ACERO PRIME®

© DESHAZO 3 2 METRIC TON We are part of the Reliance Family of Companies



RELIANCE STEEL & ALUMINUM CO.



Acero Prime culture

Acero Prime is on the business of helping our customers to get what they need in an effective, efficient and effortless way; with social and environmental responsibility.

MISSION & PURPOSE

We incorporate reliable and value added supply solutions to make the work easier for those with whom we interact.

VALUES

- 1. Integrity
- 2. Service
- 3. Flexibility
- 4. Commitment





Strategic locations in USA and Mexico: Sinton, San Luis Potosi, Ramos Arizpe, Monterrey and Toluca



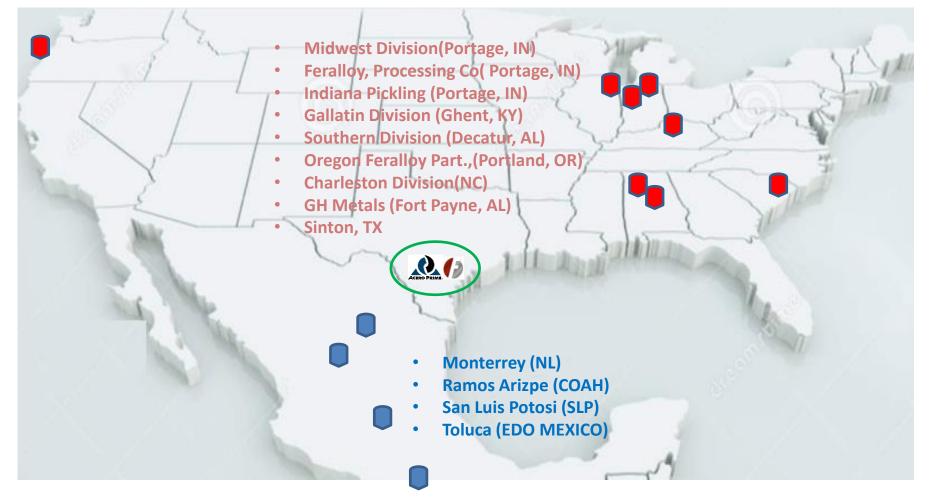
We can identify our customers' needs and offer them a **tailor-made solution** combining:

- Steel-processing
- Storage
- Complete supply-chain management services
- Customers maintain ownership until delivery to final customer

Acero Prime is 100% Toll Processing steel service center.



Strategic location network and support in US and Mexico





Acero Prime business model



Our value-added services enable steel mills, service centers, distributors, stampers, and original-equipment manufacturers to find in **Acero Prime** a competitive advantage allowing them to serve their markets more effectively and efficiently in most demanding industries such as the automotive and appliance.



Acero Prime business model

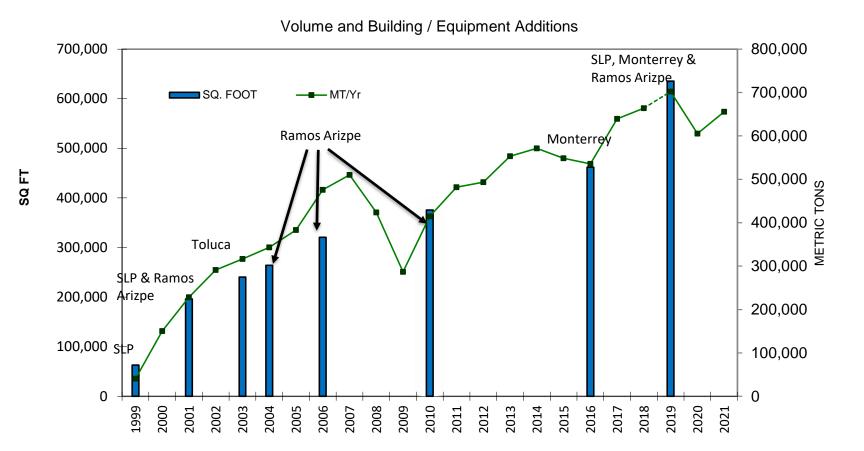




- We help our customers to get what they need in an effective, efficient and effortless way.
- Offering tailored made supply chain solutions to make the work easier for our customers.
- Strategic locations along the main industrial corridor in Mexico, equipped to serve the most demanding manufacturing industries (automotive, appliance and metal manufacturers companies).



20 years expanding with our customers





Competitive advantages

- One-stop shop for Importation Administration, Logistics, Steel Processing, Warehousing and JIT Deliveries; shipping more than 700,000 net tons per year for automotive industry (80%), appliance and general manufacturers.
- Storage, Slitting and Multi-Blanking process:
 - 72" wide, 0.015" to 0.334" thickness, 30MT weight coils, capacity to run HR, HRPO, CR, coated, unexposed and critical surface coils; electrical steel and stainless steel.
- Integrated information system with **EDI capabilities**; and an exclusive development of a bar code system for **real time tracking of steel** within the supply chain.
- Wide experience in **temporary importation** and preferential duty programs.
- Ample rail-spur capacity to optimize logistics cost of material sent to our facilities.
- Integrated services at main maritime ports and borders in Mexico
- In-site technical service support.
- Outside processing (blanking, laser, welding & pickling)
- Obsolete & secondary material disposition.
- Certified ISO 9001 | IATF 16949



Processing Capabilities (Mexico)

| San Luis Potosi 160,600 sq ft. | Ramos Arizpe 333,700 sq ft. | Monterrey 93,100 sq ft. | Toluca 44,200 sq ft |
|--|--|--|--|
| Slitter L1 0.015 to 0.190", 72" wide and 30 MT max weight Slitter L2 0.036 to 0.334", 62" wide and 30 MT max weight | Slitter L1 0.015 to 0.250", 72" wide and 30 MT max weight Slitter L2 0.020 to 0.250", 74" wide and 30 MT max weight Multi-blanking L2 0.015 to 0.250", 72" wide, 4 blanks, and 30 MT max weight | Slitter L1 • 0.020 to 0.250", 72" wide and 30 MT max weight | Storage and Distribution center • 30 MT max weight |
| Storage up to 45,000MT | Storage Plant 1 up to 78,000MT Storage Plant 2 up to 32,400MT | Storage up to 27,000MT | Storage up to 15,000MT |

Aluminum

Grades: CS | EDDS | DP | AHSS

Technology: EDI X12 | Y-Scan bar code readers | Real-time information.

Logistics: Rail-spur | Port Maneuvers | JIT deliveries.

Certification: ISO 9001:2015 / IATF 16949.



Processing Capabilities (Sinton)

| | Receiving & | Steel Coils | Rail and Truck (un)Loading under roof 50,000 tons master coil storage | | | |
|--------------------------------------|-----------------------------|--|--|-------------------------|-----------------------------------|--|
| . 315,000 Ft ² under roof | Warehousing | | 106,000#/max weight, 96"/max OD Coil capacity | | | |
| | Processing Capabilities >>> | | Slitting | | Cut-to-Length | |
| | | | Light Gauge (Fagor) | Heavy Gauge (Butech) | Stretcher Level & CTL (Butech) | |
| | Coil Dimensions | Mat'l Types | PO, CR, GV, Painted, Embossed | CR, HR, PO | CR, HR, PO | |
| | | Grades | DDS – UHSS | DDS – UHSS | CS – UHSS | |
| | | Thickness | .010"150" | .047"315" | .075" – 1.000" | |
| | | Width | 36" - 78"(nom) | 36" - 84"(nom) | 84"(nom) | |
| | | Outside Diameter | 35" - 90.5" | 45" - 94" | 45" - 94" | |
| | | Inside Diameter | 20"-24" | 20"-30" | 20"-30" | |
| | | Weight | 106,000#/max | 106,000#/max | 106,000#/max | |
| | Product Dimensions | OD | 35" - 90.5" | 32" - 94" | | |
| | | ID | 20" - 24" | 20" - 24" | | |
| | | Weight | 106,000#/max | 106,000#/max | | |
| | | Width/ # of Cuts | 24 cuts/max | 24 cuts/max | 36" - 84" | |
| : | | Length | | | 36" - 720" + | |
| 7 ¼ Acres | | Bundle Weight | | | 50,000#/max | |
| | | Bundle Height | | | 36"/max | |
| | | | Eye Horizontal | | Loose | |
| | Package Options | | Eye Vertical | | Banded | |
| | | | Palletized | | Palletized | |
| | | | Racked | | VCI-wrapped | |
| | | | VCI-wrappe | | | |
| | Finished | 0 | | | | |
| | Product | 22,000 tons of slit coil storage with O/H crane and Forklift loading | | | | |
| | Warehousing | 10,000 tons of sheet/plate storage with O/H crane & Forklift loading | | | | |
| | And Loading | Truck or Railcar loading under roof | | | | |



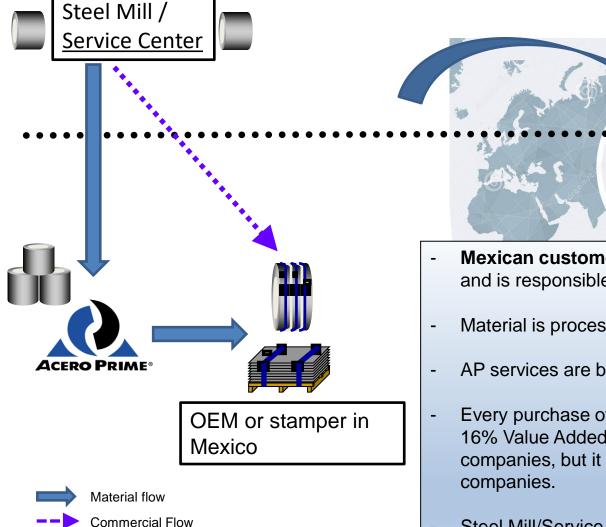
Some of our customers



Importation alternatives in Mexico

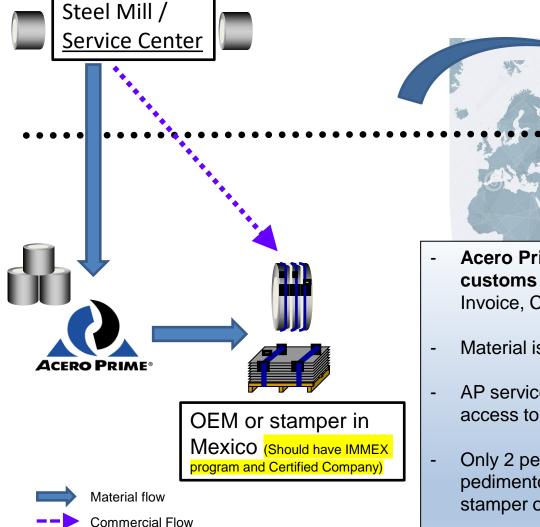


Definitive Imports



- Mexican customer assigns its own customs broker and is responsible for the importation.
- Material is processed and stored at AP.
- AP services are billed at 16% VAT.
- Every purchase of goods or services in Mexico generates 16% Value Added Tax; this tax is a cash flow for Mexican companies, but it may represent a cost for foreign
- Steel Mill/Service Center keeps material ownership.

Temporary Imports



- Acero Prime is the importer of record and assigns its customs broker. Necessary Documents: Proforma Invoice, Certificate of Origin, Mill Test Report.
- Material is processed and stored at AP.
- AP services are billed at 0% VAT and customer may also access to preferential duties.
- Only 2 pedimentos has to be done per month: V1-Export pedimento by Acero Prime; V1-Import pedimento by the stamper or OEM.
- Steel Mill/Service Center keeps material ownership.

Some advantages of Temporary Importation

- Certified companies do not pay duties and taxes upon importation.
- Services provided within Mexico by an IMMEX company may not be subject to VAT 16%.

Agile customs clearance versus the Automatic Notice permit required.

 Up to 18 months to keep inventory under temporary importation IMMEX without paying for importation taxes.





Logistics Experience



Simplifying your Supply Chain



Services provided at the Ports

- Unloading, warehousing and transportation in Tampico, Altamira, Manzanillo and Lazaro Cardenas
- Deconsolidation of containers
- Segregation of coils in the warehouse
- Inspections reports from our surveyor at port
- Inventories and shipments control through bar code system
- Full tracking throughout the Supply Chain (ocean and land freights tracking)
- Just in time deliveries from the port to our facilities or any other destination
- Currently handling 20,000+ MT monthly from Asia, Europe and South America









We are willing to help our customers to get what they need in the most economical way.

Thank you.

