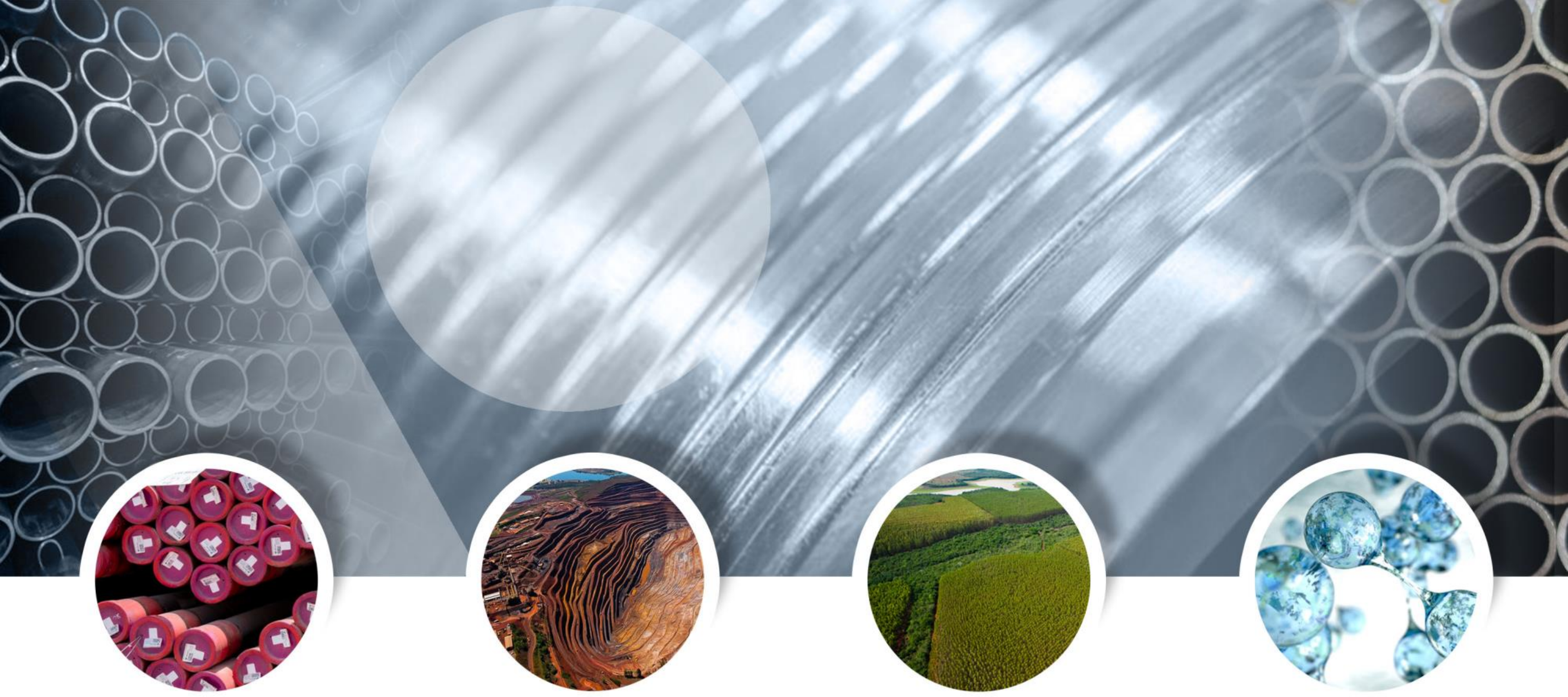

# Investor Presentation

Fourth Quarter 2023

# Legal Disclaimer

**Forward-Looking Statements**

This presentation includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, Vallourec’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Vallourec’s or any of its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if Vallourec’s or any of its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These risks include those developed or identified in the public documents filed by Vallourec with the French Financial Markets Authority (Autorité des marches financiers, or “AMF”), including those listed in the “Risk Factors” section of the Registration Document filed with the AMF on April 17, 2023, under filing number n° D.23-0293.

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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.

1

# Investment Overview

# Who We Are


Technology Leader
Integrated Manufacturer
A trustworthy partner for cutting edge steel solutions that make energy transformation possible
Partner of Choice
Environmental Steward

# The Vallourec Investment Case

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.*

# The New Vallourec Plan

## Key Objectives

| Primary Strategic Goals | Financial Targets |
| --- | --- |
| Deliver Best-in-Class Profitability | €230m EBITDA / €250m FCF Improvement[1] |
| | Close Profitability Gap with Primary Peer |
| Make Vallourec Cycle-Proof | Positive FCF through the Cycle[2] |
| | Achieve Zero Net Debt by Year-End 2025 at the Latest |

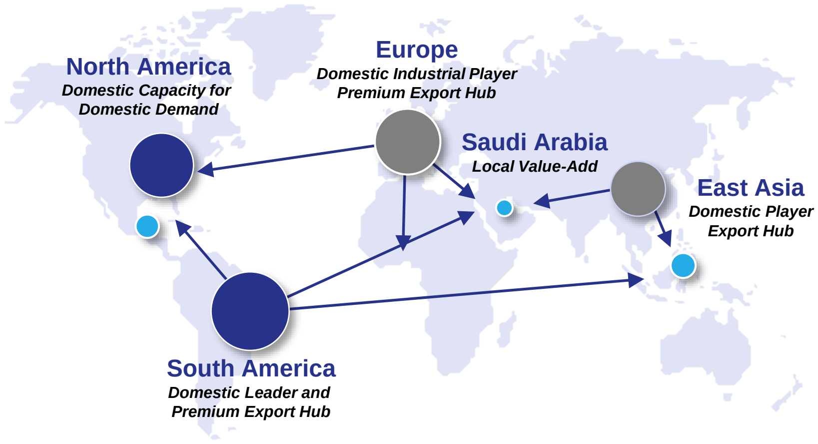
## Tools Utilized

| Operational Initiatives | Governance Improvements |
| --- | --- |
| Realigning Our Industrial Footprint | Reshaping Our Management Team |
| Emphasizing Value over Volume | |
| Improving Our Pricing Strategy | Setting Ambitious ESG Targets |

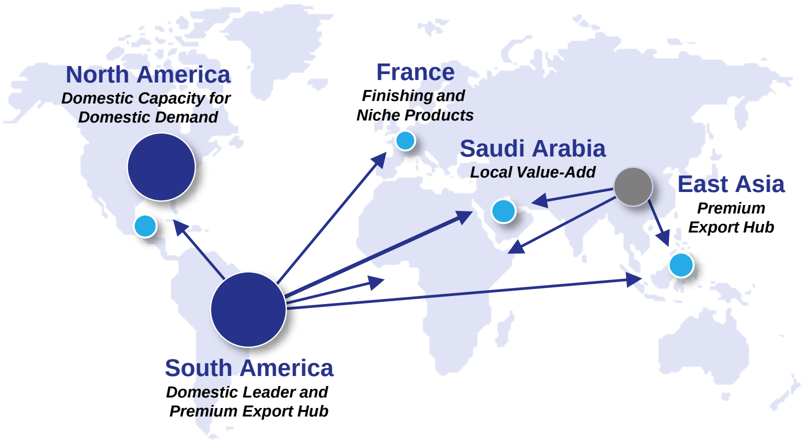
[1] Measured versus 2021 baseline, consistent with New Vallourec plan announced in May 2022. Full effect expected in Q2 2024. FCF is aligned with prior definition of free cash flow.
[2] Aligned with prior definition of free cash flow. See "Definitions of Non-GAAP Financial Data." Target excludes the impact of working capital.

# Reshaping Vallourec's Production Footprint

## Old Vallourec assets and production flows (2021)




## New Vallourec assets and production flows (2024)




Fully Integrated Rolling & Finishing Finishing Only

*Note: Represents finished product sales, does not account for intermediate flows to local finishing capacity*

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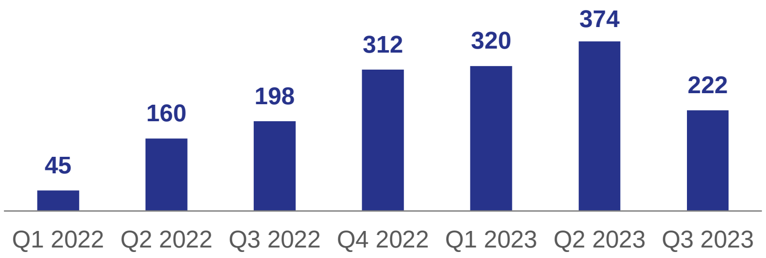
# New Vallourec: Near-Term Targets

| Year-End Target | Current Status |
| --- | --- |
| Closure of German tube operations | Tube production to be finalized imminently, ahead of schedule |
| Execution of €110m capex program in Brazil | Final phases of project underway, full benefits to be realized in 2024 |
| Reducing global overhead by €100 million | Cost reductions expected to be substantially completed around year-end |
| Executing premiumization strategy in China | Implementing further improved pricing policies and progressing customer qualifications |
| Expansion of local capacity in Saudi Arabia | Installing equipment for second project phase, full benefits to be realized in early 2024 |

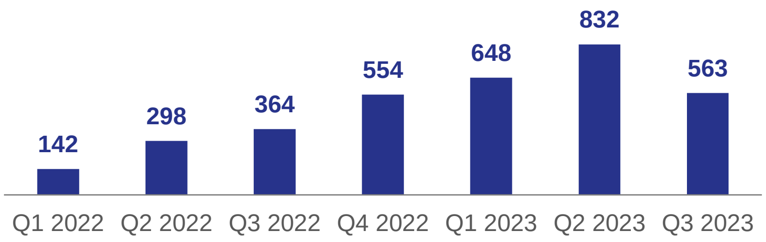
# Profitability at Healthy Levels Despite US Market Headwinds

## EBITDA down sequentially in Q3 but up YoY

*Group EBITDA (€m)*




*Tubes EBITDA per Tonne (€)*



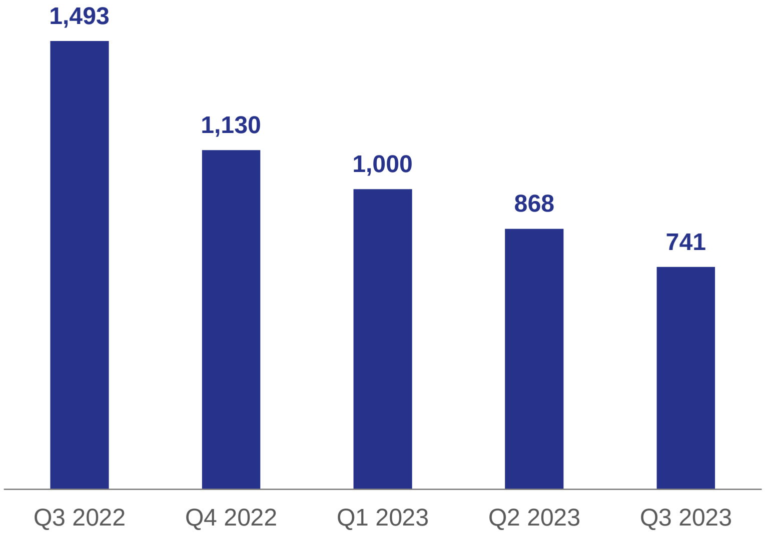

## Fourth quarter and full-year 2023 outlook

- Full-year 2023 EBITDA to range between €1,075m and €1,175m
- Total cash generation to be positive in the fourth quarter 2023 excluding any potential benefit of asset sales
- Net debt to decline in the fourth quarter versus the Q3 2023 level excluding any potential benefit of asset sales
- Near-term operational outlook:
  - Tubes: expect continuation of offsetting US and international pricing dynamics in Q4
    - Expect improvement in International EBITDA due to strong market environment and further improved execution
    - Expect lower pricing in the US, largely offset by a recovery in volumes
  - Mine & Forest: volumes to be down slightly to 1.7m tonnes with cost per tonne similar to Q3

# A Significant Balance Sheet Transformation

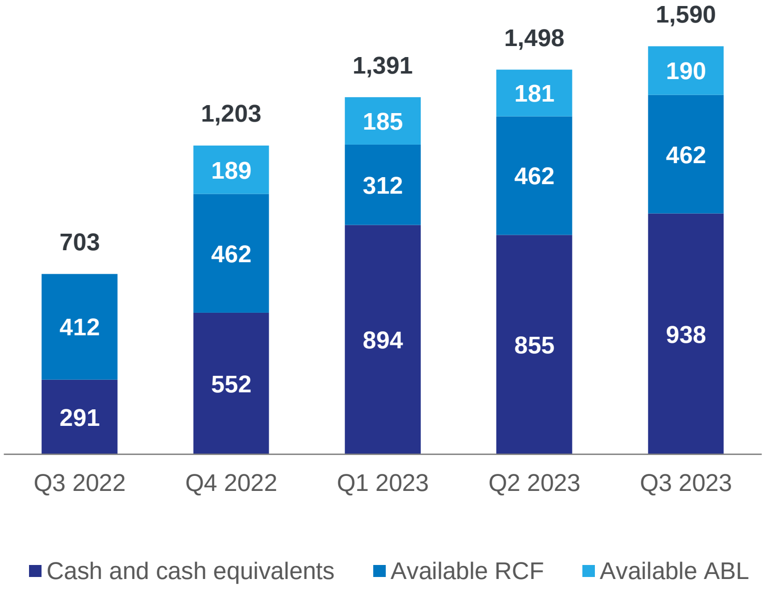
## Significantly reduced net debt

*€ Million*




## Meaningfully improved liquidity

*€ Million*

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

# 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

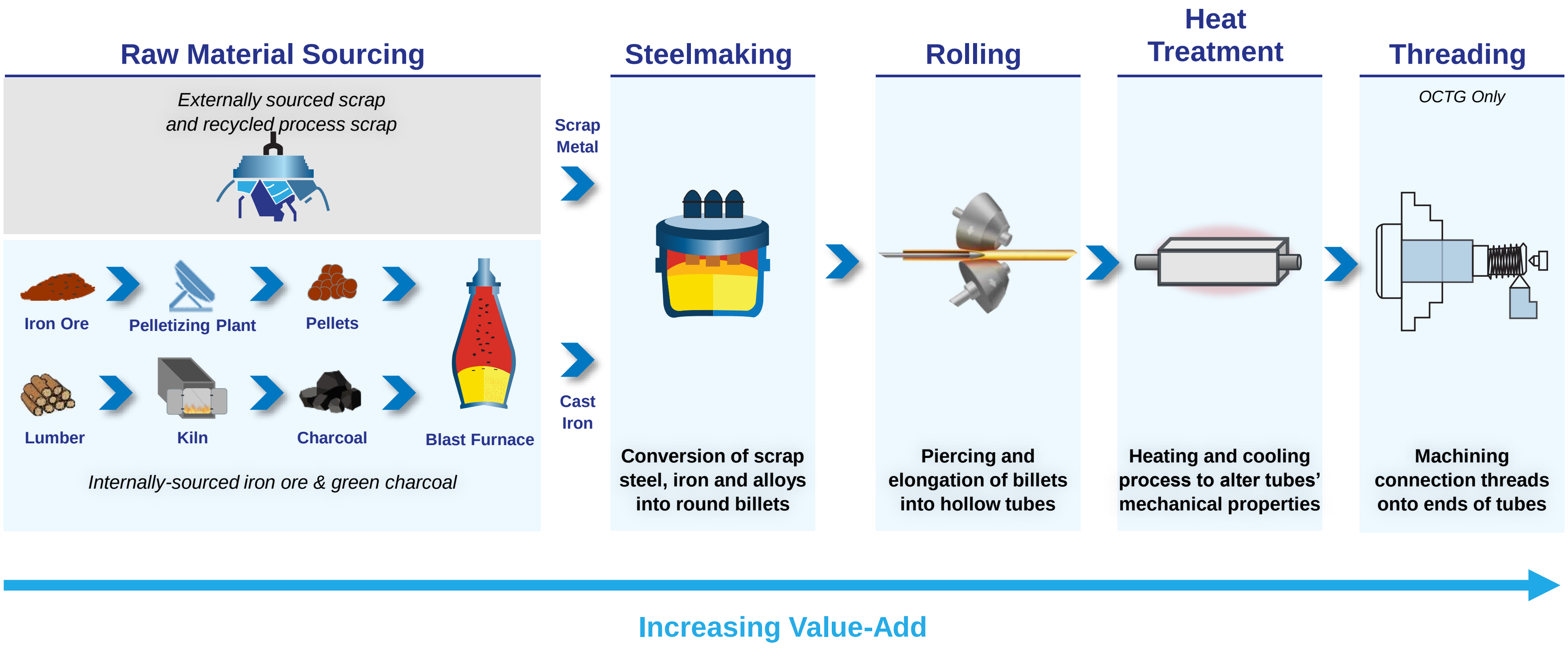
- Recurring capex of ~€175m per year
- Shareholder returns enabled with excess cash

*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.*

# 2

# Supplemental Information

# The Seamless Tube Production Process



# Key Seamless Tubes Markets

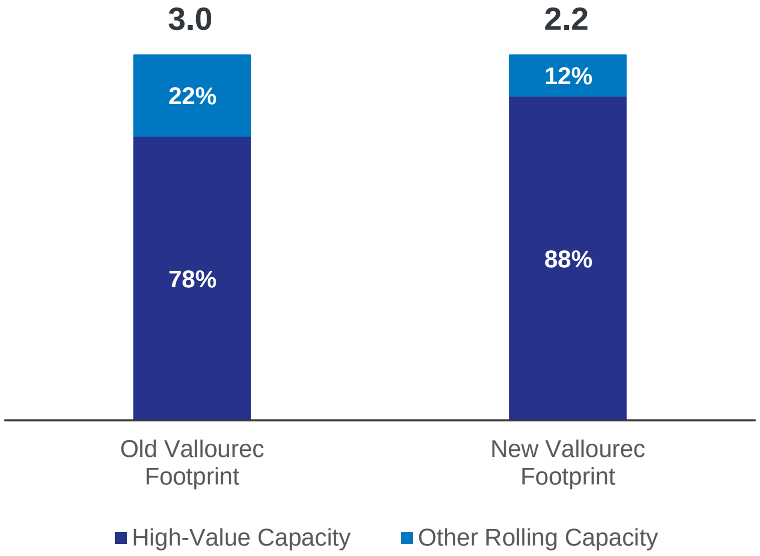
| | Oil Country Tubular Goods (OCTG) | Project Line Pipe (PLP) & Process | Industry & Other | New Energies |
|---|---|---|---|---|
| **2023E ASP (price/tonne)** | Mid $3k | Low-mid $2k | Low $2k[1] | High-Growth Emerging Market |
| **2023E Total Market Size (mt)** | 9.6 | 4.4 | *Not Analyzed* | |
| **2023E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

*[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*

# Emphasizing Value over Volume

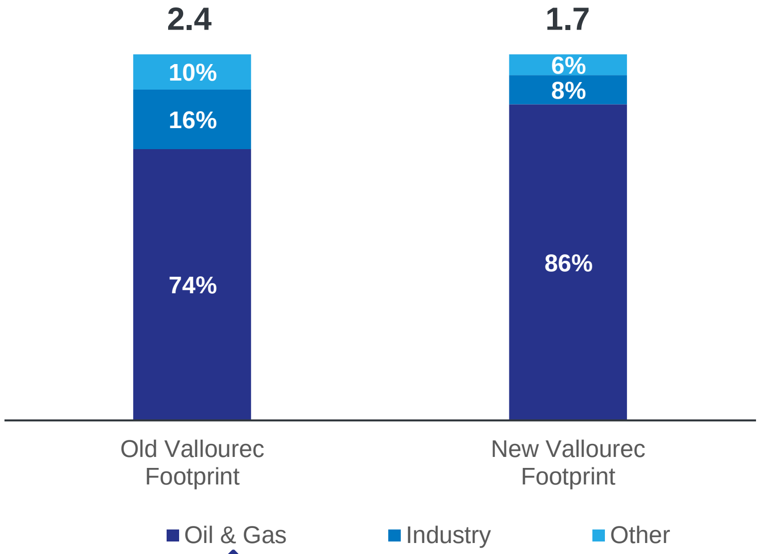
## Focusing on high-value, premium products

*% of Rolling Capacity (Capacity in Million Tonnes)*




## Addressing premium, high-margin markets

*% of Tubes Sales Volumes (Volumes in Million Tonnes)*

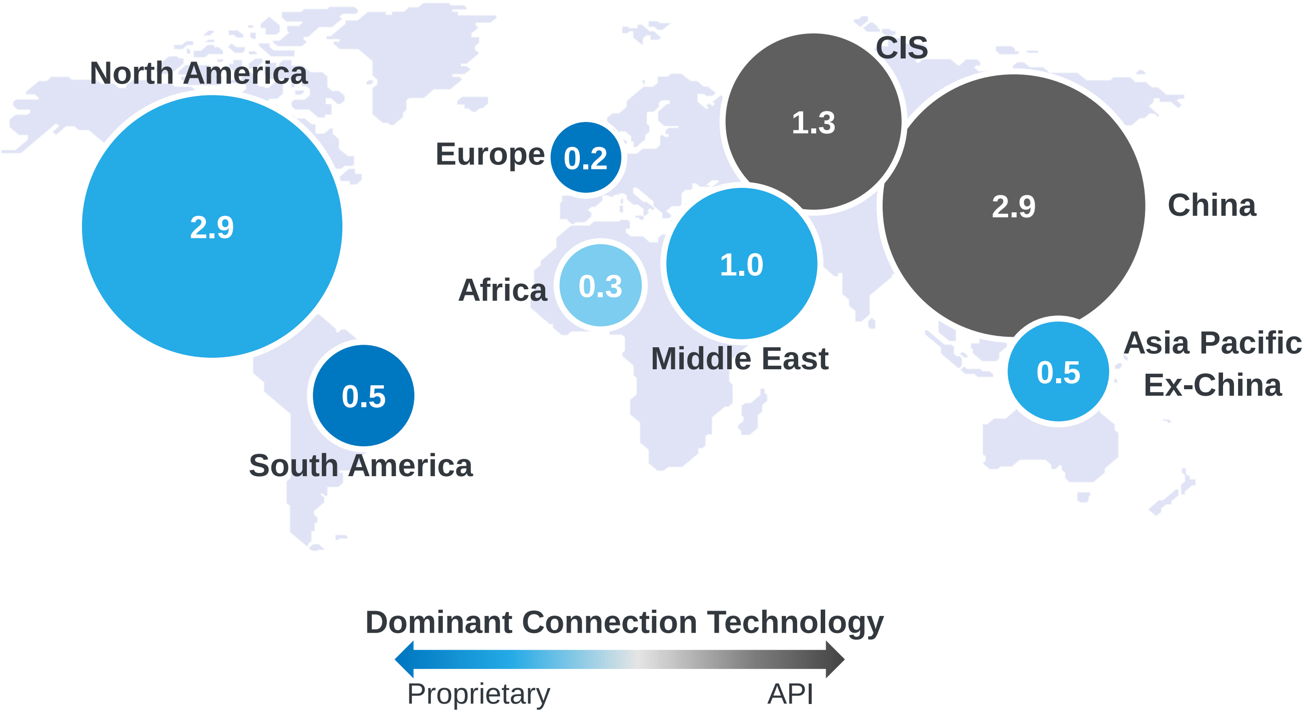



*60% higher margin per tonne vs. Industry and Other*

*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*

# Major Seamless OCTG Markets

2023 Market Size (Million Tonnes)

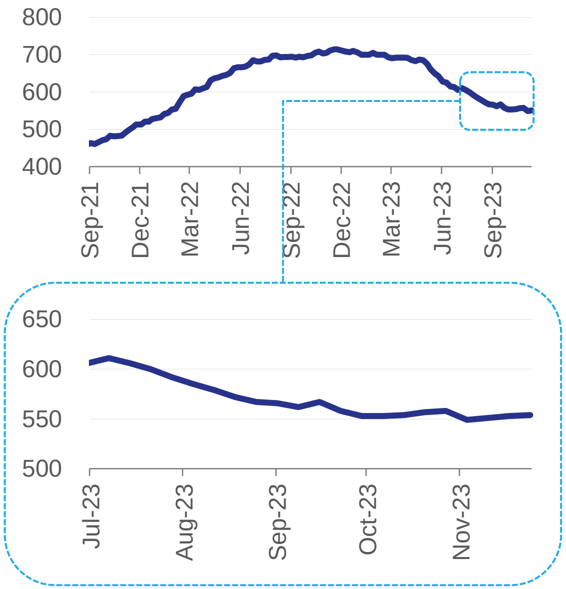



*Sources: Internal market intelligence based on public peer commentary, Rystad Energy, Preston Pipe, OCTG Situation Report, PipeLogix*

# US OCTG Market: Expecting Stabilization in Near-Term

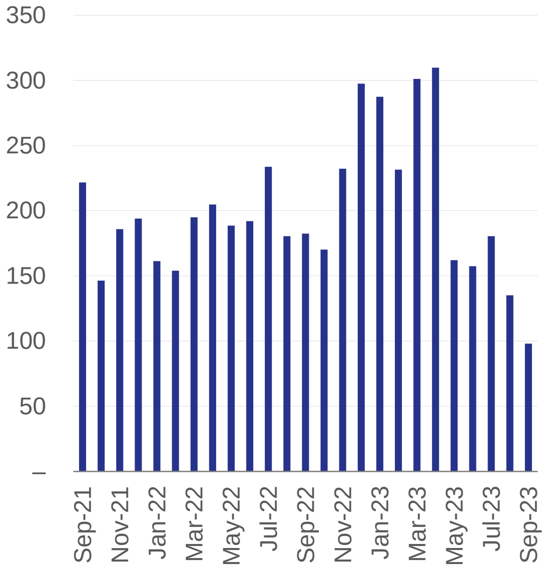
## Rig count appears to be stabilizing

*US Horizontal Rig Count*



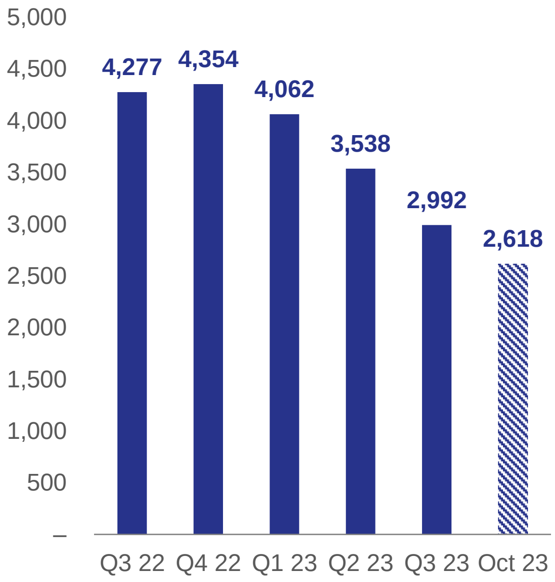

## Imports at multi-year lows

*Monthly US OCTG Imports (Th. Tonnes)*




## OCTG prices near global averages

*Seamless OCTG Price ($ / Tonne)*

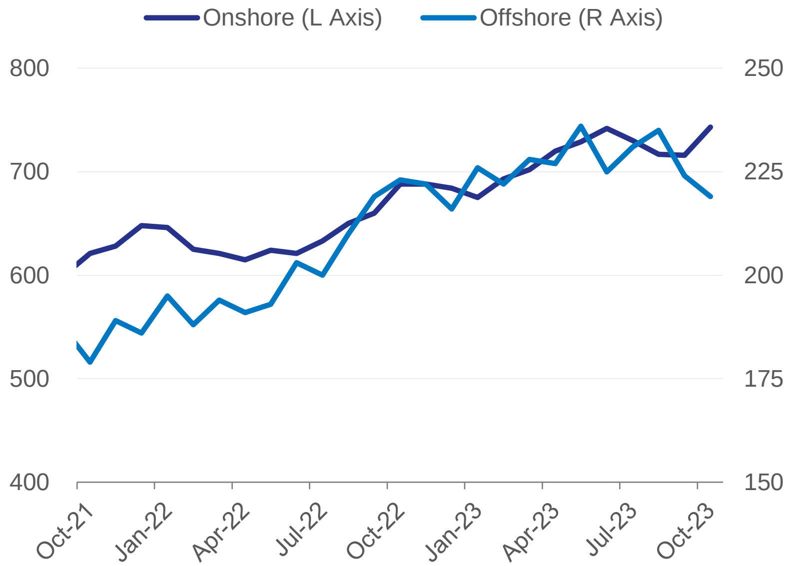



*Sources: Baker Hughes, US Department of Commerce, PipeLogix. Reflects average pricing for all seamless products.*

# International OCTG Market: Broad-Based Demand Strength

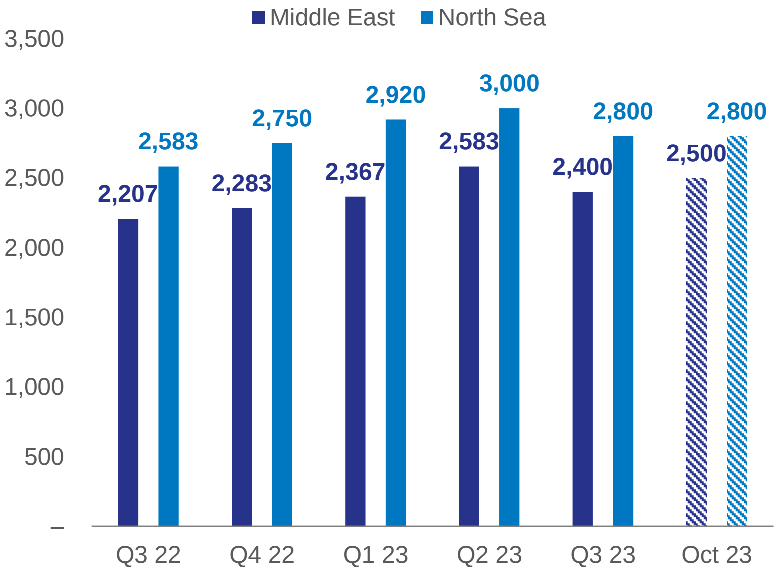
## International rig count holding at healthy levels

*Onshore Rig Count* *Offshore Rig Count*




## Market pricing solid, new order prices increasing

*Seamless OCTG Price ($ / Tonne)*




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

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# A Significant New Business Opportunity in New Energies

| | Geothermal | CCUS | Hydrogen |
|---|---|---|---|
| Similarity to Legacy Business | Very Similar | Largely Similar | New Business Model |
| Target Market Share | Highest | Intermediate | Lowest |
| Addressable Market | Intermediate | Intermediate | Very Large |

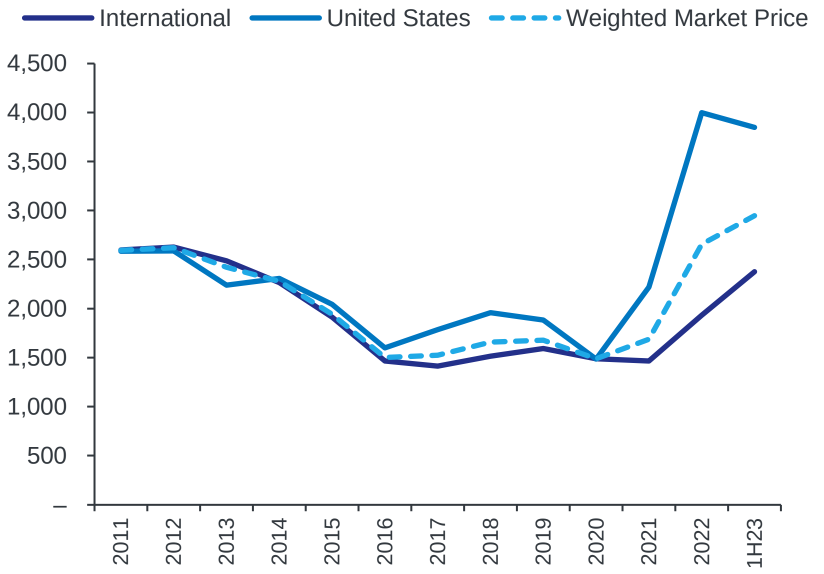
**Our New Energies Target**

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

# Capitalizing on Strong Market Prices and Our Premium Products

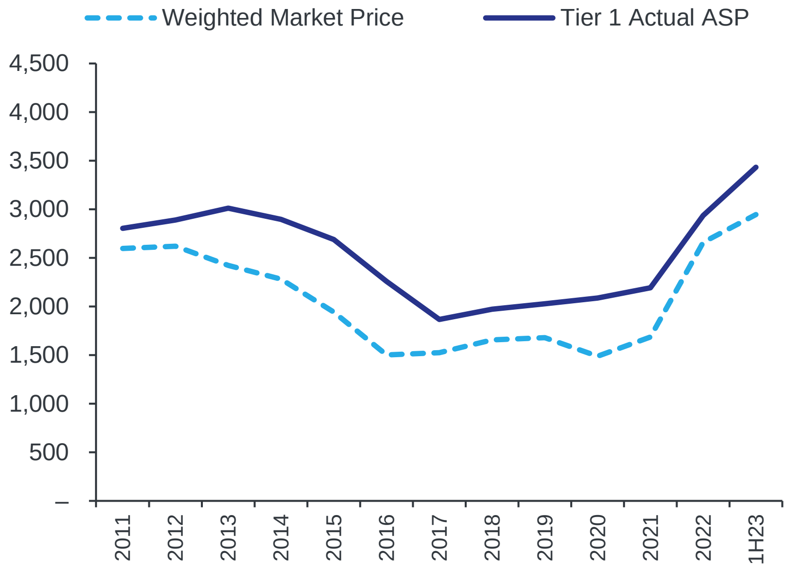
## Tubes market in the midst of a strong upturn

*Historical OCTG Market Pricing ($ / tonne)*




## Premium products command premium prices

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



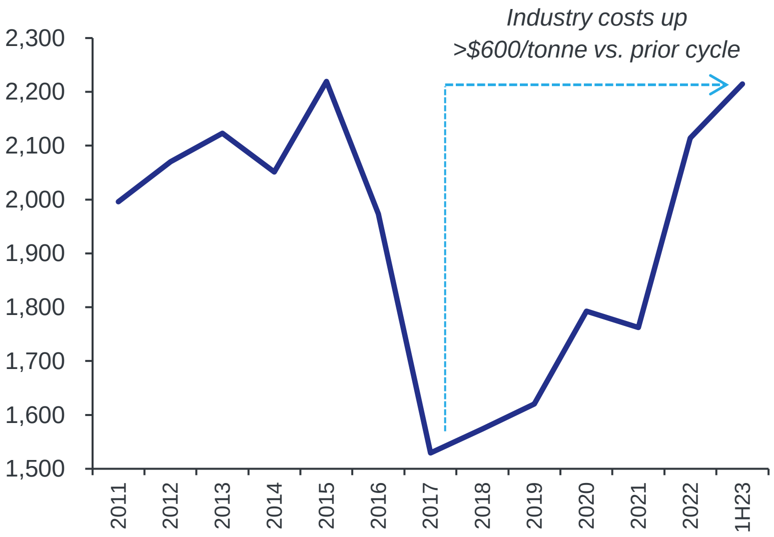

*Sources: Vallourec estimates, OCTG Situation Report, PipeLogix, Rystad Energy*

*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

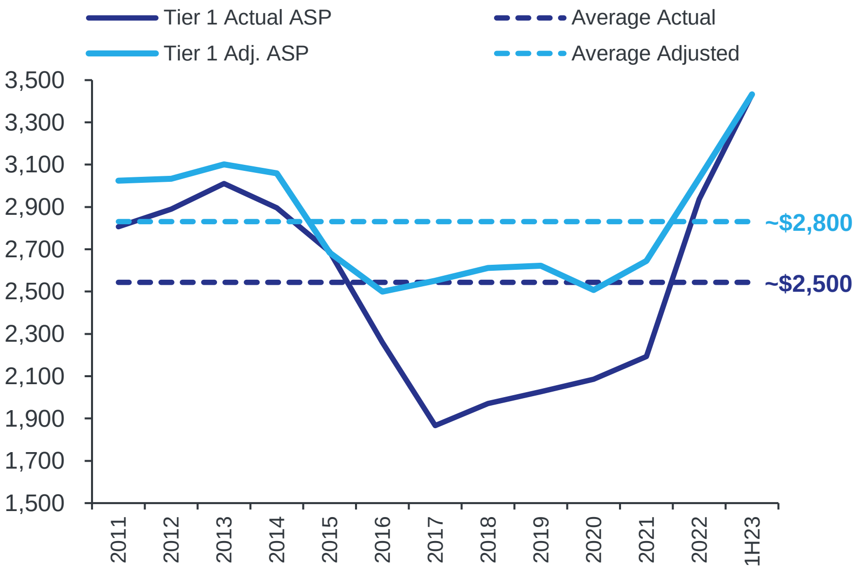
## Tubes manufacturing costs remain elevated

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




## Reframing historical prices with constant costs

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




*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.*

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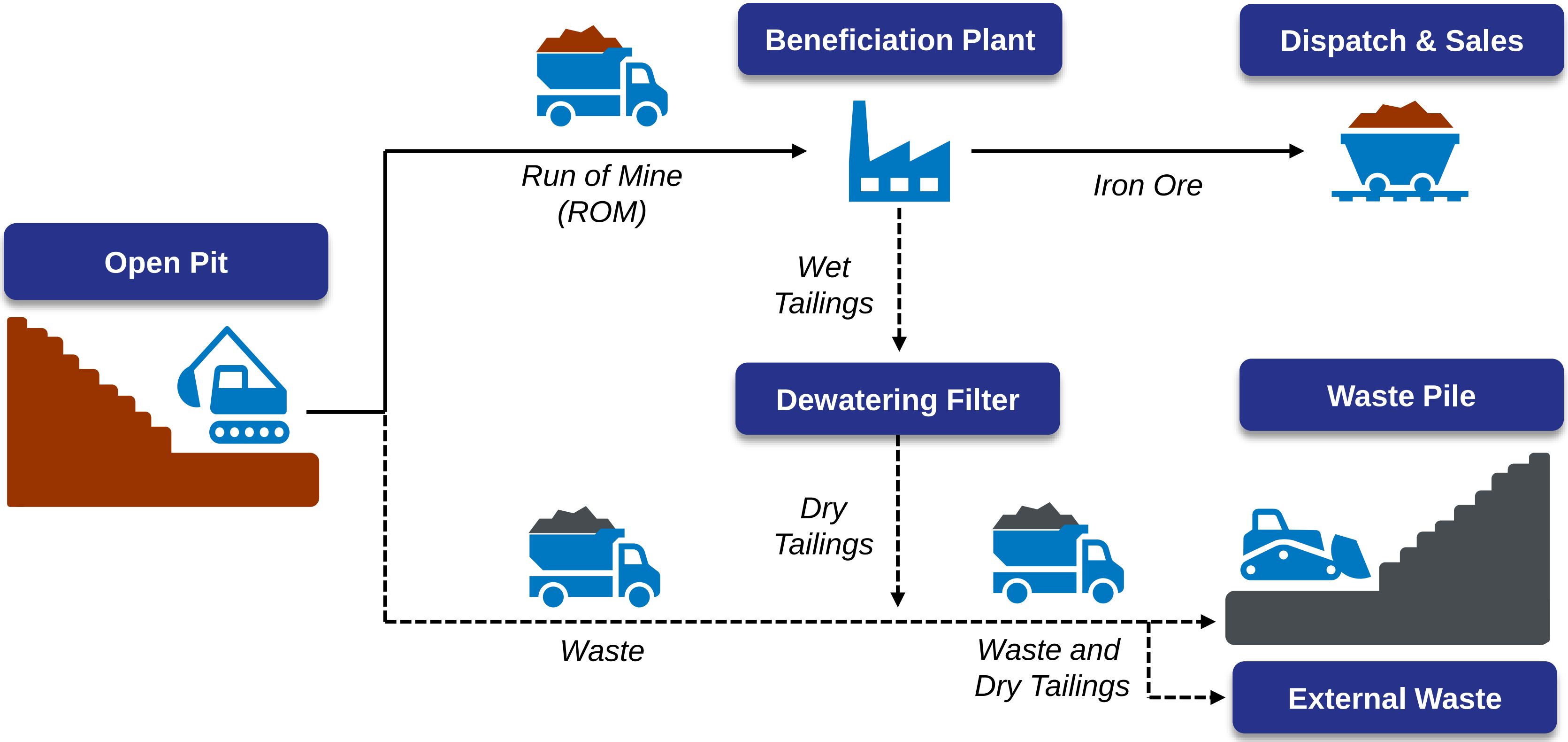
# Midcycle Tubes Earnings Power Simulation

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

*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.*

# The Mining Process



# 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

| | **Phase 1** | **Phase 2** |
|---|---|---|
| Incremental Annual Iron Ore Production[4] | – | +1mt – 2mt |
| Incremental Annual EBITDA[4] | +€20 – €25m | +€50m – €75m |
| Estimated Project Capex (€m)[5] | €20m | €100m – €125m |
| Expected Start-Up | Late 2024 | 2027 |

*[1] 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.*

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# Midcycle Cash Flow Simulation: Significant Potential Returns

| Metric | Assumption | Comments |
|---|---|---|
| **EBITDA (€)** | | |
| Tubes | €750m | |
| Mine & Forest | €125m | |
| Holding & Other, Intersegment | (€25m) | |
| **Group EBITDA** | **€850m** | |
| | | |
| **Cash Flows (€)** | | |
| Capital expenditures | €175m | Including mine extensions, can reduce to ~€125m in downturn |
| Financial cash out | €50m | Assuming zero net debt, with costs for minimal gross debt and other items |
| Cash tax | €175m | High 20% range depending on blend of regional profits |
| **Group total cash generation** | **€450m** | |
| ***Aspired total cash generation payout ratio[1]*** | ***80% – 100%*** | ***In line with highest ratios in the market*** |

*[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.*

*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.*

3

# Financial Data

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# Income Statement

| *€ million, unless noted* | 2018 | 2019 | 2020 | 2021 | 2022 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|---|---|
| **Revenues** | **3,921** | **4,173** | **3,242** | **3,442** | **4,883** | **1,338** | **1,358** | **1,142** |
| Cost of sales | (3,342) | (3,435) | (2,634) | (2,605) | (3,807) | (926) | (890) | (818) |
| **Industrial margin** | **579** | **738** | **608** | **837** | **1,076** | **412** | **468** | **324** |
| Selling, general and administrative expenses | (405) | (378) | (326) | (316) | (349) | (79) | (84) | (85) |
| Other | (24) | (13) | (25) | (29) | (11) | (13) | (10) | (17) |
| **EBITDA** | **150** | **347** | **258** | **492** | **715** | **320** | **374** | **222** |
| Depreciation & amortization | (300) | (307) | (268) | (202) | (227) | (50) | (54) | (50) |
| Impairment of assets | (53) | (30) | (850) | (5) | (36) | – | (8) | – |
| Asset disposals, restructuring costs and non-recurring items | (74) | (27) | (142) | 89 | (574) | (13) | (55) | (26) |
| **Operating income (loss)** | **(277)** | **(17)** | **(1,002)** | **374** | **(122)** | **257** | **258** | **146** |
| Financial income (loss) | (220) | (244) | (227) | (236) | (111) | (46) | (24) | (22) |
| **Pre-tax income (loss)** | **(497)** | **(261)** | **(1,229)** | **138** | **(233)** | **211** | **234** | **124** |
| Income tax | (5) | (75) | (96) | (101) | (113) | (53) | (70) | (44) |
| Share in net income (loss) of equity affiliates | 2 | (4) | (3) | (5) | (18) | (1) | 1 | – |
| **Net income** | **(500)** | **(340)** | **(1,328)** | **32** | **(364)** | **157** | **165** | **81** |
| Attributable to non-controlling interests | 2 | (2) | (122) | (8) | 3 | 1 | 5 | 5 |
| **Net income, Group share** | **(502)** | **(338)** | **(1,206)** | **40** | **(366)** | **156** | **160** | **76** |
| | | | | | | | | |
| YoY Revenue Growth | | 6% | (22%) | 6% | 42% | 46% | 19% | (11%) |
| Industrial Margin % | 15% | 18% | 19% | 24% | 22% | 31% | 34% | 28% |
| SG&A % of Revenue | 10% | 9% | 10% | 9% | 7% | 6% | 6% | 7% |
| EBITDA Margin % | 4% | 8% | 8% | 14% | 15% | 24% | 28% | 19% |
| EBIT Margin % | (7%) | (0%) | (31%) | 11% | (2%) | 19% | 19% | 13% |

# Balance Sheet

| *€ million, unless noted* | 2018 | 2019 | 2020 | 2021 | 2022 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|---|---|
| Goodwill & intangible assets | 429 | 427 | 74 | 83 | 76 | 89 | 89 | 87 |
| PP&E and biological assets | 2,751 | 2,704 | 1,748 | 1,790 | 1,891 | 1,871 | 1,923 | 1,960 |
| Other non-current assets | 540 | 510 | 357 | 443 | 442 | 443 | 451 | 468 |
| **Total non-current assets** | **3,720** | **3,641** | **2,180** | **2,317** | **2,409** | **2,403** | **2,463** | **2,515** |
| Inventories | 1,135 | 988 | 664 | 1,015 | 1,312 | 1,364 | 1,354 | 1,366 |
| Trade and other receivables | 599 | 638 | 468 | 572 | 824 | 829 | 802 | 765 |
| Other current assets | 219 | 245 | 241 | 172 | 251 | 282 | 308 | 317 |
| Cash and cash equivalents | 740 | 1,794 | 1,390 | 620 | 552 | 894 | 855 | 938 |
| **Total current assets** | **2,693** | **3,665** | **2,762** | **2,380** | **2,939** | **3,369** | **3,319** | **3,386** |
| Assets held for sale and discontinued operations | – | – | 107 | 52 | 9 | 7 | 7 | 6 |
| **Total assets** | **6,413** | **7,306** | **5,048** | **4,748** | **5,357** | **5,779** | **5,790** | **5,907** |
| Equity - Group share | 1,802 | 1,467 | (187) | 1,763 | 1,643 | 1,812 | 2,026 | 2,120 |
| Non-controlling interests | 462 | 513 | 321 | 45 | 42 | 43 | 48 | 53 |
| **Total shareholders' equity** | **2,264** | **1,980** | **134** | **1,808** | **1,686** | **1,855** | **2,074** | **2,173** |
| Bank loans and other borrowings | 1,797 | 1,747 | 1,751 | 1,387 | 1,367 | 1,362 | 1,357 | 1,352 |
| Other long-term liabilities | 308 | 423 | 457 | 369 | 504 | 540 | 528 | 518 |
| **Total non-current liabilities** | **2,105** | **2,170** | **2,208** | **1,756** | **1,871** | **1,902** | **1,885** | **1,870** |
| Overdraft and other short-term borrowings | 1,001 | 2,077 | 1,853 | 190 | 314 | 532 | 367 | 327 |
| Trade payables | 582 | 580 | 426 | 601 | 787 | 816 | 788 | 819 |
| Other current liabilities | 461 | 498 | 391 | 371 | 696 | 672 | 670 | 716 |
| **Total current liabilities** | **2,044** | **3,155** | **2,670** | **1,162** | **1,797** | **2,020** | **1,825** | **1,862** |
| Liabilities held for sale and discontinued operations | – | – | 37 | 23 | 4 | 2 | 6 | 2 |
| **Total liabilities** | **4,149** | **5,325** | **4,915** | **2,941** | **3,672** | **3,924** | **3,715** | **3,734** |
| **Total shareholders’ equity and liabilities** | **6,413** | **7,305** | **5,048** | **4,748** | **5,358** | **5,779** | **5,790** | **5,907** |
| **Net financial debt** | **2,058** | **2,031** | **2,214** | **956** | **1,130** | **1,000** | **868** | **741** |

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# Cash Flow Summary

| *€ million, unless noted* | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 2022 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|---|---|
| **EBITDA** | **45** | **160** | **198** | **312** | **715** | **320** | **374** | **222** |
| Non-cash items in EBITDA | 20 | (36) | (39) | (13) | (68) | 13 | (21) | 11 |
| Financial cash out | (4) | (34) | (9) | (63) | (110) | (18) | (61) | (8) |
| Tax payments | (21) | (17) | (18) | (23) | (79) | (16) | (60) | (54) |
| **Adjusted operating cash flow** | **40** | **73** | **132** | **213** | **458** | **299** | **232** | **171** |
| Change in working capital | (216) | (187) | (135) | 183 | (355) | (52) | 8 | 97 |
| Gross capital expenditure | (34) | (25) | (54) | (78) | (191) | (53) | (66) | (51) |
| **Adjusted free cash flow** | **(210)** | **(139)** | **(57)** | **318** | **(88)** | **194** | **174** | **217** |
| Restructuring charges & non-recurring items | (20) | (33) | (22) | (53) | (128) | (47) | (59) | (63) |
| Asset disposals & other cash items (A) | (10) | (18) | (14) | 58 | 16 | 4 | 3 | (4) |
| **Total cash generation (B)** | **(240)** | **(190)** | **(93)** | **323** | **(200)** | **151** | **118** | **150** |
| Non-cash adjustments to net debt | (15) | 14 | (12) | 41 | 28 | (21) | 14 | (23) |
| **(Increase) decrease in net debt** | **(255)** | **(176)** | **(105)** | **364** | **(172)** | **130** | **132** | **127** |
| Free cash flow, as previously defined (B-A) | (230) | (172) | (80) | 266 | (216) | 147 | 115 | 154 |

*Note: due to a change in cash flow reporting format, comparable data prior to 2022 is not available.*

# Segment Data

## Segment Key Performance Indicators

| | € million, unless noted | 2021 | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 2022 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|---|---|---|---|
| Tubes | Volume sold* | 1,640 | 395 | 433 | 462 | 514 | 1,804 | 431 | 396 | 343 |
| | Revenue (€m) | 3,030 | 902 | 1,096 | 1,197 | 1,467 | 4,663 | 1,258 | 1,279 | 1,068 |
| | Average Selling Price (€) | 1,848 | 2,284 | 2,531 | 2,591 | 2,853 | 2,584 | 2,919 | 3,226 | 3,116 |
| | EBITDA (€m) | 148 | 56 | 129 | 168 | 285 | 638 | 279 | 330 | 193 |
| | EBITDA per Tonne (€) | 90 | 142 | 298 | 364 | 554 | 354 | 648 | 832 | 563 |
| Mine & Forest | Volume sold* | 8.1 | 0.1 | 1.0 | 1.5 | 1.4 | 4.0 | 1.5 | 1.9 | 1.8 |
| | Revenue (€m) | 469 | 24 | 68 | 82 | 70 | 245 | 93 | 93 | 88 |
| | EBITDA (€m) | 358 | 2 | 51 | 38 | 22 | 113 | 48 | 50 | 39 |
| | EBITDA per Tonne (€) | 44 | 13 | 52 | 26 | 15 | 28 | 32 | 27 | 22 |
| H&O | Revenue (€m) | 186 | 47 | 60 | 43 | 61 | 210 | 46 | 51 | 47 |
| | EBITDA (€m) | (16) | (16) | (14) | (9) | 2 | (37) | (5) | (5) | (10) |
| Int. | Revenue (€m) | (243) | (56) | (80) | (41) | (57) | (234) | (59) | (65) | (62) |
| | EBITDA (€m) | 2 | 3 | (6) | – | 3 | 1 | (3) | (1) | – |
| Total | Revenue (€m) | 3,442 | 916 | 1,144 | 1,282 | 1,541 | 4,883 | 1,338 | 1,358 | 1,142 |
| | EBITDA (€m) | 492 | 45 | 160 | 198 | 312 | 715 | 320 | 374 | 222 |
| | Capex (€m) | 138 | 34 | 25 | 53 | 78 | 191 | 53 | 66 | 51 |

## Tubes Revenues by Geography

| € million, unless noted | 2021 | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 2022 | 1Q23 | 2Q23 | 3Q23 |
|---|---|---|---|---|---|---|---|---|---|
| North America | 828 | 346 | 460 | 544 | 744 | 2,094 | 658 | 663 | 460 |
| South America | 726 | 190 | 213 | 212 | 241 | 855 | 189 | 229 | 198 |
| Middle East | 334 | 94 | 110 | 118 | 111 | 434 | 112 | 157 | 162 |
| Europe | 537 | 162 | 172 | 135 | 137 | 606 | 152 | 102 | 116 |
| Asia | 402 | 75 | 102 | 100 | 111 | 389 | 54 | 73 | 80 |
| Rest of World | 203 | 35 | 39 | 87 | 123 | 285 | 92 | 56 | 52 |
| **Total Tubes** | **3,030** | **902** | **1,096** | **1,197** | **1,467** | **4,663** | **1,258** | **1,279** | **1,068** |

** Volume sold in thousand tonnes for Tubes and million tonnes for Mine & Forest*
*"H&O" = Holding & Other; "Int." = Intersegment*

# 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).