

# Investor Presentation

May 2024



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## **Forward-Looking Statements**

This presentation includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, Vallourec’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Vallourec’s or any of its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if Vallourec’s or any of its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These risks include those developed or identified in the public documents filed by Vallourec with the French Financial Markets Authority (Autorité des marchés financiers, or “AMF”), including those listed in the “Risk Factors” section of the Registration Document filed with the AMF on March 14, 2024, under filing number n° D. 24-0113.

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## **Information**

Quarterly statements are unaudited and not subject to any review. Audit procedures have been carried out for the full year consolidated financial statements. Unless otherwise specified, indicated variations are expressed in comparison with the same period of the previous year.





# Investment Overview



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# The Vallourec Investment Case



Vallourec is a mission-critical supplier of complex steel tubular solutions supported by industry-leading R&D and world-class production facilities.



We are making Vallourec more profitable, more resilient and more cash-generative while delivering on our ambitious ESG targets.



We see multi-year tailwinds across Oil & Gas and New Energies markets that will drive robust demand for our products and services.



We aspire to be one of the most shareholder-friendly companies within our peer group, with cash distribution starting in 2025 at the latest.

## Financial Figures

### Zero Net Debt

by year-end 2025 at the latest

**€850m**

Midcycle EBITDA

**€450m**

Midcycle total cash generation

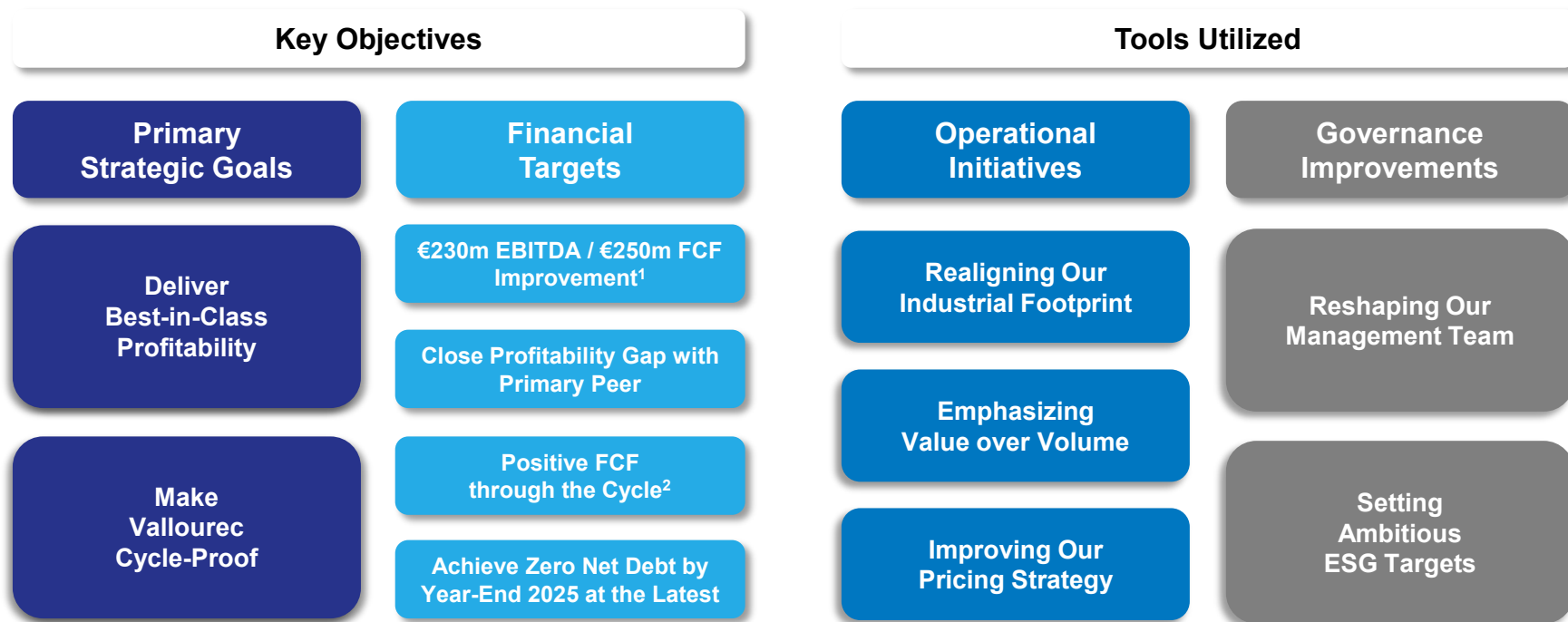
Aspiration to return

**80% – 100%**

of total cash generation to shareholders

Notes: Vallourec's dividend policy would in any event be conditional upon the Board's decision taking into account Vallourec's results, its financial position including the deleveraging target and the potential restrictions applicable to the payment of dividends. Dividends and share repurchases would also be subject to shareholders approval. The midcycle simulation shown in this presentation does NOT represent guidance, forecast, target or outlook of Vallourec for any particular financial year, but aims to represent an abstract average across cycles and across different circumstances to illustrate, in a volatile and unpredictable environment, the theoretical functioning of the New Vallourec.

# The New Vallourec Plan

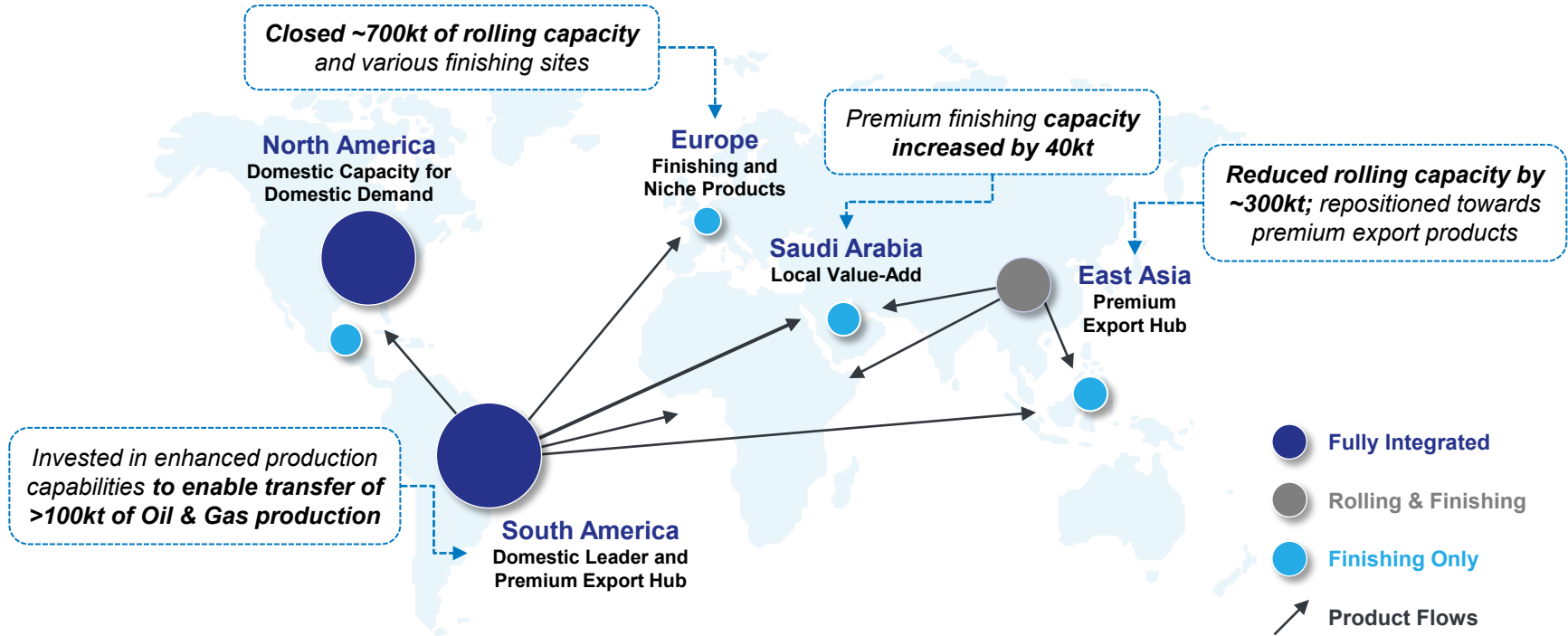


<sup>1</sup> Measured versus 2021 baseline, consistent with New Vallourec plan announced in May 2022. Full effect expected in Q2 2024. FCF is aligned with prior definition of free cash flow.

<sup>2</sup> Aligned with prior definition of free cash flow. See "Definitions of Non-GAAP Financial Data." Target excludes the impact of working capital.

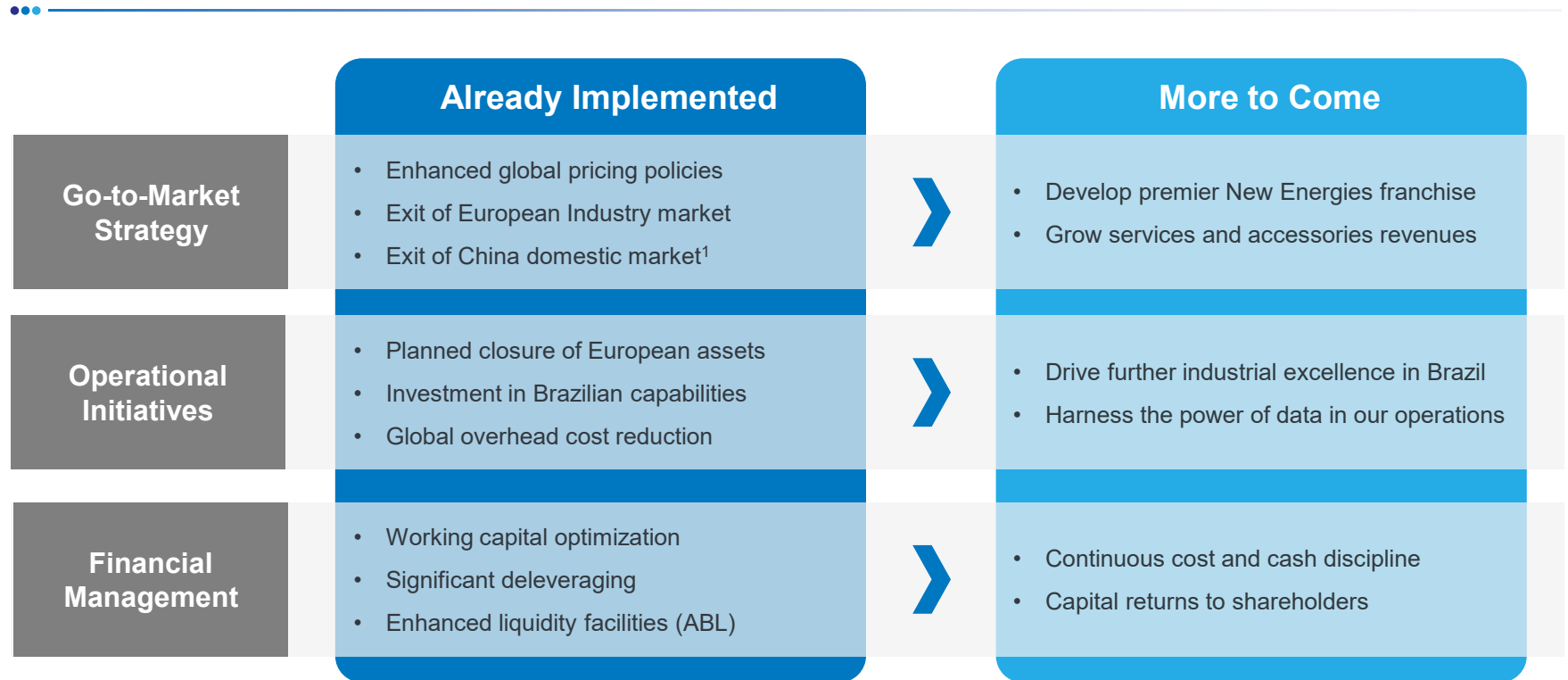
# Significantly Reshaped Production Footprint

## Changes resulting from the New Vallourec plan



Note: Product flow arrows represent finished product sales, but do not account for intermediate flows to local finishing capacity. Aulnoye Forge not included as "rolling & finishing" in diagram.

# 2022 New Vallourec Plan Fully Executed; More to Come

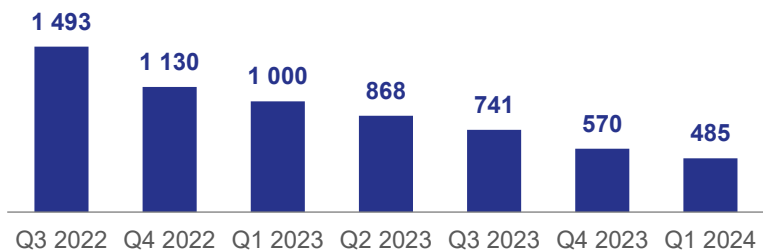


<sup>1</sup> Excluding volumes served from the Changzhou Forge (niche products)

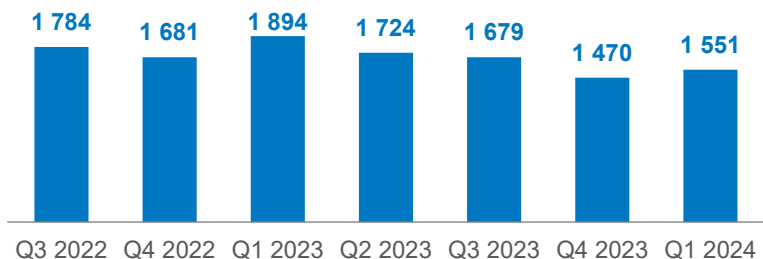
# A Significant Balance Sheet Transformation

## Debt

Net Debt (€ Million)

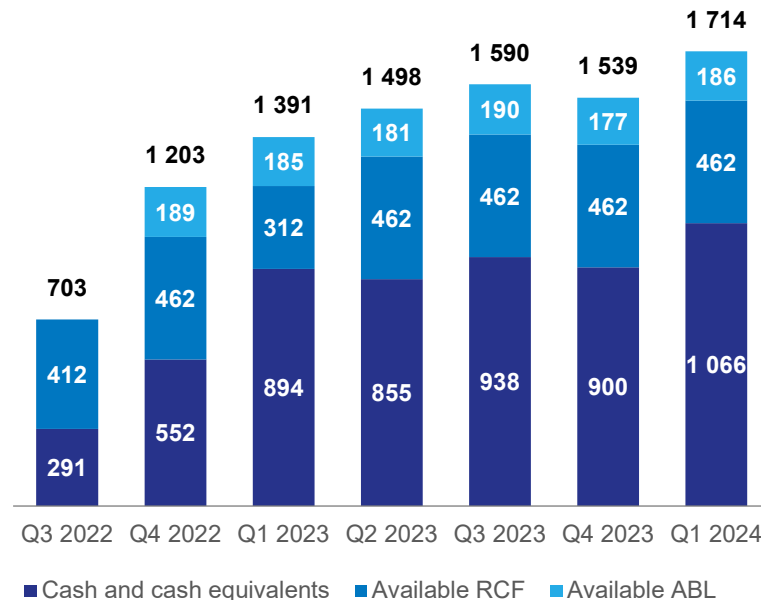


Gross Debt (€ Million)



## Liquidity

€ Million

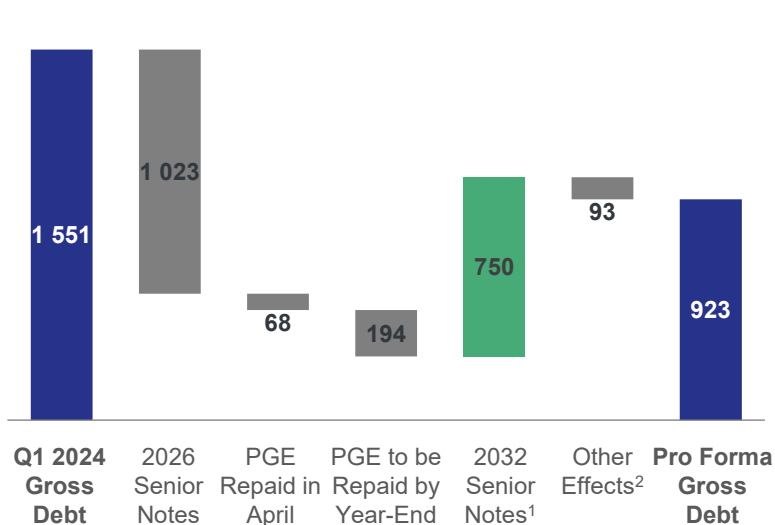




# Holistic Debt Refinancing Executed in April 2024

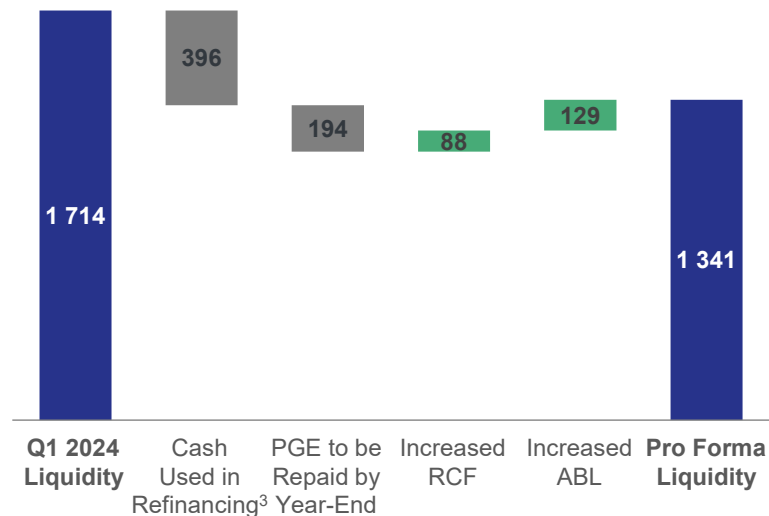
## Gross debt to be reduced by €550m+

€ Million



## Strong liquidity for all market conditions

€ Million




<sup>1</sup> Includes effect of estimated transaction costs related to note issuance which will be amortized over the life of the debt, assuming a Euro/US dollar FX rate of ~1.07.

<sup>2</sup> "Other effects" include the reversal of fair value accounting, accrued interest on 2026 notes and PGE as of March 31st 2024, and estimated other transaction costs.

<sup>3</sup> Includes accrued interest on 2026 notes and PGE as of March 31st 2024, and estimated transaction costs.



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# Operations & Financials

# Supplier of Mission-Critical Premium Seamless Tubular Solutions

## Focused on high-end seamless tubular solution

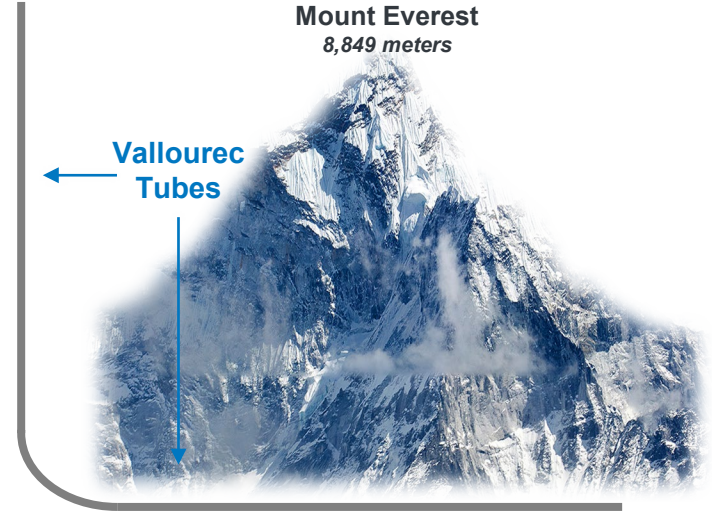
		Vallourec Focus	
		Welded Tubes	Seamless Tubes
Product Summary		Lower-end products made by rolling flat steel into a tube and welding the seam	Higher-end products made by piercing and extending a round steel billet
Product Price and Complexity		Lower-cost product with simpler manufacturing process but insufficient performance in demanding applications	Higher-cost product with complex manufacturing process, ability to perform in demanding applications

## Highly demanding applications for our products

Vertical Well Section  
Up to 10,000 meters

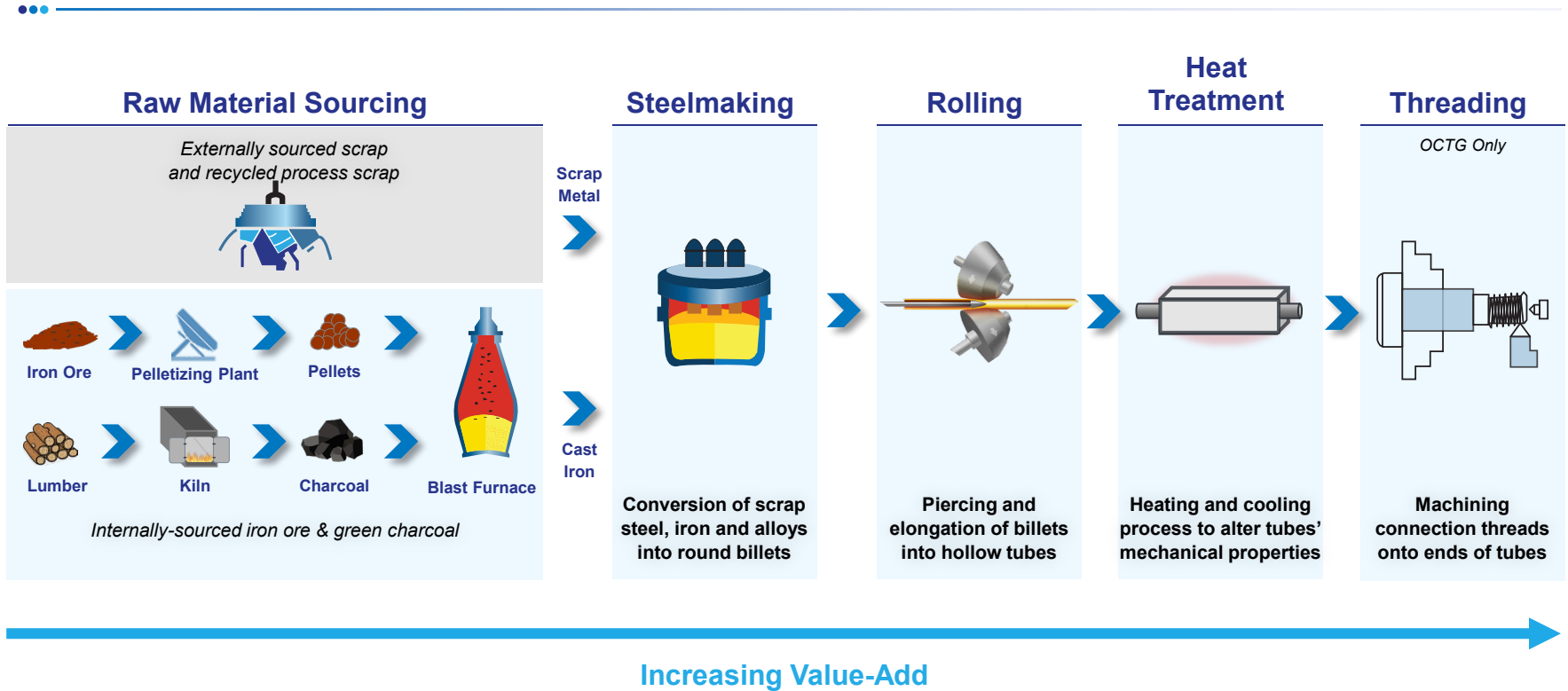
Commercial Airline  
Cruising Altitude  
~10,000 meters

Mount Everest  
8,849 meters



Horizontal Well Section  
Up to 10,000 meters

# The Seamless Tube Production Process



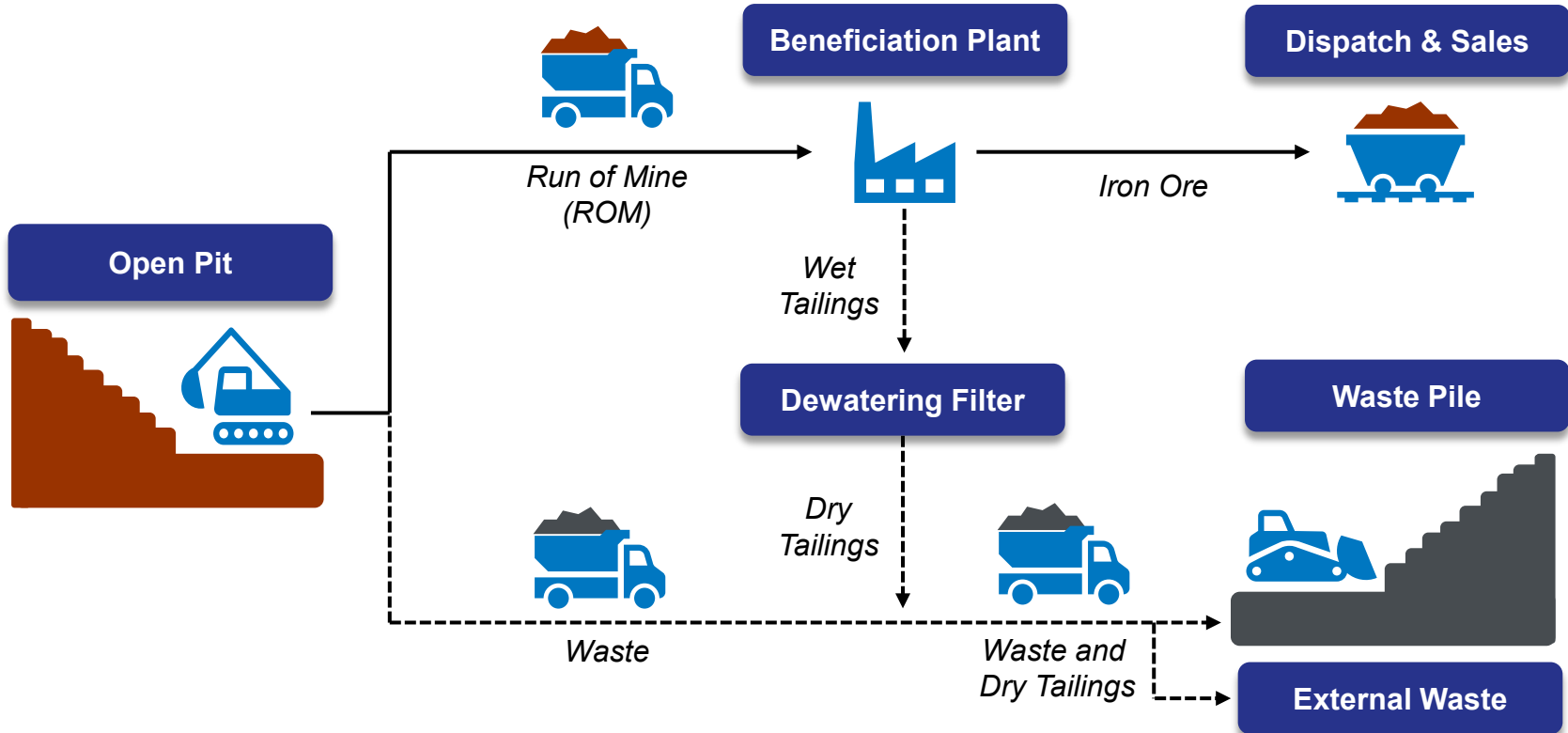
# Midcycle Tubes Earnings Power Simulation

Metric	Assumption	Comments
<b><u>Operating Assumptions</u></b>		
Total sales volumes (k tonnes)	1,700	Maximizing premium mix as opposed to maximizing volumes
Vallourec average selling price (\$)	\$2,800- \$3,000	Assumes market prices in the low-mid \$2k per tonne range + Tier 1 premium
USD / EUR	~1.10	
Vallourec average selling price (€)	€2,650	At midpoint of assumed pricing range
Total costs per tonne (€)	€2,200	Assumed to remain elevated versus history
<b>EBITDA per tonne (€)</b>	<b>€450</b>	
<b><u>Simplified Tubes P&amp;L</u></b>		
Revenues	€4.5b	
<b>EBITDA</b>	<b>€750m</b>	
EBITDA % Margin	17%	

*Notes: All per-tonne metrics rounded to nearest multiple of 50. Revenue is rounded to nearest €100 million, EBITDA to nearest €50 million increment. Total cost per tonne includes Cost of Sales and SG&A. The midcycle simulation shown in this presentation and related assumptions do NOT represent guidance, forecast, target or outlook of Vallourec for any particular financial year, but aim to represent an abstract average across cycles and across different circumstances to illustrate, in a volatile and unpredictable environment, the theoretical functioning of the New Vallourec. Average selling price defined as revenue divided by sales volumes.*



# The Mining Process



# Mine Earnings Power and Growth Potential

## Near-term operational targets

<b>6.0m</b>	New near-term <sup>1</sup> annual iron ore production target (m tonnes)
<b>1.0m</b>	Production used to support Tubes production business (m tonnes)
<b>40% – 45%</b>	Weighted average contractual selling prices as a percentage of Platt's iron ore index <sup>2</sup>
<b>€20 – €25</b>	Total cost of extraction, overhead, and SG&A per tonne
<b>~€100m</b>	Annualized EBITDA run-rate <sup>3</sup>

<sup>1</sup> 6 million tonne annual production target commences in 2024

<sup>2</sup> "Platt's iron ore index" refers to 62% Fe CFR China index

<sup>3</sup> Assuming Platt's index around \$110 per tonne

<sup>4</sup> Measured relative to near-term baseline metrics on left of page

<sup>5</sup> Capital expenditures for Phase 2 are still pending further project planning and evaluation. Actual project spending may vary versus current assumptions based on further cost evaluation

## Two-phase extension plan in progress

	Phase 1	Phase 2
Incremental Annual Iron Ore Production <sup>4</sup>	–	+1mt – 2mt
Incremental Annual EBITDA <sup>4</sup>	+€20 – €25m	+€50m – €75m
Estimated Project Capex (€m) <sup>5</sup>	€20m	€100m – €125m
Expected Start-Up	Late 2024	2027

# Midcycle Cash Flow Simulation: Significant Potential Returns

Metric	Assumption	Comments
<b>EBITDA (€)</b>		
Tubes	€750m	
Mine & Forest	€125m	
Holding & Other, Intersegment	(€25m)	
<b>Group EBITDA</b>	<b>€850m</b>	
<b>Cash Flows (€)</b>		
Capital expenditures	€175m	Including mine extensions, can reduce to ~€125m in downturn
Financial cash out	€50m	Assuming zero net debt, with costs for minimal gross debt and other items
Cash tax	€175m	High 20% range depending on blend of regional profits
<b>Group total cash generation</b>	<b>€450m</b>	
<b>Aspired total cash generation payout ratio<sup>1</sup></b>	<b>80% – 100%</b>	<b>In line with highest ratios in the market</b>

<sup>1</sup> Vallourec's dividend policy would in any event be conditional upon the Board's decision taking into account Vallourec's results, its financial position including the deleveraging target and the potential restrictions applicable to the payment of dividends. Dividends and share repurchases would also be subject to shareholders approval. The midcycle simulation and related assumptions shown in this presentation do NOT represent guidance, forecast, target or outlook of Vallourec for any particular financial year, but aim to represent an abstract average across cycles and across different circumstances to illustrate, in a volatile and unpredictable environment, the theoretical functioning of the New Vallourec.

Analysis excludes changes in working capital, asset disposals and restructuring cash out. The midcycle simulation shown in this presentation does NOT represent guidance, forecast, target or outlook of Vallourec for any particular financial year, but aims to represent an abstract average across cycles and across different circumstances to illustrate, in a volatile and unpredictable environment, the theoretical functioning of the New Vallourec.

# 2024 Earnings, Cash Flow and Net Debt Outlook

	Second Quarter 2024	Full Year 2024
Tubes	Volumes to increase sequentially due to higher international shipments; EBITDA per tonne to decline primarily due to lower US pricing	Strong international market environment to persist with results benefiting from strong pricing already in backlog
Mine & Forest	Production sold to be slightly higher vs. Q1	Production sold to be approximately 6m tonnes
Group EBITDA	EBITDA to moderately decline versus Q1 due to US market dynamics	Group EBITDA margin to remain strong due to robust international Tubes pricing and continued operational improvement
Total Cash Generation & Net Debt	Expect to reduce net debt further vs. the Q1 2024 level <sup>1</sup>	Total cash generation to be positive and net debt to meaningfully decline versus the Q1 2024 level <sup>1</sup>

<sup>1</sup> In all cases, total cash generation and net debt guidance excludes the potential positive impact of major asset sales.

# Market Dynamics







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# Key Seamless Tubes Markets

	 <b>Oil Country Tubular Goods (OCTG)</b>	 <b>Project Line Pipe (PLP) &amp; Process</b>	 <b>Industry &amp; Other</b>	 <b>New Energies</b>
<b>2023E ASP (price/tonne)</b>	Mid \$3k	Low-mid \$2k	Low \$2k <sup>1</sup>	
<b>2023E Total Market Size (mt)</b>	9.6	4.4	<i>Not Analyzed</i>	High-Growth Emerging Market
<b>2023E Served Market Size (mt)</b>	5.4	1.1	0.4	
<b>% of Vallourec Tubes Volumes<sup>2</sup></b>	65% – 70%	15% – 20%	10% – 15%	
<b>Market Growth Outlook</b>	Cyclical Upturn	Cyclical Upturn	Cyclical Slowdown	High Structural Growth
<b>Primary End-Markets</b>	Upstream Oil & Gas	Oil & Gas and Petrochemicals	Automotive, Agribusiness, Construction, etc.	Carbon Capture, Geothermal, Hydrogen
<b>Primary Customers</b>	Oil & Gas Operators	Engineering & Construction Firms	Diversified	Diversified

<sup>1</sup> Refers only to continuing Industrial business in Brazil; excludes production from Germany

<sup>2</sup> Pro forma for New Vallourec plan

Sources: Internal market intelligence based on public peer commentary, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix

# Limited Set of Premium Seamless Tube Suppliers

**Tier 1 Global Suppliers**  
~6 million tonnes annual production



*Suppliers Unable to Access Global Premium Market*

**Regional Western Suppliers**  
~2.5 million tonnes annual production



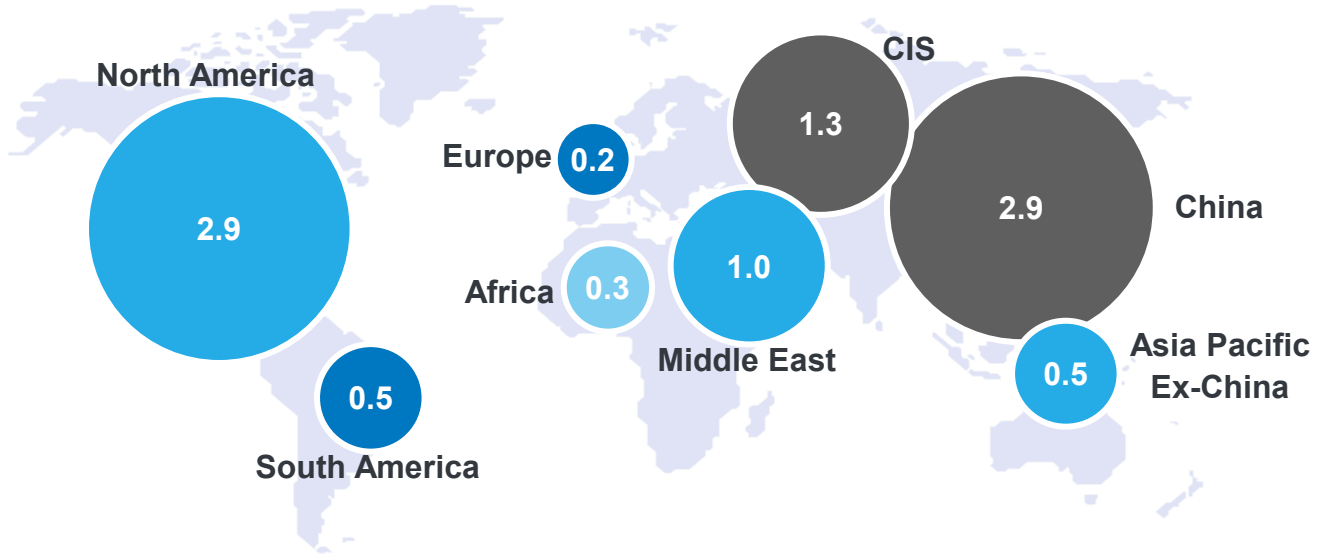
**Asia and CIS Suppliers**  
>10 million tonnes annual production



Note: reflects production estimates for 2023

# Major Seamless OCTG Markets

2023 Market Size (Million Tonnes)



Dominant Connection Technology

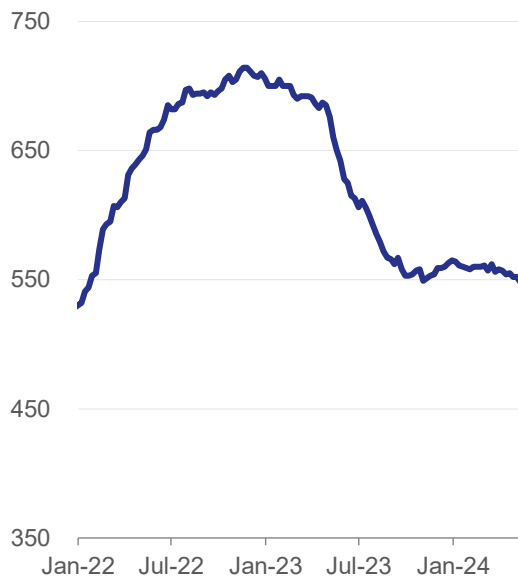


Sources: Internal market intelligence based on public peer commentary, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix

# US OCTG Market: Pricing Not Yet Reflecting Market Balance

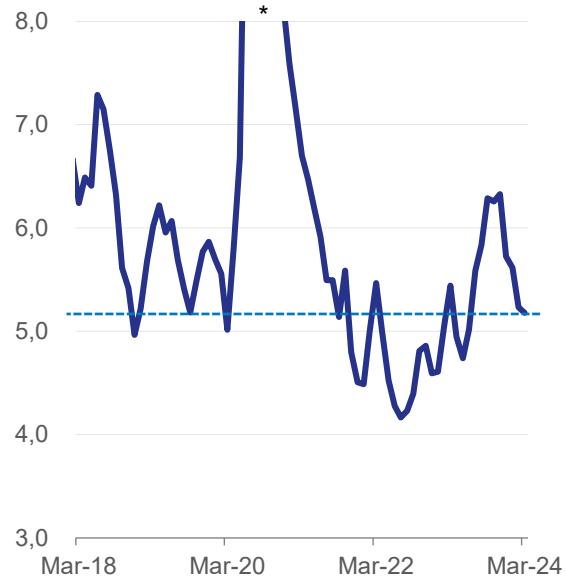
## Rig count stable since October

US Horizontal Rig Count



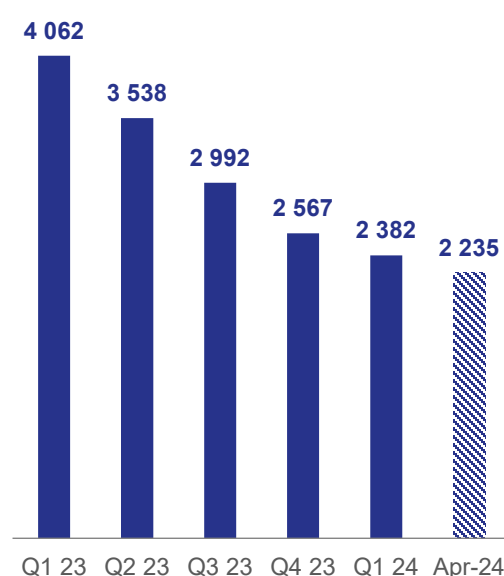
## Inventories have normalized

Months of OCTG Inventory



## Pricing still somewhat lower

Seamless OCTG Price (\$ / Tonne)



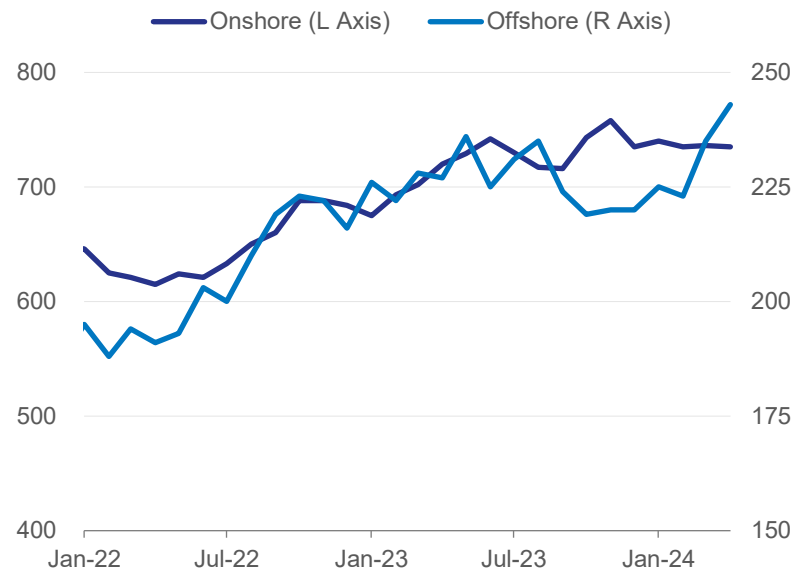
Sources: Baker Hughes, PipeLogix, OCTG Situation Report. Reflects average pricing for all seamless products. \*Values greater than 8 months are not shown.

# International OCTG Market: Demand Remains Robust

## International offshore activity at post-COVID high

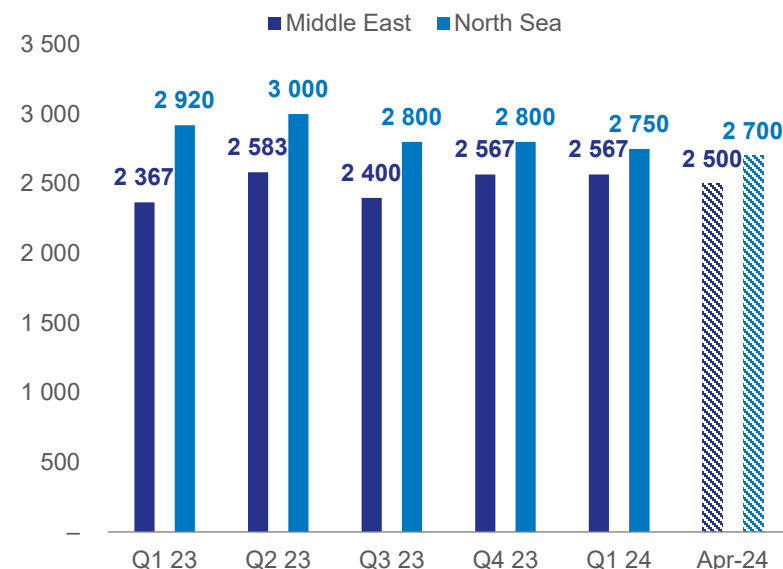
Onshore Rig Count

Offshore Rig Count



## International market pricing remains strong

Seamless OCTG Price (\$ / Tonne)



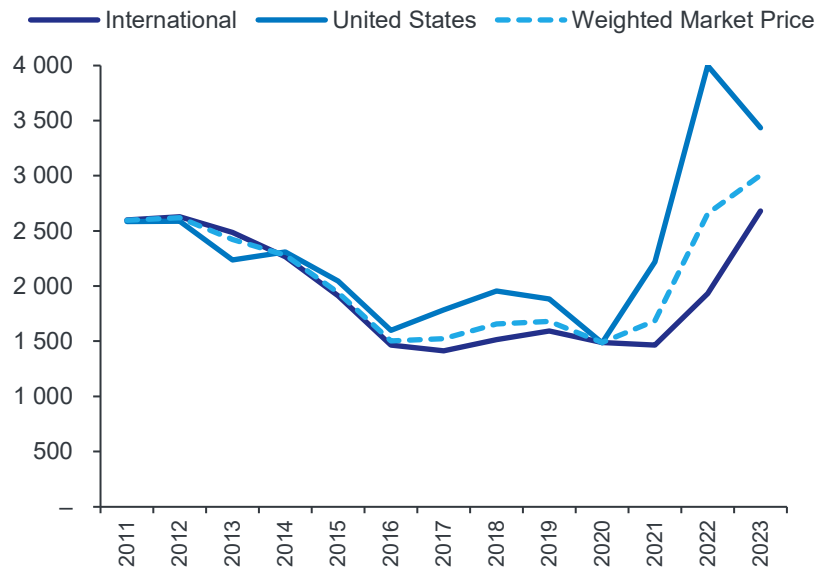
Sources: Baker Hughes, Rystad Energy. OCTG pricing reflects price of L80 tubes (Premium) in Jebel Ali (Middle East) and North Sea.



# Strong Market Prices Reflecting Tight Supply-Demand, Costs

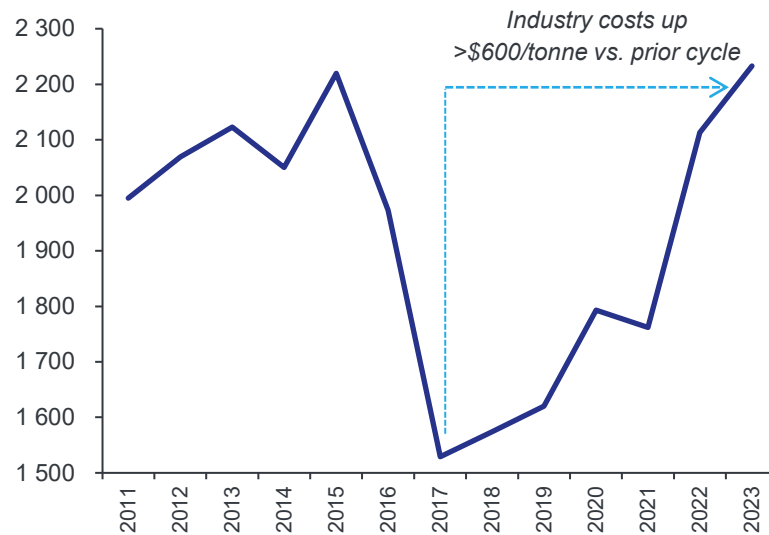
## Tubes market in the midst of a strong upturn

Historical OCTG Market Pricing (\$ / tonne)



## Industry costs point to higher landing for prices

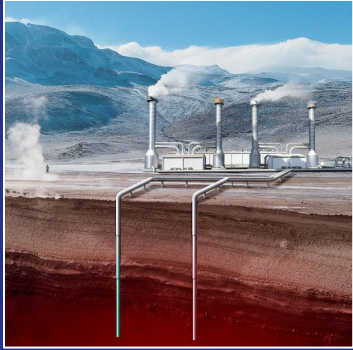

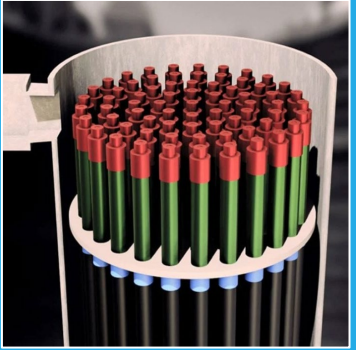
Tier 1 OCTG Supplier Average Cash Cost of Sales (\$ / tonne)



Sources: Vallourec estimates, OCTG Situation Report, PipeLogix, Rystad Energy

Note: Benchmarks refer to US Semi-Premium Seamless prices and International Premium Seamless pricing. Tier 1 Players are included where data is available. Average selling price defined as revenue divided by sales volumes.

# Significant Growth Potential in Our New Energies Business

	Geothermal	Carbon Capture, Utilization and Storage (“CCUS”)	Hydrogen
Primary Tubes Application	Casing for geothermal wells	Casing and tubing for CO <sub>2</sub> injection wells; transportation line pipes	H <sub>2</sub> storage systems; transportation line pipes
Key Product Needs	Heat resistance; connection integrity during thermal expansion	Corrosion resistance; excellent toughness at low temperatures, long-term well integrity	Extremely tight connections; advanced metallurgy to resist hydrogen embrittlement
Vallourec Positioning	Tubes and connections validated and in use in geothermal wells	Tubes and connections validated and in use in CO <sub>2</sub> injection wells	Tubes and connections validated and in use in H <sub>2</sub> storage wells; storage POC complete
Product Illustration			

**Target: New Energies to comprise 10-15% of Group EBITDA by 2030**



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# Financial Data

# Summary Income Statement

€ million, unless noted	2019	2020	2021	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24
<b>Revenues</b>	<b>4,173</b>	<b>3,242</b>	<b>3,442</b>	<b>4,883</b>	<b>1,338</b>	<b>1,358</b>	<b>1,142</b>	<b>1,276</b>	<b>5,114</b>	<b>990</b>
Cost of sales	(3,435)	(2,634)	(2,605)	(3,807)	(926)	(890)	(818)	(886)	(3,520)	(669)
<b>Industrial margin</b>	<b>738</b>	<b>608</b>	<b>837</b>	<b>1,076</b>	<b>412</b>	<b>468</b>	<b>324</b>	<b>390</b>	<b>1,594</b>	<b>321</b>
Selling, general and administrative expenses	(378)	(326)	(316)	(349)	(79)	(84)	(85)	(86)	(333)	(87)
Other	(13)	(25)	(29)	(11)	(13)	(10)	(17)	(24)	(64)	1
<b>EBITDA</b>	<b>347</b>	<b>258</b>	<b>492</b>	<b>715</b>	<b>320</b>	<b>374</b>	<b>222</b>	<b>280</b>	<b>1,196</b>	<b>235</b>
Depreciation & amortization	(307)	(268)	(202)	(227)	(50)	(54)	(50)	(50)	(203)	(53)
Impairment of assets	(30)	(850)	(5)	(36)	–	(8)	–	153	145	3
Asset disposals, restructuring costs and non-recurring items	(26)	(142)	89	(574)	(13)	(55)	(26)	(185)	(279)	(11)
<b>Operating income (loss)</b>	<b>(17)</b>	<b>(1,002)</b>	<b>374</b>	<b>(122)</b>	<b>257</b>	<b>258</b>	<b>146</b>	<b>198</b>	<b>859</b>	<b>174</b>
Financial income (loss)	(244)	(227)	(236)	(111)	(46)	(24)	(22)	26	(66)	(20)
<b>Pre-tax income (loss)</b>	<b>(261)</b>	<b>(1,229)</b>	<b>138</b>	<b>(233)</b>	<b>211</b>	<b>234</b>	<b>124</b>	<b>224</b>	<b>793</b>	<b>154</b>
Income tax	(75)	(96)	(101)	(113)	(53)	(70)	(44)	(102)	(269)	(46)
Share in net income (loss) of equity affiliates	(4)	(3)	(5)	(18)	(1)	1	–	–	–	1
<b>Net income</b>	<b>(340)</b>	<b>(1,328)</b>	<b>31</b>	<b>(364)</b>	<b>157</b>	<b>165</b>	<b>81</b>	<b>122</b>	<b>524</b>	<b>108</b>
Attributable to non-controlling interests	(3)	(122)	(8)	3	1	5	5	17	28	3
<b>Net income, Group share</b>	<b>(338)</b>	<b>(1,206)</b>	<b>40</b>	<b>(366)</b>	<b>156</b>	<b>160</b>	<b>76</b>	<b>105</b>	<b>496</b>	<b>105</b>
<b>Diluted earnings per share (€)</b>	*	*	*	<b>(1.60)</b>	<b>0.66</b>	<b>0.68</b>	<b>0.32</b>	<b>0.44</b>	<b>2.07</b>	<b>0.43</b>
Diluted shares outstanding (millions)	*	*	*	229	237	236	236	240	240	244
YoY Revenue Growth	6%	(22%)	6%	42%	46%	19%	(11%)	(17%)	5%	(26%)
Industrial Margin %	18%	19%	24%	22%	31%	34%	28%	31%	31%	32%
SG&A % of Revenue	9%	10%	9%	7%	6%	6%	7%	7%	7%	9%
EBITDA Margin %	8%	8%	14%	15%	24%	28%	19%	22%	23%	24%
EBIT Margin %	(0.4%)	(31%)	11%	(2%)	19%	19%	13%	16%	17%	18%



# Summary Balance Sheet

<i>€ million, unless noted</i>	2019	2020	2021	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24
Goodwill & intangible assets	427	74	83	76	89	89	87	82	82	80
PP&E and biological assets	2,705	1,748	1,790	1,891	1,871	1,923	1,960	2,050	2,050	2,040
Other non-current assets	509	357	443	442	443	451	468	384	384	396
<b>Total non-current assets</b>	<b>3,641</b>	<b>2,180</b>	<b>2,317</b>	<b>2,409</b>	<b>2,403</b>	<b>2,463</b>	<b>2,515</b>	<b>2,516</b>	<b>2,516</b>	<b>2,516</b>
Inventories	988	664	1,015	1,312	1,364	1,354	1,366	1,242	1,242	1,319
Trade and other receivables	638	468	572	824	829	802	765	756	756	697
Other current assets	245	241	172	251	282	308	317	299	299	281
Cash and cash equivalents	1,794	1,390	620	552	894	855	938	900	900	1,066
<b>Total current assets</b>	<b>3,665</b>	<b>2,762</b>	<b>2,380</b>	<b>2,939</b>	<b>3,369</b>	<b>3,319</b>	<b>3,386</b>	<b>3,197</b>	<b>3,197</b>	<b>3,364</b>
Assets held for sale and discontinued operations	–	107	52	9	7	7	6	1	1	1
<b>Total assets</b>	<b>7,305</b>	<b>5,048</b>	<b>4,748</b>	<b>5,357</b>	<b>5,779</b>	<b>5,790</b>	<b>5,907</b>	<b>5,713</b>	<b>5,713</b>	<b>5,881</b>
Equity - Group share	1,467	(187)	1,763	1,643	1,812	2,026	2,120	2,157	2,157	2,307
Non-controlling interests	513	321	45	42	43	48	53	67	67	71
<b>Total shareholders' equity</b>	<b>1,980</b>	<b>134</b>	<b>1,808</b>	<b>1,686</b>	<b>1,855</b>	<b>2,074</b>	<b>2,173</b>	<b>2,224</b>	<b>2,224</b>	<b>2,378</b>
Bank loans and other borrowings	1,747	1,751	1,387	1,367	1,362	1,357	1,352	1,348	1,348	1,352
Other long-term liabilities	423	457	369	504	540	528	518	542	542	533
<b>Total non-current liabilities</b>	<b>2,170</b>	<b>2,208</b>	<b>1,756</b>	<b>1,871</b>	<b>1,902</b>	<b>1,885</b>	<b>1,870</b>	<b>1,890</b>	<b>1,890</b>	<b>1,885</b>
Overdraft and other short-term borrowings	2,077	1,853	190	314	532	367	327	122	122	199
Trade payables	580	426	601	787	816	788	819	763	763	832
Other current liabilities	498	391	371	696	672	670	716	715	715	586
<b>Total current liabilities</b>	<b>3,155</b>	<b>2,670</b>	<b>1,162</b>	<b>1,797</b>	<b>2,020</b>	<b>1,825</b>	<b>1,862</b>	<b>1,600</b>	<b>1,600</b>	<b>1,617</b>
Liabilities held for sale and discontinued operations	–	37	23	4	2	6	2	–	–	–
<b>Total liabilities</b>	<b>5,325</b>	<b>4,915</b>	<b>2,941</b>	<b>3,672</b>	<b>3,924</b>	<b>3,715</b>	<b>3,734</b>	<b>3,489</b>	<b>3,489</b>	<b>3,502</b>
<b>Total shareholders' equity and liabilities</b>	<b>7,305</b>	<b>5,048</b>	<b>4,748</b>	<b>5,358</b>	<b>5,779</b>	<b>5,790</b>	<b>5,907</b>	<b>5,713</b>	<b>5,713</b>	<b>5,881</b>
<b>Net financial debt</b>	<b>2,031</b>	<b>2,214</b>	<b>956</b>	<b>1,130</b>	<b>1,000</b>	<b>868</b>	<b>741</b>	<b>570</b>	<b>570</b>	<b>485</b>

# Cash Flow Summary

<i>€ million, unless noted</i>	2019	2020	2021	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24
<b>EBITDA</b>	<b>347</b>	<b>258</b>	<b>492</b>	<b>715</b>	<b>320</b>	<b>374</b>	<b>222</b>	<b>280</b>	<b>1,196</b>	<b>235</b>
Non-cash items in EBITDA	(22)	1	(37)	(68)	13	(21)	11	(1)	2	10
Financial cash out	(234)	(232)	(228)	(110)	(18)	(61)	(8)	(1)	(88)	5
Tax payments	(47)	(93)	(180)	(79)	(16)	(60)	(54)	(52)	(182)	(15)
<b>Adjusted operating cash flow</b>	<b>44</b>	<b>(66)</b>	<b>47</b>	<b>458</b>	<b>299</b>	<b>232</b>	<b>171</b>	<b>226</b>	<b>928</b>	<b>235</b>
Change in working capital	124	173	(172)	(355)	(52)	8	97	92	145	(7)
Gross capital expenditure	(159)	(138)	(138)	(191)	(53)	(66)	(51)	(43)	(213)	(56)
<b>Adjusted free cash flow</b>	<b>9</b>	<b>(31)</b>	<b>(263)</b>	<b>(88)</b>	<b>194</b>	<b>174</b>	<b>217</b>	<b>275</b>	<b>860</b>	<b>172</b>
Restructuring charges & non-recurring items	(50)	(80)	(21)	(128)	(47)	(59)	(63)	(193)	(362)	(67)
Asset disposals & other cash items	20	(53)	212	16	4	3	(4)	67	70	(3)
<b>Total cash generation</b>	<b>(21)</b>	<b>(164)</b>	<b>(72)</b>	<b>(200)</b>	<b>151</b>	<b>118</b>	<b>150</b>	<b>149</b>	<b>568</b>	<b>102</b>
Non-cash adjustments to net debt	(11)	(19)	1,328	28	(21)	14	(23)	22	(8)	(17)
<b>(Increase) decrease in net debt</b>	<b>(32)</b>	<b>(183)</b>	<b>1,256</b>	<b>(172)</b>	<b>130</b>	<b>132</b>	<b>127</b>	<b>171</b>	<b>560</b>	<b>85</b>

Note: due to a change in cash flow reporting format, all figures prior to 2022 should be considered unaudited estimates provided for informational purposes.



# Segment Data

## Segment Key Performance Indicators

€ million, unless noted		2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24
Tubes	Volume sold*	1,640	395	433	462	514	1,804	431	396	343	382	1,552	292
	Revenue (€m)	3,030	902	1,096	1,197	1,467	4,663	1,258	1,279	1,068	1,196	4,802	932
	Average Selling Price (€)	1,848	2,284	2,531	2,591	2,853	2,584	2,919	3,226	3,115	3,130	3,093	3,189
	EBITDA (€m)	148	56	129	168	285	638	279	330	193	249	1,051	220
	EBITDA per Tonne (€)	90	142	298	364	554	354	648	832	563	651	677	46
Mine & Forest	Volume sold*	8.1	0.1	1.0	1.5	1.4	4.0	1.5	1.9	1.8	1.7	6.9	1.4
	Revenue (€m)	469	24	68	82	70	245	93	93	88	101	375	80
	EBITDA (€m)	358	2	51	38	22	113	48	50	39	43	180	30
	EBITDA per Tonne (€)	44	13	52	26	15	28	32	27	22	25	26	9
H&O	Revenue (€m)	186	47	60	43	61	210	46	51	47	53	197	45
	EBITDA (€m)	(16)	(16)	(14)	(9)	2	(37)	(5)	(5)	(10)	(12)	(32)	(13)
Int.	Revenue (€m)	(243)	(56)	(80)	(41)	(57)	(235)	(59)	(65)	(62)	(73)	(259)	(67)
	EBITDA (€m)	2	3	(6)	-	3	1	(3)	(1)	-	1	(2)	(2)
Total	Revenue (€m)	3,442	916	1,144	1,282	1,541	4,883	1,338	1,358	1,142	1,276	5,114	990
	EBITDA (€m)	492	45	160	198	312	715	320	374	222	280	1,196	235
	Capex (€m)	138	34	25	53	78	191	53	66	51	42	213	56

## Tubes Revenues by Geography

€ million, unless noted	2021	1Q22	2Q22	3Q22	4Q22	2022	1Q23	2Q23	3Q23	4Q23	2023	1Q24
North America	828	346	460	544	744	2,094	658	663	460	548	2,329	450
South America	726	190	213	212	241	855	189	229	198	230	846	153
Middle East	334	94	110	118	111	434	112	157	162	212	643	162
Europe	537	162	172	135	137	606	152	102	116	57	427	51
Asia	402	75	102	100	111	389	54	73	80	89	296	68
Rest of World	203	35	39	87	123	285	92	56	52	61	260	48
Total Tubes	3,030	902	1,096	1,197	1,467	4,663	1,258	1,279	1,068	1,196	4,802	932

# Definitions of Non-GAAP Financial Data and Concepts

**Adjusted free cash flow** is defined as adjusted operating cash flow +/- change in operating working capital and gross capital expenditures. It corresponds to net cash used in operating activities less restructuring and non-recurring items +/- gross capital expenditure.

**Adjusted operating cash flow** is defined as EBITDA adjusted for non-cash benefits and expenses, financial cash out and tax payments.

**Asset disposals and other cash items** includes cash inflows from asset sales as well as other investing and financing cash flows (e.g. loan reimbursements).

**Change in working capital** refers to the change in the operating working capital requirement.

**Data at constant exchange rates:** The data presented “at constant exchange rates” is calculated by eliminating the translation effect into euros for the revenue of the Group’s entities whose functional currency is not the euro. The translation effect is eliminated by applying Year N-1 exchange rates to Year N revenue of the contemplated entities.

**EBITDA:** Earnings Before Interest, Taxes, Depreciation and Amortization is calculated by taking operating income (loss) before depreciation and amortization, and excluding certain operating revenues and expenses that are unusual in nature or occur rarely, such as:

- impairment of goodwill and non-current assets as determined within the scope of impairment tests carried out in accordance with IAS 36;
- significant restructuring expenses, particularly resulting from headcount reorganization measures, in respect of major events or decisions;
- capital gains or losses on disposals;
- income and expenses resulting from major litigation, significant roll-outs or capital transactions (e.g., costs of integrating a new activity).

**Financial cash out** includes interest payments on financial and lease debt, interest income and other financial costs.

# Definitions of Non-GAAP Financial Data and Concepts

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**Free cash flow**, as previously defined, may continue to be derived as follows: total cash generation - asset disposals & other cash items. This is also defined as EBITDA adjusted for changes in provisions, less interest and tax payments, changes in working capital, less gross capital expenditures, and less restructuring/other cash outflows.

**Gross capital expenditure:** gross capital expenditure is defined as the sum of cash outflows for acquisitions of property, plant and equipment and intangible assets and cash outflows for acquisitions of biological assets.

**(Increase) decrease in net debt** (alternatively, “change in net debt”) is defined as total cash generation +/- non-cash adjustments to net debt.

**Industrial margin:** The industrial margin is defined as the difference between revenue and cost of sales (i.e. after allocation of industrial variable costs and industrial fixed costs), before depreciation.

**Lease debt** is defined as the present value of unavoidable future lease payments.

**Midcycle or normalized earnings and cash flow simulations and related assumptions** do NOT represent guidance, a forecast, a target or an outlook of Vallourec for any particular financial year, but aim to represent an abstract average across cycles and across different circumstances to illustrate, in a volatile and unpredictable environment, the theoretical functioning of the New Vallourec. Conceptually these should be understood as approximate levels to be observed on average, over a long period of time and through various economic and commodity price environments.

**Net debt:** Consolidated net debt (or “net financial debt”) is defined as bank loans and other borrowings plus overdrafts and other short-term borrowings minus cash and cash equivalents. Net debt excludes lease debt.

# Definitions of Non-GAAP Financial Data and Concepts

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**Net working capital requirement** is defined as working capital requirement net of provisions for inventories and trade receivables; net working capital requirement days are computed on an annualized quarterly sales basis.

**Non-cash adjustments to net debt** includes non-cash foreign exchange impacts on debt balances, IFRS-defined fair value adjustments on debt balances, and other non-cash items.

**Non-cash items in EBITDA** includes provisions and other non-cash items in EBITDA.

**Operating working capital requirement** includes working capital requirement as well as other receivables and payables.

**Restructuring charges and non-recurring items** consists primarily of the cash costs of executing the New Vallourec plan, including severance costs and other facility closure costs.

**Total cash generation** is defined as adjusted free cash flow +/- restructuring charges and non-recurring items and asset disposals & other cash items. It corresponds to net cash used in operating activities +/- gross capital expenditure and asset disposals & other cash items.

**Working capital requirement** is defined as trade receivables plus inventories minus trade payables (excluding provisions).

# Share Information and Financial Calendar

## Share Information

### **Euronext Paris**

ISIN code: FR0013506730

Ticker: VK

### **USA: American Depositary Receipt (ADR)**

ISIN code: US92023R4074

Ticker: VLOWY

### **Investor Relations Contact**

Email: [Connor.Lynagh@vallourec.com](mailto:Connor.Lynagh@vallourec.com)

Alternate: [investor.relations@vallourec.com](mailto:investor.relations@vallourec.com)

[www.vallourec.com](http://www.vallourec.com)

## Financial Calendar

- **July 26<sup>th</sup>, 2024:** Publication of Second Quarter and First Half 2024 Results
- **November 15<sup>th</sup>, 2024:** Publication of Third Quarter and Nine-Month 2024 Results

## Upcoming Investor Events

- **May 29<sup>th</sup>, 2024:** Bernstein Société Générale Nice Conference (Nice, France)
- **June 4<sup>th</sup>, 2024:** Vallourec One R&D and New Energies Day (Aulnoye-Aymeries, France)
- **July 1<sup>st</sup> and 2<sup>nd</sup>, 2024:** Exane Non-Deal Roadshow (London & Frankfurt)