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ATS ACQUIRES BIOPHARMA PROCESSING, LABORATORY EQUIPMENT AND LABWARE PROVIDER SP INDUSTRIES

Cambridge, Ontario (November 7, 2021) - ATS Automation Tooling Systems Inc. (*TSX:ATA*) ("ATS" or the "Company"), an industry-leading automation solutions provider, today announced it has entered into a definitive agreement to acquire SP Industries, Inc. ("SP"), a designer and manufacturer of high-grade biopharma processing equipment, life sciences equipment, and lab apparatus products for US$445 million (~C$550 million), subject to customary post-closing adjustments, representing 15.3x SP's trailing 12 month adjusted EBITDA or 11.9x post synergies(1).

"SP greatly expands our capabilities and offerings through the addition of its aseptic and non-aseptic lyophilization portfolio and its fill-finish solutions and enhances our position in the pharmaceutical drug development and production end-markets," said Andrew Hider, CEO of ATS. "SP participates in highly attractive segments where growth is driven by a robust pharma drug pipeline, rising usage of biologics and increasing lyophilization of products. Notably, the combination of ATS and SP will allow us to better support the needs of our customers throughout the lifecycle of pharmaceutical development and production, as well as in diagnostics, broader life sciences and applied sciences applications. With its proven track record and talented team, SP will be a strong contributor to the ATS family offering compelling sales synergy potential with our life sciences businesses including Comecer."

Founded in 1982 and based in Warminster, Pennsylvania, SP offers a broad portfolio of research and commercial lyophilizers, aseptic fill-finish equipment and systems, life sciences equipment, and attractive and meaningful recurring revenues through its labware and glassware business. In the trailing 12-months ended September 30, 2021, SP generated revenues of US$179 million and adjusted EBITDA of US$29 million. Approximately 70% of its revenues are derived from customers in North America, 14% from Europe, and the remainder from other regions. SP derives approximately 73% of its sales from biopharma processing equipment and life sciences equipment, including services, and approximately 27% from specialty lab and glassware products. SP employs approximately 700 employees spread across its nine manufacturing facilities and locations in the US, UK and Spain.

SP will continue to be led by its CEO, Brian Larkin, who remarked, "We have observed ATS in action over the years and recognize its life sciences leadership and dedication to value creation for customers, some of whom are also customers of SP. As part of ATS, we will be able to grow to the next level with a focus on customer-driven innovation and further enhancing our value proposition in our targeted end-markets."

The transaction is expected to close in the fourth calendar quarter of 2021, but no later than the first calendar quarter of 2022, pending the completion of customary regulatory filings. ATS plans to fund the acquisition by drawing on its revolving credit facility.

Attractive Synergy Opportunity
ATS expects to realize approximately US$3.5 million in annual cost synergies within three years of acquisition, inclusive of material cost savings and production process optimization. ATS also expects revenue synergies to generate approximately US$5.0 million of additional EBITDA within three years. These synergies will be achieved by leveraging the combined ATS and SP technology portfolios to provide expanded turnkey customer solutions. The transaction is expected to be accretive to ATS' earnings and cash flow per share metrics in the first year following the acquisition. ATS expects to achieve double digit return on invested capital (ROIC) by year four following completion of the acquisition.

Conference Call and Webcast
ATS will host an analyst conference call and accompanying webcast to discuss the transaction at 8:30 a.m. EDT on Monday November 8, 2021. The presentation and webcast can be accessed live at www.atsautomation.com. To

participate in the conference call, please dial (416) 764-8659 five minutes prior. A replay of the conference will be available on the ATS website following the call. Alternatively, a telephone recording of the call will be available for one week (until midnight November 15, 2021) by dialing (416) 764-8677 and entering passcode 045577 followed by the number sign.

About SP Industries Inc.
SP is a leading global provider of state-of-the-art fill-finish drug manufacturing solutions, research, pilot and production lyophilizers, laboratory equipment and supplies, and specialty glassware. SP products support research and production across diverse end user markets including pharmaceuticals, life science, ophthalmic, environmental testing and monitoring, food and beverage and more. SP has a long and successful track record of quality and science innovation, and is headquartered in Warminster, Pennsylvania, with production facilities in the USA and Europe. SP offers a world-wide sales and service network including product training and technical assistance. For more information visit www.spindustries.com.

About ATS
ATS is an industry-leading automation solutions provider to many of the world's most successful companies. ATS uses its extensive knowledge base and global capabilities in custom automation, repeat automation, automation products and value-added services, including pre-automation and after-sales services, to address the sophisticated manufacturing automation systems and service needs of multinational customers in markets such as life sciences, food & beverage, transportation, consumer products, and energy. Founded in 1978, ATS employs over 5,000 people at 28 manufacturing facilities and over 50 offices in North America, Europe, Southeast Asia and China. The Company's shares are traded on the Toronto Stock Exchange under the symbol ATA. Visit the Company's website at www.atsautomation.com.

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1) EBITDA is based on the twelve-month period ended September 30, 2021; 11.9x post synergies multiple includes revenue and cost synergies of ~US$8.5 million

Note to Readers: Non-IFRS measures:
This news release uses the non-IFRS measures EBITDA, adjusted EBITDA, adjusted EBITDA margin, and return on invested capital associated with this investment. These terms do not have any standardized meanings prescribed within IFRS and therefore may not be comparable to similar measures presented by other companies. These measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA is defined as earnings from operations excluding depreciation and amortization (which includes amortization of intangible assets). Adjusted EBITDA is defined as EBITDA before items excluded from management's internal analysis of operating results, such as acquisition-related transaction and integration costs and certain other adjustments which would be non-recurring in nature. Adjusted EBITDA margin is an expression of an entity's adjusted EBITDA as a percentage of revenues. Adjusted EBITDA is used by the Company to evaluate the performance of operations. Management believes that adjusted EBITDA is an important indicator of ability to generate operating cash flows to fund continued investment in operations. Management believes that ATS shareholders and potential investors in ATS use these non-IFRS financial measures in making investment decisions and measuring operational results. Return on invested capital associated with this investment, as used herein, means in respect of any fiscal year, the net income of SP in such fiscal year, divided by the purchase price for the acquisition. Return on invested capital, as used herein, is used by ATS to evaluate the efficiency of the allocation of ATS' capital.

Forward-Looking Statements:
This news release contains certain statements that constitute forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of ATS or SP, or developments in either ATS' or SP's business or in their industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. ATS cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made.

Forward-looking statements in this press release relate to, among other things: completion of and timing for completion of the acquisition, funding of the transaction, expectations related to quantum and timing of cost and revenue synergies, expectations relating to impact on ATS' earnings and cash flow per share metrics, and return on invested capital. The risks and uncertainties that may affect forward-looking statements include, among others: performance of the market sectors that SP and ATS serve; the progression of COVID-19 and its impacts on the Company's and SP's ability to operate their respective assets, including the possible shut-down of facilities due to COVID-19 outbreaks; the severity and duration of the COVID-19 pandemic in all jurisdictions where the Company and SP conduct business; the nature and extent of government imposed restrictions on travel and business activities and the nature, extent, and applicability of government assistance programs, in both cases related to the COVID-19 pandemic, as applicable in all jurisdictions where the Company and SP conduct business; the impact of the COVID-19 pandemic on the Company's and SP's employees, customers, and suppliers; the impact of COVID-19 on the global economy; general market performance including capital market conditions and availability and cost of credit; foreign currency and exchange risk; the relative strength of the Canadian dollar; impact of factors such as increased pricing pressure and possible margin compression; the regulatory and tax environment; failure or delays associated with new customer programs; that closing is delayed or prohibited as a result of the completion of regulatory filing process or delayed due to other closing conditions; that expected cost and revenue synergies are not realized within the expected timeframe or at all; that earnings and cash flow per share metrics are not accretive in the first year for any number of reasons, including those stated above; that return on invested capital targets are not reached within the expected timeframe or at all; that one or more customers, or other persons with which SP has contracted, experience insolvency or bankruptcy with resulting delays, costs or losses; political, labour or supplier disruptions; imposition of new duties, tariffs or other legal barriers that impact SP's markets; that growth in markets SP serves is less than expected; risks relating to legal proceedings to which SP and/or ATS is or may become a party; exposure to product liability claims; risks associated with greater than anticipated tax liabilities or expenses; and other risks detailed from time to time in ATS' filings with Canadian provincial securities regulators. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and other than as required by applicable securities laws, ATS does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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