



# Investor Presentation March 2025



Granite City I & II, IL

# Disclosures

## FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, and such statements involve risk and uncertainty. Forward-looking statements include those preceded by, followed by or including the words “will,” “expect,” “intended,” “anticipated,” “believe,” “project,” “forecast,” “propose,” “plan,” “estimate,” “enable,” and similar expressions, including, for example, statements about our business strategy, our industry, our future profitability, growth in the industry sectors we serve, our expectations, beliefs, plans, strategies, objectives, prospects and assumptions, future production capacity, product quality and estimates and projections of future activity. These forward-looking statements may include, but are not limited to, sales volumes, margins, hedging results, potential or anticipated price changes, expectations as to financial results for future periods, future changes in the Company’s financial condition or results of operations, future production capacity, product quality and proposed expansion plans.

Forward-looking statements are not guarantees of future performance. These statements are based on management’s expectations that involve a number of business risks and uncertainties, any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Although forward-looking statements reflect our current beliefs, reliance should not be placed on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance or achievements to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements.

Actual results and trends in the future may differ materially depending on a variety of factors including, but not limited to, changes in the demand for and prices of the Company’s products, changes in government policy regarding steel, changes in the demand for steel and steel products in general, the Company’s success in executing its internal operating plans, changes in and availability of raw materials, unplanned shutdowns of our production facilities due to equipment failures or other issues, increased competition from alternative materials and risks concerning innovation, new technologies, products and increasing customer requirements. Accordingly, undue reliance should not be placed on our forward-looking statements. Such risks and uncertainty are also addressed in our Management’s Discussion and Analysis of Financial Condition and Results of Operations and other sections of the Company’s filings with the U.S. Securities and Exchange Commission (the “SEC”) under the Securities Act of 1933, as amended, and the Securities Exchange Act of 1934, as amended (the “Exchange Act”), including the Company’s Annual Report on Form 10-K and its other Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, except to the extent law requires.

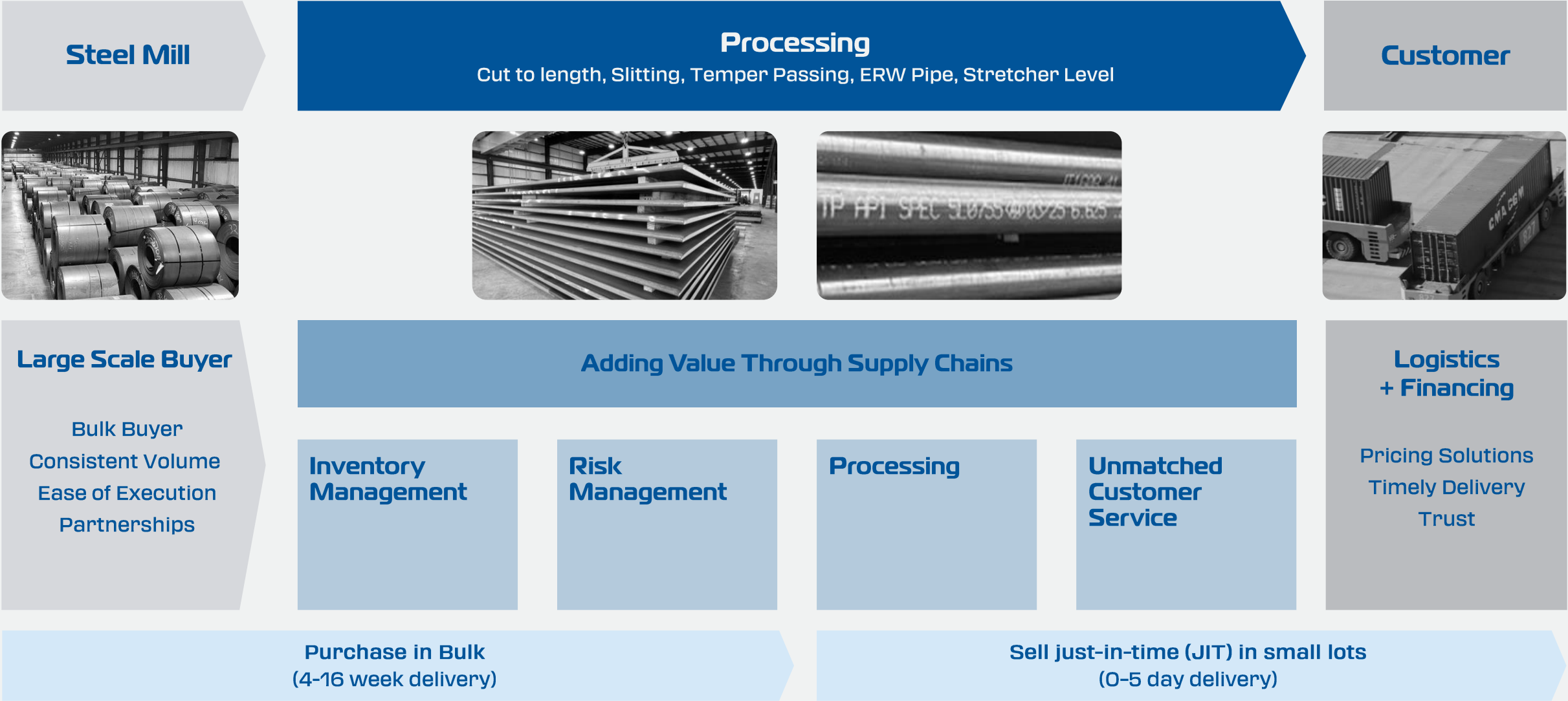


# About Friedman Industries

- Founded in 1965 and headquartered in Longview, Texas
- Seven operating locations: six flat-rolled coil processing facilities that produce sheet and plate and one tubular operation consisting of two American Petroleum Institute (“API”) licensed electric resistance welded pipe mills
- Industry leading safety record with TRIR of 0.55 in 2024 for the service centers
- Management team with over 20 years average industry experience and successful execution of strategic projects, acquisitions and risk management
- FY 2024 revenue of \$516 million on processed volume of 610,000 tons
- NYSE-American: FRD  
Publicly listed since 1972



# Friedman's Supply Chain



# Product Capabilities

## HOT ROLLED SHEET & PLATE

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- Stretcher leveled or temper passed cut-to-length material
- Stretcher leveled or temper passed coil to coil material
- Capable of processing material from 16 gauge (.055") to 1" thick in widths ranging from 36" to 96"
- Toll processing

## ELECTRIC RESISTANCE WELDED (ERW) API & ASTM PIPE

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- API X52 Line Pipe
- ASTM Grades A500B and A53B
- API J55 OCTG
- Outside diameter ranging from 2 3/8" to 8 5/8"

# Why Invest in Friedman Industries

A leading North American Steel Service Center and Pipe Manufacturer  
Poised for Growth

01

## PERFORMANCE

High-performing company led by an experienced, growth-driven team

02

## GROWTH

Growing and diverse customer base driving revenue as Friedman rises in industry relevance and reaches production capacity

03

## VALUE

Favorable outlook for earnings and growth at a compelling value

# 01 PERFORMANCE

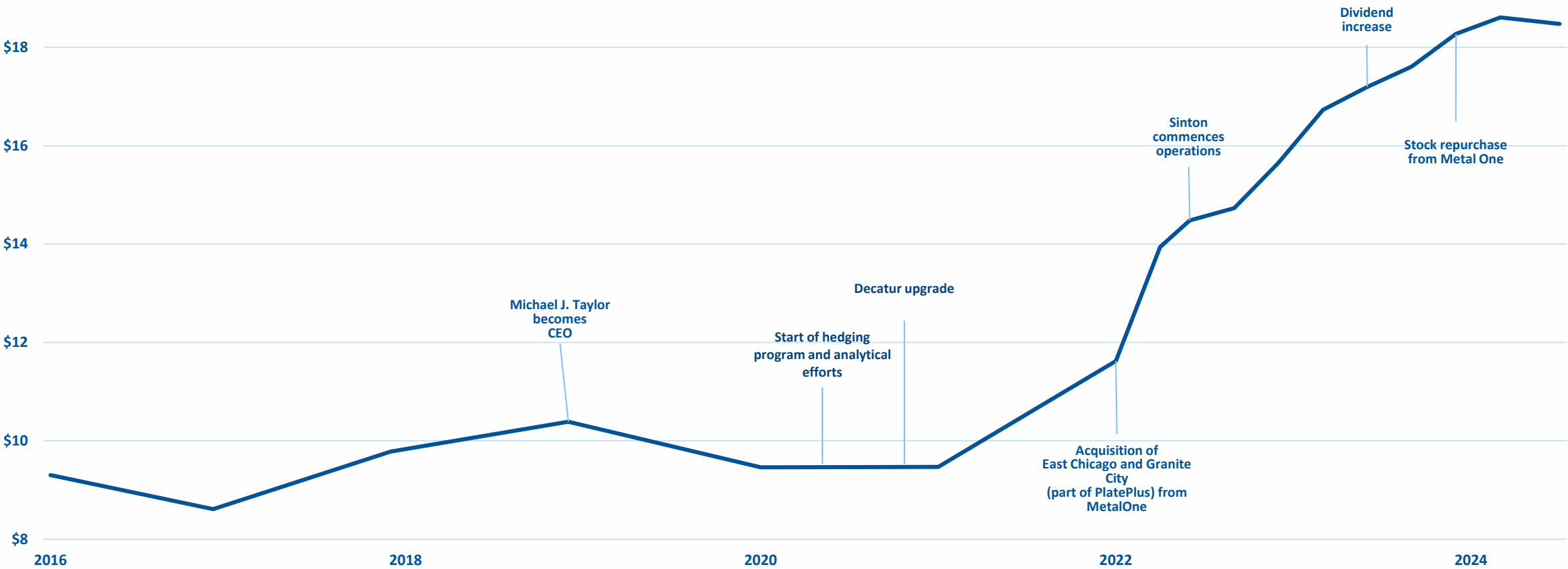
High-performing company led by an experienced, growth-driven team

- Deep, experienced, senior team of proven business leaders, with average industry experience of **more than 20 years** across operations, strategy, turnarounds, marketing, analytics and risk management
- Strategic transformation being recognized
- Flat organization structure matches authority with accountability and encourages strategic agility
- Long tenure/low turnover among employees: **98% annual retention rate** on all exempt (salaried) positions



# Creating Value Through Strategic Transformation

Tangible Book Value per Share

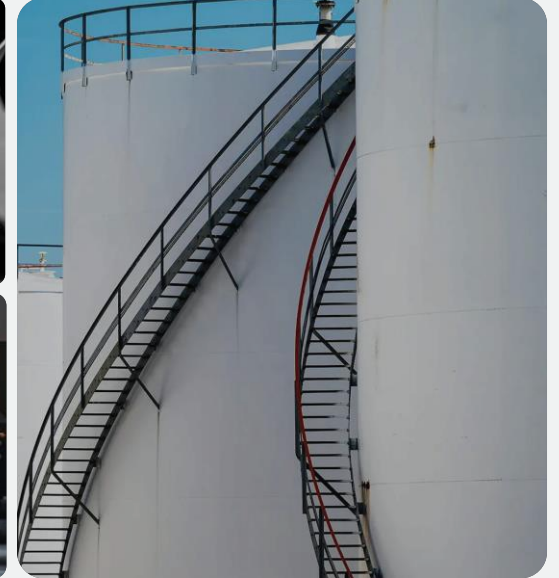
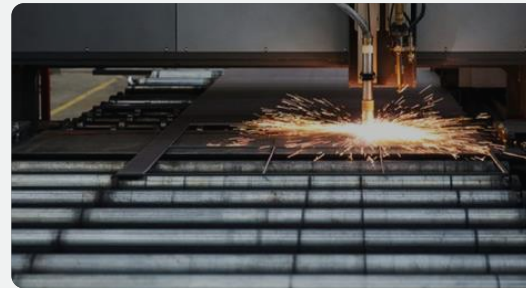




## 02 GROWTH

**Growing and diverse customer base driving revenue as Friedman rises in industry relevance and reaches production capacity**

- Industry leader in customer relationships, our top 10 customers have been with us for more than 20 years
- Enviably industry reputation: trusted by both customers and suppliers to perform in all markets
- Favorable geographic footprint and efficient freight access attracts more and better customers
- Friedman's high-quality products are a vital part of the defined supply chain for many of the country's top steel consumers
- Robust technological capabilities foster growth and customer loyalty (e.g., use of VMI/EDI for inventory management)



# Favorable Geographic Footprint and Efficient Freight Access Attracts More and Better Customers

- **DEDICATED COMMERCIAL TEAM**  
delivering customer-focused solutions and driving growth
- **ADVANCED FACILITIES**  
at all Friedman Flat Rolled locations are equipped with temper mills or stretcher levelers to meet all customer demands
- **LARGER PRODUCT PORTFOLIO**  
of leading products offering best-in-market capabilities to serve a broader customer base
- **PROXIMITY TO STEEL MILLS**  
Some of the lowest inbound cost in the industry (adjacent to steel mills, rail and barge access)
- **STRATEGIC MARKET ACCESS**  
to North America's largest and fastest growing steel consumers
- **STREAMLINED FREIGHT ACCESS**  
for faster and more efficient service delivery

- Stretcher Location
- Temper Pass Location
- Pipe Location





# Industries We Serve



**Containers**



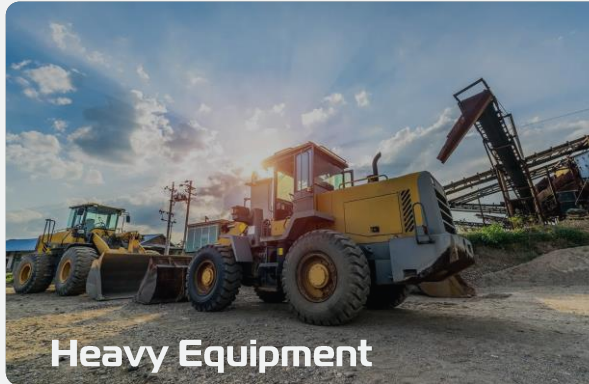
**ASTM Tubular Products**



**Metal Buildings**



**Trucks & Trailers**



**Heavy Equipment**



**Storage Tanks**



**Railcars**



**API Tubular Products**



**Metal Fabricators**



**Steel Service Centers**



# Robust Technology Fosters Growth and Customer Loyalty

- **VMI (VENDOR MANAGED INVENTORY)**

A collaboration with the customer to manage their stock levels and shipments based on prior inventory levels. Simplifies customer's inventory planning and streamlines our order management

- **EDI (ELECTRONIC DATA INTERCHANGE)**

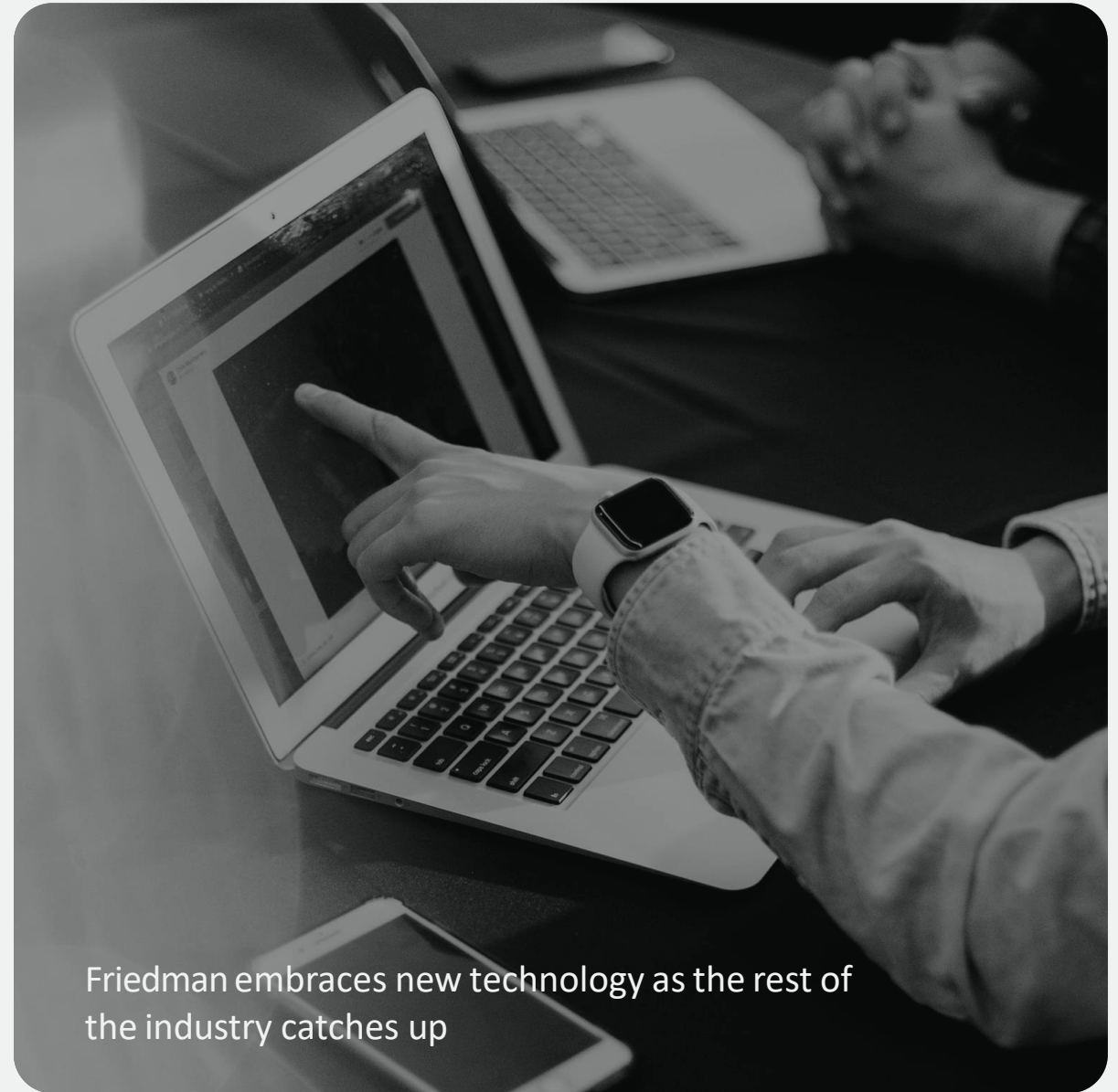
Provides just-in-time communication of daily business workflows to increase our efficiency and reduce errors and processing time

- **CUSTOMER PORTAL**

Self-service access for customers to view order status, download related documents, and access tailored reports

- **DEDICATED IT TEAM**

Dedicated team improving technology for smoother internal processes and better tools for customers and vendors



Friedman embraces new technology as the rest of the industry catches up



## 03 VALUE

### Favorable outlook for earnings and growth at a compelling value

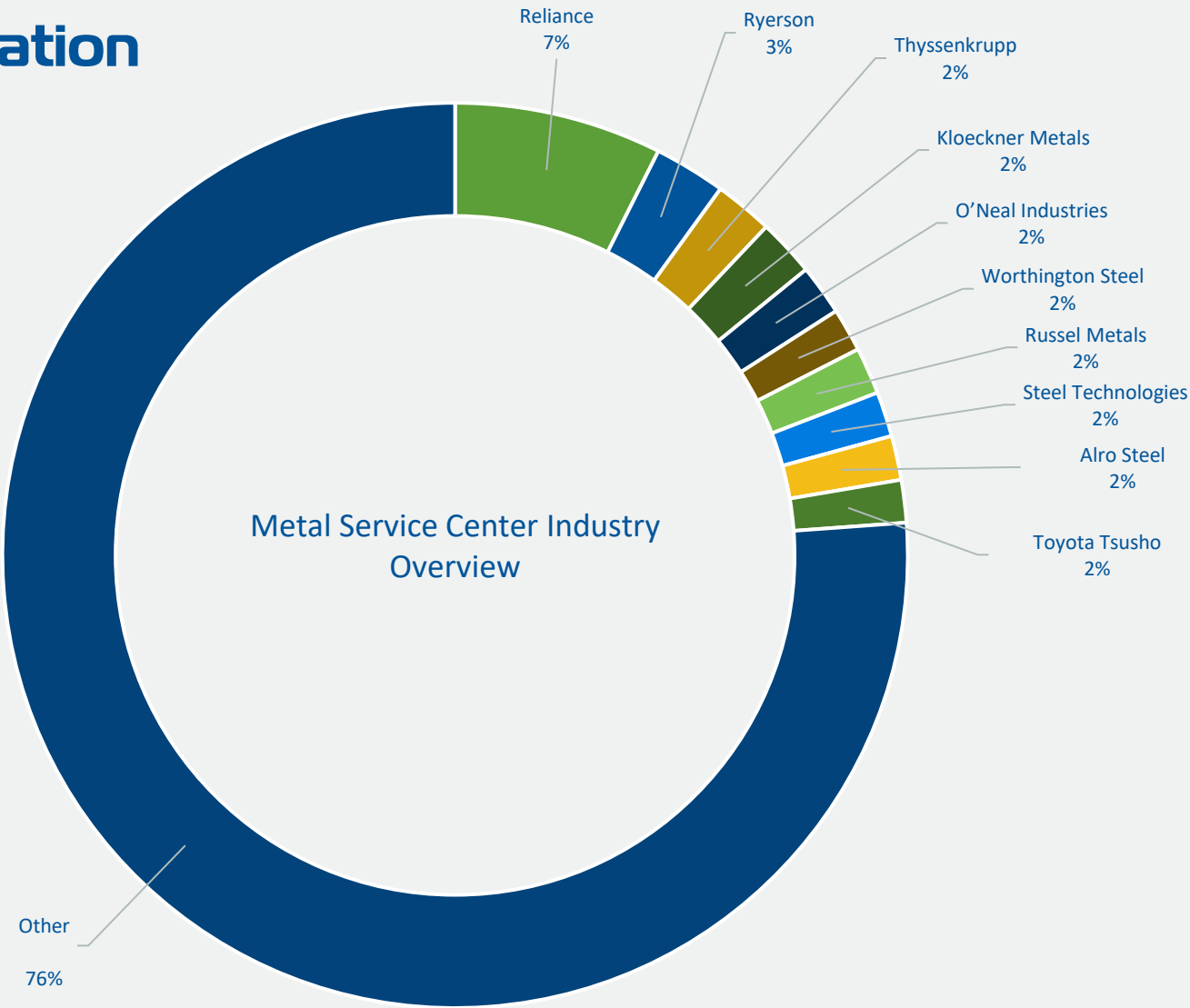
- Friedman's size and strategic flexibility mean superior growth potential compared to larger peers
- Positioned to benefit from market opportunities and industry consolidation
- Embracing risk management practices
- Strategic transformation more than doubled shipments and added highly competitive and efficient production capabilities
- Capital allocation strategy aligned with shareholder interests



# Positioned to Benefit from Market Opportunities and Consolidation

Highly fragmented industry with \$200 billion annual revenue and 9,400 single locations. (Dun & Bradstreet)

- Top 10 service centers account for only \$48 billion in sales (24%) and 963 locations. (2023-Metal Center News)
- Many small, family-owned service centers have limited resources and are seeking succession options
- Positive long term demand outlook due to manufacturing re-shoring, supply chain security, infrastructure investments and clean energy build out.
- Friedman has high growth potential given strong demand and probable consolidation ahead.

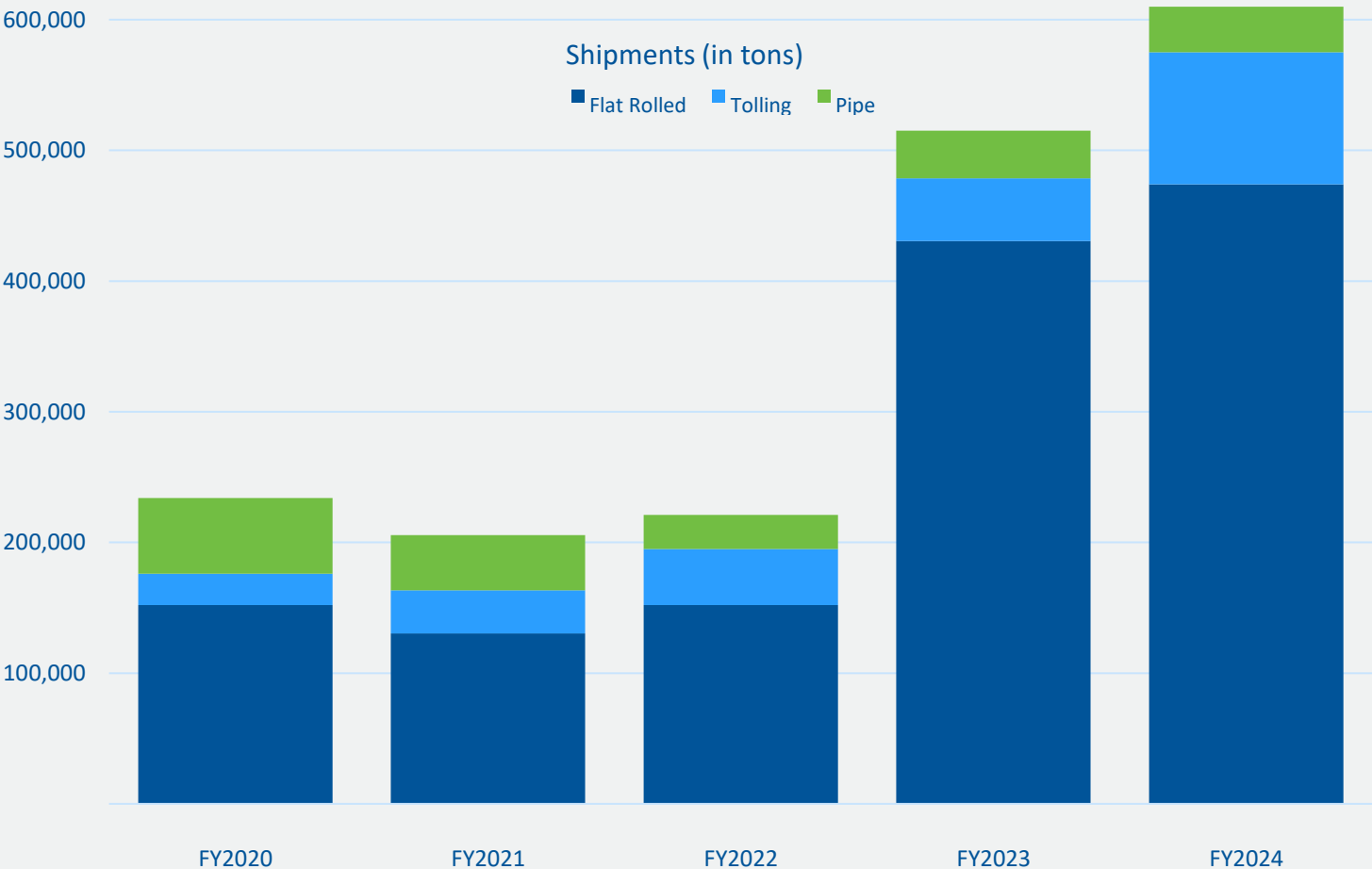


Revenue \$200B - 2023

# Strategic Transformation More than Doubled Shipments and Added Competitive and Efficient Production

In 2022, Friedman acquired Plateplus' East Chicago, IN and Granite City, IL facilities and commissioned a newly constructed facility in Sinton, TX on the Steel Dynamics campus.

- Acquisition also included all steel inventory and customer relationships at Plateplus' Loudon, TN and Houston, TX facilities, and exclusive toll processing
- Business historically handled at the Loudon and Houston locations was moved to more capable Friedman facilities in Decatur, AL and Sinton, TX
- Room to grow volume by approximately 50% and increase efficiency with existing, industry leading assets
- Transformation has proven Friedman's ability to acquire, integrate and build
- Tolling growth to provide consistent earnings



# Growth Strategy

We have an ambitious growth plan to expand market share of core products, improve gross margin, and pursue M&A opportunities

## Grow Core Business

Maximize production capacity of HRC cut to length and ERW pipe

Greenfield facilities

Partnerships

Improve gross margin thru internal efficiencies and value-added services

## M&A Criteria

Consistent earnings trail

New geographies and/or products

Strong management team

Not competing with existing customers

Adjacent steel processing

Enhanced margins



# Embracing Risk Management Practices

Friedman uses derivatives to hedge inventory in order to manage and mitigate financial risks arising from market volatility

Benefits include:

- Risk Management
- Protect Profit Margins
- Increase flexibility in purchasing and sales
- Pricing solutions tailored to customers
- Favorable view of hedging by financial institutions



The image shows a blurred financial market data screen. It displays various stock prices and derivatives contracts. The text is mostly illegible due to blurring, but some recognizable elements include:

- Stock prices for companies like Santander, JP Morgan, UBS, BGC Liquidez, H.commc, C6, Necton, Itau, Genial, Capital, and Morgan.
- Derivatives contracts under the heading "Juros/DIs", including DI1F24, DI1F25, DI1F27, DI1F29, DI1F31, and DI1F33.
- A table with columns for "Ativo", "Preço", and "Ajuste", showing values like 4.981,50 and 4.977,54.

# Capital Allocation Strategy Aligned with Shareholder Interests



Prioritize efficient capital management



Fund growth:

- Organic opportunities to follow our customers
- Tuck-in acquisitions
- Strategic acquisitions



Paid a dividend every quarter since 1972



Opportunistically repurchase common shares

# Friedman at a Compelling Value



Source : Bloomberg

# Appendix



# Five-year financial summary

In millions, except for per share and percentage data

	YEAR ENDED MARCH 31				
	2024	2023	2022	2021	2020
Net Sales	\$ 516.3	\$ 547.5	\$ 285.2	\$ 126.1	\$ 142.1
Net Earnings	\$ 17.3	\$ 21.3	\$ 14.1	\$ 11.4	\$ (5.2)
Current Assets	\$ 170.1	\$ 143.7	\$ 125.4	\$ 77.5	\$ 65.2
Current Liabilities	\$ 54.1	\$ 45.1	\$ 60.8	\$ 29.1	\$ 9.6
Working Capital	\$ 116.0	\$ 98.6	\$ 64.6	\$ 48.4	\$ 55.6
Total Assets	\$ 230.0	\$ 199.3	\$ 159.3	\$ 95.0	\$ 77.3
Stockholders' Equity	\$ 127.5	\$ 115.4	\$ 79.7	\$ 65.3	\$ 66.9
Net earnings (loss) as a percentage of Net sales	3.4 %	3.9 %	4.9 %	9.1 %	(3.7) %
Weighted average number of common shares outstanding	7.2	7.2	6.6	6.7	6.7
Net earnings (loss) per share	\$ 2.39	\$ 2.91	\$ 2.04	\$ 1.63	\$ (0.75)
Cash dividends per common share	\$ 0.10	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.10

Facility Overview

# East Chicago, IN

COIL PROCESSING

East Chicago temper mill strategically located in the busiest steel market in the U.S., providing increased reach to a broader geographic customer base

PROCESSING CAPABILITIES:  
Temper passed CTL sheet and plate



Widely recognized as the standard for quality in its market

Overview

5 Acres

With temper mill, finished goods warehouse and front office (total 154,194 sq. ft.)

Rail, truck  
and barge access

Temper Pass Mill

Equipment Specifications

36"-72"

Width Range

0.054" - 0.625"

Gauge Range

48" - 620"

Length Range

80,000 lbs

Max Coil Weight

Facility Overview

# Granite City, IL

COIL PROCESSING

- Granite City has 2 Temper Mills providing significant capacity to serve the Midwest market. Along with our East Chicago facility we are able to ensure timely delivery during outages and shift production as market dynamics dictate

PROCESSING CAPABILITIES:  
Temper passed CTL sheet and plate

Overview

333,000 sq. ft.

With two temper mills

Rail, truck  
and barge access

Temper Pass Mill 1

Equipment Specifications

36"-72"

Width Range

0.054" - 0.625"

Gauge Range

48" - 999"

Length Range

80,000 lbs

Max Coil Weight

Temper Pass Mill 2

Equipment Specifications

36"-72"

Width Range

0.054" - 0.625"

Gauge Range

48" - 999"

Length Range

80,000 lbs

Max Coil Weight

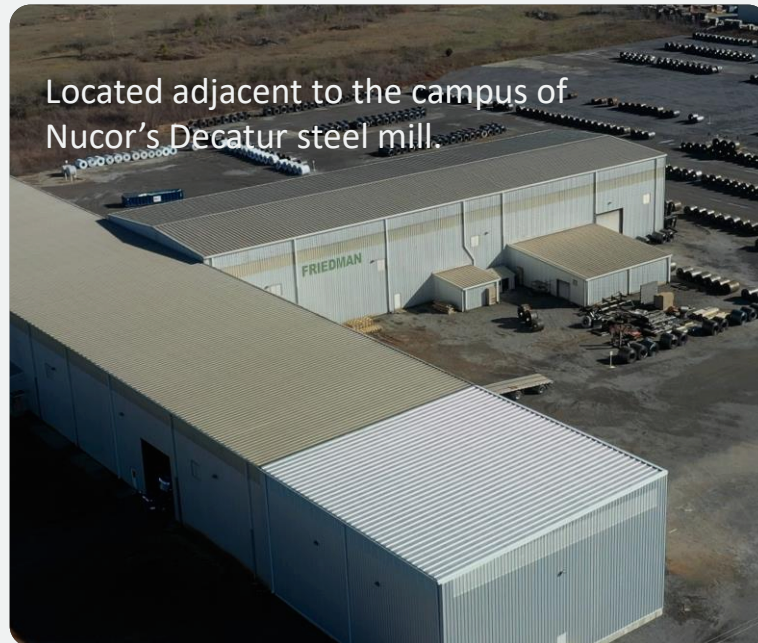
## Facility Overview

# Decatur, AL

COIL PROCESSING

Friedman's Decatur facility is located adjacent to the campus of Nucor's Decatur steel mill. Friedman's newly installed stretcher leveler at Decatur has expanded Friedman's processing capabilities and market reach

PROCESSING CAPABILITIES:  
Stretcher Leveler CTL sheet and plate



Located adjacent to the campus of  
Nucor's Decatur steel mill.

### Overview

## 47 Acres

With with stretcher leveler, finished goods  
warehouse and front office (total 61,500 sq. ft.)

Rail, truck  
and barge access

### Stretcher Leveler

Equipment Specifications

## 36"-96"

Width Range

## 0.054" - 0.500"

Gauge Range

## 48" - 480"

Length Range

## 60,000 lbs

Max Coil Weight

Facility Overview

# Hickman, AR

COIL PROCESSING

Friedman's Hickman facility is located on the campus of Nucor's Blytheville steel mill

PROCESSING CAPABILITIES:  
Temper passed CTL sheet and plate



Located on the campus of Nucor's Blytheville steel mill.

## Overview

### 26 Acres

With temper mill and cut to length line, finished goods warehouse and front office (67,000 sq. ft.)

Rail, truck and barge access

## Temper Pass Mill

Equipment Specifications

36"-72"

Width Range

0.060" - 0.500"

Gauge Range

60" - 636"

Length Range

50,000 lbs

Max Coil Weight



Facility Overview

# Sinton, TX

COIL PROCESSING

Friedman's newest facility features the largest stretcher leveler line in North America

PROCESSING CAPABILITIES:  
Stretcher leveled CTL sheet and plate  
Stretcher Level coil to coil



Friedman's newest facility

Overview

## 26 Acres

With 70,000 sq. ft. of facility space

Port, rail,  
and truck access

## Stretcher Leveler

Equipment Specifications

36"-96"

Width Range

0.0625" - 1.000"

Gauge Range

24" - 720"

Length Range

100,000 lbs

Max Coil Weight  
Can process coils up to 100,000 ksi yield

## Facility Overview

# Lone Star, TX

TEXAS TUBULAR

Texas Tubular is API certified to produce line pipe and OCTG, and ASTM A500B and A53B structural pipe

PROCESSING CAPABILITIES:  
Electric resistance welded pipe for the energy and structural markets

- The facility is adjacent to a fusion bond epoxy coating facility, which makes its line pipe highly cost efficient



### Overview

## 122 Acres

with 2 ERW pipe mills, finished goods warehouse and front office (total 173,000 sq. ft.)

## Rail and truck access

### Mill 1

Equipment Specifications

## 5 1/2" - 8 5/8"

Outside Diameter Range

### Mill 2

Equipment Specifications

## 2 3/8" - 5 1/2"

Outside Diameter Range