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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.
## Today’s Agenda

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Today’s Speakers

In order of appearance

PHILIPPE GUILLEMET
Chairman & Chief Executive Officer

LAURENT DUBEDOUT
Senior Vice President
OCTG, Services & Accessories
Eastern Hemisphere Sales

BERTRAND FRISCHMANN
Chief Operating Officer
Americas

JACKY MASSAGLIA
Senior Vice President
North America

ULRIKA WISING
Senior Vice President
Energy Transition

SASCHA BIBERT
Chief Financial Officer
Introducing Vallourec

Philippe Guillemot
Chairman & Chief Executive Officer
Key Takeaways and Targets

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 potentially starting in 2025.

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.
Who We Are

A trustworthy partner for cutting edge steel solutions that make energy transformation possible

- Technology Leader
- Integrated Manufacturer
- Partner of Choice
- Environmental Steward
Our Global Asset Base

Expected footprint in 2024

Major production assets

Excludes sites to be closed as part of the New Vallourec plan

*Rolling & heat treatment within Aulnoye forge only
What We Do

**A global leader serving four markets**

- **OIL & GAS**
  Tubes, connections and services for development of oil and gas fields

- **INDUSTRY**
  Lightweight and resistant tubes for automotive, agribusiness, construction, mechanicals, etc.

- **ENERGY TRANSITION**
  Tubes, connections and systems for hydrogen, carbon capture, and geothermal markets

- **IRON ORE**
  Operation of an iron ore mine in Brazil for external and internal use

**2022 KEY FACTS**

**OPERATIONS**
- ~40 major production assets
- Present in more than 20 countries
- 16,000 employees

**FINANCIAL**
- 1.8mt Tubes sold
- €4.9b in revenue
- €715m / 15% EBITDA / EBITDA margin

**ESG**
- 24% female executives
- 50% reduction in accidents with and without (TRI) stoppages between 2015 and 2022
- 40% of energy consumed from renewable sources
Our Global Blue-Chip Customer Base
Oil & Gas Demand Expected to Grow in Near- and Long-Term

Oil demand growth expected in the near-term

Million Barrels per Day

Solid demand outlook for oil & gas in long-term

Indexed Oil & Gas Demand

Sources: International Energy Agency (IEA), Organization of the Petroleum Exporting Countries (OPEC)

Note: Indexed long-term figures refer to IEA STEPS Scenario from World Energy Outlook 2022
Investment in Oil Supply is Required: Strong Tubes Demand Ahead

Crude oil inventory overhang has been removed

Observable Crude Oil Inventories (billion barrels)

Long-cycle oil production is at historical lows

Percentage of Non-Shale Oil Production from New Fields

Sources: Joint Oil Data Initiative (JODI), Morgan Stanley Research, Rystad Energy
Note: Inventory figures based on 34 countries with consistent long-term data. New fields defined as those started within the last seven years.
Creating a New Vallourec

Philippe Guillemot
Chairman & Chief Executive Officer
The Evolution of Vallourec

1886
Invention of seamless tube rolling process by Mannesmann brothers

1930
Vallourec formed via merger of French tube manufacturers using the Mannesmann process

1957
Vallourec listed on Paris Stock Exchange

1965
Launch of VAM® premium connection, revolutionizing the oil & gas industry

2002
Acquisition of North Star Tubes, increasing US footprint

2011
Commissioning of state-of-the-art, industrial facility at Jeceaba in Brazil

2016
Acquisition of complete control of Tianda Oil Pipe Co. in China

2021
Emergence from financial restructuring; repurchase of minority stakes in the Americas

2022
New board and management initiate the New Vallourec Plan
Harnessing the Full Potential of Our Premier Assets

Purchased Sumitomo Corporation’s 19.5% non-controlling interest in our US steel & rolling subsidiary (Vallourec Star)

Purchased Nippon Steel Corporation and Sumitomo Corporation’s combined 49% interest in US premium threading subsidiary (VAM USA)

Purchased Nippon Steel Corporation’s 15.4% interest in primary Brazilian subsidiary, Vallourec Soluções Tubulares do Brasil (VSB)
The New Vallourec Plan

Key Objectives

Primary Strategic Goals
- Deliver Best-in-Class Profitability
- Make Vallourec Cycle-Proof

Financial Targets
- €230m EBITDA / €250m FCF Improvement\(^1\)
- Close Profitability Gap with Primary Peer
- Positive FCF through the Cycle\(^2\)
- Achieve Zero Net Debt by Year-End 2025 at the Latest

Tools Utilized

Operational Initiatives
1. Realigning Our Industrial Footprint
2. Emphasizing Value over Volume
3. Improving Our Pricing Strategy

Governance Improvements
1. Reshaping Our Management Team
2. Setting Ambitious ESG Targets

\(^1\) 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.

\(^2\) Aligned with prior definition of free cash flow. See "Definitions of Non-GAAP Financial Data." Target excludes the impact of working capital.
Realigning Our Industrial Footprint

Addressing loss-making operations in Europe

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA of European Operations (€ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>(178)</td>
</tr>
<tr>
<td>2018</td>
<td>(130)</td>
</tr>
<tr>
<td>2019</td>
<td>(101)</td>
</tr>
<tr>
<td>2020</td>
<td>(103)</td>
</tr>
<tr>
<td>2021</td>
<td>(138)</td>
</tr>
<tr>
<td>2022</td>
<td>(118)</td>
</tr>
</tbody>
</table>

Revealing higher profits in remaining operations

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA of All Other Operations (€ millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>180</td>
</tr>
<tr>
<td>2018</td>
<td>280</td>
</tr>
<tr>
<td>2019</td>
<td>448</td>
</tr>
<tr>
<td>2020</td>
<td>361</td>
</tr>
<tr>
<td>2021</td>
<td>630</td>
</tr>
<tr>
<td>2022</td>
<td>833</td>
</tr>
</tbody>
</table>

Note: "EBITDA of All Other Operations" calculated as Group EBITDA less EBITDA of European Operations.
1 Vallourec Production Footprint

Old Vallourec assets and production flows (2021)

North America
Domestic Capacity for Domestic Demand

Europe
Domestic Industrial Player Premium Export Hub

South America
Domestic Leader and Premium Export Hub

Saudi Arabia
Local Value-Add

East Asia
Domestic Player Export Hub

New Vallourec assets and production flows (2024)

North America
Domestic Capacity for Domestic Demand

Europe
Finishing and Niche Products

France
Domestic Leader and Premium Export Hub

South America
Domestic Leader and Premium Export Hub

Saudi Arabia
Local Value-Add

East Asia
Premium Export Hub

Note: Represents finished product sales, does not account for intermediate flows to local finishing capacity.
2 Emphasizing Value over Volume

Focusing on high-value, premium products
% of Rolling Capacity (Capacity in Million Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>Old Vallourec Footprint</th>
<th>New Vallourec Footprint</th>
</tr>
</thead>
<tbody>
<tr>
<td>High-Value Capacity</td>
<td>22%</td>
<td>12%</td>
</tr>
<tr>
<td>Other Rolling Capacity</td>
<td>78%</td>
<td>88%</td>
</tr>
</tbody>
</table>

Addressing premium, high-margin markets
% of Tubes Sales Volumes (Volumes in Million Tonnes)

<table>
<thead>
<tr>
<th></th>
<th>Old Vallourec Footprint</th>
<th>New Vallourec Footprint</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil &amp; Gas</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Industry</td>
<td>16%</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>74%</td>
<td>86%</td>
</tr>
</tbody>
</table>

Note: Based on 2018 sales and capacity and sales and capacity pro forma for New Vallourec plan; Margin per tonne average from 2018 – 2022. Excludes South America rolling capacity in excess of steelmaking capacity.

60% higher margin per tonne vs. Industry and Other
Improving Our Pricing Strategy

Structurally improving our pricing

$ / Tonne

- Reported Revenue per Tonne
- Weighted Avg. Market Price

Key changes in commercial management

- Change in focus from maximizing throughput volume to maximizing margin and cash
- Clearer delineation of profit and loss from distinct business activities (e.g. separation of Mine & Forest)
- Increased emphasis on contract terms & conditions (e.g. cash cycle and payment terms)
- Use of parametric pricing formulas to protect against inflation
- Next steps: integration of data between production and sales to drive margin optimization

Sources: Vallourec estimates, PipeLogix, Rystad Energy
Note: Market price defined as end-consumer price based on leading third-party data providers, weighted based on Vallourec sales mix
1. Refreshing Our Management Team

**Significant equity alignment**
- Up-front, meaningful personal investment in Vallourec equity
  - Over €12 million invested by executive committee members
- Three-tier, price-based vesting hurdles for incremental shares
  - Target 1: €16.19
  - Target 2: €20.22
  - Target 3: €28.32

**Refreshed executive committee**

**Operations & Business Lines**
- **PHILIPPE CARLIER**
  - Senior VP, Group Industrial & Eastern Hemisphere Operations
- **BERTRAND DE ROTALIER**
  - Senior VP, Project Line Pipe & Process
- **LAURENT DUBEDOUT**
  - Senior VP, OCTG, Services & Accessories Eastern Hemisphere Sales
- **ULRIKA WISING**
  - Senior VP, Energy Transition

**Central Functions**
- **SASCHA BIBERT**
  - Chief Financial Officer
- **SARAH DIB**
  - General Counsel
- **VALERIA FERNANDES**
  - Chief Digital & Information Officer
- **LUDOVIC OSTER**
  - Chief Human Resources Officer
- **ENRICO SCHIAPPACASSE**
  - Senior VP, Strategy & Development

**AMERICAS**
- **BERTRAND FRISCHMANN**
  - Chief Operating Officer, Americas
- **BERTRAND FRISCHMANN**
  - Senior VP, South America
- **JACKY MASSAGLIA**
  - Senior VP, North America

**Recent Promotion**

**Recent External Hire**

**Multi-Year Member**

**Executive Committee Composition**

**Recent Promotion**

**Recent External Hire**
Setting Ambitious ESG Targets

Furthering our CO₂e emissions leadership

- **2025**: -25% (Scope 1, 2 & 3 vs. 2017)  
- **2030**: -30% (Scope 1, 2 & 3 Upstream vs. 2021)  
- **2035**: -35% (Scope 1, 2 & 3 Upstream vs. 2021)

Targeting industry-leading safety

**Total Recordable Incident Rate**

- **Vallourec Historical**
  - 2018: 2.95
  - 2019: 2.25
  - 2020: 1.67
  - 2021: 1.65
  - 2022: 1.48

- **Vallourec Target**
  - 2023: 1.10
  - 2024: 0.80
  - 2025: 0.50
  - 2026: 0.20

- **Industry Benchmarks**
  - 2022: 3.66

Sources: International Association of Oil & Gas Producers, World Steel Association, Vallourec.  
Note: New targets pending SBTI validation. Number of accidents reported per million hours worked, including subcontractors. O&G = Oil & Gas. Industry benchmarks calculated for 2022.
The New Vallourec Plan in Action

Early Accomplishments
- Refreshed management team and board
- Improved internal processes and governance, including pricing policies
- Closed select facilities in France and the United Kingdom
- Negotiated social contracts for German assets to be closed
- Acquired full control of primary production assets

Targets by Year-End 2023
- Closure of German tube operations
- Execution of €110 million capex program in Brazil
- €100 million reduction in global overhead
- Implementation of premiumization strategy in China
- Expansion of local capacity in Saudi Arabia

Next Steps
- Finalize sale of land and equipment in Germany, France and UK
- Improve production processes to deliver industrial excellence in Brazil
- Enhance data systems to connect global commercial and production processes
- Develop a best-in-class New Energies business

Note: Reflects project status as of September 12, 2023

Acquired full control of primary production assets
## New Vallourec by the Numbers

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<th></th>
<th>Old Vallourec (2018)</th>
<th>New Vallourec Midcycle Simulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt</td>
<td>€2.1b</td>
<td>Zero</td>
</tr>
<tr>
<td>Net Debt / EBITDA</td>
<td>13.7x</td>
<td>+/- 0.5x</td>
</tr>
<tr>
<td>Tubes EBITDA per Tonne</td>
<td>€45</td>
<td>€450</td>
</tr>
<tr>
<td>Total Cash Generation¹</td>
<td>(€516m)</td>
<td>€450m</td>
</tr>
</tbody>
</table>

¹ 2018 figures reflect change in net debt, while midcycle simulation presents total cash generation. These concepts are not identical and should be reviewed in Definitions of Non-GAAP Financial Data and Concepts. Other Notes: 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. Net debt zero implies a range around zero of +/-0.5x Net Debt EBITDA, as indicated.
Tubes Markets

The Vallourec Advantage

Jacky Massaglia
Senior Vice President
North America
Our Offering: Premium Seamless Tubular Solutions

**Product Summary**

- **Welded Tubes**
  - **Lower-end** products made by rolling flat steel into a tube and welding the seam

- **Seamless Tubes**
  - **Higher-end** products made by piercing and extending a round steel billet

**Product Price and Complexity**

- **Welded Tubes**
  - **Lower-cost** product with simpler manufacturing process but insufficient performance in demanding applications

- **Seamless Tubes**
  - **Higher-cost** product with complex manufacturing process, ability to perform in demanding applications
Why Do Our Customers Need Premium Tubes?

Vertical Well Section
Up to 10,000 meters

Commercial Airline Cruising Altitude
~10,000 meters

Mount Everest
8,849 meters

Collapsed pipe (external pressure)

Vertical Well Section
Up to 10,000 meters

Horizontal Well Section
Up to 10,000 meters

Vallourec Tubes

Corroded tubing

Burj Khalifa
828 meters

Eiffel Tower
330 meters

The Shard
310 meters
What Makes a Premium Tube?

**Premium product characteristics**

<table>
<thead>
<tr>
<th>Strength &amp; Hardness</th>
<th>Withstands extreme pressures from geological formations, ocean depths, or internal flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrosion Resistance</td>
<td>Avoids damage from corrosive substances (CO₂, H₂S) combined with extreme temperatures</td>
</tr>
<tr>
<td>Fatigue Resistance</td>
<td>Bends and twists in deviated well designs; flexes with ocean currents</td>
</tr>
<tr>
<td>Connection Technology</td>
<td>Connects with adjacent tubes to form a fully-sealed and structurally sound string</td>
</tr>
<tr>
<td>Product Quality</td>
<td>Consistently produced to customer specifications and technical standards (quality control)</td>
</tr>
</tbody>
</table>

**Price is a small part of the equation for customers**

*Percentage of Responses in Customer Survey*

Source: Vallourec Customer Satisfaction Survey
The Seamless Tube Production Process

Raw Material Sourcing

- Internally-sourced iron ore & green charcoal
- Externally sourced scrap and recycled process scrap

Steelmaking

- Conversion of scrap steel, iron and alloys into round billets

Rolling

- Piercing and elongation of billets into hollow tubes

Heat Treatment

- Heating and cooling process to alter tubes’ mechanical properties

Threading

- Machining connection threads onto ends of tubes

Increasing Value-Add
Vallourec’s Competitive Advantages

**Steelmaking**
- Vertical integration in US and Brazil
- Extensive array of custom alloys and metal grades
- State-of-the art steel shop for high-end grades in Brazil
- Material selection services

**Rolling**
- Recently-built and recently-upgraded rolling capacity across 3 main production hubs
- Broad network of mills allows specialization in key products at select locations

**Threading**
- Ownership of the industry standard-setting VAM® connection family
- Tailor-made solutions for all major field types (deepwater, shale, sour gas, etc.)

**Heat Treatment**
- One of highest levels of heat treatment capacity in industry
- Extensive track record and internal expertise in various treatment processes

**R&D, Testing and Product Innovation**
Key Seamless Tubes Markets

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

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\(^1\) Refers only to continuing Industrial business in Brazil; excludes production from Germany

\(^2\) 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

Regional Western Suppliers
~2.5 million tonnes annual production

Asia and CIS Suppliers
>10 million tonnes annual production

Suppliers Unable to Access Global Premium Market

Note: reflects production estimates for 2023
The VAM® Connection: Setting the Standard

VAM® by the numbers

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<table>
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<tr>
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<tbody>
<tr>
<td>58</td>
<td>Years in service</td>
</tr>
<tr>
<td>30%</td>
<td>Market share in served markets</td>
</tr>
<tr>
<td>80</td>
<td>Patents for VAM® technology</td>
</tr>
<tr>
<td>30+</td>
<td>Product lines</td>
</tr>
<tr>
<td>1</td>
<td>Competitor with comparable product offering</td>
</tr>
</tbody>
</table>

Continuous innovation drives VAM® forward

**VAM® TOP**
- Introduced in 1993
- Standard-setting performance for premium connection
- Extensive range of field-proven solutions

**VAM® 21**
- Introduced in 2009
- First connection with strength equal to pipe body
- High-performance solution across various applications

**VAM® SPRINT**
- Introduced in 2020
- Ultra high torque capacity for shale applications
- Best value proposition for long-lateral shale wells

Note: Market share estimated; includes VAM® connections sold by various third parties including Nippon Steel Sumitomo Corporation. Vallourec earns a royalty for these sales.
A Leading Research and Development Franchise

• Helping Customers Push Technological Limits
  • Customers trust Vallourec to create new products for extreme conditions
  • Fit-for-purpose solutions and high-end standard products

• Expanding Our Core Business
  • Newest generation VAM® connections
  • New steel grades for demanding applications

• Developing New Revenue Streams
  • Services & Accessories
    – Inventory management
    – Robotic inspection tools
    – Pre-installed wire protectors
  • New Energies
    – Qualification of existing products for H₂, CO₂ and geothermal
    – Development of novel concepts (H₂ storage)
  • Additive Manufacturing (3D printing)

~400 research professionals
Centers in France, United States and Brazil

>4,200 global active patents
Largest patent portfolio in OCTG industry

~€45 million annual spend
>2x more per dollar of revenue vs. closest peer
Key Takeaways: The Vallourec Advantage

1. We operate in a demanding premium market with a small group of direct competitors

2. We add value through our industry-leading research and development and production processes

3. Our ownership of the VAM® premium connection family is a meaningful competitive differentiator
Tubes Markets

**OCTG**

Laurent Dubedout
Senior Vice President
OCTG, Services & Accessories
Eastern Hemisphere Sales

§ vallourec
What Are Oil Country Tubular Goods?

Oil Country Tubular Goods (OCTG) are a class of high-performing steel tubes that are placed in an oil & gas well during drilling to provide structural support and produce hydrocarbons throughout the life of the well.

A drilling rig placing OCTG downhole

Concentric OCTG strings in a typical well design

Casing

Tubing
Rising Upstream Investment Driving Higher Tubular Demand

### Major project approvals expected to increase

#### Global Greenfield Upstream Capex Approvals ($B)

- Americas
- Europe & Africa
- Middle East
- RoW

<table>
<thead>
<tr>
<th>Year</th>
<th>Americas</th>
<th>Europe &amp; Africa</th>
<th>Middle East</th>
<th>RoW</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>77</td>
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<td>2016</td>
<td>89</td>
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<td>2017</td>
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<td>2018</td>
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<td>2019</td>
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<td>2020</td>
<td>91</td>
<td>78</td>
<td>49</td>
<td>121</td>
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<tr>
<td>2021</td>
<td>78</td>
<td>91</td>
<td>78</td>
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<td>2022</td>
<td>78</td>
<td>91</td>
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<td></td>
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<tr>
<td>2023E</td>
<td>123</td>
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<td></td>
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<tr>
<td>2024E</td>
<td>123</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: project approvals exclude LNG and shale
Sources: Rystad Energy, S&P Global Commodity Insights Global Upstream Spending Report

### Global upstream investment expected to increase

#### Total Global Upstream Capex ($B)

- Onshore
- Offshore

<table>
<thead>
<tr>
<th>Year</th>
<th>Onshore</th>
<th>Offshore</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>483</td>
<td>585</td>
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<tr>
<td>2011</td>
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<td>700</td>
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<td>2013</td>
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<tr>
<td>2014</td>
<td>481</td>
<td>106</td>
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<td>2015</td>
<td>106</td>
<td>481</td>
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<tr>
<td>2016</td>
<td>348</td>
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<td>2017</td>
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<tr>
<td>2018</td>
<td>441</td>
<td>367</td>
</tr>
<tr>
<td>2019</td>
<td>450</td>
<td>410</td>
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<td>2020</td>
<td>441</td>
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<tr>
<td>2021</td>
<td>367</td>
<td>441</td>
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<td>2022</td>
<td>505</td>
<td>505</td>
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<td>2023E</td>
<td>569</td>
<td>569</td>
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<tr>
<td>2024E</td>
<td>587</td>
<td>587</td>
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<tr>
<td>2025E</td>
<td>609</td>
<td>609</td>
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<tr>
<td>2026E</td>
<td>623</td>
<td>623</td>
</tr>
<tr>
<td>2027E</td>
<td>640</td>
<td>640</td>
</tr>
</tbody>
</table>

Sources: Rystad Energy, S&P Global Commodity Insights Global Upstream Spending Report
Segmenting the Seamless OCTG Market

### Proprietary\(^1\) Seamless

- **Defining Features:** High-end products for severe and challenging environments
- **2023E Total Market Size:** 4.2m tonnes
- **Typical Price per Tonne:** $3,000 – $4,500
- **% of Vallourec OCTG Volumes\(^2\):** 85%

### API Seamless

- **Defining Features:** Medium-range tubes with standardized connections
- **2023E Total Market Size:** 5.4m tonnes
- **Typical Price per Tonne:** $1,000 – $2,000
- **% of Vallourec OCTG Volumes\(^2\):** 15%

---

\(^1\) Defined as tubes with premium and semi-premium connections

\(^2\) Pro forma for New Vallourec plan

Sources: Vallourec estimates, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix
Pricing Power in OCTG Premium Products

Selling Price ($ / Tonne)

<table>
<thead>
<tr>
<th>Commodity Tube w/ API Connection</th>
<th>Tier 1 Tube w/ Premium Connection</th>
<th>High-End Tube w/ Premium Connection</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500</td>
<td>3,000</td>
<td>4,500</td>
</tr>
</tbody>
</table>

Typical Market Applications

- Commodity Tube w/ API Connection: Low-depth onshore wells; surface casing
- Tier 1 Tube w/ Premium Connection: Deep wells, higher-pressure conditions and deviated wells
- High-End Tube w/ Premium Connection: Extreme pressures; highly corrosive reservoirs

Sources: Rystad Energy, Vallourec estimates
Major Seamless OCTG Markets

2023 Market Size (Million Tonnes)

Sources: Internal market intelligence based on public peer commentary, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix
<table>
<thead>
<tr>
<th>Region</th>
<th>Primary Customers</th>
<th>Commercial Demands</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>Large Independent Exploration &amp; Production Companies (E&amp;Ps)</td>
<td>• High volumes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Just-in-time delivery</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Reliable domestic supply chain</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fit-for-purpose technology</td>
</tr>
<tr>
<td>Middle East</td>
<td>National Oil Companies (NOCs)</td>
<td>• Multi-year program support</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Inventory management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• In-country value creation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Rigorous qualification process</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Security of supply</td>
</tr>
<tr>
<td>South America, Europe &amp; Africa</td>
<td>International Oil Companies (IOCs) and National Oil Companies (NOCs)</td>
<td>• Offshore technical capability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Customized solutions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Strong project management</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Technical support (VAM® Field Service)</td>
</tr>
</tbody>
</table>
Where We Succeed: Gulf of Mexico Case Study

Identifying a critical customer need

• Pushing the technical boundaries of well design
  • Operators are increasingly pursuing projects with higher pressure requirements (20k psi wells)
  • Local safety regulations and challenging well conditions demand a high margin of safety

• Innovating with our customers
  • Customers require suppliers that can tweak products for their specific needs, and found limited support in most of the domestic industry
  • Vallourec worked with customers to develop and introduce the new generation VAM® SLIJ-3 connection, an extreme performance semi-flush connection particularly well-suited for high-collapse applications

Clear impact: tripling market share in a core market

US Gulf of Mexico Market Share

Source: Vallourec estimates
Key Takeaways: OCTG

1. Strong upstream oil & gas fundamentals point to a multi-year upturn for the OCTG industry

2. Our focus on the high-end OCTG market allows us to charge a meaningful premium versus much of the market

3. We are well-positioned in global OCTG markets that value and pay for premium products
3.3

Tubes Markets

PLP & Process

Jacky Massaglia
Senior Vice President
North America
Understanding Project Line Pipe & Process Pipe

**Project Line Pipe (PLP)** refers to tubes used to transport fluid above the surface of the earth. **Process Pipe** refers to tubes used in fluid processing facilities (refineries, biofuel plants, LNG plants, etc.)
## Segmenting the Seamless Line Pipe Market

### Defining Features

<table>
<thead>
<tr>
<th></th>
<th>Offshore</th>
<th>Onshore</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Consolidated market with significant treatment and customization required</strong></td>
<td><strong>Fragmented market with limited technology and standardized products</strong></td>
<td></td>
</tr>
<tr>
<td><strong>2023E Total Market Size</strong></td>
<td><strong>0.3m tonnes</strong></td>
<td><strong>1.2m(^1) tonnes</strong></td>
</tr>
<tr>
<td><strong>Typical Price per Tonne</strong></td>
<td><strong>$2,000 - $3,000</strong></td>
<td><strong>$1,000 - $1,500</strong></td>
</tr>
<tr>
<td><strong>% of Vallourec PLP Volumes(^2)</strong></td>
<td><strong>85%</strong></td>
<td><strong>15%</strong></td>
</tr>
</tbody>
</table>

\(^1\) Eastern Hemisphere only; line pipe volumes included in Process volumes in Western Hemisphere; \(^2\) Pro forma for the New Vallourec plan

Sources: Internal market intelligence based on public peer commentary, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix
Process Market: Playing to Our Regional Strengths

Focusing on the Americas process businesses

Estimated Market Size (Million Tonnes)

- North America: 0.5
- South America: 0.2
- Core Vallourec Markets
- RoW: 0.6
- Europe: 0.2
- Middle East: 0.4
- Asia: 0.9

Process market dynamics

- Orders of small lots, often sold through distributors
- Driven by facility capex cycles both on- and offshore.
- Geographic advantages & trade barriers are often substantial factors

#1 in Brazil
#2 in USA

Sources: Internal market intelligence based on public peer commentary, Preston Pipe
Substantial Uptick in PLP & Process Opportunities

Robust offshore project developments ahead

Offshore Greenfield Capex Approvals ($b)

Strong Process spending environment ahead

Total Americas Spending ($b)

Sources: Rystad Energy, Morgan Stanley Research
Where We Succeed: Stabroek Block Development Support

Contributing to the success of a major development

Where We Succeed: Stabroek Block Development Support

Bringing Vallourec’s assets and technology to bear

Production Capabilities

Vallourec is supplying heavy-wall, tight-tolerance subsea flowlines and risers from its advanced Brazil tube production assets.

Innovative Metallurgy

Vallourec is pushing the limits of line pipe technology by providing its new X-80 steel grade – the most advanced in the industry – to enable deeper water developments.

Solution Provider

Deploying a full suite of services:
- Digital services (traceability, data)
- Project management
- Coating services
Key Takeaways: PLP & Process

1. We have a strong geographic and technical position in the demanding offshore PLP business.

2. Our geographic location gives us a defensible competitive moat in the Americas Process business.

3. High expected levels of project capex creates a solid demand outlook for PLP & Process for several years.
New Energies Require Premium Tubes

<table>
<thead>
<tr>
<th>Primary Tubes Application</th>
<th>Geothermal</th>
<th>CCUS</th>
<th>Hydrogen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Product Needs</td>
<td>Casing for geothermal wells</td>
<td>Casing and tubing for CO₂ injection wells; transportation pipelines</td>
<td>H₂ storage systems; transportation pipelines</td>
</tr>
<tr>
<td>Vallourec Positioning</td>
<td>Heat resistance; connection integrity during thermal expansion</td>
<td>Corrosion resistance; excellent toughness at low temperatures, long-term well integrity</td>
<td>Extremely tight connections; advanced metallurgy to resist hydrogen embrittlement</td>
</tr>
<tr>
<td></td>
<td>Tubes and connections validated and in use in geothermal wells</td>
<td>Tubes and connections validated and in use in CO₂ injection wells</td>
<td>Tubes and connections validated and in use in H₂ storage wells</td>
</tr>
</tbody>
</table>
Closed loop system eliminates need for fluid circulation for heat exchange

Adds sub-surface fracture network to conventional system

Mature Technology, Growing Applications

Emerging Technologies, High Potential Growth

Geothermal Heat Pump

Conventional Geothermal

Enhanced Geothermal Systems

Advanced Geothermal System

Injection Wells

District Heating

Hot Spring

Electricity Produced

Binary Power Plant

Flash / Binary Power Plant

Production wells

Injection Wells

Closed loop wells

Depth 1km

Depth 4km

Depth 8km

1km

4km

8km

The Geothermal Opportunity Set
Sizing Our Geothermal Opportunity

**Substantial growth in geothermal drilling activity**

**Global Geothermal Wells Drilled per Year**

<table>
<thead>
<tr>
<th>Year</th>
<th>Wells Drilled</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023E</td>
<td>299</td>
</tr>
<tr>
<td>2024E</td>
<td>359</td>
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<tr>
<td>2025E</td>
<td>435</td>
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<td>2026E</td>
<td>577</td>
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<td>2027E</td>
<td>619</td>
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<tr>
<td>2028E</td>
<td>711</td>
</tr>
<tr>
<td>2029E</td>
<td>765</td>
</tr>
<tr>
<td>2030E</td>
<td>771</td>
</tr>
</tbody>
</table>

**Considerations in market sizing**

- **Conventional market set for meaningful growth**
  - Annual conventional geothermal well count expected to grow 2.6x by 2030
  - 500 – 750 tonnes of tubes in a typical conventional geothermal well
  - Targeting 20% market share
  - Conventional geothermal wells likely to move to hotter reservoirs, driving premium and seamless demand
    - VAM® 21 connections qualified for up to 350°C per TWCEEP

- **Upside in Enhanced / Advanced Geothermal**
  - Currently participating in multiple Enhanced and Advanced Geothermal projects
  - THERMOCASE® Vacuum-Insulated Tubing ideal for advanced / closed loop geothermal systems

Sources: Rystad Energy, Vallourec estimates. Includes only power generation wells.
The CCUS Opportunity Set
**Sizing Our CCUS Opportunity**

**Major surge in CCUS investment ahead**

*Total CO₂ Storage Capacity (Million Tonnes per Annum)*

- Installed capacity of CO₂ storage to grow 8x by 2030
  - Substantial growth expected in North America and Europe, where Vallourec has meaningful commercial advantages
  - Core customer base of IOCs / NOCs are major project developers with established preference for Vallourec

- Seamless tubes required for sequestration wells
  - One CO₂ injection well allows sequestration of 1 – 1.5 million tonnes of per CO₂ year
  - 300 – 600 tonnes of tubes in a typical CO₂ injection well

- Line pipe demand for transport likely to be significant
  - No clear “rule of thumb” exists for market sizing given complex routing assumptions
  - Assume mixed use of welded and seamless line pipe, though seamless pipe is current standard in projects except for large diameter (>18”)
  - Currently progressing a liner technology solution with Evonik to lower the cost and increase flexibility of transport

**Considerations in market sizing**

- Operational
- Under construction
- Planned

*Sources: IEA, Vallourec estimates*
The Hydrogen Opportunity Set

Production

Grey H₂
- Natural gas exploration and transport

Steam Methane Reformer
- H₂ liquefaction / compression

Trucking (gaseous or liquid H₂)

Hydrogen refueling station
- H₂ storage

End Usage

Green H₂
- Renewable power generation

Electrolyzer
- Hydrogen pipeline network

Industrial plant
- H₂ storage

Salt cavern storage
Advantages of Vertical Storage

**Product merits**

- **Safety & Footprint**: Storage vessels are deployed underground in proven hydrogen-tight tubes
- **Cost**: Can offer substantial cost advantages vs. competing solutions in mid-scale applications
- **Scalability**: Supporting civil works are straightforward, similar to ventilation shafts or other known solutions
- **Flexibility**: System size can be easily customized to customer needs while using standardized components

**Superior cost profile for mid-scale applications**

€ / kg\textsubscript{H\textsubscript{2}} Delivered

- **High-Pressure Gaseous**
- **Liquid Tank**
- **Salt Cavern**
- **Vertical Storage**

Sources: Vallourec / IAC Partners, 2023

Note: Solution cost is a per kg\textsubscript{H\textsubscript{2}} delivered, model includes capex & opex for the H\textsubscript{2} treatment plant & storage but does not include H\textsubscript{2} production cost
Sizing Our Hydrogen Opportunity

Substantial growth in hydrogen development

Considerations in market sizing

- Focused on the expansion of green hydrogen due to significantly higher storage requirements
  - Due to use of intermittent power sources for production, substantial inventory buffers are required through the value chain
  - Blue hydrogen still requires downstream storage if adopted at scale
- Primary market opportunity comes from storage solutions
  - €20 – €50 million revenue opportunity per vertical system
  - Assume relatively limited use of hydrogen pipelines
  - See smaller additional opportunity for smaller-scale pressure cylinder solutions and salt cavern storage
- Developing and selling full solution including longer-duration services offering (Storage-as-a-Service)
Building Momentum in New Energies

Supportive policy and industry momentum

EU
- **Fit for 55 and CBAM**
  - Explicit targets for carbon capture, legislative proposals and investment support for hydrogen

US
- **Inflation Reduction Act**
  - Substantial subsidies for CCUS and green hydrogen production

Global
- **Investment Accelerating**
  - Industry investment in energy transition was equal to that in fossil fuels in 2022 ($1.1 trillion)

Key milestones in our New Energies development

- **Geothermal**
  - Invested in GreenFire Energy, an AGS startup, which is on track for demonstration and testing phase
  - Qualified VAM® 21 connections for applications up to 350°C
  - Supplied Geo Dipa Energi in Indonesia with connections to withstand temperatures up to 330°C
  - Supplying tubulars and connections for Eavor’s closed loop geothermal projects: Lightning Dock Phase I and Geretsried

- **Carbon Capture, Utilization and Storage**
  - Validated materials for CO₂ injection for Neptune Energy
  - Signed a Memorandum of Understanding with Evonik to develop corrosion-resistant CO₂ transport technology

- **Hydrogen**
  - Supplied complete range of tubular solutions for first green H₂ storage project supported by the EU, the HyPSTER project
  - Developed and qualified connections and steel tubular solutions for hydrogen applications
  - Currently finalizing hydrogen vertical storage proof of concept

---

1 CBAM = Carbon Border Adjustment Mechanism
2 Source: Bloomberg New Energy Finance (BNEF)
A Significant New Business Opportunity

<table>
<thead>
<tr>
<th>Similarity to Legacy Business</th>
<th>Target Market Share</th>
<th>Addressable Market</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Geothermal</strong></td>
<td>Highest</td>
<td>Intermediate</td>
</tr>
<tr>
<td><strong>CCUS</strong></td>
<td>Intermediate</td>
<td>Intermediate</td>
</tr>
<tr>
<td><strong>Hydrogen</strong></td>
<td>Lowest</td>
<td>Very Large</td>
</tr>
</tbody>
</table>

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

Our New Energies Target
New Energies to comprise 10-15% of Group EBITDA by 2030
Key Takeaways: New Energies

1. The competitive advantages we have in OCTG & PLP directly translate to our potential in New Energies.

2. We are making significant progress early in the evolution of the New Energies space.

3. We have potential to grow our New Energies business into a meaningful financial contributor to Group results.
Deep Dive

North America

Bertrand Frischmann
Chief Operating Officer
Americas
Our North America System

A vertically-integrated, high-volume, domestic production system

Electric Arc Furnace in Youngstown, Ohio
- 100% recycled scrap
- Zero-carbon nuclear power source
- Single integrated site with rolling operations

Two Rolling Mills in Youngstown, Ohio
- FQM\(^1\) – Opened in 2012
- MPM\(^2\) – Upgraded in 2015
- Small to medium outside diameter (OD) tubes

Three Heat Treatment Facilities
- Well-balanced with rolling capacity
- Close to key oil & gas plays with footprint in Ohio, Texas and Oklahoma

Highly Flexible Threading Operations
- VAM\(^\circ\) premium threading
- VAM\(^\circ\) semi-premium threading
- API threading

\(^1\) Fine Quality Mill; \(^2\) Multi-Stand Plug Mill
Defining the North American Market

**Core Market**

**US Onshore**
- High-volume, “factory-style” development, largely shale resources
- Significant geographic barriers, domestic location, tailor-made connections
- #2 player among consolidated domestic supplier base

**US Offshore**
- Long-cycle, complex fields demanding high-end premium products
- Highly technical market with added geographic barriers, proprietary solutions
- #1 player with highest level of domestic content

**Canada**
- Mix of oil sands, shale and offshore resources with varying cycles
- Offshore demands technology; Onshore commoditized
- Selective presence on technical applications

**Mexico**
- Effectively single-customer market with premium focus
- Significant geographic barriers
- Focused on threading premium connections

**Vallourec’s Role**

**Demand Trends**

**Barriers to Entry**
US OCTG Market: Key Facts & Figures

5m tonnes
2022E US OCTG Market Size

60%
Seamless OCTG Share

55%
Semi-Premium & Premium

3
Major Domestic Players

18%
Estimated Vallourec Seamless Share

Sources: Preston Pipe, OCTG Situation Report, PipeLogix, Vallourec Estimates

¹As a percentage of seamless demand
Focused on the Highest-Value Markets

Deepwater

Application

All Applications

Characteristics

Complex Reservoir Conditions
High Safety Requirements

Market Summary

Virtually 100% Seamless Premium Connections Only
High-End Domestic & Imports

Onshore

Production Casing

Deepest Structural Casing
Highest Risk of Failure

Intermediate Casing

Mid-Range Structural Casing
Lower Risk of Failure

Production Tubing

Non-structural flow pathway
Lowest Risk of Failure

Characteristics

Increasing Complexity & Vallourec Focus

Market Summary

Primarily Heat-Treated Seamless Semi-Premium+ Connections
Primarily Domestic

Mixed Seamless / Welded API and Semi-Premium Connections
Domestic and Imports

Mixed Seamless / Welded API and Semi-Premium Connections
Primarily Low-End Imports

Primarily Domestic

Mixed Seamless / Welded API and Semi-Premium Connections
Domestic and Imports

Mixed Seamless / Welded API and Semi-Premium Connections
Primarily Low-End Imports
Our US Business Model: Leveraging Distribution

A collaborative, three-party model

Customers

Vallorec

Distributors

Technical Services

Full Product Suite

High-End Products

Targeting resilient customers that pay for quality

Percentage of US OCTG Demand and Vallourec Sales Volume

<table>
<thead>
<tr>
<th></th>
<th>% of Market</th>
<th>% of Vallourec Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>Majors</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>Large Public E&amp;Ps</td>
<td>26%</td>
<td>60%</td>
</tr>
<tr>
<td>Small Public E&amp;Ps</td>
<td>10%</td>
<td>9%</td>
</tr>
<tr>
<td>Private E&amp;Ps</td>
<td>56%</td>
<td>24%</td>
</tr>
</tbody>
</table>

Sources: BTU, Enverus, Vallourec estimates
Note: market share analysis refers to 2022 volumes and average rig counts
## A More Sustainable Domestic Industry Has Emerged

<table>
<thead>
<tr>
<th>Year</th>
<th>Domestic Mills</th>
<th>Distributors</th>
<th>Trade Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>Tenaris announces acquisition of 1m tpy producer, IPSCO, the US steel and pipe-making assets of Russian group TMK</td>
<td>B&amp;L Pipero, a Sumitomo company, acquires Champions Cino Pipe &amp; Supply</td>
<td>Implementation of Section 232 tariff and quota system for major steel products including tubulars</td>
</tr>
<tr>
<td>2019</td>
<td>US Steel indefinitely idles Lone Star and Loraine mills resulting in a ~1.1m tpy capacity reduction</td>
<td>Sooner acquires CTAP (Colorado Tubulars Aztec Pipe)</td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td></td>
<td>Pyramid Tubular Products, Premier Pipe and TSA join forces as P2E, a Sumitomo company</td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td>Antidumping and countervailing duty (AD/CVD) decision against producers in Argentina, Mexico, Russia and S. Korea</td>
</tr>
<tr>
<td>2022</td>
<td></td>
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</tr>
</tbody>
</table>
Long-Term Demand Trends: Rising Intensity and Seamless Share

**OCTG intensity continues to rise**

*OCTG Shipments per Horizontal Rig (Tonnes, 3 Month MAvg)*

**Increased preference for domestic seamless**

*Percentage of OCTG Shipments*

Sources: Preston Pipe, Baker Hughes. Analysis through June 2023 on right chart.
Short-Term Demand Trends: Green Shoots for 2024 Demand

Leading indicators suggest rig count growth in 2024

- Oil & gas prices rising as cost pressures moderating
  - WTI oil price up ~30% to mid $80/bbl level after touching the high $60/bbl level in the second quarter
  - Henry Hub natural gas price up ~50% in similar period
  - Leading-edge well costs falling due to reduction in oilfield services pricing and other input costs versus 2022
  - Seeing some green shoots with select private operators starting to add rigs
- Structural factors point to increased activity need
  - Shale well productivity has decreased over past few years
  - Operators must drill more wells and consume more OCTG
  - Current activity levels are not sufficient to grow US production as the market expects

Sources: Rystad Energy, Morgan Stanley Research
OCTG Market Stabilizing, Pricing Supported at Higher Levels

Supply side correction driving improving outlook

- Imports have fallen substantially
  - Imports down ~50% vs. the Q4 2022 / Q1 2023 level
  - Limited difference between pricing in US vs. Rest of World

- Distributor inventories beginning to fall
  - Domestic shipments adjusting along with imports, driving inventory reduction
  - Vallourec’s primary distributors’ order rates have increased versus the summer trough

- OCTG pricing likely to stabilize at higher levels than prior cycles
  - Production costs have inflated several hundred dollars per tonne
  - More disciplined supply side focused on generating financial returns

Source: Preston Pipe, US Department of Commerce
Note: August estimated based on preliminary license data
Key Takeaways: North America

1. Our premier domestic manufacturing footprint is one of the industry’s best-placed assets to serve the United States.

2. A substantially improved US industry should allow more sustainable through-cycle industry returns.

3. Near-term supply-demand fundamentals are improving and the US market should stabilize in the coming months.
Our Eastern Hemisphere System

A flexible, geographically diversified premium production system

Low-Cost External Sourcing
- Able to source low-cost billets on China market
- Cost-competitive with Youngstown and Jeceaba internal production

Three Rolling Mills
- Tianda mass production unit
- Low-volume / high-margin tubes in Aulnoye and China Forges (niche applications)

Multiple Heat Treatment Facilities
- East Asia: China, Indonesia
- Middle East: Saudi Arabia
- Europe: Aulnoye Forge

Multiple Threading Lines
- East Asia: China, Indonesia
- Middle East: Saudi Arabia
- Europe: Aulnoye (satellite of Brazil)
Major Eastern Hemisphere Markets

**Middle East**
- **Market Size**: 1.0m tonnes
- **Market Dynamics**: Mix of premium & API, global competition
- **Vallourec’s Role**: High share of premium market

**Europe & Africa**
- **Market Size**: 0.6m tonnes
- **Market Dynamics**: Premium products demanded, largely in offshore applications
- **Vallourec’s Role**: High share of premium market

**Asia & CIS**
- **Market Size**: 4.7m tonnes
- **Market Dynamics**: More commoditized, dominated by local competition
- **Vallourec’s Role**: Selective presence in premium markets

Sources: Vallourec estimates, Rystad Energy
Well-Positioned in Eastern Hemisphere

Aligned with the largest market players
Percentage of Eastern Hemisphere Upstream Capex (2020-25)

- **Middle East NOC**: 44%
- **IOCs**: 22%
- **Other**: 34%

Major project approvals to drive future growth
Greenfield Capex Approved ($B)

- **Africa**
- **Asia**
- **Europe**
- **Middle East**

Source: Rystad Energy. Project approvals exclude LNG to prove a more OCTG-related demand indicator. Russia excluded due to lack of Vallourec presence. Asia includes Australia.
Supporting Capacity Growth in the Middle East

Strong customer relationships in a key region

- Major presence in premium markets in Saudi Arabia, the UAE, Qatar, Kuwait and Iraq
- Region expected to be a major hub of oil & gas production growth through the end of the decade
- Local capacity and long-term agreement Saudi Arabia
  - Only premium player with heat treatment in Kingdom, also operate domestic threading capacity
  - Signed 10-year frame agreement in September 2022 for premium casing and inventory management services
  - Recently booked >$300m order to serve strong demand
- Significant presence in the UAE market
  - Highly premium market with offshore focus
  - Secured a 5 + 2 year long-term agreement with ADNOC for full range of tubular products and services in 2019

Sources: S&P Global Commodity Insights Global Upstream Spending Report
Value over Volume in China

Creating a new premium production hub in China

• Historically underutilized production base
  • EBITDA at or below breakeven from 2020-2022

• Diagnosing the problem: too much low-end production
  • Selling half of volumes into low-value business lines in highly competitive Chinese market
  • Not maximizing potential to serve established customer base in Middle East, Africa and South East Asia

• Action plan: premiumization strategy
  • Focusing on premium threading capacity
  • Moving away from domestic Chinese market
  • Reducing headcount and multi-skilling ~30% of workforce
  • Target completion by year-end 2023

Note: refers to 2019 volumes and volumes pro forma for New Vallourec plan
Key Takeaways: Eastern Hemisphere

1. We focus on select, higher-value markets in the Eastern Hemisphere where we have a defensible position.

2. Our position in the Middle East is very strong due to solid customer relationships and domestic capacity.

3. The outlook for investment in the Middle East is robust as most major producers look to grow capacity.
Deep Dive

South America

Bertrand Frischmann
Chief Operating Officer
Americas

vallourec
Our South America System

A low-cost, vertically-integrated production system focused on premium products

Raw Material Ownership in Mine & Forest
- Iron ore mine provides raw material & diversification
- Forest is low-carbon charcoal source and carbon sink

Steel-Making Flexibility in Jeceaba
- EAF\(^1\) and BF\(^2\) - can flex between scrap / iron ore
- Low-carbon hydropower and charcoal (for BF)

Three Rolling Mills
- Jeceaba – state-of-the-art, commissioned in 2012
- Barreiro – two mills with flexibility for larger tubes

Three Heat Treatment Facilities
- High-end product capabilities
- Optionality at Jeceaba & Barreiro

Domestic & Global Threading Facilities
- VAM\(^3\) premium & semi-premium threading
- Can leverage global threading network for exports

\(^1\) Electric Arc Furnace; \(^2\) Blast Furnace; \(^3\) Vallourec Tubos para Indústria

Tube Production Capacity (Thousand Tonnes)

Locations geographically separated to show capacity
Mine not to scale
The Mining Process

Open Pit

Run of Mine (ROM)

Beneficiation Plant

Iron Ore

Dispatch & Sales

Wet Tailings

Dewatering Filter

Dry Tailings

Waste

Waste and Dry Tailings

External Waste

Waste Pile
Mine Update: Improving How We Work

Increasing focus on safety and sustainability

• Ongoing operational and safety review following waste pile slippage and subsequent reconstruction
• Evolution of our mine management approach:
  • Further prioritizing safety and environmental responsibility: major overhaul of waste pile management procedures resulting in longer cycle time but greater safety
  • Maximizing mine life and production stability: planning conservative near-term production levels to account for increasingly rigorous permitting process for extensions
  • Advancing long-term extensions: engaging with regulatory authorities and technical consultants to advance low-cost near-term extension and major long-term extension plans
• Bringing in new talent to enhance our operations and process management

New leadership in our Mine & Forest business

Announcing the hiring of Jun Mutó

• 25 years of experience in mining and basic materials industries with expertise in mine management and environmental planning
• Extensive operational experience for industry leaders like Vale, Imerys, Petrobras / Galp and Terra Goyana Mineradora
• Graduate degree in Geology, MBA in Business Management
Low-Cost Operations with Fast-Payback Extension Options

Near-term operational targets

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

Two-phase extension plan in progress

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

---

1. Second half 2023 production target remains 3.6 million tonnes. 6 million tonne annual production target commences in 2024.
2. “Platt's iron ore index” refers to 62% Fe CFR China index
3. Assuming Platts index around $110 per tonne
4. Measured relative to near-term baseline metrics on left of page
5. 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.
Creating Value in Our Forest

An hidden asset in our South America system

• Vallourec Florestal
  • 164k hectare eucalyptus forest in Minas Gerais, Brazil

• Decarbonization benefits across our business
  • Low-carbon biomass charcoal supply allows blast furnace to avoid use of high-cost coke with added cost benefit
  • Migration of charcoal production to zero-methane production solution (Carboval) to remove >200k tonnes of CO$_2$e emissions per year by 2030

• Exploring future business opportunities
  • Potential to tap into growing domestic charcoal market as steel producers follow our decarbonization strategy
  • Commercializing Carboval to capture potential licensing revenues and additional product sales
Carboval: Our Methane-Free Decarbonization Tool

Conventional kiln production

- Methane-emitting, low-technology, manual batch process

Carboval continuous carbonization

- Patent-protected, zero methane, automatic, continuous process with opportunity for technology licensing and byproduct sales
Markets Served by Our South America Tubes Business

### Demand Trends

#### Markets Served
- **Oil & Gas Exports**
  - Supplying premium products to Africa, Europe, Middle East and US GoM
  - Focused on premium markets with highly technical demands
  - #2 exporter in premium market globally

- **Domestic Oil & Gas**
  - Largely focused on major offshore basins with Petrobras & IOCs
  - Technological barriers due to demand for highly premium product mix
  - #1 player in Brazil, #2 in Guyana; limited presence elsewhere

- **Domestic Industry**
  - Mix of domestic industries (automotive, agribusiness, etc.)
  - Significant geographic barriers (trade policy and cost advantage)
  - #1 player with solid market position

### Barriers to Entry

- **Oil & Gas Exports**
- **Domestic Oil & Gas**
- **Domestic Industry**

### Vallourec’s Role

- **Oil & Gas Exports**
  - #1 player
- **Domestic Oil & Gas**
  - #2 exporter in premium market globally
- **Domestic Industry**
  - #1 player

### % of Volumes

- **Oil & Gas Exports**: 45%
- **Domestic Oil & Gas**: 35%
- **Domestic Industry**: 20%

**Key Growth Driver**: Note: Volumes pro forma for New Vallourec plan
Multi-Year Tube Demand Tailwinds in Brazil

**Offshore-focused market demands premium tubes**

Percentage of 2023E Brazil OCTG Demand

- Petrobras (Offshore): 53%
- IOC (Offshore): 18%
- Onshore Operators: 29%

**Healthy offshore market expected for years to come**

Brazil Offshore Well Count

<table>
<thead>
<tr>
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<tbody>
<tr>
<td></td>
<td>116</td>
<td>89</td>
<td>58</td>
<td>55</td>
<td>39</td>
<td>51</td>
<td>57</td>
<td>68</td>
<td>94</td>
<td>92</td>
<td>93</td>
<td>104</td>
<td>119</td>
</tr>
</tbody>
</table>

Sources: Vallourec estimates, Rystad Energy
Repositioning One of Our Top Industrial Assets

2007 – 2011
Greenfield Investment

- Major capacity investment in Jeceaba facility, commissioned in 2011
- Fully vertically integrated asset from high-end steel shop to rolling, heat treatment and threading

2021
Established Control

- Purchased Nippon Steel Corporation’s 15% interest in primary Brazilian subsidiary, Vallourec Soluções Tubulares do Brasil (VSB)
- Gained full operational control of premium asset

2022 – 2023
Expanding Capabilities

- Investing €110 million to expand large diameter and premium production capabilities and debottleneck critical assets
- Enables transfer of Oil & Gas production capabilities from Germany to Brazil
Unleashing the Full Potential of Our Brazilian Tubes Operations

Maximizing Output

- Simplifying manufacturing routes and debottlenecking critical equipment
- Reengineering supply chain processes as an enabler of Value over Volume strategy
- Streamlining product portfolio to reduce excess complexity and inventories
  - Process & Industrial Stock Keeping Units (SKUs) reduced from >20k to 3k from 2022 to 2023

Maximizing Margins

- Industrializing production process for volumes transferred from Germany
- Optimizing mix and routes to maximize value generated by the Brazilian asset
- Working to reach benchmark level on operational KPIs such as process productivity, energy efficiency, logistics, safety and quality
Key Takeaways: South America

1. Our Mine & Forest will continue to contribute to our financial performance and will be a key lever to further decarbonize our operations

2. Global export opportunities and a strong domestic market drive a favorable outlook for our South America assets

3. We have taken major steps to reposition our world-class Brazilian assets for significant profitability growth going forward
New Vallourec
Financial Impact

Sascha Bibert
Chief Financial Officer
Historical Shortfalls in Performance

Weak profitability and failure to adapt to downturn

<table>
<thead>
<tr>
<th>Year</th>
<th>Tubes EBITDA / Tonne (€)</th>
<th>Group EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>(300)</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>(200)</td>
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<td>2013</td>
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<td>2019</td>
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<tr>
<td>2020</td>
<td>(100)</td>
<td>-</td>
</tr>
<tr>
<td>2021</td>
<td>(100)</td>
<td>-</td>
</tr>
</tbody>
</table>

Over €200 million of average cash burn per year

<table>
<thead>
<tr>
<th>Year</th>
<th>Free Cash Flow (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>(608)</td>
</tr>
<tr>
<td>2012</td>
<td>(41)</td>
</tr>
<tr>
<td>2013</td>
<td>(328)</td>
</tr>
<tr>
<td>2014</td>
<td>135</td>
</tr>
<tr>
<td>2015</td>
<td>(41)</td>
</tr>
<tr>
<td>2016</td>
<td>(395)</td>
</tr>
<tr>
<td>2017</td>
<td>(423)</td>
</tr>
<tr>
<td>2018</td>
<td>(494)</td>
</tr>
<tr>
<td>2019</td>
<td>(41)</td>
</tr>
<tr>
<td>2020</td>
<td>(111)</td>
</tr>
<tr>
<td>2021</td>
<td>(284)</td>
</tr>
</tbody>
</table>

Note: Free cash flow as previously defined. See “Definitions of Non-GAAP Financial Data” for details. Historical 2011-2020 Tubes EBITDA per tonne estimated using revised segmentation in place since 2022.
The New Vallourec Plan: Guiding Framework for Financial Decisions

**Primary Strategic Goals**

- Deliver Best-in-Class Profitability
- Make Vallourec Cycle-Proof

**Financial Targets**

- €230m EBITDA / €250m FCF Improvement\(^1\)
- Close Profitability Gap with Primary Peer
- Positive FCF through the Cycle\(^2\)
- Achieve Zero Net Debt by Year-End 2025 at the Latest

---

\(^1\) Measured versus 2021 baseline, consistent with New Vallourec plan announced in May 2022. FCF is aligned with prior definition of free cash flow.

\(^2\) Aligned with prior definition of free cash flow. See “Definitions of Non-GAAP Financial Data.” Target excludes the impact of working capital.
A New Rigorous Approach to Underperformance: Examples

**Capital Employed**
- **Umbilicals**: ~€35m
- **Europe Tubes**: ~€400m
- **China Tubes**: ~€130m

**Operational Background**
- **Umbilicals**: Loss-making and cash-negative company focused on highly-specialized niche market for subsea equipment
- **Europe Tubes**: Years of extensive losses despite multiple cost cutting and turnaround attempts
- **China Tubes**: Near-breakeven operations despite low-cost nature of production base

**Root Causes Identified**
- **Umbilicals**: Limited customer portfolio and limited likelihood of broader technology adoption
- **Europe Tubes**: Industry market commoditized; input costs too high; facilities unable to cover fixed costs
- **China Tubes**: Domestic market generally commoditized; insufficient focus on premium products

**Action**
- **Umbilicals**: Wind-down and liquidation of full company, exit from non-core market
- **Europe Tubes**: Shut down rolling operations, cut costs, transfer limited volumes to Brazil
- **China Tubes**: Increase focus on premium market, re-skill workforce
New Vallourec Plan Bearing Fruit

### Substantial improvement in profitability

<table>
<thead>
<tr>
<th></th>
<th>Group EBITDA Margin</th>
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<tbody>
<tr>
<td></td>
<td>Adj. FCF</td>
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<tr>
<td></td>
<td>Net Debt</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1Q22</th>
<th>2Q22</th>
<th>3Q22</th>
<th>4Q22</th>
<th>1Q23</th>
<th>2Q23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tubes EBITDA / Tonne (€)</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Group EBITDA Margin (%)</td>
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</tbody>
</table>

### More reliable FCF generation and net debt reduction

<table>
<thead>
<tr>
<th></th>
<th>Group Net Debt and Adjusted Free Cash Flow (€ million)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-Restructuring Net Debt: 2,364</td>
</tr>
<tr>
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<td></td>
<td>1Q22</td>
</tr>
<tr>
<td>Adj. FCF</td>
<td></td>
</tr>
<tr>
<td>Net Debt</td>
<td></td>
</tr>
</tbody>
</table>

### Note:
See “Definitions of Non-GAAP Financial Data” for details.
Closing the Margin and Return Gap Versus Our Peers

Persistent margin gap historically

Tubes EBITDA per Tonne ($)

![Graph showing persistent margin gap historically with Vallourec and Peer data for 2011 to 2021.]

Difference reduced, with more to come

Tubes EBITDA per Tonne ($)

![Graph showing difference reduced with more to come, comparing Vallourec and Peer data for Q1 2022 to Q2 2023.]

Group Trailing 12 Month Return on Capital Employed (ROCE)

![Graph showing group trailing 12 month ROCE, comparing Vallourec and Peer data for Q1 2022 to Q2 2023.]

Source: Vallourec and peer financials

Note: Group ROCE calculated as trailing 12-month earnings before interest and tax (EBIT) divided by the sum of total equity, non-current financial liabilities, overdrafts and other short-term borrowings, averaged over the period. Historical 2011 - 2020 Tubes EBITDA per tonne estimated using revised segmentation in place since 2022.
Midcycle Simulation
Sascha Bibert
Chief Financial Officer
Capitalizing on Strong Market Prices and Our Premium Products

**Tubes market in the midst of a strong upturn**

*Historical OCTG Market Pricing ($ / tonne)*

**Premium products command premium prices**

*Tier 1 OCTG Supplier Average Selling Price ($ / 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 defined on slide 32 and where data is available. Average selling price defined as revenue divided by sales volumes.
Elevated Industry Costs Point to Higher Landing Point for Prices

Tubes manufacturing costs remain elevated

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Cost ($ / tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1,500</td>
</tr>
<tr>
<td>2012</td>
<td>1,600</td>
</tr>
<tr>
<td>2013</td>
<td>1,700</td>
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<td>2020</td>
<td>2,400</td>
</tr>
<tr>
<td>2021</td>
<td>2,500</td>
</tr>
<tr>
<td>1H22</td>
<td>2,600</td>
</tr>
<tr>
<td>1H23</td>
<td>2,700</td>
</tr>
</tbody>
</table>

Industry costs up >$600/tonne vs. prior cycle

Reframing historical prices with constant costs

Tier 1 OCTG Supplier Average Selling Price ($ / tonne)

<table>
<thead>
<tr>
<th>Year</th>
<th>Price ($ / tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1,500</td>
</tr>
<tr>
<td>2012</td>
<td>1,700</td>
</tr>
<tr>
<td>2013</td>
<td>1,900</td>
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<td>2014</td>
<td>2,100</td>
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<td>3,500</td>
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<tr>
<td>1H22</td>
<td>3,700</td>
</tr>
<tr>
<td>1H23</td>
<td>3,900</td>
</tr>
</tbody>
</table>

Source: Vallourec and peer financials

Note: Tier 1 averages are the mean of Tier 1 player reported financials. Adjusted price series assumes current cost per tonne applied to historical gross margin / industrial margin. Average selling price defined as revenue divided by sales volumes.
## Midcycle Tubes Earnings Power Simulation

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

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.
### Midcycle Mine & Forest Earnings Power Simulation

<table>
<thead>
<tr>
<th>Metric</th>
<th>Assumption</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Assumptions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production sold (m tonnes)</td>
<td>6.0</td>
<td>Target production level pre-Extension Phase 2</td>
</tr>
<tr>
<td>Platts iron ore price index ($ / tonne)</td>
<td>$110</td>
<td>Modestly below current level and trailing 5-year average</td>
</tr>
<tr>
<td>Vallourec price as % of index</td>
<td>40% – 45%</td>
<td>Varies based on product and contractual volume mix</td>
</tr>
<tr>
<td>Vallourec revenue per tonne ($)</td>
<td>$47</td>
<td>Midpoint of pricing range</td>
</tr>
<tr>
<td>USD / EUR</td>
<td>1.10</td>
<td></td>
</tr>
<tr>
<td>Vallourec revenue per tonne (€)</td>
<td>€43</td>
<td></td>
</tr>
<tr>
<td>Total cash cost per tonne (€)</td>
<td>€22</td>
<td>Slightly below midpoint of near-term range following Phase 1 extension</td>
</tr>
<tr>
<td><strong>EBITDA per tonne (€)</strong></td>
<td>€21</td>
<td></td>
</tr>
</tbody>
</table>

### Simplified Mine P&L

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>€250m</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>~€125m</td>
</tr>
<tr>
<td>EBITDA % Margin</td>
<td>49%</td>
</tr>
</tbody>
</table>

*Notes: All per-tonne metrics rounded to nearest $1 or €1 increment. Revenue and EBITDA rounded to nearest €25 million increment. Analysis Assumes no external sales of charcoal or Carboval licensing revenues. Platts index refers to 62% Fe CFR China iron ore index. 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.*
5.3

Capital Allocation

Sascha Bibert
Chief Financial Officer
Capital Allocation Priorities: Driving Towards Shareholder Returns

**Executing the New Vallourec Plan**
- Investment in Brazil capabilities
- Shutdown of German rolling operations

**Deleveraging Our Balance Sheet**
- Net debt zero by end of 2025 at the latest
- Corridor of +/- 0.5x Net Debt / EBITDA

**Reinvesting and Returning Capital**
- Recurring capex of ~€175m per year
- Shareholder returns enabled with excess cash

Note: 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.
# Midcycle Cash Flow Simulation

<table>
<thead>
<tr>
<th>Metric</th>
<th>Assumption</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EBITDA (€)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tubes</td>
<td>€750m</td>
<td>As derived on slide 104</td>
</tr>
<tr>
<td>Mine &amp; Forest</td>
<td>€125m</td>
<td>As derived on slide 105</td>
</tr>
<tr>
<td>Holding &amp; Other, Intersegment</td>
<td>(€25m)</td>
<td></td>
</tr>
<tr>
<td><strong>Group EBITDA</strong></td>
<td>€850m</td>
<td></td>
</tr>
<tr>
<td><strong>Cash Flows (€)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>€175m</td>
<td>Including mine extensions, can reduce to ~€125m in downturn</td>
</tr>
<tr>
<td>Financial cash out</td>
<td>€50m</td>
<td>Assuming zero net debt, with costs for minimal gross debt, leasing, and hedging</td>
</tr>
<tr>
<td>Cash tax</td>
<td>€175m</td>
<td>High 20% range depending on blend of regional profits</td>
</tr>
<tr>
<td><strong>Group total cash generation</strong></td>
<td>€450m</td>
<td></td>
</tr>
<tr>
<td><strong>Aspired total cash generation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>payout ratio¹</td>
<td>80% – 100%</td>
<td>In line with highest ratios in the market</td>
</tr>
<tr>
<td><strong>Current market-implied</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>shareholder return yield²</td>
<td>12% – 15%</td>
<td></td>
</tr>
</tbody>
</table>

¹ 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.

² Based on close price as of September 8, 2023

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.
Key Takeaways: Financial Framework

1. We are making financially impactful improvements with our New Vallourec plan

2. We see meaningful through-cycle free cash flow potential for our business

3. We aspire to return a significant amount of our total cash generation to shareholders

Note: 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.
Closing Remarks

Philippe Guillemot
Chairman & Chief Executive Officer
Reiterating Our Full Year 2023 Outlook

**Tubes**
- **US** volumes to trough in the third quarter with lower market prices continuing to affect Vallourec's fourth quarter pricing
- **International** volumes and pricing to remain resilient due to strong demand in core markets

**Mine & Forest**
- **Production sold** to be around 3.6 million tonnes in the second half
- **Production costs** to remain at the high end of the recent range

**Group Full-Year Outlook**
- **Full year EBITDA** to range between €950 million to €1.1 billion
- **Total cash generation** expected to be positive in the second half of the year excluding any potential benefit from asset sales
- **Net debt** to further decline in the second half of 2023 versus the second quarter 2023 level
Key Takeaways and Targets

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 potentially starting in 2025.

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.
Question & Answer Session
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

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

**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).