



TUBOS
REUNIDOS
GROUP

PERFORMANCE AND
RESULTS **1S 2025**

Amurrio, 28 July 2025

Tubos Reunidos Group has today published its results for the first half of the 2025 financial year. The results recognise the impact of restrictions on international trade and tariff policies, which have created a market beset by uncertainty and with stagnant international demand in a changing and unstable environment. It is undoubtedly one of those slow-downs that is characteristic of an extremely cyclical sector like seamless piping.

The growth in the backlog in the last few months of 2024 boosted turnover for the first half of the year to EUR 205.8 million, up 19% compared to the same period of the previous year, despite a less favourable exchange rate and a backdrop of significant price pressure. However, as the half year progressed the tariff policies adopted by the US Administration, imposing tariffs on steel and aluminium imports (standing at 50% since the beginning of June), has halted purchasing and investment decision-making by distributors and operators reducing the backlog volume by 26% compared with the value at the end of 2024. This uncertainty has also affected the dollar rate, which has

depreciated significantly against the euro. This, in turn, has negatively impacted the margin of a portion of the backlog and damaged the competitive position of European companies.

In the first half of 2025, the Group obtained a negative operating income of EUR 10.8 million, and a negative consolidated net income attributable to the parent company of EUR 28.4 million. EBITDA stood at EUR -0.7 million (compared to EUR +5.3 million in the same period of the previous year). The total impact of tariffs on the Group's EBITDA in the first half the year is estimated to be EUR 15 million derived from the assumed cost of tariffs, client cancelations and lower orders.

The Group has adopted certain measures to tackle the existing uncertainty including driving trade in complementary markets that will help offset the impact of tariffs on sales to the US, as well as cost containment policies and adopting operational measures to promote productive efficiency. Likewise, during the first half of 2025, temporary redundancies, with a maximum occurrence of 50%, were implemented at the TRPT plant in Iruña de Oca for productivity reasons.

Key indicators¹

Millions of euro unless otherwise stated	30/06/2025	30/06/2024	Change	Change (%)
Results				
Revenue	205.8	172.7	33.1	19.1%
EBITDA	(0.7)	5.3	(6.0)	-
EBITDA margin/turnover	(0.3%)	3.1%	(3.4%)	-
Operating income	(10.8)	(2.8)	(8.0)	286.3%
Profit/(loss) before tax	(28.9)	52.3	(81.2)	-
Net income	(28.4)	40.4	(68.8)	-
Cash flow and debt				
Cash flow from operations	4.8	14.7	(9.9)	(67.4%)
Net cash flow	(0.9)	(37.9)	37.0	-
Net financial debt*	243.7	234.3	23.4	4.0%
Cash position and financial investments*	48.9	51.7	(2.8)	(5.4%)
Others				
CapEx	4	7	(3)	(36.3%)
Consolidated net equity*	4.6	28.1	(23.5)	(83.6%)
Net equity for trading purposes ² *	184.6	201.3	(16.7)	(8.3%)

1. The definition of these indicators can be found in the Consolidated Management Report for the period ended 30 June 2025 in the "Alternative Performance Measures" section.

2. Of the Group's parent company

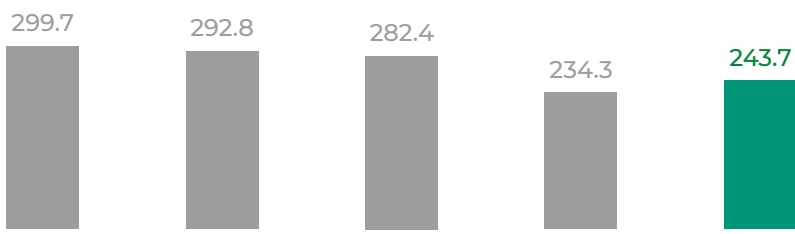
* Versus 31/12/2024.

Financial situation

The Group's top priority continues to be optimising its liquid assets. Therefore, in April 2025, the Group made an agreement with its financiers to modify the maturity schedule of the syndicated loan, bond B and the FASEE loan (SEPI). Thus, principal payments planned for 2025, corresponding to the early amortisation of the proceeds from the sale of the Sestao steelworks and the ordinary amortisation for the financial year, for a total amount of EUR 15.2 million and EUR 12 million respectively, have been postponed to 2026 and 2027. However, these amounts may be repaid early if the recuperation of cash surpluses permits. This measure aims to provide the company with sufficient liquidity levels to face the abovementioned challenges and uncertainties.

The focus on managing working capital has enabled the Group to generate an operating cash flow of EUR 4.8 million in the first half of the year. Investment payments amounted to EUR 4.8 million. Financial payments correspond to interest on the various financing arrangements, including the payment of EUR 1.3 million on the FASEE loan for the 2024 equity interest payable subject to a positive income before tax for the previous year. Moreover, the trend of falling interest rates in the Eurozone is allowing spending on variable rate loans (debt "A" and the FASEE loan) and on working capital financing instruments to be reduced.

Net debt reached EUR 243.7 million at the end of the half-year period, a slight increase compared to the EUR 234.3 million as at 31 December 2024, displaying the following trend:



Millions of euros	2021	2022	2023	2024	JUN 2025
Gross debt	377.5	390.3	378.2	286.0	292.6
Cash and cash equivalents, and other current financial assets	77.8	97.5	95.8	51.7	48.9
Net financial debt	299.7	292.8	282.4	234.3	243.7

As at 30 June 2025, the Group has obtained a waiver of the net debt/EBITDA covenant set out in the financing agreement and is in compliance with the maximum authorised CapEx ceiling.

Outlook

The Group is facing a second half of the year characterised by the uncertainty of the tariff situation and the evolution of conflicts in Ukraine and the Middle East. Furthermore, it is still expected that the negotiations between the US Government and the European Union, extended until 1 August, will result in an agreement that will reduce the impact of US steel and aluminium tariffs and establish a stability framework that enables medium-term planning and facilitates purchase and investment decision-making by the companies concerned.

Tubos Reunidos is implementing actions to adapt to this uncertain reality. Efforts are being made to favour access to clients and projects in certain alternative markets which have positive outlooks, such as Canada, India and Saudi Arabia. At the same time, the Group's commercial presence in Europe has been strengthened since the opening of a German office at the beginning of 2025. The Group has established that its priorities lie in controlling costs and investments in order to protect liquid assets and being able to meet the potential and expected recovery in demand.

Appendix:

Summary of financial statements

Statement of income (Thousands of Euros)	1S 2025	1S 2024	1S 2025 vs. 1S 2024
Net turnover	205,752	172,707	19.1%
Supplies	(79,311)	(62,765)	26.4%
Staff expenses	(59,471)	(53,689)	10.8%
Other operating expenses	(72,059)	(55,615)	29.6%
Other operating income and net gains/(losses)	4,436	4,664	(4.9%)
EBITDA	(653)	5,302	(112.3%)
Depreciation of property, plant and equipment	(10,184)	(9,959)	2.3%
Impairment and results for fixed assets disposal	-	1,852	(100.0%)
EBIT	(10,837)	(2,805)	286.3%
Financial result	(18,075)	55,136	n/a
Profit before income tax	(28,912)	52,331	(155.2%)
Tax on profits	(40)	(11,939)	n/a
Consolidated profit for the period	(28,952)	40,392	(171.7%)
Result attributed to external partners	502	207	n/a
Result attributed to the parent company	(28,450)	40,599	(170.1%)

Balance sheet (Thousands of Euros)	31/12/25	31/12/24
Non-current assets	263,230	273,721
Current assets	188,707	187,842
Inventories	114,105	115,447
Customers	19,506	13,783
Other current assets	6,199	6,895
Cash and other cash equivalents	48,897	51,717
TOTAL ASSETS	451,937	461,563
Net equity	4,584	28,085
Equity Loan	126,756	126,756
Net equity including equity loan	131,340	154,841
Deferred revenues	884	907
Non-current liabilities	177,586	149,254
Non-current provisions	272	650
Bank borrowings and other financial liabilities	136,531	109,280
Fixed income securities	14,737	14,235
Other non-current liabilities	26,046	25,089
Current liabilities	142,127	156,561
Short-term provisions	8,917	6,332
Bank borrowings and other financial liabilities	14,537	35,726
Other current liabilities	118,673	114,503
TOTAL LIABILITIES	451,937	461,563

Cash Flow (Thousands of euros)	1S 2025	1S 2024
Result before Taxes	(28,952)	40,392
Amortisation	10,184	9,959
Other Adjustments	20,469	(49,844)
Change in Working Capital	3,662	20,195
(increase)/decrease of inventories	1,683	13,001
(increase)/decrease of account receivables	(11,166)	1,026
increase/(decrease) of account payables	13,145	6,168
Other Payments	(572)	(5,990)
Cash flow from operating activities	4,791	14,712
Investment	(4,831)	(13,096)
Divestment	-	4,443
Divestment/(Investment) of financial assets	1,871	(4,082)
Cash flow from investment activities	(2,960)	(12,735)
Cash flow from financing activities	(2,769)	(39,898)
Net cash flow	(938)	(37,921)

Information and forward-looking statements

The financial and operational information included in this release relating to the first half of the 2025 financial year is based on the condensed interim consolidated financial statements. This document has been prepared by TUBOS REUNIDOS, S.A., and is distributed for information purposes only. This document contains forward-looking statements and includes information regarding our current intentions, beliefs or expectations about future trends and events that could affect our financial condition, the results of operations or our share price. These forward-looking statements are not guarantees of future performance, and entail risks and

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