

Allied Motion Acquires Spectrum Controls, Inc., a Leader in Industrial Control Solutions

AMHERST, N.Y.--(BUSINESS WIRE)--Dec. 31, 2021-- Allied Motion Technologies Inc. (Nasdaq: AMOT) (“Allied Motion” or the “Company”), a designer and manufacturer of precision and specialty controlled motion products and solutions for the global market, announced today that it has acquired Spectrum Controls, Inc. (“Spectrum”), an innovator and manufacturer of a wide variety of Industrial I/O and Universal Communications Gateway products.

“Spectrum has a long history of innovation, partnership, and customized customer fulfillment, and we are excited to welcome the entire Spectrum team to the Allied family. This acquisition is an excellent strategic fit and provides us with a tremendous opportunity to enhance our position as a value-added solutions supplier to the industrial automation and industrial controls market,” commented Dick Warzala, Chairman and CEO. “In addition, Spectrum enhances our customer base, adds significant engineering resources and has the technology and know-how to provide solutions that meet the system requirements of Functional Safety.”

Bruce Wanta, Founder and President of Spectrum, stated, “Allied has built an impressive organization. We believe that given their strong leadership team and their One Allied culture, we have found the ideal partner to successfully execute on the many strategic initiatives and opportunities we have in front of us. We look forward to a bright future together.”

Mr. Warzala further added, “We believe we can drive growth by leveraging Spectrum’s strong partner relationships with large industrial automation companies, utilizing their global distribution channels, and benefiting from the continued digital transformation around IIoT, AI and analytics that are driving the increased use of smart factory floor devices.”

In 2022, Spectrum is expected to be accretive to both Allied’s earnings per share and gross margin profile. The acquisition structure includes a tax election that is expected to offset cash taxes by approximately \$10 million over the next 15 years.

Founded in 1983 and headquartered in Bellevue, WA, Spectrum designs and manufactures a wide range of highly sophisticated I/O modules, marquee displays, and industrial gateways for broad industrial controls applications through partnerships with PLC manufacturers and distributors. With approximately 72 employees, Spectrum serves large industrial automation projects and specialty applications domestically and throughout the world, including Europe, Asia, the Americas, and the Middle East. For more information visit <https://www.spectrumcontrols.com>.

About Allied Motion Technologies Inc.

Allied Motion (Nasdaq: AMOT) designs, manufactures and sells precision and specialty controlled motion products and solutions used in a broad range of industries within our major served markets, which include Vehicle, Medical, Aerospace & Defense, and Industrial. Headquartered in Amherst, NY, the Company has global operations and sells into markets across the United States, Canada, South America, Europe, and Asia-Pacific.

Allied Motion is focused on controlled motion applications and is known worldwide for its expertise in electro-magnetic, mechanical, and electronic motion technology. Its products include brush and brushless DC motors, brushless servo and torque motors, coreless DC motors, integrated brushless motor-drives, gear motors, gearing, modular digital servo drives, motion controllers, incremental and absolute optical encoders, active (electronic) and passive (magnetic) filters for power quality and harmonic issues, and other controlled motion-related products.

The Company's growth strategy is focused on being the controlled motion solutions leader in its selected target markets by leveraging its "technology/know how" to develop integrated precision solutions that utilize multiple Allied Motion technologies to "change the game" and create higher value solutions for its customers. The Company routinely posts news and other important information on its website at www.alliedmotion.com.

Safe Harbor Statement

The statements in this news release that relate to future plans, events or performance are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate, or imply future results, performance, or achievements. Examples of forward-looking statements include, among others, statements the Company makes

regarding its ability to realize the potential benefits of the Spectrum Controls acquisition and to successfully integrate its operations; expected rates of growth and capturing market opportunities. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on the Company's current beliefs, expectations and assumptions regarding the future of the Company's business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. The Company's actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting the Company's customers and suppliers, competitor responses to the Company's products and services, the overall market acceptance of such products and services, the pace of bookings relative to shipments, the ability to expand into new markets and geographic regions, the success in acquiring new business, the impact of changes in income tax rates or policies, the severity, magnitude and duration of the COVID-19 pandemic, including impacts of the pandemic and of businesses' and governments' responses to the pandemic on our operations and personnel, and on commercial activity and demand across our and our customers' businesses, and on global supply chains; our inability to predict the extent to which the COVID-19 pandemic and related impacts will continue to adversely impact our business operations, financial performance, results of operations, financial position, the prices of our securities and the achievement of our strategic objectives and other factors disclosed in the Company's periodic reports filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict the occurrence of those matters or the manner in which they may affect us. The Company has no obligation or intent to release publicly any revisions to any forward looking statements, whether as a result of new information, future events, or otherwise.

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