

Advanced Energy Completes the Acquisition of SL Power

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- **Expands addressable market by over \$400 million**
- **Broadens AE's reach with complementary products and customers**
- **Enhances strategy to grow in the industrial and medical market**

DENVER--(BUSINESS WIRE)-- Advanced Energy Industries, Inc. (Nasdaq: AEIS) – a global leader in highly engineered, precision power conversion, measurement and control solutions – today announced that it completed the previously announced acquisition of SL Power Electronics Corporation from Steel Partners Holdings L.P. (NYSE: SPLP). The acquisition adds complementary products to Advanced Energy's medical power offerings and extends its presence in several advanced industrial markets.

“The addition of SL Power expands our offerings for industrial and medical applications,” said Steve Kelley, president and CEO of Advanced Energy. “I believe SL Power's strong customer base, complementary product portfolio, and highly skilled team make it an ideal fit for Advanced Energy.”

The acquisition of SL Power Electronics is expected to be accretive to 2022 earnings on a non-GAAP basis and to generate over \$4 million of annualized cost synergies. Management intends to provide more detail on the forward-looking benefits of this acquisition when it announces the first quarter financial results on May 4, 2022.

About Advanced Energy

Advanced Energy Industries, Inc. (Nasdaq: AEIS) is a global leader in the design and manufacture of highly engineered, precision power conversion, measurement and control solutions for mission-critical applications and processes. Advanced Energy's power solutions enable customer innovation in complex applications for a wide range of industries including semiconductor equipment, industrial, manufacturing, telecommunications, data center computing and healthcare. With engineering know-how and responsive service and support for customers around the globe, the company builds collaborative partnerships to meet technology advances, propels growth of its customers and innovates the future of power. Advanced Energy has devoted four decades to perfecting power. It is headquartered in Denver, Colorado, USA. For more information, visit www.advancedenergy.com.

Advanced Energy | Precision. Power. Performance.

Non-GAAP Measures

Advanced Energy's non-GAAP measures exclude the impact of non-cash related charges such as stock-based compensation and amortization of intangible assets, as well as discontinued operations, and non-recurring items such as acquisition-related costs and restructuring expenses. The non-GAAP measures included in this release are not in accordance with, or an alternative for, similar measures calculated under generally accepted accounting principles and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Advanced Energy believes that these non-

GAAP measures provide useful information to management and investors to evaluate business performance without the impacts of certain non-cash charges, non-economic foreign currency remeasurements, and other cash charges which are not part of the company's usual operations. The company uses these non-GAAP measures to assess performance against business objectives, make business decisions, develop budgets, forecast future periods, assess trends, and evaluate financial impacts of various scenarios. In addition, management's incentive plans include these non-GAAP measures as criteria for achievements. Additionally, the company believes that these non-GAAP measures, in combination with its financial results calculated in accordance with GAAP, provide investors with additional perspective. While some of the excluded items may be incurred and reflected in the company's GAAP financial results in the foreseeable future, the company believes that the items excluded from certain non-GAAP measures do not accurately reflect the underlying performance of its continuing operations for the period in which they are incurred. The use of non-GAAP measures has limitations in that such measures do not reflect all of the amounts associated with the company's results of operations as determined in accordance with GAAP, and these measures should only be used to evaluate the company's results of operations in conjunction with the corresponding GAAP measures.

Forward-Looking Statements

Statements in this press release regarding the transaction among Advanced Energy, SL Power Electronics and Steel Partners Holdings L.P., future financial and operating results, benefits and synergies of the transaction, and any other statements about Advanced Energy's future expectations, beliefs, goals, plans, aspirations or prospects constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "will," "projects," "intends," "believes," "plans," "anticipates," "expects," "estimates," "forecasts," "continues" and similar expressions) should also be considered to be forward-looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including: (1) the ability of Advanced Energy to successfully integrate SL Power Electronics' operations and employees; (2) unexpected costs, charges or expenses resulting from the transaction; (3) the ability to realize anticipated synergies and cost savings; (4) the ability to realize the projected revenue, addressable market, synergy, earnings, EPS, margin expansion, cost savings and de-levering estimates and goals as described above and in the April 4, 2022 investor presentation; (5) competition from larger and more established companies in SL Power Electronics' markets; (6) Advanced Energy's ability to successfully grow SL Power Electronics' business; (7) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction; (8) the retention of key employees; and (9) legislative, regulatory, tariff and economic developments, including changing business conditions in the medical and industrial power supply industry overall and the economy in general, as well as financial performance and expectations of Advanced Energy's and SL Power Electronics' existing and prospective customers, and the other factors described in Advanced Energy's Annual Report on Form 10-K for the year ended December 31, 2021 and its most recent quarterly reports filed with the SEC. Forward-looking statements are made and based on information available to the company on the date of this press release. Advanced Energy disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this press release.

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