



Q2 2024 Results

July 26, 2024



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Information

Quarterly financial information is unaudited and not subject to any review.

Unless otherwise specified, indicated variations are expressed in comparison with the same period of the previous year.

Agenda

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Q2 2024 Highlights

Philippe Guillemot
*Chairman of the Board &
Chief Executive Officer*



Q2 2024 Highlights

Results & Outlook

Further Deleveraging and Resilient Margin

- Second quarter 2024 results reflect strong international OCTG market and New Vallourec benefits
 - Group EBITDA was €215m (down €20m QoQ) with EBITDA margin of 20%
 - Tubes EBITDA per tonne of €599, above €550 for the seventh straight quarter despite reduced US pricing
 - Remain ahead of plan in deleveraging; reached net debt of €364 million
- Full year Group EBITDA expected to range between €800 – €850 million due to lower US prices
- Expect to generate further cash in H2 2024, to be allocated predominantly towards near-term shareholder returns

Commercial & Operational

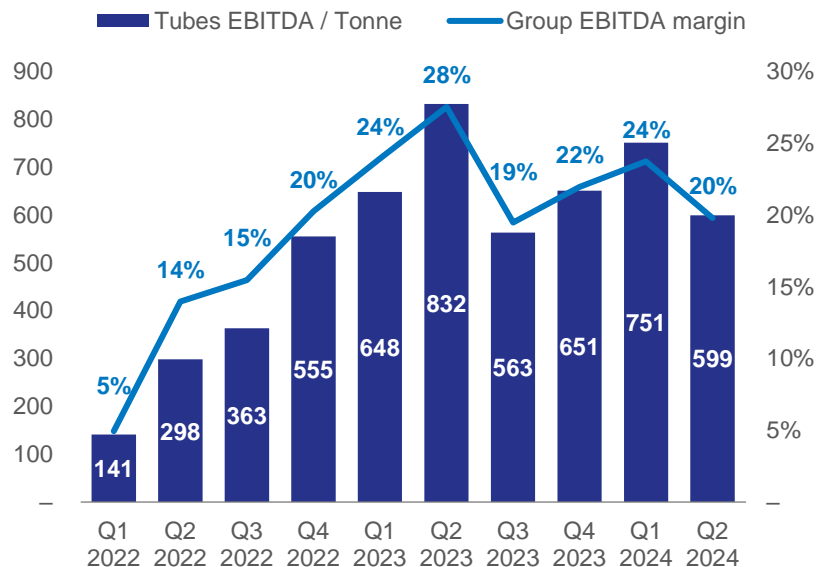
International Market Robust; Brazil Performance Plan Progressing Well

- Divergence in International vs. US Tubes market persisted in Q2
 - International OCTG demand remains at a healthy level, resulting in strong pricing on new orders
 - US drilling activity has continued to trend lower, impacting OCTG industry sentiment
- Significant progress underway in realizing full earnings potential in Brazil
 - Tubes: Targeting >€150/tonne regional cost reduction and creating platform for >100kt in incremental volumes
 - Mine & Forest: Received necessary approvals to progress Phase 1 extension at Pau Branco mine

Structurally Improved Profitability and Sustainable Cash Generation

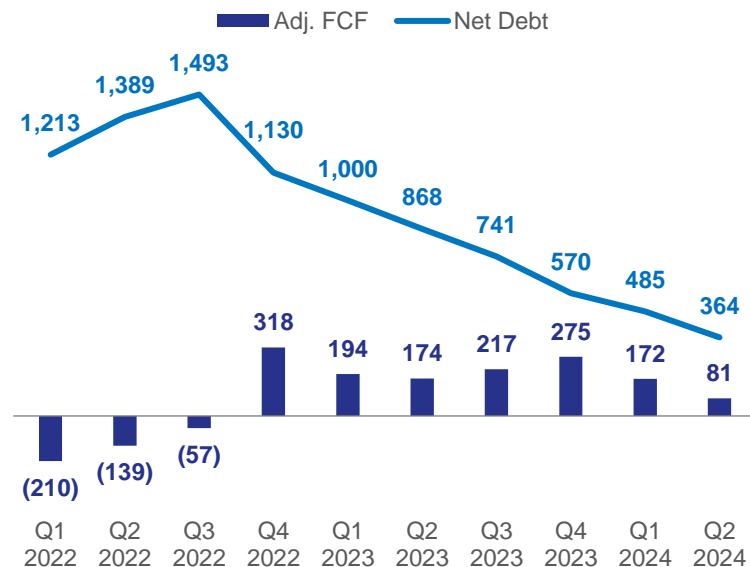
Meaningfully improved profitability

Tubes EBITDA / Tonne (€) and Group EBITDA Margin



Consistent cash generation and net debt reduction

€ Million



Vallourec's Strategic Journey

More Profitable, More Resilient, More Cash Generative



Progressing Brazil Tubes Operations to Best-in-Class

Key accomplishments and further initiatives

Accomplishments in 2022 – 2023

- ✓ Redesigned organizational structure
- ✓ Executed major capex program as planned
- ✓ Delivered improved Tubes EBITDA

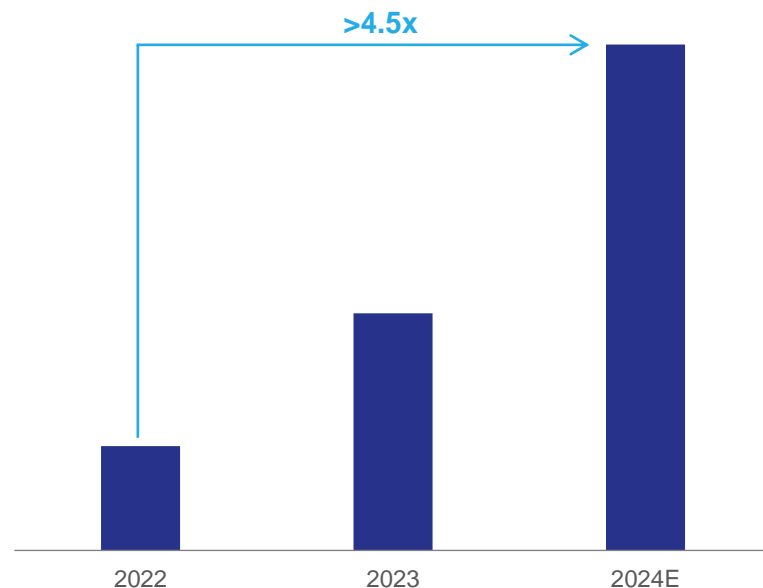


Initiatives for 2024 – 2025

- Rationalization of production footprint
- Further reduction of complexity and operating costs
- Creating platform for higher premium tube production

Substantial improvement so far, but more to come

Brazil Tubes EBITDA per Tonne

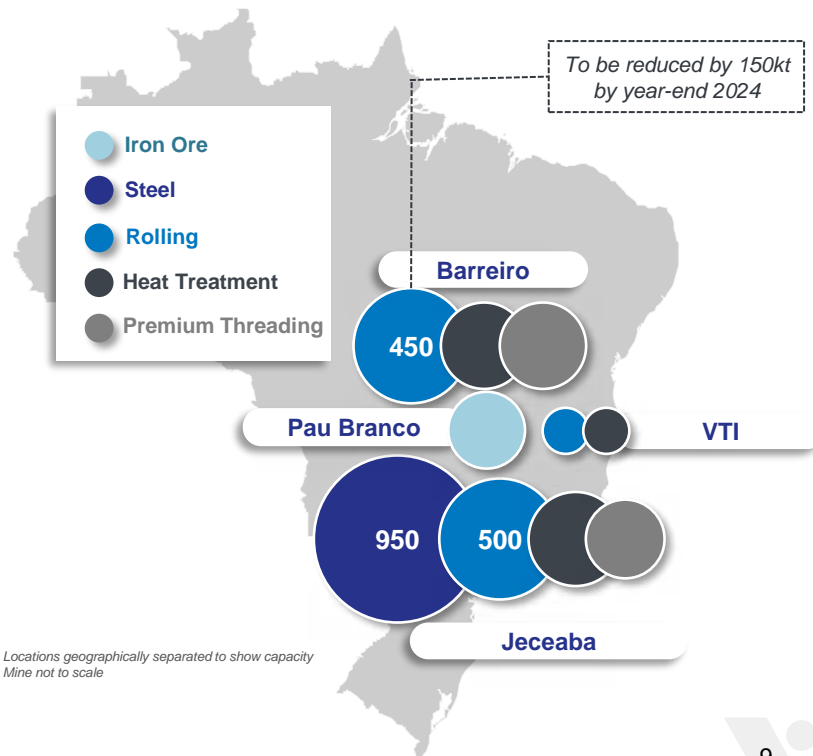


Rationalization of Our Brazilian Production Footprint

Streamlining assets and retaining upside potential

- Optimizing our asset base
 - Jeceaba (500kt): state of the art, world-class rolling mill
 - Barreiro (450kt): two smaller, more-flexible rolling mills
 - **Plug mill (150kt) to be closed at year-end 2024**
 - Mandrel mill (300kt) to remain in operation
- Plug mill closure: Value over Volume in practice
 - Aging asset with rising reinvestment needs
 - Significant product overlap with Jeceaba
- Reduced costs and avoided capex
 - Outright cost reductions from lower staffing needs
 - Avoidance of future capex and maintenance cost
 - More-efficient production process
 - Plug processing cost per tonne substantially above Jeceaba cost
 - Better loading of remaining capacity

Tubes Production Capacity (Thousand Tonnes)



Reducing Complexity and Operating Costs

Driving efficiency in our operations

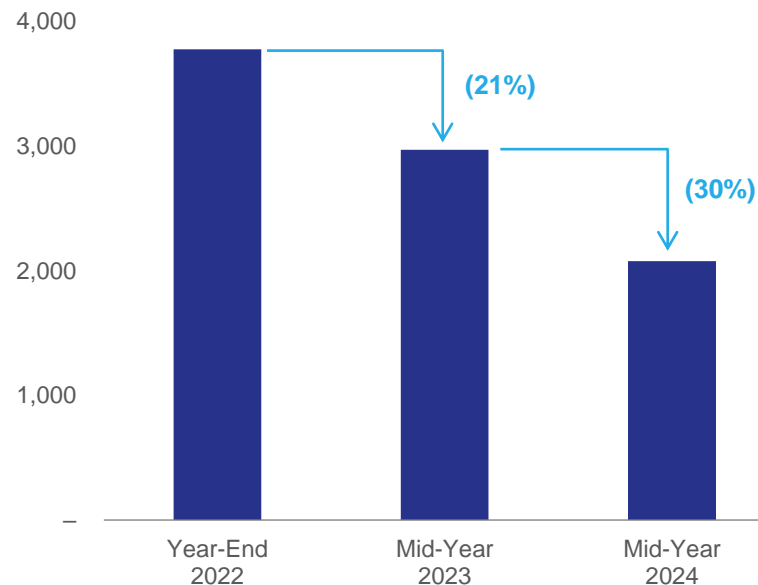
- Complexity reduction
 - Exiting low-margin Industry businesses where pricing does not reflect high value-add
 - Implementing strict minimum order quantity
 - Decreased Industry & Process SKUs by a further 30%
- Labor management
 - Increasing utilization of maintenance and direct production staff
 - Decreasing overall labor costs by 10-15%
- Other cost improvements
 - Renegotiating raw materials and freight contracts
 - Improving process yields and quality performance

**Overall Target: >€150/tonne regional cost reduction¹
by year-end 2025**

¹ Refers to cost per tonne of Brazil Tubes operations relative to 2023 baseline

Focusing product portfolio to enhance efficiency

Active Industry & Process Stock-Keeping Units (SKUs)



Creating the Platform for Profitable Future Growth

Capitalizing on Future Demand

- Strong demand pipeline in global premium OCTG and PLP export markets
- Significant progress in qualifying Brazil production route for core customer base
- Key production route for New Energies products
- Medium-term improvement in high-value segments of Industry and Process markets

Improving Production Efficiency

- Manufacturing process improvements underway with further upside to benchmark utilization
- Debottlenecking high-value equipment: ~15% increase in usable capacity already realized
- Improved use of global premium finishing capacity
- Further integration and optimization of sales and operational planning

**Capable of >100kt in incremental volume
from Brazilian production base¹**

¹ Refers to shipments from Brazil relative to H1 2024 baseline



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Market & Commercial Environment

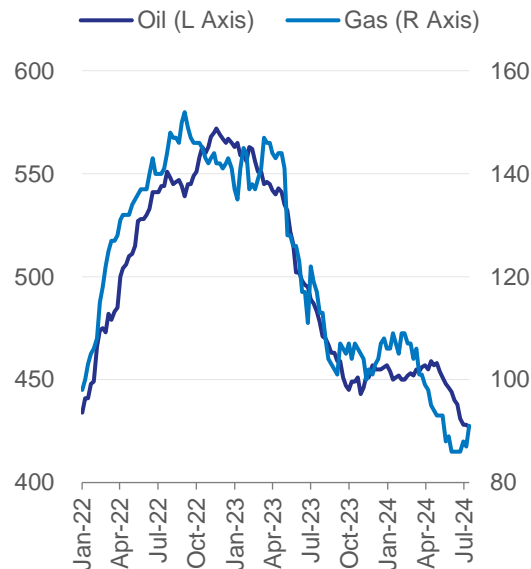
Philippe Guillemot
*Chairman of the Board &
Chief Executive Officer*



US OCTG Market: Still Feeling The Effects of Muted Demand

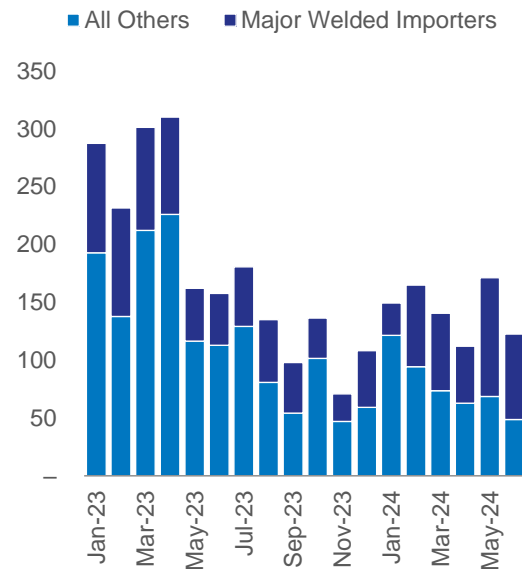
Rig count fell ~7% in Q2

US Horizontal Rig Count



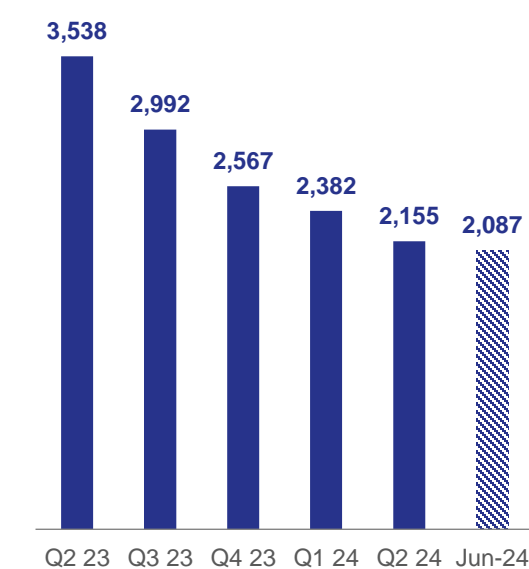
Diverging trends in US imports

Monthly OCTG Imports



Spot pricing down in Q2

Seamless OCTG Price (\$ / Tonne)



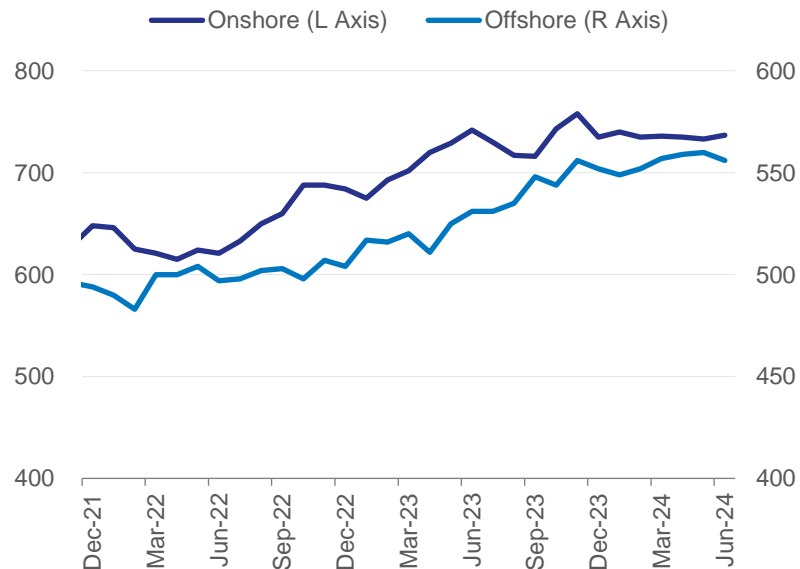
Sources: Baker Hughes, PipeLogix, US Department of Commerce. Reflects average price in period for all seamless products. "Major Welded Importers" include Korea, Taiwan, Vietnam and Turkey.

International OCTG Market: Stable at Healthy Levels

Robust onshore and offshore drilling activity

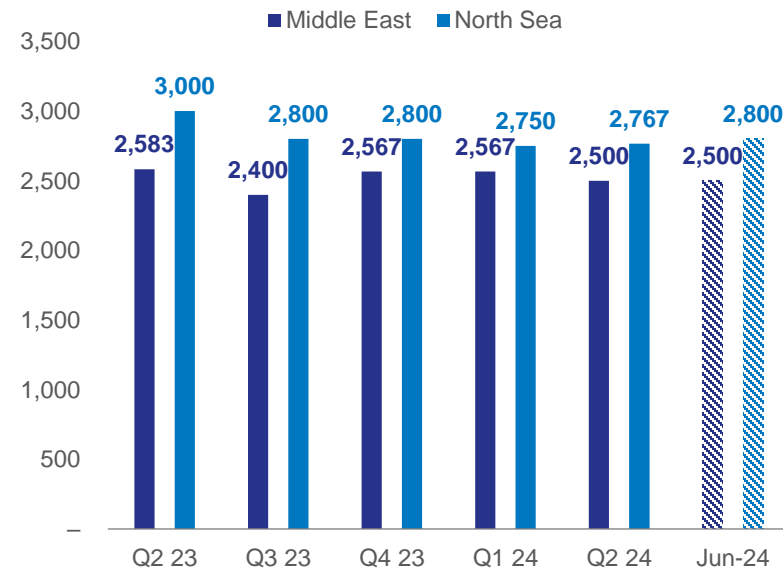
Onshore Rig Count

Offshore Rig Count*



International market pricing remains strong

Seamless OCTG Price (\$ / Tonne)



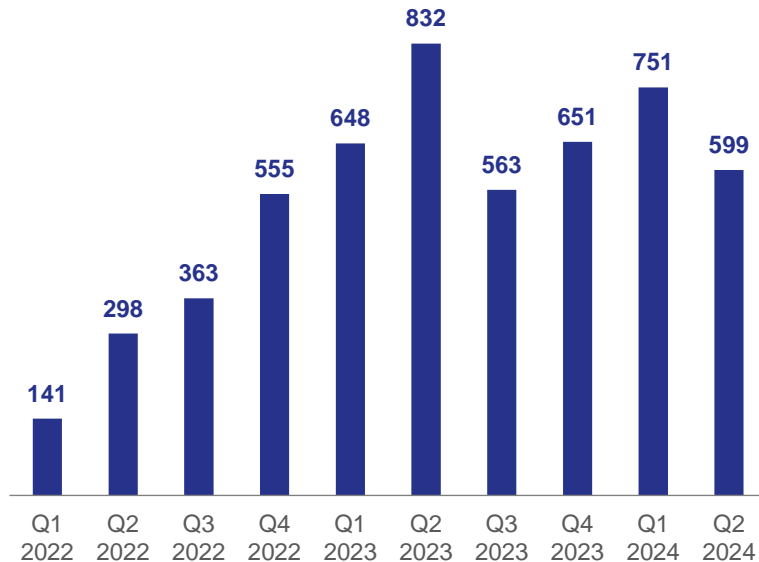
Sources: Baker Hughes, RigLogix, Rystad Energy. OCTG pricing reflects average price in period for L80 tubes (Premium) in Jebel Ali (Middle East) and North Sea.

*Please note change in data source vs. prior quarters for offshore rig count (RigLogix vs. Baker Hughes).

Tubes Overview: Strong Profitability Despite US Market Dynamics

Tubes profitability remains on a solid level

Tubes EBITDA / Tonne (€)



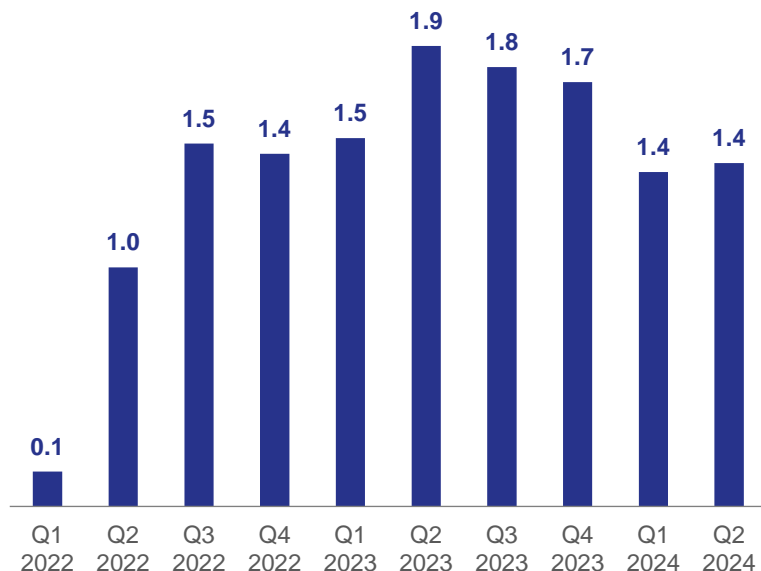
International market remains strong

- Another quarter of solid margin and EBITDA per tonne reflecting New Vallourec plan benefits
- Multiple new major international contracts in Q2:
 - **ADNOC**: two-year extension of the five-year 2019 contract originally worth c. \$900m; expanded contract scope and secured a new major order for 27kt of tubes
 - **Equinor**: new five-year contract to provide premium tubes and connections, accessories, and services for Bacalhau, Raia, and Peregrino fields in Brazil
 - **ExxonMobil**: secured the fourth major order in the framework of the LTA signed in 2021 for ExxonMobil Guyana's deep-water Whiptail project
- US market remains pressured by weak demand, though see medium-term upside to activity levels
 - Vallourec reduced headcount and external sourcing costs to partially compensate for lower pricing and volumes

Mine & Forest Overview: Phase 1 Extension Moving Ahead

Mine production sold up slightly in Q2

Iron Ore Production Sold (Million Tonnes)



Advancing Pau Branco mine extension projects

- Expect a second half increase in production sold
 - Q2 2024 production sold 1.4m tonnes
 - Continue to expect 6m tonnes of production sold in 2024, with highest level of shipments in Q3
 - Continue to expect full-year EBITDA of approximately €100m at current iron ore prices
- Phase 1 extension project well underway
 - Received necessary approvals from the state environmental authority (COPAM) and federal mining regulator (ANM) to progress Phase 1 extension
 - Continue to expect start-up of the Phase 1 extension in late 2024; to deliver higher ore quality and improved profitability
 - Capex for Phase 1 included in 2024 capex guidance
- Advancing Phase 2 extension process
 - Engaging with relevant permitting agencies to advance Phase 2 extension for 2027 start-up



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Q2 2024

Results Review

Sascha Bibert

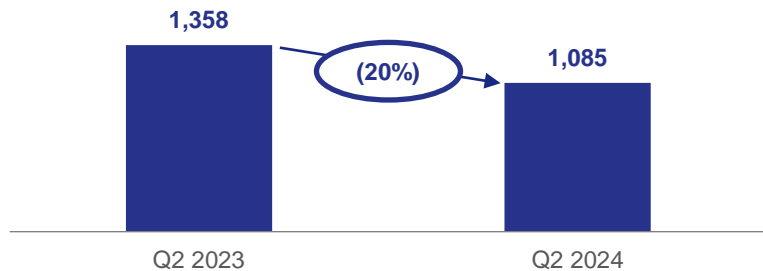
Chief Financial Officer



Key Group Figures

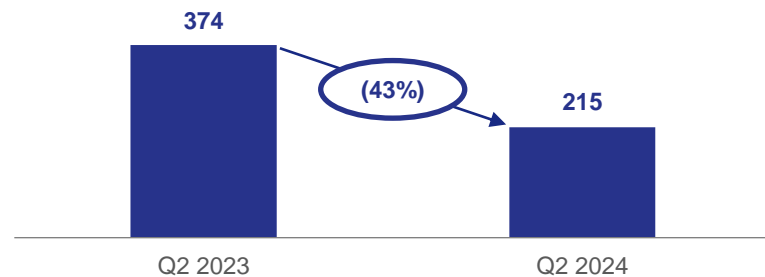
Revenues

€ Million



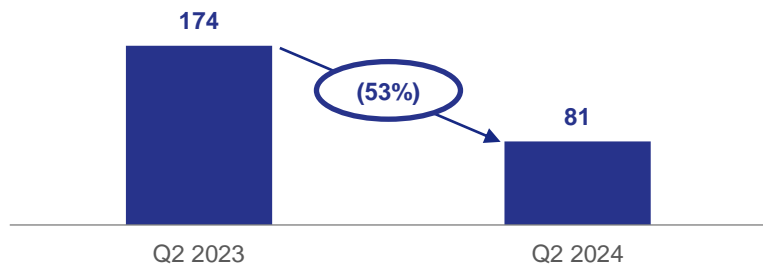
EBITDA

€ Million



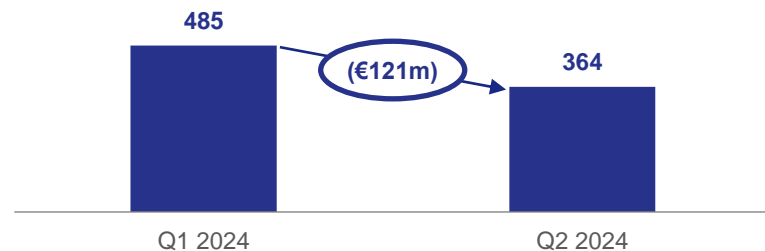
Adjusted Free Cash Flow

€ Million



Net Debt

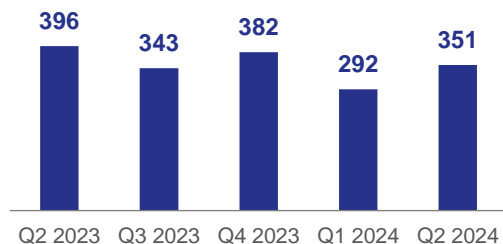
€ Million



Tubes Production and Revenue Details

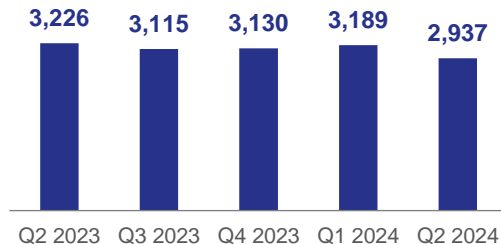
Volume Sold

Thousand Tonnes



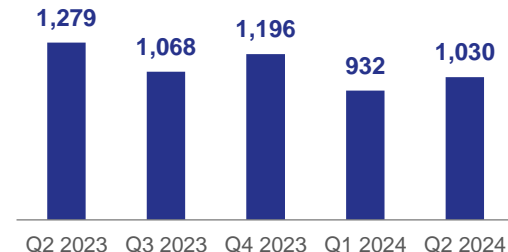
Average Selling Price

€ / Tonne



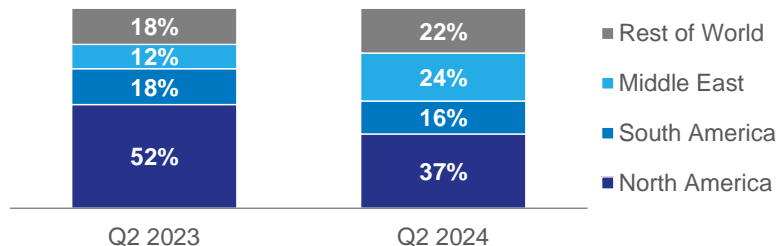
Revenues

€ Million



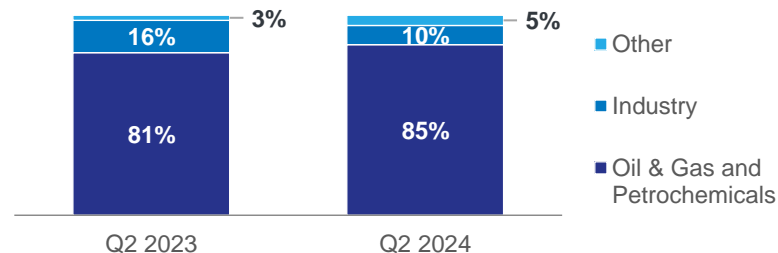
Revenue Mix by Geography

% of Revenues



Revenue Mix by Market

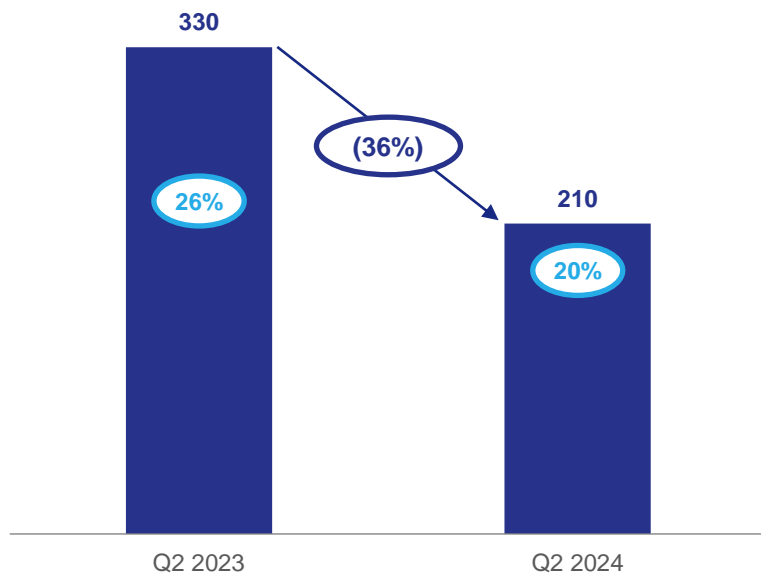
% of Revenues



Tubes Profitability

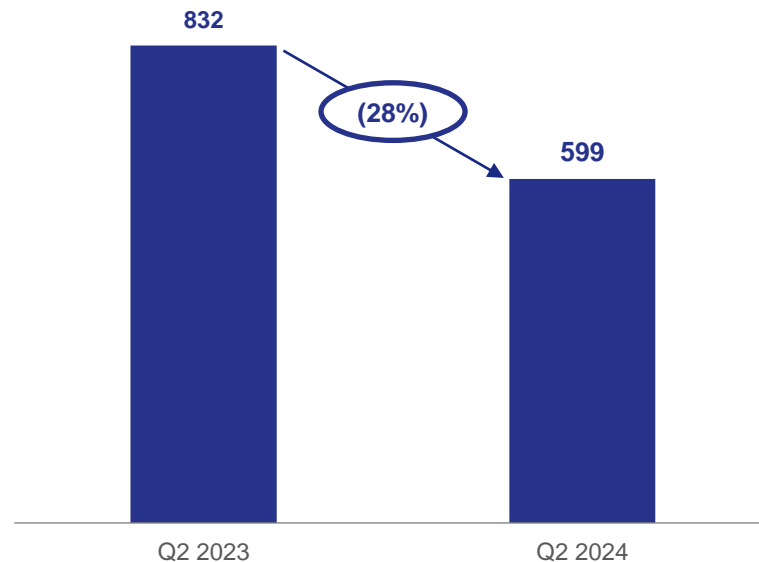
EBITDA and EBITDA Margin

€ Million and % of Revenues



EBITDA per Tonne

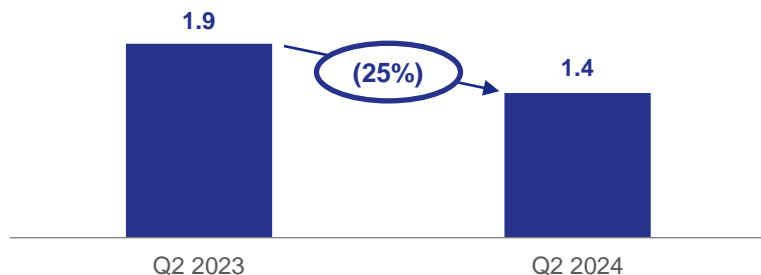
€ / Tonne



Mine & Forest Performance

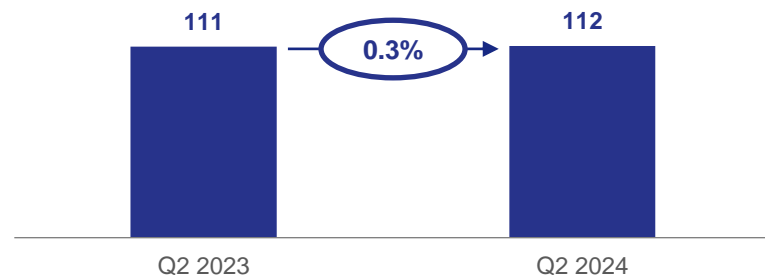
Production Sold

Million Tonnes



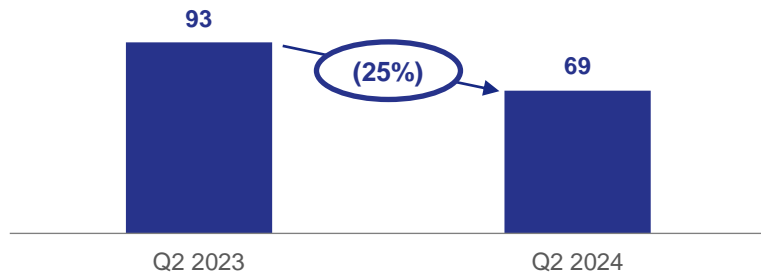
Average Iron Ore Market Price¹

\$/ Tonne (Quarterly Average)



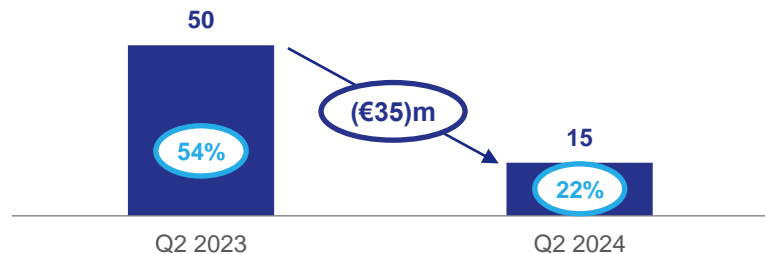
Revenues

€ Million



EBITDA

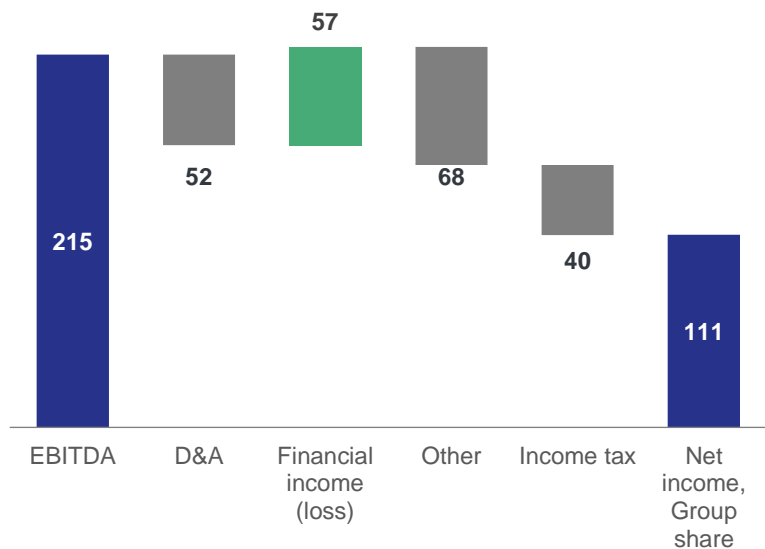
€ Million and % of Revenues



Group Net Income Analysis

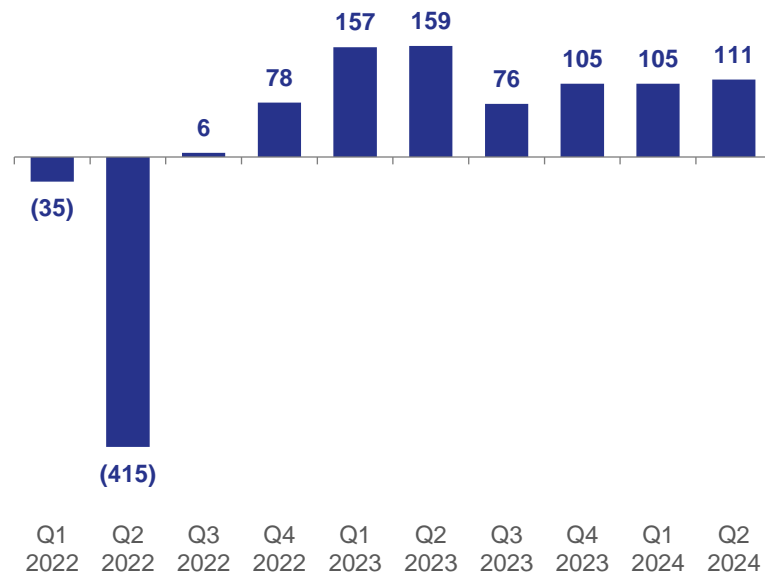
Net Income, Group Share (Q2 2024)

€ Million



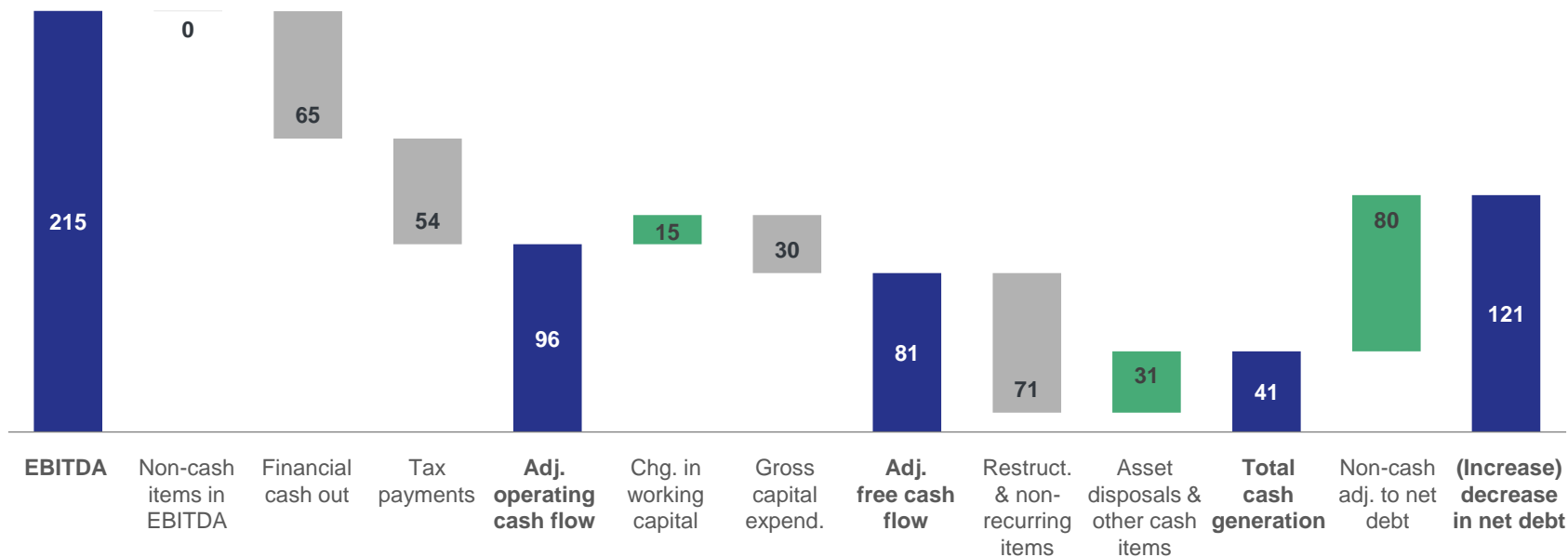
Net Income Evolution

Net Income, Group Share (€ Million)



Second Quarter 2024 Group Cash Flow Bridge

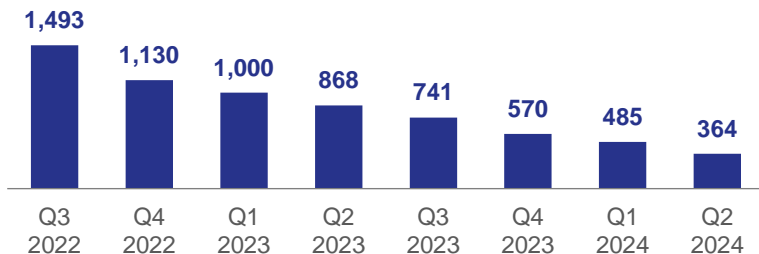
€ Million



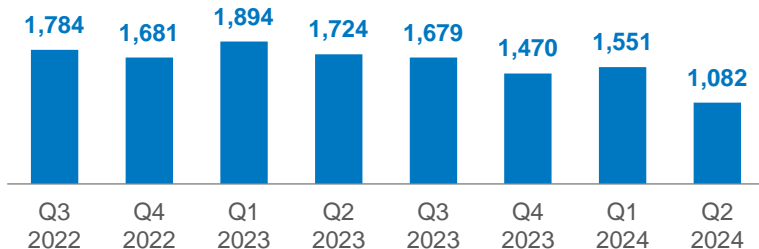
Debt and Liquidity

Debt

Net Debt (€ Million)

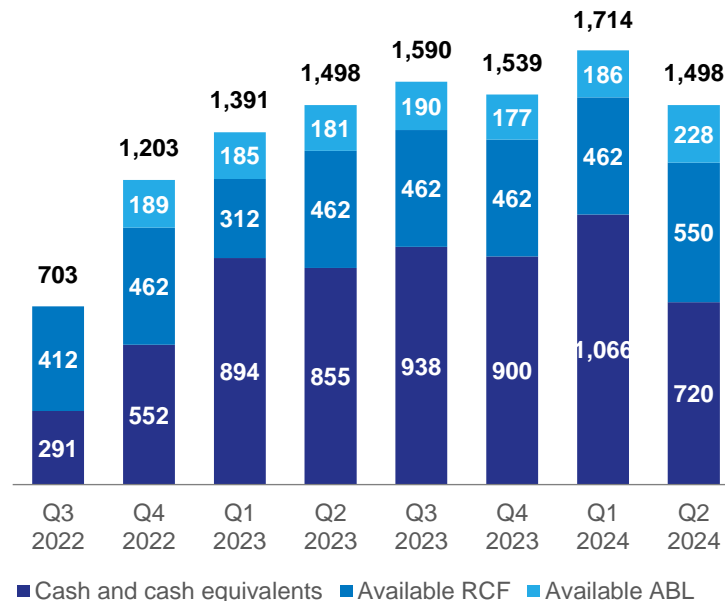


Gross Debt (€ Million)



Liquidity

€ Million



Cash Flow Modeling Items for 2024

Mid-Year 2024 Update

	Prior View	Updated View
Financial cash out	Approximately €100m	Approximately €100m
Tax payments	Mid-to-high 20% cash tax rate relative to reported pre-tax income	Low-to-mid 20% cash tax rate relative to reported pre-tax income
Capital expenditures	Approximately €200m	Less than €200m
Restructuring charges & non-recurring items	Approximately €200m	Approximately €250m including €50m of offsetting cash inflows ¹
Net Debt	Net debt zero by year-end 2025 at the latest	Net debt reduction ahead of plan

¹ Offsetting cash inflows include equipment sales, changes in cash collateral, and other items, primarily to be recorded in line item "Asset disposals and other cash items." Continues to exclude the potential positive impact of major asset sales.

Our Capital Allocation Framework

Overarching Philosophy and Milestones

Metric	Objective	Application
Target Leverage	Zero net debt +/- 0.5x net debt / EBITDA	<ul style="list-style-type: none">Net debt below €400m is now well within long-term sustainable rangeMust stay within leverage range after shareholder return
Payout Ratio	80 – 100% of total cash generation	<ul style="list-style-type: none">Includes all sources and uses of cashPayout ratio highest when leverage is lowest
Timing of Shareholder Returns	To begin in 2025 at the latest	<ul style="list-style-type: none">First potential dividend to be proposed for AGM in 2025Possible share / warrant repurchases prior to AGM in 2025

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

A large industrial facility, likely a steel mill, with a worker in the foreground and a large blue circle containing the number 4.

4

Outlook & Key Takeaways

Philippe Guillemot

*Chairman of the Board &
Chief Executive Officer*



2024 Earnings, Cash Flow and Net Debt Outlook

	Third Quarter 2024	Full Year 2024
Tubes	Revenues to decrease sequentially due to lower US shipments and pricing as well as Q4-weighted international shipment schedule	Strong international market environment to persist, more than offset by lower US demand and pricing
Mine & Forest	Production sold to increase sequentially	Production sold to be approximately 6m tonnes; EBITDA to be approximately €100 million at current iron ore prices
Group EBITDA	Group EBITDA to decline versus Q2 due to lower Tubes volumes and reduced US Tubes pricing	Group EBITDA to range between €800 – €850 million
Total Cash Generation & Net Debt	Total cash generation to be positive and net debt to further decline versus the Q2 2024 level ¹	Second half total cash generation to be positive and net debt to further decline versus the Q2 2024 level ¹

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

Key Takeaways

1

We have now built a sustainable balance sheet; further cash generation will be directed largely to shareholder returns in 2025 at the latest*

2

A combination of cost reduction, efficiency improvement and capacity rationalization will drive returns in Brazil towards best-in-class levels

3

The international OCTG market remains robust with ongoing high tendering activity; medium-term US demand is biased to the upside

Please see "Definitions of Non-GAAP Financial Data" in the Appendix

** 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*



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Appendices

Key Performance Indicators

		Quarterly Figures					Year-to-Date Figures		
		Q2 2024	Q1 2024	Q2 2023	QoQ chg.	YoY chg.	H1 2024	H1 2023	YoY chg.
Tubes	Volume sold*	351	292	396	20%	(11%)	643	827	(22%)
	Revenue (€m)	1,030	932	1,279	11%	(19%)	1,963	2,537	(23%)
	Average Selling Price (€)	2,937	3,189	3,226	(8%)	(9%)	3,052	3,066	(0%)
	EBITDA (€m)	210	220	330	(4%)	(36%)	430	609	(29%)
	Capex (€m)	23	46	61	(50%)	(63%)	69	106	(35%)
Mine & Forest	Volume sold*	1.4	1.4	1.9	3%	(25%)	2.8	3.4	(18%)
	Revenue (€m)	69	80	93	(13%)	(25%)	149	186	(20%)
	EBITDA (€m)	15	30	50	(49%)	(69%)	46	98	(53%)
	Capex (€m)	5	9	5	(37%)	14%	14	12	14%
H&O	Revenue (€m)	49	45	51	9%	(4%)	93	97	(4%)
	EBITDA (€m)	(13)	(13)	(5)	(2%)	nm	(27)	(10)	nm
Int.	Revenue (€m)	(64)	(67)	(65)	(5%)	(1%)	(130)	(123)	6%
	EBITDA (€m)	2	(2)	(1)	nm	nm	1	(3)	nm
Total	Revenue (€m)	1,085	990	1,358	10%	(20%)	2,075	2,696	(23%)
	EBITDA (€m)	215	235	374	(9%)	(43%)	450	694	(35%)
	Capex (€m)	29	56	66	(47%)	(56%)	85	119	(29%)

* Volume sold in thousand tonnes for Tubes and in million tonnes for Mine

H&O = Holding & Other, Int. = Intersegment Transactions

nm = not meaningful

Tubes Revenue Breakdown

Revenue by Region

in € million	Quarterly Figures					Year-to-Date Figures		
	Q2 2024	Q1 2024	Q2 2023	QoQ % chg.	YoY % chg.	H1 2024	H1 2023	YoY % chg.
North America	383	450	663	(15%)	(42%)	833	1,321	(37%)
South America	169	153	229	10%	(26%)	322	418	(23%)
Middle East	247	162	157	53%	57%	409	269	52%
Europe	48	51	102	(5%)	(53%)	99	254	(61%)
Asia	108	68	73	57%	47%	176	127	38%
Rest of World	76	48	56	56%	36%	124	148	(16%)
Total Tubes	1,030	932	1,279	11%	(19%)	1,963	2,537	(23%)

Revenue by Market

in € million	Quarterly Figures						Year-to-Date Figures			
	Q2 2024	Q1 2024	Q2 2023	QoQ % chg.	YoY % chg.	YoY % chg. at Const. FX	H1 2024	H1 2023	YoY % chg.	YoY % chg. at Const. FX
Oil & Gas and Petrochemicals	879	762	1,039	15%	(15%)	(15%)	1,641	2,060	(20%)	(20%)
Industry	100	119	207	(16%)	(52%)	(51%)	219	422	(48%)	(48%)
Other	52	51	33	3%	60%	58%	103	55	87%	89%
Total Tubes	1,030	932	1,279	11%	(19%)	(19%)	1,963	2,537	(23%)	(23%)

Income Statement

€ million, unless noted	Quarterly Figures					Year-to-Date Figures		
	Q2 2024	Q1 2024	Q2 2023	QoQ chg.	YoY chg.	H1 2024	H1 2023	YoY chg.
Revenues	1,085	990	1,358	95	(273)	2,075	2,696	(621)
Cost of sales	(774)	(669)	(890)	(105)	116	(1,443)	(1,816)	373
Industrial margin	311	321	468	(10)	(157)	631	880	(248)
<i>(as a % of revenue)</i>	28.6%	32.4%	34.5%	<i>(3.8) pp</i>	<i>(5.8) pp</i>	30.4%	32.6%	<i>(2.2) pp</i>
Selling, general and administrative expenses	(91)	(87)	(84)	(4)	(7)	(178)	(163)	(15)
<i>(as a % of revenue)</i>	<i>(8.4%)</i>	<i>(8.8%)</i>	<i>(6.2%)</i>	<i>0.4 pp</i>	<i>(2.2) pp</i>	<i>(8.6%)</i>	<i>(6.0%)</i>	<i>(2.6) pp</i>
Other	(5)	1	(10)	(6)	5	(3)	(23)	20
EBITDA	215	235	374	(20)	(159)	450	694	(244)
<i>(as a % of revenue)</i>	19.8%	23.7%	27.5%	<i>(3.9) pp</i>	<i>(7.7) pp</i>	21.7%	25.7%	<i>(4.1) pp</i>
Depreciation of industrial assets	(44)	(45)	(45)	1	1	(89)	(85)	(4)
Amortization and other depreciation	(8)	(8)	(9)	(0)	1	(17)	(19)	2
Impairment of assets	3	3	(8)	(0)	11	6	(8)	13
Asset disposals, restructuring costs and non-recurring items	(65)	(11)	(55)	(54)	(10)	(77)	(68)	(9)
Operating income (loss)	100	174	258	(74)	(158)	273	514	(241)
Financial income (loss)	57	(20)	(24)	77	81	37	(70)	107
Pre-tax income (loss)	156	154	234	3	(78)	310	445	(134)
Income tax	(40)	(46)	(70)	6	30	(86)	(123)	37
Share in net income (loss) of equity affiliates	0	1	1	(1)	(1)	1	(0)	1
Net income	116	108	164	8	(48)	224	321	(97)
Attributable to non-controlling interests	5	3	5	2	0	8	6	2
Net income, Group share	111	105	159	6	(48)	216	315	(99)
Basic earnings per share (€)	0.48	0.46	0.68	0.02	(0.20)	0.94	1.36	(0.42)
Diluted earnings per share (€)	0.46	0.43	0.67	0.03	(0.21)	0.90	1.34	(0.44)
Basic shares outstanding (millions)	230	230	233	–	(3)	230	232	(2)
Diluted shares outstanding (millions)	241	244	236	(3)	5	241	236	5

Balance Sheet

In € million

Assets	30-Jun-24	31-Dec-23	Liabilities	30-Jun-24	31-Dec-23
Net intangible assets	37	42	Equity - Group share	2,311	2,157
Goodwill	37	40	Non-controlling interests	77	67
Net property, plant and equipment	1,885	1,980	Total equity	2,388	2,224
Biological assets	59	70	Bank loans and other borrowings	772	1,348
Equity affiliates	17	16	Lease debt	33	40
Other non-current assets	132	159	Employee benefit commitments	81	102
Deferred taxes	209	209	Deferred taxes	84	83
Total non-current assets	2,375	2,516	Provisions and other long-term liabilities	264	317
Inventories	1,240	1,242	Total non-current liabilities	1,234	1,890
Trade and other receivables	716	756	Provisions	181	249
Derivatives - assets	22	47	Overdraft & other short-term borrowings	310	122
Other current assets	251	251	Lease debt	16	17
Cash and cash equivalents	720	900	Trade payables	817	763
Total current assets	2,949	3,196	Derivatives - liabilities	103	79
Assets held for sale and discontinued operations	1	1	Other current liabilities	278	370
Total assets	5,325	5,713	Total current liabilities	1,704	1,600
			Liabilities held for sale and discontinued operations	-	-
			Total equity and liabilities	5,325	5,713

Cash Flow Summary



In € million	Quarterly Figures					Year-to-Date Figures		
	Q2 2024	Q1 2024	Q2 2023	QoQ chg.	YoY chg.	H1 2024	H1 2023	YoY chg.
EBITDA	215	235	374	(20)	(159)	450	694	(244)
Non-cash items in EBITDA	(0)	10	(21)	(10)	21	9	(8)	17
Financial cash out	(65)	5	(61)	(70)	(4)	(60)	(79)	19
Tax payments	(54)	(15)	(60)	(39)	6	(68)	(76)	8
Adjusted operating cash flow	96	235	232	(139)	(136)	330	531	(200)
Change in working capital	15	(7)	8	22	7	8	(44)	52
Gross capital expenditure	(30)	(56)	(66)	26	36	(85)	(119)	34
Adjusted free cash flow	81	172	174	(91)	(93)	253	368	(115)
Restructuring charges & non-recurring items	(71)	(67)	(59)	(4)	(12)	(138)	(106)	(32)
Asset disposals & other cash items	31	(3)	3	34	28	28	7	21
Total cash generation	41	102	118	(61)	(77)	143	269	(126)
Non-cash adjustments to net debt	80	(17)	14	96	66	63	(7)	70
(Increase) decrease in net debt	121	85	132	35	(11)	206	262	(56)

Financial Indebtedness and Liquidity

Financial Indebtedness

<i>In € million</i>	30-Jun-24	31-Dec-23
8.500% 5-year EUR Senior Notes due 2026	–	1,105
7.500% 8-year USD Senior Notes due 2032	748	–
1.837% PGE due 2027 ^(a)	193	229
ACC ACE ^(b)	109	94
Other	32	42
Total gross financial indebtedness	1,082	1,470
Cash and cash equivalents	720	900
Fair value of cross currency swap ^(c)	2	–
Total net financial indebtedness	364	570

(a) Maturity prior to refinancing was 2027. Intended repayment of the remaining amount by Dec. 2024

(b) Refers to ACC (Advances on Foreign Exchange Contract) and ACE (Advances on Export Shipment Documents) program in Brazil

(c) Vallourec entered into 4-year cross-currency swaps (CCS) to hedge the EUR/USD currency exposure related to its USD 2032 Senior Notes. The fair value of the CCS related to the EUR/USD hedging of the principal of the notes is consequently included in net debt definition

Liquidity

<i>In € million</i>	30-Jun-24	31-Dec-23
Cash and cash equivalents	720	900
Available RCF	550	462
Available ABL ^(a)	228	177
Total liquidity	1,498	1,539

(a) This \$350m committed ABL is subject to a borrowing base calculation based on eligible accounts receivable and inventories, among other items. The borrowing base is currently approximately \$253m. Availability is shown net of approximately \$9m of letters of credit and other items.

Please see "Definitions of Non-GAAP Financial Data" in the Appendix

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.

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 plus the fair value of the cross-currency swaps related to the EUR/USD hedging of the principal of the \$820 million 7.5% senior notes. Net debt excludes lease debt.

Definitions of Non-GAAP Financial Data and Concepts

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

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Financial Calendar

- **November 15th, 2024:** Publication of Third Quarter and Nine-Month 2024 Results

Upcoming Investor Events

- **September 5th, 2024:** Jefferies Industrials Conference (New York)
- **September 10th, 2024:** Morgan Stanley European Utilities and Energy Summit (London)
- **September 11th, 2024:** Kepler Cheuvreux Autumn Conference (Paris)
- **October 1st and 2nd, 2024:** Kepler Cheuvreux Energy Services Conference (London)