



RUSSEL METALS TO ACQUIRE SEVEN SERVICE CENTERS IN THE US FROM KLOECKNER

- **Estimated Purchase Price of US\$119 Million**
- **Includes Approximately US\$67 Million for Working Capital and US\$52 Million for PP&E**
- **Complementary Geographic Fit - Six Locations in the US South and One Location in the US Mid-West**

FOR IMMEDIATE RELEASE

TORONTO, CANADA – September 28, 2025 – Russel Metals Inc. (RUS – TSX) announces that it has entered into an agreement to acquire seven service center locations from Kloeckner Metals Corporation (“Kloeckner”) for approximately US\$118.6 million, subject to closing working capital and other normal course adjustments. The acquisition includes the working capital, real estate, buildings and equipment, along with the operating personnel for the seven locations. The purchase price is based on the net book value of the working capital which was approximately \$67.1 million at June 30, 2025, plus \$51.5 million for the property, plant and equipment.

Russel will acquire Kloeckner’s metals service centers in Dubuque (Iowa), Charlotte (North Carolina), Suwanee (Georgia), Houston (Texas), Austin (Texas), Jacksonville (Florida) and Pompano Beach (Florida). For the period between January 1, 2023 and June 30, 2025, the seven service centers generated average annual revenues of approximately US\$500 million and average annual adjusted EBITDA¹ of approximately US\$20 million.

John Reid, President and CEO of Russel Metals commented, “The acquisition of these seven locations is a complementary fit with our existing US locations, as they will tie into our footprint in key regions of Florida/Georgia, Texas, the Carolinas and Iowa/Wisconsin. In addition, this transaction is a continuation of our long-term growth strategy in the US. Upon completion of this transaction, our revenue base will be more than 50% in the US, as compared to 30% in 2019 and 39% in 2024. We look forward to having approximately 350 Kloeckner employees join the Russel team.

We believe this acquisition will provide operating benefits through enhanced inventory management, procurement, and re-investments in facility modernizations and value-added equipment. These initiatives are expected to be implemented over a 2-3 year period.”

The transaction will be financed from our cash on hand or drawings under our existing credit facility, which totaled \$566 million on June 30, 2025. The transaction is subject to customary closing conditions and is expected to close in Q4’25 or Q1’26.

Additional supplemental financial information related to this announcement will be available in our investor conference call section on our website at www.russelmetals.com.

Investor Conference Call

The Company will be holding an Investor Conference Call on September 29, 2025, at 9:00 a.m. ET to discuss the transaction. The dial-in telephone numbers for the call are 1-647-932-3411 (Toronto and International callers) and 1-800-715-9871 (U.S. and Canada). Please dial in 10 minutes prior to the call to ensure that you get a line.

A replay of the call will be available at 1-647-362-9199 (Toronto and International callers) and 1-800-770-2030 (U.S. and Canada) until midnight on October 13, 2025. You will be required to enter pass code 5021920# to access the call.

¹ Represents earnings before the seller’s corporate allocations/charges (that would not be recurring under Russel), interest, income taxes, depreciation and amortization.

About Russel Metals Inc.

Russel Metals is one of the largest metals distribution companies in North America with a growing focus on value-added processing. It carries on business in three segments: metals service centers, energy field stores and steel distributors. Its network of metals service centers carries an extensive line of metal products in a wide range of sizes, shapes and specifications, including carbon hot rolled and cold finished steel, pipe and tubular products, stainless steel, aluminum and other non-ferrous specialty metals. Its energy field stores carry a specialized product line focused on the needs of energy industry customers. Its steel distributors operations act as master distributors selling steel in large volumes to other steel service centers and large equipment manufacturers mainly on an "as is" basis.

Cautionary Statement on Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements or information within the meaning of applicable securities laws relating to, among other things, the anticipated benefits of the transaction, the timing to close the transaction and there can be no assurance that the proposed transaction will occur, or that it will occur on the exact terms contemplated in this press release. Forward-looking statements are often, but not always, identified by the use of words such as "expect", "may", "will", "could", "might", "should", "believe" and similar expressions. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by us, inherently involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements.

While we believe that the expectations reflected in our forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct, and our forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release and, except as required by law, we do not assume any obligation to update our forward-looking statements.

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