF THE CURVE

TRADITIONAL SEAMLESS STAINLESS-STEEL TUBES PRODUCER

PREMIUM TUBULAR SOLUTIONS

MULTI-ENERGY AND MOBILITY INDUSTRIAL SOLUTIONS PROVIDER
SUCCESSFUL EVOLUTION
MARKET REPOSITIONING

STRATEGIC PLAN 2014-2020

Marketing repositioning

Relevant investment in industrial installations and R&D to develop new products
Integration of new companies in Asia to reposition our lower value-added products by selling through our new sales channel (TSS – 12 service centers)
Acquisition of companies with complementary products to complete the full range portfolio (6 acquisitions)
Different value proposition to the market focusing on value added services
Place and homologation of new products and new customers
Important yearly evolution increasing market share in premium products
<table>
<thead>
<tr>
<th>PREVIOUS TUBACEX</th>
<th>CURRENT TUBACEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seamless stainless steel tubes manufacturer</td>
<td>Advanced industrial suppliers of high alloys</td>
</tr>
<tr>
<td>Selling through distributors</td>
<td>Long Term Agreements with main end users and customers</td>
</tr>
<tr>
<td>Focused on volume</td>
<td>Focused on value</td>
</tr>
<tr>
<td>High volatility</td>
<td>Low volatility</td>
</tr>
<tr>
<td>3-4 months backlog</td>
<td>€1.63bn backlog</td>
</tr>
<tr>
<td>Commodity product mix</td>
<td>Premium product mix</td>
</tr>
<tr>
<td>Industrial footprint mainly focused in Europe</td>
<td>Global industrial footprint (local content)</td>
</tr>
<tr>
<td>Oil &amp; Gas sectors</td>
<td>Multienergy and mobility sectors</td>
</tr>
<tr>
<td>Product supplier</td>
<td>Integrated solutions to customer</td>
</tr>
</tbody>
</table>
STRATEGIC PLAN 2021-2025
CAPITALIZING ON EMERGING MACROTRENDS...

ENERGY TRANSITION
- Renewable energy production increase
- Net-zero commitments
- Electrification of production processes
- Carbon Capture emerging technology

ECONOMIC GROWTH
- Consumption increase
- Growth in emerging markets
- Energy demand growth
- Energy security

MOBILITY
- Increased movement of people
- Transport demand growth
- Digitalization

OUR STRATEGY IS ALIGNED WITH MACROTRENDS
... AND ON **KEY MARKETS EVOLUTION**

**OIL & GAS**  
Global energy demand growth driven by the necessity of securing an affordable energy supply in accordance with the World Energy Trilemma and the updated forecasts by OPEC.  
*The world requires $14 trillion in oil sector investments by 2045 to ensure market stability (OPEC)*

**LOW CARBON TECHNOLOGIES**  
Transition to low carbon energies (Carbon Capture, H₂, etc.)  
*Carbon Capture market has just started, and capture capacity is about to increase exponentially in 2023-2030 period (Rystad Energy)*

**NUCLEAR ENERGY**  
Nuclear energy based on traditional and Small Modular Reactors (SMR) where we hold a solid position providing critical industrial solutions  
*Contribution of this energy will be about 14% of global electricity by 2050, up from its 10% share today (IAEA)*

**AERONAUTIC & SPACE EXPLORATION**  
A bright horizon ahead: fast growing and very profitable sectors  
*Poised to experience robust expansion at a Compound Annual Growth Rate (CAGR) of 6.3% to 2032 (The Business Research Company)*

**INDUSTRIAL APPLICATIONS**  
Hydraulic and Instrumentation (H&I): small diam, ultra clean, high-precision tubes  
*Global growth forecasted of 2.9% in 2024 (International Monetary Fund)*
THREE CLEARLY DIFFERENTIATED PHASES

2030 VISION
HIGH VALUE SOPHISTICATED SOLUTIONS PROVIDER FOR ENERGY AND MOBILITY

**Phase 0: 2020-2021**
RESTRUCTURING & PREPARING

Significant savings achieved and increase of competitiveness in all our business units

**Phase 1: 2022-2025**
DELIVERING STABLE RESULTS AND CASH GENERATION

Growing sectors and current backlog allow to anticipate strong financial results and a cash generation period

**Phase 2: 2024-2025**
GROWTH & DIVERSIFICATION

Focus on reinvestment of profits in line with energy transition and new mobility solutions
READY TO LEAD THE NEXT TRANSITION

BACKED BY FIVE SOLID STRATEGIC AXES

01 LEADING SUSTAINABILITY
02 NET DEBT REDUCTION
03 ENSURING CURRENT STABILITY
04 COMPETITIVENESS & EFFICIENCY
05 DIVERSIFICATION
A BEST IN CLASS IN SUSTAINABILITY
OUR AMBITION 2030

1. Advancing towards neutrality and enhancing business circularity
   - <60% intensity of emissions
   - 40% green energy
   - 95% of waste circularity

2. Contributing to the development of innovative solutions for energy transition
   - €50M billed to new energy source
   - 80% R&D energy transition projects
   - 1%-2% of sales invested in R&D

3. Caring for our people and local environment
   - <75% accidents
   - <2% pay gap
   - 1% profit invested in social action

4. Doing what is right and promoting transparency
   - Corporate policies
   - Remuneration link to ESG
   - Sustainable financing
   - Risk management

CONTRIBUTING TO HUMAN PROGRESS
BY DRIVING RESPONSIBLE BUSINESS
### FULFILMENT

#### Leading Sustainability

<table>
<thead>
<tr>
<th>Topic</th>
<th>Score</th>
<th>Percentile</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL</td>
<td>68 (+)</td>
<td>90 (+)</td>
</tr>
<tr>
<td>Governance</td>
<td>60 (+)</td>
<td>94 (-)</td>
</tr>
<tr>
<td>Environmental Impact</td>
<td>45 (+12)</td>
<td>87 (+3)</td>
</tr>
<tr>
<td>Social</td>
<td>41 (+9)</td>
<td>89 (+4)</td>
</tr>
</tbody>
</table>

*The comparison refers to 2019 since 2020-2021 are not representative due to Covid’s situation.

#### Subcategory

<table>
<thead>
<tr>
<th>Subcategory</th>
<th>Unit</th>
<th>2019* Goal status: 9M 2023 (vs. 2019*)</th>
<th>Goal 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENERGY &amp; CLIMATE</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Energy intensity (1)</td>
<td>MWh/GAV</td>
<td>2.58</td>
<td>1.37</td>
</tr>
<tr>
<td>Scope 1 + 2 emissions intensity (2)</td>
<td>Ton CO2/GAV</td>
<td>0.70</td>
<td>0.28</td>
</tr>
<tr>
<td>% Renewable energy</td>
<td>% of total energy</td>
<td>0%</td>
<td>40%</td>
</tr>
<tr>
<td><strong>CIRCULAR ECONOMY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waste recycle</td>
<td>% of total generated</td>
<td>60.5%</td>
<td>95%</td>
</tr>
<tr>
<td><strong>SUPPLY CHAIN</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of suppliers evaluated on ESG factors</td>
<td>%</td>
<td>0%</td>
<td>99%</td>
</tr>
<tr>
<td><strong>DIVERSITY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gender pay Gap</td>
<td>Ratio</td>
<td>11.5</td>
<td>10.1</td>
</tr>
<tr>
<td><strong>PROFESSIONAL DEVELOP</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Training delivered per employee</td>
<td>Hours/FTE</td>
<td>13.7</td>
<td>15</td>
</tr>
<tr>
<td><strong>HEALTH &amp; SAFETY</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lost Time Injury Frequency Rate (LTIFR) evolution</td>
<td>2009 basis</td>
<td>100</td>
<td>25</td>
</tr>
<tr>
<td>Severity rate evolution</td>
<td>2009 basis</td>
<td>100</td>
<td>25</td>
</tr>
</tbody>
</table>

(1) Group companies’ intensities weight by energy use
(2) Group companies’ intensities weight by emissions

**INTERNATIONAL RECOGNITION**

Leading position in the world’s most prestigious climate change index

**LEADING SUSTAINABILITY**

- **Environment**: ENVIROMENT
- **Sustainable Value Chain**: SUSTAINABLE VALUE CHAIN
- **People**: PEOPLE
WITH MORE THAN 50 PROJECTS LAUNCHED ACROSS THE TUBACEX GROUP
SOME ENERGY RELATED INITIATIVES

01 EFFICIENCY
1. Energy efficiency improvements
2. ISO 50001. Energy efficiency certification for all plants

02 RENEWABLES
1. PPA European facilities powered by green energy sources

03 CIRCULARITY
1. Corporate waste management model.
2. Scrap recovery model (>80% waste recycled)
3. Slag and Refractory Recycling

DECARBONIZATION OF OUR STEEL MILL
The defined roadmap incorporates technologies such as oxy-combustion, electrification, CO2 capture, and hydrogen.

Vision: To be the European leader in the production of green stainless steel
Focus on cash generation
Continue with strict CAPEX control and disciplined capital approach
Reduction of working capital
Analyzing potential divestments or integrate financial partners
Solid financial strategy

Main ratios

- Cash Conversion Ratio: >50%
- Working Capital over sales: 30%
- Net debt / EBITDA: 2-3x

Net Financial Debt / EBITDA

- 2019: 3.84x
- Q3 2023: 2.5x
MITIGATING BUSINESS FLUCTUATIONS FOR **STEADY OUTCOMES**

**DIVERSIFICATION**
continue to develop our presence in Aerospace and H&I segments, as well as Low Carbon business

**UNIQUE GLOBAL FOOTPRINT**

**RAW MATERIAL AND ENERGY HEDGING**
mechanism to prevent volatility caused by raw material and energy prices

**LONG TERM AGREEMENTS**

LONG TERM AGREEMENTS PROVIDING HIGH VISIBILITY

In 2022 order book stood at €1.6bn, the highest level in the group’s history with a significant percentage of high value-added products.

More than **30 long-term agreements** signed with most relevant end users.
CASE STUDY I

LONG-TERM AGREEMENTS IN OCTG WITH LARGE BUSINESS PLAYERS

ABU DHABI
1st State-of-the-art CRA-OCTG manufacturing plant in the Middle East
(Completion expected by the end of 2024)

- $1bn ORDER VALUE
- $100M INVESTMENT VALUE
- 100,000 M² PLOT
- 150 EMPLOYEES
- ‘In Country Value’ program
- ‘Make it in the Emirates’

BRAZIL
Value added operation and services based on a LTA with Petrobras, for the supply of OCTG tubes

€300M ORDER VALUE

Streamlined Project Execution
- Expertise in inventory oversight and regulation
- Integrated solutions for logistics and warehousing
- Management of rig preparation and post-operation rig returns

Service Excellence
- Global running services supervision
- API, ISO registered quality management systems
- 24/7 technical support service

*Render: Abu Dhabi plant*
TUBACEX AND AKER SOLUTIONS
FORGE CO-CREATION PARTNERSHIP

A MODEL OF ENERGY SECURITY AND SUSTAINABILITY

Within its Long-Term Agreement Program with the Norwegian Aker Solutions A/S, Tubacex signed a framework contract for 3 relevant hydrocarbon reservoir projects in the North Sea. Gas supply is critical for securing energy requirements in the region, thereby addressing the current situation with Russia.

The agreement consists of the supply of state-of-the-art Tubacex designed and produced umbilical pipes in addition to the material supply, it is mutually agreed to work together on:

**ENGINEERING**
- Optimization of product dimensions to reduce costs
- Avoiding "overengineering" in the manufacturing process, aiming for more efficient delivery

**SUSTAINABILITY**
- Monitoring and reviewing CO2 emissions throughout the material manufacturing process, aiming for a sustainable product footprint
- Optimization of logistics, prioritizing maritime transportation over other methods
- Implementation of a circular economy, recycling surplus pipes as scrap and reusing packaging elements

**DIGITALIZATION**
- Of Project Management activities

ENSURING CURRENT STABILITY
THE CHALLENGE

October 2022: Twenty-six of France’s 56 nuclear reactors are offline for maintenance or because of corrosion on piping that cools the reactor cores. Fixing the corrosion is taking longer than expected at several reactors, delaying their restart by as much as six weeks, according to regulatory filings and a French nuclear executive familiar with the matter.

EDF, the world’s largest owner of nuclear plants, is one of Western Europe’s most important power companies. Its fleet of reactors normally exports large quantities of low-cost nuclear power to neighboring countries, helping stabilize prices across the region.

THE SOLUTION

Tubacex was awarded with the pipe and fitting design and manufacturing Project, includes approximately 700 fittings and 400 m of pipes which were delivered in 5 lots spread through 2022-2023 in a fast-track mode.

Production was extraordinary complex due to several constraints:

- Tight delivery schedule
- Paperwork accompanying the material is relevant due to the safety class of the material (Class I)
- Every single piece is fully tested before packing
- A permanent team of third-party inspectors from the Nuclear Regulatory Agency as well as from the end user
- The supplier of the material must provide the order with zero defect parts

Project management service is very demanding with daily reports of manufacturing status.

All information is exchanged through the EDF portal. Daily Exchange of EDF-IBF Project teams. GNMS exclusive PM engineer for the project.
MAINTAINING A **STABLE AND ROBUST OPERATING PROFITABILITY**

- Focus on our lean operations and production systems
- Constant optimization of our production processes
- Flexibility as a key lever, continuously adapting our organization structure
- Management model based on continuous improvement
- All companies delivering positive results
- Robust results
- Correct product allocation

**MAINTENANCE TRANSFORMATION**

**RADICAL IMPROVEMENT**

**GRADUAL IMPROVEMENT**

**9M23**

€641.9M **SALES**  
€93.8M **EBITDA**  
14.6% **EBITDA MARGIN**  
€1,630M **BACKLOG**

COMPETITIVENESS & EFFICIENCY

Correct product allocation
BUSINESS LINES ALIGNED WITH SOCIETY’S DECARBONIZATION GOALS

A POWERFUL STRUCTURE FOR A NEW ERA

CORE TUBACEX PRODUCTS

Supporting our customers in their decarbonization processes

Traditional
- Oil & Gas - E&P
- Industrial
- Precison and transportation
- Powergen

Diversification
- Aerospace
- Nuclear
- Health

LOW CARBON SOLUTIONS

Offering low carbon solutions for energy generation, storage and transport

- Projects focused on energy storage and transport, backed by CCS (Carbon Capture and Storage) and H₂ solutions
- Tailor-made solutions for low carbon segments and materials for hydrogen applications

NEW BUSINESSES

Analyzing organic and inorganic growth in energy and mobility Sectors

- M&A
- Greenfield projects
- Complementary companies that allow us to boost our diversification process
WE HAVE ALREADY MADE **GREAT PROGRESS**

- **LEADING SUSTAINABILITY**
  - International recognitions for our sustainability policies: CDP A- and S&P standards
  - Successfully implemented internal projects to reduce our carbon emission and waste valorization
  - R&D: continued to develop specific materials and solutions to contribute to the decarbonization of our customers

- **NET DEBT REDUCTION**
  - Strict CAPEX control
  - Cash conversion ratio >50%
  - Debt ratio down to 2.5x despite organic growth

- **ENSURING CURRENT STABILITY**
  - Significant growth achieved in every business area
  - Robust financial results
  - Over 30 LTAs and Frame Agreements signed
  - €1.6bn backlog (historic levels)
  - Book-to-bill ratio of >1x
  - Raw Material and Energy Hedging

- **COMPETITIVENESS & EFFICIENCY**
  - +€30M in fixed costs reduction (2020-2021)
  - Inflation costs successfully pass to our customers
  - Effective rightsizing of the 22 companies in the group
  - EBITDA margins 13-15%

- **DIVERSIFICATION**
  - Significant growth in Low Carbon business (Carbon Capture & Hydrogen)
  - Tailor-made solutions to reduce CO₂ emissions for industrial applications
  - Aeronautic and space exploration market great development
  - High expected growth in nuclear
ANTICIPATING TWO YEARS THE ACCOMPLISHMENT OF THE MAIN OBJECTIVES

A SUCCESSFUL AND VISIONARY STRATEGY CONTRIBUTING TOWARDS A FRUITFUL RESULT

01 EXPANSIVE CYCLE OF TRADITIONAL BUSINESS

02 GROWTH ALIGNED WITH ENERGY TRANSITION

03 DIVERSIFICATION THROUGH NEW BUSINESS

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 2022</th>
<th>2025 Goals</th>
<th>FULFILMENT</th>
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<tr>
<td>Revenue</td>
<td>715M</td>
<td>1,000-1,200M</td>
<td>≈900M 2023E</td>
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<td>EBITDA Margin</td>
<td>12.9%</td>
<td>12-15%</td>
<td>≈14.6% 9M 2023</td>
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<td>NFD/EBITDA</td>
<td>3.1x</td>
<td>2-3x</td>
<td>≈2.5x 9M 2023</td>
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<td>Working Capital</td>
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<td>&lt; 30% over sales</td>
<td>≈28.3% 9M 2023</td>
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<tr>
<td>RoNA</td>
<td>7.3%</td>
<td>&gt;10%</td>
<td>≈11.5% 9M 2023</td>
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SUMMARY

TUBACEX HAS MADE MORE PROGRESS THAN EXPECTED IN MEETING ITS STRATEGIC OBJECTIVES

WE HAVE UPDATED OUR STRATEGIC PLAN WITH NEW OBJECTIVES UP TO 2027

KEY POINTS OF OUR NEW PLAN:

- Moving forward on our five strategic axes
- Diversifying our current businesses and gaining market share in new sectors
- Growing both organically and inorganically
- Taking advantage of the acceleration of Low Carbon:
  - We have been preparing for this transition for a long time and investing in new developments
  - Last year we created the Low Carbon Solutions business unit

ALMOST TWO YEARS AHEAD OF EXPECTATIONS
CONVENTIONAL ENERGY
To accompany our clients in their decarbonization processes and successfully contribute to them
- Increase in gas consumption
- Relaunching of nuclear projects
- New technologies to reduce CO2 emissions
- Help our clients to increase the efficiency of their processes

LOW CARBON EMISSION ENERGY
To play a key role in production, storage and transport solutions for low emission sources of energy
- Applications and materials specifically designed for new energy sources (i.e. Hydrogen, biomass, etc)
- Specific developments for Carbon Capture

BOTH CONVENTIONAL AND LOW CARBON TECHNOLOGIES REQUIRE MATERIALS THAT ARE HIGHLY RESISTANT TO CORROSION, TEMPERATURE AND PRESSURE
INNOVATION
AS A LEVER OF OUR TRANSFORMATION TOWARDS THE NEXT TRANSITION

CAPITAL MARKETS DAY

NOVEMBER 21st, 2023

Diego Herrero
Corporate Innovation Director
Evolving with the World

World energy CAPEX and OPEX
10 years average
Units: Billion USD/yr

- CAPEX and OPEX for Fossil, Non-Fossil, and Grids
- Expected global investment

R&D expenditure related to energy transition
- Traditional vs. Low Carbon
- 2022 and 2025 data

Source: DNV ETO 2023
ENERGY TRANSITION FOR TUBACEX

**DRIVERS**
1. Hydrogen
2. Carbon Capture
3. Circular economy
4. Nuclear

**KEY TECHNOLOGIES**
- Electrolyzers
- CO₂ separation & compression
- CO₂ valorisation
- CO₂ storage
- Advanced processing
- Small Modular Reactors
- Advanced drilling
- CRA OCTG, subsea, LNG

**OUTPUTS**
- Decarbonized mobility
- Green Ammonia
- Green Urea
- Green Steel
- Bioplastics
- Biofuels
- Synthetic fuels
HYDROGEN BY TECHNOLOGY

World hydrogen production by technological route
Units: MtH₂/yr.

- Dedicated nuclear electrolysis
- Dedicated offshore wind electrolysis
- Dedicated onshore wind electrolysis
- Dedicated solar electrolysis
- Grid-connected electrolysis
- Methane reforming with CCS
- Coal gasification with CCS
- Methane reforming
- Coal gasification

Does not include hydrogen use in residual form from industrial processes.

Source: DNV ETO 2023

- Very significant long-term growth
- Two complementary technological routes
- Existing products for both of them, and developing high value solutions
MATERIALS FOR HYDROGEN APPLICATIONS

CURRENT PROJECTS BEING DEVELOPED FOR THE DIFFERENT HYDROGEN-RELATED TECHNOLOGICAL CHALLENGES

HIGH TEMPERATURE:
Blue hydrogen: New reformer designs

LOW TEMPERATURE:

- Standard stainless steel grades are widely used for hydrogen applications. Increasing demand for precision tubing
- More advanced materials under development

OFFSHORE WIND TO H₂:
Long distance transport

MATERIALS TECHNOLOGY PARTNER FOR EMERGING CHALLENGES
MATERIALS AND COMPONENTS FOR ELECTROLYZERS
PARTICIPATING IN SEVERAL R&D PROJECTS TO DEVELOP ADVANCED MATERIALS AND COMPONENTS

PEM ELECTROLYZERS:
SCIENTIFIC & TECHNOLOGICAL CAPABILITIES
MEMBERS OF BASQUE RESEARCH & TECHNOLOGY ALLIANCE

SOEC ELECTROLYZERS:

AEM AND PCEC ELECTROLYZERS:
# NEW BUSINESS MODELS. COMPONENTS FOR ELECTROLYZERS

GEARED UP FOR DELIVERING VALUE TO MAIN ELECTROLYZER OEMS

<table>
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<tr>
<th>PROTOTYPE / FEW UNITS</th>
<th>SERIAL PRODUCTION</th>
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<tbody>
<tr>
<td><strong>PRODUCT</strong></td>
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<tr>
<td>Tubes / pipes off-the-shelf</td>
<td>Functional parts</td>
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<tr>
<td>Stock</td>
<td>Just in Time</td>
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<td><strong>QUALITY</strong></td>
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<tr>
<td>Standards</td>
<td>Total Quality Management</td>
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<tr>
<td></td>
<td>Zero defects</td>
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<tr>
<td></td>
<td>Integrated process</td>
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<tr>
<td></td>
<td>Validation for plug&amp;play</td>
</tr>
<tr>
<td><strong>DESIGN</strong></td>
<td></td>
</tr>
<tr>
<td>Conventional</td>
<td>Co-Design</td>
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<tr>
<td></td>
<td>Total cost reduction</td>
</tr>
<tr>
<td></td>
<td>Easy to assemble</td>
</tr>
<tr>
<td><strong>COST</strong></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>Total cost &gt;20% lower</td>
</tr>
</tbody>
</table>
NEW BUSINESS MODELS

NEW TECHNOLOGIES AND SOLUTIONS ARE EMERGING CONTINUOUSLY
Actively looking for partnerships to develop new business models

Example: Waste to hydrogen project

- Partnership with a technology developer (Novargi)
- JV 50/50
- Demo project funded by EU (innovation fund)
- Expected operation of pilot plant: 2025
- The business model focuses on commercializing the technology, once it is validated
OVERVIEW OF HYDROGEN STRATEGIES

- ENHANCE CURRENT OFFERING BY:
  - Optimizing precision tubing capacity worldwide
  - Adding and promoting new alloys

- EXPLORE NEW MATERIALS SOLUTIONS:
  - Materials for electrolizer stacks
  - Ceramic coatings
  - Bimetallic tubes

- DEVELOP NEW BUSINESS MODELS:
  - Serial production of tubular components for electrolizers
  - Technology partnerships (e.g.: Waste to H₂)
NEW SOLUTIONS FOR FERTILIZER PRODUCTION

CREATION OF A NEW EMERGING BUSINESS UNIT DRIVEN BY R&D

- New steel grades for the urea synthesis process
- Very close relationship with technologists
  Need for co-development
- Long validation processes
- Need to manufacture and supply the full range of materials
  (plates, flanges, fasteners, welding material...)
  Not only products manufactured by Tubacex, but also by industrial partners

UREA PRODUCTION PROCESS

Hydrogen + Nitrogen = Ammonia + CO₂ = UREA

Steam Reforming
Biomass Gasification
PV Electrolysis
Air Separation Unit

Tubacex Solution 1
(in the market)

Tubacex Solution 2
(pre-Market, patented)

Technology Developer - CASALE
Advanced materials supplier - SAIFEN
LICENSOR 3
LICENSOR 4

Competitor A
Competitor B

HYDROGEN
CARBON CAPTURE FOR TUBACEX
CO₂ CAPTURE & STORAGE

CCS steps

- Substantial increase in demand of CRA downhole tubulars due to corrosive environment
- Different conditions and new technical challenges compared to Oil & Gas, bring opportunities for technical development and optimization. Ongoing collaborations
- New players, and demand for tubulars along the value chain, create opportunities for new business models, with an integrated approach
THE INCREASED COMPLEXITY OF THE PROCESSES is driving a new CAPEX cycle, with smaller and more diverse projects.

THE PROCESS OF WASTE LEADS TO HIGHER CORROSIVITY AT THE INITIAL STAGES, so more nickel alloys are required. This is also an opportunity for ceramic coatings.

LOWER EMISSIONS AND HIGHER EFFICIENCY HYDROGEN PRODUCTION will increase demand for stainless steel tubulars and high-end alloys (e.g.: 699XA).

CO₂ CAPTURE, AND TRANSPORT AND STORAGE will increase demand for more products within the Tubacex portfolio.

Source: Repsol
The size of the potential global SMR market is expected to be approximately 65-85GW by 2035, valued at £250-£400bn* (Source: UK National Nuclear laboratory)

**SMALL MODULAR REACTORS**

**NUCLEAR ENERGY**

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### TUBACEX STRATEGY:

- **Early engagement with designers**
- **Co-development of tubular components**
- **Prototypes manufacturing and validation**

---

### 2020-2030

<table>
<thead>
<tr>
<th>SIZE (MWe)</th>
<th>MODEL</th>
<th>COMPANY</th>
<th>COUNTRY</th>
<th>TYPE OF REACTOR</th>
<th>INTEGRATED 5G (Y/N)</th>
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<td>PWR</td>
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<tr>
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<td>UK</td>
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<td>NUSCALE</td>
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<td>GE-HITACHI</td>
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### 2030-2040

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<th>MODEL</th>
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<td>TERRESTRIAL-CRNL</td>
<td>CAN</td>
<td>MSR</td>
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* Estimated equivalent in Euros at current exchange rate: €287-459bn
INNOVATION STRATEGY APPROACH

COMPETITIVENESS
Improve the competitiveness of our current offering

DECARBONIZE
Decarbonize our own operations

NEW PRODUCTS/TECHNOLOGIES
Develop new products/technologies for the emerging energy transition topics

SUPPLY CHAIN
Move up in the supply chain to provide a more integrated/higher value proposition

NEW BUSINESS LINES
Create new business lines through partnerships with technological leaders or breakthrough innovators
Our Low Carbon vision in this Business Unit is the following:

1. To be used as a platform for growth for all Low Carbon initiatives within the Group
2. To increase our exposure to key energies in the long-term transition
3. To help decarbonize our own and our customers’ operations
4. To leverage our position as technical leader of advanced materials looking for synergies with our traditional business
5. To profitably generate a €100M revenue by 2027

This background has allowed Tubacex low carbon business unit to launch its operations on different industries where our advanced materials will play a key role.
LOW CARBON BUSINESS UNIT: SCOPE

1. HYDROGEN
- Specific materials and products developed for Hydrogen applications
- Stainless steel high-pressure tubing for most applications
- To develop components for electrolysers

2. CARBON CAPTURE
- Unique premium tubular solution for all stages of Carbon Capture
- Integrated OCTG premium solution for CO₂ injection
- Development of specific Steel grades for Carbon Capture applications

3. FERTILIZERS & AMMONIA
- Development of special products and welding technologies for fertilizer applications
- Unique value proposition to serve the urea market

4. CIRCULAR ECONOMY
- Improved processes efficiency
- Waste-to-energy applications
- To reduce our customers’ CO₂ emissions
1. **HYDROGEN: SIZE OF THE OPPORTUNITY & TUBACEX STRATEGY**

### ADDRESSABLE MARKET

Hydrogen power generation capacity by region, NZS

<table>
<thead>
<tr>
<th>Year</th>
<th>Rest of the World</th>
<th>Europe</th>
<th>US</th>
<th>Indonesia</th>
<th>Australia</th>
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</table>

**Source:** Bloomberg New Energy Finance

### TUBACEX STRATEGY

1. To be the technical leader in advanced materials used by the hydrogen industry
2. To lead disruptive technologies that will play a role in the development of the hydrogen industry
3. To supply integral tubular solutions for the hydrogen industry
1. HYDROGEN: SIZE OF THE OPPORTUNITY & TUBACEX STRATEGY

TECHNICAL LEADER IN ADVANCED MATERIALS

Alloy 699XA
- Increased metal dusting resistance for hydrogen production

Dedicated steel grades
- Improved Hydrogen embrittlement resistance at low temperature. High mechanical strength with increased flow rate

TO LEAD DISRUPTIVE TECHNOLOGIES

- Unique technology for waste to hydrogen projects
- Disruptive model that will positively impact municipalities and hydrogen consumers

INTEGRAL TUBULAR SOLUTIONS

- One-stop-shop tubular solutions for the electrolyzer market
- Running project in Spain with Accelera (Cummins)
- Scalability on a global basis

TARGET MARKET SHARE
- 20-30%
- 5-10%
- 10-15%
2. CARBON CAPTURE UTILIZATION & STORAGE: AN EMERGING MARKET WITH SIGNIFICANT POTENTIAL FOR TUBACEX

Carbon Capture is becoming a key tool to accelerate the Energy Transition, with a pipeline of projects on execution and planning stages expected to grow exponentially during the next five to ten years.

The US market has positioned itself in a privileged position for developing the required infrastructure to develop the Carbon Capture industry, with the North Sea in Europe and Australasia as other key hubs.

Class VI Permit Tracker 10/27/2023

US Announced Carbon Capture Projects
2. CARBON CAPTURE: SIZE OF THE OPPORTUNITY AND TUBACEX STRATEGY

ADDRESSABLE MARKET

OCTG Demand Carbon Capture €M

<table>
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<tr>
<th>Year</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
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<td>Value</td>
<td>50,00</td>
<td>100,00</td>
<td>150,00</td>
<td>200,00</td>
<td>250,00</td>
<td>300,00</td>
<td>350,00</td>
</tr>
</tbody>
</table>

Source: Rystad Energy

TUBACEX STRATEGY

1. To deliver an integral tubular solution for all processes involved in the Carbon Capture process
2. To leverage on our global leading position in CRA OCTG tubular solutions to become the market leader in advanced materials for CO₂ injection
3. To create value in an emerging industry by participating in the design and engineering stages to help reduce the overall cost of the projects
2. CARBON CAPTURE: EXISTING PROJECTS AND ADDRESSABLE MARKET

INTEGRATED TUBULAR SOLUTIONS

- To develop a unique value proposition for advanced materials in the whole emerging Carbon Capture supply chain
- First projects already delivered supplying full set of tubular products in advanced materials (e.g., Brevik project for Aker Carbon Capture)
- Local presence in key markets (US, Norway) will be required

LEVERAGING OUR POSITION IN CRA OCTG TUBULAR SOLUTIONS

- To continue positioning ourselves as the leading supplier of CRA OCTG tubular solutions for the injection of CO₂ in Carbon Capture projects
- To lead the technical solution of the highly corrosive environment for CO₂ injection
- First projects already in backlog: Summit Carbon Solutions and Verde CO₂

PARTICIPATE IN THE DESIGN AND ENGINEERING STAGES

- Carbon Capture is an emerging market that is currently facing technical and administrative challenges as may be expected in any new industry
- Tubacex is leading technical discussions with key players in the sector to bring the operations to the highest level of efficiency in a highly corrosive environment

TARGET MARKET SHARE

- Carbon Capture: 5-10%
- OCTG Tubular Solutions: 30-40%
- CRA OCTG Tubular Solutions: 10-20%
3. FERTILIZERS & AMMONIA: SIZE OF THE OPPORTUNITY & TUBACEX STRATEGY

ADDRESSABLE MARKET

€M

<table>
<thead>
<tr>
<th>Year</th>
<th>Addressable Market</th>
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<td>2023</td>
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<td>2026</td>
<td>400</td>
</tr>
<tr>
<td>2027</td>
<td>425</td>
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</tbody>
</table>

Source: company estimates

TUBACEX STRATEGY

1. To increase current market share by leveraging the investments made over the past years to develop two new steel grades especially designed to better withstand the corrosive environments of a fertilizer/ammonia plant.

2. To position Tubacex with a unique value proposition in the market including all tubular products in advanced materials and an enhanced service for just in time deliveries.

3. To expand our business model to other adjacent industries (e.g.: nitric acid...)

Source: company estimates
3. FERTILIZERS & AMMONIA: EXISTING PROJECTS AND ADDRESSABLE MARKET

TO INCREASE MARKET SHARE WITH OUR NEWLY DEVELOPED MATERIALS

- To develop a strategic agreement with Saipem by leveraging on co-developed Steel grade
- To increase market share by developing an existing strategic agreement with Casale

TO DEVELOP AN INTEGRAL SOLUTION WITH JUST IN TIME DELIVERIES

- Availability as a key differentiating factor from competitors
- To develop existing agreements with third parties to ensure complementary products: forgings, wire, ferrules, etc.
- Service Center in Italy as a key hub for technological partners

TO APPROACH NEW INDUSTRIES WITH SIMILAR TECHNICAL CHALLENGES

- To leverage on existing platforms for urea market to approach adjacent industries: nitric acid
- To look for the right partnerships

TARGET MARKET SHARE

- 20-30%
- 30-40%
- 10-20%
4. CIRCULAR ECONOMY: TUBACEX STRATEGY

The pursuit of a reinforced circular economy is leading to significant technical challenges that require advanced materials like ours. In parallel, Tubacex has also developed innovative products that aim to reduce the CO₂ emissions of our customers.

TUBACEX STRATEGY

1. To improve efficiency and reduce CO₂ emissions of high emitting industries

2. To actively participate in the challenges attached to the circular economy wherever advanced materials are required

Source: Repsol
4. CIRCULAR ECONOMY: TUBACEX STRATEGY

TO REDUCE THE CO₂ EMISSIONS OF OUR CUSTOMERS

- To continue with the penetration of our advanced coatings, thus drastically reducing CO₂ emissions of high emitting industries
- Recent customers include Aramco, Exxon, BP, Shell, ENOC

TO LEAD THE TECHNICAL CHALLENGES OF THE CIRCULAR ECONOMY

- Waste to any kind of energy leads to higher levels of corrosion where our advanced materials are increasingly used
- Biofuels, synthetic fuels and bioplastics are generating a stronger market share for our products’ portfolio
- We expect disruptive technologies to be developed in this area where we will play a key technical role
LOW CARBON
BUSINESS UNIT

CONCLUSIONS

RUNNING BUSINESS
Tubacex Low Carbon is a reality with existing sales in different applications

GO TO MARKET STRATEGY
We have a clear Go To Market strategy and value proposition for our existing four targets (Carbon Capture, Hydrogen, Fertilizers & Ammonia, and Circular Economy)

OUR COMMITMENT

SIGNIFICANT VALUE CREATION FOR THE GROUP

TO ACHIEVE €100M SALES BY 2027, WITH 1/3 OF THE GOAL EXPECTED TO BE ACHIEVED ALREADY IN 2024

EBITDA MARGIN OF THE UNIT EXPECTED TO STAND AT A 20% LEVEL BY 2027
THE LOW CARBON UNIT

THE LOW CARBON UNIT HAS BEEN CREATED TO ACCOMPANY OUR CURRENT CUSTOMERS

The Low Carbon global market is expected to grow exponentially.

We hold a conservative approach; however, the energy transition will be a reality regardless of the speed at which it occurs.

Low Carbon could become one of Tubacex’s most important business in the future.

READY TO ADDRESS ENERGY TRANSITION CHALLENGES
SECURING ENERGY SUPPLY IS OUR PRIORITY

ENERGY DEMAND INCREASE
To secure a sustainable, affordable and reliable energy

RENEWABLES & CONVENTIONAL ENERGY NEED TO COEXIST
To develop low carbon emissions sources of energy (Carbon Capture, Hydrogen, Biomass, etc.)

HUGE EFFORT IN CO₂ REDUCTION
To decarbonize current processes

THE WORLD IS MOVING TOWARDS DECARBONISATION OF ENERGY SOURCES

AT TUBACEX WE ARE A RELEVANT PLAYER IN THE ENERGY TRANSITION, CONTRIBUTING TO SECURE ENERGY SUPPLY
NT² 2027
DRIVING THE NEW TUBACEX TOWARDS THE NEXT TRANSITION
A UNIQUE POSITION

Solid financial results  
*(nine consecutive quarters of improved results)*

2021-2025 plan executed under normal market conditions

Privileged position within the industry to take advantage of current expansion cycle

- Successful cost reduction project
- Organic ADNOC project replaces anticipated growth through M&A in the plan
- Significant growth in Low Carbon products, aligned with energy transition

Industry growth and current backlog allow to anticipate strong results and cash generation period

The current perimeter allows us to meet strategic objectives

Firm commitment to sustainability principles that has led us to become a point of reference in our sector

Multi-energy and mobility. Providing solutions for all technologies
ROOM FOR MARKET SHARE INCREASE
In certain products where we already hold a strong market position

SUBSTANTIAL GROWTH OPPORTUNITIES IN

- LOW CARBON BUSINESS
- NUCLEAR PROJECTS
- AERONAUTICS & SPACE EXPLORATION
- INDUSTRIAL APPLICATIONS

DIVERSIFICATION THROUGH M&A

FINANCIAL PARTNERSHIPS TO SHARE NEW INVESTMENTS IN NEW SEGMENTS

UNLOCKING THE VALUE OF R&D DEVELOPMENTS
COMMITTED TO MEETING EVEN MORE AMBITIOUS TARGETS

NT² 2027 TARGETS

THE NEXT TRANSITION

REDUCE OIL & GAS EXPOSURE TO 1/3 OF THE BUSINESS

MARKET LEADERS IN LOW CARBON BUSINESS

TO BE A POINT OF REFERENCE IN SUSTAINABILITY

THE NEW TUBACEX

REVENUE €1,200-1,400M

Including potential investment in inorganic growth (M&A)

EBITDA >€200M

Including potential investment in inorganic growth (M&A)

NFD / EBITDA <2X

Including potential investment in inorganic growth (M&A)

SHAREHOLDERS’ REMUNERATION: 30-40% PAY-OUT
MANAGEMENT TEAM

EXTENSIVE EXPERTISE AND A PROVEN TRACK RECORD

Jesús Esmorís
CEO

Antón Azlor
Corporate Commercial Director

Guillermo Ruiz-Longarte
Corporate Financial Director

Manuel Sarabia
Corporate HR Director
Managing Director
Advanced Solutions

Diego Herrero
Corporate Innovation Director

Miguel Gómez Lacabex
Corporate Business Development Director
Managing Director Low Carbon

Ana López de Mendoza
Corporate Risk and Internal Control Director

Celestino Danis
Managing Director
Steel & Extrusion

Iker Azkargorta
Managing Director
Special Components

Ajay Sambrani
Managing Director
Asia

Javier Lorenzo
Managing Director
Americas

Juan Gomez-Cordobés
Managing Director
Middle East
P&L Transformation Path: 2024-2027

Under normal market / mid-cycle circumstances

1) Sales

Actual Business
Starting point
€850M

Strategic Plan 2025
€780M

± 9%

Goal 2027
€1,200 - 1,400M

Road to 2027

+ €250-450M
ADNOC + FMAD(1) + NIS(2) + M&A

+ €100M
Low Carbon Business Unit

Increase in sales = Better Market Prospects + ADNOC Contract + Better Market Positioning

(1)FMAD: Framework agreements development / (2)NIS: New Industrial Solutions
**P&L Transformation Path: 2024-2027**

**Under Normal Market / Mid-Cycle Circumstances**

**2) EBITDA**

**Actual Business**
- Starting point: €125M (14.7% Margin)

**Strategic Plan 2025**
- €110M (14% Margin) + €20M (20% Margin) + €55M (15% Margin)

**Road to 2027**
- €20M (20% Margin)
- ADNOC + FMAD\(^{(1)}\) + NIS\(^{(2)}\) + M&A
- Low Carbon Business Unit

**Goal 2027**
- >€200M

**Margin Improvement = Premium Products Development + Consolidated and Continuous Cost Control**

\(^{(1)}\)FMAD: Framework agreements development / \(^{(2)}\)NIS: New Industrial Solutions
P&L Transformation Path: 2024-2027
Under normal market / mid-cycle circumstances

3) Operational Free Cash Flow* Conversion

Actual Business
Starting Point 56%

Strategic Plan
2025 50%

Goal 2027
>60%

Maintaining conversion ratio > 60% thanks to increase of EBITDA and financial expenses reduction

*Operational Free Cash Flow: EBITDA - Financial Expenses - Maintenance Capex - Leases IFRS 16
BALANCE SHEET TRANSFORMATION PATH: 2024-2027
UNDER NORMAL MARKET / MID-CYCLE CIRCUMSTANCES

1) CAPEX

AVERAGE MAINTENANCE CAPEX
Current perimeter = €21M
2024-2027 AVERAGE TARGET €25-30M

‘ONE - OFF’ CAPEX
+ LOW CARBON BUSINESS UNIT €10M
+ GROWTH IN ADVANCED TECHNICAL SOLUTIONS €20M
+ ABU DHABI PLANT €90M
€120M €30M/YEAR

AVERAGE ANNUAL CAPEX ≈ €60M
BALANCE SHEET TRANSFORMATION PATH: 2024-2027
UNDER NORMAL MARKET / MID-CYCLE CIRCUMSTANCES

2) FINANCIAL DEBT

ACTUAL BUSINESS
Starting point

STRATEGIC PLAN
2025

CURRENT PERIMETER
Expected evolution

FROM 2023
to 2027

2.5x
NDF/EBITDA

2x - 3x
NDF/EBITDA

≈2.5x
<1x

<2x

IN ANY SCENARIO OF
STRATEGIC DEVELOPMENT...
### 3) Gross Financial Debt Qualitative Structure

<table>
<thead>
<tr>
<th>Metric</th>
<th>Actual Business (Starting point)</th>
<th>Target 2027</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Working Capital / Sales</td>
<td>28%</td>
<td>≤ 30%</td>
</tr>
<tr>
<td>Financial Cost / Sales</td>
<td>3.5%</td>
<td>≤ 1.5%</td>
</tr>
<tr>
<td>Equity / Total Assets</td>
<td>25%</td>
<td>≥ 35%</td>
</tr>
<tr>
<td>Long-Term / Short-Term (1)</td>
<td>47%</td>
<td>70%</td>
</tr>
<tr>
<td>ESG Linked Financing / Total Gross Debt</td>
<td>40%</td>
<td>80%</td>
</tr>
</tbody>
</table>

**Notes:**
- (1) Excluding Promissory notes
- Strategic Plan 2025 ≤ 30%
- To be accomplished before end of 2025
- DONE

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**Starting point**

- 28%
- 3.5%
- 25%
- 47%
- 40%
## SHAREHOLDERS’ VALUE CREATION

<table>
<thead>
<tr>
<th>% APPRECIATION OF TUBACEX'S SHARE 2022</th>
<th>+33%</th>
</tr>
</thead>
<tbody>
<tr>
<td>% APPRECIATION OF TUBACEX'S SHARE YTD 2023</td>
<td>+48%</td>
</tr>
<tr>
<td>AVERAGE TARGET PRICE (1)</td>
<td>€4.5/SHARE (+50% CURRENT PRICE)</td>
</tr>
<tr>
<td>POSITIVE RECOMMENDATIONS FROM ANALYSTS</td>
<td>100%</td>
</tr>
<tr>
<td>COMMITTED PAY OUT RATIO</td>
<td>30%-40%</td>
</tr>
</tbody>
</table>

**Illustrative example**

\[ \text{EBITDA 2027} \times 7 \times \frac{EV}{EBITDA} = \text{€1,400M ENTERPRISE VALUE} \]

\[ \text{€1,000M} - \text{€1,200M} \text{ EQUITY VALUE} \]

\[ 7.9 - 9.5 \text{ EURO/SHARE} \]

## STILL ROOM TO IMPROVE IN THE MARKET

(1)Average target price on November 20th according to the market consensus
MAIN FINANCIAL MESSAGES FROM CFO
KEY DRIVERS: ROAD TO 2027

1. INCREASE IN SALES
   - better markets prospects
   - ADNOC contract
   - better market positioning

2. MARGIN IMPROVEMENT
   - premium products development
   - consolidated and continuous cost control

3. 2025 strategic targets exceeded without M&A activity
   - just thanks to framework agreements developments in OCTG, SURF, H&I, Nuclear and Aerospace

4. Our starting point is unprecedented "solid ground"
   - Backlog exceeding €1.6bn concentrated in High value/margin products

FOUNDATIONS LAID TO WITNESS ANOTHER PERIOD OF PROFITABLE GROWTH FOR TUBACEX AND ITS SHAREHOLDERS
DRIVING TUBACEX’S TRANSFORMATION
SUCCESS STORY TOWARDS THE NEXT TRANSITION
CAPITAL MARKETS DAY
NOVEMBER 21st, 2023
TUBACEX
CONCLUSIONS

CAPITAL MARKETS DAY
NOVEMBER 21ST, 2023

Jesús Esmorís
CEO

TUBACEX GROUP
BE PART OF THE **NT²**

**REASONS TO INVEST IN TUBACEX**

**DRIVING SUSTAINABLE VALUE AND ENTERING INTO A NEW PHASE OF VALUE CREATION FOR OUR SHAREHOLDERS**

- A **world leader** in unique advanced industrial solutions for energy and mobility
- With a **fully integrated production model** to capture the long-term growth offered by the macrotrends that are driving both sectors
- **Global presence with long-term agreements** with strategic partners
- Showing a proven **solid track record of transformation**, adaptation to the market ahead of trends and goal achievement
- Endorsed by **solid results and a strong backlog**
- Committed to **human progress** through strong sustainability objectives

**NT² 2027 TARGETS**

TO REDUCE OIL & GAS EXPOSURE TO 1/3 OF THE BUSINESS

市场领导者在低碳业务

TO BE A POINT OF REFERENCE IN SUSTAINABILITY

收入 €1,200-1,400M

包括潜在投资于无机增长（M&A）

EBITDA >€200M

NFD / EBITDA <2X

包括潜在投资于无机增长（M&A）

**SHAREHOLDERS’ REMUNERATION**

30-40% PAY-OUT

**包括潜在投资于无机增长（M&A）**

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