



Investor Presentation - 4Q 2021 Update

March 4, 2022

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President & CEO

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Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Words such as “will,” “expect,” “look forward,” “guidance,” “targeted,” “goals”, and similar expressions are intended to identify forward-looking statements. Statements about the company’s business, including its strategy, its industry, the company’s future profitability, the company’s guidance on its sales, adjusted EBITDA, adjusted net income, adjusted diluted EPS, adjusted SG&A, gross profit, gross profit percentage, adjusted gross profit, adjusted gross profit percentage, net debt, tax rate, capital expenditures and cash from operations, free cash flow, free cash flow after dividends, growth in the company’s various markets and the company’s expectations, beliefs, plans, strategies, objectives, prospects and assumptions are not guarantees of future performance. These statements are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors, most of which are difficult to predict and many of which are beyond our control, including the factors described in the company’s SEC filings that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements, including the company’s Current Report on Form 8-K dated February 15, 2022.

For a discussion of key risk factors, please see the risk factors disclosed in the company’s SEC filings, which are available on the SEC’s website at www.sec.gov and on the company’s website, www.mrcglobal.com. Our filings and other important information are also available on the Investor Relations page of our website at www.mrcglobal.com.

Undue reliance should not be placed on the company’s forward-looking statements. Although forward-looking statements reflect the company’s good faith beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause the company’s actual results, performance or achievements or future events to differ materially from anticipated future results, performance or achievements or future events expressed or implied by such forward-looking statements. The company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent required by law.

Non-GAAP Disclaimer

In this presentation, the company is providing certain non-GAAP financial measures. These are not measures of financial performance calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP) and should not be considered as alternatives. The following GAAP measures have the following non-GAAP measures presented and derived from the respective GAAP measures:

- **net income (adjusted EBITDA)**
- **net income margin (adjusted EBITDA margin)**
- **gross profit (adjusted gross profit)**
- **gross profit percentage (adjusted gross profit percentage)**
- **net income (adjusted net income)**
- **diluted earnings per share (adjusted diluted EPS)**
- **selling, general and administrative expense (adjusted SG&A)**
- **net cash provided by operations (free cash flow and free cash flow after dividends)**
- **long-term debt, net (net debt)**

They should be viewed in addition to, and not as a substitute for, analysis of our results reported in accordance with GAAP. Management believes that these non-GAAP financial measures provide investors a view to measures similar to those used in evaluating our compliance with certain financial covenants under our credit facilities and provide meaningful comparisons between current and prior year period results. They are also used as a metric to determine certain components of performance-based compensation. They are not necessarily indicative of future results of operations that may be obtained by the company.

MRC Global

A Compelling Investment Opportunity



Market leader in PVF distribution with 100-year history



Diversified portfolio with multiple levers for growth



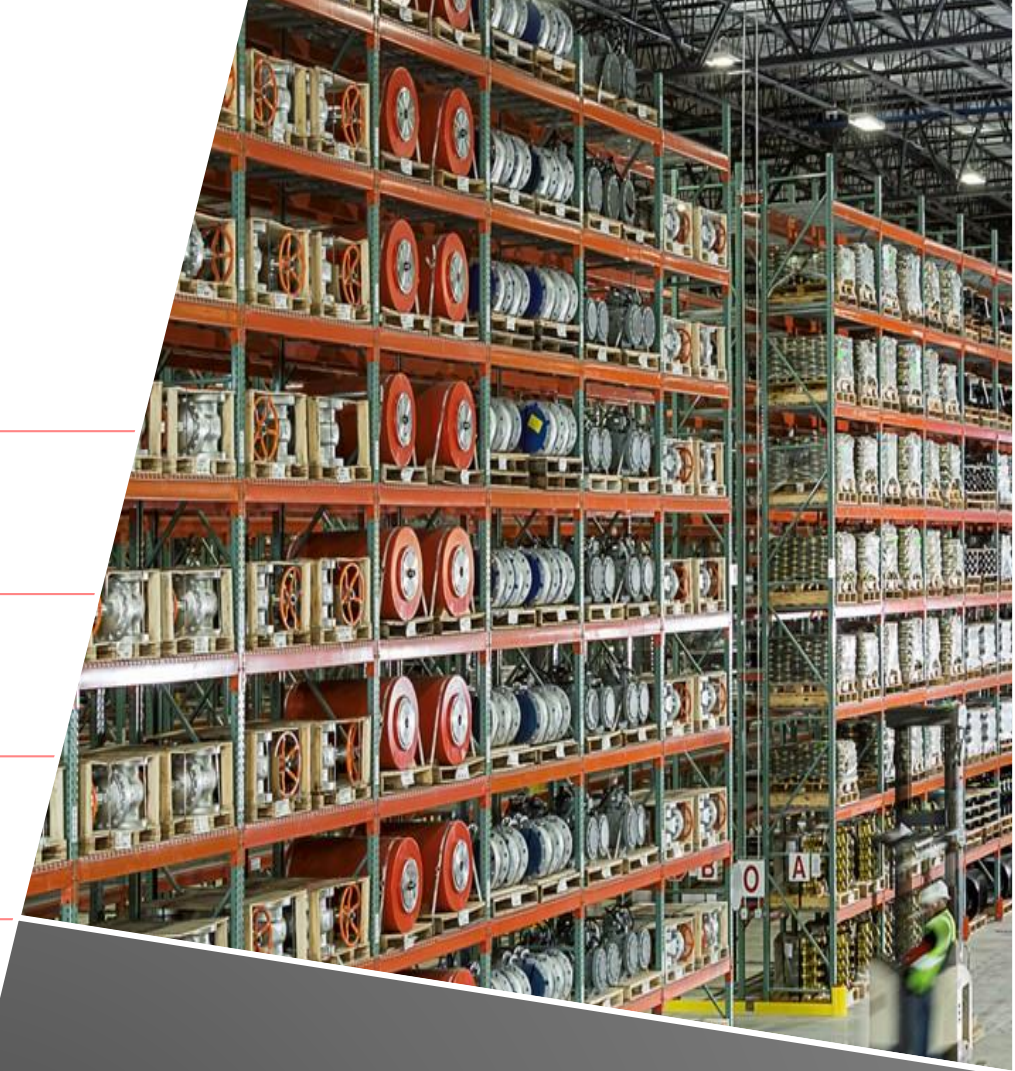
Technical and value-added supply-chain solutions



Solid balance sheet and improving profitability



Committed to ESG principles and sustainability



Experts You Can Trust

Global Footprint – Hub & Spoke Model Promotes Customer Service and Efficiency

Delivering Solutions to Customers and Market Access to Suppliers

Revenue by Region
(TTM)

82%

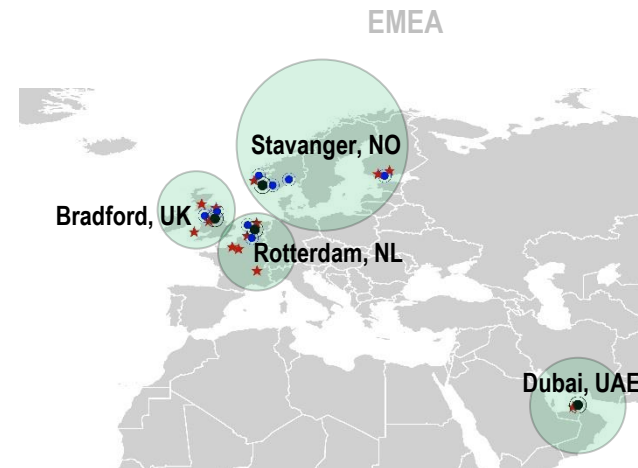
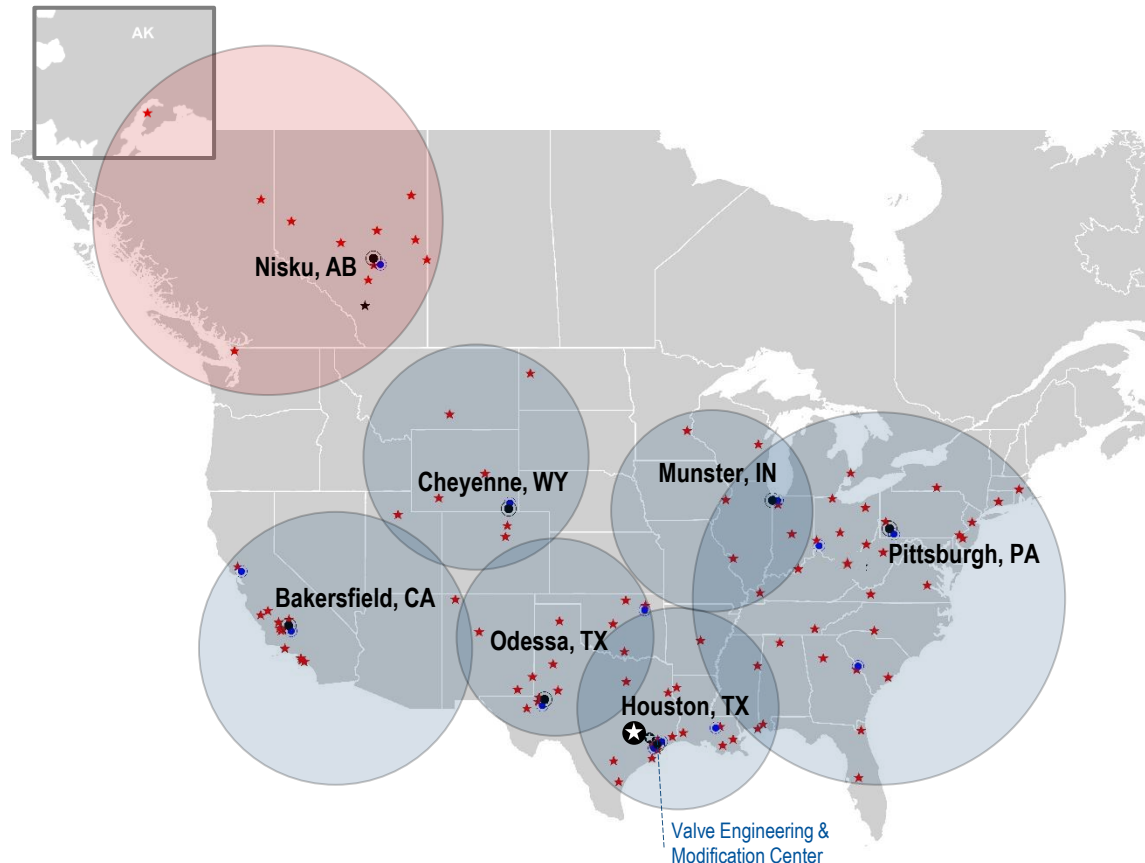
United States

5%

Canada

13%

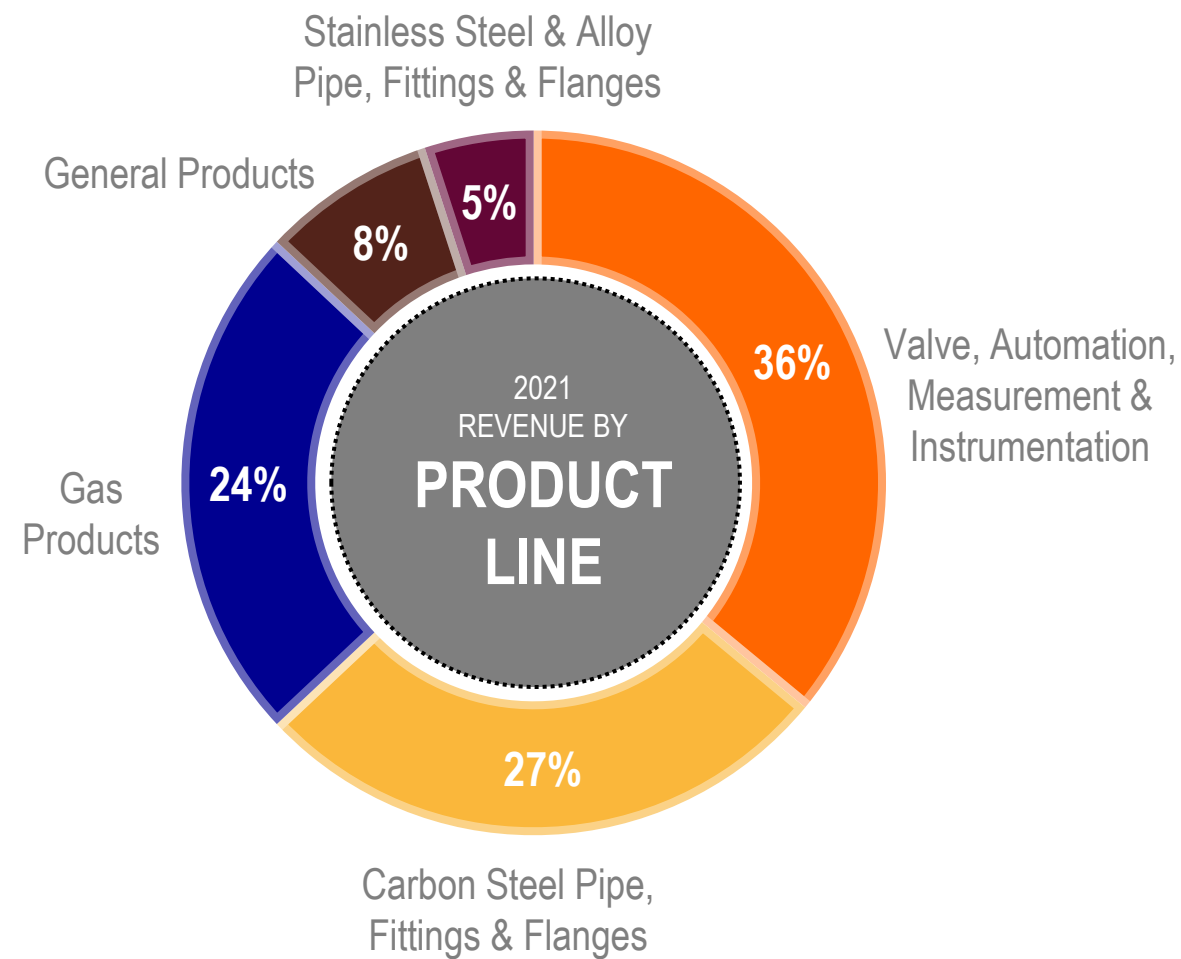
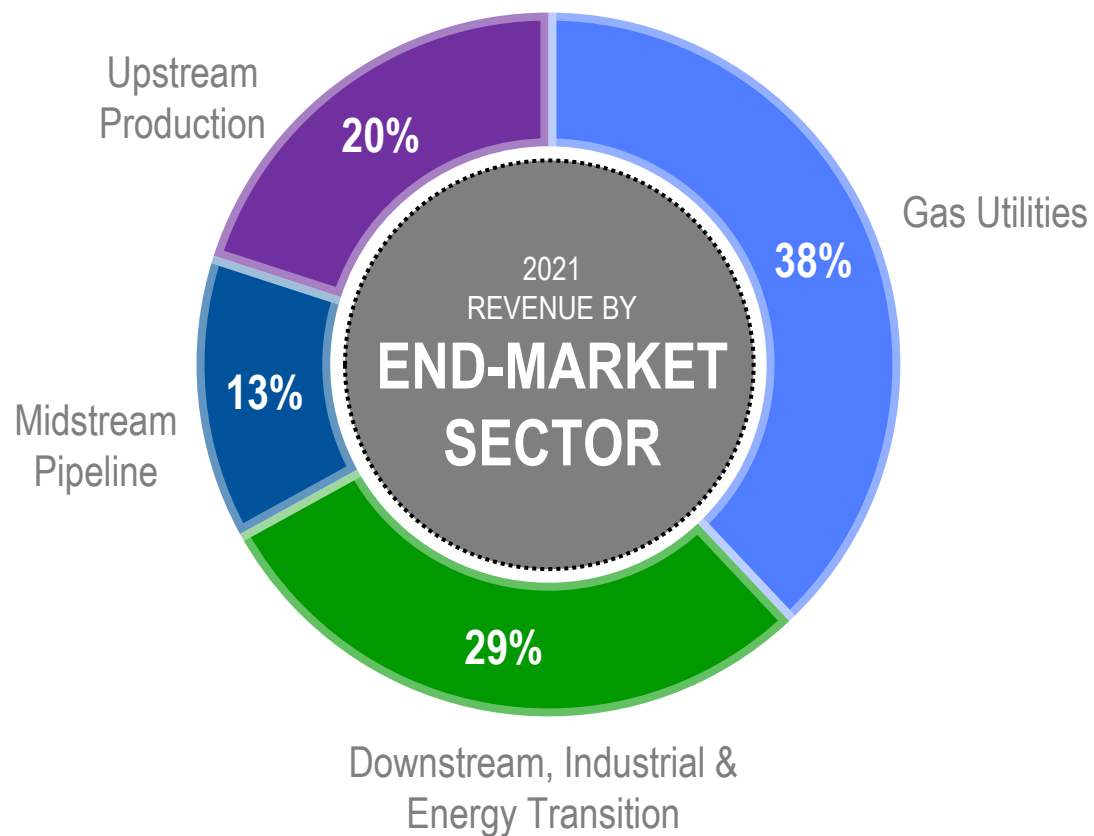
International



Global Footprint

- 13 ● Regional Distribution Centers
- 25 ● Valve & Engineering Centers
- 113 ★ Customer Service Centers
- ★ Headquarters
- 16 → Countries
- >2,600 → Employees

Diversified Portfolio - Revenue by End-Market Sector and Product Line



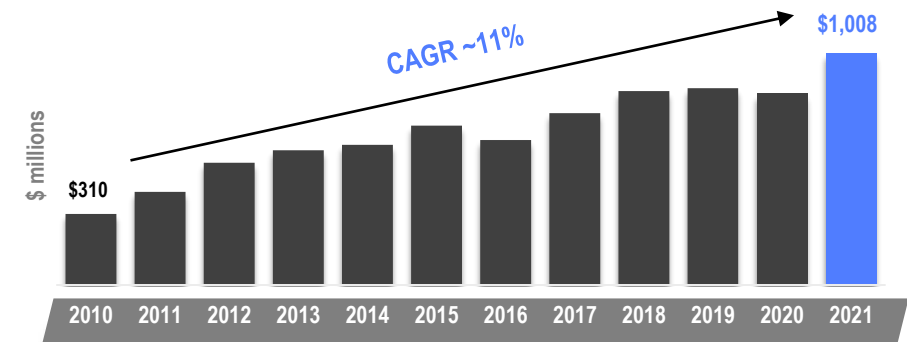
Gas Utilities – Underpinned by Secular Growth and Independent of Commodity Prices

Growth Drivers

- Multi-year pipeline integrity projects, new installations & climate change considerations such as low-emissions valves
- Annual customer budget growth averages ~5-7%
- Valve Engineering & Modification Center drives market penetration

Attributes

- **Independent of commodity prices**
- Contracts with the majority of the 25 largest gas utilities in the U.S.
- Achieved \$1 billion in revenue in 2021 (two years early)

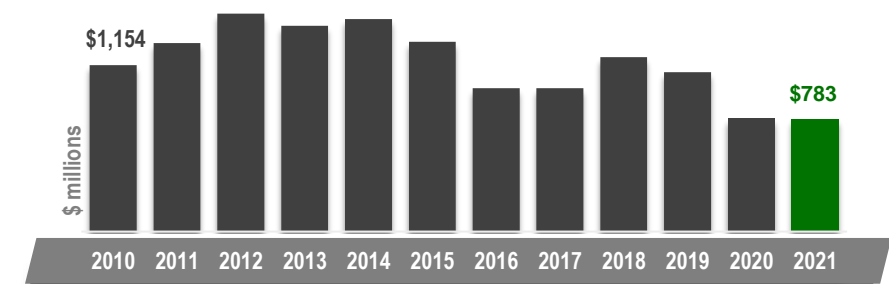
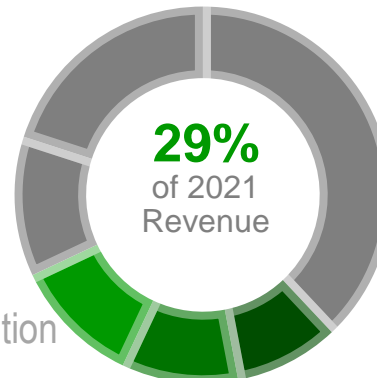


Downstream, Industrial & Energy Transition (DIET) – Multiple Growth Avenues

| Growth Drivers | Attributes |
|---|---|
| <ul style="list-style-type: none"> Increasing secular demand for plastics leading to petrochemical investments Valve-centric strategy and Downstream Center of Excellence targeting chemical & petrochemical industries Significant investments in energy transition & decarbonization projects as carbon reduction targets are prioritized Previously delayed turnaround activity resuming as pandemic restrictions ease | <ul style="list-style-type: none"> Less commodity price dependent Recurring MRO revenue plus greenfield and upgrade projects Heavily valve-centric More specialty metal alloy requirements |



9% Chemicals
 9% Refining
 11% Industrial & Energy Transition



Well-Positioned for Growth in Global Energy Transition

Massive Opportunity

Provide Products & Services for Green Energy and Decarbonization Solutions

- Trillions of dollars to be spent through private investment and government stimulus
- Solutions include: Biofuels, carbon capture, utilization and storage (CCUS), hydrogen, geothermal, hydro, wind and solar
- Covers a broad set of global customers across all segments and sectors
- Greenfield projects, conversions and MRO activities
- Currently represents a small portion of MRC Global revenue and profits



MRC Global Capabilities

Skills, Assets & Experience to Accelerate Growth Opportunities

- Existing energy customers pivoting portfolios toward green energy and decarbonization
- Global footprint to serve multinational customers
- Efficient and well-established supply chain network
- Deep knowledge of PVF products and value-added services
- Experience with multiple forms of green energy and CCUS projects

Partnering in the Energy Transition

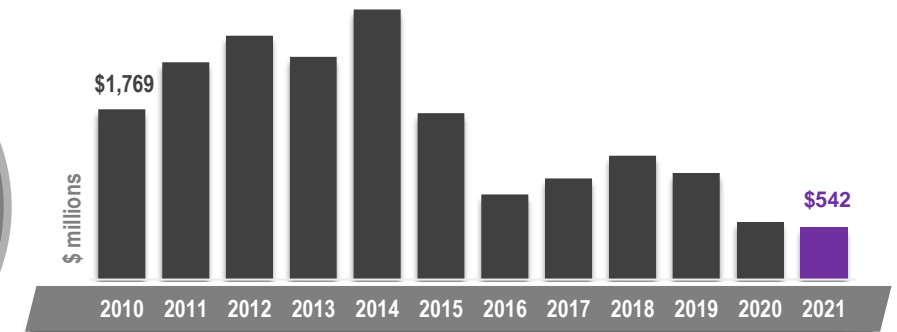
Upstream Production – Economic Recovery Driving Growth

Growth Drivers

- Global economic recovery, industrialization & population growth
- Capital budgets for well completions

Attributes

- Provide surface equipment for well hook-ups, flow lines & tank batteries
- Located in all major basins - revenue follows basin market activity levels
- Customer mix weighted to IOCs and large, public independents



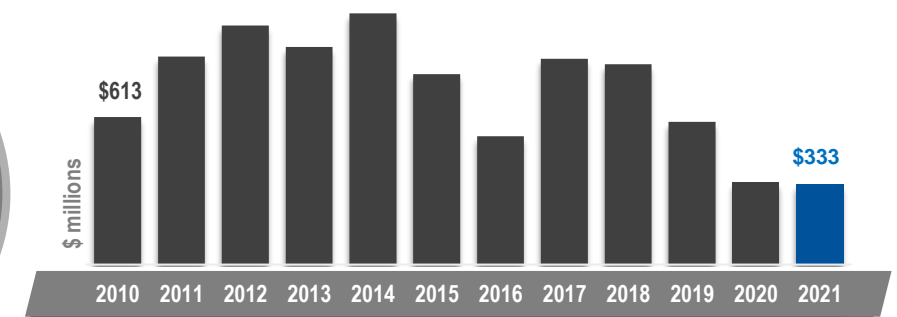
Midstream Pipeline – Infrastructure Modernization & Maintenance Driving Growth

Growth Drivers

- Modernization & replacement projects, production growth and hydrocarbon exports in the U.S.
- Valve Engineering & Modification Center drives market penetration

Attributes

- Transmission and gathering customers
- Supply PVF “bulks & shorts” for transmission projects
- Provide staging and logistical services



Technical and Value-Added Supply-Chain Solutions

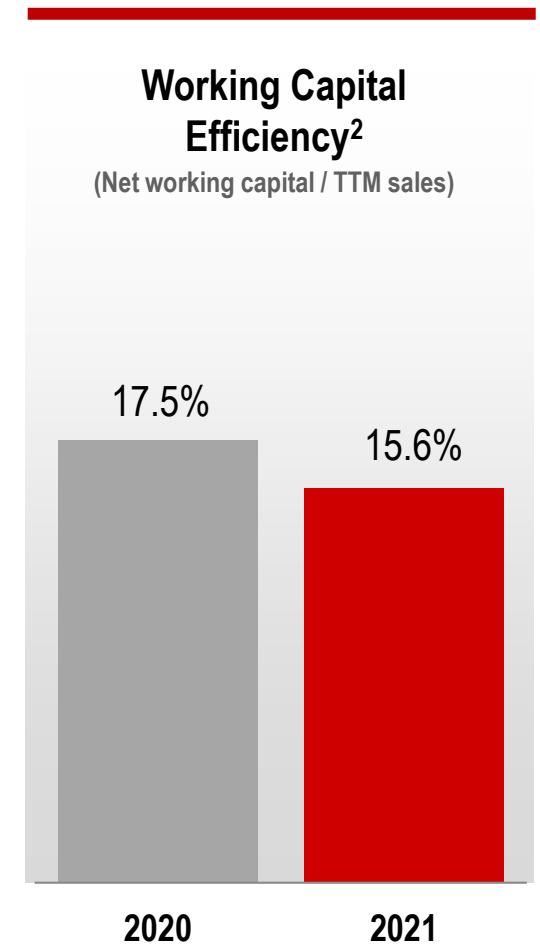
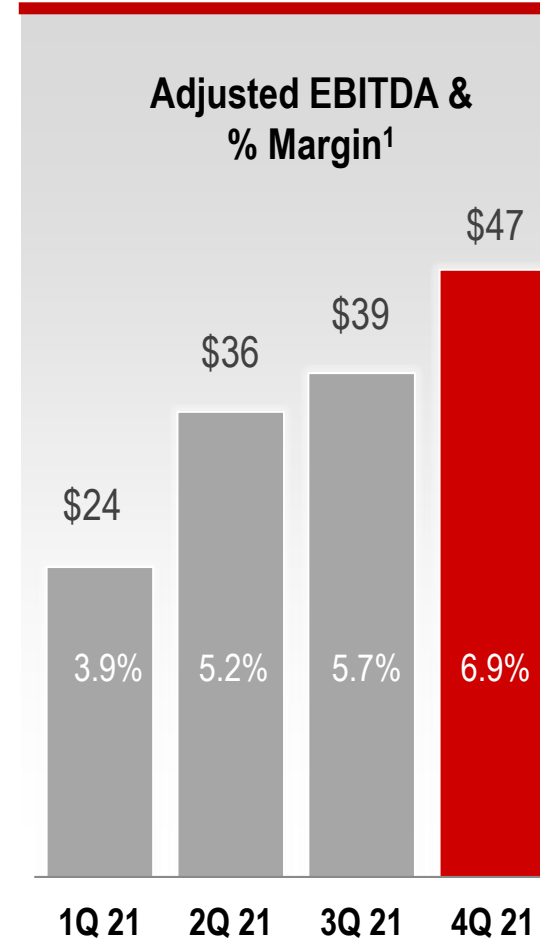
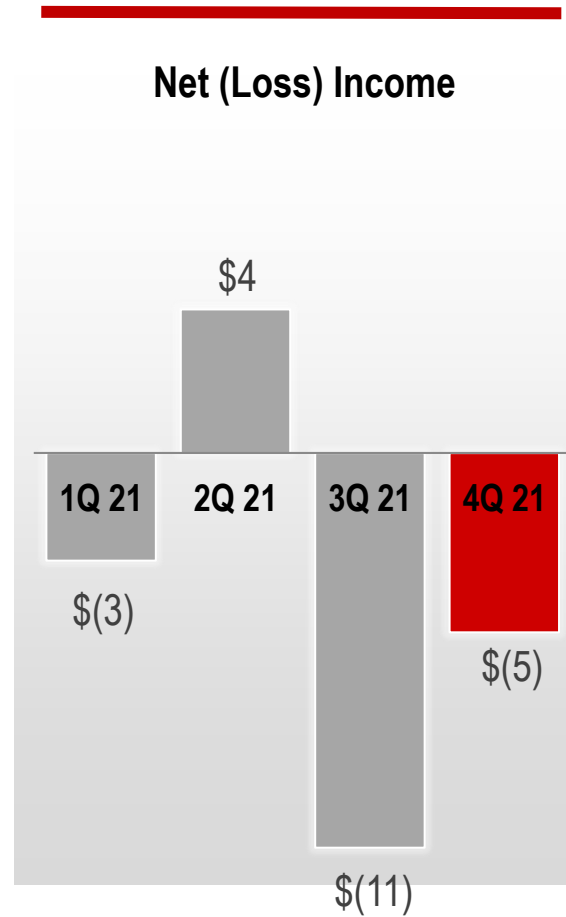
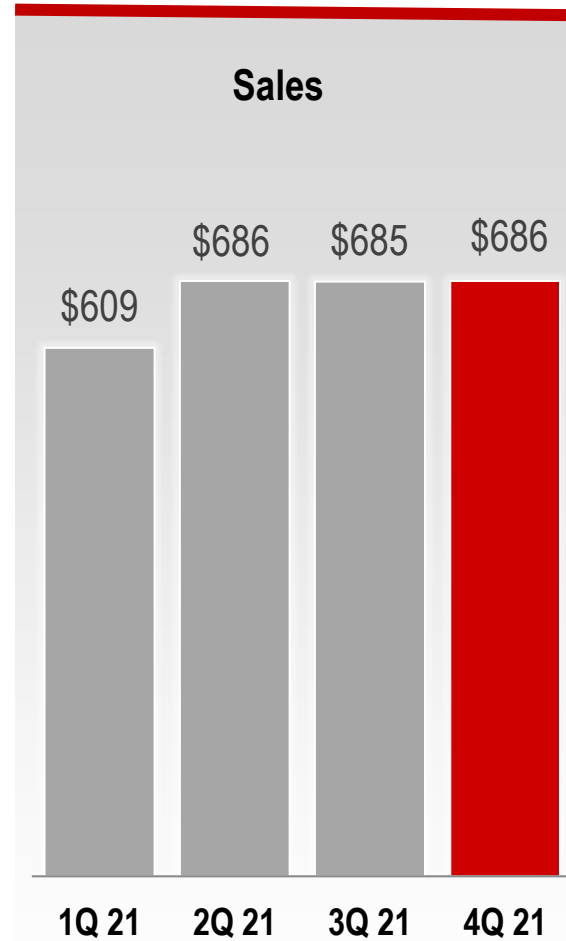
Providing customers technical, engineered products and supply-chain solutions:

- Valve Engineering Centers and Valve Engineering and Modification Center
 - Actuation, modification, ValidTorque™
 - Complete engineering documentation (CAD drawings)
 - Testing services (e.g., hydrostatic testing, weld x-rays)
 - Steam system surveys and audits
 - On-site product assistance, training and demonstrations
- Quality Assurance Program – Approved Manufacturers List Qualification & Supplier Audits
- Integrated Supply Solutions – Complete inventory management services including warehouse and logistics solutions, stock replenishment and product rationalization



Improving Profitability

(\$ millions)



1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

2. Working capital defined as Current Assets (excluding Cash) – Current Liabilities. Sales are on trailing twelve months basis.

Solid Balance Sheet & Financial Flexibility

as of December 31, 2021 (\$ millions)

Debt Profile

Cash & Cash Equivalents **\$ 48**

Debt (including current portion):

Term Loan B due 2024 **\$ 297**
(net of discount & deferred financing costs)

Global ABL Facility **-**
due 2026

Total Debt **\$ 297**

Net Debt¹

4Q 21 **\$ 249M**

4Q 20 **\$ 264M**

Leverage Ratio²

2.7x

1.7x

4Q 20

4Q 21

Liquidity³

4Q 21 **\$532**

4Q 20 **\$551**

1. Net debt is total debt less cash. See reconciliation in appendix.
2. Net leverage multiples represent net debt / trailing twelve months adjusted EBITDA.
3. Cash plus excess availability under the Global ABL facility.

Committed to ESG Principles and Sustainability

Environmental

- Pollution control for customers – Offer low-e valves reducing fugitive waste emissions, such as methane
- Reduced our North American Scope 1 emissions ~**33%** from **2018** to **2020**
- Continually improving impact by reducing transportation moves

ESG Developments

- Publishing our 5th ESG report in the first half of 2022
- Designated a Vice President – ESG in 2021



Diversity & Inclusion

- **30%** of Board of Directors from Diversity Groups
- Women make up **55%** of global corporate employees

Social Responsibility

- **Strong safety culture**
- Top Quartile Safety Performance in 2020 National Association Wholesaler-Distributors Survey
- Supplier Quality Process (Processes, Policies & Audits)

Governance

- Adopted SASB reporting standards
- **Executive compensation tied to safety metric**
- Board of Directors' Governance Committee now known as Environmental, Social, Governance & Enterprise Risk Committee

MRC Global

A Compelling Investment Opportunity



Market leader in PVF distribution with 100-year history



Diversified portfolio with multiple levers for growth



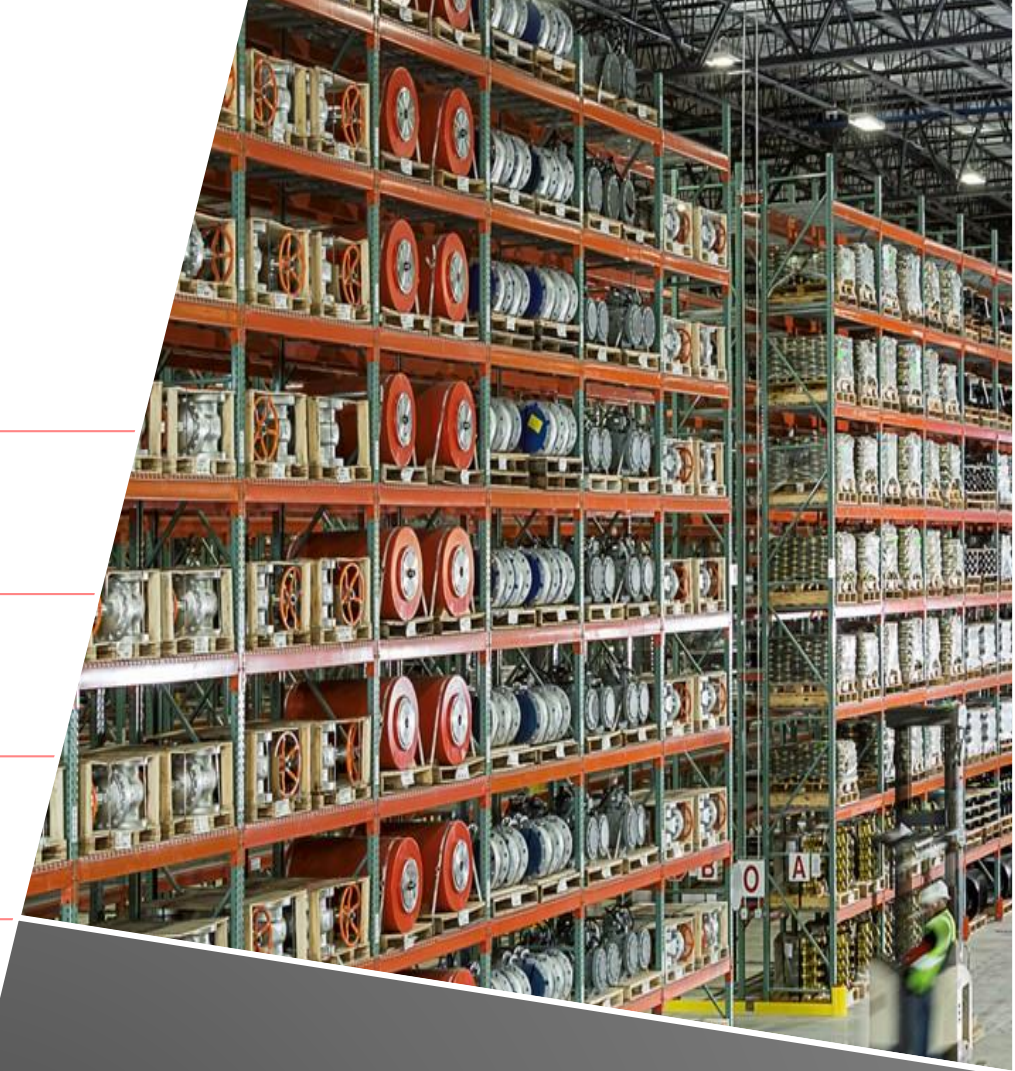
Technical and value-added supply-chain solutions



Solid balance sheet and improving profitability



Committed to ESG principles and sustainability

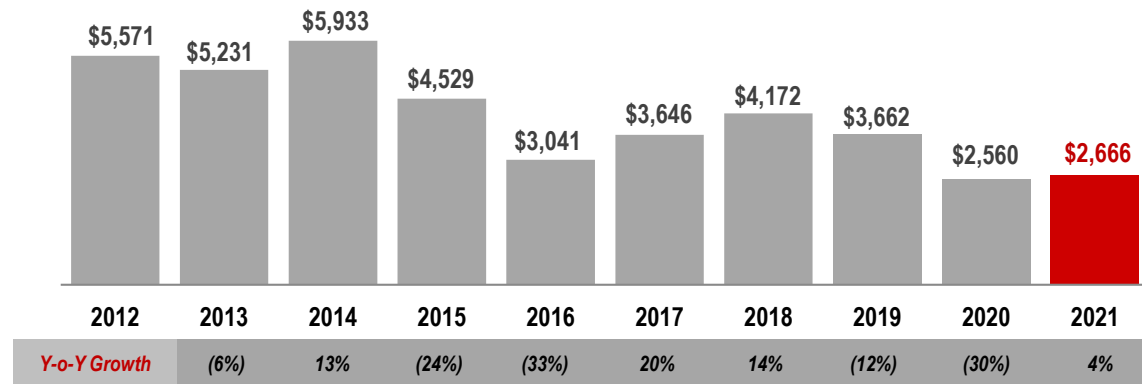


Experts You Can Trust

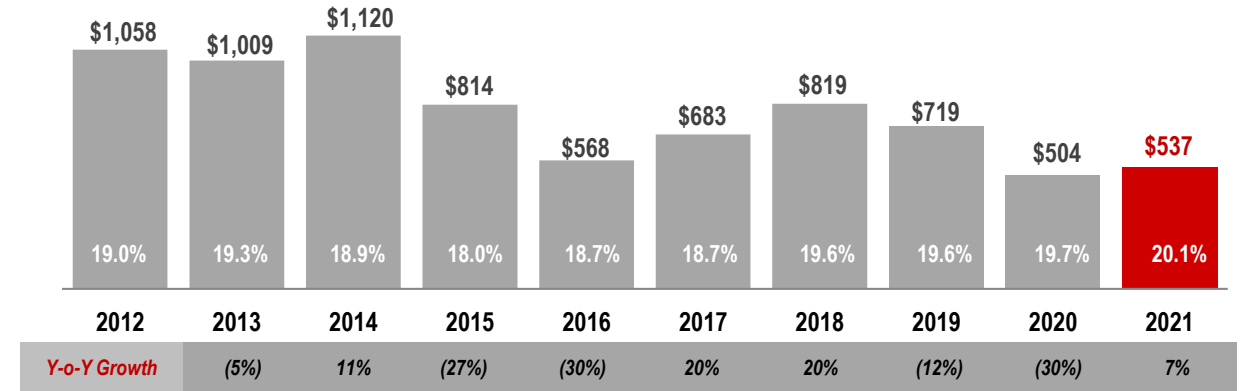
APPENDIX

Annual Financial Performance (\$ millions, except per share data)

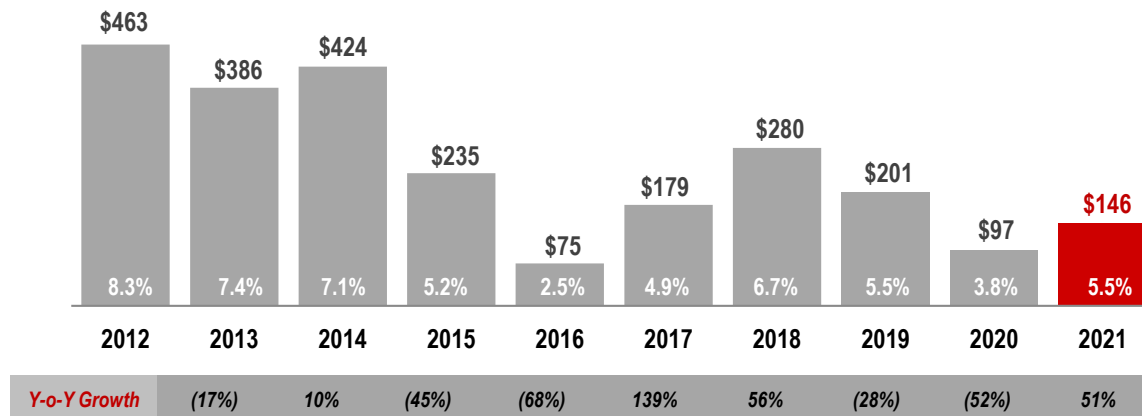
SALES



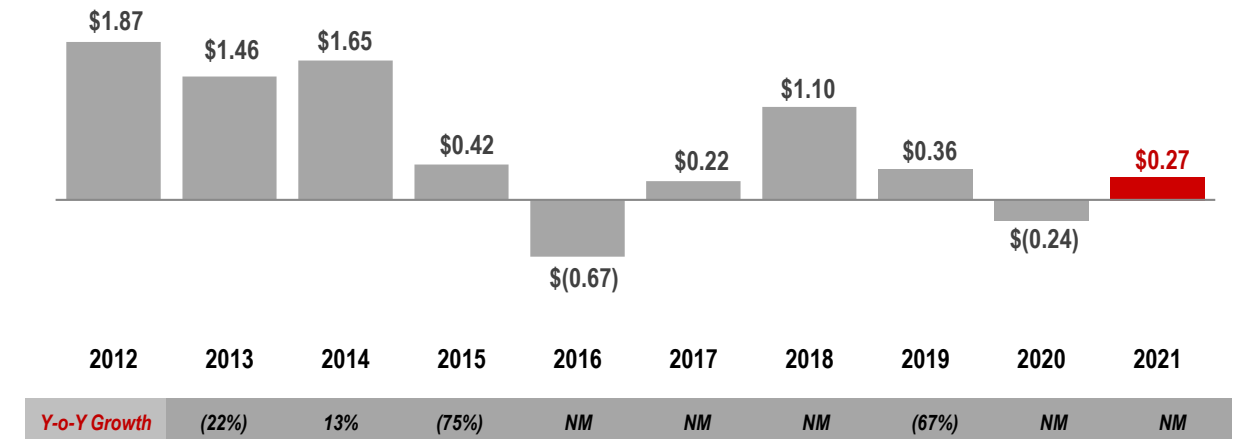
ADJUSTED GROSS PROFIT & % MARGIN¹



ADJUSTED EBITDA & % MARGIN¹



ADJUSTED DILUTED EPS¹

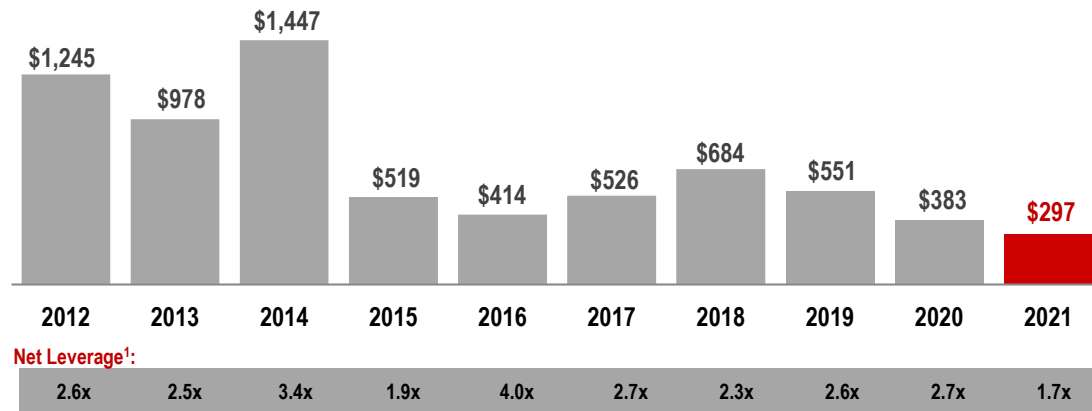


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

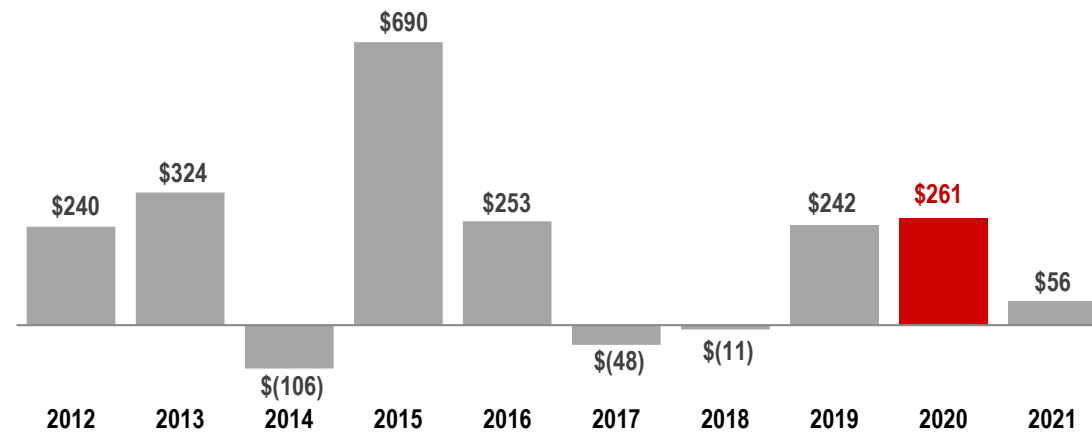
Balance Sheet

(\$ millions)

TOTAL DEBT



CASH FLOW FROM OPERATIONS

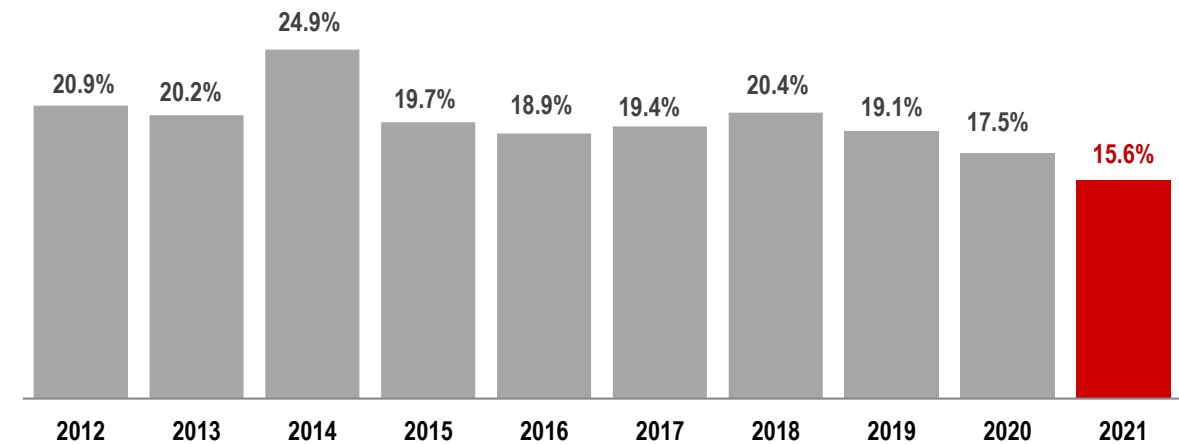


CAPITAL STRUCTURE

December 31, 2021

| | |
|--|---------------|
| Cash and Cash Equivalents | \$ 48 |
| Total Debt (including current portion): | |
| Term Loan B due 2024 (net of discount & deferred financing costs) | \$ 297 |
| Global ABL Facility due 2022 | - |
| Total Debt | \$ 297 |
| Preferred stock | 355 |
| Common stockholders' equity | 323 |
| Total Capitalization | \$ 975 |
| Liquidity | \$ 532 |

NET WORKING CAPITAL AS % OF SALES²



1. Net leverage multiples represent net debt / trailing twelve months adjusted EBITDA. Net debt is total debt less cash.
 2. Working capital defined as current assets (excluding cash) – current liabilities. Sales are on trailing twelve months basis.

Adjusted Gross Profit Reconciliation

YEAR ENDED DECEMBER 31

| (\$ millions) | 2021 | | 2020 | | 2019 | | 2018 | | 2017 | | 2016 | | 2015 | | 2014 | | 2013 | | 2012 | |
|-------------------------------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|----------------|--------------|-----------------|--------------|-----------------|--------------|-----------------|--------------|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Sales | \$2,666 | | \$2,560 | | \$3,662 | | \$4,172 | | \$3,646 | | \$3,041 | | \$4,529 | | \$5,933 | | \$5,231 | | \$5,571 | |
| Gross profit | \$ 417 | 15.6% | \$ 431 | 16.8% | \$ 653 | 17.8% | \$ 689 | 16.5% | \$ 582 | 16.0% | \$ 468 | 15.4% | \$ 786 | 17.4% | \$ 1,018 | 17.2% | \$ 955 | 18.3% | \$ 1,014 | 18.2% |
| Depreciation and amortization | 19 | | 20 | | 21 | | 23 | | 22 | | 22 | | 21 | | 22 | | 22 | | 19 | |
| Amortization of intangibles | 24 | | 26 | | 42 | | 45 | | 45 | | 47 | | 60 | | 68 | | 52 | | 49 | |
| (Decrease) increase in LIFO reserve | 77 | | (19) | | (2) | | 62 | | 28 | | (14) | | (53) | | 12 | | (20) | | (24) | |
| Inventory charges and other | - | | 46 | | 5 | | - | | 6 | | 45 | | - | | - | | - | | - | |
| Adjusted Gross Profit | \$ 537 | 20.1% | \$ 504 | 19.7% | \$ 719 | 19.6% | \$ 819 | 19.6% | \$ 683 | 18.7% | \$ 568 | 18.7% | \$ 814 | 18.0% | \$ 1,120 | 18.9% | \$ 1,009 | 19.3% | \$ 1,058 | 19.0% |

Note: Adjusted gross profit is a non-GAAP measure. For a discussion of the use of adjusted gross profit, see our Current Report on Form 8-K dated February 15, 2022.

Adjusted EBITDA Reconciliation - Quarters

THREE MONTHS ENDED

| (\$ millions) | December 31, 2021 | | September 31, 2021 | | June 30, 2021 | | March 31, 2021 | |
|--|-------------------|------------|--------------------|------------|---------------|------------|----------------|------------|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Sales | \$ 686 | | \$ 685 | | \$ 686 | | \$ 609 | |
| Net (loss) income | \$ (4) | (0.6)% | \$ (11) | (1.6)% | \$ 4 | 0.6% | \$ (3) | (0.5)% |
| Income tax expense (benefit) | 1 | | (2) | | 1 | | - | |
| Interest expense | 5 | | 6 | | 6 | | 6 | |
| Depreciation and amortization | 5 | | 4 | | 5 | | 5 | |
| Amortization of intangibles | 6 | | 6 | | 6 | | 6 | |
| Increase (decrease) in LIFO reserve | 30 | | 32 | | 11 | | 4 | |
| Equity-based compensation expense | 2 | | 3 | | 2 | | 5 | |
| Foreign currency losses (gains) | - | | 1 | | 1 | | - | |
| Employee separation | - | | - | | - | | 1 | |
| Inventory-related charges | - | | - | | - | | - | |
| Facility closures | 1 | | - | | - | | - | |
| Goodwill & intangible asset impairment | - | | - | | - | | - | |
| Severance & restructuring charges | 1 | | - | | - | | - | |
| Gain on early extinguishment of debt | - | | - | | - | | - | |
| Recovery of supplier bad debt | - | | - | | - | | - | |
| Gain on sale leaseback | - | | - | | - | | - | |
| Adjusted EBITDA | \$ 47 | 6.9% | \$ 39 | 5.7% | \$ 36 | 5.2% | \$ 24 | 3.9% |

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of adjusted EBITDA, see our Current Report on Form 8-K dated February 15, 2022.

Adjusted EBITDA Reconciliation – Annual Periods

YEAR ENDED DECEMBER 31

| (\$ millions) | 2021 | | 2020 | | 2019 | | 2018 | | 2017 | |
|---|-----------------|----------------|-----------------|----------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Sales | \$ 2,666 | | \$2,560 | | \$3,662 | | \$4,172 | | \$3,646 | |
| Net (loss) income | \$ (14) | (0.05)% | \$ (274) | (10.7)% | \$ 39 | 1.1% | \$ 74 | 1.8% | \$ 50 | 1.4% |
| Income tax (benefit) expense | - | | (9) | | 27 | | 21 | | (43) | |
| Interest expense | 23 | | 28 | | 40 | | 38 | | 31 | |
| Depreciation and amortization | 19 | | 20 | | 21 | | 23 | | 22 | |
| Amortization of intangibles | 24 | | 26 | | 42 | | 45 | | 45 | |
| (Decrease) increase in LIFO reserve | 77 | | (19) | | (2) | | 62 | | 28 | |
| Equity-based compensation expense | 12 | | 12 | | 16 | | 14 | | 16 | |
| Foreign currency losses (gains) | 2 | | 2 | | (1) | | (1) | | (2) | |
| Employee separation | 1 | | - | | - | | -- | | | |
| Inventory-related charges | - | | 46 | | 5 | | - | | 6 | |
| Facility closures | 1 | | 17 | | - | | - | | - | |
| Goodwill & intangible asset impairment | - | | 242 | | - | | - | | - | |
| Severance & restructuring charges | 1 | | 14 | | 9 | | 4 | | 14 | |
| Gain on sale of leaseback | - | | (5) | | - | | - | | - | |
| Recovery of supplier bad debt & Supplier bad debt | - | | (2) | | 5 | | - | | - | |
| (Gain) loss on early extinguishment of debt | - | | (1) | | - | | - | | - | |
| Write off of debt issuance costs | - | | - | | - | | 1 | | 8 | |
| Litigation matter | - | | - | | - | | - | | 3 | |
| Change in fair value of derivative instruments | - | | - | | - | | (1) | | 1 | |
| Adjusted EBITDA | \$ 146 | 5.5% | \$ 97 | 3.8% | \$ 201 | 5.5% | \$ 280 | 6.7% | \$ 179 | 4.9% |

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of adjusted EBITDA, see our Current Report on Form 8-K dated February 15, 2022..

Adjusted EBITDA Reconciliation – Annual Periods

YEAR ENDED DECEMBER 31

(\$ millions)

| | 2016 | | 2015 | | 2014 | | 2013 | | 2012 | |
|---|----------------|---------------|-----------------|---------------|----------------|-------------|----------------|-------------|----------------|-------------|
| | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales | Amount | % of Sales |
| Sales | \$3,041 | | \$4,529 | | \$5,933 | | \$5,231 | | \$5,571 | |
| Net (loss) income | \$ (83) | (2.7%) | \$ (331) | (7.3%) | \$ 144 | 2.4% | \$ 152 | 2.9% | \$ 118 | 2.1% |
| Income tax (benefit) expense | (8) | | (11) | | 82 | | 85 | | 64 | |
| Interest expense | 35 | | 48 | | 62 | | 61 | | 113 | |
| Depreciation and amortization | 22 | | 21 | | 22 | | 22 | | 19 | |
| Amortization of intangibles | 47 | | 60 | | 68 | | 52 | | 49 | |
| (Decrease) increase in LIFO reserve | (14) | | (53) | | 12 | | (20) | | (24) | |
| Equity-based compensation expense | 12 | | 10 | | 9 | | 15 | | 8 | |
| Foreign currency losses (gains) | 4 | | 3 | | 3 | | 13 | | (1) | |
| Goodwill & intangible asset impairment | - | | 462 | | - | | - | | - | |
| Inventory-related charges | 40 | | - | | - | | - | | - | |
| Severance & restructuring charges | 20 | | 14 | | 8 | | 1 | | - | |
| Loss on early extinguishment of debt | - | | - | | - | | - | | 114 | |
| Write off of debt issuance costs | 1 | | 3 | | - | | - | | - | |
| Litigation matter | - | | 3 | | - | | - | | - | |
| Change in fair value of derivative instruments | (1) | | 1 | | 1 | | (5) | | (2) | |
| Loss on disposition of non-core product line | - | | 5 | | 10 | | - | | - | |
| Insurance charge | - | | - | | - | | 2 | | - | |
| Cancellation of executive employment agreement (cash portion) | - | | - | | 3 | | - | | - | |
| Expenses associated with refinancing | - | | - | | - | | 5 | | 2 | |
| Pension settlement | - | | - | | - | | - | | 4 | |
| Other expense (income) | - | | - | | - | | 3 | | (1) | |
| Adjusted EBITDA | \$ 75 | 2.5% | \$ 235 | 5.2% | \$ 424 | 7.1% | \$ 386 | 7.4% | \$ 463 | 8.3% |

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of adjusted EBITDA, see our Current Report on Form 8-K dated February 15, 2022..

Adjusted Net Income (Loss) Reconciliation – Annual Periods

YEAR ENDED DECEMBER 31

(\$ millions)

| | 2021 | | 2020 | | 2019 | | 2018 | | 2017 | |
|---|----------------|------------------|-----------------|------------------|--------------|----------------|---------------|----------------|--------------|----------------|
| | Amount | Per Share | Amount | Per Share | Amount | Per Share | Amount | Per Share | Amount | Per Share |
| Net (loss) income attributable to common stockholders | \$ (38) | \$ (0.46) | \$ (298) | \$ (3.63) | \$ 15 | \$ 0.18 | \$ 50 | \$ 0.54 | \$ 26 | \$ 0.27 |
| Goodwill and intangible asset impairment, net of tax | - | - | 234 | 2.85 | - | - | - | - | - | - |
| Inventory-related charges, net of tax | - | - | 38 | 0.46 | 5 | 0.06 | - | - | 6 | 0.06 |
| Severance and restructuring, net of tax | 1 | 0.01 | 12 | 0.15 | 7 | 0.08 | 3 | 0.03 | 14 | 0.15 |
| Recovery of supplier bad debt and supplier bad debt, net of tax | - | - | (2) | (0.02) | 5 | 0.06 | - | - | - | - |
| (Decrease) increase in LIFO reserve, net of tax | 58 | 0.71 | (15) | (0.18) | (2) | (0.02) | 48 | 0.52 | 18 | 0.19 |
| Loss on early extinguishment of debt, net of tax | - | - | - | - | - | - | - | - | - | - |
| Facility closures, net of tax | 1 | 0.01 | 15 | 0.18 | - | - | - | - | - | - |
| Gain on sale leaseback | - | - | (4) | (0.05) | - | - | - | - | - | - |
| Litigation matter, net of tax | - | - | - | - | - | - | - | - | 2 | 0.02 |
| Write-off of debt issuance costs, net of tax | - | - | - | - | - | - | 1 | 0.01 | 5 | 0.05 |
| Income tax adjustment | - | - | - | - | - | - | - | - | (50) | (0.52) |
| Adjusted (loss) net income attributable to common stockholders | \$ 22 | \$ 0.27 | \$ (20) | \$ (0.24) | \$ 30 | \$ 0.36 | \$ 102 | \$ 1.10 | \$ 21 | \$ 0.22 |

Note: Adjusted net income is a non-GAAP measure. For a discussion of the use of adjusted net income, see our Current Report on Form 8-K dated February 15, 2022..

Adjusted Net Income (Loss) Reconciliation – Annual Periods

YEAR ENDED DECEMBER 31

(\$ millions)

| | 2016 | | 2015 | | 2014 | | 2013 | | 2012 | |
|---|-----------------|------------------|-----------------|------------------|---------------|----------------|---------------|----------------|---------------|----------------|
| | Amount | Per Share | Amount | Per Share | Amount | Per Share | Amount | Per Share | Amount | Per Share |
| Net (loss) income attributable to common stockholders | \$ (107) | \$ (1.10) | \$ (344) | \$ (3.38) | \$ 144 | \$ 1.40 | \$ 152 | \$ 1.48 | \$ 118 | \$ 1.22 |
| Goodwill and intangible asset impairment, net of tax | - | - | 402 | 3.94 | - | - | - | - | - | - |
| Inventory-related charges, net of tax | 33 | 0.34 | - | - | - | - | - | - | - | - |
| Severance and restructuring, net of tax | 17 | 0.17 | 11 | 0.11 | 6 | 0.06 | - | - | - | - |
| (Decrease) increase in LIFO reserve, net of tax | (9) | (0.09) | (33) | (0.32) | 8 | 0.08 | (13) | (0.13) | (15) | (0.15) |
| Loss on early extinguishment of debt, net of tax | - | - | - | - | - | - | - | - | 74 | 0.76 |
| Litigation matter, net of tax | - | - | 2 | 0.02 | - | - | - | - | - | - |
| Write-off of debt issuance costs, net of tax | 1 | 0.01 | 2 | 0.02 | - | - | - | - | 1 | 0.01 |
| Executive separation expense, net of tax | - | - | - | - | - | - | 1 | 0.01 | - | - |
| Loss on disposition of non-core product lines, net of tax | - | - | 3 | 0.03 | 8 | 0.08 | - | - | - | - |
| Insurance charge, net of tax | - | - | - | - | - | - | 1 | 0.01 | - | - |
| Expenses associated with refinancing, net of tax | - | - | - | - | - | - | 3 | 0.03 | - | - |
| Equity-based compensation acceleration, net of tax | - | - | - | - | - | - | 3 | 0.03 | - | - |
| Income tax adjustment | - | - | - | - | - | - | 3 | 0.03 | - | - |
| Cancellation of executive employment agreement, net of tax | - | - | - | - | 3 | 0.03 | - | - | - | - |
| Pension settlement, net of tax | - | - | - | - | - | - | - | - | 3 | 0.03 |
| Adjusted (loss) net income attributable to common stockholders | \$ (65) | \$ (0.67) | \$ 43 | \$ 0.42 | \$ 169 | \$ 1.65 | \$ 150 | \$ 1.46 | \$ 181 | \$ 1.87 |

Note: Adjusted net income is a non-GAAP measure. For a discussion of the use of adjusted net income, see our Current Report on Form 8-K dated February 15, 2022..

Net Debt & Leverage Ratio Calculation

| (\$ millions) | December 31, 2021 | September 30, 2021 | December 31, 2020 |
|---|-------------------|--------------------|-------------------|
| Long-term debt, net | \$ 295 | \$ 323 | \$ 379 |
| Plus: current portion of long-term debt | 2 | 2 | 4 |
| Long-term debt | 297 | 325 | 383 |
| Less: cash | 48 | 47 | 119 |
| Net debt | \$ 249 | \$ 278 | \$ 264 |
| Net debt | \$ 249 | \$ 278 | \$ 264 |
| Trailing twelve months adjusted EBITDA | 146 | 121 | 97 |
| Leverage ratio | 1.7 | 2.3 | 2.7 |

Note: Net debt and leverage ratio may be non-GAAP measures. For a discussion of the use of net debt, see our Current Report on Form 8-K dated February 15, 2022.