

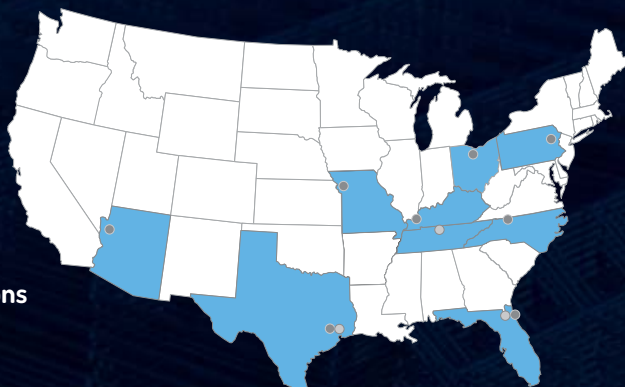


ANNUAL REPORT 2024



REINFORCING AMERICA

We manufacture and market prestressed concrete strand and welded wire reinforcement, including engineered structural mesh, concrete pipe reinforcement and standard welded wire reinforcement. Our products are sold to manufacturers of concrete products and concrete contractors for use primarily in nonresidential construction applications. Headquartered in Mount Airy, North Carolina, we operate eleven manufacturing facilities located in the United States.



Manufacturing Locations

- Welded Wire Reinforcement
- Prestressed Concrete Strand

Insteel Industries is the **nation's largest manufacturer** of steel wire reinforcing products for concrete construction applications.

BUSINESS OVERVIEW



Welded Wire Reinforcement

Prefabricated reinforcement consisting of high-strength wires that are welded into specified patterns according to customer requirements, which may provide for alternative wire diameters, lengths and spacings. Wire intersections are electrically resistance-welded by computer-controlled continuous automatic welding lines that use pressure and heat to fuse longitudinal and transverse wires in their proper position.

Engineered Structural Mesh	Concrete Pipe Reinforcement	Standard Welded Wire Reinforcement
Engineered made-to-order product that is used as the primary reinforcement in concrete elements or structures, frequently serving as a replacement for hot-rolled rebar.	Engineered made-to-order product that is used as the primary reinforcement in concrete pipe and box culverts for drainage and sewage systems, water treatment facilities and other related applications.	Secondary reinforcing product that is produced in standard styles for crack control applications in residential and light nonresidential construction, including driveways, sidewalks and a wide range of slab-on-grade applications.
PLANT LOCATIONS Dayton, TX Hazleton, PA Jacksonville, FL Kingman, AZ Mount Airy, NC St. Joseph, MO Upper Sandusky, OH	PLANT LOCATIONS Dayton, TX Jacksonville, FL Kingman, AZ Mount Airy, NC St. Joseph, MO Upper Sandusky, OH	PLANT LOCATIONS Dayton, TX Hazleton, PA Hickman, KY Jacksonville, FL Mount Airy, NC
CUSTOMER SEGMENTS Precast and Prestressed Producers Rebar Fabricators Distributors Contractors	CUSTOMER SEGMENTS Concrete Pipe and Precast Producers	CUSTOMER SEGMENTS Rebar Fabricators Distributors
END USES Nonresidential Construction	END USES Nonresidential Construction Residential Construction	END USES Nonresidential Construction Residential Construction

Prestressed Concrete Strand

High-strength seven-wire reinforcement consisting of six wires that are continuously wrapped around a center wire forming a strand, which is then heat-treated while under tension. Provides compression forces in concrete elements and structures, allowing for the use of longer, thinner and lighter spans or sections. May be used in either pretensioned or posttensioned applications to reinforce bridges, parking decks, buildings, other concrete structures and concrete slabs for new homes in regions that have expansive soil.

Prestressed Concrete Strand		
PLANT LOCATIONS Gallatin, TN Houston, TX Sanderson, FL	CUSTOMER SEGMENTS Precast Prestress Producers Posttensioning Suppliers	END USES Nonresidential Construction Residential Construction



LETTER TO SHAREHOLDERS

Market conditions in 2024 continued to exhibit weakness that was apparent in 2023, with steel prices in the doldrums for much of the year. The price of steel scrap, the primary raw material used by producers of hot rolled steel wire rod, declined or was flat for an unprecedented (in recent times) nine consecutive months, reflecting weak demand for hot rolled steel throughout the economy. For Insteel, weak order intake volumes, continued inflationary pressures, and soft pricing contributed to operational inefficiencies and compressed spreads that resulted in net earnings declining to \$0.99 per share and cash flow from operations to \$58.2 million. After tax return on capital employed fell to 5.3%. Capital expenditures for 2024 totaled \$19.1 million as we continued to pursue cost and productivity improvement measures in addition to funding recurring maintenance requirements.

Last year we reported that two production lines had been commissioned during fiscal 2023 and there was one remaining production line to be installed and commissioned during fiscal 2024. The third commissioning was completed during the third fiscal quarter of 2024. The line is now operating at over 85% utilization, and we plan to schedule additional operating hours as the demand environment improves.

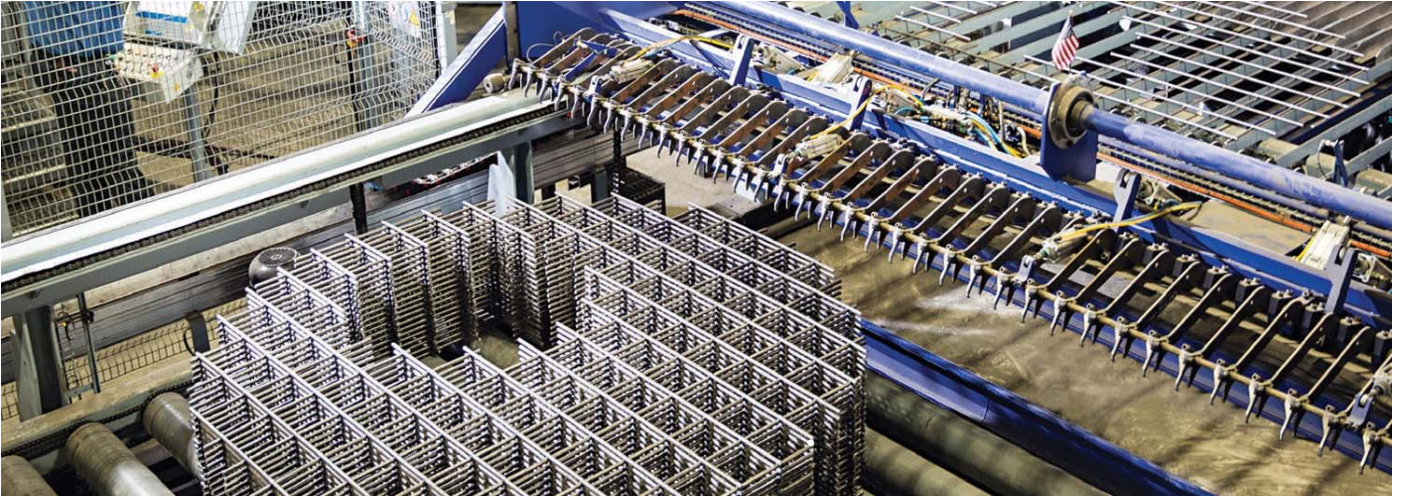
Shortly following the close of fiscal 2024, the Company completed two acquisitions that should strengthen our competitive position in the important midwestern and Texas markets. We acquired two manufacturing facilities in Ohio (Upper Sandusky and Warren) and certain assets from a producer in the Houston, Texas market. Total consideration approximated \$73 million which was funded with cash on hand, leaving the company debt free following the transactions. On November 18, we announced that we would close the Warren, Ohio plant, which had been operating at an unsustainably low level of capacity utilization. Orders previously produced at the Warren facility will be moved to geographically logical Insteel legacy facilities that have open capacity. Consistent with prior experience, we expect substantial operational synergies from these transactions, with meaningful cost reductions in SG&A and freight, as well as improved asset utilization. This acquisition activity is consistent with our stated capital allocation strategy which prioritizes appropriate growth opportunities as our primary objective.

Throughout fiscal 2024 we highlighted the adverse impact on Insteel of growing volumes of low-priced imports of PC strand, a trend that is not improving. We continue to monitor imports and to evaluate various courses of action to eliminate the inherent advantage that U.S. trade policies have provided offshore producers. Decisive action by the U.S. government is required to restore reasonable conditions of competition in the market. We believe the Administration understands and supports our position. They now need to act.

In view of our strong financial position, the Board of Directors authorized payment of a special dividend in the amount of \$1.00 per share with a record date of November 29, 2024, and payment date of December 13, 2024. While payment of any special dividend is contingent upon projected capital requirements and operating results, Insteel has paid a special dividend eight times since 2016, cumulatively totaling \$12.25 per share. Following payment of the dividend, we expect to remain debt free, to be well positioned to fully fund our capital investment program and to retain sufficient financial flexibility to execute on other opportunities that may arise.

We have been asked to explain our rationale for returning capital to shareholders through special dividends rather than through purchases of IIN common shares. The Board considers all options when evaluating returning capital, and several factors influence our eventual decision. First, the relative illiquidity of the Company's common shares has been a concern since our initial public offering in 1985 and reducing the number of outstanding shares would exacerbate this problem. Second, the Board considers the likely purchase price of Company shares relative to their intrinsic value. Third, regulations severely restrict the volume of shares the Company is allowed to purchase in the open market. With these factors in mind, the Board has elected to return more significant amounts of capital through special dividends, although in recent years we have also acquired common shares with the objective of offsetting dilution from the Company's equity incentive plan. These factors will likely continue to be primary considerations of the Board when it considers returning capital to shareholders.

A differentiating factor for Insteel as compared to competitors in the industry is our commitment to continually invest in our facilities and information systems. To that end, in fiscal 2024 we invested \$19.1 million to adopt state-of-the-art manufacturing technology and to upgrade our information systems. We have entertained investor questions concerning the timing of our investments in view of weaker than expected business conditions in certain markets. Given the nature of our industry, we do not attempt to time the market with respect to commissioning and startup of new technology. With lead times of approximately two years for most significant capital investments, it is impossible to forecast prevailing business conditions at the time of startup. Additionally, achieving lower cash cost of production and broadening our product offerings are substantial return components of nearly every significant capital investment made by the Company, making market conditions at the time of startup somewhat less consequential. The Company believes its disciplined investment philosophy is aligned with the interests of shareholders across the business cycle, and that companies failing to adopt the best technology will become uncompetitive.



OUTLOOK

We estimate that approximately 85% of our revenues are generated from activity in the nonresidential construction market with about 35% of revenues derived from public sector spending and about 50% from private sector spending. We are optimistic about nonresidential construction markets in view of substantial incremental funding that has become available through various federal programs. Residential construction markets, accounting for approximately 15% of Insteel revenues, experienced an abrupt and significant slowdown beginning in the third fiscal quarter of 2022 as rising interest rates affected housing affordability and uncertainty caused risk aversion. Subsequently, activity in residential markets rebounded following inventory corrections, although pricing has remained highly competitive. We expect gradual improvement in residential markets during fiscal 2025.

While it is not possible to quantify the impact of rising or elevated interest rates on our markets, we believe that the current downward trajectory will stimulate demand for construction materials and reinforcing products during 2025. Longer term, the magnitude of the federal budget deficit is likely to exert upward pressure on long-term interest rates. Most construction activity projections for 2025 are favorable relative to 2024, but forecasting demand trends for our products remains challenging. We are confident, however, that we are well positioned to adapt to varying conditions in our markets.

Insteel's business continues to be cyclical, and our financial results can be impacted significantly by volatility in steel prices. With the abrupt exit from the market of a hot rolled wire rod producer during the first fiscal quarter of 2025, conditions in our raw material markets are expected to tighten for the next few months. Imports of wire rod are likely to fill any supply shortfall that develops, and availability should normalize by our third fiscal quarter.

With prospects in 2025 for improving demand and with the contributions we expect from recent acquisitions, we look forward to improving financial performance. Regardless of market conditions, we remain committed to industry leadership.

Thank you for your support.

H.O. Woltz III

Chairman, President and
Chief Executive Officer

FINANCIAL HIGHLIGHTS

(Dollars in thousands, except per share amounts)

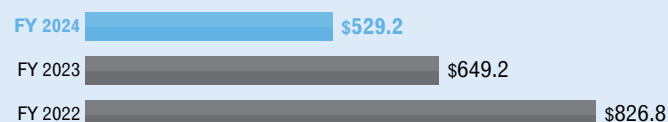
	2024	2023	2022
Operating Results:			
Net sales	\$529,198	\$649,188	\$826,832
Gross profit	49,632	65,398	197,310
% of net sales	9.4%	10.1%	23.9%
Net earnings	\$ 19,305	\$ 32,415	\$125,011
% of net sales	3.6%	5.0%	15.1%
Per Share Data:			
Net earnings:			
Basic	\$ 0.99	\$ 1.66	\$ 6.41
Diluted	0.99	1.66	6.37
Cash dividends declared	2.62	2.12	2.12
Returns:			
Return on total capital ⁽¹⁾	5.3%	8.4%	36.1%
Return on shareholders' equity ⁽²⁾	5.3%	8.4%	36.1%
Financial Position:			
Cash and cash equivalents	\$111,538	\$125,670	\$ 48,316
Total assets	422,552	447,513	471,745
Total debt	-	-	-
Shareholders' equity	350,855	381,505	389,744
Cash Flows:			
Net cash provided by operating activities	\$ 58,207	\$142,200	\$ 5,670
Capital expenditures	19,149	30,702	15,900
Depreciation and amortization	15,413	13,304	14,486
Cash dividends paid	50,942	41,252	41,162

(1) Net earnings/(average total debt + average shareholders' equity).

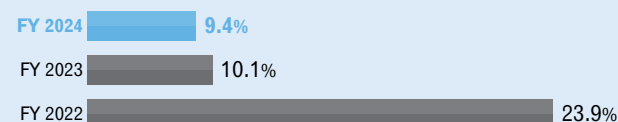
(2) Net earnings/average shareholders' equity.

NET SALES

(in millions)

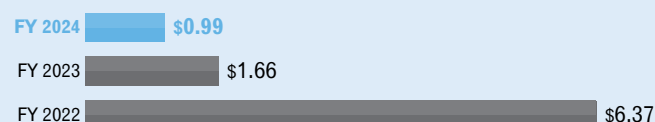


GROSS MARGIN

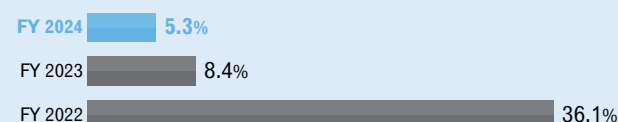


NET EARNINGS PER SHARE

(diluted)



RETURN ON TOTAL CAPITAL



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the fiscal year ended September 28, 2024

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
OR
For the transition period from _____ to _____
Commission file number 1-09929



INSTEEL INDUSTRIES INC.

(Exact name of registrant as specified in its charter)

North Carolina

56-0674867

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

1373 Boggs Drive, Mount Airy, North Carolina 27030

(Address of principal executive offices) (Zip Code)

(336) 786-2141

Registrant's telephone number, including area code:

SECURITIES REGISTERED SUBJECT TO SECTION 12(b) OF THE EXCHANGE ACT:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock (No Par Value)	IIN	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark	YES	NO
• if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.	☐	☒
• if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act.	☐	☒
• whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.	☒	☐
• whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).	☒	☐
• whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):		
Large accelerated filer ☐	Accelerated filer ☒	Non-accelerated filer ☐
		Smaller reporting company ☐
		Emerging growth company ☐
• If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.		☐
• whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.	☒	☐
• If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.	☐	☐
• whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).	☐	☐
• whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).	☐	☒

As of March 30, 2024 (the last business day of the registrant's most recently completed second quarter), the aggregate market value of the common stock held by non-affiliates of the registrant was \$576,249,070 based upon the closing sale price as reported on the New York Stock Exchange. As of October 22, 2024, there were 19,452,173 shares of the registrant's common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the registrant's proxy statement to be delivered to shareholders in connection with the 2025 Annual Meeting of Shareholders are incorporated by reference as set forth in Part III hereof.

Table of Contents

Cautionary Note Regarding Forward-Looking Statements	04
PART I	05
Item 1 Business	05
Item 1A Risk Factors	08
Item 1B Unresolved Staff Comments	12
Item 1C Cybersecurity	12
Item 2 Properties	13
Item 3 Legal Proceedings	13
Item 4 Mine Safety Disclosures	13
Information About Our Executive Officers	14
PART II	15
Item 5 Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities	15
Item 6 Reserved	17
Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations	17
Item 7A Quantitative and Qualitative Disclosures About Market Risk	22
Item 8 Financial Statements and Supplementary Data	23
Item 9 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	45
Item 9A Controls and Procedures	45
Item 9B Other Information	47
Item 9C Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	47
PART III	48
Item 10 Directors, Executive Officers and Corporate Governance	48
Item 11 Executive Compensation	48
Item 12 Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	48
Item 13 Certain Relationships and Related Transactions, and Director Independence	48
Item 14 Principal Accounting Fees and Services	48
PART IV	49
Item 15 Exhibits, Financial Statement Schedules	49
Item 16 Form 10-K Summary	49
Signatures	52

Cautionary Note Regarding Forward-Looking Statements

This report contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, particularly in the “Business,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of this report. When used in this report, the words “believes,” “anticipates,” “expects,” “estimates,” “appears,” “plans,” “intends,” “may,” “should,” “could,” “outlook,” “continues,” “remains” and similar expressions are intended to identify forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by such forward-looking statements are reasonable, they are subject to a number of risks and uncertainties and involve certain assumptions. Actual results may differ materially from those expressed in forward-looking statements, and we can provide no assurances that such plans, intentions or expectations will be implemented or achieved. Many of these risks and uncertainties are discussed in the “Risk Factors” section of this report and are updated from time to time in our filings with the United States (“U.S.”) Securities and Exchange Commission (“SEC”).

All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. All forward-looking statements speak only to the respective dates on which such statements are made, and we do not undertake any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events, except as may be required by law.

It is not possible to anticipate and list all risks and uncertainties that may affect our business, future operations or financial performance; however, they include, but are not limited to, the following:

- general economic and competitive conditions in the markets in which we operate;
- changes in the spending levels for nonresidential and residential construction and the impact on demand for our products;
- changes in the amount and duration of transportation funding provided by federal, state and local governments and the impact on spending for infrastructure construction and demand for our products;
- the cyclical nature of the steel and building material industries;
- credit market conditions and the relative availability of financing for us, our customers and the construction industry as a whole;
- the impact of rising interest rates on the cost of financing for our customers;
- fluctuations in the cost and availability of our primary raw material, hot-rolled carbon steel wire rod, from domestic and foreign suppliers;
- competitive pricing pressures and our ability to raise selling prices in order to recover increases in raw material or operating costs;
- changes in U.S. or foreign trade policy affecting imports or exports of steel wire rod or our products;
- unanticipated changes in customer demand, order patterns and inventory levels;
- the impact of fluctuations in demand and capacity utilization levels on our unit manufacturing costs;
- our ability to further develop the market for engineered structural mesh (“ESM”) and expand our shipments of ESM;
- legal, environmental, economic or regulatory developments that significantly impact our business or operating costs;
- unanticipated plant outages, equipment failures or labor difficulties;
- the impact of cybersecurity breaches and data leaks; and
- the risks and uncertainties discussed herein under “Item 1A. Risk Factors” in this Form 10-K.

PART I

Item 1 Business

General

Insteel Industries Inc. (“we,” “us,” “our,” “the Company” or “Insteel”) is the nation’s largest manufacturer of steel wire reinforcing products for concrete construction applications. We manufacture and market prestressed concrete strand (“PC strand”) and welded wire reinforcement (“WWR”), including ESM, concrete pipe reinforcement (“CPR”) and standard welded wire reinforcement (“SWWR”). Our products are sold mainly to manufacturers of concrete products that are used primarily in nonresidential construction. For fiscal 2024, we estimate that approximately 85% of our sales were related to nonresidential construction and 15% were related to residential construction.

Insteel is the parent holding company for two wholly-owned subsidiaries, Insteel Wire Products Company (“IWP”), an operating subsidiary, and Intercontinental Metals Corporation, an inactive subsidiary. We were incorporated in 1958 in the State of North Carolina.

Our business strategy is focused on: (1) achieving leadership positions in our markets; (2) operating as the lowest cost producer in our industry; and (3) pursuing growth opportunities within our core businesses that further our penetration of the markets we currently serve or expand our footprint. Headquartered in Mount

Airy, North Carolina, we operate ten manufacturing facilities that are all located in the U.S. in close proximity to our customers and raw material suppliers. Our growth strategy is focused on organic opportunities as well as strategic acquisitions in existing or related markets that leverage our infrastructure and core competencies in the manufacture and marketing of concrete reinforcing products.

On October 21, 2024, the Company, through its wholly-owned subsidiary, IWP, entered into an Asset Purchase Agreement pursuant to which it has acquired substantially all of the assets, other than cash and accounts receivable, of Engineered Wire Products, Inc. (“EWP”), a leading manufacturer of welded wire reinforcement products for use in nonresidential and residential construction, and certain related assets of Liberty Steel Georgetown Inc. (“LSG”), for a purchase price of approximately \$70.0 million, subject to certain adjustments (the “Acquisition”). Among other assets the Company acquired EWP’s inventories and production equipment and EWP’s Upper Sandusky, Ohio and Warren, Ohio production facilities. The Company also acquired certain equipment of LSG located in Georgetown, South Carolina, but such Georgetown facility was otherwise excluded from the Acquisition.

Products

Our operations are entirely focused on the manufacture and marketing of steel wire reinforcing products for concrete construction applications. Our concrete reinforcing products consist of two product lines: PC strand and WWR. Based on the criteria specified in Financial Accounting Standards Board Accounting Standards Codification Topic 280, Segment Reporting, we have one reportable segment.

PC strand is a high strength, seven-wire strand that is used to impart compression forces into precast concrete elements and structures, which may be either pretensioned or posttensioned, providing reinforcement for bridges, parking decks, buildings and other concrete structures. Its high tensile strength allows for the casting of longer spans and thinner sections. Pretensioned or “prestressed” concrete elements or structures are primarily used in nonresidential construction while posttensioned concrete elements or structures are used in both nonresidential and residential construction.

WWR is produced as either a standard or a specially engineered reinforcing product for use in nonresidential and residential construction. We produce a full range of WWR products, including ESM, CPR and SWWR. ESM is an engineered made-to-order product that is used as the primary reinforcement for concrete elements or structures, frequently serving as a lower cost reinforcing solution than hot-rolled rebar. CPR is an engineered made-to-order product that is used as the primary reinforcement in concrete pipe, box culverts and precast manholes for drainage and sewage systems, water treatment facilities and other related applications. SWWR is a secondary reinforcing product that is produced in standard styles for crack control applications in residential and light nonresidential construction, including driveways, sidewalks and various slab-on-grade applications.

See Note 15 for the disaggregation of our net sales by product line and geography.

Marketing and Distribution

We market our products through sales representatives who are our employees. Our outside sales representatives are trained on the technical applications for our products and sell multiple product lines in their respective territories. We sell our products nationwide across the U.S. and, to a much lesser extent, into

Canada, Mexico and Central and South America. Our products are shipped primarily by truck, using common or contract carriers. The delivery method selected is determined based on backhaul opportunities, comparative costs and customer service requirements.

Customers

We sell our products to a broad range of customers that includes manufacturers of concrete products, and to a lesser extent, distributors, rebar fabricators and contractors. In fiscal 2024, we estimate that approximately 70% of our net sales were to manufacturers of concrete products and 30% were to distributors, rebar fabricators and contractors. In many cases, we are unable to identify the specific end use for our products as most of our

customers sell products that are used for both nonresidential and residential construction, and the same products can be used for different end uses. We did not have any single customers that represented 10% or more of our net sales in fiscal years 2024, 2023 or 2022. The loss of a single customer or a few customers would not have a material adverse impact on our business.

Backlog

Backlog for our business is minimal due to the relatively short lead times that are required by our customers. We believe that the majority of our firm orders as of the end of fiscal 2024 will be shipped during the first quarter of fiscal 2025.

Seasonality and Cyclical

Demand in our markets is both seasonal and cyclical, driven by the level of construction activity, but can also be impacted by fluctuations in the inventory positions of our customers. Shipments are seasonal, typically reaching their highest level when weather conditions are the most conducive to construction activity. As a result, assuming normal seasonal weather patterns, shipments and

profitability are usually higher in the third and fourth quarters of the fiscal year and lower in the first and second quarters. Construction activity and demand for our products is cyclical based on overall economic conditions, although there can be significant differences between the relative strength of nonresidential and residential construction for extended periods.

Raw Materials

The primary raw material used to manufacture our products is hot-rolled carbon steel wire rod, which we purchase from both domestic and foreign suppliers and can generally be characterized as a commodity product. We purchase several different grades and sizes of wire rod with varying specifications based on the diameter, chemistry, mechanical properties and metallurgical characteristics that are required for our products. High-carbon grades of wire rod are required for the production of PC strand while low-carbon grades are used to manufacture WWR.

Wire rod prices tend to fluctuate based on changes in scrap and other metallic prices for steel producers together with domestic and global market conditions. In most economic environments, domestic demand for wire rod exceeds domestic production capacity, and imports of wire rod are necessary to satisfy the supply requirements of the U.S. market. U.S. government trade policies and trade actions by domestic wire rod producers can significantly impact the pricing and availability of imported wire rod, which during fiscal years 2024 and 2023 represented approximately 15% and 14%, respectively, of our total wire rod purchases. We believe

that our substantial wire rod requirements, desirable mix of sizes and grades and strong financial condition represent a competitive advantage by making us a relatively more attractive customer to our suppliers.

Our ability to source wire rod from overseas suppliers is limited by domestic content requirements, generally referred to as “Buy America” or “Buy American” laws, that exist at both the federal and state levels. These laws generally prescribe a domestic “melt and cast” standard for purposes of compliance. Customers purchasing PC strand and WWR for certain applications require the Company to certify compliance with such laws.

Selling prices for our products tend to be correlated with changes in wire rod prices. However, the timing and magnitude of the relative price changes varies depending upon market conditions and competitive factors. Ultimately, the relative supply - demand balance in our markets and competitive dynamics determine whether our margins expand or contract during periods of rising or falling wire rod prices.

Competition

We are the nation's largest manufacturer of steel wire reinforcing products for concrete construction applications. Our markets are highly competitive based on price, quality and service. Some of our competitors, such as Nucor Corporation, Liberty Steel USA ("Liberty") and Oklahoma Steel and Wire, are vertically integrated companies that produce both wire rod and concrete reinforcing products and offer multiple product lines over broad geographic areas. Other competitors are smaller independent companies that offer limited competition in certain markets. Our primary competitors for WWR products are Wire Mesh Corporation, Concrete Reinforcements, Inc., National Wire Products, Davis Wire Corporation, Oklahoma Steel & Wire Co., Inc. and, prior to our acquisition of substantially all of its assets in October of 2024 (see Note 19 of our consolidated financial statements), EWP (a then-subsubsidiary of Liberty). Our primary competitors for PC strand are Sumiden Wire Products Corporation and Wire Mesh Corporation. Import competition is also a significant factor in certain segments of the PC strand and SWWR markets that are not subject to "Buy America" requirements.

In response to illegally traded import competition from offshore PC strand suppliers, we have pursued antidumping and countervailing duty trade cases. In 2003, we joined together with a coalition of domestic PC strand producers and filed petitions with the U.S. Department of Commerce (the "DOC") alleging that imports of PC strand from Brazil, India, Korea, Mexico and Thailand were being "dumped" or sold in the U.S. at a price that was lower than fair value and had injured the domestic PC strand industry. The DOC ruled in our favor and imposed anti-dumping duties ranging from 12% up to 119%, which had the effect of limiting the participation of these countries in the domestic market. In 2010, we joined together with a coalition of domestic PC strand producers and filed petitions with the DOC alleging that imports of PC strand from China were being "dumped" or sold in the U.S. at a price that

was lower than fair value and that subsidies were being provided to Chinese PC strand producers by the Chinese government, both of which had injured the domestic PC strand industry. The DOC ruled in our favor and imposed final countervailing duty margins ranging from 9% to 46% and anti-dumping margins ranging from 43% to 194%, which had the effect of limiting the continued participation of Chinese producers in the domestic market. In 2020, we joined two other domestic PC strand producers and filed anti-dumping petitions against Argentina, Columbia, Egypt, Indonesia, Italy, Malaysia, Netherlands, Saudi Arabia, South Africa, Spain, Taiwan, Tunisia, Turkey, Ukraine and the United Arab Emirates. In January 2021, with respect to eight countries, and in April 2021, with respect to seven countries, the DOC ruled in our favor and imposed anti-dumping duties ranging from 4% to 194%, which had the effect of limiting the participation of these countries in the domestic market. Additionally, in 2020, we and four other domestic producers of SWWR filed anti-dumping petitions against Mexico following its violation of US trade laws. In July 2021, the DOC ruled in our favor and imposed final countervailing duty margins ranging from 23% to 110%, which had the effect of limiting the continued participation of Mexican producers in the domestic market.

Quality and service expectations of customers have risen substantially over the years and are key factors that impact their selection of suppliers. Technology has become a critical competitive factor from the standpoint of manufacturing costs, quality and customer service capabilities. In view of our strong market positions, broad product offering and national footprint, technologically advanced manufacturing facilities, low-cost production capabilities, sophisticated information systems and financial strength and flexibility, we believe that we are well-positioned to compete favorably with other producers of our concrete reinforcing products.

Human Capital

We believe our employees are a key factor in the long-term success of the company. We seek to maintain a trusting and participative work environment throughout the organization, adhering to the highest standards of ethics, professionalism and excellence. Our human capital strategy is centered around four key pillars: Safe Operations, Performance-Based Compensation, Equal Opportunity and Hiring and Retention.

As of September 28, 2024, we had 929 employees, all of which are located in the United States and none of which were represented by labor unions. In the event of production disruptions, we believe that our contingency plans would enable us to continue serving our customers, although there can be no assurances that a work slowdown or stoppage would not adversely impact our operating costs and financial results.

Safe Operations

The safety of our people is of paramount importance. Our employees are extensively trained in a formal process of risk assessment, risk reduction and hazard elimination and empowered with the authority to stop equipment or tasks until work can be

safely accomplished. "Safe Operations with Zero Harm," our internal safety philosophy, is a key part of our ongoing employee training and operations. Zero Harm is identifying and managing risk to avoid injuries, illness or other negative impacts experienced by employees, the community, customers, property, the environment and shareholders. We monitor our safety performance through a key range of leading and lagging measures of safety.

Leading Indicator Measures:	Lagging Indicator Measures:
• Hazard management process training • Leadership engagement • Employee involvement	• Rolling 12-month Incident Recordable Rate • Lost Time Rate • Severity Rate – Days Away, Restricted, and Transferred (DART)

Performance-Based Compensation

Our performance-based compensation system incentivizes our workforce and reinforces our culture. Insteel employees typically earn a significant part of their compensation based on

productivity. Our production and skilled trades team members have the opportunity to earn pay increases through our “Pay for Skills” program and share in productivity pay through our “Team Share” incentive program. Our salaried team members also have a compensation structure that rewards individual performance in addition to company performance. The Team Share incentive program is driven by variables that are controllable at the plant level.

Equal Opportunity

Our business depends on talented individuals who bring diverse skills, experiences and backgrounds. We believe in a collaborative workplace that is based on the fundamentals of dignity, respect, equality and opportunity for all. At Insteel, we believe demonstrating respect for our people and valuing their perspectives and contributions is critical to cultivating our best and most productive working environment.

Product Warranties

Our products are used in applications that are subject to inherent risks, including performance deficiencies, personal injury, property damage, environmental contamination or loss of production. We warrant our products to meet certain specifications. Although

Hiring and Retention

Our performance relies on people who are developed and empowered to achieve results. We are improving the future of our company by identifying, developing and retaining talent that reflects our corporate philosophy. Our performance and succession development process includes all employees. We have many team members in key leadership roles who started in entry-level roles and have grown in their careers by partnering with us in their development plans.

Our goal is to create a positive and engaging work environment that meets evolving employee needs in areas such as flexible work schedules beyond the traditional full-time work schedule, which allows us to attract a broader candidate pool. In addition, we are involved in many outreach programs in our communities to provide opportunities to diverse talent sources that may otherwise be overlooked or face barriers to equal opportunity.

actual or claimed deficiencies from these specifications may give rise to claims, we do not maintain a reserve for warranties as the historical claims have been immaterial. We maintain product liability insurance coverage to minimize our exposure to such risks.

Governmental Regulation and Environmental Matters

We are subject to federal, state and local laws and regulations in the United States that could affect our business, including regulations relating to generating emissions, water discharges, waste and workplace safety. We believe that we are in compliance in all material respects with applicable environmental laws and regulations. We have experienced no material difficulties in complying with legislative or regulatory standards and believe

that these standards have not materially impacted our financial position or results of operations. However, laws and regulations may be changed, accelerated or adopted that impose significant operational restrictions and compliance requirements on us and which could negatively impact our operating results. See “Item 1A. Risk Factors”. We do not expect to incur material capital expenditures for environmental control facilities during fiscal 2025.

Available Information

Our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to these reports are available at no cost on our website at <https://investor.insteel.com> and the SEC’s website at www.sec.gov as soon as reasonably practicable after we file these reports with the SEC. The information available on our website and the SEC’s website is not incorporated into this report or any of our filings with the SEC.

Item 1A Risk Factors

An investment in our common stock involves risks and uncertainties. You should carefully consider the following risk factors, in addition to the other information contained in this annual report on Form 10-K, before deciding whether an investment in our common stock is suitable for you. The risk

factors described below are not the only ones we face. There may be other risks and uncertainties that are currently unknown to us or that we currently consider to be immaterial that could adversely affect our business, results of operations, financial condition and cash flows.

Industry Specific Risks

Our business is cyclical and can be negatively impacted by prolonged economic downturns, rising interest rates or tightening in the financial markets that reduce the level of construction activity and demand for our products.

Demand for our products is cyclical in nature and sensitive to changes in the economy and in the financial markets. Our products are sold primarily to manufacturers of concrete products that are used for a broad range of nonresidential and residential construction applications. Demand for our products is driven by the level of construction activity, which tends to be correlated with conditions in the overall economy as well as other factors beyond our control. Rising interest rates or tightening in the financial markets could adversely impact demand for our products by increasing the cost of financing or reducing the availability of financing to our customers and the construction industry as a whole. Future prolonged periods of economic weakness, high interest rates or reduced availability of financing could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Our business can be negatively impacted by reductions in the amount and duration of government funding for infrastructure projects that reduce the level of construction activity and demand for our products.

Certain of our products are used in the construction of highways, bridges and other infrastructure projects that are funded by federal, state and local governments. Reductions in the amount of funding for such projects or the period for which it is provided, including as a result of budget uncertainty, the potential for U.S. government shutdowns, the use of continuing resolutions and the federal debt ceiling, could have a material adverse impact on our business, results of operations, financial condition and cash flows.

Foreign competition could adversely impact our financial results.

Certain of our PC strand and SWWR markets are subject to foreign import competition on an ongoing basis. If we are unable to purchase raw materials and achieve manufacturing costs that are competitive with those of foreign producers, or if the margin and return requirements of foreign producers are substantially lower, our market share and profit margins could be negatively impacted. In response to illegally traded import competition from offshore PC strand and SWWR suppliers, we have pursued trade cases with the objective of addressing illegal activities in our markets. Such actions may be costly and may not be successful. Trade law enforcement is critical to our ability to maintain our competitive position against foreign PC strand and SWWR producers that engage in unlawful trade practices.

Our financial results can be negatively impacted by the volatility in the cost and availability of our primary raw material, hot-rolled carbon steel wire rod.

The primary raw material used to manufacture our products is hot-rolled carbon steel wire rod, which we purchase from both domestic and foreign suppliers. If any key supplier that we rely on for hot-rolled carbon steel wire rod ceases or limits production, we may incur significant additional costs in order to find alternative, reliable raw material suppliers. We may also experience significant production delays while locating new supply sources, which could result in our failure to timely deliver products to our customers. We do not use derivative commodity instruments to hedge our exposure to changes in the price of wire rod as such instruments are currently unavailable in the financial markets. Prices for wire rod have become increasingly volatile in recent years driven by the higher degree of variability in raw material costs for rod producers, changes in trade policy and the fluctuation of domestic supply. In response, wire rod producers have resorted to increasing the frequency of price adjustments, typically on a monthly basis, as well as unilaterally changing the terms of prior commitments.

Although changes in our wire rod costs and selling prices tend to be correlated, we may be unable to fully recover increased rod costs during weaker market environments, which would reduce our earnings and cash flows. Additionally, when raw material costs decline, our financial results would be negatively impacted if the selling prices for our products decrease to an even greater extent and if we are consuming higher cost material from inventory.

Our financial results can also be significantly impacted if raw material supplies are inadequate to satisfy our purchasing requirements. For example, U.S. government trade policies and trade actions by domestic wire rod producers against other countries can significantly impact the availability and cost of imported wire rod. The imposition of tariffs, quotas or anti-dumping or countervailing duty margins by the U.S. government, including those implemented following the change in administration after the 2024 U.S. presidential election, against exporting countries can have the effect of reducing or eliminating their competitiveness and participation in the domestic market. If we were unable to obtain adequate and timely delivery of our raw material requirements, we may be unable to manufacture sufficient quantities of our products or operate our manufacturing facilities in an efficient manner, which could result in lost sales and higher operating costs. Because tight market conditions typically affect the entire industry, during past periods of short raw material supply, margins and profitability have been favorably impacted due to curtailed availability of PC strand and WWR that supported higher average selling prices. However, there is no assurance that future short supply conditions in raw material markets would result in similar outcomes.

Demand for our products is highly variable and difficult to forecast due to our minimal backlog and unanticipated changes that can occur in customer order patterns or inventory levels.

Demand for our products is highly variable. The short lead times for customer orders and minimal backlog that characterize our

business make it difficult to forecast the future level of demand for our products. In some cases, unanticipated softening in demand can be exacerbated by inventory rebalancing measures pursued by our customers, which may cause significant fluctuations in our sales, profitability and cash flows.

Operational Risks

Our manufacturing facilities are subject to unexpected equipment failures, operational interruptions and casualty losses.

Our manufacturing facilities are subject to risks that may limit our ability to manufacture and sell our products, including unexpected equipment failures, operational interruptions and catastrophic losses due to other unanticipated events such as fires, explosions, accidents, pandemics, epidemics, adverse weather conditions and transportation interruptions. Any such equipment failures or events can subject us to plant shutdowns and periods of reduced production or unexpected downtime. Furthermore, the resolution of certain operational interruptions may require significant capital expenditures. Although our insurance coverage could offset the losses or expenditures relating to some of these events, our results of operations and cash flows would be negatively impacted to the extent that such claims were not covered or only partially covered by our insurance.

Our financial results could be adversely impacted by the escalation of our operating costs.

Consistent with the experience of other employers, our labor, medical and workers' compensation costs have increased substantially in recent years and are expected to continue to rise. If this trend continues, the cost of labor and to provide healthcare and other benefits to our employees could increase, adversely impacting profitability. Labor market shortages continue to impact the availability and competition for qualified workers, which has increased costs associated with attracting and retaining employees. We cannot be certain that we will be able to maintain an adequately skilled labor force necessary to operate efficiently or that our labor costs will not increase as a result of a shortage in the availability of skilled employees. Additionally, employee turnover could result in lost time due to inefficiencies and the need for additional training, which could impact our operating results. Changes to healthcare regulations may also increase the cost of providing such benefits to our employees. We cannot predict the ultimate content, timing, or effect of any healthcare reform legislation or the impact of potential legislation or related proposals and policies on our results. Any significant increases in the costs attributable to our self-insured health and workers' compensation plans could adversely impact our business, results of operations, financial condition and cash flows.

In addition, increasing transaction prices, as a result of general inflation or otherwise, for freight, natural gas, electricity, fuel and consumables would adversely affect our manufacturing and distribution costs. For most of our business, we incur the transportation costs associated with the delivery of products to our customers. Although we have previously implemented numerous

measures to offset the impact of increases in these costs, there can be no assurance that such actions will be effective. If we are unable to pass these additional costs through by raising our selling prices, our financial results could be adversely impacted.

Our business, financial condition and results of operations may be adversely impacted by the effects of inflation.

Rising inflation has increased, and may continue to increase, the costs of labor, energy, operating supplies and raw materials. If we are unable to pass these increases in costs to our customers it could adversely affect our business, financial condition and results of operations by increasing our overall cost structure. Additionally, our ability to recover the cost increases through price increases may lag our cost increases, which could negatively impact our margins.

Our business and operations are subject to risks related to climate change.

The long-term effects of global climate change could present both physical risks and transition risks (such as regulatory or technology changes), which are expected to be widespread and unpredictable. These changes could over time affect, for example, the availability and cost of raw materials, commodities and energy (including utilities), which in turn may impact our ability to procure goods or services required for the operation of our business at the quantities and levels we require. Additionally, we have facilities located in areas that may be impacted by the physical risks of climate change, and we face the risk of losses incurred as a result of physical damage to our facilities and inventory as well as business interruption caused by such events. Furthermore, production and shipment levels for our business correlate with construction activity, most of which occurs outdoors and, as a result, is affected by erratic weather patterns, seasonal changes, and other unusual or unexpected weather-related conditions, all of which may be impacted by weather patterns. Periods of extended inclement weather or associated flooding may inhibit construction activity utilizing our products and delay shipments of our products to customers, which can significantly affect our business, financial condition and results of operations.

We also use natural gas, diesel fuel, gasoline and electricity in our operations, all of which could face increased regulation as a result of climate change or other environmental concerns. Additionally, we may face increased costs to respond to future water laws and regulations, and operations in areas with limited water availability may be impacted if droughts become more frequent or severe. Any such events could have a material adverse effect on our costs or results of operations.

Financing Risks

Our operations are subject to seasonal fluctuations that may impact our cash flows.

Our shipments are typically lower in the first and second fiscal quarters due to the unfavorable impact of winter weather on construction activity during these periods and customer plant shutdowns associated with holidays. As a result, our cash flows have fluctuated and may continue to fluctuate from quarter to quarter due to these seasonal factors, which could have a negative impact on our financial condition and results of operations.

Our capital resources may not be adequate to provide for our capital investment and maintenance expenditures if we were to experience a substantial downturn in our financial performance.

Our operations are capital intensive and require substantial recurring expenditures for the routine maintenance of our

equipment and facilities. Although we expect to finance our business requirements through internally generated funds or from borrowings under our \$100 million revolving credit facility, we cannot provide any assurances these resources will be sufficient to support our business. A material adverse change in our operations or financial condition could limit our ability to borrow funds under our credit facility, which could further adversely impact our liquidity and financial condition. Any significant future acquisitions could require additional financing from external sources that may not be available on favorable terms, which could adversely impact our growth, operations, financial condition and results of operations.

Legal and Regulatory Risks

Changes in environmental compliance and remediation requirements could result in substantial increases in our capital investments and operating costs.

Our business is subject to numerous federal, state and local laws and regulations pertaining to the protection of the environment that could require substantial increases in capital investments and operating costs. These laws and regulations, which are constantly

evolving, are becoming increasingly stringent, and the ultimate impact of compliance is not always clearly known or determinable because regulations under some of these laws have not yet been promulgated or are undergoing revision. Legislation and increased regulation regarding climate change, including mandatory reductions in energy consumption or emissions of greenhouse gases, could impose significant costs on us, including costs related to energy requirements, capital equipment, environmental monitoring and reporting and other costs to comply with such regulations.

General Risks

Our stock price can be volatile, often in connection with matters beyond our control.

Equity markets in the U.S. have been increasingly volatile in recent years. During fiscal 2024, our common stock traded as high as \$39.38 and as low as \$26.87. There are numerous factors that could cause the price of our common stock to fluctuate significantly, including: variations in our financial results; changes in our business outlook and expectations for the construction industry; changes in market valuations of companies in our industry; and announcements by us, our competitors or industry participants that may be perceived to impact our financial results. Many of the factors listed above are beyond our control. These factors may cause the market price of our common stock to decline, regardless of our business, financial condition or results of operations.

We are increasingly dependent on information technology systems that are susceptible to certain risks, including cybersecurity breaches and data leaks, which could adversely impact our business.

Our increasing reliance on technology systems and infrastructure, some of which are managed by third parties, heightens our potential vulnerability to system failure and malfunction, breakdowns due to natural disasters, human error, unauthorized access, power loss and other unforeseen events. Data privacy breaches by employees and others with or without authorized access to our systems pose risks that sensitive data may be permanently lost or leaked to the public or other unauthorized persons. With the growing use and rapid evolution of technology, not limited to cloud-based computing and mobile devices, there are additional risks of unintentional data leaks. There is also the risk of theft of confidential information, intentional vandalism, industrial espionage and a variety of cyber-attacks that could compromise our internal technology system and infrastructure or result in data leaks in-house or at our third-party providers and business partners.

We have invested and continue to invest in risk management and information security and data privacy measures in order to protect our systems and data, including employee training, organizational investments, incident response plans, tabletop exercises and technical defenses. The cost and operational consequences

of implementing, maintaining, and enhancing further data or system safeguards could increase significantly to keep pace with increasingly frequent, complex, and sophisticated global cyber threats. While we believe that we have taken reasonable steps to protect the Company from cybersecurity risks and security breaches, there can be no assurance that such events will not occur or that our security protocols and procedures will be adequate to prevent significant damage, system failure or data loss. The same is true for our partners, suppliers, vendors and other third parties on whom we rely. Failures of technology or related systems, cybersecurity incidents, or improper release of confidential information, could adversely impact our business or subject us to unexpected liabilities, expenditures and recovery time. Additionally, an unauthorized disclosure or use of information could cause interruptions in our operations and might require us to spend significant management time and other resources investigating the event and dealing with local and federal law enforcement. Regardless of the merits and ultimate outcome of these matters, we may be required to devote time and expense to their resolution.

In addition, the increase in the number and the scope of data privacy breaches has increased regulatory and industry focus on cybersecurity requirements and heightened data privacy industry practices. New regulation, evolving industry standards, and the interpretation of both, may cause us to

incur additional expense in complying with any new data privacy requirements. We could also become the subject of regulatory action or litigation from our customers, employees, suppliers, service providers, and shareholders, which could damage our reputation, require significant expenditures of capital and other resources, and cause us to lose business. As a result, the failure to maintain the integrity of and protect customer or supplier data or our confidential internal data could have a material adverse effect on our business, operating results and financial condition.

Our financial results could be adversely impacted by the impairment of goodwill.

Our balance sheet includes intangible assets, including goodwill and other separately identifiable assets related to prior acquisitions, and we may acquire additional intangible assets in connection with future acquisitions. We are required to review goodwill for impairment on an annual basis or more frequently if certain indicators of permanent impairment arise such as, among other things, a decline in our stock price and market capitalization or a reduction in our projected operating results and cash flows. If our review indicates that goodwill has been impaired, the impaired portion would have to be written-off during that period which could adversely impact our business and financial results.

Item 1B Unresolved Staff Comments

None.

Item 1C Cybersecurity

Risk Management and Strategy

As a component of and integrated into our overall risk management strategy and system, we maintain a cybersecurity risk management program designed to assess, identify, manage and protect our information systems and data from unauthorized access, use, disclosure, disruption, modification or destruction. Our program is based on applicable industry frameworks and standards, including those provided by the National Institute of Standards and Technology, and is comprised of core functions to identify, protect, detect, respond to and recover from cybersecurity threats and events. We constantly monitor cybersecurity threats and test the performance and effectiveness of our cybersecurity program, with the assistance of third-party experts, on an annual and ongoing basis. We recognize the risks associated with the use of vendors, service providers and other third parties that

provide information system services to us, process information on our behalf, or have access to our information systems, and the Company has processes in place to oversee and manage these risks. We conduct thorough security assessments of these third-party engagements and maintain ongoing monitoring to ensure compliance with our cybersecurity standards. This monitoring includes both annual and ongoing assessments.

As described in “Item 1A. Risk Factors” in this Form 10-K, we are subject to risks from cybersecurity threats that could have a material adverse impact on our business and financial results. As of the date of this report, no risks from cybersecurity threats have materially affected or are reasonably likely to materially affect our business, results of operations, financial condition and cash flows.

Governance

Our Information Services Department manages our cybersecurity risk management program which is overseen by the Vice President of Information Services. The Vice President of Information Services has a master's degree in business administration with a focus on technology and has decades of professional experience in cybersecurity threat assessments and detection, applicable technologies, incident response and employee training. Our Information Services Department includes a team of experienced professionals who have developed an Incident Response Policy that is regularly reviewed and updated. The Incident Response Policy establishes the required steps to assess, respond to and limit the impact of an incident, details tactical and strategic team membership and points of contact related to the response process and provides for escalating notifications to senior executives,

including the Chairman of the Board and Chief Executive Officer depending on the severity of the threat.

The Board of Directors, having ultimate oversight of the company's cybersecurity risk, receives annual and periodic updates on the cybersecurity program, including those related to material risks and incidents, from the Vice President of Information Services and participates in discussions regarding cybersecurity risks. Cybersecurity information provided to the Board comprises a broad range of topics including, but not limited to, emerging cybersecurity threats, ongoing cybersecurity initiatives, incident reports and compliance with regulatory requirements, industry standards and relevant benchmarking. In addition to Board oversight, we provide mandatory quarterly employee training on how to identify, assess and manage risks from cybersecurity threats.

Item 2 Properties

Our corporate headquarters and IWP's sales and administrative offices are located in Mount Airy, North Carolina. As of September 28, 2024, we operated ten manufacturing facilities located in Dayton, Texas; Gallatin, Tennessee; Hazleton, Pennsylvania; Hickman, Kentucky; Houston, Texas; Jacksonville, Florida; Kingman, Arizona; Mount Airy, North Carolina; Sanderson, Florida; and St. Joseph, Missouri.

We own all of our real estate. We believe that our properties are in good operating condition and that our machinery and equipment have been well maintained. We also believe that our manufacturing facilities are suitable for their intended purposes and have capacities adequate to satisfy the current and projected demand for our products.

Item 3 Legal Proceedings

We are involved in lawsuits, claims, investigations and proceedings, including commercial, environmental and employment matters, which arise in the ordinary course of business. We do not anticipate that the ultimate cost to resolve these matters will have a material adverse effect on our financial position, results of operations or cash flows.

Item 4 Mine Safety Disclosures

Not applicable.

Information About Our Executive Officers

Our executive officers are as follows:

Name	Age	Position
H. O. Woltz III	68	President, Chief Executive Officer and Chairman of the Board
Scot R. Jafroodi	55	Vice President, Chief Financial Officer and Treasurer
Elizabeth C. Southern	43	Vice President Administration, Secretary and Chief Legal Officer
Richard T. Wagner	65	Senior Vice President and Chief Operating Officer
James R. York	66	Senior Vice President, Sourcing and Logistics

H. O. Woltz III, 68, has served as Chief Executive Officer since 1991, as President since 1989 and has been employed by us and our subsidiaries in various capacities since 1978. He was named President and Chief Operating Officer in 1989. He served as our Vice President from 1988 to 1989 and as President of Rappahannock Wire Company, formerly a subsidiary of our Company, from 1981 to 1989. Mr. Woltz has been a Director since 1986 and also serves as President of Insteel Wire Products Company. Mr. Woltz served as President of Florida Wire and Cable, Inc., formerly a subsidiary of our Company, until its merger with Insteel Wire Products Company in 2002. Mr. Woltz has served as Chairman of the Board since 2009.

Scot R. Jafroodi, 55, has served as Vice President, Chief Financial Officer and Treasurer since January 2023. Prior to 2023, he served as Vice President, Corporate Controller and Chief Accounting Officer from October 2020. He previously held the role of Corporate Controller and Chief Accounting Officer from February 2007 to October 2020 and Corporate Controller from July 2005 to February 2007. Before joining us, he was a Senior Manager at BDO Seidman, LLP from June 2003 through June 2005 and, prior to that, had been employed for ten years at Deloitte & Touche USA, LLP, most recently as a Senior Manager.

Elizabeth C. Southern, 43, has served as Vice President Administration, Secretary and Chief Legal Officer since June 2023.

From 2011 to 2023, she served in various senior management roles with Hanesbrands Inc., a publicly-held apparel company, including Deputy General Counsel and Assistant Secretary and Vice President, Human Resources. Prior to that, Ms. Southern was an associate attorney at Womble Bond Dickinson (US) LLP.

Richard T. Wagner, 65, has served as Senior Vice President, Chief Operating Officer since October 2020 and as Vice President and General Manager of the Concrete Reinforcing Products Business Unit of our subsidiary, Insteel Wire Products Company, since 1998. He joined us in 1992 serving in various other management roles. From 1977 until 1992, Mr. Wagner served in various positions with Florida Wire and Cable, Inc., a manufacturer of PC strand and galvanized strand products, which was later acquired by us in 2000.

James R. York, 66, has served as Senior Vice President, Sourcing and Logistics since October 2020, and as Vice President, Sourcing and Logistics since joining us in 2018. Prior to Insteel, he served in various senior management roles with Leggett & Platt, a publicly-held manufacturer of diversified engineered products, from 2002 to 2018, including Group President-Rod and Wire Products, Unit President-Wire Products and Unit President-Specialty Products. Mr. York served in a range of leadership positions at Bekaert Corporation, a U.S. subsidiary of N.V. Bekaert A.S. of Belgium, from 1983 to 2002.

PART II

Item 5 Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "IIN" and has traded on the NYSE since March 17, 2021. As of October 22, 2024, there were 427 shareholders of record.

We pay regular quarterly cash dividends and expect to continue to pay regular quarterly cash dividends in the foreseeable future, though each quarterly dividend payment is subject to review and approval by our Board of Directors. On November 14, 2023, our Board of Directors approved a special cash dividend of \$2.50 per share that was paid on December 22, 2023 to shareholders of record as of December 8, 2023.

Issuer Purchases of Equity Securities

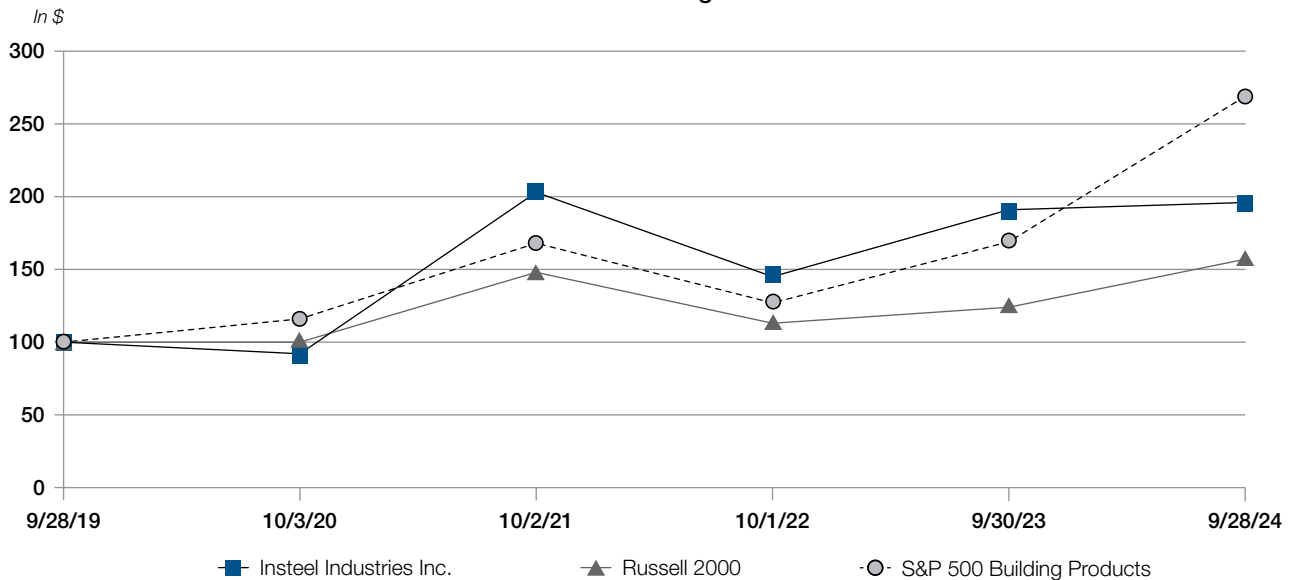
There were no repurchases of common stock during the quarter ended September 28, 2024. Additional information regarding our share repurchase authorization is discussed in Note 18 to our consolidated financial statements and incorporated herein by reference.

Stock Performance Graph

The graph below compares the cumulative total shareholder return on our common stock with the cumulative total return of the Russell 2000 Index and the S&P 500 Building Products Index for the five years ended September 28, 2024. The graph and table assume that \$100 was invested on September 28, 2019

in our common stock and in each of the two indices and the reinvestment of all dividends. Cumulative total shareholder returns for our common stock, the Russell 2000 Index and the S&P 500 Building Products Index are based on our fiscal year.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN
Among Insteel Industries Inc., the Russell 2000 Index
and the S&P 500 Building Products Index



	Fiscal Year Ended					
	September 28, 2019	October 3, 2020	October 2, 2021	October 1, 2022	September 30, 2023	September 28, 2024
Insteel Industries Inc.	\$ 100.00	\$ 92.15	\$ 202.72	\$ 145.23	\$ 191.01	\$ 195.65
Russell 2000	100.00	100.39	148.25	113.42	123.55	156.61
S&P 500 Building Products	100.00	115.82	167.78	126.64	169.28	268.56

Item 6 Reserved

Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations

The matters discussed in this section include forward-looking statements that are subject to numerous risks. You should carefully read the "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" in this Form 10-K.

Overview

Our operations are entirely focused on the manufacture and marketing of concrete reinforcing products for the concrete construction industry. Our business strategy is focused on: (1) achieving leadership positions in our markets; (2) operating as the lowest cost producer in our industry; and (3) pursuing growth opportunities within our core businesses that further our penetration of the markets we currently serve or expand our footprint.

Critical Accounting Estimates

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States. Our discussion and analysis of our financial condition and results of operations are based on these consolidated financial statements. The preparation of our consolidated financial statements requires the application of these accounting principles in addition to certain estimates and judgments based on currently available information, actuarial estimates, historical results and other assumptions believed to be reasonable. These estimates, assumptions and judgments are affected by our application of accounting policies, which are discussed in Note 2, "Summary of Significant Accounting Policies", and elsewhere in the accompanying consolidated financial statements. Estimates are used for, but not limited to,

determining the net carrying value of trade accounts receivable, inventories, recording self-insurance liabilities and other accrued liabilities. Actual results could differ from these estimates.

Accounting estimates are considered critical if both of the following conditions are met: (1) the nature of the estimates or assumptions is material because of the levels of subjectivity and judgment needed to account for matters that are highly uncertain and susceptible to change and (2) the effect of the estimates and assumptions is material to the financial statements.

We have reviewed our accounting estimates, and none were deemed to be considered critical for the accounting periods presented.

Recent Accounting Pronouncements

The nature and impact of recent accounting pronouncements is discussed in Note 3 to our consolidated financial statements and incorporated herein by reference.

Results of Operations

The following discussion and analysis of our financial condition and results of operations is for the year ended September 28, 2024 compared with the year ended September 30, 2023. Discussions of our financial condition and results of operations for the year ended September 30, 2023 compared to October 1, 2022 that

have been omitted under this item can be found in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2023, which was filed with the SEC on October 26, 2023.

The table below presents a summary of our results of operations for fiscal 2024 and fiscal 2023.

STATEMENTS OF OPERATIONS – SELECTED DATA

	Year Ended		
	September 28, 2024	Change	September 30, 2023
<i>(Dollars in thousands)</i>			
Net sales	\$ 529,198	(18.5%)	\$ 649,188
Gross profit	49,632	(24.1%)	65,398
Percentage of net sales	9.4%		10.1%
Selling, general and administrative expense	\$ 29,591	(3.6%)	\$ 30,685
Percentage of net sales	5.6%		4.7%
Other expense (income), net	\$ 37	N/M	\$ (3,423)
Interest income	\$ (5,433)	46.6%	\$ (3,706)
Effective income tax rate	23.7%		22.4%
Net earnings	\$ 19,305	(40.4%)	\$ 32,415

"N/M" = not meaningful

2024 Compared with 2023

Net Sales

Net sales decreased 18.5% to \$529.2 million in 2024 from \$649.2 million in 2023 driven entirely by a decrease in average selling prices as shipments remained relatively flat. The decrease in average selling prices was driven by persistent competitive pricing pressures in our welded wire reinforcing markets, the impact of low-priced PC strand and a decline in raw material costs. Shipments for the current year were adversely impacted by weaker market conditions, increasing volumes of PC strand imports and adverse weather conditions.

Gross Profit

Gross profit decreased 24.1% to \$49.6 million, or 9.4% of net sales, in 2024 from \$65.4 million, or 10.1% of net sales, in 2023. The year-over-year decrease was primarily due to lower spreads between average selling prices and raw material costs (\$16.6 million) partially offset by lower manufacturing costs (\$782,000). The decrease in spreads was driven by lower average selling prices (\$119.7 million) partially offset by lower raw material costs (\$102.8 million) and a decrease in freight expense (\$291,000).

Selling, General and Administrative Expense

Selling, general and administrative expense ("SG&A expense") decreased 3.6% to \$29.6 million, or 5.6% of net sales, in 2024 from \$30.7 million, or 4.7% of net sales, in 2023 primarily due to lower compensation expense (\$1.4 million) and the relative year-over-year changes in the cash surrender value of life insurance policies (\$1.0 million) partially offset by higher depreciation (\$569,000) and bad debt (\$350,000) expense. The decrease

in compensation expense was largely driven by lower incentive plan expense due to a decline in financial results in the current year. The cash surrender value of life insurance policies increased \$1.5 million in the current year compared with \$531,000 in the prior year due to the corresponding changes in the value of the underlying investments. The increase in depreciation expense was attributed to higher capital expenditures during the current year. The higher bad debt expense resulted from adjustments to customer credit reserves.

Other Expense (Income), net

Other expense was \$37,000 for 2024 compared with other income of \$3.4 million in 2023. Other income in the prior year was primarily related to a net gain from the sale of property, plant and equipment (\$3.3 million).

Interest Income

Interest income increased \$1.7 million due to higher average cash balances and interest rates.

Income Taxes

Our effective income tax rate for 2024 increased to 23.7% from 22.4% in 2023, primarily due to an adjustment to state income tax expense and an increase in the valuation allowance for a deferred tax asset that is not expected to be utilized.

Net Earnings

Net earnings decreased to \$19.3 million (\$0.99 per share) in 2024 from \$32.4 million (\$1.66 per share) in 2023, primarily due to the decrease in gross profit and other income partially offset by lower SG&A expense and increased interest income.

Liquidity and Capital Resources

Overview

Our sources of liquidity include cash and cash equivalents, cash generated by operating activities and borrowing availability provided under our \$100.0 million revolving credit facility (the "Credit Facility"). Our principal capital requirements include funding working capital, capital expenditures, dividends and any share repurchases. As of September 28, 2024, our cash and cash equivalents totaled \$111.5 million compared with \$125.7 million as of September 30, 2023.

We believe that, in the absence of significant unanticipated cash demands, cash and cash equivalents, cash generated by operating activities and the borrowing availability provided under the Credit Facility will be sufficient to satisfy our expected requirements for working capital, capital expenditures, dividends and share repurchases, if any, in both the short- and long-term. We also expect to have access to the amounts available under our Credit Facility as

required. However, should we experience future reductions in our operating cash flows due to weakening conditions in our construction end-markets and reduced demand from our customers, we may need to curtail capital and operating expenditures, delay or restrict share repurchases, cease dividend payments and/or realign our working capital requirements.

Should we determine, at any time, that we require additional short-term liquidity, we would evaluate the alternative sources of financing that were potentially available to provide such funding. There can be no assurance that any such financing, if pursued, would be obtained, or if obtained, would be adequate or on terms acceptable to us. However, we believe that our strong balance sheet, flexible capital structure and borrowing capacity available to us under our Credit Facility position us to meet our anticipated liquidity requirements for the foreseeable future.

SELECTED LIQUIDITY AND CAPITAL RESOURCES DATA

	Year Ended	
	September 28, 2024	September 30, 2023
<i>(Dollars in thousands)</i>		
Net cash provided by operating activities	\$ 58,207	\$ 142,200
Net cash used for investing activities	(19,637)	(20,896)
Net cash used for financing activities	(52,702)	(43,950)
Cash and cash equivalents	111,538	125,670
Net working capital	220,260	252,698
Total debt	—	—
<i>Percentage of total capital</i>	—	—
Shareholders' equity	\$ 350,855	\$ 381,505
<i>Percentage of total capital</i>	100%	100%
Total capital (total debt + shareholders' equity)	\$ 350,855	\$ 381,505

Operating Activities

Operating activities provided \$58.2 million of cash in 2024 primarily from net earnings adjusted for non-cash items together with a net decrease in working capital. Working capital provided \$18.9 million of cash due to a \$14.5 million decrease in inventories and a \$5.1 million reduction in accounts receivable partially offset by a \$639,000 decrease in accounts payable and accrued expenses. The decrease in inventories was primarily due to lower average unit costs. The decrease in accounts receivable was largely driven by lower average selling prices.

Operating activities provided \$142.2 million of cash in 2023 primarily from net earnings adjusted for non-cash items together with a net decrease in working capital. Working capital provided \$95.6 million of cash due to a \$94.3 million decrease in inventories and an \$18.2 million reduction in accounts receivable partially

offset by a \$16.9 million decrease in accounts payable and accrued expenses. The decrease in inventories was primarily due to lower raw material purchases along with lower average unit costs. The decrease in accounts receivable was largely driven by lower average selling prices. The decrease in accounts payable and accrued expenses was largely due to lower raw material purchases, lower unit costs and a reduction in accrued incentive plan expense.

We may elect to adjust our operating activities as there are changes in the conditions in our construction end-markets, which could materially impact our cash requirements. While a downturn in the level of construction activity affects sales to our customers, it generally reduces our working capital requirements.

Investing Activities

Investing activities used \$19.6 million of cash in 2024 primarily due to capital expenditures (\$19.1 million) and an increase in the cash surrender value of life insurance policies (\$517,000). Investing activities used \$20.9 million of cash in 2023 primarily due to capital expenditures (\$30.7 million) partially offset by the receipt of proceeds from the sale of property, plant and equipment (\$9.9 million). Capital expenditures for both years focused on cost and productivity improvement initiatives in addition to recurring

maintenance requirements. Capital expenditures are expected to total up to approximately \$22.0 million in 2025, including expenditures to support costs and productivity initiatives, as well as recurring maintenance requirements. Our investing activities are largely discretionary, providing us with the ability to significantly curtail outlays should future business conditions warrant that such actions be taken.

Financing Activities

Financing activities used \$52.7 million of cash in 2024 and \$44.0 million of cash in 2023. In 2024, \$50.9 million of cash was used for dividend payments (including a special cash dividend of \$48.6 million, or \$2.50 per share, and regular cash dividends totaling \$2.3 million) and \$1.8 million for the repurchase of common stock.

In 2023, \$41.3 million of cash was used for dividend payments (including a special cash dividend of \$38.9 million, or \$2.00 per share, and regular cash dividends totaling \$2.4 million) and \$2.3 million for the repurchase of common stock.

Cash Management

Our cash is principally concentrated at one major financial institution, which at times exceeds federally insured limits. We invest excess cash primarily in money market funds, which are highly liquid securities that bear minimal risk.

Credit Facility

We have a Credit Facility that is used to supplement our operating cash flow and fund our working capital, capital expenditure, general corporate and growth requirements. In March 2023, we amended our credit agreement to extend the maturity date of the Credit Facility from May 15, 2024, to March 15, 2028 and replaced the London Inter-Bank Offered Rate with the Secured Overnight Financing Rate. The Credit Facility provides for an accordion feature whereby its size may be increased by up to \$50.0 million, subject to our lender's approval. Advances under

the Credit Facility are limited to the lesser of the revolving loan commitment amount (currently \$100.0 million) or a borrowing base amount that is calculated based upon a percentage of eligible receivables and inventories. As of September 28, 2024, no borrowings were outstanding on the Credit Facility, \$98.5 million of borrowing capacity was available and outstanding letters of credit totaled \$1.5 million (see Note 8 to the consolidated financial statements). As of September 30, 2023, there were no borrowings outstanding on the Credit Facility.

Off-Balance Sheet Arrangements

We do not have any material transactions, arrangements, obligations (including contingent obligations) or other relationships with unconsolidated entities or other persons, as defined by Item 303(a)(4) of Regulation S-K of the SEC, that have or are reasonably likely to have a material current or future impact on our financial condition, results of operations, liquidity, capital expenditures, capital resources or significant components of revenues or expenses.

Contractual Obligations

In addition to our discussion and analysis surrounding our liquidity and capital resources, our contractual obligations and commitments as of September 28, 2024, include:

- Raw Material Purchase Commitments – See Note 12, “Commitments and Contingencies,” within our consolidated financial statements for further details concerning our non-cancelable raw material purchase commitments.
- Supplemental Employee Retirement Plan Obligations – See Note 11, “Employee Benefit Plans,” within our consolidated financial statements for further detail of our obligations and the timing of expected future payments under our supplemental employee retirement plan.
- Operating Leases – See Note 13, “Leases,” within our consolidated financial statements for further detail of our obligations and the timing of expected future payments, including a five-year maturity schedule.

- **Debt Obligations and Interest Payments** – See Note 8, “Long-Term Debt,” within our consolidated financial statements for further detail of our debt and the timing of expected future principal and interest payments. As of September 28, 2024, there were no borrowings outstanding.
- **Capital Expenditures** – As of September 28, 2024, we had contractual commitments for capital expenditures of \$2.1 million.

Impact of Inflation

We are subject to inflationary risks arising from fluctuations in the market prices for our primary raw material, hot-rolled carbon steel wire rod, and, to a much lesser extent, labor, freight, energy and other consumables that are used in our manufacturing processes. We have generally been able to adjust our selling prices to pass through increases in these costs or offset them through various cost reduction and productivity improvement initiatives. However, our ability to raise our selling prices depends on market conditions and competitive dynamics, and there may be periods during which we are unable to fully recover increases in our costs.

After initially rising in the first half of 2024, wire rod prices declined during the latter part of the year due to reductions in the cost of steel scrap for wire rod producers and weakening demand.

Selling prices for our products declined during 2024 in response to weak demand, competitive pricing pressures and the impact of low-priced PC strand imports, which negatively impacted our financial results. During 2023, we experienced a decline in wire rod prices primarily due to reductions in the cost of scrap for wire producers and a concurrent weakening in demand. Selling prices for our products fell in response to the softening demand and competitive pricing pressure. Consequently, our financial results were adversely affected as we consumed higher cost inventory that was purchased in prior periods. The timing and magnitude of any future increases in raw material costs and the impact on selling prices for our products is uncertain at this time.

Outlook

Looking ahead to fiscal 2025, we expect our financial results will be favorably impacted by the improving business conditions in our construction end markets. Although recent key indicators and industry forecasts for nonresidential construction spending have been somewhat mixed, customer sentiment is generally positive, and easing inflation concerns and the downward trajectory of interest rates will likely stimulate demand going forward. Furthermore, the outlook for public nonresidential construction is favorable, as federal spending associated with the Infrastructure Investment and Jobs Act is expected to drive new project activity in fiscal 2025 and beyond. We also expect our financial results for the coming year to benefit from our recent acquisition of EWP through the anticipated operational synergies upon completion of integration activities.

Regardless of the market dynamics, we continue to focus on those factors we control, including closely managing and controlling our expenses; aligning our production schedules with demand

in a proactive manner as there are changes in market conditions to minimize our operating costs; pursuing further improvements in the productivity and effectiveness of all our manufacturing, selling and administrative activities; and furthering our human capital strategy. We also expect increasing contributions from the substantial investments we have made in our facilities in recent years and expect to continue to make in the form of reduced operating costs and additional capacity to support future growth. Finally, we will continue to pursue acquisitions opportunistically to expand our penetration of markets we currently serve or expand our footprint.

The statements contained in this section are forward-looking statements. See “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors”.

Item 7A Quantitative and Qualitative Disclosures About Market Risk

Our cash flows and earnings are subject to fluctuations resulting from changes in commodity prices, interest rates and foreign exchange rates. We manage our exposure to these market risks through internally established policies and procedures and, when appropriate, through the use of derivative financial instruments.

We do not use financial instruments for trading purposes and are not a party to any leveraged derivatives. We monitor our underlying market risk exposures on an ongoing basis and believe we can modify or adapt our hedging strategies as necessary.

Commodity Prices

We are subject to significant fluctuations in the cost and availability of our primary raw material, hot-rolled carbon steel wire rod, which we purchase from both domestic and foreign suppliers. We negotiate quantities and pricing for both domestic and foreign wire rod purchases for varying periods (most recently monthly for domestic suppliers), depending upon market conditions, to manage our exposure to price fluctuations and to ensure adequate availability of material consistent with our requirements. We do not use derivative commodity instruments to hedge our exposure to changes in prices as such instruments are not currently available for wire rod. Our ability to acquire wire rod from foreign sources on favorable terms is impacted by fluctuations in strength of home markets, foreign currency exchange rates, foreign taxes, duties,

tariffs, quotas and other trade actions. Although changes in our wire rod costs and selling prices tend to be correlated, in weaker market environments, we may be unable to fully recover increased wire rod costs, which would reduce our earnings and cash flows. Additionally, when raw material costs decline, our financial results may be negatively impacted if the selling prices for our products decrease to an even greater extent and if we are consuming higher cost material from inventory. Based on our 2024 shipments and average wire rod cost reflected in cost of sales, a 10% increase in the price of wire rod would have resulted in a \$32.7 million decrease in our annual pre-tax earnings (assuming there was not a corresponding change in our selling prices).

Interest Rates

Although we did not have any balances outstanding on our Credit Facility as of September 28, 2024, future borrowings under the facility are subject to a variable rate of interest and are sensitive to changes in interest rates.

Foreign Exchange Exposure

We have not typically hedged foreign currency exposures related to transactions denominated in currencies other than U.S. dollars, as such transactions have not been material historically. We will occasionally hedge firm commitments for certain equipment purchases that are denominated in foreign currencies. The decision to hedge any such transactions is made by us on a

case-by-case basis. There were no forward contracts outstanding as of September 28, 2024. During 2024, a 10% increase or decrease in the value of the U.S. dollar relative to foreign currencies to which we are typically exposed would not have had a material impact on our financial position, results of operations or cash flows.

Item 8 Financial Statements and Supplementary Data

Financial Statements

Consolidated Statements of Operations for the years ended September 28, 2024, September 30, 2023 and October 1, 2022	24
Consolidated Statements of Comprehensive Income for the years ended September 28, 2024, September 30, 2023 and October 1, 2022	25
Consolidated Balance Sheets as of September 28, 2024 and September 30, 2023	26
Consolidated Statements of Shareholders' Equity for the years ended September 28, 2024, September 30, 2023 and October 1, 2022	27
Consolidated Statements of Cash Flows for the years ended September 28, 2024, September 30, 2023 and October 1, 2022	28
Notes to Consolidated Financial Statements	29
Report of Independent Registered Public Accounting Firm – Consolidated Financial Statements (PCAOB ID Number 248)	44

Insteel Industries Inc. and Subsidiaries

Consolidated Statements of Operations

	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
<i>(In thousands, except per share amounts)</i>			
Net sales	\$ 529,198	\$ 649,188	\$ 826,832
Cost of sales	479,566	583,790	629,522
Gross profit	49,632	65,398	197,310
Selling, general and administrative expense	29,591	30,685	36,048
Restructuring recoveries, net	—	—	(318)
Acquisition costs	61	—	—
Other expense (income), net	37	(3,423)	88
Interest expense	89	87	91
Interest income	(5,433)	(3,706)	(326)
Earnings before income taxes	25,287	41,755	161,727
Income taxes	5,982	9,340	36,716
NET EARNINGS	\$ 19,305	\$ 32,415	\$ 125,011
Net earnings per share:			
Basic	\$ 0.99	\$ 1.66	\$ 6.41
Diluted	0.99	1.66	6.37
Cash dividends declared	2.62	2.12	2.12
Weighted average shares outstanding:			
Basic	19,502	19,504	19,517
Diluted	19,575	19,566	19,629

See accompanying notes to consolidated financial statements.

Insteel Industries Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Net earnings	\$ 19,305	\$ 32,415	\$ 125,011
Adjustment to defined benefit plan liability, net of income taxes of \$103, (\$219) and (\$463), respectively	(325)	694	1,465
Other comprehensive (loss) income	(325)	694	1,465
COMPREHENSIVE INCOME	\$ 18,980	\$ 33,109	\$ 126,476

See accompanying notes to consolidated financial statements.

Insteel Industries Inc. and Subsidiaries

Consolidated Balance Sheets

(In thousands, except per share amounts)

	September 28, 2024	September 30, 2023
ASSETS:		
Current assets:		
Cash and cash equivalents	\$ 111,538	\$ 125,670
Accounts receivable, net	58,308	63,424
Inventories	88,840	103,306
Other current assets	8,608	6,453
Total current assets	267,294	298,853
Property, plant and equipment, net	125,540	120,014
Intangibles, net	5,341	6,090
Goodwill	9,745	9,745
Other assets	14,632	12,811
TOTAL ASSETS	\$ 422,552	\$ 447,513
LIABILITIES AND SHAREHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable	\$ 37,487	\$ 34,346
Accrued expenses	9,547	11,809
Total current liabilities	47,034	46,155
Other liabilities	24,663	19,853
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, no par value		
Authorized shares: 1,000		
None Issued	—	—
Common stock, \$1 stated value		
Authorized shares: 50,000		
Issued and outstanding shares: 2024, 19,452; 2023, 19,454	19,452	19,454
Additional paid-in capital	86,671	83,832
Retained earnings	245,340	278,502
Accumulated other comprehensive loss	(608)	(283)
Total shareholders' equity	350,855	381,505
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 422,552	\$ 447,513

See accompanying notes to consolidated financial statements.

Insteel Industries Inc. and Subsidiaries

Consolidated Statements of Shareholders' Equity

(In thousands)	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss) ⁽¹⁾	Total Shareholders' Equity
	Shares	Amount				
Balance at October 2, 2021	19,408	\$ 19,408	\$ 78,688	\$ 206,384	\$ (2,442)	\$ 302,038
Net earnings				125,011		125,011
Other comprehensive income ⁽¹⁾					1,465	1,465
Stock options exercised	72	72	1,578			1,650
Vested and released restricted stock units	40	40	(40)			—
Compensation expense associated with stock-based plans			2,429			2,429
Repurchases of common stock	(42)	(42)	(175)	(987)		(1,204)
Restricted stock units and stock options surrendered for withholding taxes payable			(483)			(483)
Cash dividends declared				(41,162)		(41,162)
Balance at October 1, 2022	19,478	19,478	81,997	289,246	(977)	389,744
Net earnings				32,415		32,415
Other comprehensive income ⁽¹⁾					694	694
Stock options exercised	16	16	223			239
Vested and released restricted stock units	40	40	(40)			—
Compensation expense associated with stock-based plans			2,425			2,425
Repurchases of common stock	(80)	(80)	(341)	(1,907)		(2,328)
Restricted stock units and stock options surrendered for withholding taxes payable			(432)			(432)
Cash dividends declared				(41,252)		(41,252)
Balance at September 30, 2023	19,454	19,454	83,832	278,502	(283)	381,505
Net earnings				19,305		19,305
Other comprehensive Loss ⁽¹⁾					(325)	(325)
Stock options exercised	17	17	411			428
Vested and released restricted stock units	39	39	(39)			—
Compensation expense associated with stock-based plans			3,072			3,072
Repurchases of common stock	(58)	(58)	(253)	(1,525)		(1,836)
Restricted stock units and stock options surrendered for withholding taxes payable			(352)			(352)
Cash dividends declared				(50,942)		(50,942)
BALANCE AT SEPTEMBER 28, 2024	19,452	\$ 19,452	\$ 86,671	\$ 245,340	\$ (608)	\$ 350,855

(1) Activity within accumulated other comprehensive income (loss) is reported net of related income taxes: 2022 (\$463), 2023 (\$219) and 2024 \$103.

See accompanying notes to consolidated financial statements.

Insteel Industries Inc. and Subsidiaries

Consolidated Statements of Cash Flows

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Cash Flows From Operating Activities:			
Net earnings	\$ 19,305	\$ 32,415	\$ 125,011
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	15,413	13,304	14,486
Amortization of capitalized financing costs	50	57	65
Stock-based compensation expense	3,072	2,425	2,429
Deferred income taxes	4,195	238	327
Loss (gain) on sale and disposition of property, plant and equipment and assets held for sale	99	(3,271)	(480)
Increase in cash surrender value of life insurance policies over premiums paid	(1,532)	(531)	—
Gain from life insurance proceeds	—	—	(364)
Net changes in assets and liabilities:			
Accounts receivable, net	5,116	18,222	(13,729)
Inventories	14,466	94,348	(118,605)
Accounts payable and accrued expenses	(639)	(16,949)	(1,964)
Other changes	(1,338)	1,942	(1,506)
Total adjustments	38,902	109,785	(119,341)
NET CASH PROVIDED BY OPERATING ACTIVITIES	58,207	142,200	5,670
Cash Flows From Investing Activities:			
Capital expenditures	(19,149)	(30,702)	(15,900)
(Increase) decrease in cash surrender value of life insurance policies	(517)	(476)	1,361
Proceeds from sale of assets held for sale	—	—	6,934
Proceeds from sale of property, plant, and equipment	4	9,924	—
Proceeds from surrender of life insurance policies	25	358	110
Proceeds from life insurance claims	—	—	1,456
NET CASH USED FOR INVESTING ACTIVITIES	(19,637)	(20,896)	(6,039)
Cash Flows From Financing Activities:			
Proceeds from long-term debt	298	323	266
Principal payments on long-term debt	(298)	(323)	(266)
Cash dividends paid	(50,942)	(41,252)	(41,162)
Cash received from exercise of stock options	428	239	1,650
Financing costs	—	(177)	—
Payment of employee tax withholdings related to net share transactions	(352)	(432)	(483)
Repurchases of common stock	(1,836)	(2,328)	(1,204)
NET CASH USED FOR FINANCING ACTIVITIES	(52,702)	(43,950)	(41,199)
Net (decrease) increase in cash and cash equivalents	(14,132)	77,354	(41,568)
Cash and cash equivalents at beginning of period	125,670	48,316	89,884
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 111,538	\$ 125,670	\$ 48,316
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the period for:			
Income taxes, net	\$ 3,332	\$ 7,834	\$ 41,483
Non-cash investing and financing activities:			
Purchases of property, plant and equipment in accounts payable	2,449	1,301	946
Restricted stock units and stock options surrendered for withholding taxes payable	352	432	483

See accompanying notes to consolidated financial statements.

Insteel Industries Inc. and Subsidiaries

Notes to Consolidated Financial Statements

Years Ended September 28, 2024, September 30, 2023 and October 1, 2022

Note 1 Description of Business

Insteel Industries Inc. (“we,” “us,” “our,” “Insteel” or “the Company”) is the nation’s largest manufacturer of steel wire reinforcing products for concrete construction applications. Insteel is the parent holding company for two wholly-owned subsidiaries, Insteel Wire Products Company (“IWP”), an operating subsidiary, and Intercontinental Metals Corporation, an inactive subsidiary. We manufacture and market prestressed concrete strand (“PC strand”) and welded wire reinforcement (“WWR”), including engineered structural mesh, concrete pipe reinforcement and standard welded wire reinforcement. Our products are primarily sold to manufacturers of concrete products and, to a lesser extent, distributors, rebar

fabricators and contractors. We sell our products nationwide across the United States (“U.S.”) and, to a much lesser extent, into Canada, Mexico and Central and South America.

We have evaluated all subsequent events that occurred after the balance sheet date through the time of filing this Annual Report on Form 10-K and concluded there were no events or transactions during this period that required additional recognition or disclosure in our consolidated financial statements other than the acquisition of the assets of Engineered Wire Products, Inc. (“EWP”) described in Note 19.

Note 2 Summary of Significant Accounting Policies

Fiscal year

Our fiscal year is the 52 or 53 weeks ending on the Saturday closest to September 30. Fiscal years 2024, 2023 and 2022 were 52-week periods. All references to years relate to fiscal years rather than calendar years.

Principles of consolidation

The consolidated financial statements include the accounts of Insteel and our subsidiaries. All significant intercompany transactions and accounts have been eliminated in consolidation.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (“GAAP”) requires us to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. There is no assurance that actual results will not differ from these estimates.

Cash equivalents

We consider all highly liquid investments purchased with original maturities of three months or less to be cash equivalents.

Concentration of credit risk

Financial instruments that subject us to concentrations of credit risk consist principally of cash and cash equivalents and trade accounts receivable. Our cash is principally concentrated at one major financial institution, which at times exceeds federally insured limits. We are exposed to credit risk in the event of default by institutions in which our cash and cash equivalents are held

and by customers to the extent of the amounts recorded on the balance sheet. We invest excess cash primarily in money market funds, which are highly liquid securities.

The majority of our accounts receivable are due from customers that are located in the U.S. and are generally not secured by collateral depending upon the creditworthiness of the account. We provide an allowance for credit losses based upon our assessment of the credit risk of specific customers, historical trends and other information. We write off accounts receivable when they become uncollectible. There is no disproportionate concentration of credit risk.

Stock-based compensation

We account for stock-based compensation in accordance with the fair value recognition provisions of the Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 718, “Compensation – Stock Compensation”, which requires stock-based compensation expense to be recognized in net earnings based on the fair value of the award on the date of the grant. We estimate for forfeitures over the service period. We determine the fair value of stock options issued by using a Monte Carlo valuation model at the grant date, which considers a range of assumptions including the expected term, volatility, dividend yield and risk-free interest rate.

Employee benefit plan

We account for our supplemental retirement benefit agreements (each, a “SRBA”) in accordance with ASC Topic 715, “Compensation - Retirement Benefits”. Under the provisions of ASC Topic 715, we recognize net periodic pension cost and value liabilities based on certain actuarial assumptions, principally the assumed discount rate.

The discount rate we utilize for determining net periodic pension cost and the related benefit obligation for the SRBAs is based, in part, on current interest rates earned on long-term bonds that receive one of the two highest ratings assigned by recognized rating agencies. Our discount rate assumptions are adjusted as of each valuation date to reflect current interest rates on such long-term bonds. The discount rate is used to determine the actuarial present value of the benefit obligations as of the valuation date as well as the interest component of the net periodic pension cost for the following year. We currently expect net periodic pension cost for 2025 to be \$878,000 for the SRBAs. Cash contributions to the SRBAs during 2025 are estimated to be \$944,000.

The assumed discount rate is reevaluated annually. A reduction in the assumed discount rate generally results in an actuarial loss, as the actuarially-determined present value of estimated future benefit payments will increase. Conversely, an increase in the assumed discount rate generally results in an actuarial gain. However, any actuarial gains generated in future periods reduce the negative amortization effect of any cumulative unamortized actuarial losses, while any actuarial losses generated in future periods reduce the favorable amortization effect of any cumulative unamortized actuarial gains.

The projected benefit obligations and net periodic pension cost for the SRBAs are based in part on expected increases in future compensation levels. Our assumption for the expected increase in future compensation levels is based upon our average historical experience and our intentions regarding future compensation increases, which generally approximates average long-term inflation rates. A 0.25% decrease in the assumed discount rate for our SRBAs would have increased our projected and accumulated benefit obligations as of September 28, 2024 by approximately \$297,000 and \$242,000, respectively, and decreased our expected net periodic pension cost for 2025 by approximately \$4,000.

Revenue recognition

We recognize revenues when obligations under the terms of a contract with our customers are satisfied, which generally occurs when products are shipped and control is transferred. Revenue is measured as the amount of consideration expected to be received in exchange for our products.

Inventories

Inventories are valued at the lower of weighted average cost (which approximates computation on a first-in, first-out basis) and net realizable value. The valuation of inventory includes the costs for material, labor and manufacturing overhead.

Property, plant and equipment

Property, plant and equipment are recorded at cost or fair market value in the case of the assets acquired through acquisitions, or otherwise at reduced values to the extent there have been asset impairment write-downs. Expenditures for maintenance and repairs are charged directly to expense when incurred, while major improvements are capitalized. Depreciation is computed for financial reporting purposes principally by use of the straight-line

method over the following estimated useful lives: machinery and equipment, 3 - 15 years; buildings, 10 - 30 years; and land improvements, 10 - 20 years. Depreciation expense was approximately \$14.7 million in 2024, \$12.5 million in 2023 and \$13.7 million in 2022 and reflected in cost of sales and selling, general and administrative expense ("SG&A expense") in the consolidated statements of operations. Capitalized software is amortized over the shorter of the estimated useful life or 5 years and reflected in SG&A expense. No interest costs were capitalized in 2024, 2023 and 2022.

Goodwill

Goodwill is the excess of cost over the fair value of net assets of businesses acquired. Goodwill is not amortized but is tested annually for impairment and whenever events or circumstances change that would make it more likely than not that an impairment may have occurred. We perform our annual impairment analysis as of the first day of the fourth quarter each year. The evaluation of impairment involves comparing the current estimated fair value of the reporting unit to its recorded value, including goodwill. We perform a qualitative assessment to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying amount. It may be necessary to perform a quantitative analysis where a discounted cash flow model is used to determine the current estimated fair value of the reporting unit. Key assumptions used to determine the fair value of the reporting unit as part of our annual testing (and any required interim testing) include: (a) expected cash flows for the five-year period following the testing date; (b) an estimated terminal value using a terminal year growth rate based on the growth prospects of the reporting unit; (c) a discount rate based on our estimated after-tax weighted average cost of capital; and (d) a probability-weighted scenario approach by which varying cash flows are assigned to alternative scenarios based on their likelihood of occurrence. In developing these assumptions, we consider historical and anticipated future results, general economic and market conditions, the impact of planned business and operational strategies and all available information at the time the fair value of the reporting unit is estimated. Assumptions in estimating future cash flows are subject to a high degree of judgment and complexity. Changes in assumptions and estimates may affect the fair value of goodwill and could result in impairment charges in future periods. Based on the results of our impairment analysis, no goodwill impairment losses were recognized in the consolidated statements of operations for 2024, 2023 and 2022. Subsequent to the analysis, there have been no events or circumstances that indicate any potential impairment of goodwill.

Long-lived assets

Long-lived assets include property, plant and equipment and identifiable intangible assets with definite useful lives. Finite-lived intangible assets are amortized over their estimated useful lives. Our intangible assets consist of customer relationships, developed technology and know-how and non-competition agreements and are being amortized on a straight-line basis over their finite useful lives (see Note 7 to the consolidated financial statements). We assess the impairment of long-lived assets whenever events or

changes in circumstances indicate that the carrying value may not be fully recoverable. When we determine that the carrying value of such assets may not be recoverable, we measure recoverability based on the undiscounted cash flows expected to be generated by the related asset or asset group. If it is determined that an impairment loss has occurred, the loss is recognized in the period in which it is incurred and is calculated as the difference between the carrying value and the present value of estimated future net cash flows or comparable market values. There were no impairment losses in 2024, 2023 or 2022.

Fair value of financial instruments

The carrying amounts for cash and cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value because of their short maturities.

Income taxes

Income taxes are based on pretax financial accounting income. Deferred tax assets and liabilities are recognized for the expected tax consequences of temporary differences between the tax basis

of assets and liabilities and their reported amounts. We assess the need to establish a valuation allowance against deferred tax assets to the extent we no longer believe it is more likely than not that the tax assets will be fully realized. We recognize uncertain tax positions when we have determined it is more likely than not that a tax position will be sustained upon examination. However, new information may become available, or applicable laws or regulations may change, thereby resulting in a favorable or unfavorable adjustment to amounts recorded.

Earnings per share

Basic earnings per share ("EPS") are computed by dividing earnings available to common shareholders by the weighted average number of shares of common stock outstanding during the period. Diluted EPS are computed by dividing earnings available to common shareholders by the weighted average number of shares of common stock and other dilutive equity securities outstanding during the period. Securities that have the effect of increasing EPS are considered to be antidilutive and are not included in the computation of diluted EPS.

Note 3 Recent Accounting Pronouncements

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures". ASU No. 2023-07 requires disclosures to include significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), a description of other segment items by reportable segment and any additional measures of a segment's profit or loss used by the CODM when deciding how to allocate resources. The ASU requires all annual disclosures currently required by Topic 280 to be included in interim periods and is applicable to entities with a single reportable segment. ASU No. 2023-07 will be effective for us in fiscal 2025 for annual reporting and in the first quarter of fiscal 2026 for interim reporting.

Retrospective application is required for all prior periods presented in the financial statements. The adoption of this update will not have a material impact on our consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures". ASU No. 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income tax paid. ASU No. 2023-09 will become effective for us in fiscal 2026. We are currently evaluating the impact of the ASU on our income tax disclosures within the consolidated financial statements.

Note 4 Revenue Recognition

We recognize revenues when performance obligations under the terms of a contract with our customers are satisfied, which generally occurs when products are shipped and control is transferred. We enter into contracts that pertain to products, which are accounted for as separate performance obligations and typically one year or less in duration. We do not exercise significant judgment in determining the timing for the satisfaction of performance obligations or the transaction price. Revenue is measured as the amount of consideration expected to be received in exchange for our products. We present revenue net of amounts collected from customers for sales tax.

Variable consideration that may affect the total transaction price, including contractual discounts, rebates, returns and credits are included in net sales. Estimates for variable consideration are based on historical experience, anticipated performance and

management's judgment and are updated as of each reporting date. Shipping and related expenses associated with outbound freight are accounted for as fulfillment costs and included in cost of sales. We do not have significant financing components. Contract costs are not significant and are recognized as incurred.

Contract assets primarily relate to our rights to consideration for products that are delivered but not billed as of the reporting date and are reclassified to receivables when the customer is invoiced. Contract liabilities primarily relate to performance obligations that are to be satisfied in the future and arise when we collect from the customer in advance of shipments. Contract assets and liabilities were not material as of September 28, 2024 and September 30, 2023.

Accounts receivable includes amounts billed and currently due from customers stated at their net estimated realizable value. Customer payment terms are generally 30 days. We maintain an allowance for credit losses to provide for the estimated receivables that will not be collected, which is based upon our assessment of customer creditworthiness, historical payment experience and

the age of outstanding receivables. Past-due trade receivable balances are written off when our collection efforts have been unsuccessful.

See Note 15 for the disaggregation of our net sales by product line and geography.

Note 5 Restructuring

On March 16, 2020, we purchased substantially all of the assets of Strand-Tech Manufacturing ("STM") for an adjusted purchase price of \$19.4 million, reflecting certain post-closing adjustments (the "STM Acquisition"). STM was a leading manufacturer of PC strand for concrete construction applications. We acquired, among other assets, STM's accounts receivable, inventories, production equipment and facility located in Summerville, South Carolina, and assumed certain of its accounts payable and accrued liabilities.

In connection with the STM acquisition, we elected to consolidate our PC strand operations through the closure of the Summerville facility and the redeployment of its equipment to our other three PC strand production facilities located in Gallatin, Tennessee; Houston, Texas; and Sanderson, Florida. Operations at the Summerville facility ceased during the third quarter of 2020, and the facility was sold in 2022. The consolidation of our PC strand operations was completed in 2022. Following is a summary of the restructuring activity during 2022:

<i>(In thousands)</i>	Facility Closure Costs	Gain on Sale of Equipment	Total
2022			
Liability as of October 2, 2021	\$ 10	\$ —	\$ 10
Restructuring charges (recoveries), net	304	(622)	(318)
Cash payments	(314)	—	(314)
Non-cash charges	—	622	622
LIABILITY AS OF OCTOBER 1, 2022	\$ —	\$ —	\$ —

Note 6 Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The authoritative guidance for fair value measurements establishes a three-level fair value hierarchy that encourages an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities, including certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

As of September 28, 2024 and September 30, 2023, we held financial assets that are required to be measured at fair value on a recurring basis, which are summarized below:

<i>(In thousands)</i>		Total	Quoted Prices in Active Markets (Level 1)	Observable Inputs (Level 2)
As of September 28, 2024:				
Current assets:				
Cash equivalents	\$	111,146	\$	111,146
Other assets:				
Cash surrender value of life insurance policies		12,610	—	12,610
TOTAL	\$	123,756	\$	111,146
As of September 30, 2023:				
Current assets:				
Cash equivalents	\$	125,805	\$	125,805
Other assets:				
Cash surrender value of life insurance policies		10,586	—	10,586
TOTAL	\$	136,391	\$	125,805

Cash equivalents, which include all highly liquid investments with original maturities of three months or less, are classified as Level 1 of the fair value hierarchy. The carrying amount of our cash equivalents, which consist of investments in money market funds, approximates fair value due to their short maturities. Cash surrender value of life insurance policies are classified as Level 2. The fair value of the life insurance policies was determined by the underwriting insurance company's valuation models and represents the guaranteed value we would receive upon surrender of these policies as of the reporting date.

As of September 28, 2024 and September 30, 2023, we had no nonfinancial assets that are required to be measured at fair value on a nonrecurring basis. The carrying amounts of accounts receivable, accounts payable and accrued expenses approximate fair value due to the short-term maturities of these financial instruments.

Note 7 Intangible Assets

The primary components of our intangible assets and the related accumulated amortization are as follows:

<i>(In thousands)</i>	Weighted-Average Useful Life (Years)	Gross	Accumulated Amortization	Net Book Value
As of September 28, 2024:				
Customer relationships	17.1	\$ 9,870	\$ (5,427)	\$ 4,443
Developed technology and know-how	20.0	1,800	(908)	892
Non-competition agreements	5.0	60	(54)	6
		\$ 11,730	\$ (6,389)	\$ 5,341
As of September 30, 2023:				
Customer relationships	17.1	\$ 9,870	\$ (4,779)	\$ 5,091
Developed technology and know-how	20.0	1,800	(818)	982
Non-competition agreements	5.0	400	(383)	17
		\$ 12,070	\$ (5,980)	\$ 6,090

Amortization expense for intangibles was \$749,000 in 2024, \$757,000 in 2023 and \$821,000 in 2022. Amortization expense for the next five years is \$743,000 in 2025, \$752,000 in 2026, \$480,000 in 2027, \$453,000 in 2028 and \$453,000 in 2029.

Note 8 Long-Term Debt

Revolving Credit Facility

We have a \$100.0 million revolving credit facility (the "Credit Facility") that is used to supplement our operating cash flow and fund our working capital, capital expenditure, general corporate and growth requirements. In March 2023, we amended our credit agreement to extend the maturity date of the Credit Facility from May 15, 2024, to March 15, 2028, and replaced the London Inter-Bank Offered Rate with the Secured Overnight Financing Rate ("SOFR"). The Credit Facility provides for an accordion feature whereby its size may be increased by up to \$50.0 million, subject to our lender's approval. Advances under the Credit Facility are limited to the lesser of the revolving loan commitment amount (currently \$100.0 million) or a borrowing base amount that is calculated based upon a percentage of eligible receivables and inventories. As of September 28, 2024, no borrowings were outstanding on the Credit Facility, \$98.5 million of borrowing capacity was available and outstanding letters of credit totaled \$1.5 million. As of September 30, 2023, there were no borrowings outstanding on the Credit Facility.

Interest rates on the Credit Facility are based upon (1) an index rate that is established at the highest of the prime rate, 0.50% plus the federal funds rate or the SOFR rate plus 1.00% or (2) at our election, a SOFR rate including a credit adjustment of 0.10%, plus in either case, an applicable interest rate margin. The applicable interest rate margins are adjusted on a quarterly basis based upon the amount of excess availability on the Credit Facility within the range of 0.25% to 0.50% for index rate loans and 1.25% to 1.50% for SOFR-based loans. In addition, the applicable interest rate margins would be increased by 2.00% upon the occurrence of certain events of default provided for under the terms of the Credit Facility. Based on our excess availability as of September 28, 2024, the applicable interest rate margins on the Credit Facility were 0.25% for index rate loans and 1.25% for SOFR-based loans.

Our ability to borrow available amounts under the Credit Facility will be restricted or eliminated in the event of certain covenant breaches, events of default or if we are unable to make certain representations and warranties provided for under the terms of the

Credit Facility. We are required to maintain a fixed charge coverage ratio of not less than 1.0 at the end of each fiscal quarter for the twelve-month period then ended when the amount of liquidity on the Credit Facility is less than \$10.0 million. In addition, the terms of the Credit Facility restrict our ability to, among other things: engage in certain business combinations or divestitures; make investments in or loans to third parties, unless certain conditions are met with respect to such investments or loans; pay cash dividends or repurchase shares of our stock subject to certain minimum borrowing availability requirements; incur or assume indebtedness; issue securities; enter into certain transactions with our affiliates; or permit liens to encumber our property and assets. The terms of the Credit Facility also provide that an event of default will occur upon the occurrence of, among other things: defaults or breaches under the loan documents, subject in certain cases to cure periods; defaults or breaches by us or any of our subsidiaries under any agreement resulting in the acceleration of amounts above certain thresholds or payment defaults above certain thresholds; certain events of bankruptcy or insolvency; certain entries of judgment against us or any of our subsidiaries, which are not covered by insurance; or a change of control. As of September 28, 2024, we were in compliance with all of the financial and negative covenants under the Credit Facility, and there have not been any events of default.

Amortization of capitalized financing costs associated with the Credit Facility was \$50,000 in 2024, and \$57,000 in 2023 and \$65,000 in 2022. We expect the amortization of capitalized financing costs to approximate the following amounts for the next five fiscal years:

Fiscal year	In thousands
2025	\$ 50
2026	51
2027	50
2028	23
2029	—

Note 9 Stock-Based Compensation

Under our equity incentive plan, employees and directors may be granted stock options, restricted stock, restricted stock units and performance awards. Effective February 11, 2020, our shareholders approved an amendment to the 2015 Equity Incentive Plan of Insteel Industries Inc. (the "2015 Plan"), which authorizes up to an additional 750,000 shares of our common stock for future grants under the plan and expires on February 17, 2025. As of September 28, 2024, there were 285,000 shares of our common stock available for future grants under the 2015 Plan, which is our only active equity incentive plan.

Stock option awards

Under our equity incentive plan, employees and directors may be granted options to purchase shares of common stock at the fair market value on the date of the grant. Options granted under the plan generally vest over three years and expire ten years from the date of the grant. Compensation expense associated with stock options was \$1.4 million in 2024, \$1.0 million in 2023 and \$1.1 million in 2022. As of September 28, 2024, there was \$692,000 of unrecognized compensation cost related to unvested options which is expected to be recognized over a weighted average period of 2.24 years.

The fair value of each option award granted is estimated on the date of grant using a Monte Carlo valuation model. The weighted-average estimated fair values of stock options granted during 2024, 2023 and 2022 were \$13.01, \$13.27 and \$14.67 per share, respectively, based on the following weighted-average assumptions:

	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Expected term (in years)	4.20	4.35	4.61
Risk-free interest rate	4.12%	4.27%	3.03%
Expected volatility	44.83%	49.61%	49.63%
Expected dividend yield	0.36%	0.40%	0.34%

The assumptions utilized in the Monte Carlo valuation model are evaluated and revised, as necessary, to reflect market conditions and actual historical experience. The expected term for options was based on the results of a Monte Carlo simulation model, using the model's estimated fair value as an input to the Black-Scholes-Merton model, and then solving for the expected term. The risk-free interest rate for periods within the contractual life of the option was based on the U.S. Treasury yield curve in effect at the time of the grant. The expected volatility was derived using a term structure based on historical volatility and the volatility implied by exchange-traded options on our common stock. The dividend yield was calculated based on our annual dividend as of the option grant date.

The following table summarizes stock option activity:

	Options Outstanding (in thousands)	Weighted Average Exercise Price	Contractual Term - Weighted Average (in years)	Aggregate Intrinsic Value (in thousands)
Outstanding at October 2, 2021	428	\$ 27.72		
Granted	82	35.32		
Exercised	(85)	24.23		\$ 1,615
Forfeited	(60)	29.29		
Outstanding at October 1, 2022	365	30.00		
Granted	97	30.63		
Exercised	(32)	21.29		350
Forfeited	(19)	33.22		
Outstanding at September 30, 2023	411	30.68		
Granted	101	33.22		
Exercised	(38)	30.79		194
Forfeited	(8)	41.86		
OUTSTANDING AT SEPTEMBER 28, 2024	466	31.03	7.02	1,088
Vested and anticipated to vest in the future at September 28, 2024	453	30.99	6.95	1,087
Exercisable at September 28, 2024	283	30.00	5.67	1,070

Stock option exercises include "net exercises" for which the optionee received shares of common stock equal to the intrinsic value of the options (fair market value of common stock on the date of exercise less exercise price) reduced by any applicable withholding taxes.

Restricted stock units

Restricted stock units ("RSUs") granted under our equity incentive plan are valued based upon the fair market value on the date of the grant and provide for a dividend equivalent payment which is included in compensation expense. The vesting period for RSUs is generally one year from the date of the grant for RSUs granted to directors and three years from the date of the grant for RSUs granted to employees. RSUs do not have voting rights. RSU grants and compensation expense are as follows:

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Restricted stock unit grants:			
Units	52	57	43
Market value	\$ 1,769	\$ 1,738	\$ 1,563
Compensation expense	1,730	1,392	1,365

PART II

Item 8 Financial Statements and Supplementary Data

As of September 28, 2024, there was \$1.1 million of unrecognized compensation cost related to unvested RSUs which is expected to be recognized over a weighted average period of 1.75 years.

The following table summarizes RSU activity:

<i>(Unit amounts in thousands)</i>	Restricted Stock Units Outstanding	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value <i>(in thousands)</i>
Balance, October 2, 2021	129	\$ 24.73	
Granted	43	35.93	
Forfeited	(3)	22.09	
Vested	(49)	22.17	\$ 1,773
Balance, October 1, 2022	120	29.88	
Granted	57	30.53	
Forfeited	(10)	30.36	
Vested	(62)	25.71	1,911
Balance, September 30, 2023	105	35.07	
Granted	52	33.56	
Vested	(38)	33.02	1,322
BALANCE, SEPTEMBER 28, 2024	119	32.96	

Note 10 Income Taxes

The components of the provision for income taxes are as follows:

<i>(Dollars in thousands)</i>	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Provision for income taxes:			
Current:			
Federal	\$ 1,425	\$ 8,320	\$ 33,377
State	362	782	3,012
	1,787	9,102	36,389
Deferred:			
Federal	3,843	335	627
State	352	(97)	(300)
	4,195	238	327
INCOME TAXES	\$ 5,982	\$ 9,340	\$ 36,716
EFFECTIVE INCOME TAX RATE	23.7%	22.4%	22.7%

The reconciliation between income taxes computed at the federal statutory rate and the provision for income taxes is as follows:

	Year Ended					
(Dollars in thousands)	September 28, 2024		September 30, 2023		October 1, 2022	
Provision for income taxes at federal statutory rate	\$ 5,310	21.0%	\$ 8,768	21.0%	\$ 33,963	21.0%
State income taxes, net of federal tax benefit	518	2.0	548	1.3	2,108	1.3
Stock-based compensation	68	0.3	(55)	(0.1)	(255)	(0.2)
Valuation allowance	146	0.6	(29)	(0.1)	(41)	(0.0)
Nondeductible expenses and other, net	(60)	(0.2)	108	0.3	941	0.6
PROVISION FOR INCOME TAXES	\$ 5,982	23.7%	\$ 9,340	22.4%	\$ 36,716	22.7%

The components of deferred tax assets and liabilities are as follows:

<i>(In thousands)</i>	September 28, 2024	September 30, 2023
Deferred tax assets:		
Defined benefit plans	\$ 2,765	\$ 2,551
Accrued expenses and asset reserves	1,406	2,392
Stock-based compensation	1,423	1,288
R & E Capitalization	226	125
Operating lease liabilities	378	434
State net operating loss carryforwards and tax credits	3	158
Valuation allowance	(149)	(3)
Deferred tax assets	6,052	6,945
Deferred tax liabilities:		
Plant and equipment	(15,090)	(12,143)
Prepaid insurance	(1,240)	(1,123)
Right-of-use assets	(381)	(435)
Goodwill	(976)	(787)
DEFERRED TAX LIABILITIES	(17,687)	(14,488)
NET DEFERRED TAX LIABILITY	\$ (11,635)	\$ (7,543)

As of September 28, 2024 and September 30, 2023, we recorded net deferred tax liabilities (net of valuation allowances) of \$11.6 million and \$7.5 million, respectively, in other liabilities on our consolidated balance sheet. We have \$316,000 of state NOLs that begin to expire in 2031, but principally expire between 2031 and 2039.

The realization of our deferred tax assets is entirely dependent upon our ability to generate future taxable income in applicable jurisdictions. GAAP requires that we periodically assess the need to establish a reserve against our deferred tax assets to the extent we no longer believe it is more likely than not that they will be fully realized. As of September 28, 2024, we recorded a valuation allowance of \$149,000 pertaining to various deferred tax assets that were not expected to be utilized. The valuation allowance is subject to periodic review and adjustment based on changes in

facts and circumstances. The \$146,000 increase in the valuation allowance during 2024 is primarily due to a state deferred tax asset that is not expected to be utilized.

As of September 28, 2024, we had no material, known tax exposures that required the establishment of contingency reserves for uncertain tax positions.

We classify interest and penalties related to unrecognized tax benefits as part of income tax expense. There were no interest and penalties related to unrecognized tax benefits incurred during 2024, 2023 and 2022.

We file U.S. federal income tax returns as well as state and local income tax returns in various jurisdictions. Federal and various state tax returns filed subsequent to 2019 remain subject to examination.

Note 11 Employee Benefit Plans

Supplemental retirement benefit plan

We have SRBAs with certain of our key employees (each, a "Participant"). Under the SRBAs, if the Participant remains in continuous service with us for a period of at least 30 years, we will pay the Participant a supplemental retirement benefit for the 15-year period following the Participant's retirement equal to 50% of the Participant's highest average annual base salary for five consecutive years in the 10-year period preceding the Participant's retirement. If the Participant retires prior to the later

of age 65 or the completion of 30 years of continuous service with us, but has completed at least 10 years of continuous service, the amount of the Participant's supplemental retirement benefit will be reduced by 1/360th for each month short of 30 years that the Participant was employed by us.

PART II

Item 8 Financial Statements and Supplementary Data

The reconciliation of the projected benefit obligation, plan assets, funded status and amounts recognized for the SRBAs in our consolidated balance sheets is as follows:

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Change in benefit obligation:			
Benefit obligation at beginning of year	\$ 11,532	\$ 11,779	\$ 12,888
Service cost	252	333	399
Interest cost	590	518	347
Actuarial loss (gain)	428	(900)	(1,650)
Distributions	(280)	(198)	(205)
BENEFIT OBLIGATION AT END OF YEAR	\$ 12,522	\$ 11,532	\$ 11,779
Change in plan assets:			
Actual employer contributions	\$ 280	\$ 198	\$ 205
Actual distributions	(280)	(198)	(205)
PLAN ASSETS AT FAIR VALUE AT END OF YEAR	\$ —	\$ —	\$ —
Reconciliation of funded status to net amount recognized:			
Funded status	\$ (12,522)	\$ (11,532)	\$ (11,779)
NET AMOUNT RECOGNIZED	\$ (12,522)	\$ (11,532)	\$ (11,779)
Amounts recognized in accumulated other comprehensive loss:			
Unrecognized net loss	\$ 801	\$ 373	\$ 1,285
NET AMOUNT RECOGNIZED	\$ 801	\$ 373	\$ 1,285
Other changes in plan assets and benefit obligations recognized in other comprehensive income:			
Net loss (gain)	\$ 428	\$ (900)	\$ (1,650)
Amortization of net loss	—	(13)	(278)
TOTAL RECOGNIZED IN OTHER COMPREHENSIVE INCOME	\$ 428	\$ (913)	\$ (1,928)

In 2024, 2023 and 2022, the actuarial loss (gain) includes amounts resulting from changes in actuarial assumptions utilized to calculate our benefit plan obligation such as the discount rate, estimated future compensation levels and changes in plan participants.

The accumulated benefit obligation was \$11.4 million and \$10.6 million as of September 28, 2024 and September 30, 2023, respectively.

Net periodic pension cost for the SRBAs consists of the following components included in SG&A expense:

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Service cost	\$ 252	\$ 333	\$ 399
Interest cost	590	518	347
Amortization of net loss	—	13	278
NET PERIODIC PENSION COST	\$ 842	\$ 864	\$ 1,024

The assumptions used in the valuation of the SRBAs are as follows:

	Measurement Date		
	September 28, 2024	September 30, 2023	October 1, 2022
Assumptions at year-end:			
Discount rate	5.00%	5.25%	4.50%
Rate of increase in compensation levels	3.00%	3.00%	3.00%

The assumed discount rate is established as of our fiscal year-end measurement date. In establishing the discount rate, we review published market indices of high-quality debt securities, adjusted as appropriate for duration, and high-quality bond yield curves applicable to the expected benefit payments of the SRBAs. The SRBAs expected rate of increase in compensation levels is based on the anticipated increases in annual compensation.

The projected benefit payments under the SRBAs are as follows:

Fiscal year(s)	(In thousands)
2025	\$ 944
2026	869
2027	869
2028	869
2029	967
2030 - 2034	4,795

Retirement savings plan

In 1996, we adopted the Retirement Savings Plan of Insteel Industries Inc. (the "Plan") to provide retirement benefits and stock ownership for our employees. The Plan is an amendment and restatement of our Employee Stock Ownership Plan. As allowed under Sections 401(a) and 401(k) of the Internal Revenue Code, the Plan provides for tax-deferred salary deductions for eligible employees.

The Plan allows for discretionary contributions to be made by us as determined by the Board of Directors, which are allocated among eligible participants based on their compensation relative to the total compensation of all participants. Employees are permitted to contribute up to 75% of their annual compensation to the Plan, limited to a maximum annual amount as set periodically by the Internal Revenue Service. We match employee contributions up to 100% of the first 1% and 50% of the next 5% of eligible

compensation that is contributed by employees. Our contributions to the Plan were \$1.7 million in each of the periods ended September 28, 2024, September 30, 2023 and October 1, 2022.

Voluntary Employee Beneficiary Associations ("VEBA")

We have a VEBA which allows both us and our employees to make contributions to pay for medical costs. Our contributions to the VEBA were \$6.5 million in 2024, \$6.5 million in 2023 and \$5.4 million in 2022. We are primarily self-insured for our employee's healthcare costs, carrying stop-loss insurance coverage for individual claims in excess of \$200,000 per benefit plan year. Our self-insurance liabilities are based on the total estimated costs of claims filed and claims incurred but not reported, less amounts paid against such claims. We review current and historical claims data in developing our estimates.

Note 12 Commitments and Contingencies

Purchase commitments

As of September 28, 2024, we had \$43.4 million in non-cancelable purchase commitments for raw material extending as long as approximately 120 days and \$2.1 million of contractual commitments for the purchase of certain equipment that had not been fulfilled and are not reflected in our consolidated financial statements.

Legal proceedings

We are involved in lawsuits, claims, investigations and proceedings, including commercial, environmental and employment matters, which arise in the ordinary course of business. We do not expect the ultimate outcome or cost to resolve these matters will have a material adverse effect on our financial position, results of operations or cash flows.

Severance and change of control agreements

We have entered into a severance agreement with our Chief Executive Officer that provides him with certain termination benefits in the event his employment with us is terminated without cause. The initial term of the agreement was two years, and it automatically renews for successive one-year terms unless we or our Chief Executive Officer provide notice of termination as specified in the agreement. In the event of termination of the Chief Executive Officer's employment without cause, this agreement provides that he would receive termination benefits equal to one and one-half times his annual base salary in effect on the termination date and the continuation of health and welfare benefits for eighteen months. In addition, all of his stock options and restricted stock units would vest immediately, and outplacement services would be provided.

We have also entered into change in control agreements with key members of management, including our executive officers, which specify the terms of separation in the event that termination of their employment followed a change in control. The initial term of each agreement is two years, and they automatically

renew for successive one-year terms unless we or the executive provide notice of termination as specified in the agreement. The agreements do not provide assurances of continued employment or specify the terms of an executive's termination should one occur in the absence of a change in control. The compensation payable under the terms of these agreements differs between the Chief Executive Officer and the other covered executives. In the event of termination of the Chief Executive Officer within two years of a change of control, he would receive severance benefits equal to two times base compensation, two times the average bonus for the prior three years and the continuation of health and welfare benefits for two years. In the event of such a termination of the other key members of management, including our other four executive officers, within two years of a change of control, they would receive severance benefits equal to one times base compensation, one times the average bonus for the prior three years and the continuation of health and welfare benefits for one year. In addition, for any covered executive that is terminated within two years of a change of control, all of their stock options and restricted stock units would vest immediately, and outplacement services would be provided.

Note 13 Leases

We use operating leases for certain equipment, office space and vehicles. We determine whether an arrangement is a lease at its inception if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases with an initial term of twelve months or less are not recorded on our consolidated balance sheet. Lease expense for operating leases with original terms of more than twelve months was \$1.3 million in 2024, \$1.3 million in 2023 and \$1.4 million in 2022.

Most of our leases include options to extend or terminate the leases which are exercised at our sole discretion. As most of our leases do not provide an implicit interest rate, we use our incremental borrowing rate as of the commencement date in determining the present value of lease payments, which represents an estimate of the interest rate we would incur at the lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term.

Supplemental cash flow and non-cash information related to leases is as follows:

(In thousands)	Year Ended	
	September 28, 2024	September 30, 2023
Cash paid for operating leases included in operating cash flows	\$ 1,348	\$ 1,261
Right-of-use assets obtained in exchange for new lease obligations	946	1,547

Supplemental balance sheet information related to leases is as follows:

(In thousands)	September 28, 2024	September 30, 2023
Right-of-use assets:		
Other assets	\$ 1,703	\$ 1,939
Lease liabilities:		
Accrued expenses	\$ 877	\$ 999
Other liabilities	811	936
TOTAL OPERATING LEASE LIABILITIES	\$ 1,688	\$ 1,935

The weighted average remaining lease terms and discount rates for operating leases are as follows:

	September 28, 2024	September 30, 2023
Weighted average lease term	2.0 years	2.2 years
Weighted average discount rate	8.4%	7.1%

Aggregate future operating lease payments as of September 28, 2024, are as follows:

<i>(In thousands)</i>		
2025	\$	980
2026		698
2027		151
2028		—
2029		—
TOTAL FUTURE OPERATING LEASE PAYMENTS		1,829
Less: imputed interest		(141)
PRESENT VALUE OF OPERATING LEASE LIABILITIES	\$	1,688

Note 14 Earnings Per Share

The computation of basic and diluted earnings per share attributable to common shareholders is as follows:

<i>(In thousands, except per share amounts)</i>	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Net earnings	\$ 19,305	\$ 32,415	\$ 125,011
Basic weighted average shares outstanding	19,502	19,504	19,517
Dilutive effect of stock-based compensation	73	62	112
Diluted weighted average shares outstanding	19,575	19,566	19,629
Net earnings per share:			
Basic	\$ 0.99	\$ 1.66	\$ 6.41
Diluted	0.99	1.66	6.37

Options and RSUs that were antidilutive and not included in the diluted EPS calculation amounted to 37,000 shares in 2024, 69,000 shares in 2023 and 49,000 shares in 2022.

Note 15 Business Segment Information

Our operations are entirely focused on the manufacture and marketing of steel wire reinforcing products for concrete construction applications. Our concrete reinforcing products consist of two product lines: PC strand and WWR. Based on the criteria specified in ASC Topic 280, "Segment Reporting", we have one reportable segment.

Our net sales by geographic region are as follows:

<i>(In thousands)</i>	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Net sales:			
United States	\$ 526,696	\$ 643,156	\$ 820,641
Foreign	2,502	6,032	6,191
TOTAL	\$ 529,198	\$ 649,188	\$ 826,832

Our sales by product line are as follows:

(In thousands)	Year Ended		
	September 28, 2024	September 30, 2023	October 1, 2022
Net sales:			
Welded wire reinforcement	\$ 305,769	\$ 375,771	\$ 495,401
Prestressed concrete strand	223,429	273,417	331,431
TOTAL	\$ 529,198	\$ 649,188	\$ 826,832

There were no customers that accounted for 10% or more of our net sales in 2024, 2023 or 2022.

Note 16 Other Financial Data

Balance sheet information:

(In thousands)	September 28, 2024	September 30, 2023
Accounts receivable, net:		
Accounts receivable	\$ 58,689	\$ 63,735
Less allowance for credit losses	(381)	(311)
TOTAL	\$ 58,308	\$ 63,424
Inventories:		
Raw materials	\$ 36,782	\$ 39,341
Work in process	6,139	5,852
Finished goods	45,919	58,113
TOTAL	\$ 88,840	\$ 103,306
Other current assets:		
Prepaid insurance	\$ 4,503	\$ 4,043
Income taxes receivable	1,357	—
Other	2,748	2,410
TOTAL	\$ 8,608	\$ 6,453
Other assets:		
Cash surrender value of life insurance policies	\$ 12,610	\$ 10,586
Right-of-use assets	1,703	1,939
Capitalized financing costs, net	125	175
Other	194	111
TOTAL	\$ 14,632	\$ 12,811
Property, plant and equipment, net:		
Land and land improvements	\$ 15,333	\$ 15,107
Buildings	60,014	56,653
Machinery and equipment	227,232	198,528
Construction in progress	4,279	18,019
	306,858	288,307
Less accumulated depreciation	(181,318)	(168,293)
TOTAL	\$ 125,540	\$ 120,014

(In thousands)	September 28, 2024	September 30, 2023
Accrued expenses:		
Salaries, wages and related expenses	\$ 3,448	\$ 5,082
Property taxes	1,987	1,912
Customer rebates	1,895	2,132
Operating lease liabilities	877	999
Sales allowance reserves	521	745
Deferred compensation	433	299
State sales and use taxes	227	268
Income taxes	—	187
Other	159	185
TOTAL	\$ 9,547	\$ 11,809
Other liabilities:		
Deferred compensation	\$ 12,217	\$ 11,374
Deferred income taxes	11,635	7,543
Operating lease liabilities	811	936
TOTAL	\$ 24,663	\$ 19,853

Note 17 Product Warranties

Our products are used in applications which are subject to inherent risks including performance deficiencies, personal injury, property damage, environmental contamination or loss of production. We warrant our products to meet certain specifications, and actual

or claimed deficiencies from these specifications may give rise to claims. We do not maintain a reserve for warranties as the historical claims have been immaterial. We maintain product liability insurance coverage to minimize our exposure to such risks.

Note 18 Share Repurchases

On November 18, 2008, our Board of Directors approved a share repurchase authorization to buy back up to \$25.0 million of our outstanding common stock (the "Authorization"). Under the Authorization, repurchases may be made from time to time in the open market or in privately negotiated transactions subject to market conditions, applicable legal requirements and other factors. We are not obligated to acquire any particular amount of common stock, and the program may be commenced or

suspended at any time at our discretion without prior notice. The Authorization continues in effect until terminated by the Board of Directors. Share repurchases of the Company's common stock under the Authorization were \$1.8 million or 58,099 shares in 2024, \$2.3 million or 80,352 shares in 2023 and \$1.2 million or 41,706 shares in 2022. As of September 28, 2024, there was \$19.4 million remaining available for future share repurchases under this Authorization.

Note 19 Subsequent Events

On October 21, 2024, the Company, through its wholly-owned subsidiary, IWP, entered into an Asset Purchase Agreement pursuant to which it has acquired substantially all of the assets, other than cash and accounts receivable, of Engineered Wire Products, Inc. ("EWP"), a leading manufacturer of welded wire reinforcement products for use in nonresidential and residential construction, and certain related assets of Liberty Steel Georgetown Inc. ("LSG"), for a purchase price of approximately \$70.0 million, subject to certain adjustments (the "Acquisition"). Under the terms of the Acquisition, Insteel acquired, among other assets, EWP's inventories and production equipment and EWP's Upper Sandusky, Ohio and Warren, Ohio production

facilities. Insteel also acquired certain equipment of LSG located in Georgetown, South Carolina, but such Georgetown facility was otherwise excluded from the Acquisition. The Acquisition purchase price is subject to an adjustment based on EWP's closing inventory balance. The Acquisition was funded with cash on hand. The Acquisition will be accounted for in accordance with ASC Topic 805, "Business Combinations", with the assets acquired recorded at their fair values as of the acquisition date. Based on the timing of the Acquisition and lack of available information, we determined it to be impracticable to disclose a preliminary purchase price allocation at this time.

Report of Independent Registered Public Accounting Firm Consolidated Financial Statements

Board of Directors and Shareholders

Insteel Industries Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Insteel Industries Inc. (a North Carolina corporation) and subsidiaries (the "Company") as of September 28, 2024 and September 30, 2023, the related consolidated statements of operations, comprehensive income, changes in shareholders' equity, and cash flows for each of the three years in the period ended September 28, 2024, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of September 28, 2024 and September 30, 2023, and the results of its operations and its cash flows for each of the three years in the period ended September 28, 2024, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of September 28, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated October 24, 2024 expressed an unqualified opinion.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance

with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined there are no critical audit matters.

/s/ Grant Thornton LLP

We have served as the Company's auditor since 2002.

Charlotte, North Carolina

October 24, 2024

Item 9 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We have conducted an evaluation of the effectiveness of our disclosure controls and procedures as of September 28, 2024. This evaluation was conducted under the supervision and with the participation of management, including our principal executive officer and our principal financial officer. Based upon that evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed in the reports that we file or submit under the Securities

Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms. Furthermore, we concluded that our disclosure controls and procedures were effective to ensure that such information is accumulated and communicated to management, including our principal executive officer and our principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting and the preparation of our financial statements for external purposes in accordance with generally accepted accounting principles. Internal control over financial reporting includes: (1) maintaining records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets; (2) providing reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are made only in accordance with authorizations of management and directors; and (3) providing reasonable assurance that unauthorized acquisition, use or disposition of assets that could have a material effect on financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting can only provide reasonable assurance that a misstatement of financial statements would be prevented or detected. Also, projections of

any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting based on the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in the 2013 Internal Control – Integrated Framework. Based on this assessment, our management concluded that our internal control over financial reporting was effective as of September 28, 2024. During the quarter ended September 28, 2024, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our independent registered public accounting firm has issued an audit report on the effectiveness of our internal control over financial reporting as of September 28, 2024, which appears below.

Report of Independent Registered Public Accounting Firm Internal Control Over Financial Reporting

Board of Directors and Shareholders

Insteel Industries Inc.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Insteel Industries Inc. (a North Carolina corporation) and subsidiaries (the “Company”) as of September 28, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 28, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended September 28, 2024, and our report dated October 24, 2024 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management’s Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding

of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Grant Thornton LLP

Charlotte, North Carolina

October 24, 2024

Item 9B Other Information

Insider Adoption or Termination of Trading Arrangements

During the fiscal quarter ended September 28, 2024, none of our directors or officers adopted or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Item 408 of Regulation S-K.

Item 9C Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10 Directors, Executive Officers and Corporate Governance

The information called for by this item and not presented herein appears under the captions “Item Number One: Election of Directors”, “Security Ownership of Directors and Executive Officers – Delinquent Section 16(a) Reports” and “Corporate Governance Guidelines and Board Matters” in our Proxy Statement for the 2025 Annual Meeting of Shareholders and is incorporated herein by reference. Information on executive officers appears under the caption “Information About Our Executive Officers” in Part I of this Annual Report.

We have adopted a Code of Business Conduct that applies to all directors, officers and employees, which is available on our website at <https://investor.insteel.com>. To the extent permissible under applicable law (the rules of the SEC or NYSE listing standards), we intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K by posting on our website any amendment or waiver to a provision of our Code of Business Conduct that requires disclosure under applicable law (the rules of the SEC or NYSE listing standards). Our website does not constitute part of this Annual Report on Form 10-K.

Item 11 Executive Compensation

The information called for by this item appears under the captions “Executive Compensation”, “Compensation Committee Interlocks and Insider Participation” and “Director Compensation” in our Proxy Statement for the 2025 Annual Meeting of Shareholders and is incorporated herein by reference.

Item 12 Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information called for by this item appears under the captions “Security Ownership of Certain Beneficial Owners”, “Security Ownership of Directors and Executive Officers” and “Equity Compensation Plan Information” in our Proxy Statement for the 2025 Annual Meeting of Shareholders and is incorporated herein by reference.

Item 13 Certain Relationships and Related Transactions, and Director Independence

The information called for by this item appears under the captions “Certain Relationships and Related Person Transactions” and “Corporate Governance Guidelines and Board Matters” in our Proxy Statement for the 2025 Annual Meeting of Shareholders and is incorporated herein by reference.

Item 14 Principal Accounting Fees and Services

The information called for by this item appears under the caption “Item Number Three: Ratification of the Appointment of Grant Thornton LLP as our Independent Registered Public Accounting Firm” in our Proxy Statement for the 2025 Annual Meeting of Shareholders and is incorporated herein by reference.

PART IV

Item 15 Exhibits, Financial Statement Schedules

(a)(1) Financial Statements

The financial statements as set forth under Item 8 are filed as part of this report.

(a)(2) Financial Statement Schedules

All other schedules have been omitted because they are either not required or not applicable.

(a)(3) Exhibits

The list of exhibits filed as part of this annual report is set forth on the Exhibit Index immediately preceding the signatures to this annual report and is incorporated herein by reference.

(b) Exhibits

See Exhibit Index on pages 50 and 51.

(c) Financial Statement Schedules

See Item 15(a)(2) above.

Item 16 Form 10-K Summary

None.

Exhibit Index

Exhibit Number	Description
3.1	Restated Articles of Incorporation for the Company (incorporated by reference to Exhibit 3.1 of the Company's Registration Statement on Form S-1 filed on May 2, 1985).
3.2	Articles of Amendment to the Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K dated May 3, 1988).
3.3	Articles of Amendment to the Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 1999 filed on May 14, 1999).
3.4	Articles of Amendment to the Restated Articles of Incorporation of the Company (incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended April 3, 2010 filed on April 26, 2010).
3.5	Bylaws of the Company (as last amended August 15, 2023) (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed on August 15, 2023).
4.1	Description of Securities (incorporated by reference to Exhibit 4.4 to the Company's Annual Report on Form 10-K filed on October 25, 2019).
10.1	Third Amended and Restated Credit Agreement dated as of May 15, 2019, among Insteel Wire Products Company, as Borrower; Insteel Industries, Inc., as a Credit Party; and Wells Fargo Bank, as Agent and Lender (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 16, 2019).
10.2	Guaranty and Second Amended and Restated Security Agreement dated as of May 15, 2019, among Insteel Industries, Inc., Insteel Wire Products Company, Intercontinental Metals Corporation, and Wells Fargo Bank, as administrative agent (incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K filed May 16, 2019).
10.3	First Amendment to Third Amended and Restated Credit Agreement dated as of March 15, 2023, among Insteel Wire Products Company, as Borrower; Insteel Industries, Inc., as Parent, and Wells Fargo Bank, N.A., as Agent and Lender (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed March 17, 2023).
10.4*	Amended and Restated Change in Control Severance Agreement between Insteel Industries Inc. and H.O. Woltz III dated November 14, 2006.
10.5*	Amended and Restated Severance Agreement between Insteel Industries Inc. and H.O. Woltz III dated November 14, 2006.
10.6*	Form of Change in Control Severance Agreement between Insteel Industries Inc. and certain of its executive officers and schedule of all such agreements with current executive officers.
10.7*	Form of Retirement Security Agreement between Insteel Industries Inc. and certain of its executive officers and schedule of all such agreements with current executive officers.
10.8*	Summary of amendments to the Insteel Industries, Inc. Director Compensation Plan (incorporated by reference to exhibit 10.23 of the Company's Annual Report on Form 10-K for the fiscal year ended September 27, 2008 filed on November 18, 2008).
10.9*	Insteel Industries, Inc. Return on Capital Incentive Compensation Plan (as amended and restated effective August 12, 2008) (incorporated by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed on February 13, 2009).
10.10*	2015 Equity Incentive Plan of Insteel Industries, Inc. (incorporated by reference to Exhibit 99 filed with the Company's Registration Statement on Form S-8, filed with the SEC on February 17, 2015 (File No. 333-202128)).
10.11*	Form of Stock Option Agreement under the 2015 Equity Incentive Plan of Insteel Industries, Inc. (incorporated by reference to Exhibit 10.22 of the Company's Annual Report on Form 10-K filed on October 25, 2019).
10.12*	2019 Declaration of Amendment to 2015 Equity Incentive Plan of Insteel Industries, Inc. (incorporated by reference to Exhibit 99.2 to the Company's Registration Statement on Form S-8 filed on February 28, 2020 (File No. 333-236744)).
10.13*	Form of Restricted Stock Unit Agreement under the 2015 Equity Incentive Plan of Insteel Industries, Inc. (incorporated by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q filed on March 21, 2022)

Exhibit Number	Description
10.14*	Form of Stock Option Agreement under the 2015 Equity Incentive Plan of Insteel Industries, Inc. (incorporated by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q filed on March 21, 2022)
10.15*	Form of Stock Option Agreement under the 2015 Equity Incentive Plan of Insteel Industries, Inc.
19.1	Insteel Industries Inc. Insider Trading Policy
21.1	List of Subsidiaries of Insteel Industries, Inc. at September 28, 2024.
23.1	Consent of Independent Registered Public Accounting Firm.
24.1	Powers of Attorney (included on the signature pages hereto).
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97.1	Insteel Industries, Inc. Clawback Policy for Executive Officers (incorporated by reference to Exhibit 97.1 of the Company's Annual Report on Form 10-K filed on October 26, 2023).
101	The following financial information from our Annual Report on Form 10-K for the fiscal year ended September 28, 2024, filed on October 24, 2024, formatted in iXBRL (Inline eXtensible Business Reporting Language) includes: (i) the Consolidated Statements of Operations for the years ended September 28, 2024, September 30, 2023, and October 1, 2022, (ii) the Consolidated Statements of Comprehensive Income for the years ended September 28, 2024, September 30, 2023, and October 1, 2022, (iii) the Consolidated Balance Sheets as of September 28, 2024, and September 30, 2023, (iv) the Consolidated Statements of Cash Flows for the years ended September 28, 2024, September 30, 2023 and October 1, 2022, (v) the Consolidated Statements of Shareholders' Equity as of September 28, 2024, September 30, 2023, and October 1, 2022 and (vi) the Notes to Consolidated Financial Statements.
104	The cover page from our Annual Report on Form 10-K for the year ended September 28, 2024, filed October 24, 2024, formatted in iXBRL (included in Exhibit 101).

* Management contracts or compensation plans or arrangements in which directors or executive officers are eligible to participate.
Our SEC file number reference for documents filed with the SEC pursuant to the Securities Exchange Act of 1934, as amended, is 1-09929.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

INSTEEL INDUSTRIES INC.

Registrant

By: /S/ SCOT R. JAFROODI

Scot R. Jafroodi

Vice President, Chief Financial Officer and Treasurer

Date: October 24, 2024

Power of Attorney

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints jointly and severally H.O. Woltz III, Scot R. Jafroodi and Elizabeth C. Southern, and each one of them, his or her attorneys-in-fact, each with the power of substitution, for him or her in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each said attorneys-in-fact, or his or her substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed on October 24, 2024 below by the following persons on behalf of the registrant and in the capacities indicated:

Name and Signature	Position(s)
/s/ H. O. WOLTZ III	
H. O. WOLTZ III	<i>President, Chief Executive Officer and Chairman of the Board (Principal Executive Officer)</i>
/s/ SCOT R. JAFROODI	
SCOT R. JAFROODI	<i>Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)</i>
/s/ ABNEY S. BOXLEY III	
ABNEY S. BOXLEY III	<i>Director</i>
/s/ ANNE H. LLOYD	
ANNE H. LLOYD	<i>Director</i>
/s/ W. ALLEN ROGERS II	
W. ALLEN ROGERS II	<i>Director</i>
/s/ JON M. RUTH	
JON M. RUTH	<i>Director</i>
/s/ JOSEPH A. RUTKOWSKI	
JOSEPH A. RUTKOWSKI	<i>Director</i>
/s/ G. KENNEDY THOMPSON	
G. KENNEDY THOMPSON	<i>Director</i>

Exhibit 21.1 List of Subsidiaries of Insteel Industries Inc.

The following is a list of our subsidiaries as of September 28, 2024, each of which is wholly-owned:

Name	State or Other Jurisdiction of Incorporation
Insteel Wire Products Company	North Carolina
Intercontinental Metals Corporation	North Carolina

Exhibit 23.1 Consent of Independent Registered Public Accounting Firm

We have issued our reports dated October 24, 2024 with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of Insteel Industries Inc. on Form 10-K for the year ended September 28, 2024. We consent to the incorporation by reference of said reports in the Registration Statements of Insteel Industries Inc. on Forms S-8 (File No. 033-61889, File No. 033-61887, File No. 333-236744, File No. 333-48011, File No. 333-30934, File No. 333-123325, File No. 333-179670, and File No. 333-202128).

/s/ Grant Thornton LLP

Charlotte, North Carolina

October 24, 2024

CORPORATE INFORMATION

Board of Directors

ABNEY S. BOXLEY, III ^(2,3)

Retired Executive Vice President
Summit Materials, Inc.

BLAKE K. DOYLE ⁽¹⁾

Managing Director
Chevy Chase Trust Company

ANNE H. LLOYD ^(1,2)

Retired Executive Vice President and
Chief Financial Officer
Martin Marietta Materials, Inc.

W. ALLEN ROGERS II ^(1,3)

Lead Independent Director
Retired Principal
Ewing Capital Partners, LLC
Partner
Peter Browning Partners, LLC

JON M. RUTH ^(2,3)

Retired Vice President
Cargill

JOSEPH A. RUTKOWSKI ^(2,3)

Retired Principal
Winyah Advisors LLC

G. KENNEDY THOMPSON ^(1,2)

Retired Partner
Aquiline Capital Partners LLC

H.O. WOLTZ III

Chairman, President and
Chief Executive Officer
Insteel Industries Inc.

⁽¹⁾ Member of the Audit Committee

⁽²⁾ Member of the Executive Compensation
Committee

⁽³⁾ Member of the Nominating and Governance
Committee

Executive Officers

H.O. WOLTZ III

Chairman, President and
Chief Executive Officer

SCOT R. JAFROODI

Vice President,
Chief Financial Officer and Treasurer

ELIZABETH C. SOUTHERN

Vice President Administration,
Secretary and Chief Legal Officer

RICHARD T. WAGNER

Senior Vice President,
Chief Operating Officer

JAMES R. YORK

Senior Vice President,
Sourcing and Logistics

Shareholder Information

CORPORATE HEADQUARTERS

1373 Boggs Drive
Mount Airy, North Carolina 27030
(336) 786-2141

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Grant Thornton LLP
Charlotte, North Carolina

ANNUAL MEETING

Insteel shareholders are invited to attend
our annual meeting, which will be held on
February 11, 2025 at 9:00 a.m. ET at the
Cross Creek Country Club, 1129 Greenhill
Road, Mount Airy, North Carolina 27030.

COMMON STOCK

Insteel's common stock
trades on the New York Stock
Exchange under the symbol
IIN. As of October 22, 2024,
there were 427 shareholders of record.



SHAREHOLDER SERVICES

For change of name, address or ownership
of stock; to replace lost stock certificates; or
to consolidate accounts, please contact:
Equiniti Trust Company, LLC
Operations Center
6201 15th Avenue
Brooklyn, New York 11219
(800) 937-5449
[https://equiniti.com/us/ast-access/
individuals/](https://equiniti.com/us/ast-access/individuals/)

INVESTOR RELATIONS

For information on Insteel, additional copies
of this report or other financial information,
contact Investor Relations at (336) 786-2141
or investors@insteel.com. You may also
visit the Investors section of our web site
at <http://investor.insteel.com>.

Forward-Looking Statements

Any statements in this 2024 Annual Report
that are not entirely historical in nature
constitute forward-looking statements
within the meaning of the safe harbor
provisions of the Private Securities
Litigation Reform Act of 1995. For important
information regarding forward-looking
statements, please read the "Cautionary
Note Regarding Forward-Looking
Statements" on page 4 of Insteel's Annual
Report on Form 10-K for the year ended
September 28, 2024, which is included as
part of this 2024 Annual Report.



1373 Boggs Drive
Mount Airy, North Carolina 27030

www.insteel.com