



Tubacex achieves its best quarterly result in both sales and EBITDA.

Tubacex presents its best quarterly results in terms of both sales and EBITDA in its history. The sales figure reaches 232.2 million euros and EBITDA reaches 30.5 million euros, 46.9% and 60% higher respectively than the first quarter of 2022, confirming the path of progressive growth initiated since the end of 2021. At the same time, the EBITDA margin on sales stands at 13.1%, consolidating the achievement of the strategic profitability objective.

From a **balance sheet perspective**, net financial debt has been reduced by €0.3 million during the period, and the leverage ratio has decreased to 2.8 times EBITDA, **anticipating the target set for 2025**. The achievement of this goal is even more remarkable when considering two factors. On one hand, during the quarter, the company acquired minority stakes in Saudi Arabia and Norway, and began investing in the Abu Dhabi plant (€8.5 million). On the other hand, the reduction of debt has occurred in a context of revenue growth and working capital containment, in which Tubacex has also achieved its strategic goal of reducing working capital as a percentage of sales by positioning it at 29.1%

The beginning of 2023, driven by a dynamic energy market in terms of investment and visibility, has confirmed the company's forecasts, consolidating the recovery of its results in all key indicators. Thus, Tubacex strengthens its position as a multi-energy player in the current energy transition scenario.

The first quarter of 2023 has also been a historic quarter in terms of order intake, which allows us to maintain the record level of the order book at €1.65 billion, demonstrating the presence and strength of the markets in which the company operates.

Thanks to Tubacex's strategic position in the market segments in which it operates, the order book is composed of premium products and services, and is highly diversified across sectors, in line with the strategic plan's focus on prioritizing high-margin niches and proposals for high-value-added products and services over volume criteria.

All of this, combined with a global presence that is also close to its key customers, is contributing to increasing the company's resilience in the face of market and geostrategic challenges impacting the segments in which it operates.

The positive result is also applicable **to all business units and production plants** of the group, thanks to the competitiveness improvement actions outlined in the current strategic plan, which have resulted in an optimal manufacturing mix in each unit and a significant adjustment in cost structure.

In terms of production facilities, the progress of milestones in the installation of the OCTG-CRA plant in Abu Dhabi, thanks to the contract signed with ADNOC, stands out. The start of operations is expected to be at the end of 2024, and it is expected to operate at full capacity in 2025.

On the other hand, Tubacex has taken on a prominent role in the current energy transition scenario, with the goal of accompanying its clients in their decarbonization processes. This commitment is allowing the company to strengthen its position in new and promising business niches through its innovative products and services, such as the execution of the first **carbon capture and storage (CCS)** project for a major client in the United States. The company has set its sights on this rapidly growing segment, thanks to its relevant and **low-carbon** focused innovation.

One of the noteworthy events of the first quarter of 2023 was the inauguration of the **Energy Intelligence Center** building, a leading technological research center for the development of new materials, products, and solutions applicable to new technologies that advance decarbonization in the energy, industrial, and mobility sectors, such as green hydrogen or carbon capture, among others. These facilities, which will house the company's innovation teams, will have a full-scale laboratory where the company will conduct real-scale tests of its innovative applications in this field. This is a key initiative in Tubacex's innovation strategy for the coming years.

Finally, with regards to Tubacex's strategic focus on sustainability, where the company is positioned among the best companies in compliance with sustainability criteria (A- rating from the prestigious organization CDP), the company has obtained a new recognition during this quarter. For the first time, Tubacex has been included in the global list of "supplier engagement leaders" awarded by this organization. This list recognizes sustainability actions by companies in relation to their supply chain. This is a new recognition in the company's new direction towards becoming the industrial benchmark in decarbonization.

In conclusion, these first data of the current year represent the forecast of a 2023 that confirms the continuity of the clearly positive cycle we are in, with a solid foundation based on the growing portfolio, high cash generation, and visibility for the company.



Jesús Esmorís

CEO Tubacex
