

Mufson Howe Hunter

Metal Industry Update

Third Quarter 2025



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Mufson Howe Hunter & Company LLC is a middle-market focused investment bank providing M&A, capital raising, and financial advisory services.

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The Mufson Howe Hunter (MHH) Metal Industry Update is designed to provide business leaders, investors and industry professionals with an update on current market trends and important developments within the Metal sector. This quarterly report contains information on select companies in metal service centers and fabrication space and recycler, emphasizing both financial and stock performance as well as recent mergers and acquisitions news.

Last 3 Years – Public Comps

Last Three Years

Daily from September 30, 2022 to September 30, 2025
Price as Percent of Base (September 30, 2022 = 0%)

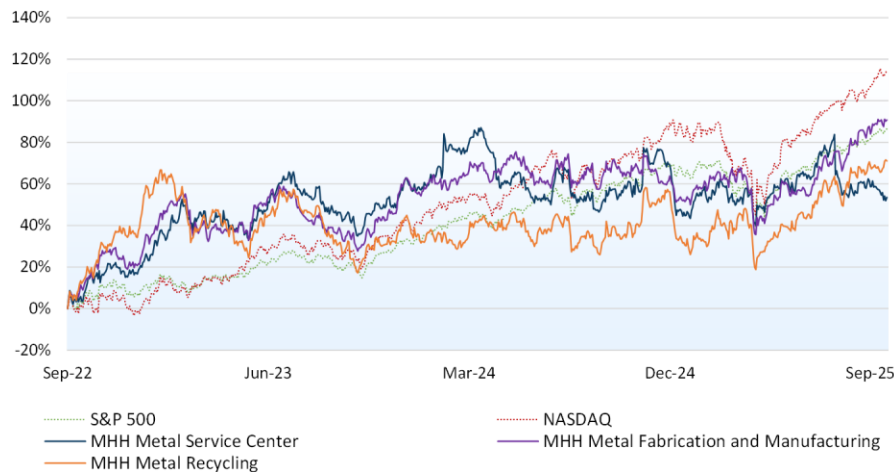
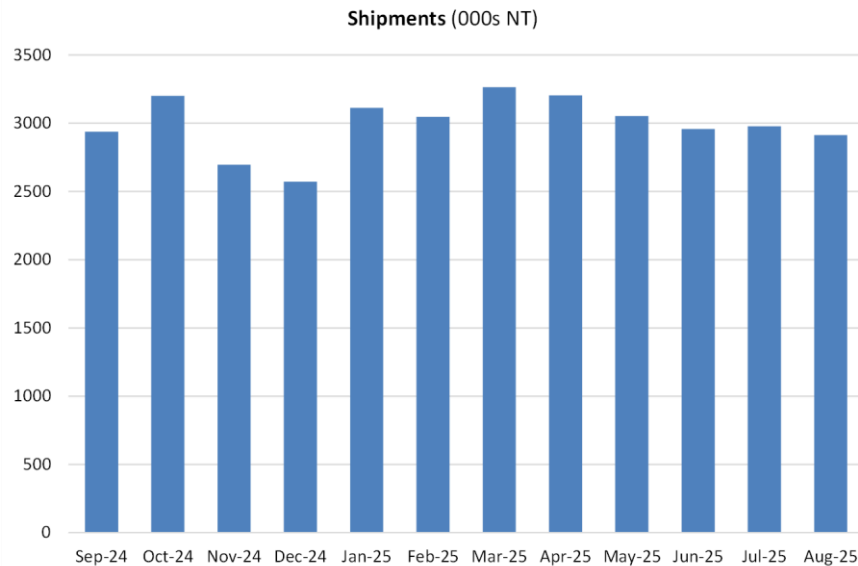


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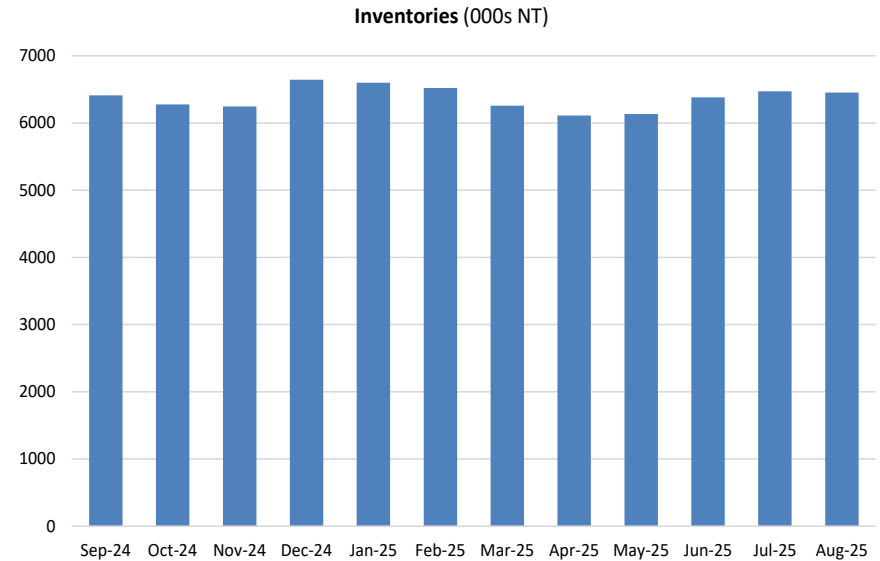
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Metal Market Overview

U.S. Service Center Shipments



U.S. Service Center Inventories



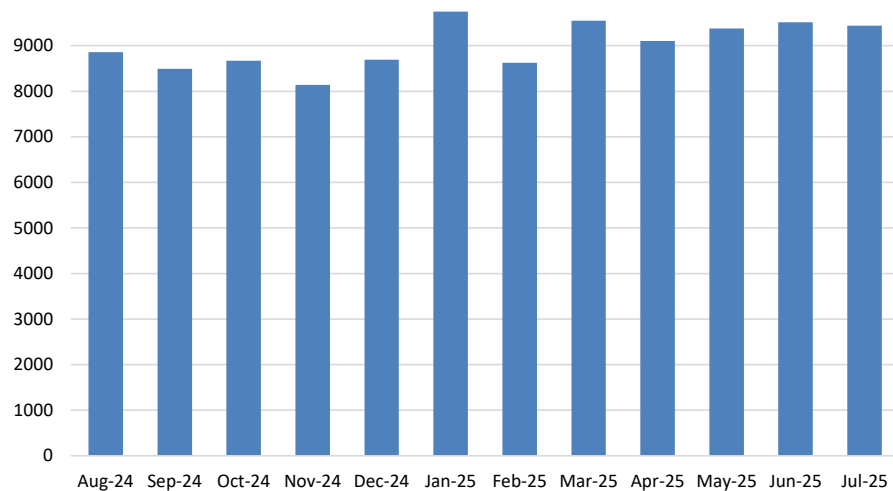
Commentary

August 2025 continued to be a slow month for U.S. service center steel shipments, with total shipment down to 2,914,000 NT in August 2025, or 2.1% down on a month over month basis. Simultaneously, inventory levels at U.S. Service centers remains relatively flat in August 2025 vs. the prior month. The recent trends in shipment and inventory level reflect soft demand across most end markets.

Metal Market Overview (cont'd)

Apparent Consumption

Consumption (000s NT)

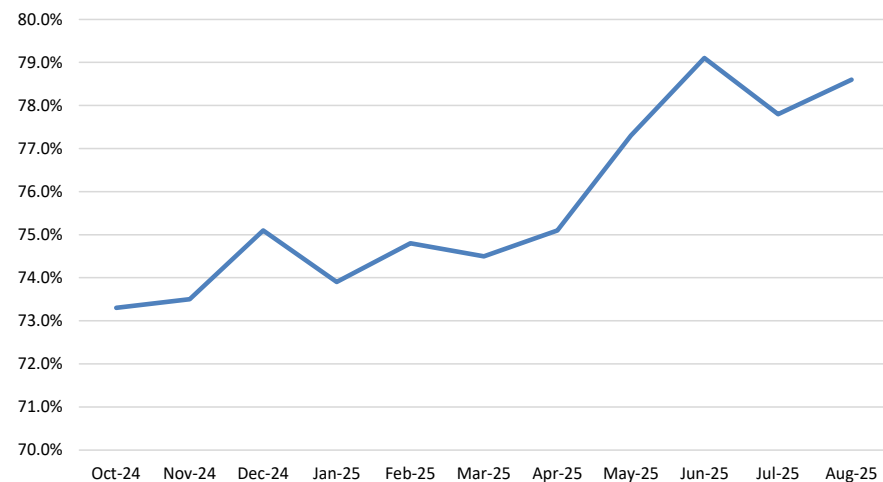


Commentary

Consistent with inventory level and shipment trends, apparent consumption remains largely flat on a month over month basis, largely reflecting similar soft demand environment across end markets.

Steel - Production Capacity Utilization

Production Capacity Utilization



Commentary

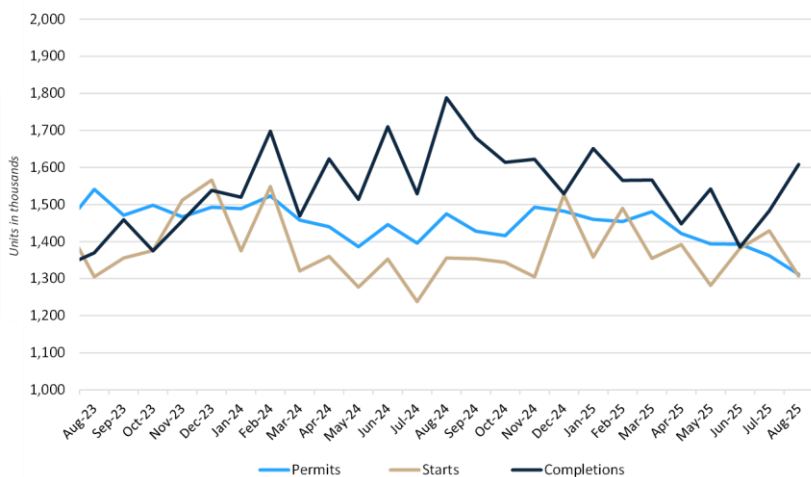
President Trump's recent announcement of 50% steel tariff since liberation day have significantly benefited domestic mills at the expense of foreign imports. As such, domestic mills have experienced an increase in production utilization to ~77.8% in August 2025 vs. ~75.1% in April 2025.

Major U.S. Economic Indicators

Housing Starts

The Permits indicator (i.e., light blue line) measures the number of new residential construction projects authorized by local governments. The Starts indicator (i.e., gold line) tracks when construction begins on new privately owned housing units. The Completions indicator (i.e., dark blue line) measures when new homes are finished and ready for occupation.

New Residential Construction



Source: United States Census Bureau

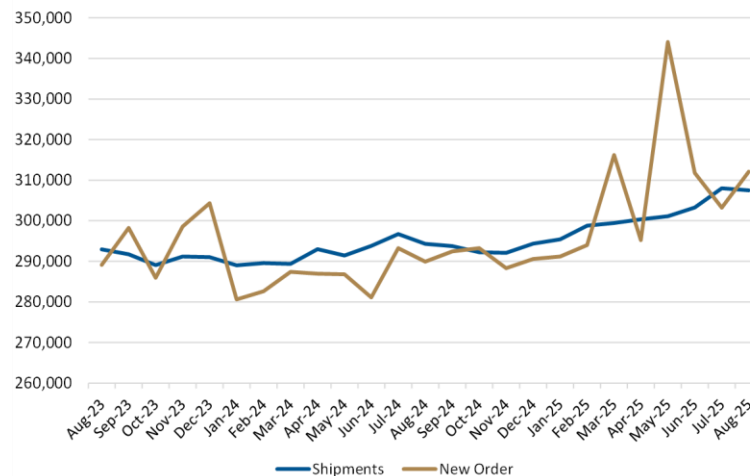
Commentary

Housing Permits decreased to 1,312 in August from 1,362 in July. Housing Starts also declined to 1,307 in August from 1,429 in July. In contrast, Housing Completions (increased sharply to 1,608 in August from 1,483 in July, reflecting a surge in finished units despite lower permitting and starts activity. Looking ahead, the government shutdown would likely slow down the number of permits being granted until reversal.

Durable Goods

The Durable Goods Manufacturers' Shipments (i.e., blue line) represent the total value of manufactured durable goods that have been shipped by producers. In contrast, the Durable Goods New Orders (i.e., gold line) track the total value of new orders placed with manufacturers for durable goods, serving as a leading indicator of future manufacturing activity.

Durable Goods



Source: United States Census Bureau

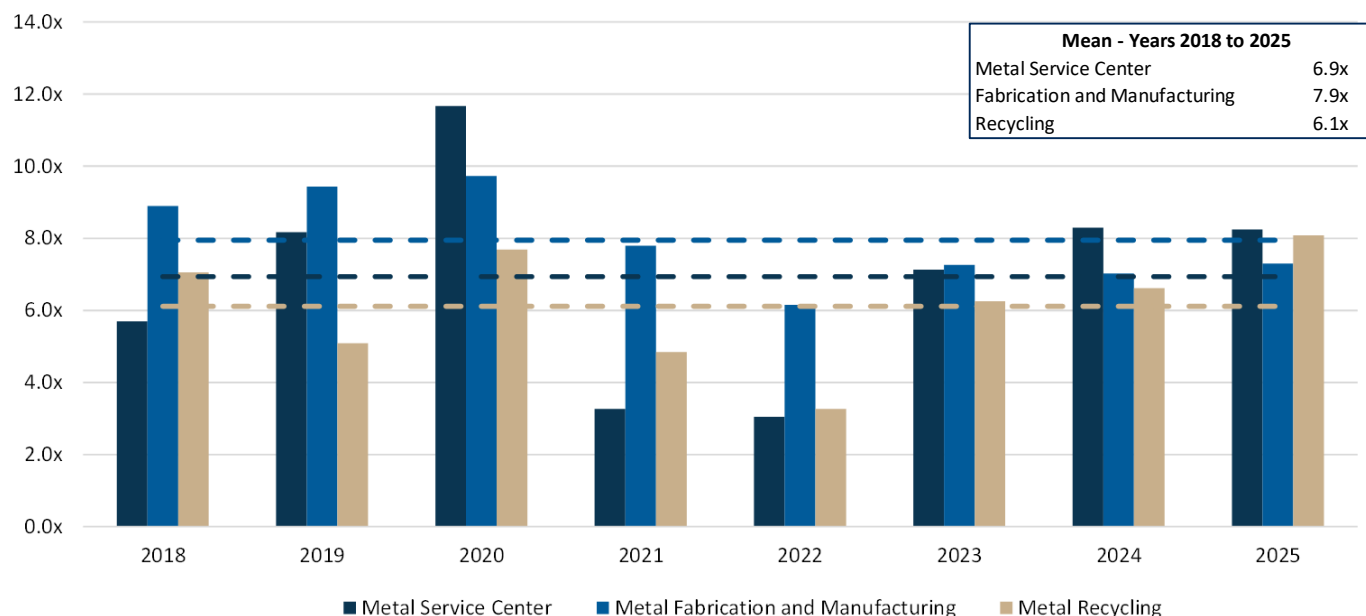
Commentary

Durable Goods Shipments increased to 307,510 in August from 307,988 in July. Durable Goods New Orders also rose to 312,059 in August from 303,198 in July, indicating stronger demand for future manufacturing activity despite relatively stable shipments. Looking ahead, the rise in New Orders suggests that shipments may continue to grow in the coming months, as manufacturers respond to increasing demand.

Long Term Industry Multiples Since 2018

EV/EBITDA by Subsector

Historical Thru-Cycle EBITDA Multiples



Commentary

Metal Service Centers provide a limited scope of value-added services, which results in lower gross margins and increased exposure to cyclical earnings volatility. Consequently, since 2018, these businesses have typically commanded an average through-cycle valuation multiple of approximately 6.9x.

In contrast, Metal Fabrication and Manufacturing businesses offer more extensive value-added services and foster closer relationships with end-market customers. These attributes enable higher gross margins and somewhat greater earnings stability, even though they remain sensitive to industry cycles. As a result, fabrication and manufacturing companies generally benefit from higher valuation multiples across the economic cycle compared to service centers.

Metal Recycling businesses, meanwhile, have historically traded at a long-term through-cycle multiple near 6.1x. Given the strategic importance of securing high-quality scrap, especially for mini-mill operators, companies with a concentration of prime scrap are potential acquisition targets for mini-mills seeking to enhance supply chain security.

Comparative Index Performance

The MHH Metal Service Centers Index^(a) decreased by 1.7% during the three months ending September 30, 2025.

Last Three Years

Daily from September 30, 2022 to September 30, 2025
Price as Percent of Base (September 30, 2022 = 0%)



Last Twelve Months

Daily from September 30, 2024 to September 30, 2025
Price as Percent of Base (September 30, 2024 = 0%)



Price Performance

MHH Metal Service Center ^(a)

NASDAQ

S&P 500

3-Year

LTM

3-Month

53.5%

-2.5%

-1.7%

114.3%

24.6%

18.6%

86.5%

16.1%

13.1%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Metal Service Center Index is comprised of all companies listed on the following page.

Metal Service Centers

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation			Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue	EBITDA	EBIT	Price/ EPS	Gross Profit	EBITDA
Metal Service Centers													
Reliance, Inc. (RS)	\$280.83	\$14,770	\$15,902	\$13,691	\$1,295	\$1,018	\$13.95	1.16x	12.3x	15.6x	20.1x	27.3%	9.5%
thyssenkrupp AG (TKA-DE)	13.72	8,540	5,072	36,281	584	567	(2.16)	0.14x	8.7x	8.9x	NM	8.9%	1.6%
Worthington Steel, Inc. (WS)	30.39	1,546	1,975	3,132	233	163	2.33	0.63x	8.5x	12.1x	13.0x	13.0%	7.4%
Russel Metals Inc. (RUS-CA)	29.96	1,678	1,849	3,233	221	158	2.08	0.57x	8.4x	11.7x	14.4x	10.6%	6.8%
Kloeckner & Co SE (KCO-DEU)	6.79	677	1,689	7,001	110	(24)	(1.61)	0.24x	15.4x	NM	NM	NM	1.6%
Ryerson Holding Corporation (RYI)	22.86	736	1,565	4,439	87	6	(0.44)	0.35x	18.0x	NA	NM	17.7%	2.0%
Olympic Steel, Inc. (ZEUS)	30.45	341	582	1,878	69	36	1.22	0.31x	8.5x	16.2x	24.9x	NM	3.7%
Friedman Industries, Incorporated (FRD)	21.90	155	186	465	15	11	1.56	0.40x	12.7x	16.5x	14.0x	18.3%	3.1%
Mean								0.48x	11.6x	13.5x	17.3x	16.0%	4.5%
Median								0.38x	10.5x	13.9x	14.4x	15.3%	3.4%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: FactSet

(1) As of close September 30, 2025.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2025 excluding WS (August 30, 2025).

(4) Excludes non-recurring and discontinued operations.

Metal Service Centers

2025 YTD Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Oct 10	Sheffield Steel Products	Supplies cold-rolled steel, hot-rolled pickled and oiled, coated steel, stainless and aluminum products to a range of industries.	Nova Steel	N/D
Sept 28	Kloeckner Metals Corp. (7 service centers in U.S.)	Distribution sites located in Austin and Houston (Texas), Charlotte (North Carolina), Dubuque (Iowa), Jacksonville and Pompano Beach (Florida), and Suwanee near Atlanta (Georgia).	Russel Metals, Inc. (RUS-CA)	\$119.0
Sept 16	Thyssenkrup Steel Europe AG (sub of TKA-DE)	Manufactures carbon steel, stainless steel, and special steel materials.	Jindal Steel Ltd.	N/D
Sept 2	Century Metals & Supplies	Provides industrial products to the manufacturing industry.	Freidman Industries, Inc. (FRD-US)	\$58.8
Aug 6	Simfloc AG	Provides building installation services.	Kloeckner Metals Corp. (KCO-DEU)	N/D
June 20	Green Hydrogen Systems technology subsidiary	Key technology assets of Green Hydrogen Systems.	Thyssenkrup AG (TKA-DE)	N/D
May 5	Haley Tool & Stamping Inc.	Manufactures metalworking machinery.	Thyssenkrup AG (TKA-DE)	N/D
March 31	Ambo-Stahl-Gesellschaft Gerhard Sevenich GmbH Co KG	Trades construction steel plates.	Kloeckner Metals Corp. (KCO-DEU)	N/D
March 14	Kloeckner Metals Brasil Ltda. (sub of KCO-DEU)	Engages in steel processing service.	Gerdau SA	N/D
Jan 9	Wavestone Luxembourg SA	Provides business and other management consultancy services.	Thyssenkrup AG (TKA-DE)	\$7.4

ND – Not disclosed. Transaction values in millions.

Metal Fabrication & Manufacturing

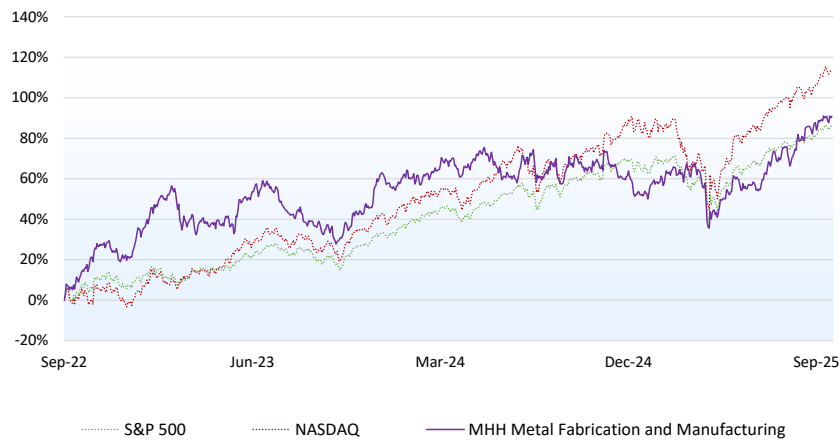
Comparative Index Performance

Comparative Index Performance

The MHH Metal Fabrication & Manufacturing Index^(a) increased by 22.9% during the three months ending September 30, 2025.

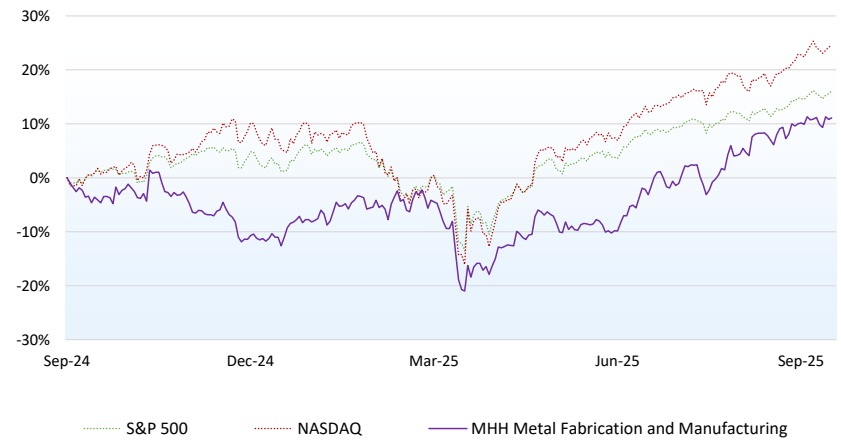
Last Three Years

Daily from September 30, 2022 to September 30, 2025
Price as Percent of Base (September 30, 2022 = 0%)



Last Twelve Months

Daily from September 30, 2024 to September 30, 2025
Price as Percent of Base (September 30, 2024 = 0%)



Price Performance

	3-Year	LTM	3-Month
MHH Metal Fabrication & Manufacturing ^(a)	90.7%	11.1%	22.9%
NASDAQ	114.3%	24.6%	18.6%
S&P 500	86.5%	16.1%	13.1%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Metal Fabrication & Manufacturing Index is comprised of all companies listed on the following page.

Metal Fabrication and Manufacturing

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation				Margins	
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/Revenue	EBITDA/Revenue	EBIT/Revenue	Price/EPS	Gross Profit	EBITDA
Metal Fabrication and Manufacturing													
Mueller Industries, Inc. (MLI)	\$101.11	\$11,193	\$10,209	\$4,060	\$892	\$824	\$6.29	2.51x	11.4x	12.4x	16.1x	26.6%	22.0%
voestalpine AG (VOE-AT)	35.70	6,374	8,208	16,852	1,390	560	0.77	0.49x	5.9x	14.7x	NM	17.1%	8.2%
Timken Company (TKR)	75.18	5,236	7,331	4,514	801	576	4.40	1.62x	9.2x	12.7x	17.1x	28.9%	17.7%
Vallourec SA (VK-FR)	19.02	4,457	5,023	4,146	843	603	1.59	1.21x	6.0x	8.3x	12.0x	24.0%	20.3%
Daido Steel Co., Ltd. (5471-JP)	8.66	1,881	2,874	3,844	473	270	0.89	0.75x	6.1x	10.6x	9.7x	17.5%	12.3%
Tsakos Energy Navigation Limited (TEN)	22.22	669	2,257	779	8,632	4,651	3.51	2.90x	0.3x	0.5x	6.3x	33.4%	24.4%
Gibraltar Industries, Inc. (ROCK)	62.80	1,853	1,879	1,219	188	158	4.17	1.54x	10.0x	11.9x	15.1x	27.4%	15.4%
Park-Ohio Holdings Corp. (PKOH)	21.24	306	966	1,612	114	80	2.79	0.60x	8.5x	12.0x	7.6x	16.9%	7.0%
Insteel Industries, Inc. (IIN)	38.34	744	700	605	58	40	1.59	1.16x	12.1x	17.4x	24.1x	12.8%	9.6%
Metallus Inc. (MTUS)	16.53	691	540	1,053	42	(13)	(0.48)	0.51x	12.8x	NM	NM	7.3%	4.0%
NN, Inc. (NNBR)	2.06	104	408	434	12	(27)	(1.13)	0.94x	NM	NM	NM	4.9%	2.7%
Mayville Engineering Company, Inc. (MEC)	13.76	280	385	525	47	9	0.85	0.73x	8.3x	NA	16.2x	9.6%	8.9%
Ascent Industries Co. (ACNT)	12.88	121	86	120	3	(2)	(0.46)	0.72x	NM	NM	NM	17.8%	2.8%
Mean								1.21x	8.2x	11.2x	13.8x	18.8%	12.0%
Median								0.94x	8.5x	12.0x	15.1x	17.5%	9.6%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: FactSet

(1) As of close September 30, 2025.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2025 excluding MLI and IIN (June 28, 2025).

(4) Excludes non-recurring and discontinued operations.

Metal Fabrication & Manufacturing

2025 YTD Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Sept 22	Sunstreamgreen Energy C&I Three Pvt Ltd.	Generates electricity through renewable sources, primarily solar.	Timken India Ltd. (sub of TKR)	\$0.1
July 17	HIRD Rail Services Ltd.	Manufactures insulated joints.	Veostalpine Railways Systems (VOE-AT)	N/D
June 23	American Stainless Tubing LLC (sub of ACNT-US)	Offers raw materials and slitting, tube mills, finishing, and packaging.	First Tube LLC	\$16.0
May 17	AFI Capital, Inc.	Provides contract manufacturing services, including fabrication, stamping, machining, and more.	Mayville Engineering Company, Inc. (MEC)	\$140.5
April 30	Flatiron Steel, Inc.	Produces metal roofing panels.	Gibraltar Industries, Inc. (ROCK-US)	N/D
April 30	Teton Steel LLC	Manufactures and supplies metal roofing and siding materials.	Gibraltar Industries, Inc. (ROCK-US)	N/D
April 30	Epic Steel Corp.	Manufactures and supplies metal roofing and siding materials.	Gibraltar Industries, Inc. (ROCK-US)	N/D
April 14	Serimax (sub of VK-FR)	Offers integrated welding solutions for operations for land and sea.	Alderban Capital Partners	\$89.6
March 12	Bristol Metals LLC (sub of ACNT-US)	Engages in the provision of stainless steel, nickel alloy, duplex, titanium, and moly grades of welded pipe.	Ta Chen Stainless Pipe Co. , Ltd.	\$45.0
Feb 11	Lane Supply, Inc.	Manufactures, supplies and installs canopies and related metal components.	Gibraltar Industries, Inc. (ROCK-US)	\$120.0

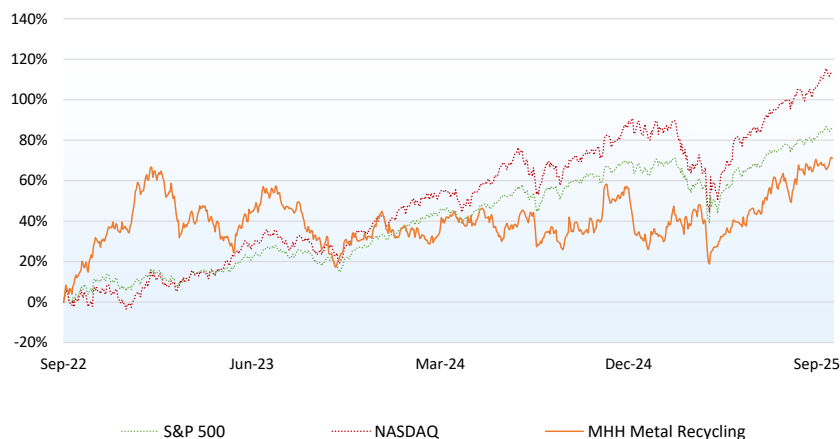
ND – Not disclosed. Transaction values in millions.

Comparative Index Performance

The MHH Metal Recycling Index^(a) increased by 24.3% during the three months ending September 30, 2025.

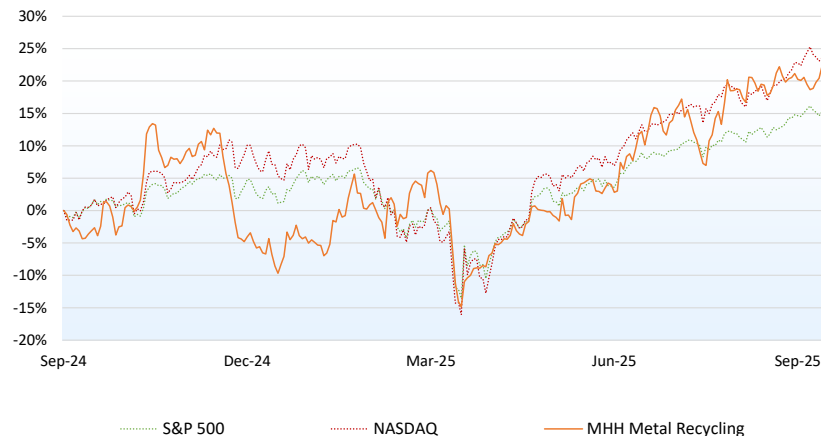
Last Three Years

Daily from September 30, 2022 to September 30, 2025
Price as Percent of Base (September 30, 2022 = 0%)



Last Twelve Months

Daily from September 30, 2024 to September 30, 2025
Price as Percent of Base (September 30, 2024 = 0%)



Price Performance

MHH Metal Recycling ^(a)

NASDAQ

S&P 500

3-Year

LTM

3-Month

71.1%

22.6%

24.3%

114.3%

24.6%

18.6%

86.5%

16.1%

13.1%

(a) Market cap weighted index assuming no dividend reinvestment. Mufson Howe Hunter Metal Recycling Index is comprised of all companies listed on the following page.

Metal Recycling

Selected Valuation Metrics

(\$ in USD millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾				Valuation			Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EBIT ⁽⁴⁾	EPS	Enterprise Value/ Revenue	EBITDA	EBIT	Price/ EPS	Gross Profit	EBITDA
Metal Recycling													
Commercial Metals Company (CMC)	\$57.28	\$6,411	\$6,956	\$7,680	\$790	\$717	\$0.31	0.91x	8.8x	9.7x	NM	15.5%	10.3%
Aurubis AG (NDA-DE)	124.78	5,610	5,311	19,549	1,072	\$435	\$15.34	0.27x	5.0x	12.2x	8.1x	6.1%	5.5%
Sims Ltd. (SGM-AU)	8.86	1,712	2,094	4,853	202	113	(\$0.06)	0.43x	10.4x	18.5x	NM	15.0%	4.2%
Mean								0.54x	8.0x	13.5x	8.1x	12.2%	6.6%
Median								0.43x	8.8x	12.2x	8.1x	15.0%	5.5%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: FactSet

(1) As of close September 30, 2025.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, post-retirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of June 30, 2025 excluding CMC (May 31, 2025).

(4) Excludes non-recurring and discontinued operations.

Metal Recycling

2025 YTD Selected M&A Transactions

Announced	Target	Target Description	Acquirer	Value
Sept 18	Concrete Pipe & Precast LLC (sub of Eagle Corp.)	Manufactures and distributes precast concrete pipe and structures.	Commercial Metals Co. (CMC-US)	\$675.0
July 22	Metallix	Specializes in recovering precious metals such as gold, silver, and platinum primarily from industrial waste streams.	Sibanye-Stillwater	\$82.0
March 13	Radius Recycling	Specializes in the recycling of ferrous and nonferrous metals and manufactures finished steel products.	Toyota Tsusho America	\$1,340.0
Jan 13	Thalheimer	Processor of copper, brass, stainless steel and other metals, selling to foundries, refiners and mills globally.	Venture Metals (backed by Mill Rock Capital)	N/D
Jan 13	Mega Metals	Provides metal recycling services.	Venture Metals (backed by Mill Rock Capital)	N/D

ND – Not disclosed. Transaction values in millions.

Deal Spotlight

Select MHH Recent Transaction and Advisory Projects

STRAUB METAL

has been acquired by

NIM

NORFOLK IRON & METAL

*The undersigned served as
exclusive financial advisor to
the seller in this transaction*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH



**MAINLINE
METALS INC.**

Financial Advisory

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers, acquisitions, recapitalizations, and raising capital.

Mergers & Acquisitions

- Advise buyers and sellers (public and private companies)
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

Raise Capital

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds, and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

Broker dealer services provided by our wholly-owned subsidiary:

Mufson Howe Hunter & Partners LLC
Member SIPC | FINRA

C o n t a c t u s

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