UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 13, 2024

MRC GLOBAL INC.
(Exact name of registrant as specified in its charter)

Delaware	001-35479	20-5956993
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification Number)

1301 McKinney Street, Suite 2300
Houston, Texas 77010
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (877) 294-7574

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01	MRC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 8.01 Other Events

On December 16, 2024, MRC Global Inc. (the "Company") issued a press release announcing that its subsidiary, MRC Global (Canada) ULC, entered into a definitive agreement to sell the Company's Canadian operations to Emco Corporation. The sale is anticipated to close in the first half of 2025 following customary closing conditions and required Canadian regulatory approval.

A copy of the press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference.

The Company's income statement for the years ended December 31, 2022 and December 31, 2023 and for the three months ended March 31, 2024, June 30, 2024 and September 30, 2024, in each case without inclusion of the Company's Canadian operations, is furnished as Exhibit 99.2 to this Current Report on Form 8-K. Also furnished in Exhibit 99.2 to this Current Report on Form 8-K are reconciliations of Net Income to Adjusted EBITDA (a non-GAAP measure) and of Gross Profit to Adjusted Gross Profit (a non-GAAP measure) in each case on the same basis for the same periods.

The information furnished pursuant to Item 8.01 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2 hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that Section, and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Exhibit Description
99.1	Press Release, dated December 16, 2024, by MRC Global Inc.
99.2	MRC Global Inc. Income Statement Pro forma for Canada Segment Sale
104	Cover Page Interactive Data File - The cover page XBRL tags from this Current Report on Form 8-K are embedded within the Inline XBRL document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: December 16, 2024

MRC GLOBAL INC.

By: /s/ Daniel J. Churay

Daniel J. Churay
Executive Vice President - Corporate Affairs, General Counsel and Corporate Secretary

Exhibit 99.1

MRC Global Announces Sale of Canada Business

HOUSTON, TX – December 16, 2024 – MRC Global Inc. (NYSE: MRC), announced today that its subsidiary, MRC Global (Canada) ULC, has entered into a definitive agreement to sell its Canada operations to Emco Corporation.

Rob Saltiel, MRC Global President & CEO stated, “This divestiture will reposition our strategic focus and future capital investment decisions on our core geographies and product offerings that provide the strongest growth and profit potential. The sale of our Canada business is expected to be accretive to our total company adjusted gross margins and adjusted EBITDA margins.

“I would like to express my appreciation to our Canada team members who have consistently provided exceptional value to our customers. We believe we have found the right home for the Canada business and that Emco Corporation is well equipped to maintain success for our employees and customers into the future,” Mr. Saltiel added.

As a result of the expected sale, a pre-tax, non-cash loss on discontinued operations of approximately US $25 million is expected to be recorded in the fourth quarter of 2024. The sale is anticipated to close in the first half of 2025 following customary closing conditions and required Canadian regulatory approval. The company plans to use the proceeds for reduction of debt.

Canadian Imperial Bank of Commerce (CIBC) acted as financial advisor to MRC Global. Norton Rose Fulbright acted as legal counsel to MRC Global; and McCarthy Tétrault LLP acted as legal advisor to Emco.

About MRC Global Inc.

Headquartered in Houston, Texas, MRC Global (NYSE: MRC) is the leading global distributor of pipe, valves, fittings (PVF) and other infrastructure products and services to diversified end-markets including the gas utilities, downstream, industrial and energy transition, and production and transmission sectors. With over 100 years of experience, MRC Global has provided customers with innovative supply chain solutions, technical product expertise and a robust digital platform from a worldwide network of over 200 locations including valve and engineering centers. The company’s unmatched quality assurance program offers over 300,000 SKUs from over 8,500 suppliers, simplifying the supply chain for approximately 10,000 customers. Find out more at www.mrcglobal.com.

This news release 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,” “expected,” and similar expressions are intended to identify forward-looking statements.

Statements about the company’s business, including the company’s expectations that the transactions described in this release as being accretive to both cash generation and earnings per share in 2025 and beyond, 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 MRC Global’s control, including the factors described in the company’s SEC filings that may cause the company’s actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements.

These risks and uncertainties include (among others) decreases in capital and other expenditure levels in the industries that the company serves; U.S. and international general economic conditions; geopolitical events; decreases in oil and natural gas prices; unexpected supply shortages; loss of third-party transportation providers; cost increases by the company's suppliers and transportation providers; increases in steel prices, which the company may be unable to pass along to its customers which could significantly lower the company's profit; the company's lack of long-term contracts with most of its suppliers; suppliers' price reductions of products that the company sells, which could cause the value of its inventory to decline; decreases in steel prices, which could significantly lower the company's profit; a decline in demand for certain of the products the company distributes if tariffs and duties on these products are imposed or lifted; holding more inventory than can be sold in a commercial time frame; significant substitution of renewables and low-carbon fuels for oil and gas, impacting demand for the company's products; risks related to adverse weather events or natural disasters; environmental, health and safety laws and regulations and the interpretation or implementation thereof; changes in the company's customer and product mix; the risk that manufacturers of the products that the company distributes will sell a substantial amount of goods directly to end users in the industry sectors that the company serves; failure to operate the company's business in an efficient or optimized manner; the company's ability to compete successfully with other companies; the company's lack of long-term contracts with many of its customers and the company's lack of contracts with customers that require minimum purchase volumes; inability to attract and retain employees or the potential loss of key personnel; adverse health events, such as a pandemic; interruption in the proper functioning of the company's information systems; the occurrence of cybersecurity incidents; risks related to the company's customers' creditworthiness; the success of acquisition strategies; the potential adverse effects associated with integrating acquisitions and whether these acquisitions will yield their intended benefits; impairment of the company's goodwill or other intangible assets; adverse changes in political or economic conditions in the countries in which the company operates; the company's significant indebtedness; the dependence on the company's subsidiaries for cash to meet parent company obligations; changes in the company's credit profile; potential inability to obtain necessary capital; the sufficiency of the company's insurance policies to cover losses, including liabilities arising from litigation; product liability claims against the company; pending or future asbestos-related claims against the company; exposure to U.S. and international laws and regulations, regulating corruption, limiting imports or exports or imposing economic sanctions; risks relating to ongoing evaluations of internal controls required by Section 404 of the Sarbanes-Oxley Act; risks related to changing laws and regulations including trade policies and tariffs; and the potential share price volatility and costs incurred in response to any shareholder activism campaigns.

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. MRC Global's filings and other important information are also available on the Investors page of the company's 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.

Contact:
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Exhibit 99.2

MRC Global Inc.
Income Statement Pro forma for Canada Segment Sale
(in millions)

	Year Ended December 31, 2022	Year Ended December 31, 2023	Three Months Ended March 31, 2024	Three Months Ended June 30, 2024	Three Months Ended September 30, 2024
Sales	$ 3,197	$ 3,266	$ 777	$ 799	$ 771
Cost of sales	2,613	2,596	618	630	614
Gross profit	584	670	159	169	157
Selling, general and administrative expenses	443	475	119	121	118
Operating income	141	195	40	48	39
Other (expense) income:					
Interest expense	(22)	(31)	(8)	(7)	(3)
Other, net	(6)	(3)	(3)	3	(2)
Income before income taxes	113	161	29	44	34
Income tax expense	34	39	8	12	3
Net income	79	122	21	32	31
Series A preferred stock dividends	24	24	6	6	6
Net income attributable to common stockholders	**$ 55**	**$ 98**	**$ 15**	**$ 26**	**$ 25**

MRC Global Inc.
Reconciliation of Net Income to Adjusted EBITDA (a non-GAAP measure)
(in millions)

	Year Ended December 31, 2022	Year Ended December 31, 2023	Three Months Ended March 31, 2024	Three Months Ended June 30, 2024	Three Months Ended September 30, 2024
Net income	**$ 79**	**$ 122**	**$ 21**	**$ 32**	**$ 31**
Income tax expense	34	39	8	12	3
Interest expense	22	31	8	7	3
Depreciation and amortization	18	19	5	5	6
Amortization of intangibles	21	21	5	5	5
Facility closures	—	—	—	1	—
Severance and restructuring	1	—	—	—	—
Non-recurring IT related professional fees	—	1	—	—	—
Increase (decrease) in LIFO reserve	66	2	1	1	(5)
Equity-based compensation expense	13	14	4	3	4
Activism response legal and consulting costs	—	1	3	1	—
Write off of debt issuance costs	—	—	1	—	—
Customer Settlement	—	3	—	—	—
Asset disposal	—	1	1	—	—
Foreign currency losses (gains)	7	3	2	(1)	2
Adjusted EBITDA	**$ 261**	**$ 257**	**$ 59**	**$ 66**	**$ 49**

The company defines adjusted EBITDA as net income plus interest, income taxes, depreciation and amortization, amortization of intangibles, and certain other expenses, including non-cash expenses, (such as equity-based compensation, restructuring, changes in the fair value of derivative instruments, asset impairments, including inventory, long-lived asset impairments (including goodwill and intangible assets), inventory-related charges incremental to normal operations, and plus or minus the impact of its LIFO inventory costing methodology. The company presents adjusted EBITDA because the company believes adjusted EBITDA is a useful indicator of the company's operating performance. Among other things, adjusted EBITDA measures the company's operating performance without regard to certain non-recurring, non-cash or transaction-related expenses. Adjusted EBITDA, however, does not represent and should not be considered as an alternative to net income, cash flow from operations or any other measure of financial performance calculated and presented in accordance with GAAP. Because adjusted EBITDA does not account for certain expenses, its utility as a measure of the company's operating performance has material limitations. Because of these limitations, the company does not view adjusted EBITDA in isolation or as a primary performance measure and uses other measures, such as net income and sales, to measure operating performance. See the company's Annual Report filed on Form 10-K for a more thorough discussion of the use of adjusted EBITDA.

MRC Global Inc.
Reconciliation of Gross Profit to Adjusted Gross Profit (a non-GAAP measure)
(in millions)

	Year Ended December 31, 2022	Percentage of Revenue	Year Ended December 31, 2023	Percentage of Revenue
Gross profit, as reported	**$ 584**	**18.3%**	**$ 670**	**20.5%**
Depreciation and amortization	18	0.6%	19	0.6%
Amortization of intangibles	21	0.7%	21	0.6%
Increase in LIFO reserve	66	2.1%	2	0.1%
Adjusted Gross Profit	**$ 689**	**21.6%**	**$ 712**	**21.8%**

	Three Months Ended					
	March 31, 2024	Percentage of Revenue	June 30, 2024	Percentage of Revenue	September 30, 2024	Percentage of Revenue
Gross profit, as reported	**$ 159**	**20.5%**	**$ 169**	**21.2%**	**$ 157**	**20.4%**
Depreciation and amortization	5	0.6%	5	0.6%	6	0.8%
Amortization of intangibles	5	0.6%	5	0.6%	5	0.6%
Increase (decrease) in LIFO reserve	1	0.1%	1	0.1%	(5)	-0.6%
Adjusted Gross Profit	**$ 170**	**21.9%**	**$ 180**	**22.5%**	**$ 163**	**21.1%**

The company defines Adjusted Gross Profit as sales, less cost of sales, plus depreciation and amortization, plus amortization of intangibles, plus inventory-related charges incremental to normal operations and plus or minus the impact of its LIFO inventory costing methodology. The company presents Adjusted Gross Profit because the company believes it is a useful indicator of the company's operating performance without regard to items, such as amortization of intangibles, that can vary substantially from company to company depending upon the nature and extent of acquisitions of which they have been involved. Similarly, the impact of the LIFO inventory costing method can cause results to vary substantially from company to company depending upon which costing method they may elect. The company uses Adjusted Gross Profit as a key performance indicator in managing its business. The company believes that gross profit is the financial measure calculated and presented in accordance with U.S. generally accepted accounting principles that is most directly comparable to Adjusted Gross Profit.