Polar Semiconductor Investment and Expansion

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MANCHESTER, N.H., Jan. 27, 2023 (GLOBE NEWSWIRE) -- Allegro MicroSystems, Inc. (“Allegro”) (Nasdaq: ALGM) a global leader in power and sensing semiconductor technology for motion control and energy efficient systems, today announced that Polar Semiconductor (“Polar”), a company jointly-owned by Allegro and Sanken Electric Co., Ltd. (“Sanken”), and one of Allegro’s primary suppliers of 200 millimeter wafers, is expected to receive a $150 million equity investment from an affiliate of One Equity Partners to expand 200 millimeter sensor and high voltage power wafer capacity at its fabrication facility in Bloomington, Minnesota. In conjunction with this investment, Polar is also pursuing U.S. CHIPS Act funding to further invest in its capacity and cost leadership initiatives to supply sensor and high voltage power wafers for critical automotive and industrial applications.

This investment is expected to provide Allegro with expanded U.S.-based capacity to support customers for years to come. “We appreciate our longstanding relationship with Polar and look forward to continued partnership to support anticipated growing customer demand,” said Vineet Nargolwala, Allegro Microsystems President, and CEO.

The transaction is expected to close in the first quarter of Allegro’s 2024 fiscal year.

About Allegro MicroSystems
Allegro MicroSystems is a leading global designer, developer, fabless manufacturer and marketer of sensor integrated circuits (“ICs”) and application-specific analog power ICs enabling emerging technologies in the automotive and industrial markets. Allegro’s diverse product portfolio provides efficient and reliable solutions for the electrification of vehicles, automotive ADAS safety features, automation for Industry 4.0 and power saving technologies for data centers and green energy applications.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s current expectations, beliefs and assumptions and on information currently available to us. Such statements are subject to a number of known and unknown risks, uncertainties and assumptions, and actual results may differ materially from those expressed or implied in the forward-looking statements due to various important factors, including, but not limited to, the timing and amount, if any, of Polar CHIPS Act funding; the completion of the equity investment described herein and the satisfaction of any conditions thereto; the completion of Polar’s facility and manufacturing expansion and the availability of additional supply from Polar following such expansion; and other important factors discussed under the caption “Risk Factors” in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”) on May 18, 2022, as amended by Amendment No. 1 on Form 10-K/A filed with the SEC on August 29, 2022, as any such factors may be updated from time to time in our other filings with the SEC, which are accessible on the SEC’s website at *www.sec.gov* and the Investors Relations page of our website at *investors.allegromicro.com*.

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