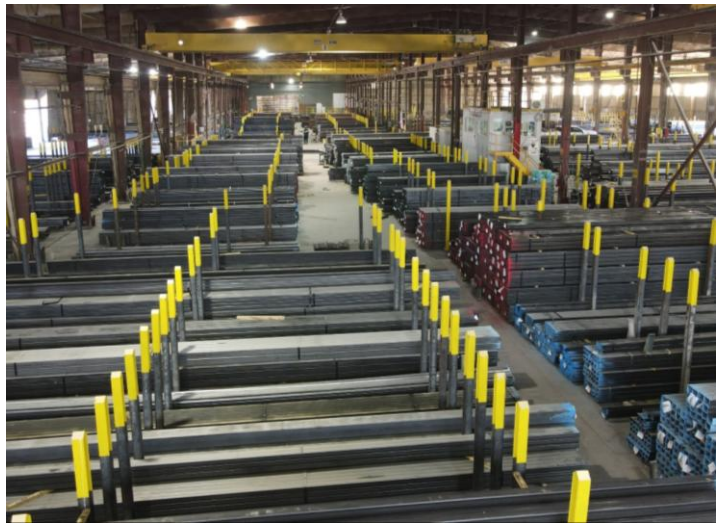









Russel Metals

COMPANY UPDATE

NOVEMBER 2026

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain statements contained in this presentation constitute forward-looking statements or information within the meaning of applicable securities laws, including statements as to our future capital expenditures, our outlook, the availability of future financing, our ability to pay dividends and the anticipated benefits from acquisitions, the timing to close the acquisition and there can be no assurance that the proposed acquisition will occur, or that it will occur on the exact terms contemplated in this presentation. Forward-looking statements relate to future events or our future performance. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "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, including the factors described below.

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 presentation should not be unduly relied upon. These statements speak only as of the date of this presentation and, except as required by law, we do not assume any obligation to update our forward-looking statements. Our actual results could differ materially from those anticipated in our forward-looking statements including as a result of the risk factors described above and under the heading "Risk" in our MD&A and under the heading "Risk Management and Risks Affecting Our Business" in our most recent Annual Information Form and as otherwise disclosed in our filings with securities regulatory authorities which are available on SEDAR+ at www.sedarplus.ca.

Risk Factors - We are subject to a number of risks and uncertainties which could have a material adverse effect on our future profitability and financial position, including the risks and uncertainties listed below, which are important factors in our business and the metals distribution industry. Such risks and uncertainties include, but are not limited to: volatility in product prices; cyclicality of the industry; future acquisitions; product claims; significant competition; sources of supply and supply chain disruptions; manufacturers selling directly; material substitution; failure of our key computer-based systems; cybersecurity; credit risk; currency exchange risk; restrictive debt covenants; the unexpected loss of key individuals; decentralized operating structure; labour interruptions; laws and governmental regulations; litigious environment; environmental liabilities; climate change; carbon emissions; health and safety laws and regulations; geopolitical risk and common share risk.

NOTES (NON-GAAP MEASURES)

In this Information Package we use certain financial measures that do not comply with IFRS Accounting Standards (IFRS or GAAP) or have standardized meanings, and thus, may not be comparable to similar measures presented by other issuers, for example EBIT, EBITDA, adjusted EBITDA, adjusted Earnings, adjusted EPS and Other Information in the Financial Summary are Non-GAAP measures or ratios. Reference should be made to our MD&A for further discussion of Non-GAAP measures and ratios. Management believes that these Non-GAAP measures may be useful in assessing our operating performance and as an indicator of our ability to service or incur indebtedness, make capital expenditures and finance working capital requirements. EBIT, EBITDA and adjusted EBITDA should not be considered in isolation or as an alternative to cash from operating activities or other combined income or cash flow data prepared in accordance with IFRS. EBIT, EBITDA and adjusted EBITDA and a number of the ratios provided under Other Information are used by debt and equity analysts to compare our performance against other public companies.

DEFINITIONS:

Cash from Working Capital - represents cash generated from changes in non-cash working capital.
EBIT or Operating Profits - represents net earnings before interest and income taxes.
EBITDA - represents net earnings before interest, income taxes, depreciation and amortization.
Free Cash Flow - represents cash from operating activities before changes in non-cash working capital less capital expenditures.
Gross Margin - represents revenues less cost of materials.
Gross Margin Percentage - represents gross margin divided by revenues.
Gross Margin per Ton - represents gross margin divided by tons shipped.
Inventory Turns - represent annualized cost of sales divided by ending inventory.
Invested Capital – net debt plus shareholders' equity.
Liquidity - represents cash on hand less bank indebtedness plus excess availability under our bank credit facility.
Net Debt – long-term debt less cash on hand.
Selling Price per Ton - represents revenues divided by tons shipped.
Stock-based Compensation - represents the mark-to-market of stock-based compensation.
Tons Shipped - represents revenue volumes in our standardized metal service center unit of measure, which is imperial tons.
Return on Invested Capital - represents EBIT divided by average invested capital (net debt plus shareholders' equity). For 2025, the ROIC calculation excluded the Kloeckner assets from the average invested capital, as the acquisition closed on December 31, 2025.

For adjusted EBITDA, adjusted net earnings and adjusted earnings per share, the following items have been excluded:

- Mark-to-market on stock-based compensation - the mark-to-market on stock-based compensation is a non-cash expense on a quarterly basis, does not impact the ongoing operating decisions taken by management, and is excluded to facilitate period -to-period comparability of our operating performance.
- Gain on sale of Delta property - the gain on sale of a property related to our branch in Delta, British Columbia was a one-time event, does not impact the ongoing operating decisions taken by management and is excluded to facilitate period-to-period comparability of the Company's operating performance.
- Gain on sale of Color Steels Inc. - the gain on sale of Color Steels Inc. ("Color Steels") was a one-time event that does not impact the ongoing operating decisions taken by management and is excluded to facilitate period-to-period comparability of the Company's operating performance.

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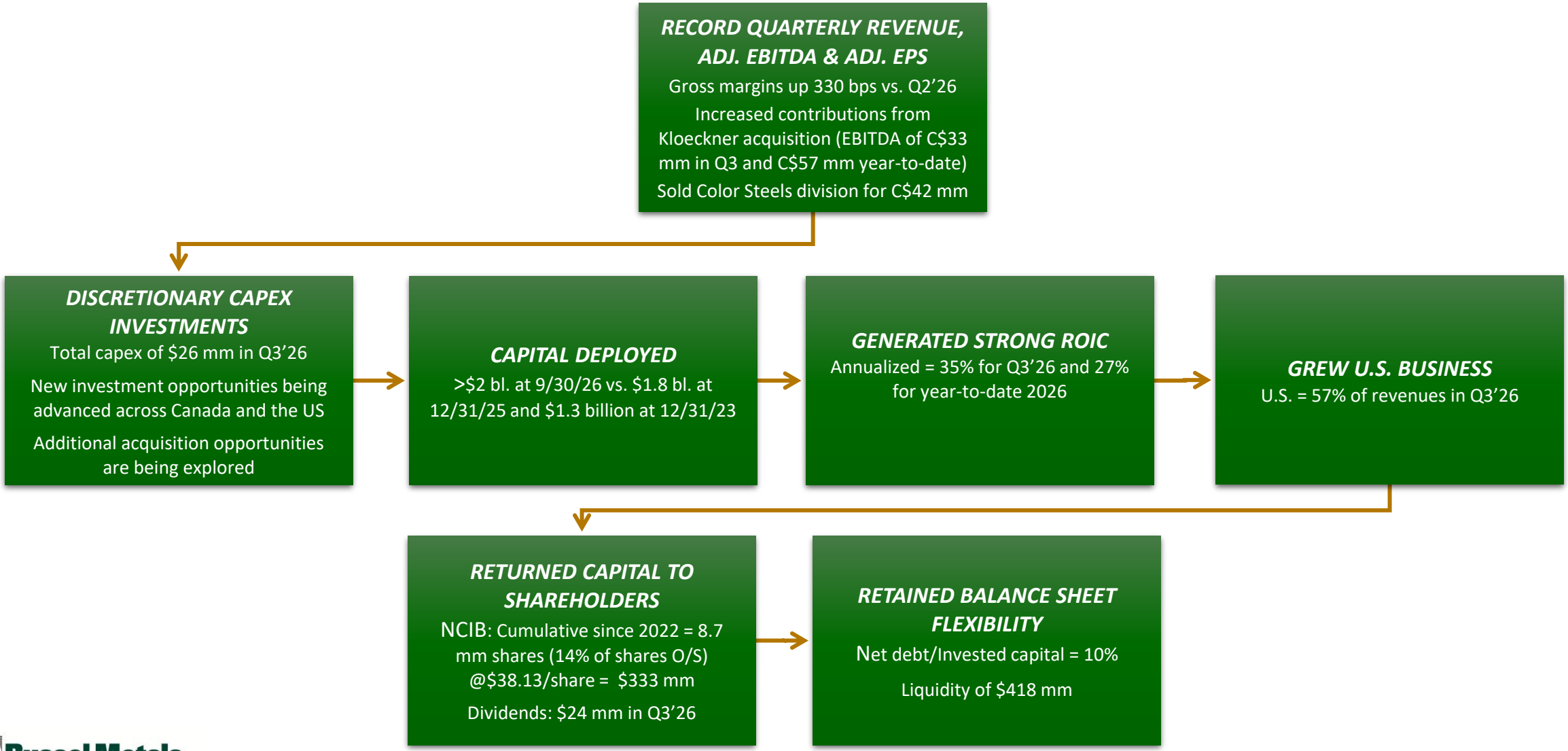
I. OVERVIEW

Q3’26 IN REVIEW



BUSINESS HIGHLIGHTS

Compelling Market Position with Strong Supplier Relationships and Market Insight

- One of the largest metals distribution and processing companies in North America
- Well-established relationships with North American steel producers and one of the largest independent steel importers in North America
- Global supplier reach provides timely access to market information and outlook to proactively manage inventory

Diversified Products and Customer Base

- Operates in three segments, each with a distinct customer base and business cycle
- Customers across a wide variety of industries including machinery and equipment manufacturing, non-residential construction, shipbuilding and natural resources

Flexible Business Model Through Cycles to Minimize Risk

- Variable cost/compensation model and prudent inventory management drives counter cyclical cash flows in market downturns
- Russel Metals' metals service centers have consistently turned inventory at higher rates than the industry average

Repositioned Portfolio to Enhance Return on Capital/Reduce Cash Flow Volatility

- Repatriated underperforming capital; Reduced volatility; Enhanced average returns and margins
- Reinvested in value-added processing and commenced a facilities modernization initiative
- Completed seven acquisitions since 2019, including Samuel assets in August/24, Tampa Bay in December/24 and Kloeckner assets in December/25

Implemented a Flexible and Balanced Approach to Returning Capital to Shareholders

- Since Jan. 1/24, Russel paid $265 million of dividends and bought back $228 million of shares

Strong Liquidity and Financial Position

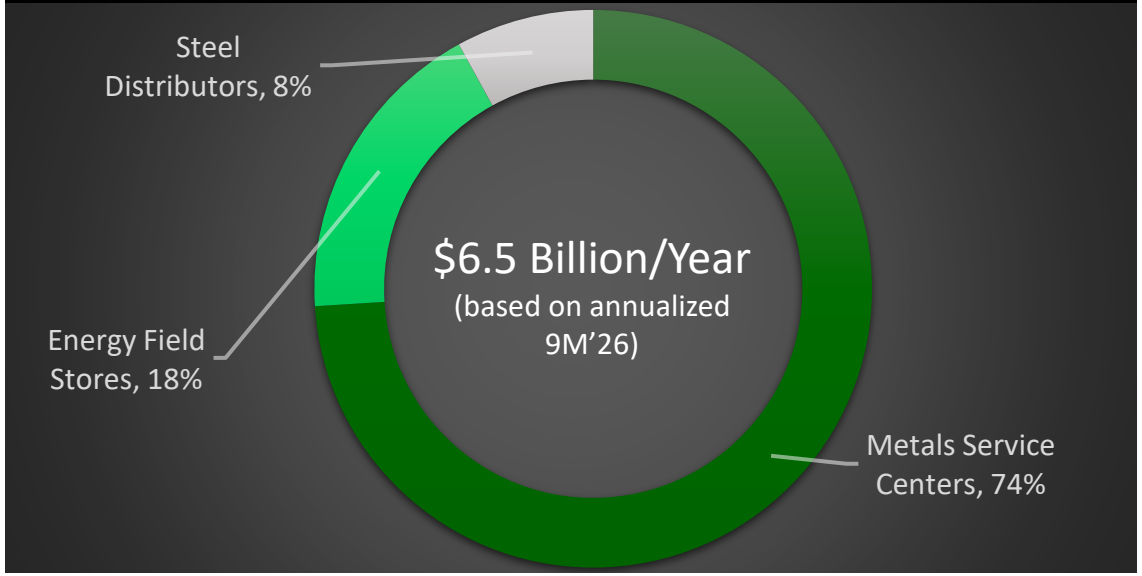
- As of Sept 30/26:
    - Net Debt/Invested Capital 10%; Liquidity $418 million
- Rated as investment grade by both S&P and DBRS

RUSSEL METALS AT-A-GLANCE

Overview

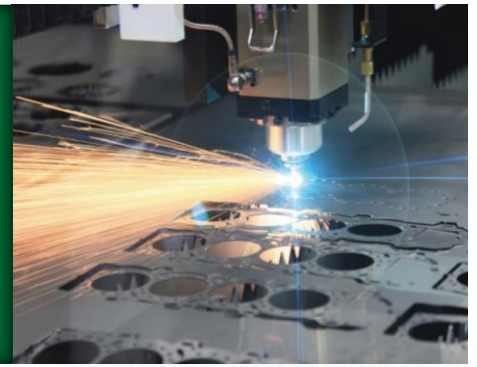
- Distribution of various industrial products across North America
- Three segments: Metals Service Centers, Energy Field Stores and Steel Distributors
- Founded in early 1900's
- Headquartered in Mississauga, Ontario, Canada
- Ticker: RUS.TO – 54.9 mm shares outstanding at 9/30/26

Revenue by Segment – YTD to Sept. 30/26



Key Segments

Metals Service Centers



- Coast-to-coast in Canada
- Strong US presence in mid-west, south and northeast
- Extensive product line (carbon, stainless steel, aluminum, etc.) with a growing focus on value-added processing

Energy Field Stores



- Distribute highly engineered energy products (eg. valves, fittings, etc.)

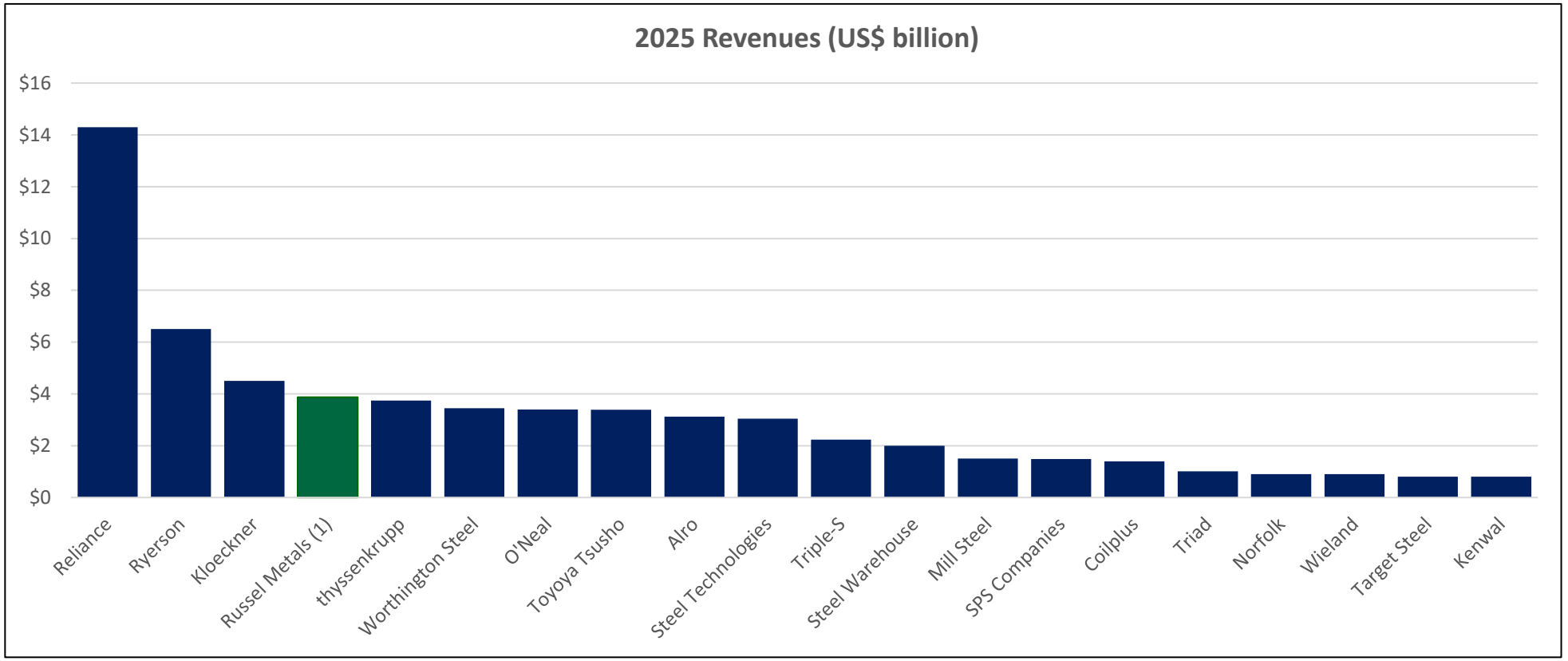
Steel Distributors



- Sell steel in larger volumes to steel service centers & large equipment manufacturers

MARKET POSITION

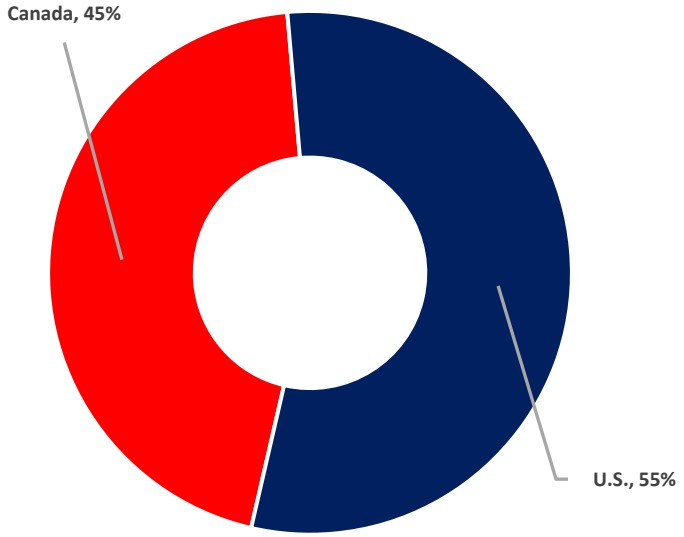
- Russel is one of the largest service center companies in North America
  - Leading market position in Canada
  - Strong market position in the US South and US Mid-West



(1) Russel results are pro forma for the acquisition of the Kloeckner assets.
Source: Metal Center News, September 2026

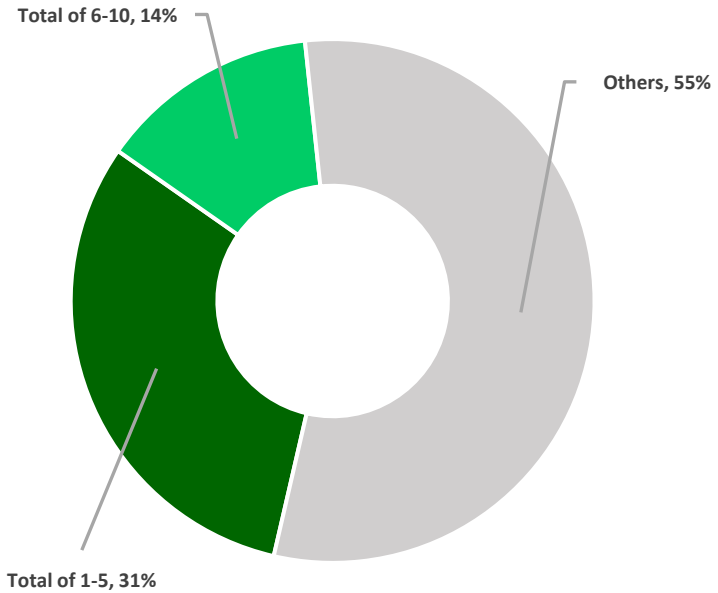
DIVERSIFIED BUSINESS

Over 140 Branches/$6.5 B of annualized Revenue/$3.2 B Assets

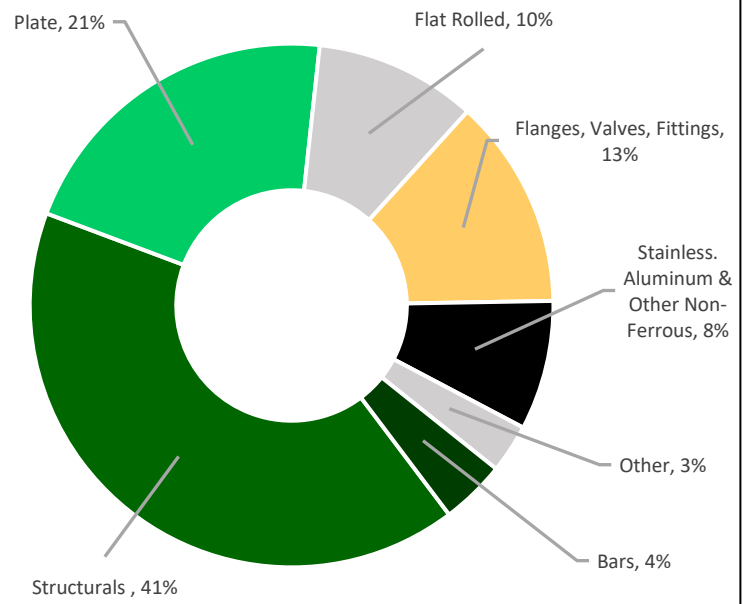


Breakdown is revenues for the period of 01/01/26-09/30/26

Suppliers (1)



Product Mix (YTD 2026)

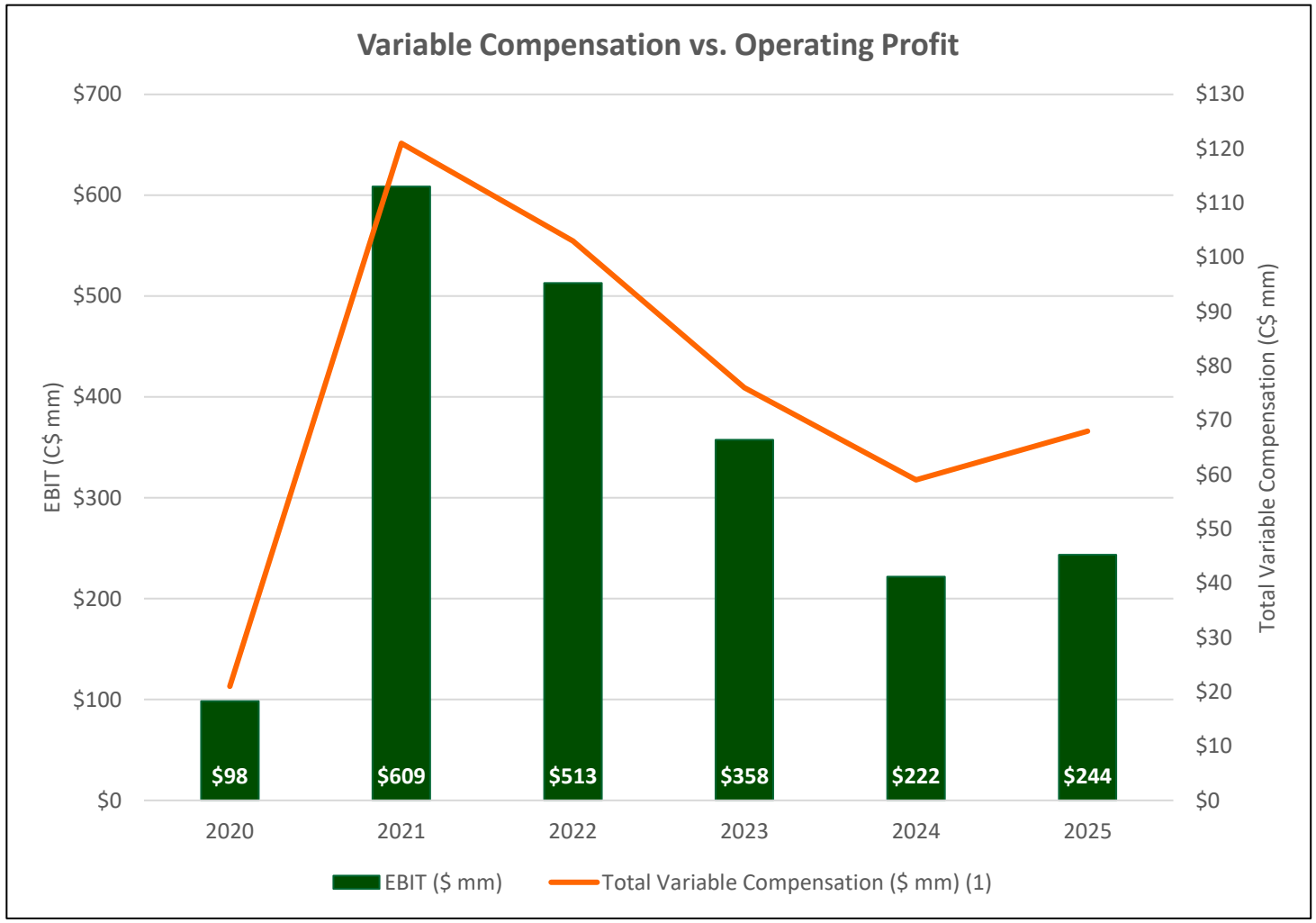


Transactional Business Model: Small Avg. Order Size/Large Number of Transactions/Low Customer Concentration (1)

- Top 10 customers <10% of revenues
- Average ~3,600 MSC transactions/day
- Average MSC segment invoice ~$3,600

(1) Figures are based on 2025 results.

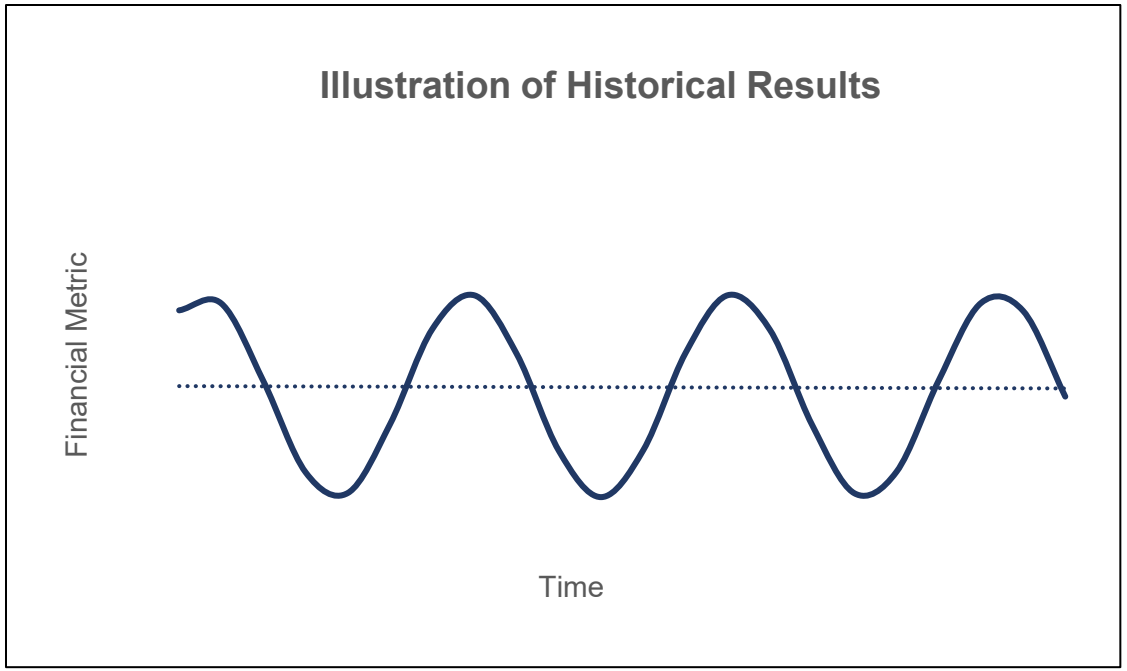
INCENTIVE COMPENSATION TIED TO RETURN ON CAPITAL

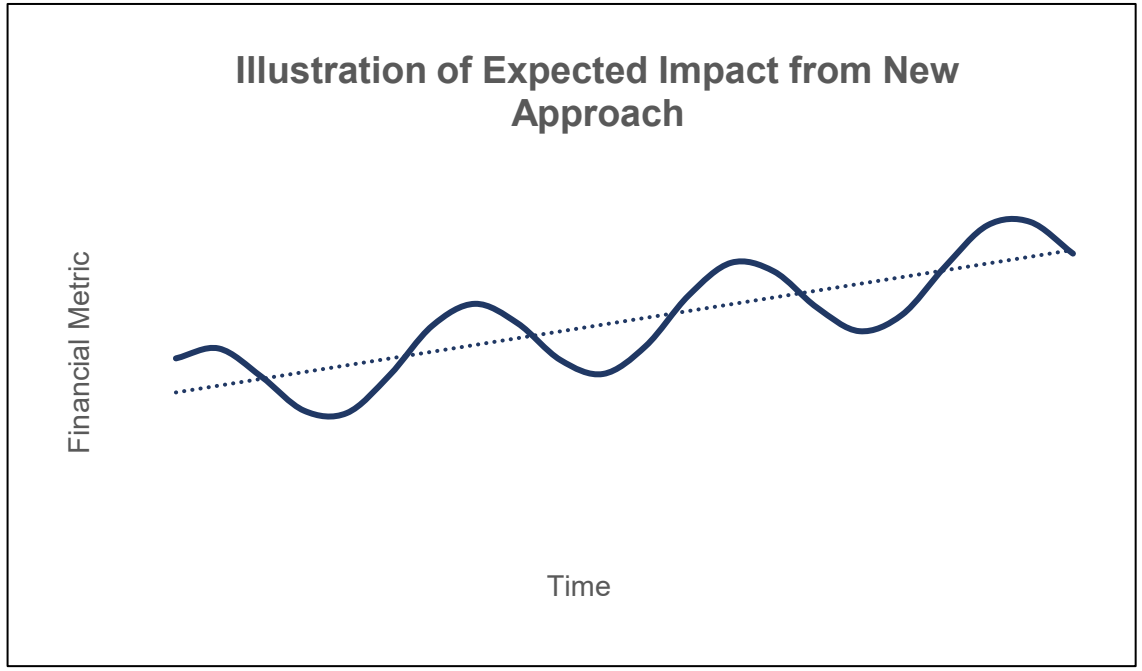


(1) Figures exclude mark-to-market adjustments for stock-based compensation.

- A large number of our employees participate in a profit-sharing program, with bonus pools tied to their local return on net assets.
- This approach is a significant element of the pay-for-performance and decentralized culture at Russel.
- The variable incentive compensation moves up and down with operating results.

BUSINESS TRANSFORMATION





Actions

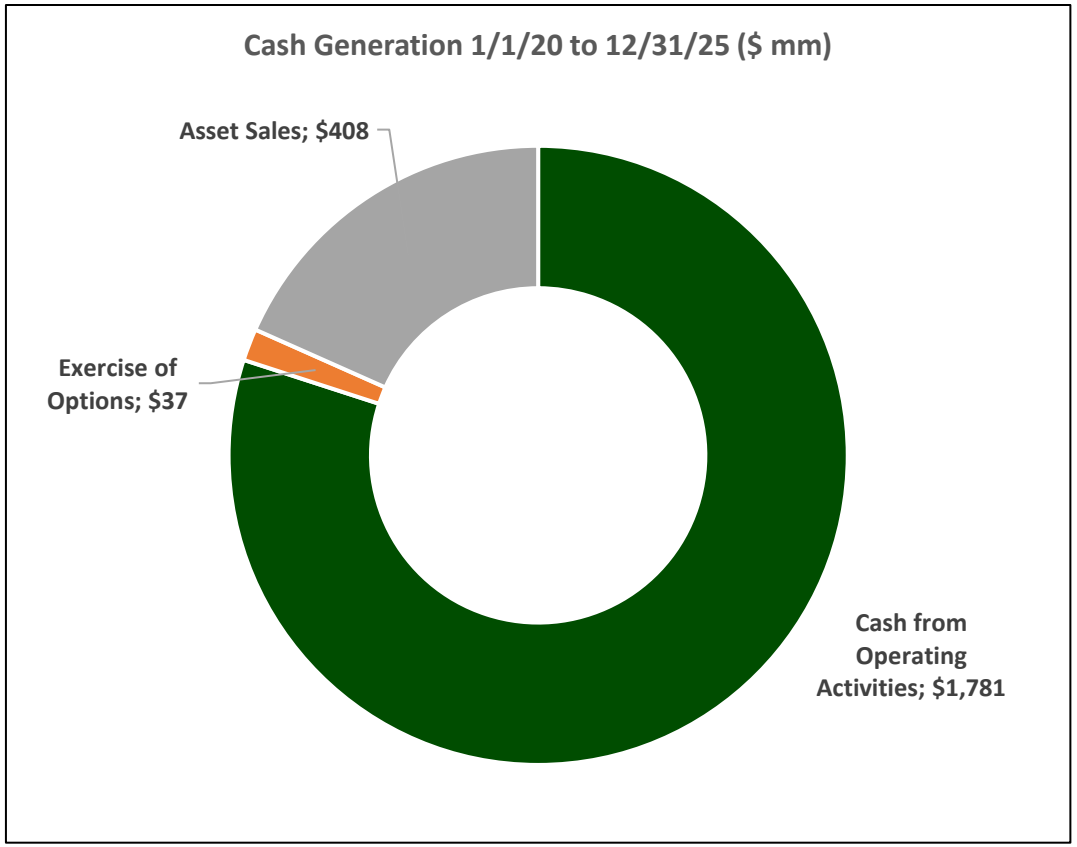
- Divested underperforming business units and repatriated underperforming capital
- Improvement in working capital management (better turns and reduced risk).
- Reinvested in value-added equipment, facility modernizations, and acquisitions.
- Strengthened the balance sheet

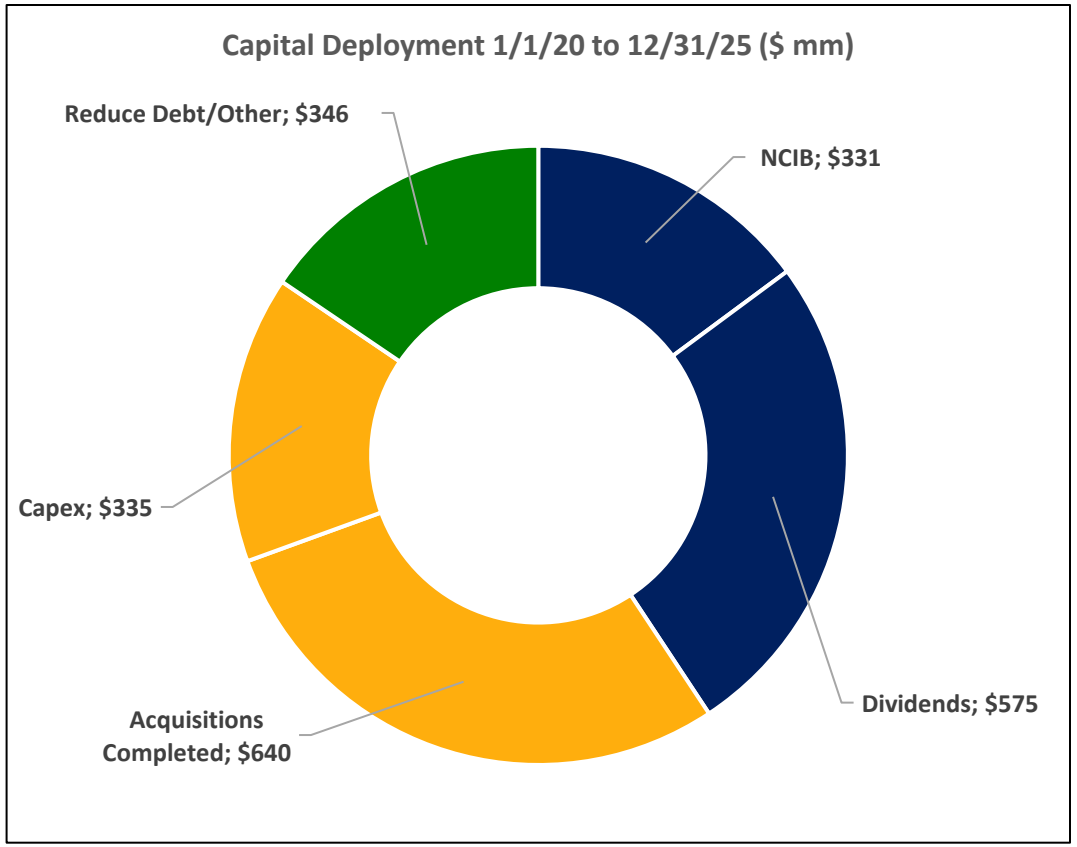
Impacts

- Raise the cycle floor and ceiling
- Reduce volatility
- Grow the business
- Reduce cost of capital

CAPITAL REALLOCATION EVOLUTION

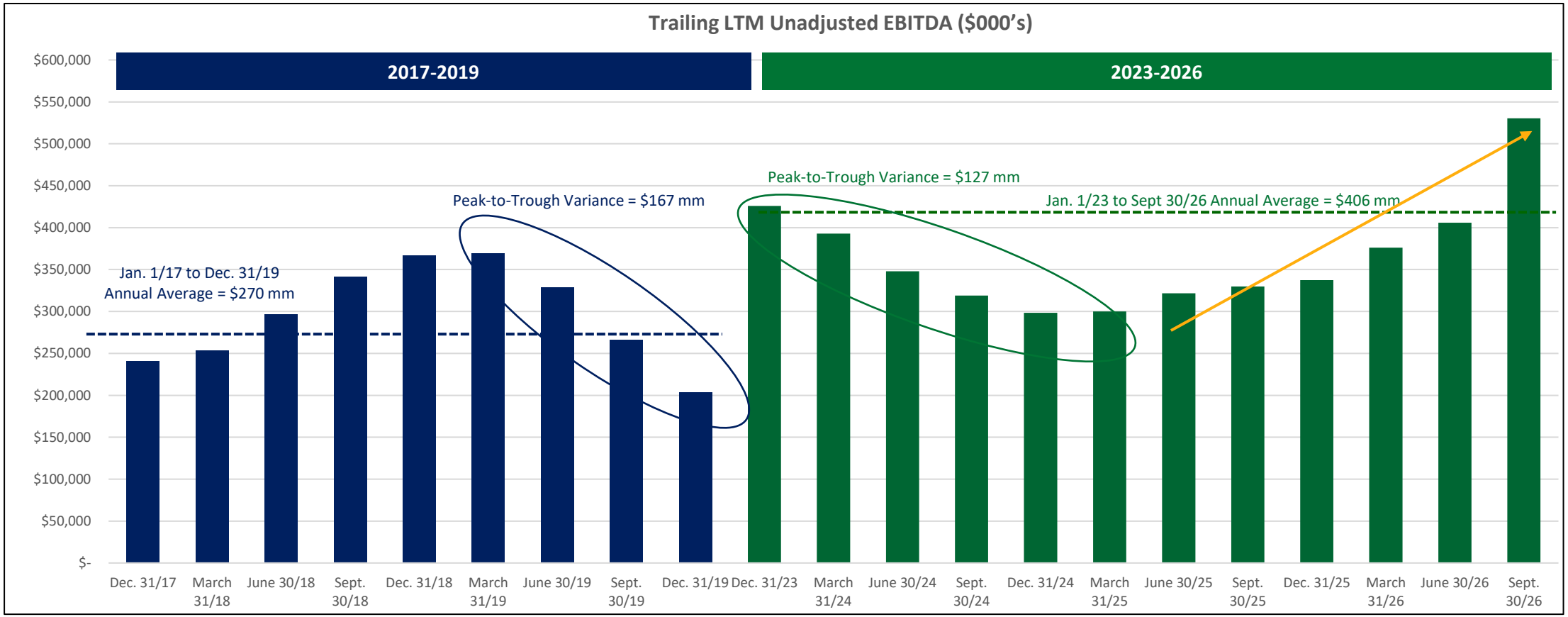
- In the period of 2020-2025, we generated ~$2.2 billion of cash and substantially changed our business and capital structure profile, with capital deployment including:
  - ~$1 billion of capital reinvestment via acquisitions and internal capex
  - ~$900 mm of capital returned to shareholders via NCIB and dividends





EBITDA TRENDS

- The EBITDA profile has changed substantially over the past several years with higher cycle earnings and lower volatility.
- The recent positive trend in LTM EBITDA has continued into 9/30/26.



ESG FOCUS

Summary From Sustainability Report Updated April, 2026

Environmental

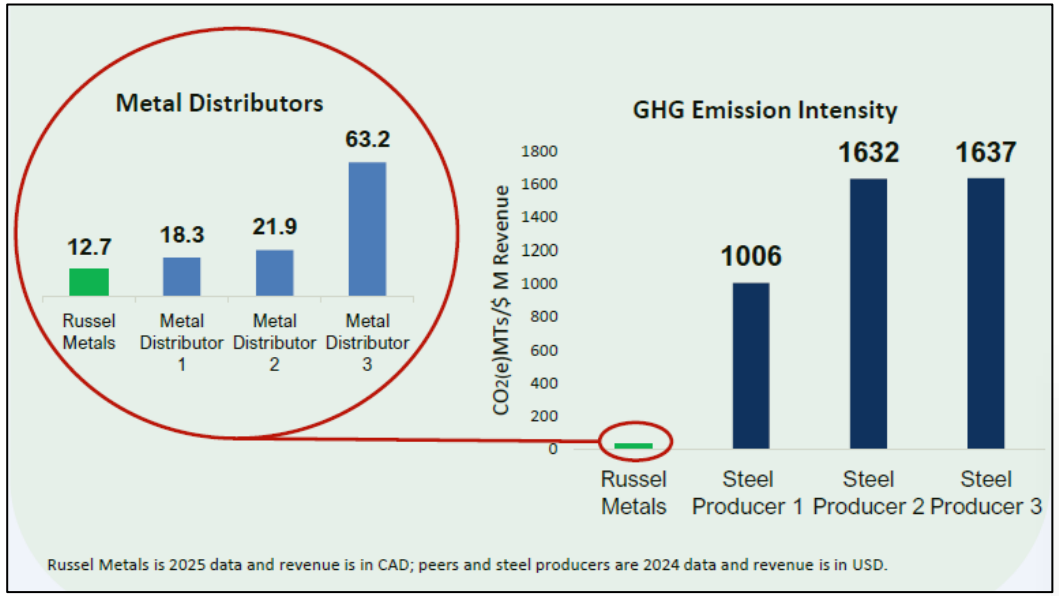
- Divested OCTG/Line Pipe business
- Low carbon emissions from operations

Social

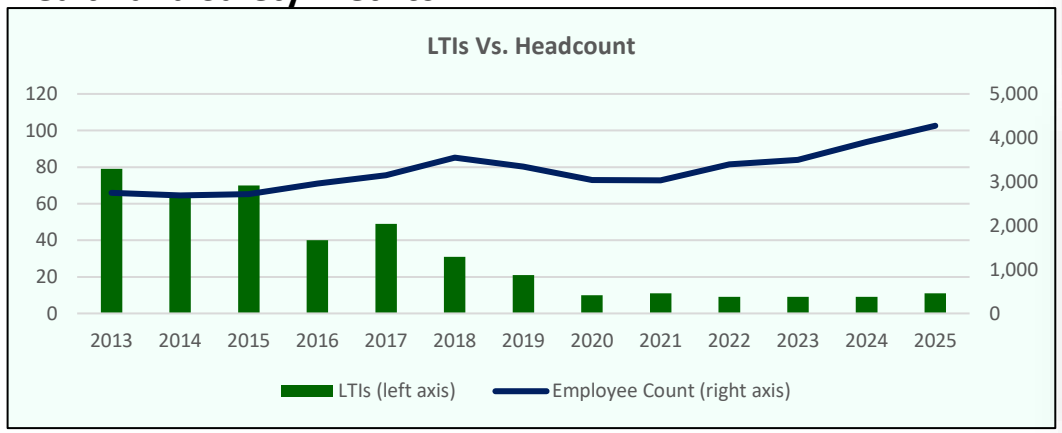
- Structured H&S Program “Mission Zero”
  - Dash cam roll out
  - Trailer fall prevention
  - Material handling/hand injury prevention
- Corporate charitable program
- Scholarship fund for children of employees
- Ethical, Privacy and Social Policies

Governance

- Female Representation: 33% Board; 29% Corporate Executive
- Independent Board and Audit Committee
- Code of Business Conduct
- Independent Whistleblower program



Health and Safety Metrics:

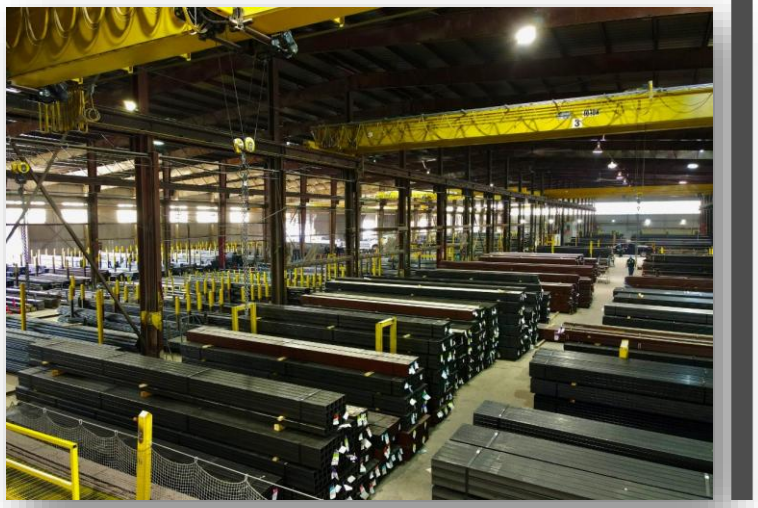


See Russel Metals Annual Information Form for definitions and additional information

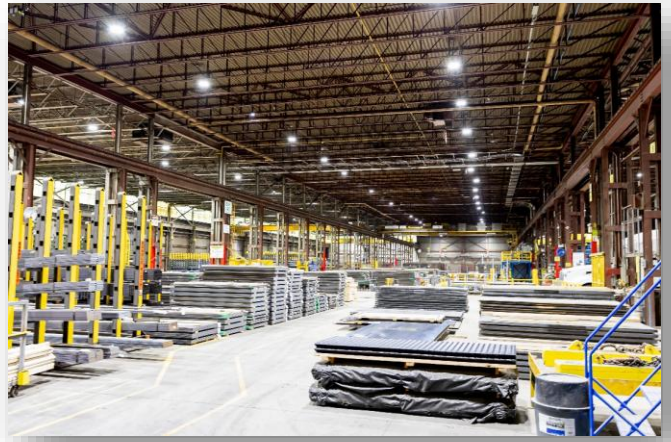


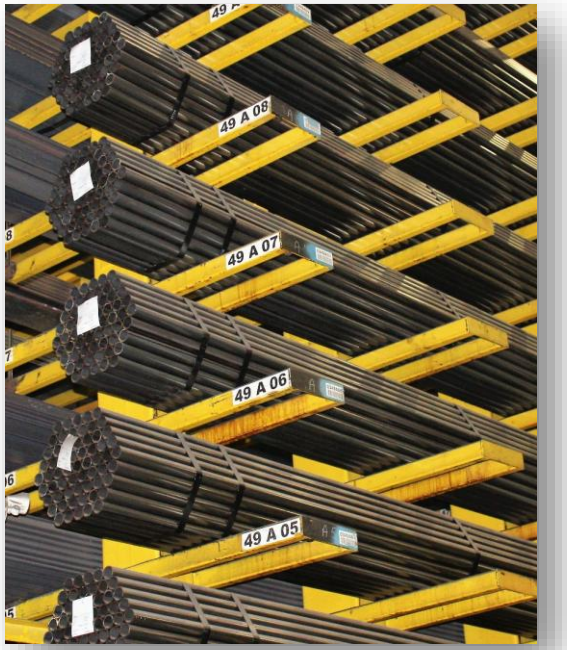












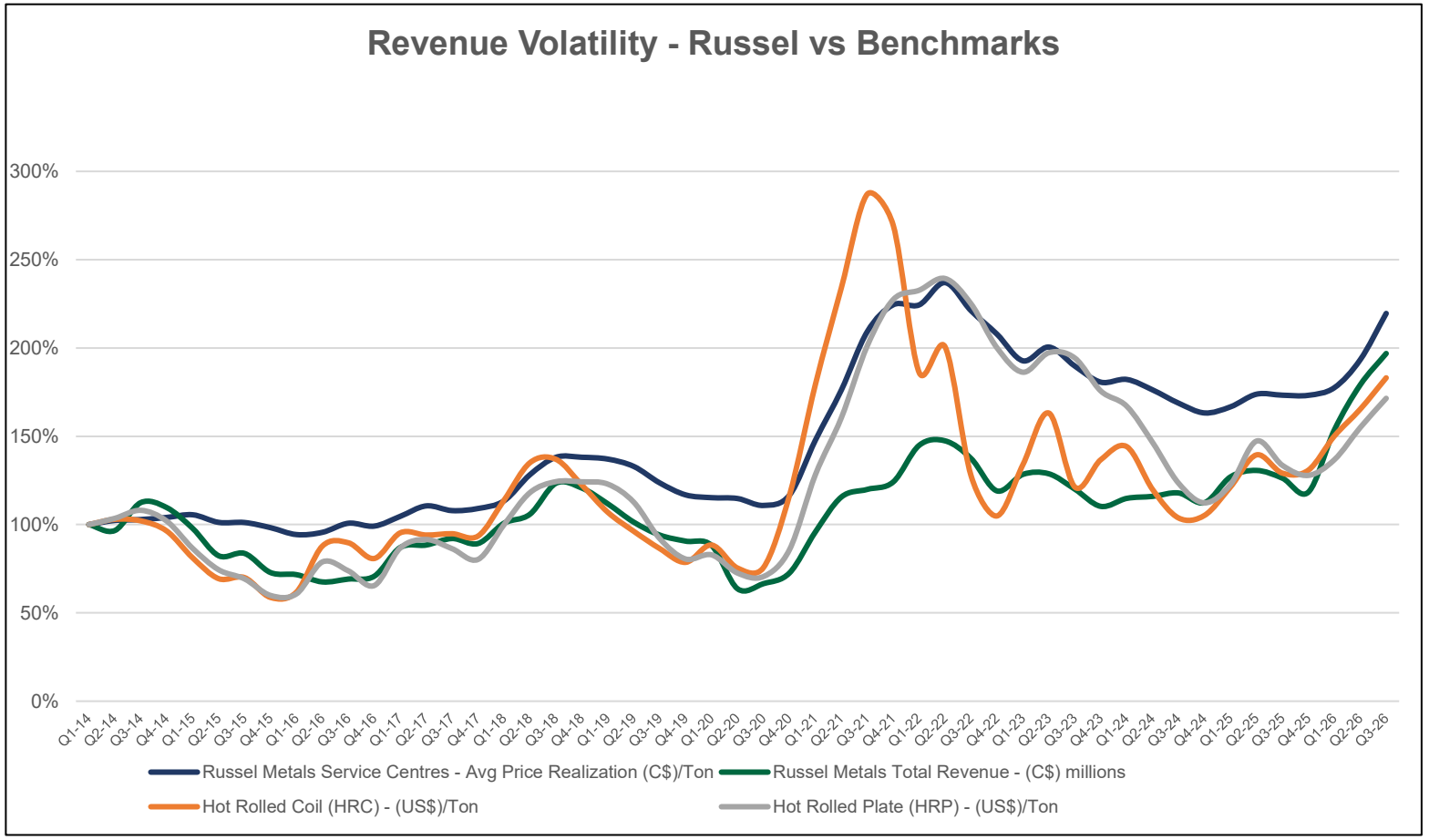


II. MARKET TRENDS

REVENUE VOLATILITY VS. INDEXES

- Russel Metals' revenue is less volatile than underlying steel prices.

Relative Volatility



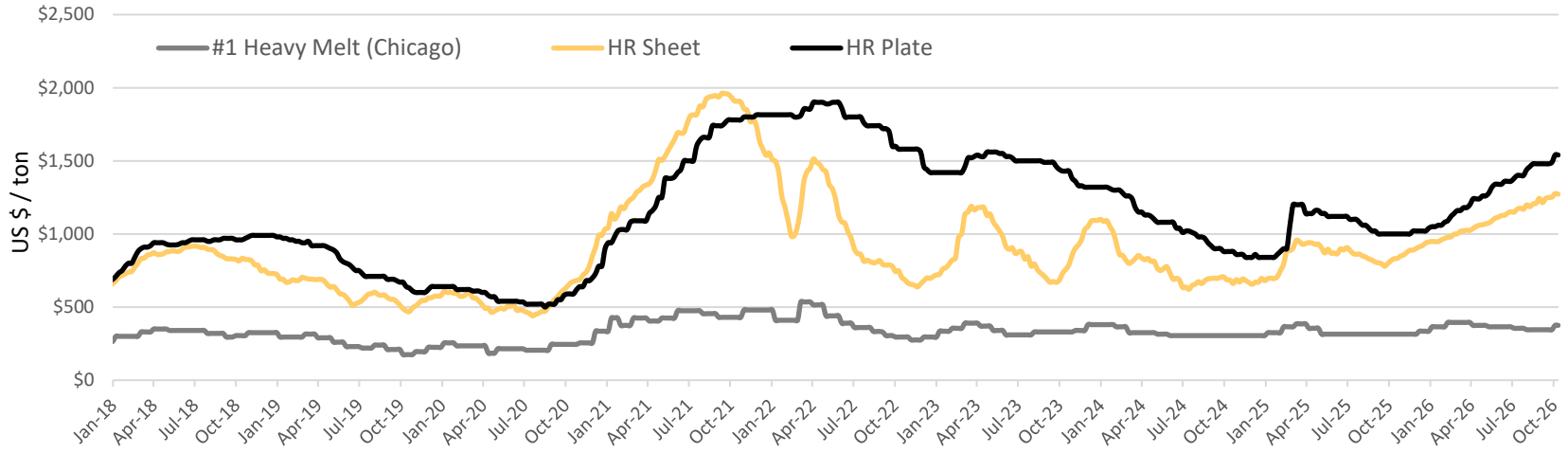
Absolute Volatility

Coefficient of Variation (%)	
Russel Metals Service Centres - Avg Price Realization (C$)/Ton	26%
Russel Metals Total Revenue - (C$) millions	24%
Hot Rolled Coil (HRC) - (US$)/Ton	37%
Hot Rolled Plate (HRP) - (US$)/Ton	36%

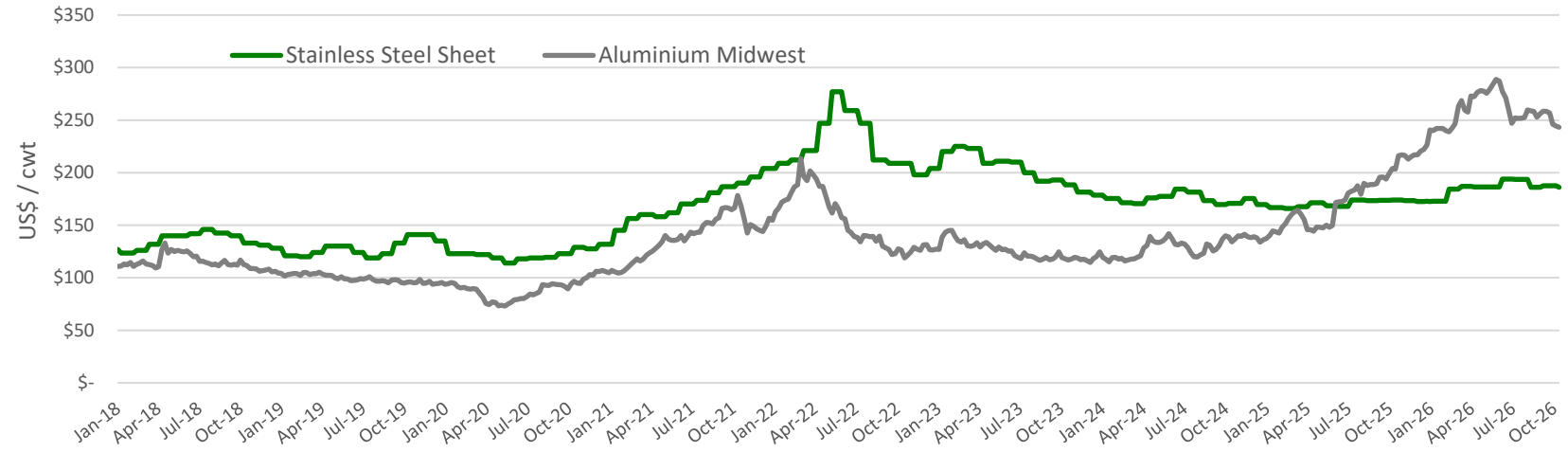


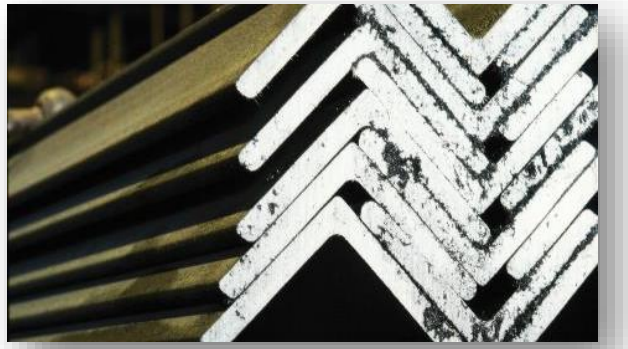
BUSINESS CONDITIONS: METAL PRICING TRENDS

Carbon Pricing

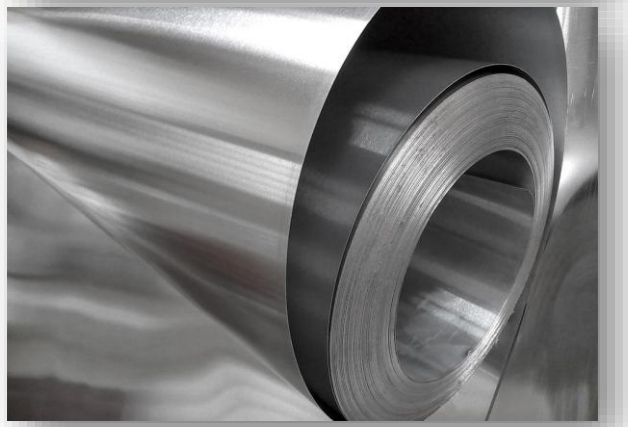


Specialty Metals Pricing







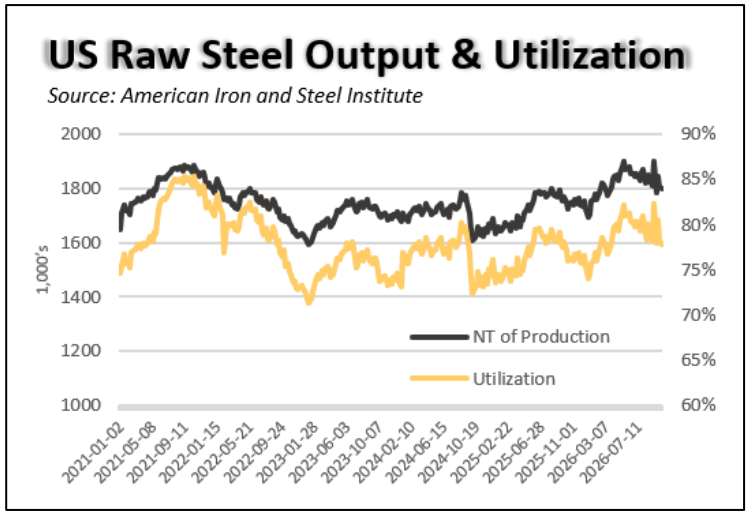


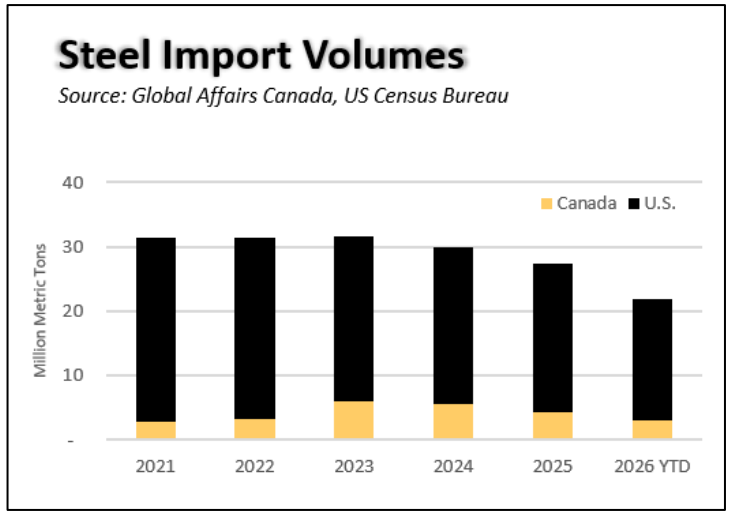
Source: Fastmarkets as of October 2026

BUSINESS CONDITIONS: SUPPLY CHAIN DYNAMICS

Steel Mills/Imports:

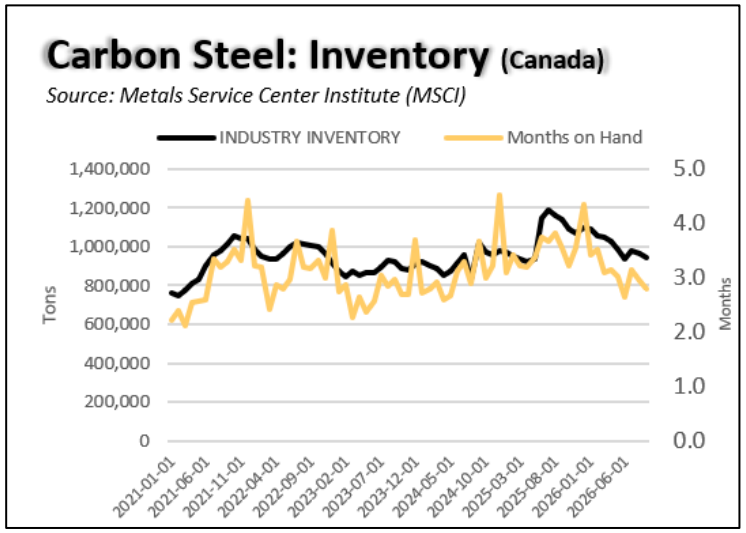
- Capacity utilization remains near 80%, which indicates tight supply and longer than normal lead times.
- Imports are down in both Canada and the US.

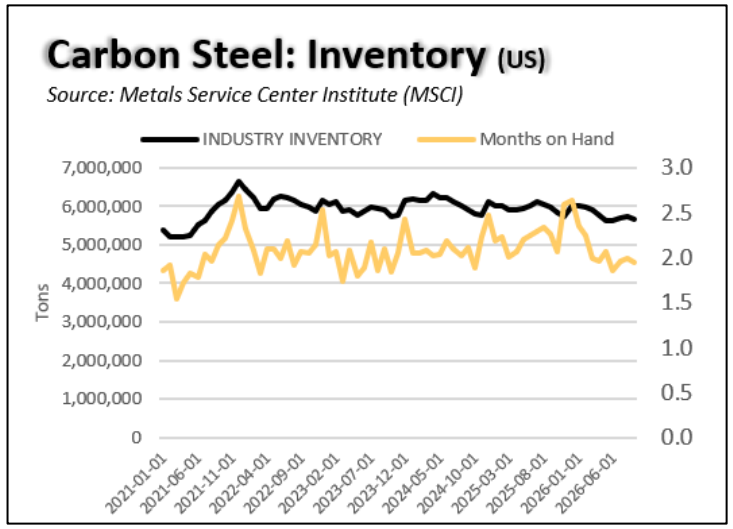




Service Centers:

- Supply chain inventories in both Canada and the US remain lean.

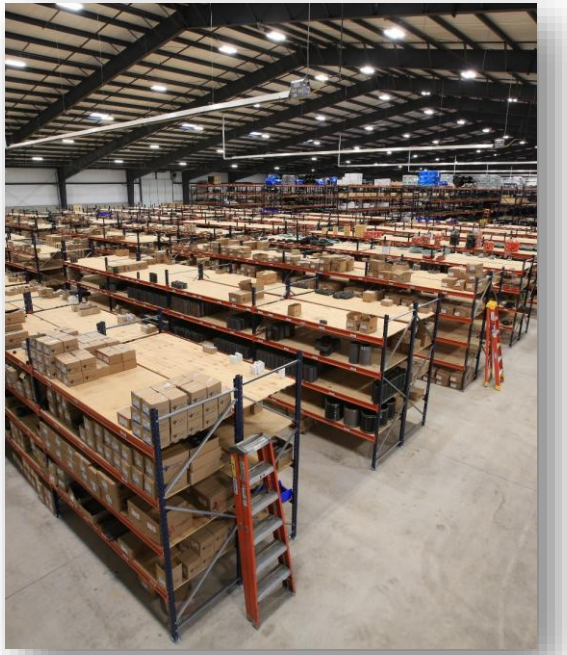


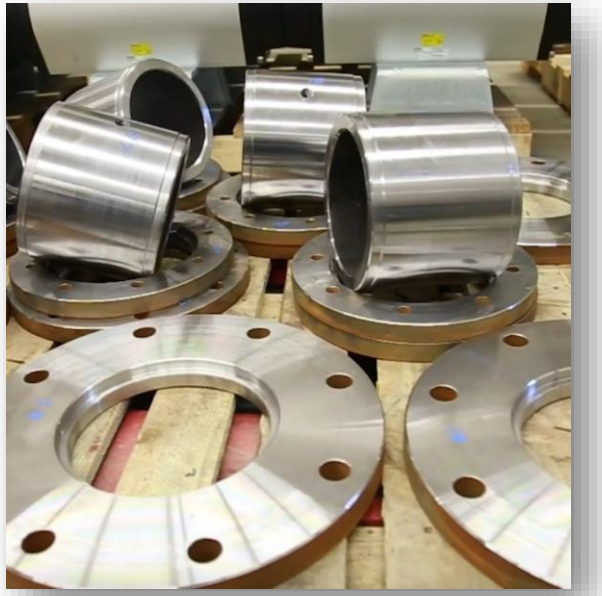












III. CAPITAL ALLOCATION PRIORITIES

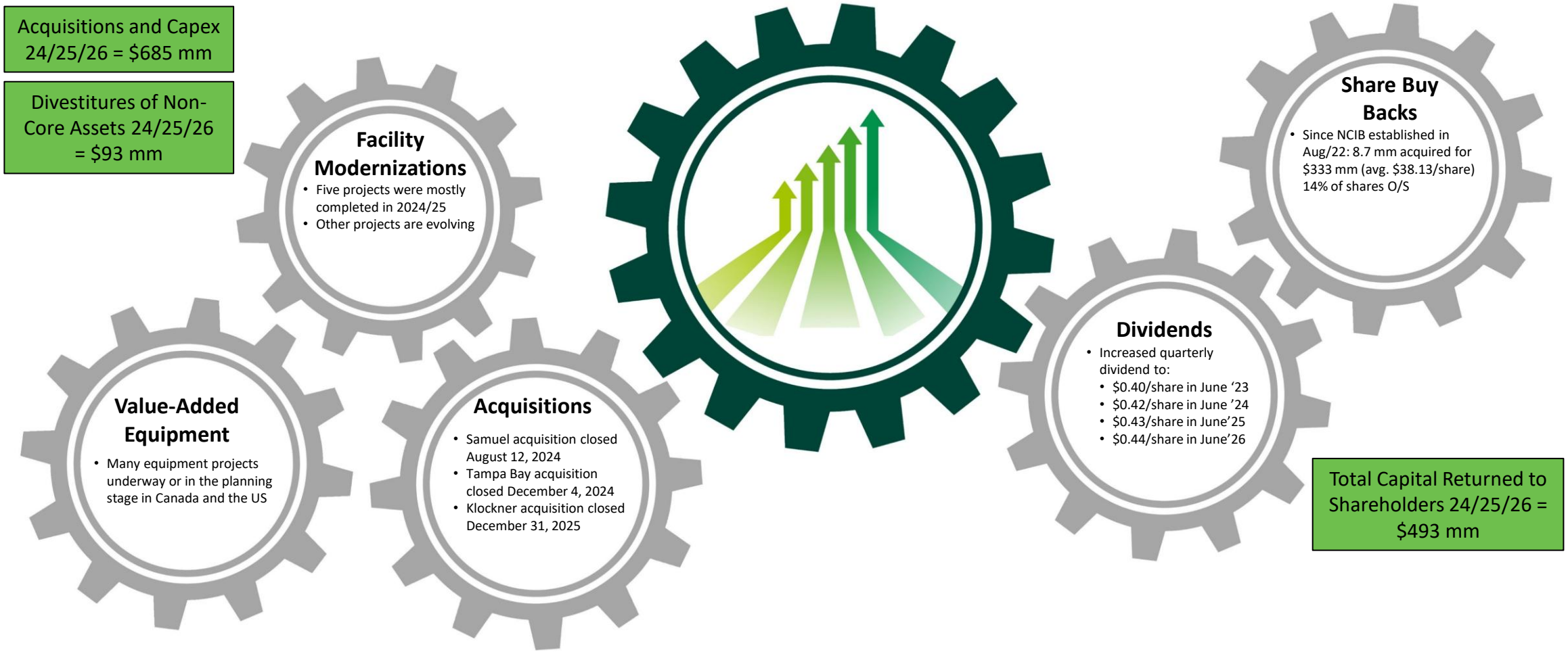
CAPITAL ALLOCATION PRIORITIES

Increase capital deployment with a target of >15% return over a cycle

Acquisitions and Capex 24/25/26 = $685 mm

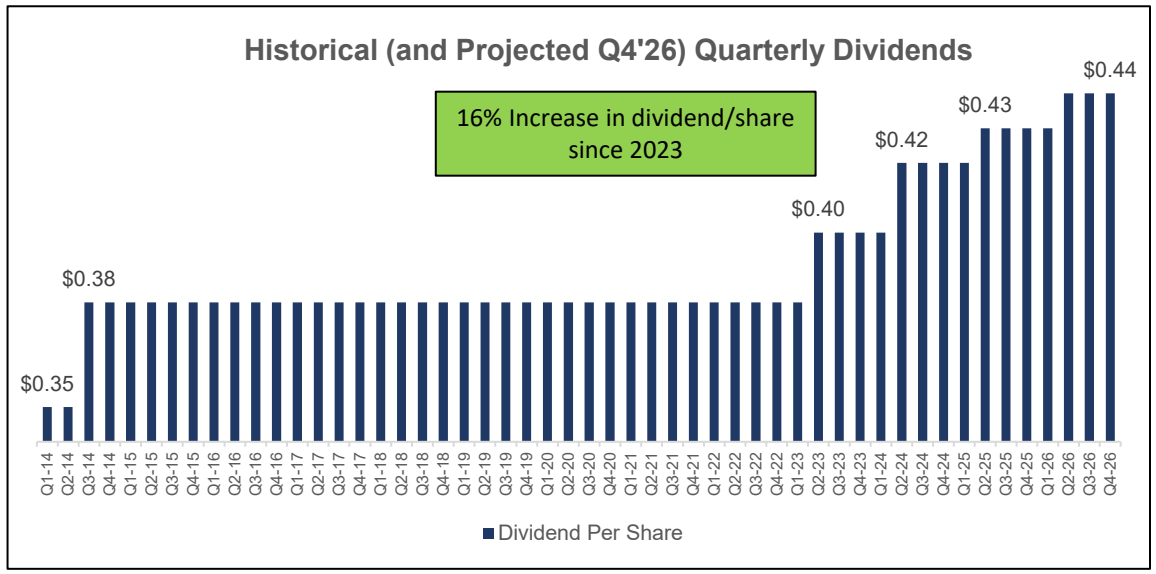
Divestitures of Non-Core Assets 24/25/26 = $93 mm

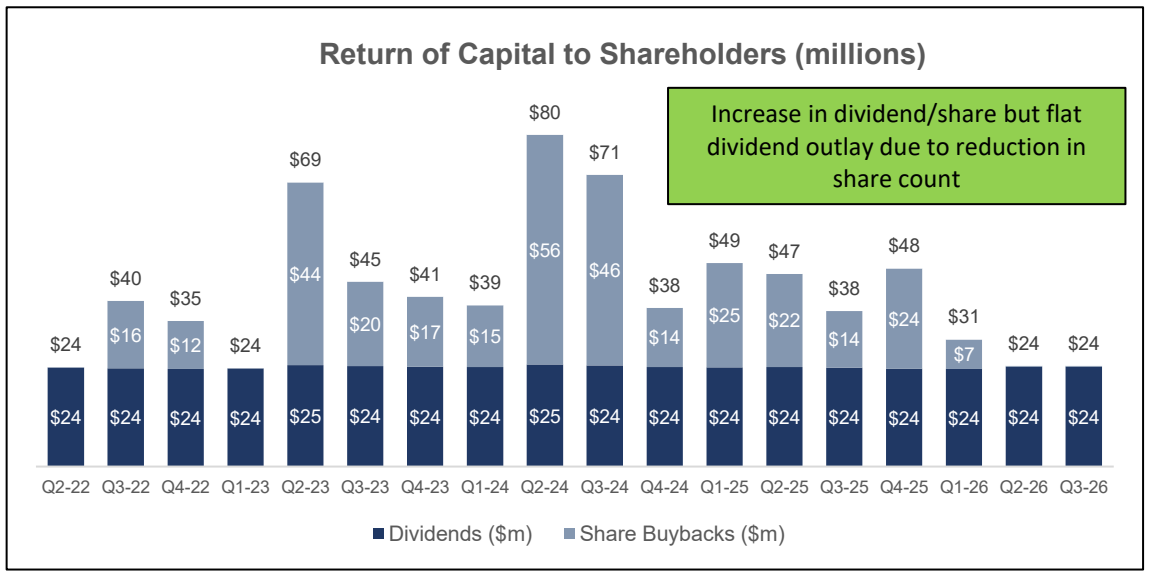
Flexible approach to returning capital to shareholders

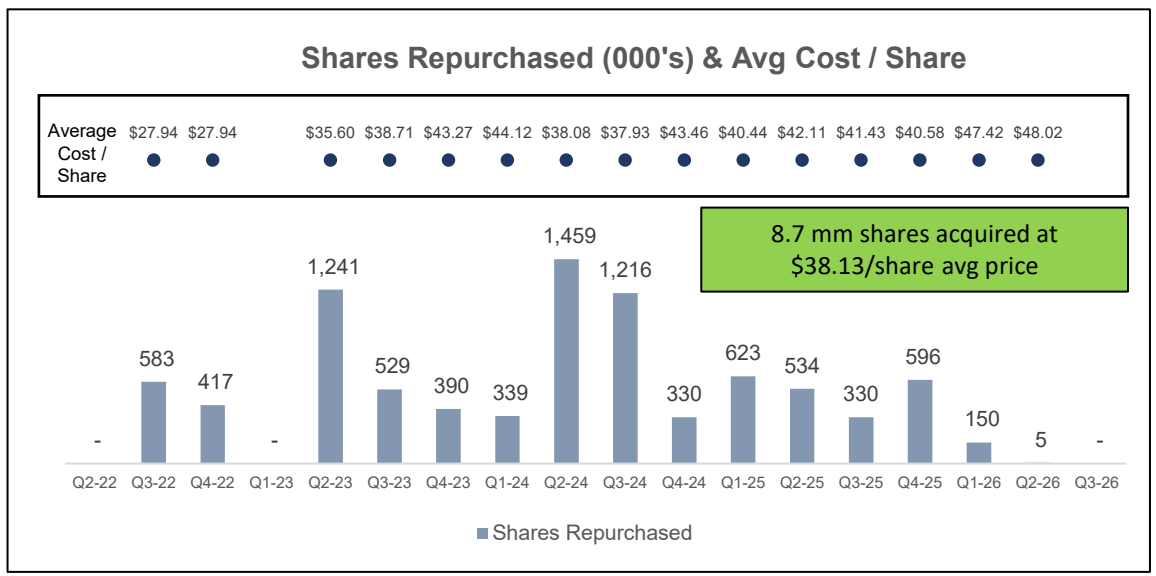


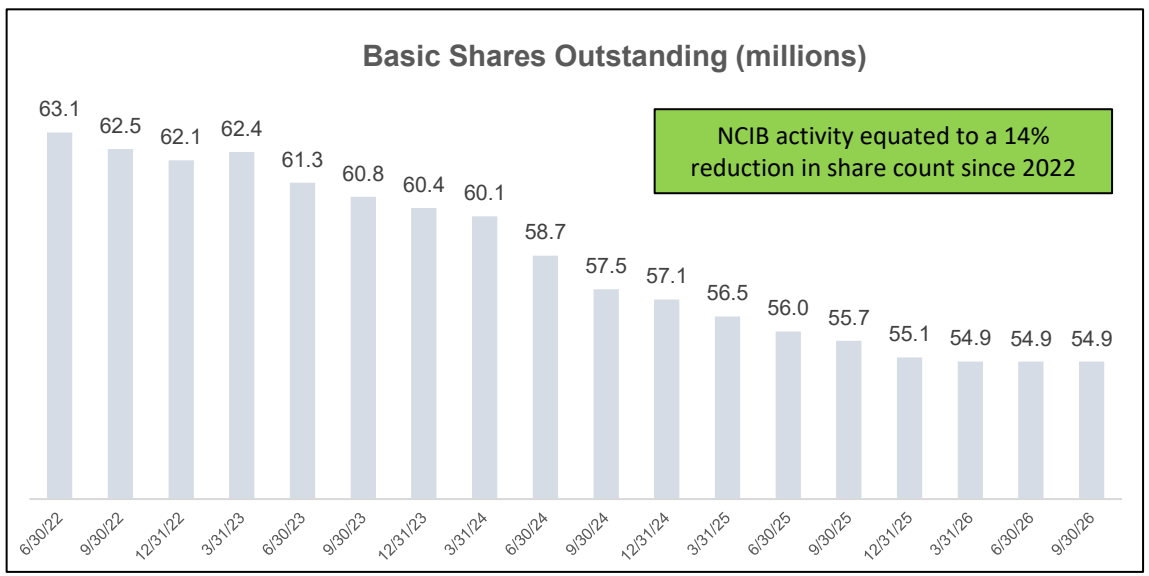
Total Capital Returned to Shareholders 24/25/26 = $493 mm

DIVIDEND AND SHARE BUY BACK SUMMARY





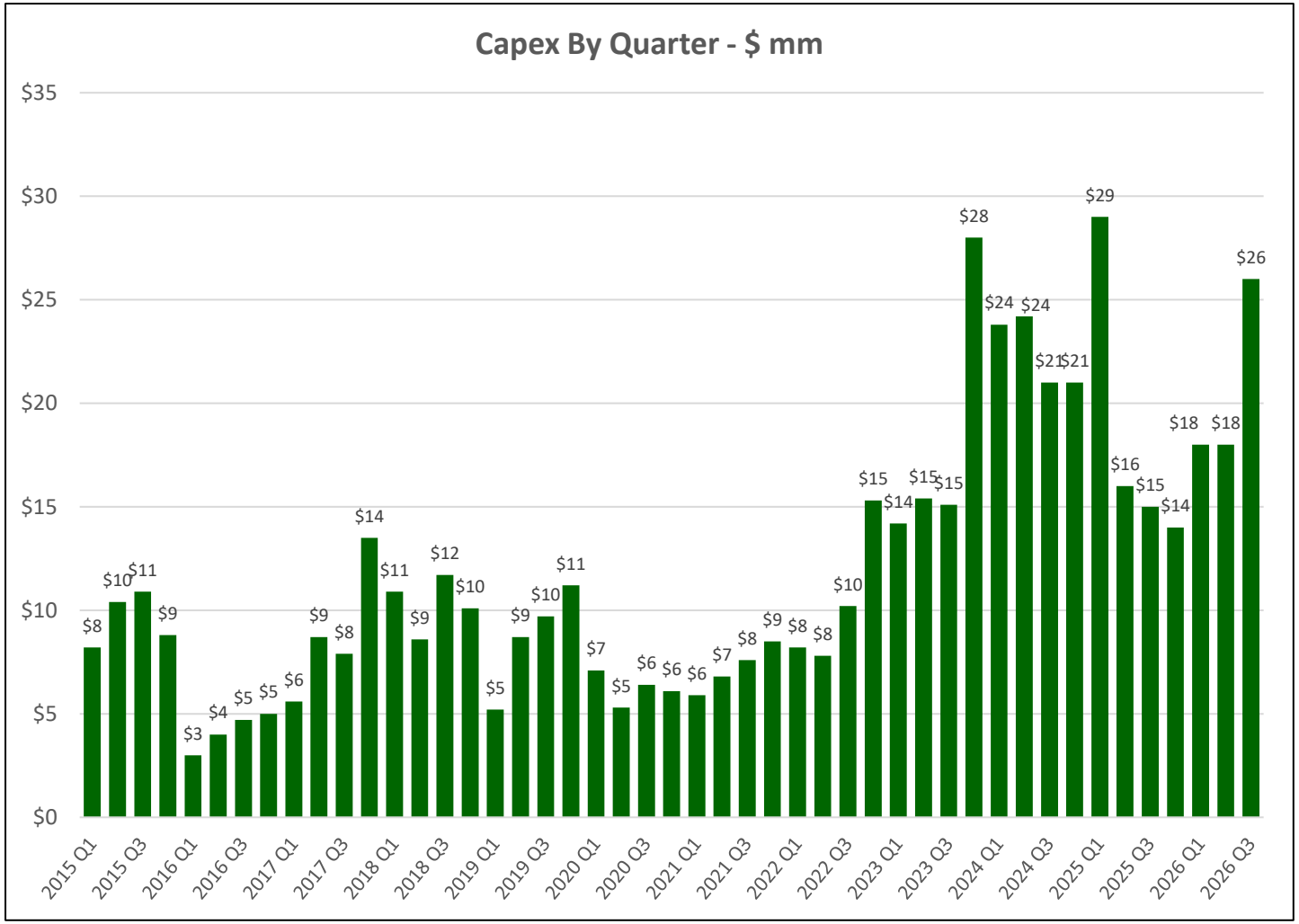




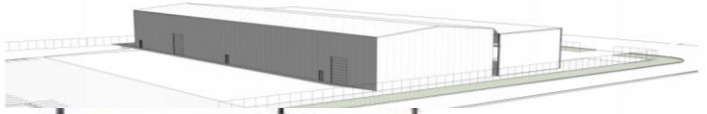
Note: Figures exclude the federal tax on share buy backs that came into effect on Jan. 1/24.

CAPEX PROGRAM

- The value-added projects and facility modernizations are ongoing.





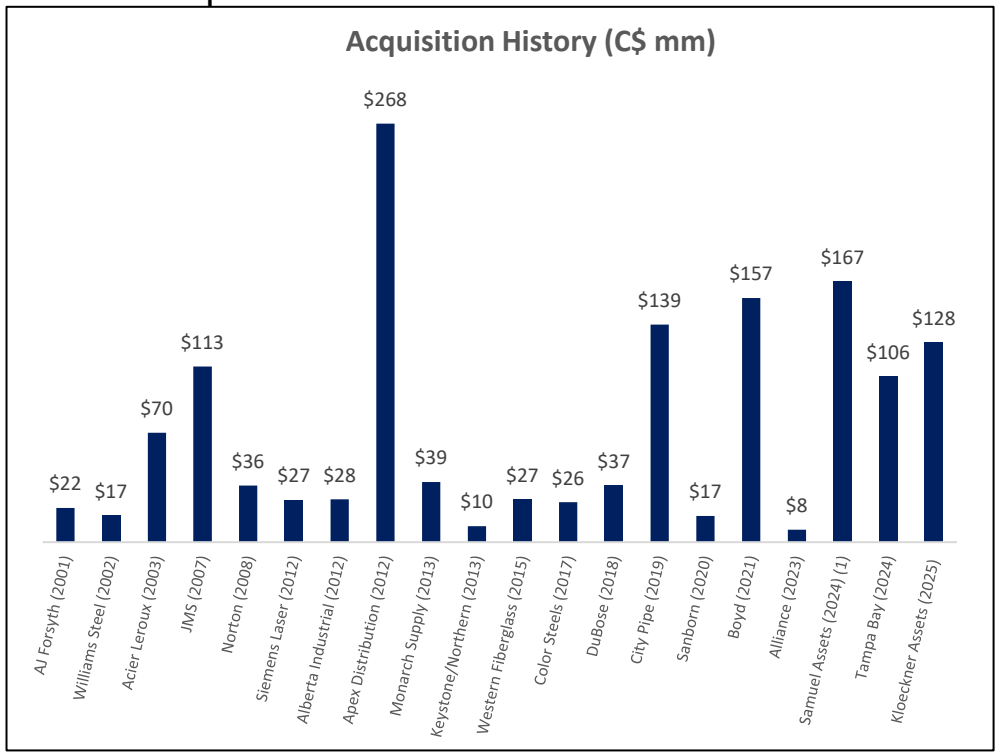


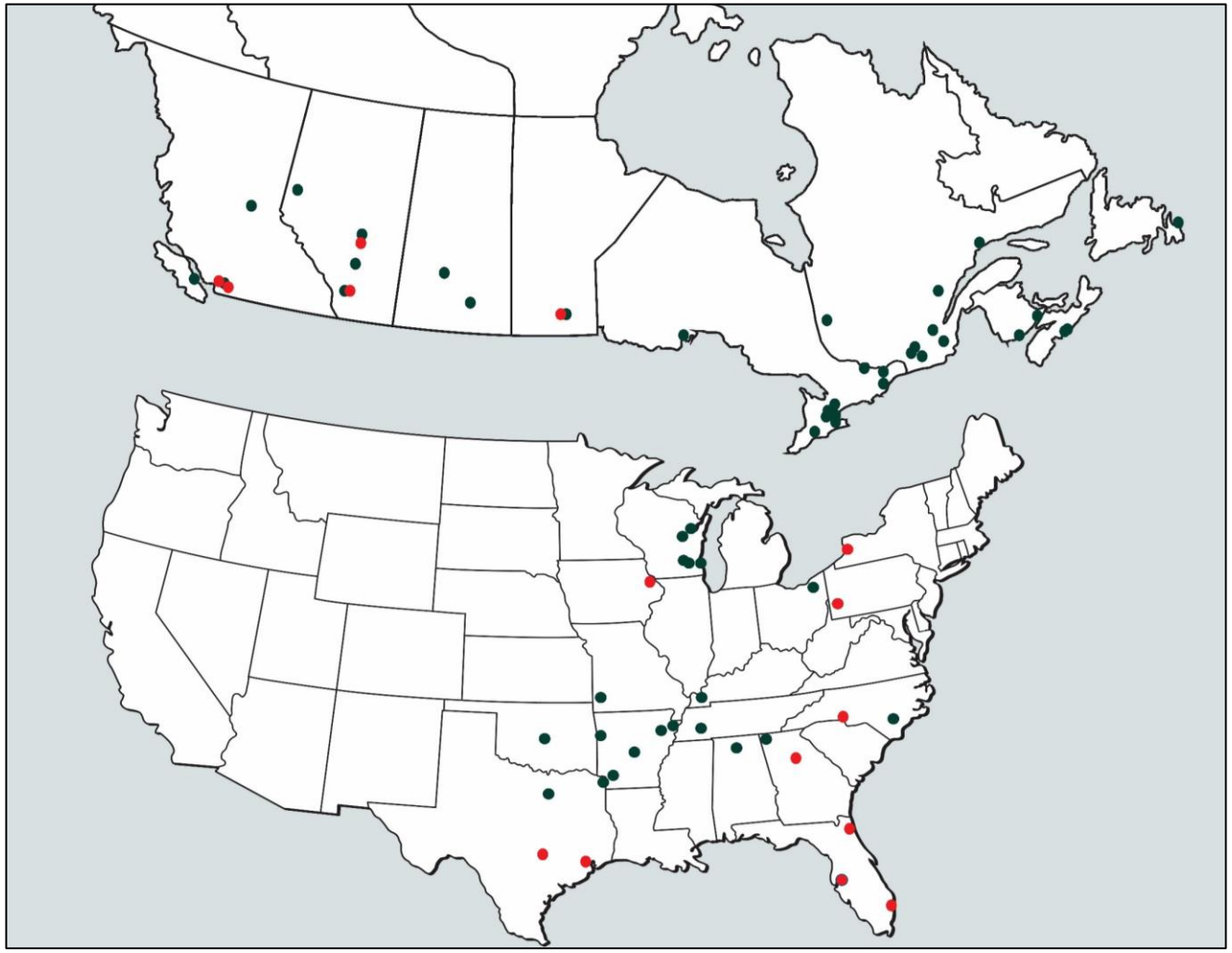




GROWTH VIA ACQUISITIONS: TODAY VS. 2024

- We have 82 service center locations, of which 51 are in Canada and 31 are in the US.
- A significant part of the current footprint was acquired through the 2024 and 2025 acquisitions (Samuel 7 locations, Tampa Bay 1 location, Kloeckner 7 locations) as noted in the red dots on the map.





(1) Based on invested capital at Sept. 30/24 (all AP was excluded from the closing amount on Aug. 12/24, but was rebuilt to Sept. 30/24).





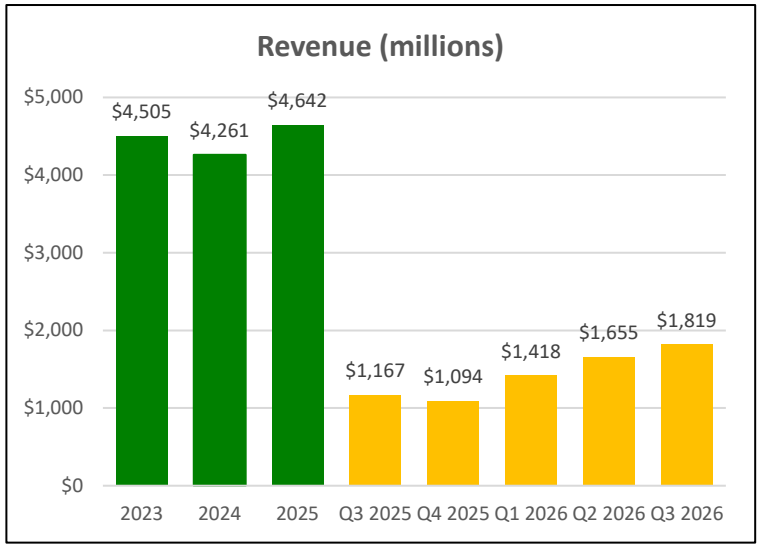


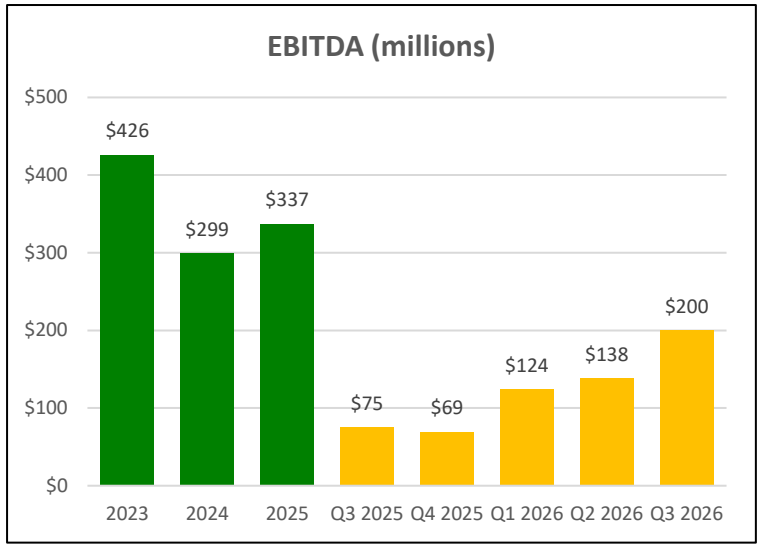
IV. FINANCIAL OVERVIEW

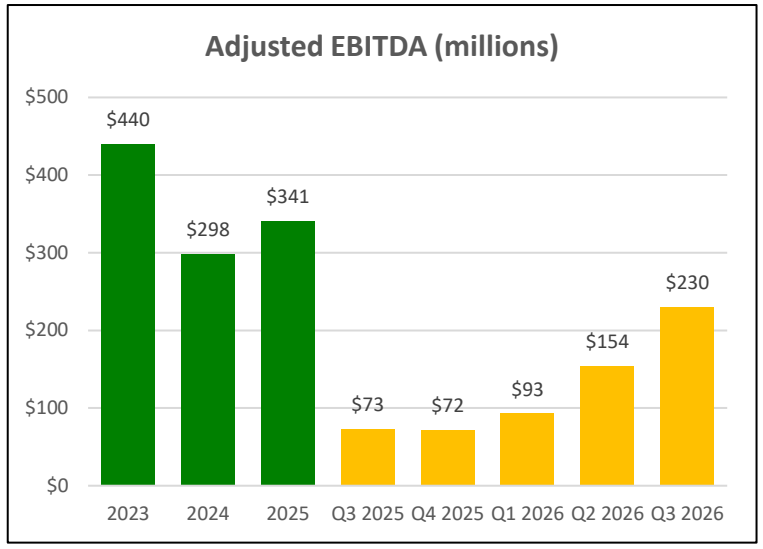


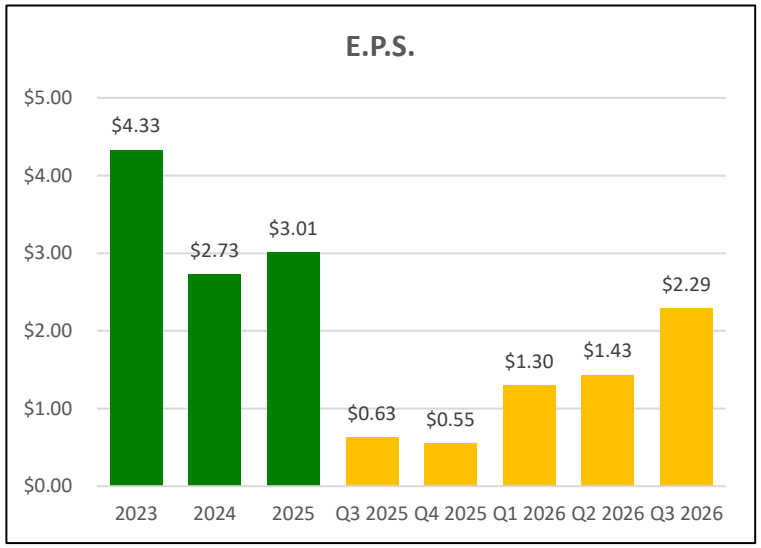


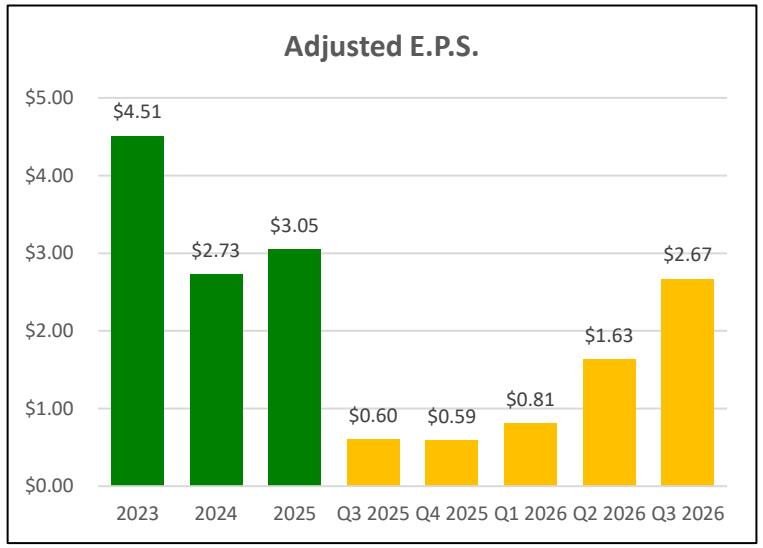
ANNUAL AND QUARTERLY RESULTS

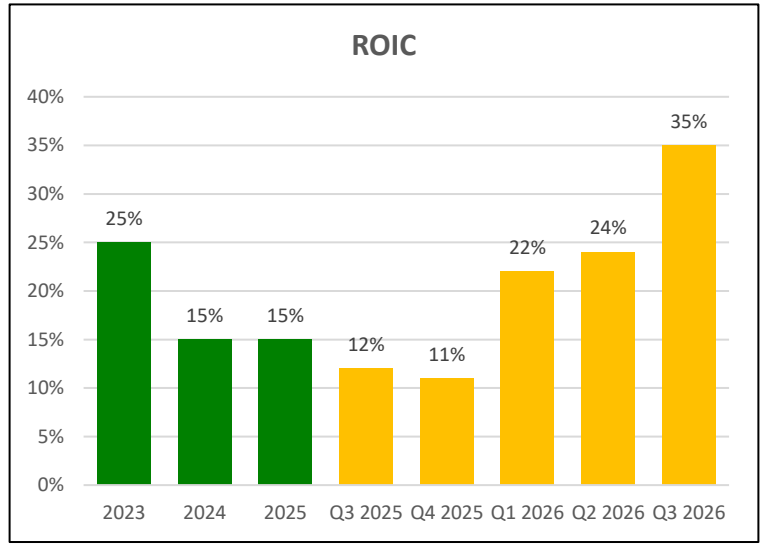












The quarterly figures are the results for each respective quarter annualized

FINANCIAL RESULTS

$ mm, unless otherwise stated	Q3 2025	Q2 2026	Q3 2026
Income Statement:			
Revenues	$1,167	$1,655	$1,819
Gross Margin ($ mm/%)	$246 / 21%	$375 / 23%	$471 / 26%
Unadjusted EBITDA ($ mm/%)	$75 / 6%	$138 / 8%	$200 / 11%
Adjusted EBITDA ($ mm/%)	$73 / 6%	$154 / 9%	$230 / 13%
Unadjusted EPS	$0.63	$1.43	$2.29
Adjusted EPS	$0.60	$1.63	$2.67
Cash Flow:			
Change in non-cash working capital	$5	$(48)	$(204)
(Acquisitions)/Divestitures	--	--	$42
Share buy backs	$(14)	--	--
Dividends	$(24)	$(24)	$(24)
Capex	$(15)	$(18)	$(26)
Balance Sheet:			
Net Debt	$87	$144	$214
Shareholders' Equity	$1,625	$1,729	$1,830
Available Liquidity	$600	$554	$418

Q3 2026 Observations:

- Revenues and Adjusted EBITDA were all-time records
- The former Kloeckner branches contributed C$33 mm of EBITDA in Q3 (C$57 mm for 9 months). The purchase price was C$128 mm
- Q3 results impacted by:
  - $37 mm mark-to-market expense for stock-based comp ($15 mm expense in Q2'26 and $2 mm recovery in Q3'25)
  - $7 mm pre-tax gain on the sale of Color Steels
- The Adjusted figures exclude the mark-to-mark on stock-based comp and the gains on the Delta sale in Q1'26 and the Color Steels sale in Q3'26.

- Cash used for working capital.
  - Increase in AR ($99 mm) and Inv ($134 mm), due to increase in steel prices and business activity. Somewhat offset by AP change ($26 mm), which would have gone up by more, but we had early pay of trade payables in Sept for Kloeckner branches conversion
- Q3 NCIB = 0; Since Aug/22 = 8.7 mm shares for $333 mm ($38.13/share)
- Dividend of $0.44/share paid in Sept; declared a dividend of $0.44/share payable in Dec/26
- Capex expected to average ~$100 mm over next few years.

- Flat fx rate - Fx rate of $1.42 at 6/30/26 and 9/30/26
- Book value of $33.34/share (+$1.85/share vs. 6/30/26 and +$4.14/share vs. 9/30/25)

COMPARISON OF QUARTERLY RESULTS

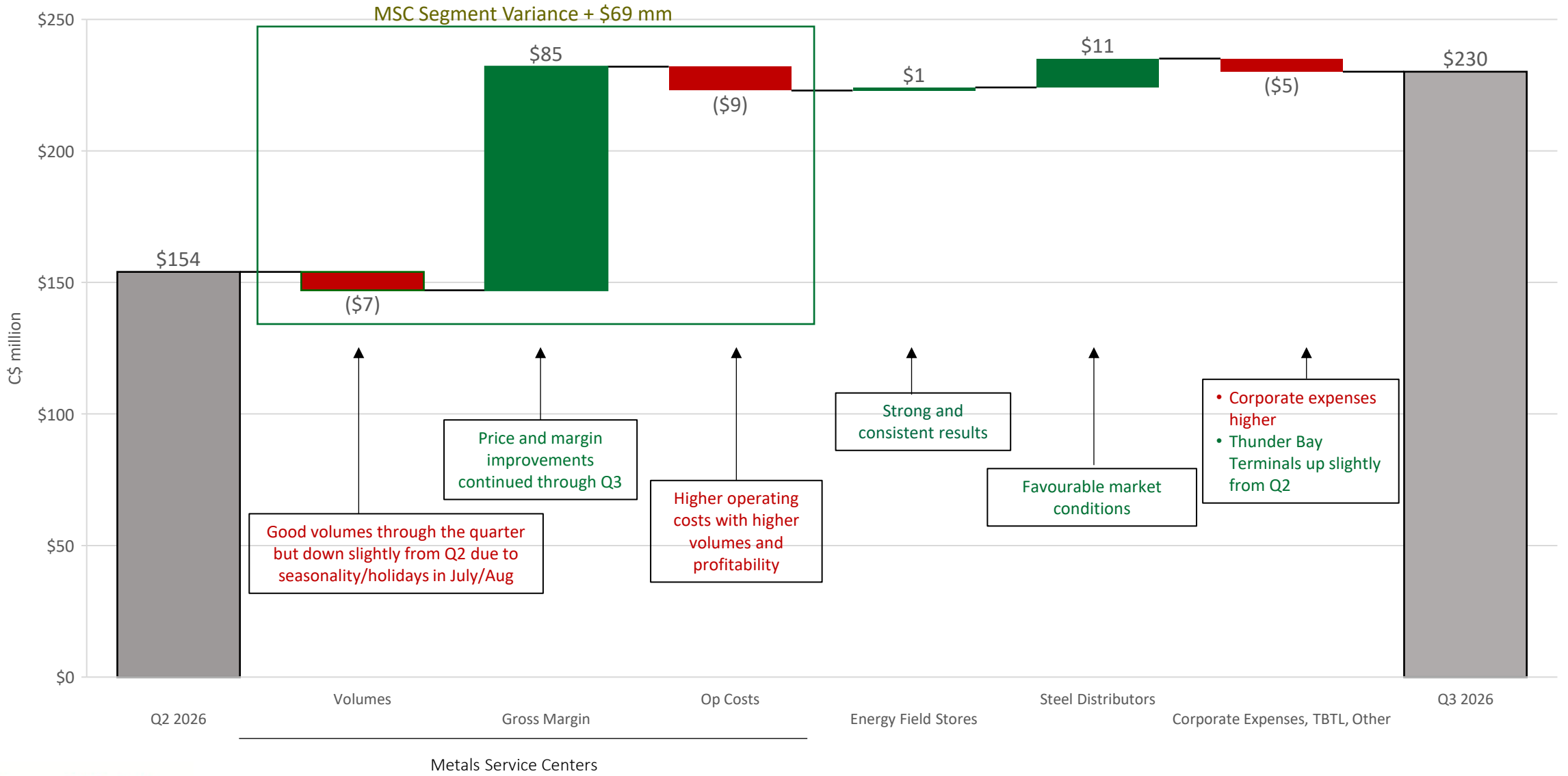
- The following summarizes the apples-to-apples comparison of our quarterly results on both an "Unadjusted" and "Adjusted" basis.
- On any comparable basis, our Q3'26 results improved substantially vs. Q2'26 and Q3'25.

	EBITDA (mm)	Net Earnings (mm)	EPS
Q3 2026			
Unadjusted	$199.9	$125.5	$2.29
Gain on Sale of Color Steels	($7.1)	($6.7)	($0.12)
Mark-to-Market on Stock Based Comp	$37.3	$27.6	$0.50
Adjusted	$230.1	$146.4	$2.67
Q2 2026			
Unadjusted	$138.4	$78.5	$1.43
Mark-to-Market on Stock Based Comp	$15.3	$11.3	$0.20
Adjusted	$153.7	$89.8	$1.63
Q3 2025			
Unadjusted	$75.0	$35.0	$0.63
Mark-to-Market on Stock Based Comp	($2.1)	($1.6)	($0.03)
Adjusted	$72.9	$33.4	$0.60

Q3 Adjusted EBITDA:
+50% vs. Q2`26 and +216% vs. Q3'25

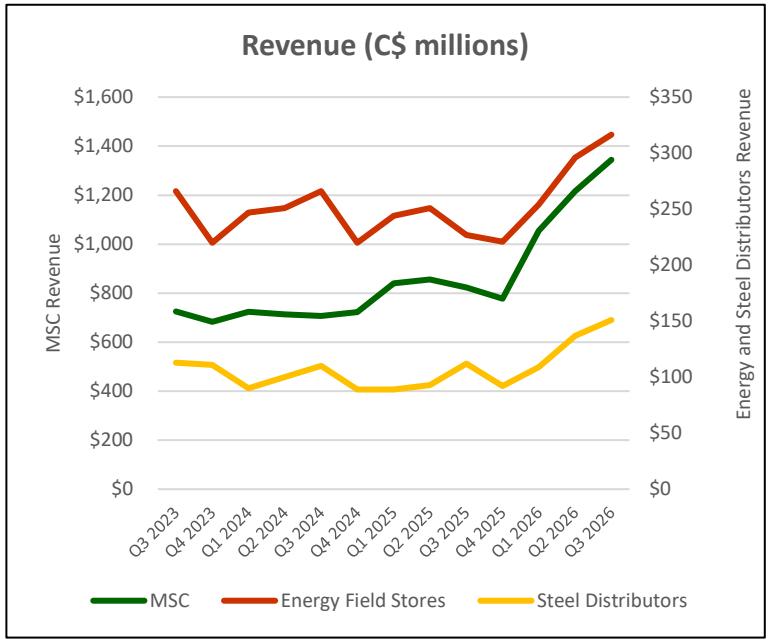
Q3 Adjusted EPS:
+64% vs. Q2'26 and +345% vs. Q3'25

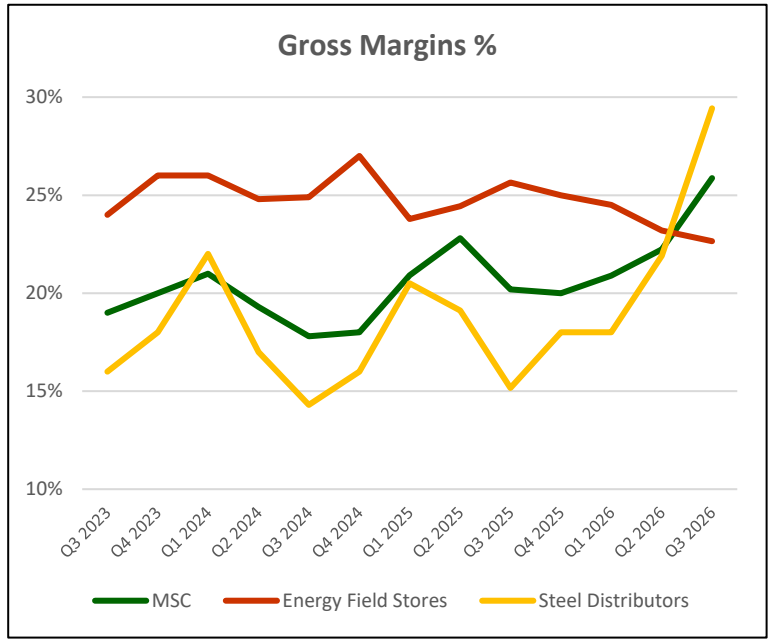
VARIANCE ANALYSIS: ADJUSTED EBITDA Q2 2026 VS. Q3 2026

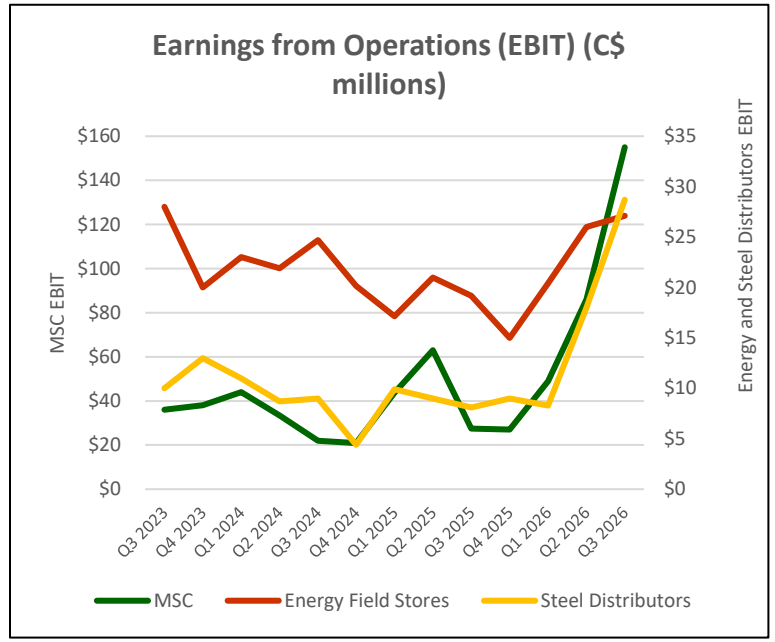


Russel Metals

SEGMENT BREAKDOWN: OPERATING RESULTS







MSC:

- Q3 revenues, gross margins and EBIT improved substantially vs. Q2. More detail on the next page.

Energy Field Stores:

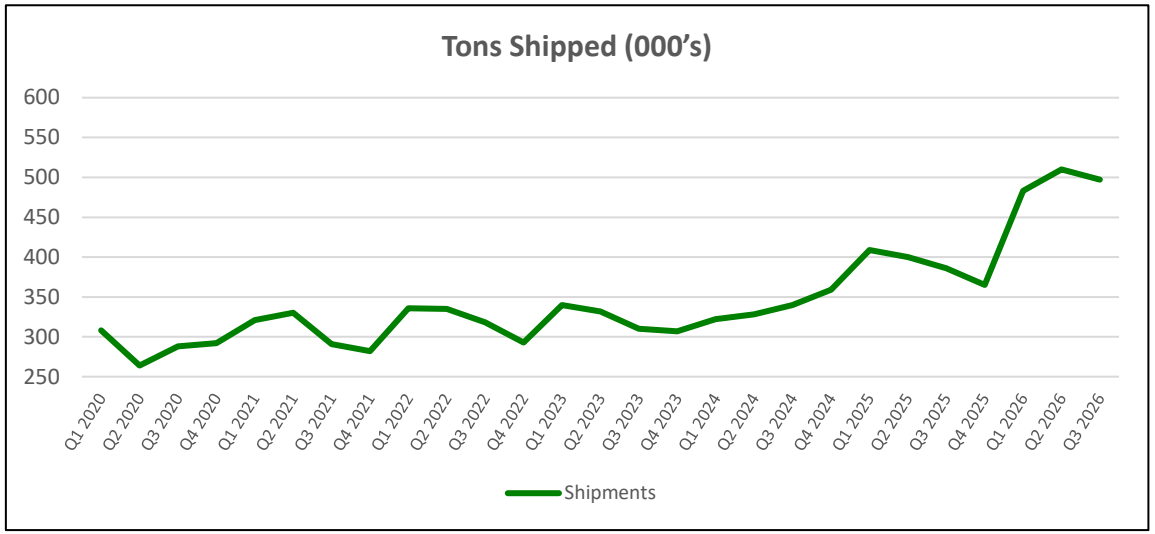
- Revenues up in Q3 vs. Q2. Solid continuation of results.
- Gross margin down due to product mix but EBIT up vs. Q2.

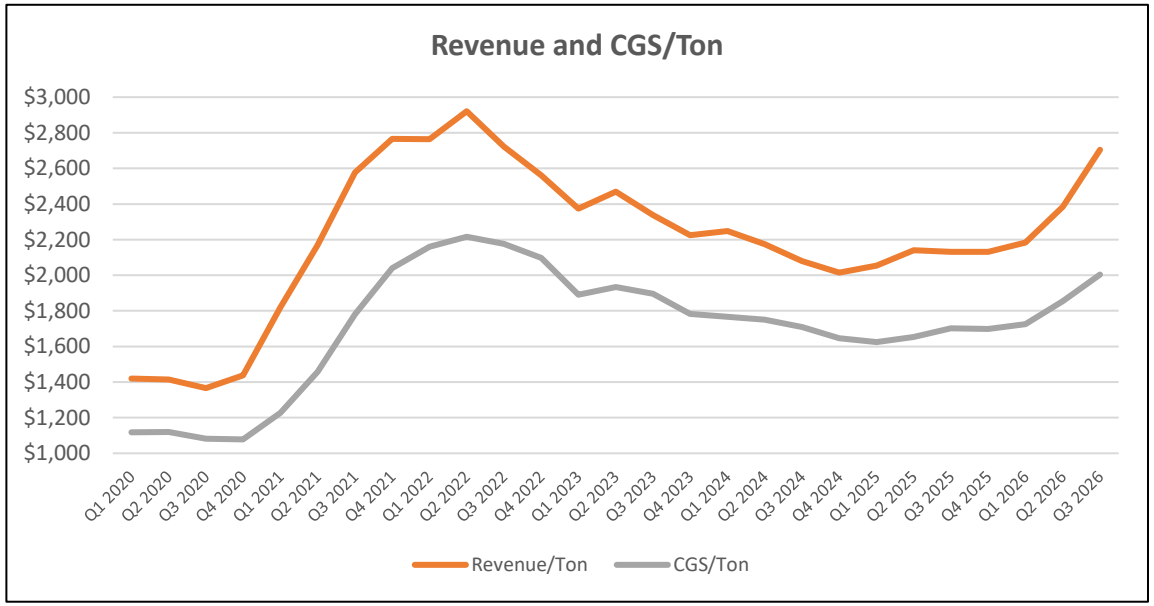
Distributors:

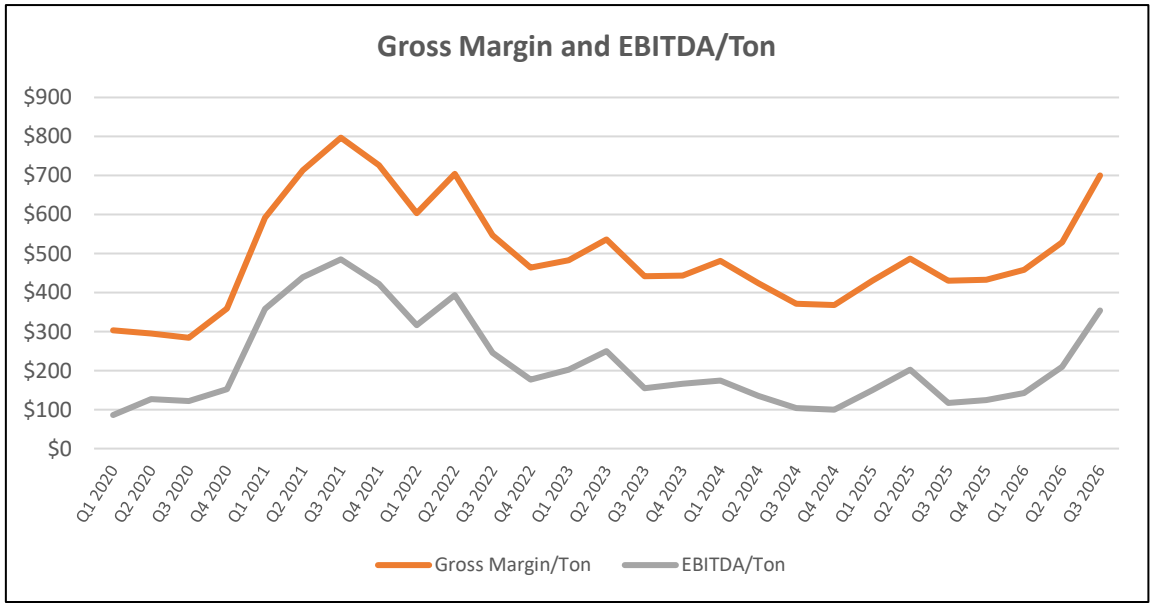
- Revenues and gross margins up substantially vs. Q2 due to favourable market conditions.
- Increase in EBIT in Q3 vs. Q2

SERVICE CENTER RESULTS

- Q3 2026 tons were near the record that was set in Q2
  - Shipments were down 3% vs. Q2'26, but up 29% vs. Q3'25
  - Same store shipments up 7% vs. Q3'25
- Price realizations and margins picked up in Q3'26 over Q2'26
  - Gross margin dollars +$171/ton vs. Q2
  - Gross margin % +370 bps vs. Q2

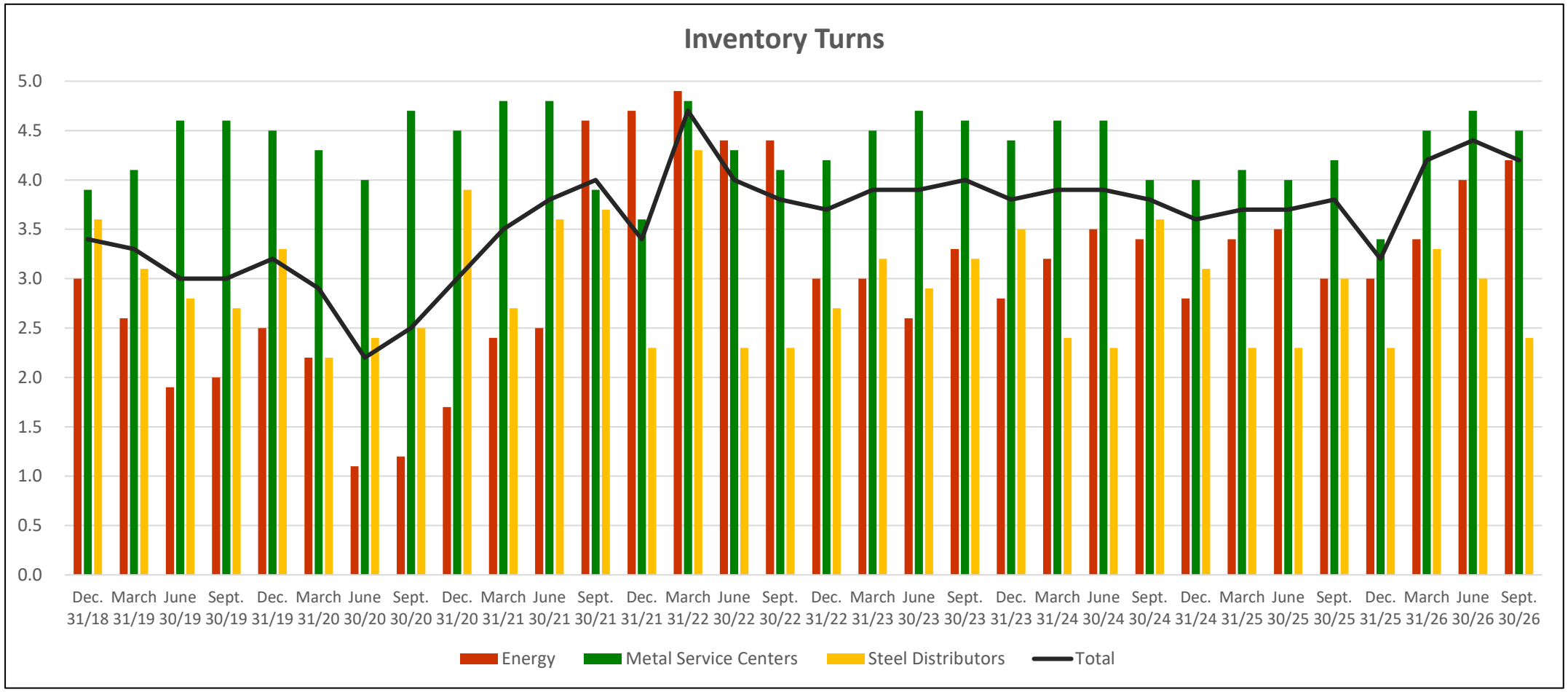






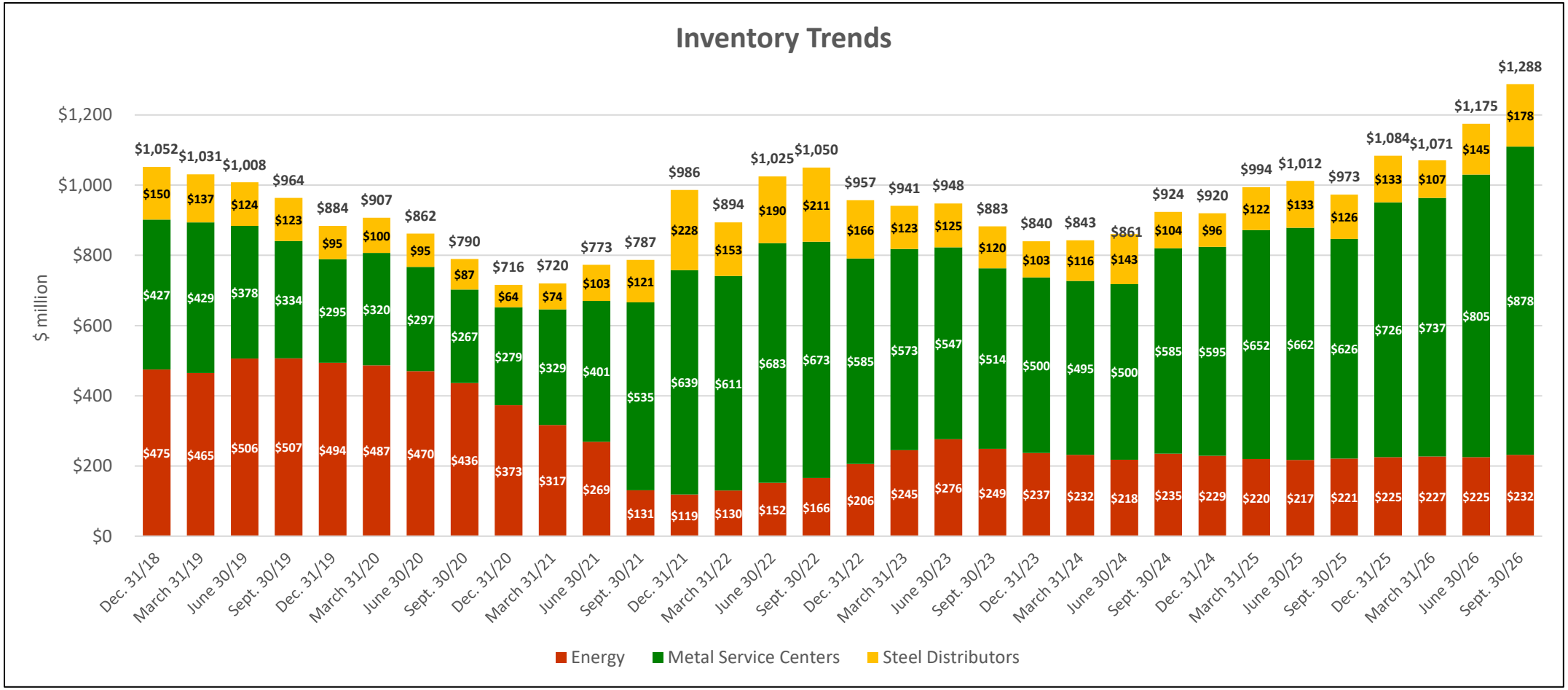
INVENTORY TURNS

- Overall inventory turns was comparable in Q3 vs. Q2.



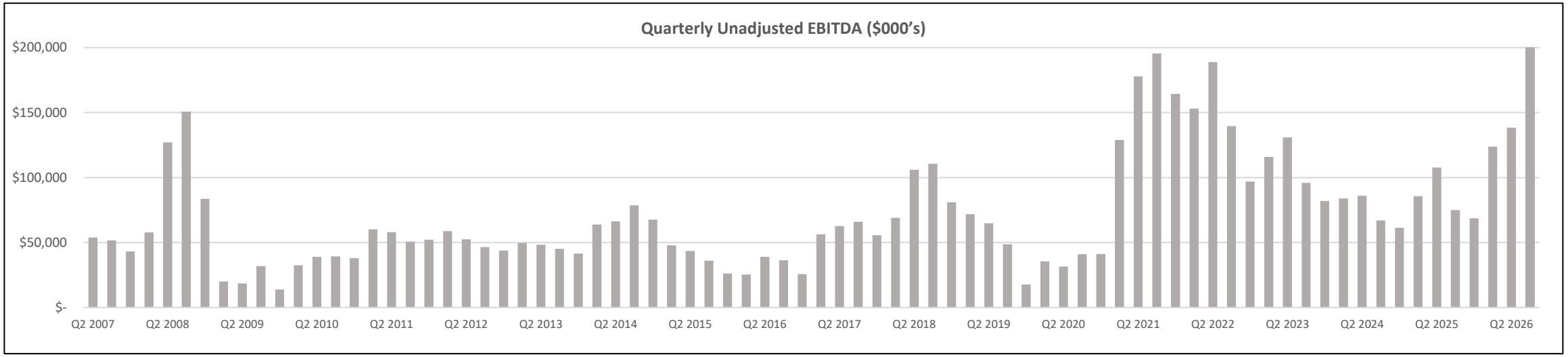
INVENTORY TRENDS

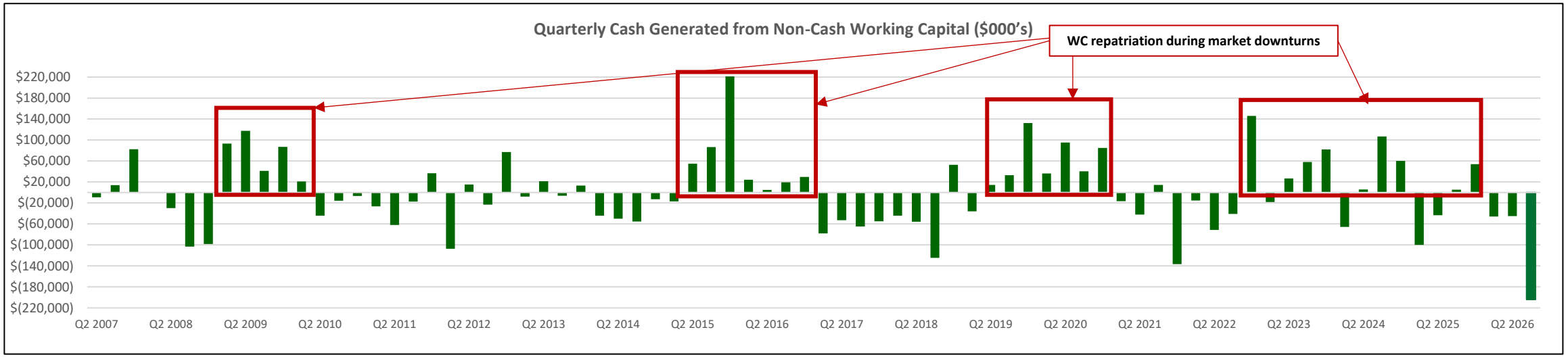
- Total inventory was up vs. June 30/26 – MSC tonnage was up 1% and average cost was up 8%.
- The multi-year shift in the portfolio involved overall growth of capital deployed and a shift away from the higher risk/lower return segments.



LONGER TERM EBITDA AND WORKING CAPITAL TRENDS

- Q3’26 was an all-time record for EBITDA (on both an adjusted and unadjusted basis).





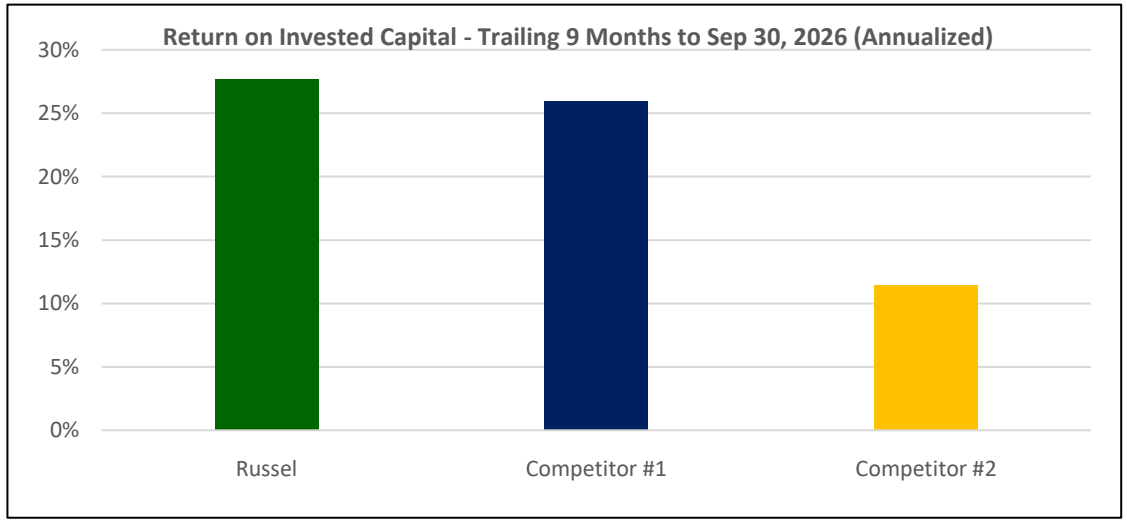
LIQUIDITY AND CAPITAL STRUCTURE SUMMARY

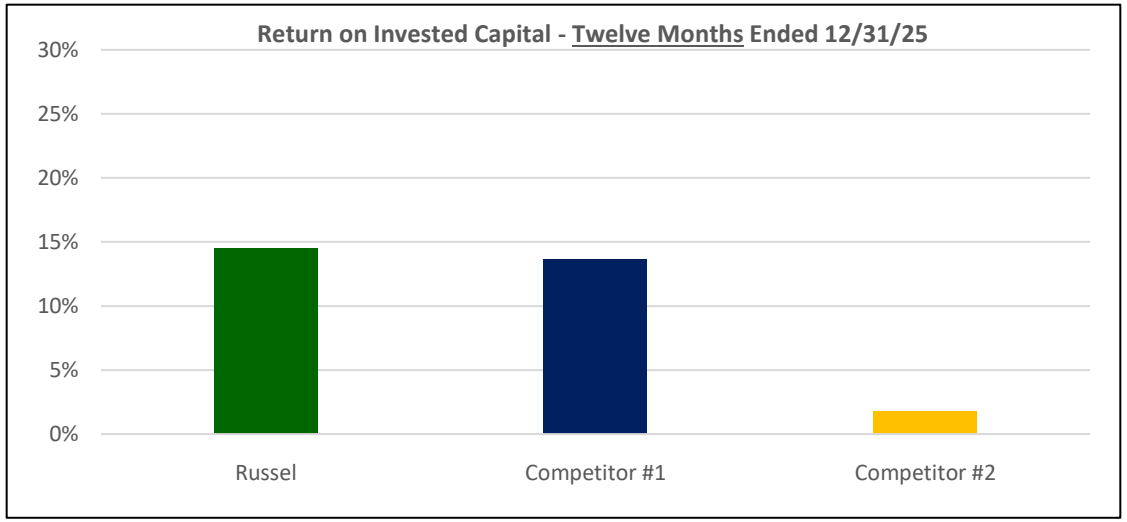
- Significant balance sheet flexibility – investment grade by S&P at BBB- and DBRS at BBB(low).
- All debt is unsecured with no financial covenants on long term debt.
- Debt maturities are 2030.

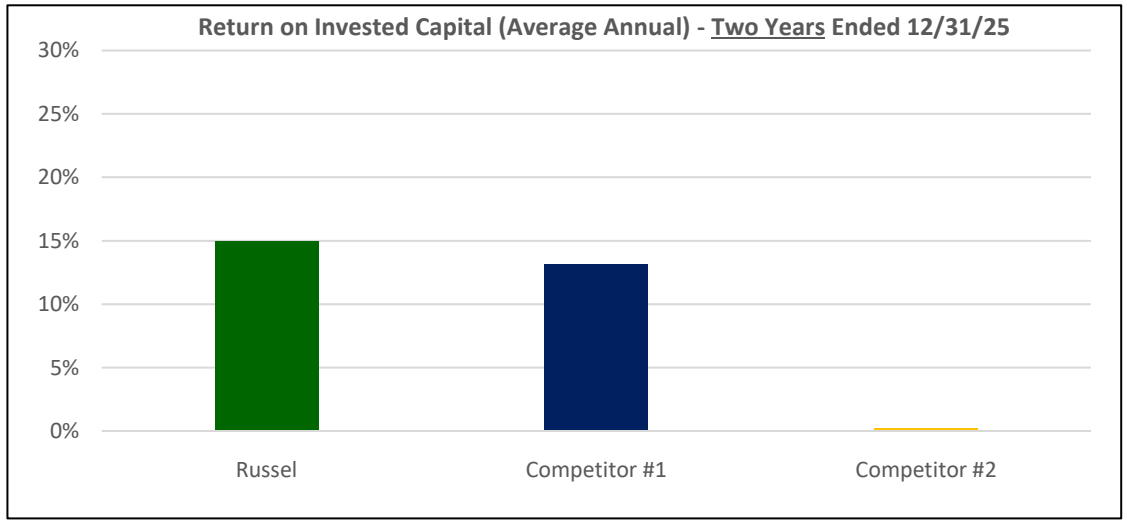
	6/30/26 (C$ mm)	9/30/26 (C$ mm)
(Cash)	$(154)	$(85)
Bank Lines ($450 mm) - Maturity May 2030	--	--
4.423% Notes - Due 2030	$298	$298
Net Debt	$144	$214
Shareholders' Equity	$1,729	$1,830
Net Debt/ Invested Capital	8%	10%
Liquidity	$554	$418

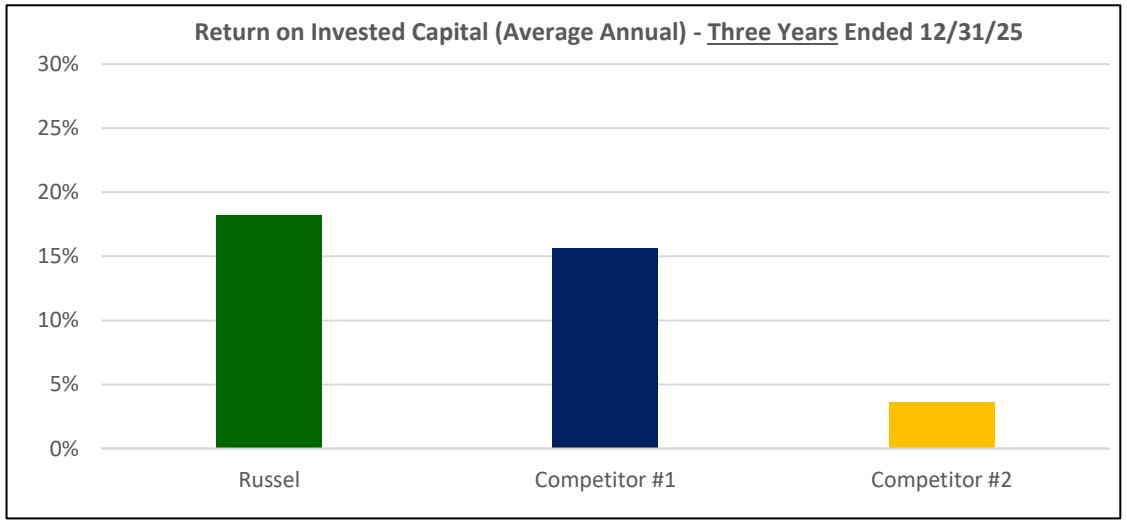
RELATIVE RETURN ON CAPITAL

- Russel's returns remain industry leading.









Note: Results for competitors are based on operating profit before LIFO adjustments and after restructuring costs.







V. RECENT ACQUISITIONS

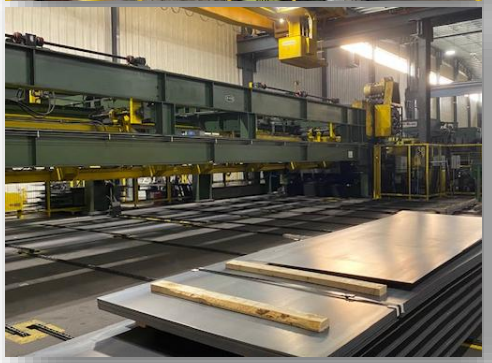




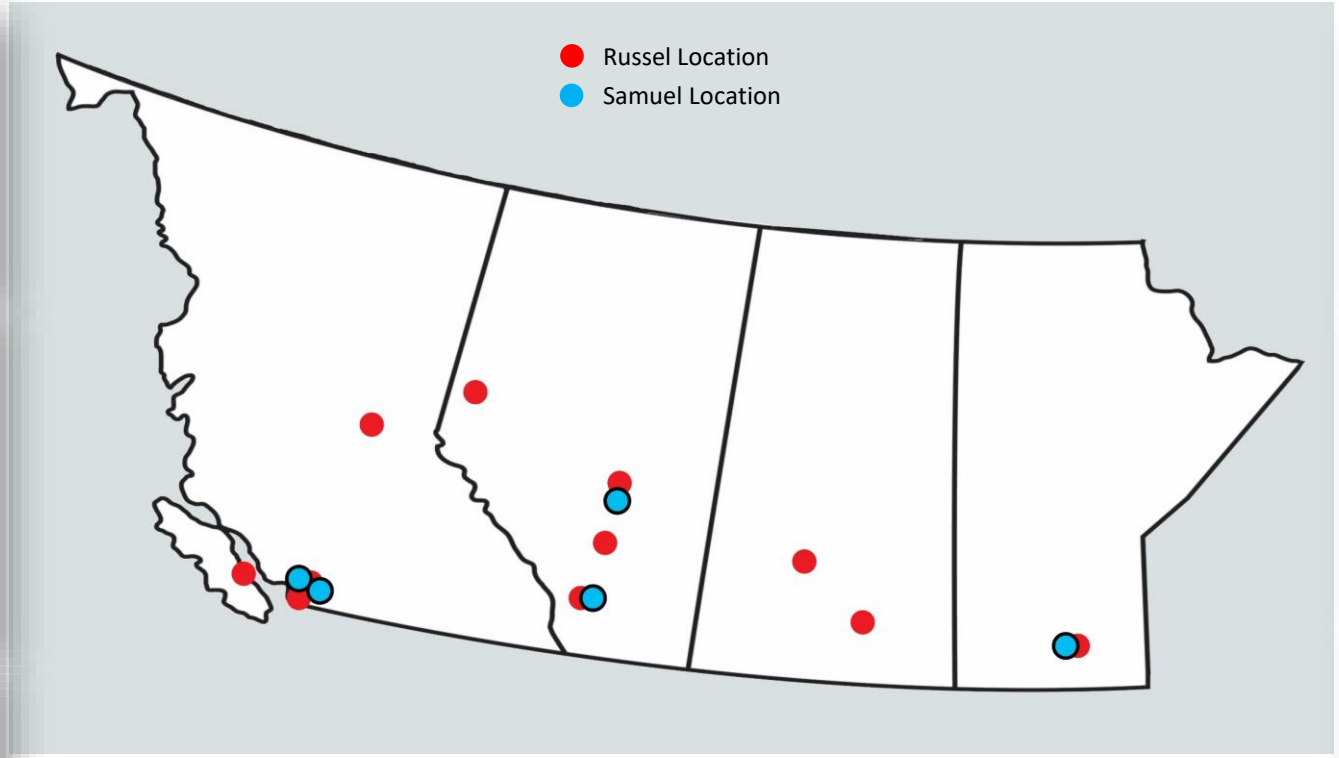
SAMUEL ACQUISITION: FIT IN W. CANADA

- The combined footprint in Western Canada created opportunities to reconfigure the equipment/locations, enhance operating efficiencies and reduce the combined capital.









# of Locations	BC	Alberta	Sask.	Manitoba	Total
Russel	5	9	4	3	21
Samuels	2	2	0	1	5

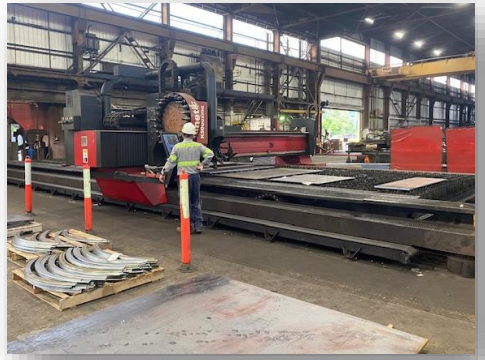


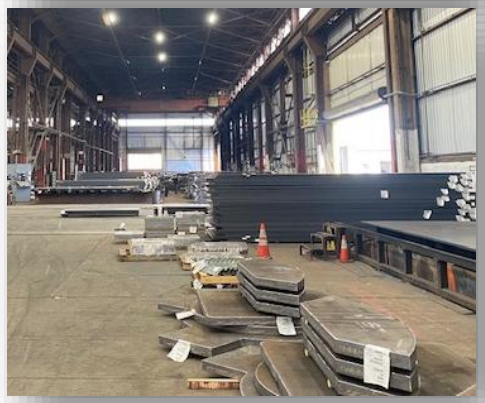


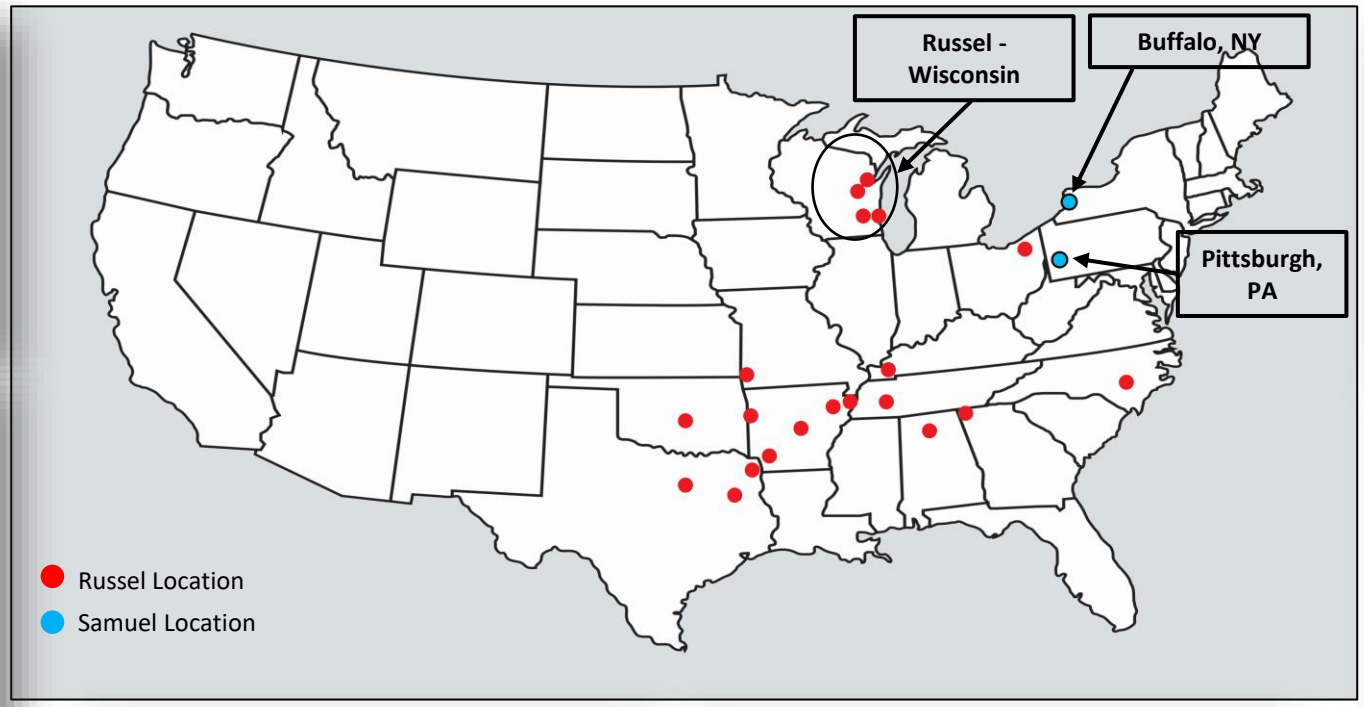


SAMUEL ACQUISITION: EXTENSION INTO US NORTHEAST

- Samuel's US NE operations extended Russel's geography and increased economies of scale in plate processing.











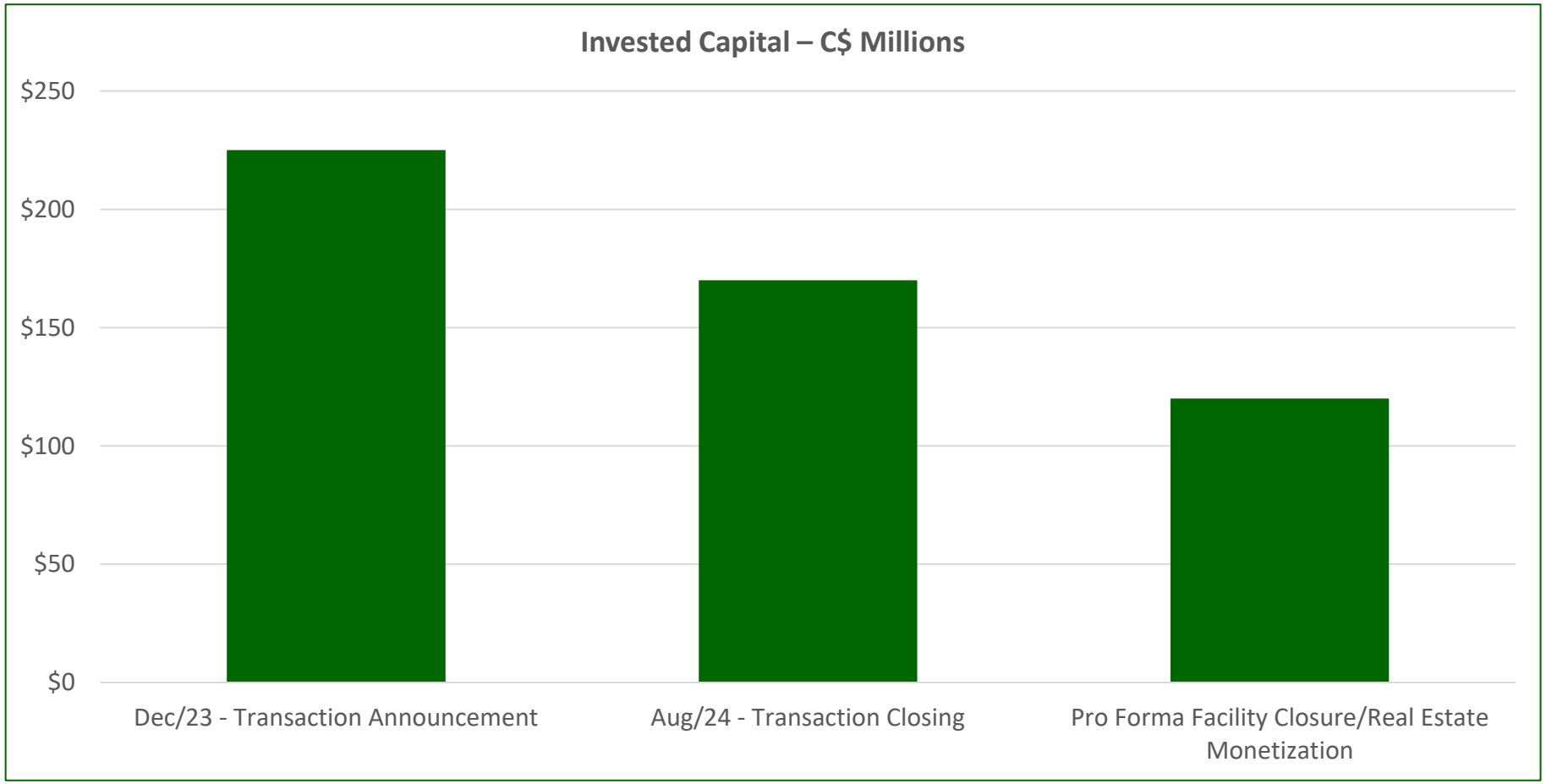




Russel Metals

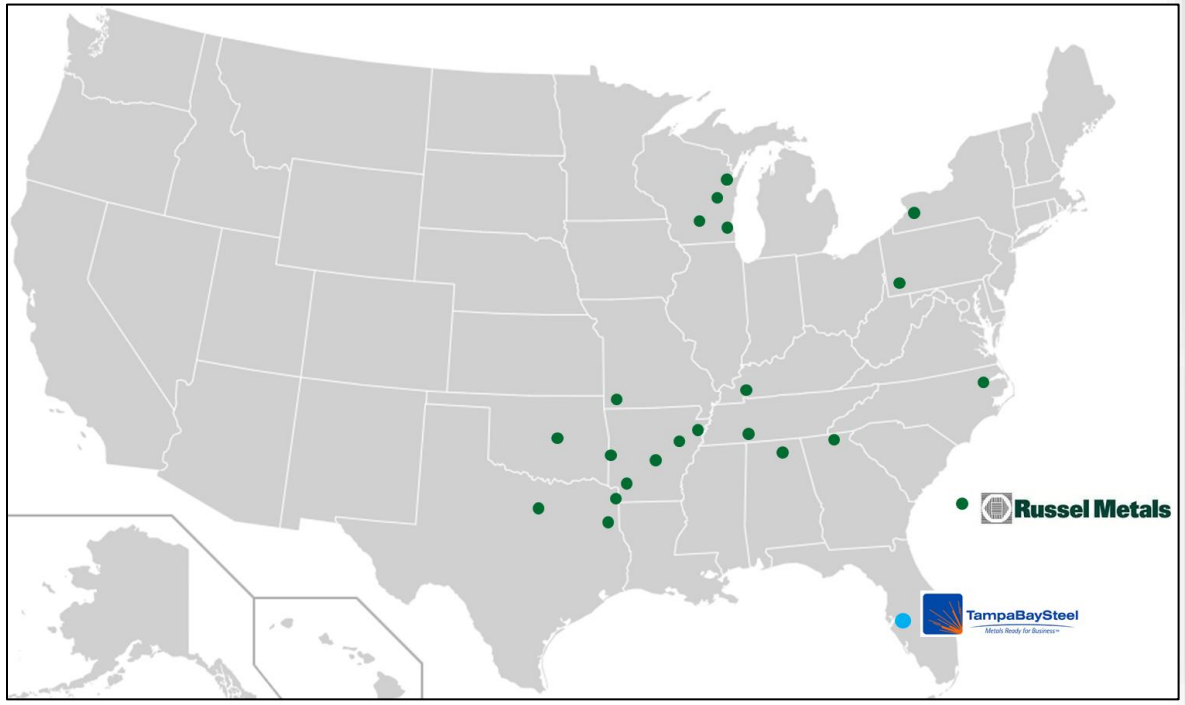
SAMUEL ACQUISITION: INVESTED CAPITAL UPDATE

- At the time of the Samuel acquisition announcement, the purchase price approximated the book value. Since that time, we reduced the invested capital by ~$100 mm and substantially reduced the implied purchase price multiple.



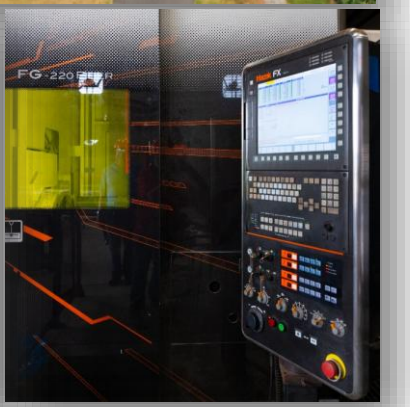
TAMPA BAY STEEL ACQUISITION: SUMMARY

- Final purchase price of US$75 mm.
  - Average sales and adjusted EBITDA of US$115 mm and US$13 mm, respectively, over the five years (pre-acquisition)
- Invested US$20 mm in capex over past three years – significant value-added processing with capacity to grow.
- Product mix includes a substantial amount of non-ferrous.
- Experienced management team with an aligned culture.
- Provided a platform for further growth in the Florida market

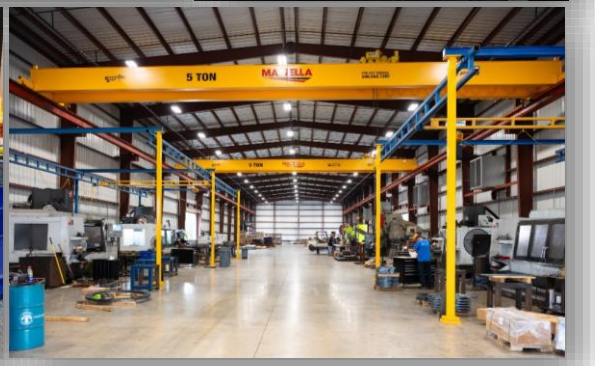












KLOECKNER ASSET ACQUISITION: SUMMARY

- The Kloeckner Assets acquired:
  - Seven locations in the US (2 in Florida; 2 in Texas; 1 in Georgia; 1 in North Carolina; and 1 in Iowa)
  - Assets include the net working capital, buildings, real estate and equipment for those locations
- Final Purchase Price:
  - US$94 million
  - Value underpinned by hard assets
- Historical financial results for the seven Kloeckner operations:

	Average Annual Between Jan. 1/23-June 30/25	Year Ended Dec. 31/25	9M'26 Since Acquired by Russel
Revenues	~US$500 mm	US$552 mm	US$457 mm
EBITDA	~US$20 mm(1)	US$31 mm(1)	US$41 mm

- Transaction Rationale:
  - Complementary locations relative to Russel's US service center operations
  - Opportunities to reinvest in the acquired locations and integrate with Russel's other locations in each region
  - Increases the relative proportion of Russel's US revenue base to >50% on a pro forma basis

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

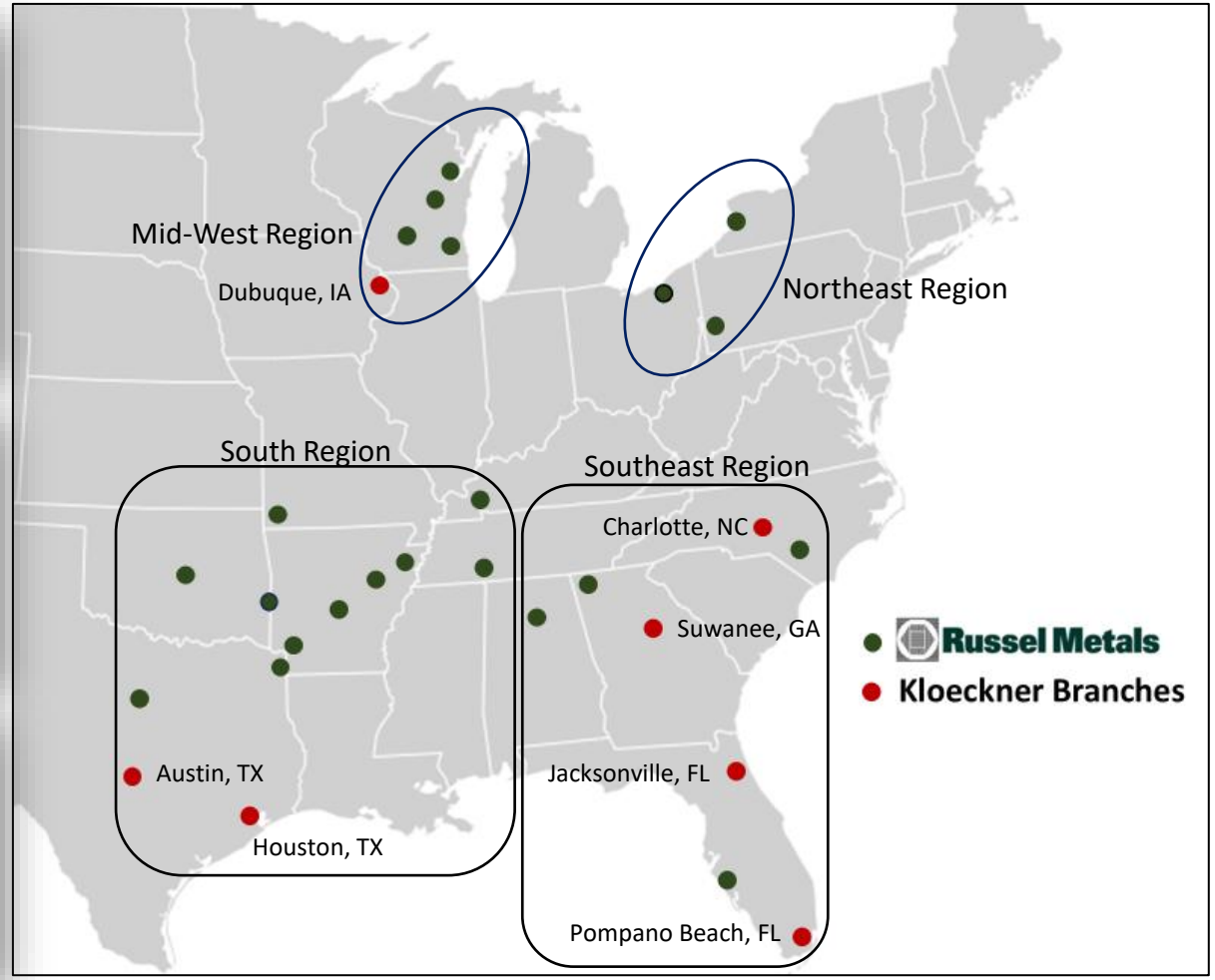
KLOECKNER ASSET ACQUISITION: EXPANSION OF US FOOTPRINT

- Our geographic coverage will be enhanced across key industrial hubs in the US.
- The combined footprint should create opportunities to reinvest in the Kloeckner branches and improve operating performance.

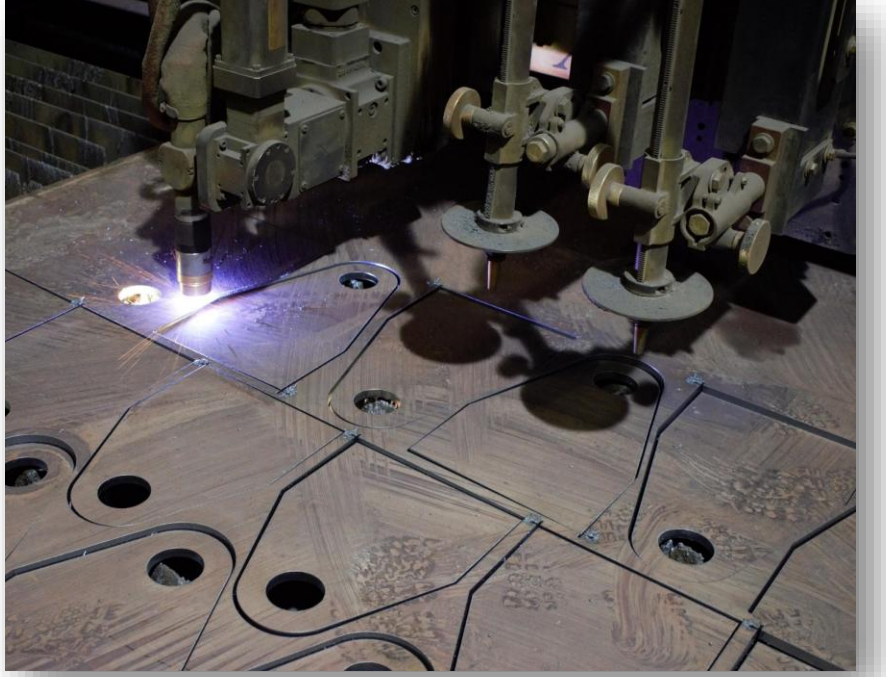


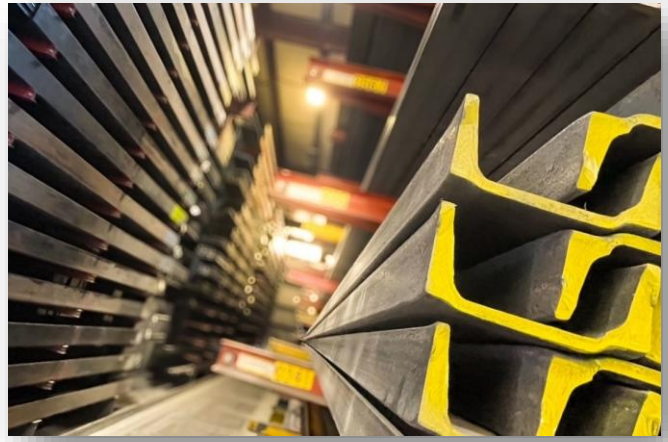




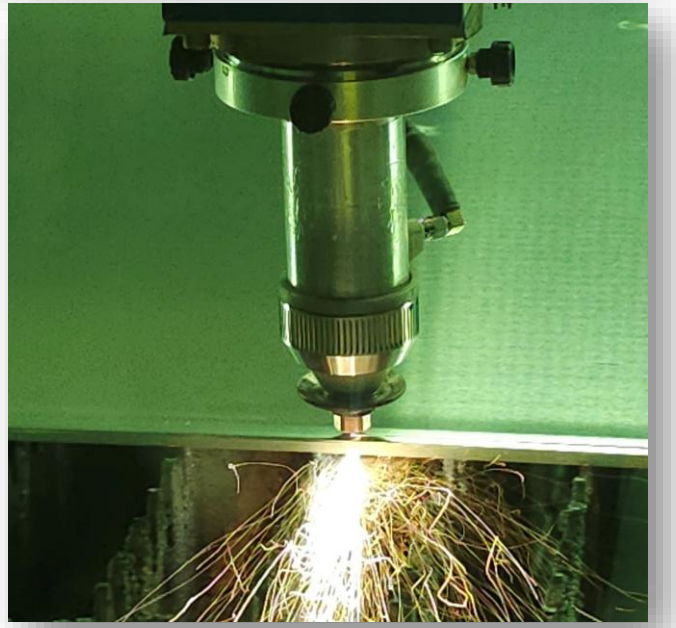












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