



Allegro MicroSystems Announces Allocation of Increased Term Loan and Refinancing of Existing Term Loan

07/31/2024

MANCHESTER, N.H., July 31, 2024 (GLOBE NEWSWIRE) -- Allegro MicroSystems, Inc. ("Allegro") (Nasdaq: ALGM), a global leader in power and sensing solutions for motion control and energy-efficient systems, today announced the allocation of a \$400,000,000 term loan tranche (the "Term Loan"), consisting of new term loans incurred, in relevant part, to facilitate the repurchase of shares from Allegro's majority shareholder, Sanken Electric Co., Ltd. ("Sanken"), to fully refinance Allegro's existing term loan facility, and otherwise for general corporate purposes. The new term loan tranche is expected to have a maturity date of October 31, 2030 and to bear interest at an annual rate based on the Secured Overnight Financing Rate ("SOFR") plus an interest rate margin of 2.25%, which annual rate represents a 0.50% per annum reduction as compared to Allegro's existing term loan facility. The foregoing transactions are subject to market and other conditions, and there can be no assurance as to whether, or when, the transactions may be completed or as to the actual size or terms of the Term Loan.

Morgan Stanley, Barclays, UBS, Bank of America, JPMorgan, Mizuho and SMBC are acting as joint lead arrangers and book-runners for the Term Loan.

PJT Partners is acting as financial advisor to Allegro.

About Allegro MicroSystems

Allegro MicroSystems, Inc. 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 clean energy applications.

About Sanken

Sanken's mission as a company is to provide optimal solutions in the broad and expansive field of electricity and electronics with semiconductors, its core business, power electronics and peripheral fields. Sanken provides products globally for the increasingly electrified automotive industry, as well as for white goods and industrial equipment, which are becoming more energy efficient as demand for electricity increases. Sanken Electric works to constantly innovate its technological capabilities and provides products of assured quality to help solve global environmental and social issues and further develop industry, the economy and culture.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including statements regarding the allocation of the Term Loan, the refinancing of existing term loans and the repurchase of shares from Sanken, each as described above. These forward-looking statements are based on management's current expectations. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the factors discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 29, 2024, filed with the SEC on May 23, 2024, and our other filings with the SEC, any of which could cause actual results to differ materially from those indicated by the forward-looking statements made in this press release. Any such forward-looking statements represent management's estimates as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change, except as required by law. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release.

Contact:

Jalene Hoover
VP of Investor Relations & Corporate Communications
+1 (512) 751-6526
jhoover@allegromicro.com