Press release

Vallourec Capital Markets Day

London (England), 12 September 2023 – Vallourec, a world leader in premium steel tubular solutions, will host its Capital Markets Day in London today at 12:30 local time / 13:30 CET. A webcast link will be available on Vallourec's website for those wishing to join virtually.

Key topics to be discussed during today's presentation include:

- **Vallourec's position as a mission-critical supplier of complex steel tubular solutions supported by industry-leading R&D and world-class production facilities.** During the day, stakeholders will have an opportunity to learn about the diverse markets Vallourec serves with its industry-leading solutions, and the premium prices it is able to access as a result.

- **The work that Vallourec's new management and Board of Directors is doing to make Vallourec more profitable, more resilient, and more cash generative.** Vallourec's management will detail the major steps taken already and those to be taken in the future to drive higher financial returns. In addition to the already-announced closure of European facilities, Vallourec management will detail a premiumization strategy in China and the next phase of transformation of its premier South American asset base.

- **Multi-year tailwinds across Oil & Gas and New Energies markets that will drive robust demand for Vallourec's products and services.** The nearly decade-long underinvestment in the global upstream oil & gas sector and the outlook for continued demand growth will drive meaningful demand for Vallourec's core business lines for the years to come. Meanwhile, Vallourec will also detail its significant ambitions in the New Energies sphere and unveil its vertical hydrogen storage concept to the investment community for the first time. Vallourec has set a target for its New Energies business to comprise 10-15% of Group EBITDA by 2030.

- **Vallourec aspires to be one of the most shareholder-friendly companies within its peer group, with cash distribution potentially starting in 2025.** The Group is dedicated to creating the circumstances for Vallourec to be able to distribute dividends potentially starting in 2025 and aspires to reach an 80% - 100% cash return ratio based on the Group's total cash generation[a], in line with some of the highest payout ratios in the market. This assumes that Vallourec will have made substantial progress towards its goal of reaching zero net debt in 2025 at the latest. As an illustration, putting together the robust market outlook and the meaningful changes underway at Vallourec, management will present a simulation of the New Vallourec's midcycle[b] Group EBITDA, which would be approximately €850 million. Together with the Vallourec midcycle performance simulation assumptions detailed below, this would translate to total cash generation of €450 million.

[a] 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.

[b] The Vallourec midcycle performance simulation and related assumptions to be shown in today's presentation and described in this press release does NOT represent guidance, a forecast, a target or an 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

Philippe Guillemot, Chairman of the Board of Directors, and Chief Executive Officer, declared:

"We are pleased to spend today reintroducing the New Vallourec to our shareholders, analysts and the broader financial community. Since I joined Vallourec in 2022, we have made significant progress towards our goals of delivering best-in-class profitability and cycle-proofing our business. Together, these will result in a recurring €230 million[c] EBITDA uplift, but we are not finished. Today, we will detail the essential nature of our products and services, and why we are optimistic about the demand outlook for these now and years into the future. We remain committed to deleveraging our balance sheet towards zero net debt, and today, for the first time, we have indicated our aspiration to return a significant, peer-leading amount of our total cash generation to shareholders as we accomplish this goal, potentially starting in 2025."

FULL YEAR 2023 OUTLOOK

As part of today's presentation, Vallourec reiterates its full-year outlook for 2023:

- **Group EBITDA is expected to range between €950 million and €1.1 billion.** This includes the following key assumptions:
    - In the US market, Vallourec assumes sales volumes bottom in the third quarter as distributor inventories normalize. Market pricing[d] is assumed to decrease moderately from the Q2 level.
    - Second half iron ore production sold is expected to be approximately 3.6 million tonnes. The Platts 62% Fe CFR China Index is now assumed to be around $110 per tonne in the second half of 2023[e].
- **Total cash generation is expected to be positive in the second half of the year**, excluding any potential benefit from asset sales.
- **Net debt is expected to decline further in the second half of 2023** versus the second quarter 2023 level.

MINE AND FOREST MID-TERM ASSUMPTIONS

The Mine and Forest segment is expected to remain on its expected second half 2023 EBITDA trajectory of around €100 million per year for the near-term. In late 2024, Vallourec anticipates that the Phase 1 mine extension project will be finalized and will lead to an EBITDA increase for the Mine & Forest business of €20 – €25 million per year, assuming iron ore prices broadly consistent with today's levels. In 2027, Vallourec anticipates a more significant capital project, the Phase 2 mine extension, to be completed. This should lead to further incremental Mine & Forest EBITDA of €50 to €75 million per year. Total capital expenditures for both projects are expected to be less than €150 million and are expected to be spent over the next several years. Vallourec management is currently engaging with state and national regulators to obtain the required production and environmental permits for both extensions.

VALLOUREC MIDCYCLE PERFORMANCE SIMULATION ASSUMPTIONS

The midcycle simulated EBITDA would be approximately €850 million. This Group EBITDA would be comprised of Tubes EBITDA at €750 million, Mine and Forest EBITDA at €125 million, and net Holding & Other costs of (€25) million. Assumed capital expenditures for the Group would amount to €175 million, including project capex for the Pau Branco iron ore mine, financial cash out of €50 million and cash taxes of €175 million.

[c] Measured relative to the 2021 baseline. Full effect in Q2 2024.
[d] Market pricing is defined as the PipeLogix price index (average of all seamless indicators), as shown in Vallourec's Quarterly Results presentations.
[e] The Platts 62% Fe CFR China Index averaged approximately $118 per tonne in the first half of 2023.

Live Broadcast of Vallourec’s Capital Markets Day

The slides and live broadcast of Vallourec’s Capital Markets Day will be available at: https://www.vallourec.com/en/investors

Information and Forward-Looking Statements

This press release 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 marches financiers, or “AMF”), including those listed in the “Risk Factors” section of the Universal Registration Document filed with the AMF on April 17, 2023, under filing number n° D.23-0293.
Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this document. Vallourec disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations. This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Vallourec. or further information, please refer to the website www.vallourec.com.

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 16,000 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.

Listed on Euronext in Paris (ISIN code: FR0013506730, Ticker VK), Vallourec is part of the CAC Mid 60, SBF 120 and Next 150 indices and is eligible for Deferred Settlement Service.

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.

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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.

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.

Vallourec midcycle performance simulation, 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.

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).