Press release

Meudon (France), May 15th, 2025

Vallourec, a world leader in premium tubular solutions, announces today its results for the first quarter 2025. The Board of Directors of Vallourec SA, meeting on May 14th 2025, approved the Group's first quarter 2025 Consolidated Financial Statements.

First Quarter 2025 Results

- **Q1 Group EBITDA of €207 million, with strong 21% EBITDA margin**
- **Total cash generation of €104 million, bringing net cash position to €112 million**
- **Continued strong international booking momentum at healthy prices**
- **US market prices increased further in Q1 2025**
- **Q2 2025 Group EBITDA expected to range between €170 million and €200 million**
- **Confirm expected improvement in EBITDA in H2 2025 vs. H1 2025**

HIGHLIGHTS

First Quarter 2025 Results

- Group EBITDA of €207 million, down (3%) sequentially; EBITDA margin improved to 21%
  - Tubes EBITDA per tonne of €528 increased 3% sequentially, driven by strong profitability in Eastern Hemisphere
  - Mine & Forest EBITDA of €53 million up 33% sequentially due to higher volume sold and lower cost per tonne
- Adjusted free cash flow of €168 million; total cash generation of €104 million
- Net cash position of €112 million, improving €91 million sequentially

Second Quarter 2025 Group EBITDA is expected to range between €170 million and €200 million:

- In Tubes, EBITDA per tonne is expected to be flat to slightly higher sequentially, while volumes are anticipated to be flat to slightly down sequentially.
- In Mine & Forest, production sold is expected to be around 1.5 million tonnes. Profitability will be determined by prevailing iron ore market prices.

Full Year 2025 Group EBITDA is expected to reflect a second half improvement:

- In Tubes, international shipments are expected to increase in H2 2025 compared to H1 2025 due to strong bookings over recent quarters. EBITDA per tonne should improve in H2 2025 compared to H1 2025 especially due to higher invoiced international prices and cost savings.
- In Mine & Forest, production sold is expected to be around 6 million tonnes. Profitability will be determined by prevailing iron ore market prices.

Information
Quarterly statements are unaudited and not subject to any review.
Unless otherwise specified, indicated variations are expressed in comparison with the same period of the previous year.
Please see "Definitions of Non-GAAP Financial Data" for definitions of terms presented in this press release.

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

"We are pleased with our first quarter 2025 results, which landed at the high end of our expected range. Once again, our premium positioning has enabled us to generate solid profitability, not only in our Tubes segment, but also for our mine in Brazil, where the benefits of the Phase 1 extension project are apparent. We also generated strong cash flow, marking the tenth straight quarter of positive cash generation – clear evidence of the cash flow potential of the New Vallourec.

"Financial market sentiment on the Oil & Gas sector has soured in recent weeks due to dual concerns about rising oil output by OPEC+ members and fears of a slowdown in oil demand. Notwithstanding this, our key international customers are progressing their long-term plans. As a result, our first quarter bookings continued the strong trend we observed in the fourth quarter, and we see a robust pipeline of opportunities ahead of us. This sales performance underpins our continued expectations of a second-half improvement in profitability. Meanwhile, US market prices have shown a continued upward trend, but they do not yet reflect the full impact of recently-announced tariffs due to ongoing market uncertainty.

"As a result of the substantial changes we have made within Vallourec over the past three years, we are well positioned for any market environment. We have focused our offering on differentiated, premium products and we have strong positions with global national oil companies, international oil companies, and resilient independent US producers. We have centralized production in cost-efficient hubs close to our key customers. We can serve all of our onshore US customers' needs from our integrated operations in the US, putting us in an ideal position to navigate today's trade environment.

"Our strong balance sheet has recently been endorsed by positive ratings actions across all three ratings agencies, including an upgrade to an Investment Grade rating by Fitch. This, and our proven ability to generate significant cash flow, will allow us to manage the business optimally in any market condition."

Key Quarterly Data

in € million, unless noted	Q1 2025	Q4 2024	Q1 2024	QoQ chg.	YoY chg.
Tubes volume sold (k tonnes)	314	362	292	(49)	21
Iron ore volume sold (m tonnes)	1.6	1.3	1.4	0.26	0.2
Group revenues	991	1,065	990	(74)	1
Group EBITDA	**207**	**214**	**235**	**(7)**	**(28)**
(as a % of revenue)	*20.9%*	*20.1%*	*23.7%*	*0.8 pp*	*(2.8) pp*
Operating income (loss)	148	229	174	(82)	(26)
Net income, Group share	86	163	105	(77)	(19)
Adj. free cash flow	**168**	**178**	**171**	**(10)**	**(3)**
Total cash generation	**104**	**253**	**101**	**(149)**	**3**
Net debt (cash)	**(112)**	**(21)**	**485**	**(91)**	**(597)**

Information
Quarterly statements are unaudited and not subject to any review.
Unless otherwise specified, indicated variations are expressed in comparison with the same period of the previous year.
Please see "Definitions of Non-GAAP Financial Data" for definitions of terms presented in this press release.

CONSOLIDATED RESULTS ANALYSIS

First Quarter Results Analysis

In Q1 2025, Vallourec recorded revenues of €991 million, flat year over year, or up 1.3% at constant exchange rates. Group revenues reflect a 7% volume increase mainly driven by higher shipments to the Middle East and North America, an (8%) price/mix effect, a 2% increase due to Mine & Forest, and a (1%) currency effect.

EBITDA amounted to €207 million, or 21% of revenues, compared to €235 million (24% of revenues) in Q1 2024. The decrease was driven by lower average selling prices in Tubes in North America. This was partially offset by improved Tubes results outside of North America due to higher pricing and the benefits of the New Vallourec plan.

Operating income was €148 million, compared to €174 million in Q1 2024.

Financial income (loss) was (€10) million, compared to (€20) million in Q1 2024.

Income tax amounted to (€44) million compared to (€46) million in Q1 2024.

This resulted in positive net income, Group share, of €86 million, compared to €105 million in Q1 2024.

Earnings per diluted share was €0.34 versus €0.43 in Q1 2024, reflecting the above changes in net income as well as an increase in ordinary shares due to the vesting of shares under management incentive plans as well as an increase in potentially dilutive shares largely related to the Company's outstanding warrants, which are accounted for using the treasury share method.

RESULTS ANALYSIS BY SEGMENT

First Quarter Results Analysis

Tubes: In Q1 2025, Tubes revenues were down (2%) year over year due to a (9%) reduction in average selling price. Volumes increased by 7% driven by higher shipments to the Middle East and North America. **Tubes EBITDA decreased from €220 million in Q1 2024 to €166 million Q1 2025.** This was driven by lower profitability in North America, partly offset by improvements in the rest of the world due to higher market pricing and the benefits of the New Vallourec plan.

Mine & Forest: In Q1 2025, iron ore production sold was 1.6 million tonnes, an increase of 15% year over year. **In Q1 2025, Mine & Forest EBITDA reached €53 million**, versus €30 million in Q1 2024, mainly reflecting higher sales volumes and improved ore quality following the successful start-up of the Phase 1 mine extension.

CASH FLOW AND FINANCIAL POSITION

First Quarter Cash Flow Analysis

In Q1 2025, adjusted operating cash flow was €171 million versus €235 million in Q1 2024. The decrease was attributable to lower EBITDA and higher tax payments.

Adjusted free cash flow was €168 million, flat versus €171 million in Q1 2024, driven by a working capital release which offset the lower operating cash flow.

Total cash generation in Q1 2025 was €104 million, versus €101 million in Q1 2024.

Debt and Liquidity

As of March 31, 2025, Vallourec's net cash position[a] was €112 million, a €91 million improvement versus December 31, 2024. Gross debt was €975 million, down from €1,103 million on December 31, 2024. Long-term debt was €933 million and short-term debt totaled €42 million.

As of March 31, 2025, Vallourec's liquidity position was very strong at €1,880 million, with €1,098 million of cash, availability on the revolving credit facility (RCF) of €550 million, and availability on its asset-backed lending facility (ABL) of €232 million.[b]

SECOND QUARTER AND FULL YEAR 2025 OUTLOOK

Second Quarter 2025 Group EBITDA is expected to range between €170 million and €200 million:

- In Tubes, EBITDA per tonne is expected to be flat to slightly higher sequentially, while volumes are anticipated to be flat to slightly down sequentially.
- In Mine & Forest, production sold is expected to be around 1.5 million tonnes. Profitability will be determined by prevailing iron ore market prices.

Full Year 2025 Group EBITDA is expected to reflect a second half improvement:

- In Tubes, international shipments are expected to increase in H2 2025 compared to H1 2025 due to strong bookings over recent quarters. EBITDA per tonne should improve in H2 2025 compared to H1 2025 especially due to higher invoiced international prices and cost savings.
- In Mine & Forest, production sold is expected to be around 6 million tonnes. Profitability will be determined by prevailing iron ore market prices.

SHAREHOLDER RETURNS

Vallourec's Board of Directors has proposed a dividend payment of €1.50 per share in 2025, subject to the approval of shareholders at the Annual General Meeting of May 22, 2025. Based on the number of shares outstanding as of April 7th, 2025, this would represent an amount of approximately €350 million. The ex-dividend date will be May 26, 2025 and payment date will be May 28, 2025.

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

[b] As of March 31, 2025, the borrowing base for this facility was approximately $260 million, and $9 million in letters of credit and other commitments were issued.

Information and Forward-Looking Statements

This press release includes forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts and include statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, Vallourec’s results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. Readers are cautioned that forward-looking statements are not guarantees of future performance and that Vallourec’s or any of its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. In addition, even if Vallourec’s or any of its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward-looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These risks include those developed or identified in the public documents filed by Vallourec with the French Financial Markets Authority (Autorité des marches financiers, or “AMF”), including those listed in the “Risk Factors” section of the Universal Registration Document filed with the AMF on March 27, 2025, under filing number n° D. 25-0192.

Accordingly, readers of this document are cautioned against relying on these forward-looking statements. These forward-looking statements are made as of the date of this document. Vallourec disclaims any intention or obligation to complete, update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable laws and regulations. This press release does not constitute any offer to purchase or exchange, nor any solicitation of an offer to sell or exchange securities of Vallourec. or further information, please refer to the website https://www.vallourec.com/en.

Future dividends and share buyback authorizations will be assessed on a yearly basis by the Board of Directors taking into account any relevant factor in the future, and will be subject to Shareholders’ approval. The Board of Directors will have discretion to employ share buybacks throughout the year, up to the limits authorized by the relevant resolution approved by the Annual General Meeting.

Presentation of Q1 2025 Results

Conference call / audio webcast on May 15th at 9:30 am CET

- To listen to the audio webcast: https://channel.royalcast.com/landingpage/vallourec-en/20250515_1/
- To participate in the conference call, please dial (password: “Vallourec”):
  - +44 (0) 33 0551 0200 (UK)
  - +33 (0) 1 7037 7166 (France)
  - +1 786 697 3501 (USA)
- Audio webcast replay and slides will be available at: https://www.vallourec.com/en/investors

About Vallourec

Vallourec is a world leader in premium tubular solutions for the energy markets and for demanding industrial applications such as oil & gas wells in harsh environments, new generation power plants, challenging architectural projects, and high-performance mechanical equipment. Vallourec’s pioneering spirit and cutting edge R&D open new technological frontiers. With close to 13,000 dedicated and passionate employees in more than 20 countries, Vallourec works hand-in-hand with its customers to offer more than just tubes: Vallourec delivers innovative, safe, competitive and smart tubular solutions, to make every project possible.

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

In the United States, Vallourec has established a sponsored Level 1 American Depositary Receipt (ADR) program (ISIN code: US92023R4074, Ticker: VLOWY). Parity between ADR and a Vallourec ordinary share has been set at 5:1.

Financial Calendar

May 22, 2025	Annual General Meeting
May 26, 2025	Ex-Dividend Date
May 28, 2025	Dividend Payment
July 25, 2025	Publication of Second Quarter and First-Half 2025 Results

For further information, please contact:

Investor relations
Connor Lynagh
Tel: +1 (713) 409-7842
connor.lynagh@vallourec.com

Individual shareholders
Toll Free Number (from France): 0 805 65 10 10
actionnaires@vallourec.com

Press relations
Taddeo - Romain Grière
Tel: +33 (0) 7 86 53 17 29
romain.griere@taddeo.fr

Nicolas Escoulan
Tel: +33 (0)6 42 19 14 74
nicolas.escoulan@taddeo.fr

APPENDICES

The Group's reporting currency is the euro. All amounts are expressed in millions of euros, unless otherwise specified. Certain numerical figures contained in this document, including financial information and certain operating data, have been subject to rounding adjustments.

Documents accompanying this release:

- Tubes Sales Volume
- Mine Sales Volume
- Foreign Exchange Rates
- Tubes Revenues by Geographic Region
- Tubes Revenues by Market
- Segment Key Performance Indicators (KPIs)
- Summary Consolidated Income Statement
- Summary Consolidated Balance Sheet
- Key Cash Flow Metrics
- Summary Consolidated Statement of Cash Flows (IFRS)
- Indebtedness
- Liquidity
- Definitions of Non-GAAP Financial Data

Tubes Sales Volume

in thousands of tonnes	2025	2024	YoY chg.
Q1	314	292	7%
Q2		351	–
Q3		292	–
Q4		362	–
Annual Total		1,297	–

Mine Sales Volume

in millions of tonnes	2025	2024	YoY chg.
Q1	1.6	1.4	15%
Q2		1.4	–
Q3		1.3	–
Q4		1.3	–
Annual Total		5.4	–

Foreign Exchange Rates

Average exchange rate	Q1 2025	Q4 2024	Q1 2024
EUR / USD	1.05	1.07	1.09
EUR / BRL	6.16	6.23	5.38
USD / BRL	5.85	5.83	4.95

Quarterly Tubes Revenues by Geographic Region

in € million	Q1 2025	Q4 2024	Q1 2024	QoQ % chg.	YoY % chg.
North America	385	403	450	(4%)	(14%)
Middle East	194	183	162	6%	20%
South America	123	132	153	(6%)	(19%)
Asia	120	128	68	(7%)	75%
Europe	36	44	51	(18%)	(29%)
Rest of World	55	92	48	(40%)	14%
Total Tubes	912	981	932	(7%)	(2%)

vallourec

Quarterly Tubes Revenues by Market

in € million	Q1 2025	Q4 2024	Q1 2024	QoQ % chg.	YoY % chg.	YoY % chg. at Const. FX
Oil & Gas and Petrochemicals	780	849	762	(8%)	2%	1%
Industry	75	76	119	(1%)	(37%)	(28%)
Other	57	56	51	1%	12%	11%
Total Tubes	**912**	**981**	**932**	**(7%)**	**(2%)**	**(2%)**

Quarterly Segment KPIs[c]

		Q1 2025	Q4 2024	Q1 2024	QoQ chg.	YoY chg.
Tubes	Volume sold	314	362	292	(13%)	7%
	Revenues (€m)	912	981	932	(7%)	(2%)
	Average Selling Price (€)	2,910	2,710	3,189	7%	(9%)
	EBITDA (€m)	166	185	220	(11%)	(25%)
	EBITDA per Tonne (€)	528	511	751	3%	(30%)
	Capex (€m)	33	32	46	4%	(28%)
Mine & Forest	Volume sold	1.6	1.3	1.4	20%	15%
	Revenues (€m)	90	74	80	20%	12%
	EBITDA (€m)	53	40	30	33%	74%
	Capex (€m)	16	12	9	32%	89%
H&O	Revenues (€m)	46	49	45	(7%)	3%
	EBITDA (€m)	(10)	(11)	(13)	(4%)	(24%)
Int.	Revenues (€m)	(57)	(40)	(67)	41%	(15%)
	EBITDA (€m)	(1)	(0)	(2)	–	–
Total	Revenues (€m)	991	1,065	990	(7%)	0%
	EBITDA (€m)	207	214	235	(3%)	(12%)
	Capex (€m)	50	46	56	11%	(9%)

[c] Volume sold in thousand tonnes for Tubes and million tonnes for Mine & Forest. H&O = Holding & Other; Int = Intersegment Transactions. Values for percentage changes not shown where not meaningful.

Quarterly Summary Consolidated Income Statement

€ million, unless noted	Q1 2025	Q4 2024	Q1 2024	QoQ chg.	YoY chg.
Revenues	**991**	**1,065**	**990**	**(74)**	**1**
Cost of sales	(699)	(769)	(669)	70	(29)
Industrial margin	**292**	**296**	**321**	**(3)**	**(28)**
(as a % of revenue)	*29.5%*	*27.8%*	*32.4%*	*1.7 pp*	*(2.9) pp*
Selling, general and administrative expenses	(81)	(88)	(87)	7	6
(as a % of revenue)	*(8.2%)*	*(8.3%)*	*(8.8%)*	*0.1 pp*	*0.6 pp*
Other	(4)	7	1	(11)	(5)
EBITDA	**207**	**214**	**235**	**(7)**	**(28)**
(as a % of revenue)	*20.9%*	*20.1%*	*23.7%*	*0.8 pp*	*(2.8) pp*
Depreciation of industrial assets	(41)	(48)	(45)	7	4
Amortization and other depreciation	(10)	(19)	(8)	9	(2)
Impairment of assets	(1)	(22)	3	21	(4)
Asset disposals, restructuring costs and non-recurring items	(8)	105	(11)	(112)	3
Operating income (loss)	**148**	**229**	**174**	**(82)**	**(26)**
Financial income (loss)	(10)	(29)	(20)	19	10
Pre-tax income (loss)	**138**	**200**	**154**	**(62)**	**(16)**
Income tax	(44)	(29)	(46)	(15)	2
Share in net income (loss) of equity affiliates	(0)	(0)	1	(0)	(1)
Net income	**94**	**171**	**108**	**(77)**	**(15)**
Attributable to non-controlling interests	8	8	3	(0)	5
Net income, Group share	**86**	**163**	**105**	**(77)**	**(19)**
Basic earnings per share (€)	0.37	0.71	0.46	(0.34)	(0.09)
Diluted earnings per share (€)	**0.34**	**0.67**	**0.43**	**(0.32)**	**(0.09)**
Basic shares outstanding (millions)	234	231	230	3	4
Diluted shares outstanding (millions)	**249**	**245**	**244**	**4**	**5**

Summary Consolidated Balance Sheet

In € million

Assets	31-Mar-25	31-Dec-24	Liabilities	31-Mar-25	31-Dec-24
			Equity - Group share	2,577	2,512
Net intangible assets	30	33	Non-controlling interests	94	89
Goodwill	35	34	**Total equity**	**2,671**	**2,601**
Net property, plant and equipment	1,802	1,842	Bank loans and other borrowings	933	962
Biological assets	65	61	Lease debt	44	41
Equity affiliates	16	17	Employee benefit commitments	72	75
Other non-current assets	125	150	Deferred taxes	82	84
Deferred taxes	172	180	Provisions and other long-term liabilities	220	266
Total non-current assets	**2,244**	**2,317**	**Total non-current liabilities**	**1,351**	**1,428**
Inventories	1,161	1,170	Provisions	69	83
Trade and other receivables	549	671	Overdraft & other short-term borrowings	42	141
Derivatives - assets	18	36	Lease debt	19	26
Other current assets	246	234	Trade payables	818	795
Cash and cash equivalents	1,098	1,103	Derivatives - liabilities	84	132
			Other current liabilities	261	325
Total current assets	**3,071**	**3,213**	**Total current liabilities**	**1,294**	**1,502**
Assets held for sale and discontinued operations	1	1	Liabilities held for sale and discontinued operations	–	–
Total assets	**5,316**	**5,531**	**Total equity and liabilities**	**5,316**	**5,531**

Quarterly Key Cash Flow Metrics

In € million	Q1 2025	Q4 2024	Q1 2024	QoQ chg.	YoY chg.
EBITDA	**207**	**214**	**235**	**(7)**	**(28)**
Non-cash items in EBITDA	(6)	(5)	10	(2)	(16)
Financial cash out	3	(36)	5	39	(1)
Tax payments	(33)	(24)	(15)	(9)	(19)
Adjusted operating cash flow	**171**	**149**	**235**	**22**	**(64)**
Change in working capital	79	3	(7)	76	86
Gross capital expenditure	(50)	(46)	(56)	(5)	5
Foreign exchange differences	(31)	71	(1)	(102)	(31)
Adjusted free cash flow	**168**	**178**	**171**	**(10)**	**(3)**
Restructuring charges & non-recurring items	(54)	(90)	(67)	36	12
Asset disposals & other cash items	(9)	166	(3)	(175)	(6)
Total cash generation	**104**	**253**	**101**	**(149)**	**3**
Shareholder returns	–	–	–	–	–
Total cash generation after shareholder returns	**104**	**253**	**101**	**(149)**	**3**
Non-cash adjustments to net debt	(13)	8	(16)	(21)	3
(Increase) decrease in net debt	**91**	**261**	**85**	**(170)**	**6**

Summary Consolidated Statement of Cash Flows (IFRS)

In € million	Q1 2025	Q1 2024	YoY chg.
Net income (loss)	**94**	**108**	**(15)**
Depreciation, amortization and impairment	52	52	(0)
Unrealized gains and losses on changes in fair value	(28)	(9)	(19)
Expense arising from share-based payments	4	22	(17)
Change in provisions	(34)	(53)	18
Capital gains and losses on disposals of non-current assets and equity interests	0	(7)	7
Share in income (loss) of equity-accounted companies	0	(1)	1
Others, including net exchange differences	(28)	1	(29)
Financial result, net	10	20	(10)
Tax expense (including deferred taxes)	44	46	(2)
Cash flow from operating activities before net financial result and taxes	**114**	**179**	**(65)**
Interest paid	(2)	(7)	5
Income tax paid	(33)	(15)	(19)
Interest received	7	10	(3)
Change in operating working capital	79	(7)	86
Net cash from (used in) operating activities (A)	**164**	**160**	**4**
Acquisitions of property, plant and equipment, and intangible and biological assets	(50)	(56)	5
Disposals of property, plant and equipment and intangible assets	2	12	(10)
Acquisition of subsidiary, net of cash acquired	(0)	(0)	0
Other cash flow from investing activities	(3)	(8)	5
Net cash flow from (used in) investing activities (B)	**(52)**	**(52)**	**1**
Increase or decrease in equity	–	–	–
Dividends paid to non-controlling interests	(0)	(1)	0
Proceeds from new borrowings	1	68	(67)
Repayment of borrowings	(31)	(3)	(28)
Repayment of lease liabilities	(7)	(6)	(1)
Other cash flows from (used in) financing activities	(1)	(0)	(1)
Net cash flow from (used in) financing activities (C)	**(38)**	**59**	**(97)**
Impact of reclassification to assets held for sale and discontinued operations (D)	**–**	**–**	**–**
Change in net cash (A+B+C+D)	**74**	**167**	**(93)**
Opening net cash	**1,026**	**898**	
Change in net cash	74	167	
Impact of changes in exchange rates	(3)	1	
Closing net cash	**1,097**	**1,065**	

Indebtedness

In € million	31-Mar-25	31-Dec-24
7.500% 8-year USD Senior Notes due 2032	741	771
1.837% PGE due 2027	178	176
ACC ACE [a]	5	39
Other [b]	52	117
Total gross financial indebtedness	**975**	**1,103**
Cash and cash equivalents	1,098	1,103
Fair value of cross currency swap [c]	10	(21)
Total net financial indebtedness	**(112)**	**(21)**

(a) *Refers to ACC (Advances on Foreign Exchange Contract) and ACE (Advances on Export Shipment Documents) program in Brazil*
(b) *Gross debt as of December 31, 2024 included a €77 million overdraft that was repaid in early January.*
(c) *Vallourec entered into 4-year cross-currency swaps (CCS) to hedge the EUR/USD currency exposure related to its USD 2032 Senior Notes. The fair value of the CCS related to the EUR/USD hedging of the principal of the notes is consequently included in the net debt definition.*

Liquidity

In € million	31-Mar-25	31-Dec-24
Cash and cash equivalents [a]	1,098	1,103
Available RCF	550	550
Available ABL [b]	232	224
Total liquidity	**1,880**	**1,877**

(a) *As of December 31, 2024, cash, net of overdrafts was €1,024 million. The €77 million overdraft reflected in the year end 2024 figures was repaid in early January.*
(b) *This $350m committed ABL is subject to a borrowing base calculation based on eligible accounts receivable and inventories, among other items. The borrowing base at March 31st 2025 was approximately $260m. Availability is shown net of approximately $9m of letters of credit and other items.*

DEFINITIONS OF NON-GAAP FINANCIAL DATA

Adjusted free cash flow is defined as adjusted operating cash flow +/- change in operating working capital and gross capital expenditures. It corresponds to net cash used in operating activities less restructuring and non-recurring items +/- gross capital expenditure.

Adjusted operating cash flow is defined as EBITDA adjusted for non-cash benefits and expenses, financial cash out and tax payments.

Asset disposals and other cash items includes cash inflows from asset sales as well as other investing and financing cash flows.

Change in working capital refers to the change in the operating working capital requirement.

Data at constant exchange rates: The data presented "at constant exchange rates" is calculated by eliminating the translation effect into euros for the revenue of the Group's entities whose functional currency is not the euro. The translation effect is eliminated by applying Year N-1 exchange rates to Year N revenue of the contemplated entities.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization is calculated by taking operating income (loss) before depreciation and amortization, and excluding certain operating revenues and expenses that are unusual in nature or occur rarely, such as:

- impairment of goodwill and non-current assets as determined within the scope of impairment tests carried out in accordance with IAS 36;
- significant restructuring expenses, particularly resulting from headcount reorganization measures, in respect of major events or decisions;
- capital gains or losses on disposals;
- income and expenses resulting from major litigation, significant roll-outs or capital transactions (e.g., costs of integrating a new activity).

Financial cash out includes interest payments on financial and lease debt, interest income and other financial costs.

Foreign exchange differences reconciles select items in the cash flow statement to their effective cash impact. This effect is related to intra-group financing, including related FX hedging.

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.

Net debt: Consolidated net debt (or "net financial debt") is defined as bank loans and other borrowings plus overdrafts and other short-term borrowings minus cash and cash equivalents plus the fair value of the cross-currency swaps related to the EUR/USD hedging of the principal of the $820 million 7.5% senior notes. Net debt excludes lease debt.

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).