AZZ Inc. Announces the Divestiture of the AZZ SMS LLC Business

October 26, 2020 FORT WORTH, TX - **AZZ Inc. (NYSE:AZZ)**, a global provider of metal coating solutions, welding solutions, specialty electrical equipment and highly engineered services, today announced that it has completed the divestiture of its AZZ SMS LLC ("SMS" or "Field Services") operating business unit to Mid-State Machine and Fabricating Corporation ("Mid-State Industrial Maintenance" or "Mid- State"), a privately held company based in Lakeland, Florida. Mid-State acquired the SMS business and assumed a 26,155 square foot facility located in St. Petersburg, Florida. Terms of the transaction were not disclosed and are subject to customary terms and conditions.

SMS was acquired by AZZ in 2013 as part of the acquisition of Aquilex Specialty Repair and Overhaul LLC ("Aquilex SRO"). As part of its recently disclosed earnings announcement, AZZ recorded a non-cash charge related to the divestiture of SMS to fiscal year 2021 second quarter, which ended on August 31, 2020. AZZ reported the charge related to the impairment in its Form 10-Q for the second quarter, which was filed with the Securities and Exchange Commission on October 13, 2020. AZZ expects a nominal revenue impact of approximately $35 million and anticipates the deal to be cash positive for the Company.

Tom Ferguson, Chief Executive Officer of AZZ, commented, "The divesture of SMS is in line with our strategic plan to restructure our portfolio to focus on growth within our core businesses. We are pleased to have reached an agreement with Mid-State to acquire SMS, while maintaining uninterrupted service to the customers of SMS, and employment for the SMS work force. We are focused on activities that will drive higher returns on invested capital within our core businesses for long-term margin expansion and growth."

About Mid-State Machine and Fabricating

Mid-State Industrial Maintenance is a leading provider of on-site and off-site industrial maintenance and service solutions. Headquartered in Lakeland, Florida, Mid-State serves as an outsourced maintenance and repair services provider to customers in the chemical processing, phosphate mining, power generation, and building products industries throughout the southeastern United States.

About AZZ Inc.

AZZ is a global provider of metal coating solutions, welding solutions, specialty electrical equipment and highly engineered services to the markets of power generation, transmission, distribution and industrial in protecting metal and electrical systems used to build and enhance the world's infrastructure. AZZ Metal Coatings is a leading provider of metal finishing solutions for corrosion protection, including hot dip galvanizing to the North American steel fabrication industry. AZZ Infrastructure Solutions (formerly Energy) is dedicated to delivering safe and reliable transmission of power from generation sources to end customers, and automated weld overlay solutions for corrosion and erosion mitigation to critical infrastructure in the energy markets worldwide.

Safe Harbor Statement

Certain statements herein about our expectations of future events or results constitute forward-looking statements for purposes of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements by terminology such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," "continue," or the negative of these terms or other comparable terminology. Such forward-looking statements are based on currently available competitive, financial and economic data and management's views and assumptions regarding future events. Such forward-looking statements are inherently uncertain, and investors must recognize that actual results may differ from those expressed or implied in the forward-looking statements. Certain factors could affect the outcome of the matters described herein. This press release may contain forward-looking statements that involve risks and uncertainties including, but not limited to, changes in customer demand for our products and services, including demand by the power generation markets, electrical transmission and distribution markets, the industrial markets, and the metal coatings markets. In addition, within each of the markets we serve, our customers and our operations could potentially be adversely impacted by the ongoing COVID-19 pandemic. We could also experience fluctuations in prices and raw material cost, including zinc and natural gas which are used in the hot dip galvanizing process; supply-chain vendor delays; customer requested delays of our *products or services; delays in additional acquisition opportunities; currency exchange rates; adequacy of financing; availability of experienced management and employees to implement AZZ's growth strategy; a downturn in market conditions in any industry relating to the products we inventory or sell or the services that we provide; economic volatility or changes in the political stability in the United States and other foreign markets in which we operate; acts of war or terrorism inside the United States or abroad; and other changes in economic and financial conditions. AZZ has provided additional information regarding risks associated with the business in AZZ's Annual Report on Form 10-K for the fiscal year ended February 29, 2020 and other filings with the Securities and Exchange Commission ("SEC"), available for viewing on AZZ's website at www.azz.com and on the SEC's website at www.sec.gov. You are urged to consider these factors carefully in evaluating the forward-looking statements herein and are cautioned not to place undue reliance on such forward-looking statements, which are qualified in their entirety by this cautionary statement. These statements are based on information as of the date hereof and AZZ assumes no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.*

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