

Tubacex adds the manufacture and repair of complex drilling equipment to its portfolio.

TUBACEX builds on its value proposition with new capabilities

Over recent years TUBACEX has made significant progress towards its vision of becoming an integrated supplier of tubular solutions in stainless steel, developing new capabilities which have given it the widest portfolio on the market. In addition, the company has improved its position in markets with great growth potential for the coming years, is developing more efficient solutions, and continues with its commitment to the creation of sustainable value, focusing R&D on the development of the new solutions for the energy transition.



Large outer diameters and thick walls are at one end of Tubacex's extensive range.



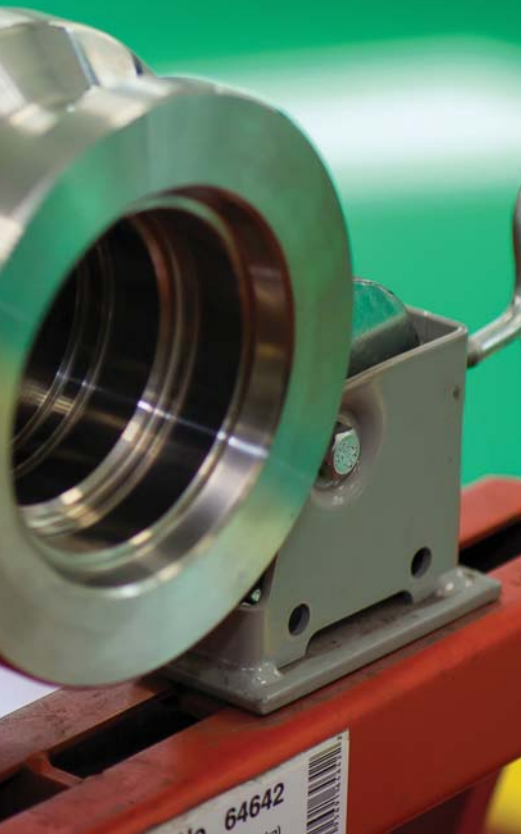
Tubacex covers a wide dimensional range, adapting to the needs of key target applications.

Continued growth through diversification

Geographic expansion, and product and service diversity, with exploration of new applications, are the main drivers of growth. Thanks to this, TUBACEX offers customers the widest portfolio on the market, whilst increasing their footprint in key markets.

In terms of organic growth, TUBACEX opened Tubacex Durant, a purpose-built 150,000 sq. ft mill in the south Oklahoma. Production focuses on the Hydraulic, Instrumentation and Heat Exchanger segments, with seamless tubing in outer diameters from 0.250" (6.35mm) to 1.660" (42.164mm) and coiled lengths over 2,260ft (689m). Target applications include aerospace, automotive, refining, chemical, bioscience and semiconductors.

In the upstream segment, TUBACEX entered a Joint Venture with ADQ's SENAAT, an industrial investment group owned by the Emirate of Abu Dhabi, to promote the development of industrial projects in the energy segment. The new partnership took its first step in February 2019, with the joint acquisition of the NTS Group, a manufacturer and maintenance specialist of complex drilling equipment for the Oil & Gas industry with extensive, precision machining and turning capabilities. In October 2020, NTS Group in turn acquired Amega West Services, formerly part of the Carpenter Technology Corporation. Amega West has production and service centres in the United States, Canada and Singapore, which mesh perfectly with NTS' existing footprint



Now offering complex drilling equipment for the world's harshest environments.

The coronavirus crisis has put many organisations to the test. TUBACEX has dealt with this uncertainty, remaining true to its strategy. Over last few months they have remained focused on growth, geographic and product diversification, and the service aspects of their business; factors of particular relevance in the current situation, where complex market and health issues paralyse investment, and with it, new projects. As a result, the company has improved its position as a leading partner in the integral design and supply of critical components for sectors which demand the highest standards in quality, safety, delivery and environmental policy.



Rental and repair options give maximum flexibility for all kinds of project, extending the service life of equipment and ensuring continuous availability.

in the United Arab Emirates, the Kingdom Saudi Arabia and Norway to give the new company 8 locations covering all the main O&G hubs. NTS now positions itself as a world leader in the manufacture, maintenance and rental of a wide range of complex drilling equipment in exotic materials, including Measuring and Logging While Drilling (MWD/LWD) and Bottom Hole Assembly (BHA) drilling tools. Through NTS the Tubacex Group gains greater involvement in yet more complex, wide-ranging projects in the Middle East and the US, strengthening existing ties with end-users and EPCs, whilst giving NTS and their customers access to the Tubacex range of metals and new material development technology. Aside from manufacturing capabilities, TUBACEX has also continued to grow their service offering through Tubacex Service Solution (TSS), the largest distributor of stainless steel tubes and accessories on the market. In recent years TSS has expanded its global network of warehouses to cover the

main business hubs (Spain, France, Austria, India, Dubai, USA and Norway). "Increasing our service offering with a global distribution network, not only brings us closer to our customers, but it does so with the capabilities of an industrial group" explains Jesús Esmoris, CEO of the TUBACEX Group. Over the last few months TUBACEX has expanded its global network of warehouses, strengthening their position on the American market with TSS PA (Pennsylvania, USA) and incorporating the know-how of Norwegian Piping to form TSS Norway. Norwegian Piping has a long and proven track record in the delivery of varied and complex packages of piping materials. TSS reaffirms TUBACEX's status as an integral supplier, with advanced service capabilities, able to offer a "complete package".

Innovation: Beyond the product

TUBACEX's value proposition is based on providing integral hi-tech solutions for the most demanding markets. This

strategy requires the development of products, technology and know-how to deliver solutions which optimise customers' processes and increase the efficiency of their projects. To make this happen the company relies on a network of customers, partners, suppliers, technology centres and universities, all working together to meet industry challenges.

One such development is that of advanced materials, able to significantly increase energy efficiency, and as a result, reduce CO₂ emissions. An example is the company's position as a supplier of tubular products in high nickel alloys for Ultra Super Critical (USC) and Advanced Ultra Super Critical (AUSC) power plants. This type of material allows steam to reach temperatures up to 700°C, improving equipment performance and significantly reducing carbon dioxide emissions. Another unique solution, TUBACOAT, is based on ceramic coatings which conserve their properties in the most demanding environments, leading to longer run cycles between maintenance activities. Recent work has also focused on the latest technology in the Hot Isostatic Pressing (HIP) of metal powders, to create components for the Oil & Gas industry in superduplex steel, with up to 80% less wastage. "We are aware of the need to develop a new generation of materials and solutions, which not only comply with the strictest technical specifications, but do so delivering the highest levels of efficiency and minimising environmental impact" says Esmoris. In that sense, the company has already spent years working on the most corrosion and pressure resistant materials for the hydrogen production industry, an important source of energy linked to the energy transition.

In addition to increasing manufacturing capabilities TUBACEX is engaging



Stock and market leading production capabilities give Tubacex the edge in lead times and quality.



A Tubacex scientist works at creating more revolutionary materials in one of their best in class labs.

earlier in customer projects, allowing optimal material selection and a combination of solutions based on a complete view of the end-user's project. With increased Project Management capabilities, benefits for customers include framework agreements to limit customer exposure to raw material price volatility and to improve lead times, and the increasing ability to deliver and/or install semi-finished components and subsystems.

Commitment to sustainability

TUBACEX's growth is dependent on its ability to add value for all of its stakeholders. This value originates from the solutions which overcome the specific challenges presented in the projects it undertakes, but also from doing so whilst taking into account the social and environmental impact. To that effect, the company's management strategies incorporate the principles of sustainability, participating in voluntary activities to promote human rights, workers' rights, care for the environment and responsible manufacturing, among others. As a signatory of the United Nations Global Compact since 2004, TUBACEX, in its pursuit of profitable, sustainable growth, bases its strategy on the drive to meet the 2030 Agenda.

With regards to environmental sustainability, and beyond the aforementioned product development, TUBACEX is making progress in the energy transition by actively exploring

new business lines with organisations immersed in the field of investigation. In parallel TUBACEX is also working to improve production efficiency, implementing cleaner technologies and progressively replacing more conventional manufacturing equipment. These changes are directed to minimising the company's environmental impact.

Response to COVID-19

With the arrival of coronavirus, TUBACEX imposed strict safety protocols across the Group's manufacturing plants to minimise the risk associated with direct contact. These measures allowed business activity to continue, thereby

ensuring that commitments to customers could be met.

Looking beyond the business, the pandemic has left many families in a vulnerable situation. For that reason, TUBACEX, through the Fundación EIC-Energy Advanced Engineering, whose other members are Tubos Reunidos, Ampo and Vicinay Marine, set in motion an aid program to mitigate the effects of coronavirus on the society, led by ARAMCO. An important contribution was made to a range of charitable initiatives covering healthcare, food supply and education, as part of ARAMCO'S global response to COVID-19.

In terms of healthcare, facemasks and other Personal Protective Equipment were donated to retirement homes, community health centres and to the general public, ensuring access to these important preventive resources. Additionally, funding was awarded to a project to understand and prevent COVID-19 in retirement homes, analysing the importance of the microbiota in diagnosis, prognosis and treatment. Finally, funding was given to an innovative project which detects inflammation in the respiratory tract associated with SARS-COV-2 by measuring exhaled nitric oxide (eNO). On another front, the program offers support to sections of society left financially vulnerable by coronavirus. This includes donations to food banks, among other initiatives. In the words of Jesús Esmoris, ARAMCO's donation was "a call for solidarity", garnering the support of other companies to unite behind a common goal.

About TUBACEX

TUBACEX is a premium manufacturer of stainless steel tubular solutions for the energy sector. Founded in 1963, it is the largest worldwide producer of seamless tubes in stainless steel and high-nickel alloys. With its head office located in Spain, it is one of the few companies with a fully integrated production model, with total control of every step from steel melting to pipe and tube manufacturing and their subsequent distribution and sale.

The company has 20 manufacturing plants in Spain, Austria, Italy, USA, India, Thailand, Saudi Arabia, Dubai, Norway, Canada and Singapore. It also has 14 worldwide service centres and sales presence in 38 countries.



Precision and durability - a diverse machine list and made-to measure alloys combine for maximum resistance and tighter tolerances.