



Press release

Vallourec progresses its holistic balance sheet refinancing with successful pricing of its 2032 Senior Notes offering

Meudon (France), April 18, 2024 – Vallourec S.A., (the “**Company**” and, together with its subsidiaries, the “**Group**”), a world leader in premium tubular solutions, announces today that it has successfully priced an offering of Senior Notes due 2032 (the “**Notes**”) in an aggregate principal amount of \$820 million, which will be issued at par and will bear interest at a rate of 7.500% per annum. The offering of the Notes is expected to close on April 23, 2024, subject to customary closing conditions.

Upon completion, the proceeds from the offering of the Notes will be used, together with cash on hand, to (i) fund the redemption of the Company’s €1,023.4 million in aggregate principal amount of 8.5% senior notes due 2026 (the “**Existing Notes**”) and pay accrued and unpaid interest thereon, (ii) repay approximately €68 million outstanding under the Company’s existing state-guaranteed loans (PGE, *prêts garantis par l’Etat*) and pay accrued and unpaid interest thereon and (iii) pay fees and expenses in connection with the foregoing transactions, including fees and expenses incurred in connection with the offering.

Following the completion of its refinancing, Vallourec will have holistically reconfigured its balance sheet via:

- Entry into a new 5-year €550 million multi-currency revolving credit facility (RCF) with a substantially diversified, global banking group
- Entry into an upsized and extended 5-year \$350 million ABL facility in the United States
- Issuance of the aforementioned 8-year \$820 million 7.500% Senior Notes and redemption of its 8.5% Senior Notes due 2026
- Repayment of approximately €68 million of its €262 million PGE during the transaction and repayment of the remaining amount by December 31, 2024

Furthermore, Vallourec now maintains credit ratings with all three of the major ratings agencies. Next to its existing issuer rating with S&P, which has been upgraded once again and now stands at BB+, Outlook stable, Vallourec is pleased to welcome the addition of Moody’s and Fitch, which rate Vallourec Ba2, Outlook positive and BB+, Outlook positive, respectively.

The pro forma effects of the transaction lead to a reduction of net debt compared to the reported net debt of €570 million as of December 2023.

Philippe Guillemot, Chairman of the Board of Directors, and Chief Executive Officer, declared: *“I am extremely pleased with the results of this transaction and our overall balance sheet refinancing. This step further strengthens Vallourec’s financial position and sustainably improves its cash flow generation. The completion of this transaction will give us both greater visibility and financial flexibility over the coming years.*”

The New Vallourec plan, initiated in May 2022, resulted in an improvement of our operating results, and ultimately enabled us to reduce net debt, extend our debt maturities, maintain a very healthy liquidity profile and, importantly, improve Vallourec’s ongoing cash generation”.

Cautionary Statements

This announcement constitutes a public disclosure of inside information under Regulation (EU) 596/2014, as amended.

This press release is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy the Notes, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which, or to any person to whom, such offer, solicitation or sale would be unlawful. This press release is not an offer of securities for sale in the United States. The Notes and the guarantees thereof will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any other jurisdiction, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. In the United States, the offering will be made only to "qualified institutional buyers" (as defined in Rule 144A of the U.S. Securities Act) in compliance with Rule 144A under the U.S. Securities Act ("Rule 144A") and outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act.

The offer and sale of the Notes will be made only to qualified investors pursuant to an exemption under Regulation EU 2017/1129, as amended (the "Prospectus Regulation") from the requirement to produce a prospectus for offers of securities. This announcement does not constitute a prospectus within the meaning of the Prospectus Regulation or an offer to the public.

The offer and sale of the Notes will be made pursuant to an exemption under the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "UK Prospectus Regulation") from the requirement to produce a prospectus for offers of securities. This announcement does not constitute a prospectus within the meaning of the UK Prospectus Regulation or an offer to the public.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a "qualified investor" as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This press release has been prepared on the basis that any offer of in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to produce a prospectus for offers of the Notes.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and, therefore, offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

This press release has been prepared on the basis that any offer of the Notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation from a requirement to publish a prospectus for offers of Notes.

This press release is being distributed only to persons who (i) have professional experience in matters relating to investments and are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) are high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA") in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This press release is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this press release relates is available only to relevant persons and will be engaged in only with relevant persons.

No money, securities or other consideration is being solicited, and, if sent in response to the information contained herein, will not be accepted.

This press release includes forward-looking statements within the meaning of the applicable securities law. All statements other than statements of historical fact included herein are forward-looking statements. These statements may include, without limitation, any statements preceded by, followed by or including words such as "aim", "anticipate", "believe", "can have", "could", "estimate", "expect", "intend", "may", "plan", "seek", "should", "will" "would" and other words and terms of similar meaning or the negative thereof. 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. Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which it will operate in the future. The Group therefore cautions against relying on any of these forward-looking statements. The forward-looking statements and information contained in this press release are made as of the date hereof, and the Group undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.



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 15,000 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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