



Chief Executive Officer's Report

Bernardo Velázquez Herreros

Annual Shareholders' Meeting | **Fiscal Year 2023**
Madrid, April 22, 2024



Our results



Revenue

€6,608M



Cash flow

€481M



EBITDA

€703M



Net financial debt

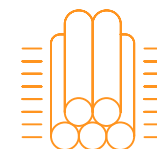
€341M



Increased
efficiency

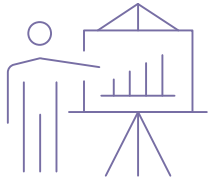


New
geostrategic
situation

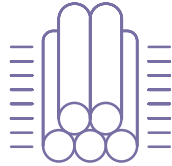


Focus on
higher-value-
added materials

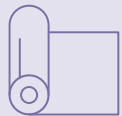
Our results



Leadership
in the US



Diversification with
more sophisticated
materials



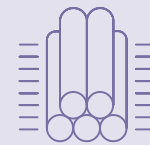
Standard
stainless steels

+



High-performance
alloys

=



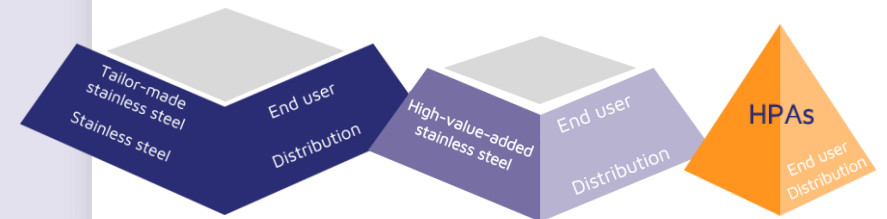
The industry's
most extensive
catalog



VDM Metals: record profit
in 2023

Acerinox

Materials and solutions
for industry



Cycle 2020 2023



Apparent consumption of stainless steel in 2023



EU 27



-21.5%



USA



-20%

1

Raw
materials
cycle

3

Increase in
stock

2

Increase in
imports

4

Drop in
apparent
consumption

Overstocking

Drop in sales

2009

Acerinox Group

1.9 MMT

Melting shop production

Worldwide production of stainless steel



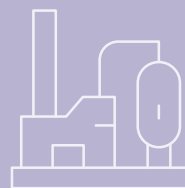
-6%



-10%



-7%



+5%

Worldwide production
of stainless steel

Chinese
manufacturers
over **70%**



+13%
production

Price behavior



Section 232:
25% tariff

Regular, reliable,
and close supply

Stable prices



Inefficient
safeguard
measures

Flood of imports

All-time low
prices



New geostrategic environment



European Union:
Bringing trade closer



COVID-19



Invasion of Ukraine



China – US rivalry

Interdependence



Strategic autonomy



Economic security

New geostrategic environment

- Changes began before the pandemic
- Origins in the USA: overdependence on other countries



Diversify and bring our supplier network closer to our customers

- Problems in the Suez Canal
- Water scarcity in the Panama Canal
- Lack of safety in the Red Sea
- Need to reduce Scope 3 CO₂ emissions



Deglobalization
process

Acerinox's strategy

Added value:
our differentiator



More sophisticated
materials



Stainless steels and high-
performance alloys adapted
to every application



Broadest product range in
the industry



VDM
New Jersey
Nevada

VDM
Metals

VDM
Germany

VDM
Metals



Acerinox Europa
Spain



NAS
Kentucky



Columbus Stainless
South Africa



Acerinox's strategy

Beyond Excellence: A new driver of competitiveness

Goal of €100 million in EBITDA



Decarbonization



Efficiency



Customers at the
center



R&D&i
Higher-value-
added products



Productivity



Supply chain



€45M
in 2024

2024-2026



Creating value in
all areas of the
company

Acerinox's strategy:

Pursuing leadership in sustainability

> 90% recycled material



+50%

Use of renewable energy at facilities



-5%

Reduction in intensity



-25%

Reduction in accident rate



EcoVadis Platinum medal for the second year in a row

2023 score: 82 vs. 79 in 2022

21: Number of criteria related to sustainability



Together toward the SDGs

Acerinox's strategy: Our financial strength



2020

Acquisition
VDM Metals

A company of ACERINOX

Net financial debt /
EBITDA ratio

0.49x

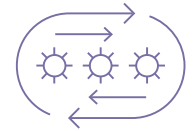


Acerinox's strategy: Our financial strength

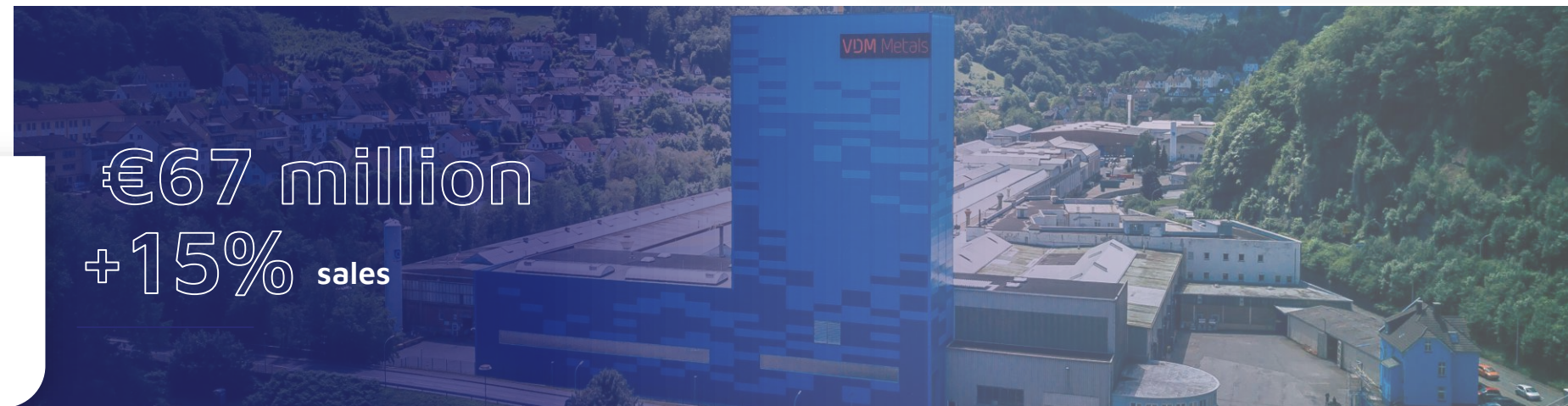


\$244 million
+20% sales

Expansion
NAS



Expansion
VDM



€67 million
+15% sales

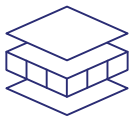
Acerinox's strategy

A new platform in the United States



HAYNES
International

VDM Metals
A company of ACERINOX



Strengthening
leadership in HPAs



Strengthening
leadership in the USA



\$970 million

Antitrust approval in USA

**Approval by Haynes shareholders
(Annual Meeting)**

\$61 per share in cash

**\$200 million investment in the
next four years**

+\$71 million in synergies

HAYNES
International

Acerinox, in
good shape



Clear **strategies**



We generate **value**



Experience and dedication of those
who form part of the **Group**

Customer-centric
Focused on **added value**
Adapted to cycles





Shareholders, customers, suppliers,
employees, society...

you have a responsible
partner to rely on.

Thank you!