



VALLOUREC ANNOUNCES THE SUCCESS OF ITS RIGHTS ISSUE FOR C. €300 MILLION WITH SHAREHOLDERS' PREFERENTIAL SUBSCRIPTION RIGHTS

Boulogne-Billancourt (France), 24 June 2021 – Vallourec S.A. (Euronext Paris: VK) (“**Vallourec**” or the “**Company**”) announces today the success of its share capital increase with shareholders' subscription rights (the “**Rights Issue**”), resulting from the issuance of 52,954,807 new ordinary shares (the “**New Shares**”) at a subscription price of 5.66 euros per share, representing a gross amount of 299,724,207.62 euros (issue premium included). This transaction part of the Company's financial restructuring whose safeguard plan was approved by the commercial court of Nanterre on 19 May 2021 (the “**Safeguard Plan**”).

The proceeds of the Rights Issue will be used to for the partial repayment the claims related to the various RCF and bonds of the Company's creditors (the “**Converting Creditors**”), excluding BNP Paribas, CIC and Natixis (the “**Commercial Banks**”).

Following the subscription period, which ended on 21 June 2021, total demand for New Shares on a non-reducible and reducible bases, amounts to 64,995,718 shares, corresponding to a subscription rate of 122.74%.

- 48,320,557 New Shares were subscribed on an irreducible basis (*à titre irréductible*), representing approximately 91.25% of the New Shares to be issued. In accordance with their subscription commitments, Nippon Steel Corporation and Bpifrance Participations respectively subscribed, on an irreducible basis, for 6,183,736 New Shares (i.e. approximately €35 million) and for 3,533,537 New Shares (i.e. approximately €20 million);
- orders submitted on a reducible basis (*à titre réductible*) represented 16,675,161 New Shares and will therefore only be partially allocated for a number of 4,634,250 new shares, according to a ratio equal to 1.11567826 calculated on the number of rights exercised on a non-reducible basis (*à titre irréductible*), provided that there is no allocation of a fraction of a New Share and that no allocation may exceed the number of New Shares subscribed for on a reducible basis (*à titre réductible*).

Commenting on these results, Edouard Guinotte, Chairman of the Vallourec's Management Board, declared “*We are delighted by the success of this capital increase and would like to thank our shareholders who have shown their support and their confidence in the Group's perspectives. Following the planned implementation of all the parts of its financial restructuring on 30 June, Vallourec will be fully equipped to develop its strategic plan and capitalize on the recovery of its markets.*”

BNP Paribas and Natixis acted as Global Coordinators, Lead Managers and Joint Bookrunners and CIC Market Solutions acted as Joint Bookrunner for the Rights Issue.

It is further reminded that the Safeguard Plan provides notably the following issuances:

- an issuance of new shares pursuant to the capital increase without shareholders' pre-emptive rights reserved to the Converting Creditors in an aggregate amount of €1,330,998,569.43 (including share premium), by issuing 164,523,927 new shares subscribed by the Converting Creditors by way of set-off against part of their claims related to the various RCF and bonds of the Company;
- an issuance of 30,342,337 Warrants reserved to the Commercial Banks, subscribed for an aggregate amount of €303,423.37 by way of set-off against part of their claims related to the various RCF of the Company, each Warrant conferring the right to subscribe for one new share at an exercise price of €10.11 per Warrant;
- a bonds issuance of an aggregate nominal amount of €1,023 million, subscribed by the Converting Creditors by way of set-off against part of their claims related to the various RCF and bonds of the Company;
- the repayment of an amount of €262 million allocated on a *pro rata* basis between all creditors under the bonds and the various RCF of the Company together with the payment to the creditors of the interests, commitment fees, utilization fees and interests for late payment pursuant to the RCF and the bonds for the period ending on 1st February (inclusive);
- a €169 million debt write-off granted by the Commercial Banks; and



- the implementation by the Commercial Banks of (i) a revolving credit facility of €462 million, (ii) French State-guaranteed loans (*prêts garantis par l'Etat*) for an aggregate amount of €262 million and (iii) bonding lines of €178 million over a 5-year time period.

Settlement

The issue of the New Shares, settlement-delivery and admission of the New Shares to trading on the regulated market of Euronext Paris are expected to take place on 30 June 2021, together with the settlement of the Reserved Capital Increase and the issuance of Warrants which were the subject of a prospectus approved by the AMF on 31 March 2021, under number 21-093, and the completion, in particular, of the other aforementioned issuances provided for by the Safeguard Plan.

New Shares will immediately entitle their holders to receive dividends declared by Vallourec as from the date of issuance. They will be immediately fungible with existing shares of the Company and will be traded on the same line under the ISIN code FR0013506730.

The Company will publish an additional press release following the completion of the aforementioned settlement transactions.

Dilution

A shareholder holding 1% of the Company's share capital and who does not participate in the Rights Issue, would hold 0.18% of the capital following the issuance of the New Shares and hold 0.04% of the capital following the issuance of the new shares resulting from the Rights Issue, the Reserved Capital Increase and the exercise of all the Warrants.

Availability of the Prospectus

The prospectus (the "**Prospectus**") approved by the French *Autorité des marchés financiers* (the "**AMF**") under number 21-199 on 2 June consists of (i) Vallourec's universal registration document filed with the AMF on 29 March 2021 under number D21.0226 (the "**Universal Registration Document**"), (ii) the amendment of the Universal Registration Document filed with the AMF on 2 June 2021 under number D.21-0226-A01 (the "**Amendment**"), (iii) a securities note dated 2 June 2021 (the "**Securities Note**") and (iv) the summary of the Prospectus (included in the Securities Note).

The Prospectus may be consulted on the AMF's website (www.amf-france.org) and on the Company's website (www.vallourec.com/en/investors). Copies of the Prospectus are available free of charge at the Company's registered office (27, avenue du Général Leclerc – 92100 Boulogne-Billancourt, France).

Risk Factors

Investors' attention is drawn to the risk factors included in chapter 5 "Risk Factors" of the Universal Registration Document, as amended in section 3 " Risk Factors" of the Amendment, and in chapter 2 " Risk Factors" of the Securities Note.

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Press Release

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About Vallourec

Vallourec is a world leader in premium tubular solutions for the energy markets and for demanding industrial applications such as oil & gas wells in harsh environments, new generation power plants, challenging architectural projects, and high performance mechanical equipment. Vallourec's pioneering spirit and cutting edge R&D open new technological frontiers. With close to 17,000 dedicated and passionate employees in more than 20 countries, Vallourec works hand-in-hand with its customers to offer more than just tubes: Vallourec delivers innovative, safe, competitive and smart tubular solutions, to make every project possible.

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Listed on Euronext in Paris (ISIN code: FR0013506730, Ticker VK), Vallourec is part of the SBF 120 index and is eligible for Deferred Settlement Service Long Only.

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R4074, Ticker: VLOWY). Parity between ADR and a Vallourec ordinary share has been set at 5:1.

For further information, please contact:

Investor relations

Jérôme Friboulet

Tél. : +33 (0)1 49 09 39 77

investor.relations@vallourec.com

Press relations

Héloïse Rothenbühler

Tél. : +33 (0)6 45 45 19 67

heloise.rothenbuhler@vallourec.com

Individual shareholders

Toll Free Number (from France): 0 805 65 10 10

actionnaires@vallourec.com