



Aperam announces the signing of a Share Purchase Agreement with Franz Haniel & Cie. GmbH to acquire ELG, a global leader in stainless and alloys recycling

Placing the circular economy at the core of Aperam's growth strategy

Luxembourg May 6, 2021 (13:15 CET) - Aperam, announces today a strategic transaction to further strengthen its cost and ESG leadership position with the signature of a Share Purchase Agreement with Franz Haniel & Cie. GmbH to acquire ELG for an Enterprise Value of EUR 357 million (Equity value EUR 30 million) .

ELG is a global leader in collecting, trading, processing and recycling of stainless steel scrap and high performance alloys, delivering 1.3 m tonnes of materials annually, employing ~1,300 FTEs in 52 locations in 18 countries. ELG generated an adj. EBITDA of EUR55 million through the cycle. The acquisition is subject to customary regulatory approvals. The transaction is expected to be completed during the second half of 2021.

The acquisition of ELG will put Aperam at the core of the circular economy and enable capturing value in the global recycling industry. Investing in sustainable recycling will further improve Aperam's leading environmental footprint and support the company's CO2 reduction targets. The transaction will enable Aperam to improve its input mix and to expand into the supply of raw materials. Total minimum synergies of EUR 24 million are expected within three years. Combined with phase 4 of the Leadership Journey, Aperam will achieve its next level of competitive excellence. The transaction is expected to be value creative from year 1 and executed in line with Aperam's financial policy.

Mr. Timoteo Di Maulo, Chief Executive Officer of Aperam, commented: "The acquisition of ELG's recycling business will further transform and strengthen Aperam. The combination will benefit our stakeholders by creating value in the recycling industry. It will also accelerate Aperam's expansion into geographies and industries that are complementary to its current portfolio. Aperam intends to operate ELG as a fully separate and independent company. ELG will continue to serve all of its customers in their best interest."

Aperam will hold an investor conference call & webcast with its senior management, tomorrow 7 May 2021 at 13:00 pm CET, with the following dial-in details:

Webcast link: https://channel.royalcast.com/landingpage/aperam/20210507_1/

UK: +44 (0) 33 0551 0200 FR: +33 (0) 1 7037 7166 US: +1 202 204 1514

Password: Aperam

About Franz Haniel & Cie. GmbH

Franz Haniel & Cie. GmbH is a 100 percent family-owned company which has been headquartered in Duisburg since it was founded in 1756. It manages a portfolio of independent businesses with the goal to make all investments "enkelfähig" and create value for generations. To that end, it pursues a structured investment strategy along the three pillars "People. Planet. Progress"; combining a strict focus on sustainability with a clear focus on performance. The portfolio companies are managed on the basis of a joint management model – the Haniel Operating Way (HOW) – and are expected to share a performance-oriented culture. Currently, the Haniel portfolio comprises eight business units: BauWatch, BekaertDeslee, CWS, ELG, EMMA, Optimar, ROVEMA and TAKKT. In addition, there is also a financial investment in CECONOMY.

You can find more information about Haniel at www.haniel.de/en.

About ELG

ELG, a specialist in trading, processing, and recycling raw materials for the stainless-steel industry as well as high-performance materials such as superalloys and titanium, has been part of the Haniel portfolio since 1983. In the past 40 years, the division has developed into a leading company in its sector.

About Aperam

Aperam is a global player in stainless, electrical and specialty steel, with customers in over 40 countries. The business is organised in three primary operating segments: Stainless & Electrical Steel, Services & Solutions and Alloys & Specialties.

Aperam has a flat Stainless and Electrical steel capacity of 2.5 million tonnes in Brazil and Europe and is a leader in high value specialty products. In addition to its industrial network, spread over six production facilities in Brazil, Belgium and France, Aperam has a highly integrated distribution, processing and services network and a unique capability to produce stainless and special steels from low cost biomass (charcoal made from its own FSC-certified forestry).

In 2020, Aperam had sales of EUR 3,624 million and steel shipments of 1.68 million tonnes.

For further information, please refer to our website at www.aperam.com

Deutsche Bank Aktiengesellschaft has acted as financial adviser to Aperam in connection with the transaction.

Contact

Corporate Communications / Laurent Beauloye: +352 27 36 27 103 ; laurent.beuloye@aperam.com
Investor Relations / Thorsten Zimmermann: +352 27 36 67 304 ; thorsten.zimmermann@aperam.com