



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 996 335 429
Organisasjonsform: Aksjeselskap
Foretaksnavn: MRC GLOBAL NORWAY AS
Forretningsadresse: Gamle Forusveien 53
4031 STAVANGER

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: David Lalor
Dato for fastsettelse av årsregnskapet: 27.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 13.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2,3	1 003 348 000	860 650 000
Annen driftsinntekt			45 000
Sum inntekter		1 003 348 000	860 695 000
Kostnader			
Varekostnad	3	709 896 000	611 690 000
Lønnskostnad	4	157 690 000	136 821 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	7,8	35 748 000	41 548 000
Annen driftskostnad	3,4	96 191 000	91 220 000
Sum kostnader		999 525 000	881 279 000
Driftsresultat		3 823 000	-20 584 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	3	73 493 000	45 119 000
Annen renteinntekt		4 139 000	2 207 000
Annen finansinntekt	5		579 000
Sum finansinntekter		77 632 000	47 905 000
Rentekostnad til foretak i samme konsern	3	33 191 000	16 942 000
Annen rentekostnad		9 752 000	2 087 000
Annen finanskostnad	5	18 253 000	24 564 000
Sum finanskostnader		61 196 000	43 593 000
Netto finans		16 436 000	4 312 000
Ordinært resultat før skattekostnad		20 259 000	-16 272 000
Skattekostnad på ordinært resultat	6	-74 763 000	4 488 000
Ordinært resultat etter skattekostnad		95 022 000	-20 760 000
Årsresultat		95 022 000	-20 760 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	12	95 022 000	-20 760 000



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Sum overføringer og disponeringer		95 022 000	-20 760 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utvikling	7	9 139 000	6 441 000
Utsatt skattefordel	6	82 876 000	
Goodwill	7	28 549 000	57 098 000
Sum immaterielle eiendeler		120 564 000	63 539 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	8	3 662 000	2 399 000
Maskiner og anlegg	8	7 327 000	9 636 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	8	4 489 000	7 600 000
Sum varige driftsmidler		15 478 000	19 635 000
Finansielle anleggsmidler			
Investering i datterselskap	9	15 372 000	15 372 000
Lån til foretak i samme konsern	3	1 278 259 000	718 268 000
Sum finansielle anleggsmidler		1 293 631 000	733 640 000
Sum anleggsmidler		1 429 673 000	816 814 000
Omløpsmidler			
Varer			
Varer	10,11	236 281 000	231 757 000
Sum varer		236 281 000	231 757 000
Fordringer			
Kundefordringer	3,11	233 160 000	171 303 000
Andre fordringer	3	136 104 000	93 105 000
Sum fordringer		369 264 000	264 408 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	11	20 808 000	23 984 000
Sum bankinnskudd, kontanter og lignende		20 808 000	23 984 000
Sum omløpsmidler		626 353 000	520 149 000



Balanse

Beløp i: NOK	Note	2023	2022
SUM EIENDELER		2 056 026 000	1 336 963 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	12,13	93 252 000	41 963 000
Overkurs	12	955 875 000	472 039 000
Sum innskutt egenkapital		1 049 127 000	514 002 000
Opptjent egenkapital			
Annen egenkapital	12	95 022 000	0
Sum opptjent egenkapital		95 022 000	0
Sum egenkapital		1 144 149 000	514 002 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	4	5 368 000	5 479 000
Sum avsetninger for forpliktelser		5 368 000	5 479 000
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	3	383 439 000	417 690 000
Sum annen langsiktig gjeld		383 439 000	417 690 000
Sum langsiktig gjeld		388 807 000	423 169 000
Kortsiktig gjeld			
Gjeld til kredittinstitusjoner	14	91 991 000	70 168 000
Leverandørgjeld	3	301 353 000	218 200 000
Betalbar skatt	6	3 591 000	
Skyldige offentlige avgifter		30 967 000	29 735 000
Annen kortsiktig gjeld	3,15	95 168 000	81 689 000
Sum kortsiktig gjeld		523 070 000	399 792 000
Sum gjeld		911 877 000	822 961 000



Balanse

Beløp i: NOK	Note	2023	2022
SUM EGENKAPITAL OG GJELD		2 056 026 000	1 336 963 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 612126

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Brønnøysundregistrene, 10.07.2024



Organisasjonsnr: 996 335 429
MRC GLOBAL NORWAY AS

RESULTATREGNSKAP

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MRC GLOBAL NORWAY AS

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Organisasjonsnr: 996 335 429
MRC GLOBAL NORWAY AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall årsverk i regnskapsåret
228.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Konsern, tilknyttet selskap m.v. - fordringer og gjeld

Fordringer

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp



Note

Fordringer

Fordringer som forfaller senere enn ett år etter regnskapsårets slutt

Mer om fordringer

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Note

4

Lån og sikkerhetsstillelse til medlemmer

Er det gitt lån eller sikkerhetsstillelse til ledende personer: Nei

Opplysninger om:

Medlemmer av:

Mer om lån og sikkerhetsstillelse



Building a better
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Statsautoriserte revisorer
Ernst & Young AS

Vassbotnen 11a Forus, 4313 Sandnes
Postboks 8015, 4068 Stavanger

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Mrc Global Norway AS

Opinion

We have audited the financial statements of Mrc Global Norway AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors and Chief Executive Officer) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Stavanger, 28. June 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Stig Tore Strand
State Authorised Public Accountant (Norway)

Independent auditor's report - Mrc Global Norway AS 2023

A member firm of Ernst & Young Global Limited

Penneo document key: VWLGG-QS8ZB-WNUJ57-ZM5EJ-U1885-YFPPE



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Strand, Stig Tore

Statsautorisert revisor

På vegne av: EY

Serienummer: no_bankid:9578-5998-4-756562

IP: 147.161.xxx.xxx

2024-06-28 08:12:39 UTC



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MRC Global Norway AS

Annual report 2023

Board of directors' report

Annual accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditor's report



MRC Global Norway AS

Board of directors' report 2023

MRC Global Norway AS

Adress: Gamle Forusveien 53, 4031 Stavanger

Org.nr: 996335429 MVA

The business

MRC Global Norway AS (the company) is a wholly owned subsidiary of MRC Global Inc. The company is a leading supplier of products, solutions and services within valves, instrumentation and stainless piping to the Norwegian oil, gas and process industry. The company is organized in valve, piping and instrumentation divisions.

The Valve and Instrumentation divisions have own technology and production in addition to representing several well recognized international manufactures. The company is located in Stavanger, Bergen, and Hokksund.

Profit & loss and Balance sheet

It is the Board's opinion that the proposed income statement and balance sheet with accompanying notes provide sufficient information about the Company's position and result of operations.

Operating income for the year 2023 was posted at 1003,3 million NOK with an EBITDA profit for 2023 of 39,6 million NOK, compared to 860,7 million NOK operating income with an EBITDA profit of 21 million NOK in the previous year. The increase in operating income and EBITDA comparing to last year is due to a significant increase in the sales to third parties in 2023.

Depreciation and amortization for 2023 were 35,7 million NOK, giving an EBIT of 3,8 million NOK for the year, compared to 41,5 million NOK depreciation and amortization, giving an EBIT profit of minus 20,6 million NOK in the previous year. Depreciation and amortization reduced by 5,8 million NOK since the R&D asset was fully depreciated last year.

The Company's net financial income in 2023 was 16,4 million NOK, resulting in a pre-tax profit of 20,3 million NOK, compared to 4,3 million NOK, resulted in a pre-tax loss of 16,3 million NOK in 2022. The increase in net financial income is resulted by a significant increase in interest income from group companies due to a new intercompany loan from MRC Global Norway AS to McJunkin Redman UK Ltd in 2023.

Annual profit for the year ended at 95,0 million NOK. Deferred tax assets for 82,9 million NOK are recorded in the balance sheet in 2023.

The Company's asset at 31 December 2023 were 2056,0 million NOK, compared to 1336,9 million NOK in the previous year. The increase in total asset in 2023 is mostly due to a new intercompany loan from MRC Global Norway AS to McJunkin Redman UK Ltd.

The equity at 31 December 2023 was 1,144 million NOK compared to 514,0 million NOK in the previous year. The share capital is increased from 42 million NOK to 93 million NOK by increasing the nominal value on all of the company's shares, from NOK 0.90 per share to NOK 2.00 per share. The total capital increase in 2023 is 535 million NOK, of which 484 million NOK is share premium.

The Company's liabilities have increased from 822,9 million NOK in 2022 to 911,9 million NOK in 2023. The increase is due to a significant increase in both third party and intercompany trade creditors.



MRC Global Norway AS

There was a reduction on the amount spent on working capital in 2023 versus significant consumption last year, which resulted in an increase in operating cash flow of 96,9 million NOK compared to 2022.

Research and development

The company is developing its own product Vavewatch, an online diagnostic system for valve monitoring. The Company are using internal knowledge as well as external consultants in the development.

Assumption of going concern

As at 31 December 2023, the company has many customer orders not yet shipped to customer, and therefore not yet recognised as revenue from an accounting perspective. The vast majority of the revenue from these orders is expected to be recognised in the next year. The ultimate parent company, MRC Global Inc, holds a multi-currency global asset-based revolving credit facility. The company can draw on this facility or cash held in the international business at any time upon request. Based on this the board of directors, in accordance with the requirements of the Norwegian Accounting Act §3-3, confirms that the condition for a going concern is satisfied and that the financial statements have been prepared on this basis.

Working environment and personnel

The Company had a sick leave of 5,77% in the year to 31 December 2023 compared to 5,48% a year earlier. There were one recordable injury in 2023.

The Company maintains a safe working environment through an established safety representative structure. The Board believes the Company has a satisfactory working environment and performs annual appraisal interviews and employee surveys every second year.

Gender equality

As at 31 December 2023 the Company had 227 employees, divided into 40 women and 187 men. Corresponding figures for 2022 was 225 employees divided among 42 women and 183 men.

The Company's goal is to be a workplace where there is equality between women and men. The Company acknowledges that diversity and inclusion are important factors which help to drive positive business performance.

The Company has ensured that females are given equal opportunities throughout recruitment and selection processes and in cases where two candidates are equally qualified/competent we take positive action to address gender imbalance.

The Managing Director of the Company has outlined in employee communications the importance of sourcing skilled females to promote diversity.

The Company is committed to sourcing a diverse pool of candidates from the market. Historically the Company has supported candidates from NAV in special situations who either require on the job training or who have reduced capacity.

MRC Global's Commitment to ESG

MRC Global recognizes that our effective management of ESG factors is of long-term significance to our stakeholders and critical to our company's success. Our commitment starts at the top with our Board of Directors. Our Board oversees the company's long- and short-term strategy, vision, and risk profile, including the company's enterprise risk management (ERM) process to identify, assess, prioritize, address, manage, monitor and communicate risks and opportunities across the Company's operations. It reviews major risks facing the company, including acute and chronic climate risks and energy transition risks. Our Board has



MRC Global Norway AS

tasked its ESG & Enterprise Risk Committee with assisting the full Board in its oversight of the company's efforts on ESG matters, which are reviewed by our Board on a quarterly basis. Our management-driven ESG Committee is chaired by our SVP Sustainability and sponsored by our EVP Corporate Affairs and is comprised of the executives representing various functions within our company, including operations, quality, safety, corporate services, marketing, human resources, legal, investor relations, and supply chain management leaders. In addition, as part of the company's strategic planning process, the Board's ESG & Enterprise Risk Committee is further supported by a management-driven Risk Management Committee comprised of key senior internal stakeholders who assist the Board level committee in identifying key risks and the Board's oversight over risk management.

We strive to align our sustainability strategy with our corporate business strategy. We support both energy security and the energy transition in addition to other diversified non-energy markets such as gas utilities transmission and chemicals. We are committed to responsibly supporting energy security with high quality industrial products that move and store hydrocarbon products and other substances safely and prevent harmful emissions that would negatively impact the environment. We continue to support our manufacturers and customers bringing to market technology that helps reduce greenhouse gas (GHG) emissions, such as low-emission valves and emission-controlled actuation technology. We support energy transition projects across the globe including projects in offshore wind, renewable natural gas, biofuels, hydroelectricity, geothermal, hydrogen, and carbon capture utilization and storage.

We also focus on other environmental impacts, both direct and indirect, from our operations and seek opportunities to improve. This includes the sustainability of the products we source and sell, the sustainability of our supply chain operations, efficiencies in our supply chain and warehouse operations, use of e-commerce, use of renewable electricity, forest and water conservation, and recycling and waste management.

MRC Global is committed at a group level to annually assess its operations for further improvements. As a part of this review we actively monitor and track data and trends to better understand our impact and areas for improvement.

MRC Global's Operations and Key Environmental Considerations

Globally, MRC Global is the leading distributor of pipe, valves, and fittings products and other infrastructure products and services to diversified end-markets. Our value-add services include valve engineering centers that provide automation services. Globally, we do not engage in heavy manufacturing, mine for minerals, source, use, or discharge chemical compounds or hazardous materials, operate in critical habitats or other high biodiversity value areas, own, lease or operate oil and gas pipelines, or transport hazardous chemicals.

In Norway, we have three locations with differing operations. Combined, they involve distribution of pipes, valves, fittings and instrumentation products, workshop assembly of valve repairs and modifications, subsea assemblies, and wellhead Christmas trees, field service involving onsite service, repair and maintenance of valves, and a workshop consisting of light manufacturing of instrumentation products such as pressure gauges and temperature sensors.

Our manufacturing process is not energy intensive; as a result, most of our electric energy use in operations is tied to lighting, heating and cooling facilities, and powering office and warehouse equipment. We do not use natural gas to heat buildings. We consume diesel and gasoline for our very small fleet of company vehicles and non-road equipment. We use electric forklifts in our operations. In addition, our Norwegian operations do not include transportation or delivery services. We do not utilise large amounts of water. Water is consumed primarily for handwashing, toilet-flushing, minimal dish-washing, and hydrotesting of valves. Water used for hydrotesting is recycled for long periods of time and only refreshed when necessary.

We have recycling programs to minimize waste from used pallets, cardboard, plastics, office paper and other recyclables. We review our resource usage in these areas from time to time and seek efficiencies to reduce use of these resources and resulting emissions.



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Emissions in our Operations

In 2023, we continued our efforts to track and calculate our greenhouse gas (GHG) emissions in accordance with the GHG Protocol. Across our global operations, our scope 1 emissions were 13,765 metric tons of carbon dioxide equivalent (MTCO₂e). Our Scope 2 emissions were calculated according two ways in accordance with the GHG Protocol and totaled 7,172 MTCO₂e (location-based) and 1,649 MTCO₂e (market-based).

Our global carbon intensity was 6.14 (based on revenue in USD).

In Norway, total Scope 1 emissions for 2023 were 6 MTCO₂e. Our Scope 2 emissions for Norwegian operations were 16 MTCO₂e (location-based) and 1,120 MTCO₂e (market-based).

Norwegian carbon intensity was 0.02 (based on revenue in NOK).

In 2023, we revised our baseline 2022 Scope 1 and 2 emissions to address data gaps and updated calculation methodologies. Our updated 2022 emission totals are presented in the tables below.

Global

	Units	2022	2023
Scope 1	MTCO ₂ e	15,009	13,765
Scope 2 (location-based)	MTCO ₂ e	7,967	7,172
Scope 2 (market-based)	MTCO ₂ e	6,291	1,649
Carbon Intensity	MTCO ₂ e / thousand NOK	6.84	6.14

Norway

	Units	2022	2023
Scope 1	MTCO ₂ e	16	6
Scope 2 (location-based)	MTCO ₂ e	11	16
Scope 2 (market-based)	MTCO ₂ e	1,114	1,120
Carbon Intensity	MTCO ₂ e / thousand NOK	0.03	0.02

Scope 1 Emissions

In 2023, Scope 1 emissions from our operations in Norway were 6 MTCO₂e. Scope 1 emissions came primarily from the 494 gallons of diesel fuel and 96 gallons of gasoline consumed by mobile sources, which includes our vehicle fleet and non-road equipment. Our operations in Norway do not consume natural gas.

The Scope 1 carbon intensity for our Norwegian operations was 0.006.

Scope 2 Emissions

In 2023, Norwegian Scope 2 emissions were 16 MTCO₂e (location-based) and 1,120 MTCO₂e (market-based). Scope 2 carbon intensity for 2023 was 0.02.

Total electricity consumed by our Norwegian operations in 2023 was 2,235 MWh (a 20% reduction in electricity use compared to 2022). The decrease in electricity usage stemmed primarily from the installation of a new A/C unit at one of our sites, resulting in improved efficiency and reduced consumption.



MRC Global Norway AS

Scope 3 Emissions

MRC Global is currently developing a strategy to calculate and report on its Scope 3 emissions across its operations globally.

GHG Emissions per NOK of Revenue

In 2023, MRC Global's carbon intensity (Scope 1 and 2) for Norway operations was 0.02 (based on NOK revenue).

MRC Global's Commitment to Safety

MRC Global's first Core Value is the health and safety of its team members. In 2023, MRC Global's Norwegian entities had no fatalities, 1 total recordable injury (an injury requiring medical treatment beyond first aid), and no lost time incidents.

MRC Global's Commitment to Human Rights

MRC Global is committed to conducting its worldwide business and operations in accordance with high standards of integrity in a legal, ethical and socially responsible manner. This includes a commitment to respecting human rights as a fundamental principle in our operations. We support the protection of internationally proclaimed human rights including the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, which enshrines the core principles of freedom of association; the effective recognition of collective bargaining; the elimination of all forms of forced and compulsory or child labor; and the elimination of discrimination in respect of employment and occupation.

Our team members receive regular training on Core Values, including specific training for anti-discrimination and anti-harassment. We encourage our suppliers to align their practices with the International Labor Organization's core principles and are committed to working in partnership with suppliers, customers and third parties to promote the furtherance of human rights. As part of our audit process of suppliers on our Approved Manufacturers List, we consider these suppliers' performance regarding human rights and labor rights, including their conformance with our human rights and labor rights policies. We have not discovered any noncompliance by our suppliers with our policies, but should issues arise, we will investigate immediately and determine the appropriate next steps. We encourage our stakeholders' involvement in the company's commitment to protect human rights and the implementation of our human rights policy by reporting any human rights violations or concerns related to our business through our Global Ethics Hotline. MRC Global has a zero-tolerance approach to slavery. Modern slavery is a violation of fundamental human rights and a crime. It takes various forms, such as slavery, servitude, forced and compulsory labor and human trafficking, all of which have in common the deprivation of a person's liberty to exploit them for personal or commercial gain. We are committed to implementing and maintaining systems, controls and practices to prevent modern slavery from taking place within our global business or supply and logistics chains.

We oppose all forms of forced and child labor, and we hold both ourselves and our supply chain accountable for compliance with applicable law. We maintain internal accountability standards and processes for team members, contractors and members of our supply chain regarding this responsibility.

MRC Global's Commitment to Anti-Corruption and Anti-Bribery

We are committed to complying with all applicable anti-bribery and anti-corruption laws and rules, including, but not limited to, the local laws of the countries in which we operate. Our team members receive training on anti-corruption and anti-bribery. Additionally, we actively monitor and audit our internal compliance with this policy and we expect our suppliers to fully comply with these laws and regulations.



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MRC Global's Commitment to the Equality & Anti-Discrimination Act

MRC Global's Values and Commitments

At MRC Global, we are dedicated to maintaining a positive and supportive workplace. Our Core Values affirm our commitment to equality and anti-discrimination, demonstrated by the inclusion of "We respect all people." There is no place for harassment, discrimination, or other misconduct, especially where that activity impacts our team members, our customers, our suppliers or others. We treat all issues or behaviours that do not align with our Core Values with the utmost seriousness.

MRC Global endeavours to maintain a diverse group of team members who possess a broad range of backgrounds, skills and expertise. MRC Global assesses, hires, and promotes individuals without bias to race, colour, religion, sex, ancestry, sexual orientation, gender identity and/or expression, national origin or disability. This includes preventing retaliation based upon these individual characteristics, including pregnancy, medical leave, or other protected activities as defined by local law. In assembling our group of team members, our goal is a diverse team considering business experiences, functional skills, gender, race, ethnicity and cultural backgrounds.

All team members at MRC Global are required to follow company policies and applicable law in all of our activities and operations. We rely on the good judgment, high standards and the examples of our directors, officers, and team members as the principal guide to our equality and anti-discrimination commitment.

Adherence to our corporate policies is a key tool in maintaining an equal and fair work environment. Important policies related to this commitment include our Code of Ethics, Human Rights Statement, Dignity at Work & Equal Opportunity Statement, Anti-Discrimination & Anti-Harassment Policy, Anti- Slavery & Anti-Human Trafficking Statement, and Whistle-blower Policy.

MRC Global maintains a first-class global human capital management system to provide depth and data to monitor our workplace practices. Below are the equality statistics for our Norwegian team members:

Workforce Pay Equity Evaluation

This information was provided in last year's annual report and is not required again until our 2024 annual report.

Gender Pay Equity Evaluation

2023

	Full Time (FT)	Part Time (PT)	% of PT Staff who want to work FT	Temp Staff	Parental Leave Exercised in Weeks
Male	187 (83,38 %)	4 (2,14%)	0 (0%)	4 (2,14%)	9 / 61*
Female	40 (17,62%)	0 (0%)	0 /0%)	0 (0%)	1 / 30*
Total	227				

*Used by 1 woman/ 9 men (similar to 148,53 days/ 305,53 days)

Our Risk Mitigation - Our Company's Policies and Standards

MRC Global Inc. and its worldwide subsidiaries, including MRC Global Norway is committed to providing a workplace environment and conducting business in a manner that respects the rights and dignity of all people, including employees, customers, suppliers, and other third parties with whom it does business. MRC



MRC Global Norway AS

Global recognizes that its employees and third parties have a right to transact business and work in conditions without discrimination, free from harassment, respectful of individual rights, and with dignity. MRC Global seeks to conduct itself and its business in a discrimination-free and harassment-free atmosphere in compliance with all legal requirements; and is committed to the principles set forth in its Human Rights Statement. More importantly, MRC Global is committed to this because it is the right thing to do.

Our "Dignity at Work and Equal Opportunity Statement" affirms that "MRC Global does not tolerate and takes all reasonable steps to prevent discrimination or harassment based upon an individual's sex, gender, sexual orientation, race, color, ethnicity, national origin, age, religion, veteran status, citizenship status, disability or any other legally protected characteristics. Furthermore, MRC Global will not tolerate harassment of anyone who is perceived as having one of the above characteristics or based upon association with someone who is protected. The Company will not tolerate any behavior from employees or from individuals with whom its employees do business which is intimidating, hostile or humiliating."

MRC Global reinforces this message in our "Code of Ethics", stating that "The Company is committed to promoting equal employment opportunity in all of its operations. It is the Company's policy not to discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, age, national origin, or disability and to comply fully with all laws prohibiting discrimination and promoting opportunity and advancement in employment."

Our Risk Mitigation - The Way We Work to Ensure Compliance

MRC Global publish our Dignity at Work Policy and Equal Opportunity Statement together with our Code of Ethics on our Intranet. All employees, managers and contractors are required to confirm their understanding and compliance to these policies annually via a mandatory compliance certification.

MRC Global publish an Anti-Discrimination and Anti-Harassment policy and all employees and managers receive regular training to make sure they understand their obligations.

In addition, all new hires receive training on this subject matter via mandatory course material aimed at both employees and managers.

Managers, HR and Safety Delegates/Union members are available should any employee wish to raise a concern. As an additional control, MRC Global maintains an established and confidential 'Ethics Hotline' available for all employees to raise concerns to any breach of policies or inappropriate behavior.

"Respect all people" is promoted as one of the Company's defined Core Values in Action and is published on the front page of the Intranet and on posters at all locations.

MRC Global Norway has implemented a Values in Action nomination Program where employees are encouraged to look for practical examples of compliance with our values, and each month an employee is recognized as "employee of the month", with a solid demonstration of the Company's core values.

MRC Global Norway has hired employees through NAV on several occasions.

Our Risk Mitigation - The Way We Work to Identify the Risk for Discrimination and Hindering Equal Rights

All promotions, hires and compensation changes are reviewed by HR prior to approval.

HR extract regular demographic reports, which are being reviewed monthly by the local management team and also presented in different employee forums *i.e.*, Townhall Meeting & Working Environment Committee.

MRC Global launched an employee survey in Q1 2023, where the objective is to measure general



MRC Global Norway AS

engagement, but also includes key questions linked to Diversity & Inclusion, Inclusiveness and Non-discrimination.

The following risks are identified for discrimination and hinder for equal opportunities:

This exercise demonstrates that MRC Global Norway's proportion of female operators/ blue collars is low. Although the value variance is immaterial, there is a high differentiation between female white collar non-exempt workers receiving variable allowances in comparison to males.

There has been workforce participation throughout the year in our anti-discrimination training, however, there has been limited participation in this specific analysis and there has been limited opportunity in 2023 for employees to formally feedback around suggestions and areas of improvement. The analysis utilizes employee groups, however there is a risk that further disparity exists at the individual job level. Anti-discrimination training is available to all employees in Norwegian or English, however some employees at MRC Global Norway have a different mother tongue and there is a risk regarding full comprehension of the training content.

The following potential reasons for the risks for discrimination and hindering equal rights were identified, where the following action plan was established:

The high differentiation between receipt of variable allowances in the white collar non-exempt category is potentially as a result of these allowances being derived from instances of offshore work. This offshore work has typically been carried out by males, partly due to there being a greater number in the overall organization.

The oil and energy industry has been historically male dominated, resulting over time in a higher proportion of male employees particularly in blue collar roles. The pay disparity between male and female blue collar workers is not reported due to the number of females falling below the threshold, however risk of unequal pay is nonetheless mitigated by predominately union negotiated / matrix based pay scales.

Actions established to reduce the risks identified are as follows:

Work systematically between management and the unions / workers representatives with an Equality & Anti-Discrimination agenda item for future WEC/BU meetings in order to share data and suggestions for improvement and best practice between the workforce and the management team.

Continue running Yearly Annual Surveys to provide employees with the opportunity to feedback their experience on discrimination, equality and inclusiveness at MRC Global Norway, which thereafter are subject to analysis and action plans.

Review training materials & methods for accessibility, including for those without Norwegian/English fluency and those without regular access to a laptop or PC.

Focus on the continued attraction of females to work for MRC Global Norway across all employment groups:

Review of home office/ flexible working policy and opportunities (likely to be applicable to white collar roles)

Work with third party recruitment partners to make it clear in all recruitment processes that MRC Global Norway welcomes applications from all candidates in a fully inclusive manner

Further analysis of pay equality data at the job profile level utilizing organizational data stored in Workday HRIS

Management team with HR to continue to raise awareness during HR Q&A / Mid- Manager meetings to



MRC Global Norway AS

challenge any assumptions that female workers with the appropriate skills and qualifications may not be willing/prepared to work offshore and are given equal opportunity to do so

Promote the Career section of Workday HRIS internally to maximise the ability of management to be aware of skills and experience of the workforce including females, to inform job planning and decision making.

Our Risk Mitigation Results from the Non-discrimination and Equality Work and Expectations for the Way Forward

MRC Global Norway are committed to providing an environment free of discrimination and promoting equal employment. The company will continue to look for opportunities to identify and mitigate any risks in these areas and to consult the workforce to understand their experiences and share recommendations for best practice and improvement.

Risk

The Company's risks and uncertainties is correlated with the business cycle and related to investments, modifications, maintenance and replacement in the oil and gas industry on the Norwegian Continental Shelf (NCS) as well as the process industry.

Credit risk is controlled by continuous monitoring of existing customers as well as the credit rating of new customers. The largest customers are established and financially strong oil companies and oil service players, which lowers the credit risk.

The Company has both income and expenses in different currencies and is thereby exposed to currency fluctuations. The Company's overall strategy is to reduce the currency risks as much as possible.

Outlook

After some years of downturn in the Oil & Gas business the NCS market has improved in recent years with improved investment. The Company continues to implement extensive efficiency improvements and savings measures where appropriate to improve profitability.

Insurance for Board members and Managing Director

The Company has Directors' liability insurance covering any culpable acts or omissions of the executive management or Board of Directors leading to the plaintiff suffering financial losses.

Transparency Act

Our disclosures relating to our compliance with the transparency act can be located on the following website - <https://connect.mrcgo.com/s/norwegian-transparency-act>.

Annual Results and Allocations

The financial statement for 2023 shows a positive result of 20,3 million NOK.

The financial statement has been completed after tax with a result of 95,0 million NOK. The profit for the year is allocated to other equity in 2023.

The Board considers the financial statement to provide a true and fair view of the company's position at the end of the year.



MRC Global Norway AS

Stephen Bradley Smith
Chairman of the board

Jan-Otto Natland
Board member

Claire Jane Hellmund
Board member

Board of MRC Global Norway AS

Anders Landa
Board member / CEO

Anne Marit Skålien
Board member

Gillian Sarah Anderson
Board member

Rune Grasdøl
Board member



MRC Global Norway AS

Income statement

Amounts in NOK thousands

	Note	2023	2022
Revenue			
Sales revenue	2, 3	1 003 348	860 650
Other operating income		0	45
Total revenue		<u>1 003 348</u>	<u>860 695</u>
Operating expenses			
Cost of stocks	3	709 896	611 690
Payroll expenses	4	157 690	136 821
Depreciation and amortization	7, 8	35 748	41 548
Other operating expenses	3, 4	96 191	91 219
Total operating expenses		<u>999 525</u>	<u>881 278</u>
Operating result		<u>3 823</u>	<u>-20 583</u>
Financial income and expenses			
Interest income from group companies	3	73 493	45 119
Other interest income		4 139	2 207
Interest paid to group companies	3	33 191	16 942
Other interest expenses		9 752	2 087
Net currency gain/(loss)	5	-18 142	-23 602
Other financial expenses		111	384
Net financial items		<u>16 436</u>	<u>4 311</u>
Result before tax		<u>20 259</u>	<u>-16 272</u>
Tax expense	6	<u>-74 763</u>	<u>4 488</u>
Net profit or loss for the year		<u>95 022</u>	<u>-20 760</u>
Allocated as follows			
Transferred to other equity	12	95 022	-20 760



MRC Global Norway AS

Balance sheet as of December 31

Amounts in NOK thousands

	Note	2023	2022
Fixed assets			
<i>Intangible assets</i>			
Deferred tax asset	6	82 876	0
Goodwill	7	28 549	57 098
Other intangible assets	7	9 139	6 441
Total intangible assets		<u>120 564</u>	<u>63 539</u>
<i>Tangible assets</i>			
Land, buildings and other property	8	3 662	2 399
Machinery and plant	8	7 327	9 636
Fixtures and fittings, tools, office machinery etc.	8	4 489	7 600
Total tangible assets		<u>15 478</u>	<u>19 635</u>
<i>Financial assets</i>			
Investments in subsidiaries	9	15 372	15 372
Loans to group companies	3	1 278 259	718 268
Total financial assets		<u>1 293 631</u>	<u>733 640</u>
Total fixed assets		<u>1 429 673</u>	<u>816 814</u>
Current assets			
Inventories	10, 11	<u>236 281</u>	<u>231 757</u>
<i>Receivables</i>			
Trade receivables	3, 11	233 160	171 303
Other receivables	3	136 104	93 105
Total receivables		<u>369 264</u>	<u>264 408</u>
Cash and cash equivalents	11	<u>20 808</u>	<u>23 984</u>
Total current assets		<u>626 353</u>	<u>520 149</u>
Total assets		<u>2 056 026</u>	<u>1 336 963</u>



MRC Global Norway AS

Balance sheet as of December 31

Amounts in NOK thousands

	Note	2023	2022
Equity			
<i>Paid-in capital</i>			
Share capital	12, 13	93 252	41 963
Share premium	12	955 875	472 039
Total paid-in capital		<u>1 049 127</u>	<u>514 002</u>
<i>Retained earnings</i>			
Other equity	12	95 022	0
Total retained earnings		<u>95 022</u>	<u>0</u>
Total equity		<u>1 144 149</u>	<u>514 002</u>
Liabilities			
<i>Provisions</i>			
Pension liabilities	4	5 368	5 479
Total provisions		<u>5 368</u>	<u>5 479</u>
<i>Other long-term liabilities</i>			
Other long-term liabilities	3	383 439	417 690
Total other long-term liabilities		<u>383 439</u>	<u>417 690</u>
<i>Current liabilities</i>			
Liabilities to financial institutions	14	91 991	70 168
Trade creditors	3	301 353	218 201
Tax payable	6	3 591	0
Public duties payable		30 967	29 735
Other short-term liabilities	3, 15	95 168	81 688
Total current liabilities		<u>523 070</u>	<u>399 792</u>
Total liabilities		<u>911 877</u>	<u>822 961</u>
Total equity and liabilities		<u>2 056 026</u>	<u>1 336 963</u>

Stephen Bradley Smith
Chairman of the board

Jan-Otto Natland
Board member

Claire Jane Hellmund
Board member

Stavanger, 31 December 2023

Anders Landa
Board member / CEO

Anne Marit Skålien
Board member

Gillian Sarah Anderson
Board member

Rune Grasdal
Board member



MRC Global Norway AS

Cash flow statement

Amounts in NOK thousands

	Note	2023	2022
Cash flow from operating activities			
Result before tax		20 259	-16 272
Gain on sale of fixed assets		0	-45
Depreciation and amortization	7,8	35 747	41 548
Changes in inventories, accounts receivable and accounts payable		20 374	-67 582
Changes in pension scheme assets/liabilities		-111	2
Changes in other current balance sheet items		-36 412	-14 682
Net cash flow from operating activities		<u>39 857</u>	<u>-57 031</u>
Cash flow from investing activities			
Purchase of tangible fixed assets	8	-2 615	-2 603
Sale of tangible fixed assets		0	50
Purchase of intangible fixed assets	7	-3 124	-3 274
Net cash flow from investing activities		<u>-5 739</u>	<u>-5 827</u>
Cash flow from financing activities			
Change in liabilities to financial institutions		21 823	70 133
Change in liabilities and receivables to group	3, 12	-59 117	-39 234
Net cash flow from financing activities		<u>-37 294</u>	<u>30 899</u>
Net change in cash and cash equivalents		-3 176	-31 959
Cash and cash equivalents as of 01.01	11	<u>23 984</u>	<u>55 943</u>
Cash and cash equivalents as of 31.12		<u>20 808</u>	<u>23 984</u>



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note - 1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

MRC Global Norway AS is a subsidiary of MRC Stream AS, which is exempt from preparing consolidated financial statements in accordance with the Norwegian Accounting Act §3-7 and approval from the Norwegian Tax Administration.

Investment in Subsidiaries

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognised if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognised in the same year as they are recognised in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

Recognition of revenue

Revenues from the sale of goods are recognised in the income statement once delivery has taken place and most of the risk and return has been transferred.

Revenues from the sale of services and long-term manufacturing projects are recognised in the income statement according to the project's level of completion provided the outcome of the transaction can be estimated reliably. Progress is measured as the number of hours spent compared to the total number of hours estimated or incurred cost compared the estimated total cost. When the outcome of the transaction cannot be estimated reliably, only revenues equal to the project costs that have been incurred will be recognised as revenue. The total estimated loss on a contract will be recognised in the income statement during the period when it is identified that a project will generate a loss.

Classification and assessment of balance items

Current assets and current liabilities comprise items that fall due for payment within one year of the transaction date. Other balance sheet items are classified as non-current assets / non-current liabilities.

Current assets are valued at the lower of cost and fair value. Current liabilities are recognized at nominal value at the establishment date.

Non-current assets are valued at historical cost but are written down to fair value if a fall in value occurs that is not temporary. Non-current liabilities are recognized in the balance sheet at nominal value at the establishment date.

Receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life.

The depreciation period starts when assets are put in use in ordinary operations. Costs for maintenance are expensed as incurred, whereas costs for improving and upgrading property plant and equipment are added to the acquisition cost and depreciated with the related asset.

Leasing

Each leasing contract is classified either as a finance lease or an operating lease on the basis of an assessment of terms of the contract.

Foreign currency

Monetary items in a foreign currency are valued at year end exchange rates. Transactions in foreign currency are translated into the functional currency using the exchange rates prevailing at the dates of the transaction.

Income tax

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

Use of estimates

To prepare the financial statements, management must apply estimates and assumptions that affect the presented amounts for assets, liabilities and contingencies. These estimates are based on information available on balance sheet date. To the extent that new information appears that significantly impacts on these estimates because of the uncertainty linked to the future developments, the final amounts may deviate from the estimates reflected in the statement.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash and bank deposits or bank overdraft.

Inventories

Inventories are recognised at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the average cost method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location.

Research and development

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs are amortized linearly over its useful life. Research costs are expensed as incurred.



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 2 - Sales revenue

	2023	2022
<i>By business area</i>		
Valve	283 341	263 244
Instrumentation	480 651	406 899
Piping	239 356	190 507
	<u>1 003 348</u>	<u>860 650</u>
<i>Geographical distribution</i>		
Norway	904 594	778 117
Europe excl. Norway	38 128	23 896
Rest of world	60 627	58 637
	<u>1 003 348</u>	<u>860 650</u>

Note 3 - Intercompany balances and transactions

<i>Intercompany assets</i>	2023	2022
Intercompany receivables*	1 278 259	718 268
Accounts receivable to group companies	2 421	8 384
Other receivables*	60 300	32 921
Total	<u>1 340 981</u>	<u>759 573</u>
<i>Intercompany liabilities</i>		
Long-term liabilities**	371 371	393 601
Trade creditors intercompany***	182 836	123 657
Short-term liabilities	8 149	9 148
Total	<u>562 356</u>	<u>526 405</u>
<i>Intercompany transactions</i>		
Sales	1 548	1 029
Other expenses including management fees	26 024	22 174
Interest income*	73 493	45 119
Interest cost**	33 191	16 942
Cost of sales	1 031	927

* Intercompany receivables in 2023 consisting of an IC loan to MRC GLOBAL (CANADA) LTD of 679 million NOK increasing by revaluation movement of 81 million NOK with corresponding interest income of 47,2 million NOK, and another IC loan to McJunkin Redman UK Ltd of 535 million NOK offsetting by revaluation movement of 17 million NOK with a corresponding interest income of 26,3 million NOK in 2023.

The IC loan extended to MRC Global Canada (ULC) is backed by a parent company guarantee from MRC Global Inc. In the event MRC Global Canada (ULC) is unable to fulfil its loan repayment obligations, MRC Global Inc. will assume responsibility for the debt.

**Long-term liabilities in 2023 is mostly consisting of IC loan from MRC Transmark Holdings UK Limited of 276 million NOK with a corresponding interest cost of 28,9 million NOK in 2023.

***Trade creditors intercompany in 2023 is mostly consisting of IC creditors from MRC Transmark Holdings UK Limited of 172,6 million NOK.



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 4 - Payroll expenses, number of employees and loans to employees and auditor's fee

<i>Wage costs</i>	2023	2022
Wages and salaries	111 126	92 009
Payroll tax expense	27 631	25 645
Pension costs	12 487	11 251
Other benefits	6 447	7 916
Total payroll expenses	<u>157 690</u>	<u>136 821</u>

The average number of employees: 228

The company is required to have an occupational pension scheme in accordance with the Norwegian law on required occupational pension (lov om obligatorisk tjenestepensjon). The company's pension schemes meets the requirements of that law. Effective from October 2020 the company only has defined contribution schemes covering all current employees. The company also has an unfunded scheme for a former CEO and a former MD. The company also has an early retirement scheme (AFP). This is considered to be a defined benefit pension plan, but is accounted for as a contribution scheme because it has been determined that there are no available reliable assumptions regarding measurement of the scheme. This pension liability is therefore not recognized in the balance sheet.

Management remuneration

	Salary	Pension expenses	Other remuneration
Chief Executive Officer	2 012	96	525

The CEO is participating in a bonus scheme within the MRC Global Group. Under this scheme, TNOK 525 was paid out to the CEO in 2023.

<i>Auditor fee has been divided as follows</i>	2023	2022
Statutory audit fee	934	960
Other services	95	20
Total	<u>1 029</u>	<u>980</u>

VAT is not included in the auditor fees.

Note 5 - Finance income and expenses

<i>Other financial income</i>	2023	2022
Foreign currency gain	53 402	579
Total	<u>53 402</u>	<u>579</u>

<i>Other financial expenses</i>		
Foreign currency loss	71 544	24 181
Total	<u>71 544</u>	<u>24 181</u>



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 6 - Income taxes

<i>Income tax expenses</i>	2023	2022
Withholding tax	8 113	4 488
Change in deferred tax	-82 876	0
Total income tax expense	<u>-74 763</u>	<u>4 488</u>
<i>Tax base estimation</i>	2023	2022
Result before tax	20 259	-16 272
Permanent differences	24 698	24 401
Change in temporary differences	-12 134	-9 732
General income	<u>32 824</u>	<u>-1 603</u>
(Utilization of) loss carried forward	-32 824	1 603
Tax base	<u>0</u>	<u>0</u>
<i>Temporary differences outlined</i>	2023	2022
Fixed assets	-1 795	-2 796
Receivables	398	-705
Gain and loss account	26	32
Provisions	-37 433	-44 344
Pension liabilities	-5 368	-5 479
Inventory	-15 240	-12 401
Fixed contracts	13 175	7 310
Other differences	0	12
Total temporary differences	<u>-46 238</u>	<u>-58 371</u>
Accumulated loss carried forward	-330 470	-363 293
Interest deductibility brought forward	-120 158	-120 158
Net temporary differences	<u>-496 866</u>	<u>-541 823</u>
Deferred income tax assets (22%)	<u>-109 310</u>	<u>-119 201</u>
Deferred income tax asset not recognized	<u>26 435</u>	<u>119 201</u>
Deferred income tax asset booked to balance sheet	<u>-82 876</u>	<u>0</u>
<i>Permanent differences outlined</i>	2023	2022
Non-deductible gifts, fees etc	670	340
Goodwill	28 549	28 549
Withholding tax	-4 521	-4 488
Total permanent differences	<u>24 698</u>	<u>24 401</u>



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

<i>Effective tax rate</i>	2023
Expected income taxes, statutory tax rate 22%	4 457
Change in deferred tax asset not recognized	-92 766
Withholding tax*	8 113
Permanent differences (22%)	5 434
Income tax expense	<u>-74 763</u>
Effective tax rate	-369 %

*4,5 million NOK of withholding tax has been settled to intercompany interest receivables from MRC Global (Canada) Ltd in March 2023 and this amount has been treated as permanent difference this year. The company has also accrued 3,6 million NOK withholding tax on interest receivables from MRC Global (Canada) Ltd that will be settled in March 2024.

Note 7 - Intangible assets

	Goodwill	R & D	Customer Relation	Trademarks	Total
Acquisition cost at 01.01.	368 163	71 252	38 404	20 418	498 237
Additions	0	3 124	0	0	3 124
Acquisition cost 31.12.	368 163	74 376	38 404	20 418	501 361
Acc.amortization at 31.12.	-339 614	-65 627	-38 014	-20 418	-463 673
Net carrying amount at 31.12.	28 549	8 749	390	0	37 688
Amortization for the year	28 549	0	426	0	28 975
Useful economic life	8 Years	5-10 Years	10 Years	0 Years	
Amortization plan	Linear	Linear	Linear	Linear	

Goodwill is amortized over 8 years as this is considered to be in accordance with future earnings for the acquired goodwill.

Note 8 - Tangible assets

	Land, buildings and other property	Machinery and plant	Fixtures, fittings, tools, office machinery, etc.	Total
Acquisition cost 01.01.	4 096	59 560	16 847	80 503
Additions	1 578	481	556	2 615
Acquisition cost 31.12.	5 674	60 041	17 403	83 118
Acc.depreciation 31.12.	-2 012	-52 714	-12 914	-67 640
Net carrying amount at 31.12.	3 662	7 327	4 489	15 478
Depreciation for the year	315	2 790	3 667	6 773
Useful economic life	10 Years	10 Years	3-15 Years	
Depreciation	Linear	Linear	Linear	



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 9 - Investment in subsidiaries

Company	Location	Share owners	Net profit 2022	Equity 31.12.22	Book value 31.12
MRC Global (Germany) GmbH	Germany	100 %	103	2 316	15 372

The above table shows the net profit and equity per year end (EUR thousands) for 2022 as the numbers for 2023 were not yet available per the signing date of the MRC Global Norway AS' financial statement.

Note 10 - Inventories

	2023	2022
Work in progress	16 942	8 638
Purchased goods	234 578	235 520
Provision for obsolescence	-15 240	-12 401
Total	<u>236 281</u>	<u>231 757</u>

Note 11 - Restricted funds

<i>Pledged assets</i>	2023	2022
Inventory	236 281	231 757
Trade receivables	233 160	171 303
Cash	20 808	23 984
Total	<u>490 249</u>	<u>427 044</u>

As of 31.12.23 the Company had no restricted funds. Employees' tax deductions are secured with a bank guarantee with a value of 12 million NOK.

Note 12 - Equity

	Share capital	Share premium	Retained earnings	Total
Owners equity 01.01.	41 963	472 039	0	514 002
Net Profit/(loss) for the year	0	0	95 022	95 022
Issued capital*	51 289	483 835	0	535 124
Owners equity 31.12.	<u>93 252</u>	<u>955 875</u>	<u>95 022</u>	<u>1 144 149</u>

* According to general meeting that was held on May 2023, the share capital is increased from TNOK 41,963 to TNOK 93,252 by increasing the nominal value on all of the company's shares, from NOK 0.90 per share to NOK 2.00 per share. The total capital increase is TNOK 535,124, of which TNOK 483,835 is share premium.



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 13 - Share capital and shareholder information

Share capital:

	Number of shares	Face value	Book value
Ordinary shares	46 625 946	2	93 252

Shareholders per 31.12:

	Ordinary shares	Ownership share	Voting rights
MRC Stream AS	46 625 946	100 %	100 %

The company is subsidiary of the ultimate parent company MRC Global, Inc. The consolidated accounts can be obtained on mrcglobal.com.

Note 14 - Liabilities to financial institutions

In September 2021, MRC Global Inc. entered into a revised \$750 million multi-currency global asset-based revolving credit facility (the "Global ABL Facility") that was subsequently amended and restated in July 2014, September 2017 and September 2021. The five-year Global ABL Facility, which will mature on September 03, 2026, is comprised of \$750 million of total revolving credit facilities, including a \$12 million facility in the Norway. The facility contains an accordion feature that allows us to increase the total principal amount of the facilities by up to \$250 million.

The company guarantees the obligations of our other non-U.S. borrower subsidiaries under the Global ABL Facility. The obligations of any of our non-U.S. borrower subsidiaries are primarily secured, subject to certain exceptions, by a first-priority security interest in the accounts receivable, inventory and related assets of the non-U.S. subsidiary and our wholly owned material U.S. subsidiaries. No non-U.S. subsidiary guarantees the U.S. tranche and no property of our non-U.S. subsidiaries secures the U.S. tranche.

The company has a separate standalone borrowing base that limits its ability to borrow under its respective tranche, provided that it may utilize excess availability under the U.S. tranche to borrow amounts in excess of their respective borrowing bases but not to exceed our applicable commitment amount or \$12 million.

Subject to the foregoing, the company's ability to borrow under the Global ABL Facility is limited by a borrowing base equal to 85% of eligible receivables, plus the lesser of 70% of eligible inventory and 85% of appraised net orderly liquidation value of the inventory.

The company's borrowings bear interest at a benchmark rate, which varies based on the currency in which such borrowings are made, plus a margin varying between 1.25% and 1.75% based on our fixed charge coverage ratio. At the balance sheet date, the company had a contingent obligation of NOK Nil (2022 – NOK Nil) in respect of borrowings by non-U.S. subsidiary undertakings under the Global ABL facility.

Further details on this facility can be found in MRC Global Inc's annual report which is available on www.mrcglobal.com.



MRC Global Norway AS

Notes to the accounts for 2023

Amounts in NOK thousands

Note 15 - Other short-term liabilities

	2023	2022
Holiday pay	20 297	17 797
Deferred revenue	15 004	14 229
Accruals third party	5 658	5 784
Other liabilities	54 209	43 878
Total	<u>95 168</u>	<u>81 688</u>

In 2020 the company made a provision for restructuring cost of 67 million NOK related to housing cost. As of 31.12, 13 million NOK of this provision is classified as short-term liability.

In 2023 the company made a provision for restructuring cost of 4 million NOK related to employees redundancy and termination cost. This cost is classified as short-term liability. The employees are not required to work after year-end to get the payment.

Note 16 - Going concern

As at 31 December 2023, the company has many customer orders not yet shipped to customer, and therefore not yet recognised as revenue from an accounting perspective. The vast majority of the revenue from these orders is expected to be recognised in the next year. The ultimate parent company, MRC Global Inc, holds a multi-currency global asset-based revolving credit facility. The company can draw on this facility or cash held in the international business at any time upon request. Based on this the board of directors, in accordance with the requirements of the Norwegian Accounting Act §3-3, confirms that the condition for a going concern is satisfied and that the financial statements have been prepared on this basis.

Note 17 - Subsequent events

In March 2024 the company sells a part of business (ValveWatch) as a result of restructuring that has been planned in 2023. There were no other significant impacts that have occurred between the end of the reporting period and the date of this report that are not already reflected or disclosed in these financial statements.



Skattedirektoratet

Saksbehandler Torstein Kinden Haveland	Deres dato 12.01.2015	Vår dato 15.01.2015
Telefon 22078139	Deres referanse Steinar AAsland	Vår referanse 2015/20724

MRC GLOBAL NORWAY AS
Postboks 146 Forus
4065 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for MRC Global Norway AS, org. nr. 996 335 429

Vi viser til deres brev av 12. januar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for MRC Global Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering MRC Global Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

MRC Global Norway AS er en del av et amerikansk eid konsern. Selskapet er en del av et oljeservice konsern som driver internasjonal virksomhet innenfor produkter, løsninger og tjenester innenfor ventiler, instrumentering og rør. Arbeidsspråket er engelsk. Selskapet opererer i en internasjonal bransje. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Litter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan

Postadresse
Postboks 9200 Grannd
0134 Oslo

Besøksadresse:
Se www.skattedirektoratet.no
Org.nr. 996260318
E-post: skattedetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



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foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet inngår i et utenlandsk konsern. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer