



## Aperam expands Alloys footprint to the Aerospace and Industrial markets in the United States

- Signs definitive agreement to acquire Universal Stainless & Alloy Products, Inc at \$45.00/share in an all cash / fully debt funded transaction
- High synergies of \$30m annually make transaction earnings, cash flow and value accretive
- Closing is expected for H1 2025
- Aperam confirms its progressive dividend policy

Luxembourg 17 October, 2024 (7:30 CEST) - Aperam S.A. (Aperam), a global leader in stainless, specialty steel solutions and recycling is announcing the signing of a definitive agreement to acquire Universal Stainless & Alloy Products, Inc. (Universal) [Nasdaq: USAP], a leading manufacturer of specialty steel products for critical Aerospace & Industrial applications in the U.S., at a price of \$45.00 per share in an all-cash transaction. The purchase price represents a premium of 3.6% to Universal's closing stock price on October 16, 2024, and a premium of 19% to the volume-weighted average price for the last 3 months. The transaction values Universal Stainless & Alloy Products at an enterprise value of approximately \$539 million. The payment of the purchase price is secured by the commitment of 5 core banks to enter into a bridge facility agreement.

This acquisition is a key milestone in Aperam's strategy to strengthen its market position, broaden its geographic presence and product range by expanding its presence in high-growth sectors such as aerospace and industrial applications. The deal is another major step in Aperam's ongoing transformation of its value chain, offering a more differentiated and resilient portfolio to reduce cyclicity and better respond to market demands, particularly in the United States.

Headquartered in Bridgeville, Pennsylvania, Universal employs approximately 750 employees across four U.S. manufacturing locations. Universal specialises in producing and marketing semi-finished and finished specialty steels, serving a variety of industries. As one of the leading suppliers of stainless & alloy steels to the U.S. aerospace long product market, Universal is expected to reach revenues of around \$330 million and approximately \$70 million adjusted EBITDA in 2024 based on current Bloomberg consensus estimates. Led by a proven management team, Universal delivered record annual sales, including premium alloy sales, in 2023 and has been delivering eleven consecutive quarters of year-on-year sales growth since Q4 2021.

This transaction enables both companies to enter new markets across Europe and the US. With no overlap in their commercial offerings, or assets; the combination will result in recurring synergies of \$30 million per annum, provide customers with a larger product portfolio, shorter lead times, reduced supply risk and expanded global customer services.

"Today marks an exciting milestone in Aperam's journey to become one of the global leaders in specialty steels. Universal shares our vision for sustainable growth and innovation, and we are confident that this partnership will yield significant benefits for both our customers and shareholders,". "Our combined expertise and resources will allow us to deliver superior solutions that meet the growing demand for high-quality, sustainable solutions. This acquisition not only aligns with our long-term strategy but also strengthens our commitment to diversify into specialties in stainless steel and alloys and increasing exposure to more stable, high-margin industries." said Timoteo Di Maulo, CEO of Aperam

Christopher Zimmer, President & Chief Executive Officer of Universal Stainless & Alloy Products, commented: "Joining a global leader with the breadth and complementary capabilities of Aperam will enable us to accelerate our growth momentum, which has been driven by our strong position in aerospace and industrial markets. Capitalizing on synergistic opportunities together will enhance our ability to respond to robust and long-term market demand internationally."

The transaction, which has been unanimously approved by the board of directors of both Aperam and Universal, is expected to close during the first half of 2025, subject to obtaining majority vote of Universal's shareholders, receipt of regulatory approvals and other customary closing conditions. Integration and other costs related to the acquisition are expected to be low given the complementary businesses of both companies.

Jefferies LLC is serving as the exclusive financial advisor to Aperam. Linklaters LLP is serving as legal counsel to Aperam.

### Conference Call / Webcast

Aperam will hold an investor conference call & webcast with its senior management, today, 17 October 2024, at 13:00 CEST, with the following dial-in details:

Webcast link: [https://channel.royalcast.com/landingpage/aperam/20241011\\_1](https://channel.royalcast.com/landingpage/aperam/20241011_1)

Dial-in numbers:

USA:	+1 786 697 3501	Netherlands:	+31 (0) 20 708 5073
UK:	+44 (0) 33 0551 0200	France:	+33 (0) 1 70 37 7166
Germany:	+49 (0) 30 3001 90612		

Password: Aperam

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### About Aperam

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

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). For further information, please refer to our website at [www.aperam.com](http://www.aperam.com)

### About Universal Stainless & Alloy Products

Universal Stainless & Alloy Products, established in 1994 and headquartered in Bridgeville, PA, manufactures and markets semi-finished and finished specialty steels, including stainless steel, nickel alloys, tool steel and certain other alloyed steels. Universal's products are used in a variety of industries, including aerospace, energy, and heavy equipment manufacturing. More information is available at [www.univstainless.com](http://www.univstainless.com).

## Forward-Looking Statements

This press release contains certain “forward-looking” statements within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the U.S. Securities Exchange Act of 1934, as amended, concerning Universal and the proposed merger between Aperam and Universal. All statements other than statements of fact, including information concerning future results, are forward-looking statements. These forward-looking statements are generally identified by the words “anticipate,” “believe,” “estimate,” “expect,” “seek,” “intend,” “may,” “will,” “could” or similar expressions. Such forward-looking statements include, but are not limited to, statements about the benefits of the proposed merger, including anticipated future synergies, accretion and growth rates, Aperam’s or Universal’s plans, objectives, expectations and intentions, and the expected timing of completion of the proposed merger. There are several factors which could cause actual plans and results to differ materially from those expressed or implied in forward-looking statements. Such factors include, but are not limited to, the failure to obtain, or delays in obtaining, required regulatory clearances, the failure to obtain necessary stockholder approvals, the satisfaction of the conditions to closing the transaction in the anticipated timeframe or at all, the occurrence of events that may give rise to a right of one or both of the parties to terminate the merger agreement; negative effects of the announcement, pendency or consummation of the merger including as a result of changes in key customer, supplier, employee or other business relationships; the risk of litigation or regulatory actions; the risk that certain contractual restrictions contained in the merger agreement during the pendency of the proposed merger could adversely affect Universal’s ability to pursue business opportunities or strategic transactions; effects of changes in the regulatory environment in which Universal and Aperam operate; changes in global, political, economic, business, competitive and market conditions; changes in tax and other laws and regulations; and other risks and uncertainties detailed in Universal’s filings with the Securities and Exchange Commission (“SEC”), including Universal’s Annual Report on Form 10-K for the year ended December 31, 2023, copies of which are available from the SEC or may be obtained upon request from Universal. Forward-looking statements are based on current expectations and assumptions, which are subject to risks and uncertainties that may cause actual results and the timing of events to differ materially from those expressed in or implied by such forward-looking statements. Given these risks and uncertainties, persons reading this communication are cautioned not to place undue reliance on such forward-looking statements. Aperam and Universal assume no obligation to update or revise the information contained in this communication (whether as a result of new information, future events, changes in its expectations, other circumstances that exist after the date as of which the forward-looking statements were made or otherwise), except as required by applicable law.

## Important Additional Information

In connection with the proposed merger, Universal Stainless & Alloy Products, Inc intends to file with the SEC relevant materials, including a proxy statement. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THE PROXY STATEMENT AND OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER. When final, a definitive copy of the proxy statement will be sent to Universal stockholders. Investors and security holders will be able to obtain the proxy statement and other relevant documents free of charge from the SEC’s website or from Universal. The documents filed by Universal with the SEC may be obtained free of charge at Universal’ website, at <https://investors.univstainless.com/financial-information/sec-filings>, or at the SEC’s website, at [www.sec.gov](http://www.sec.gov). These documents may also be obtained free of charge from Universal by requesting them by mail at [info@univstainless.com](mailto:info@univstainless.com).

## Participants in the Solicitation

Aperam and Universal and certain of their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of consents in respect of the proposed merger. Information about Universal’s directors and executive officers is available in Universal’s Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 29, 2024. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the proxy statement and other relevant materials to be filed with the SEC

regarding the proposed merger when they become available. Investors should read the proxy statement carefully when it becomes available before making any voting or investment decisions.

#### **No Offer or Solicitation**

This communication is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, and is not a substitute for the proxy statement or any other document that Universal may file with the SEC, nor shall there be any sale of securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act.