Sypris Wins Awards From Two High-Pressure Energy Projects

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Anchor Field Deepwater Development; Pipeline Emissions Reduction

LOUISVILLE, Ky.--(BUSINESS WIRE)--Feb. 8, 2021-- Sypris Technologies, Inc., a subsidiary of Sypris Solutions, Inc. (Nasdaq/GM: SYPR), announced today that it has recently received orders for its Tube Turns® D-bolt and Tool-less® specialty closures for use in high-pressure oil and gas applications, including the Anchor Field development project in the Gulf of Mexico and the planned upgrade of a natural gas pipeline system in North America. Production for both awards will begin immediately and are expected to be completed prior to year-end. Terms of the purchases were not disclosed.

The Anchor Field development project is located in the Green Canyon area, approximately 140 miles off the coast of Louisiana in the Gulf of Mexico in water depths of up to 5,000 feet. The initial development of the project will require an investment of approximately $5.7 billion. Stage 1 of the Anchor Field development consists of a seven-well subsea development and semi-submersible floating production unit. First oil is anticipated in 2024.

According to news sources, this will be the first-ever, high-pressure development in the deepwater gulf. The planned facility has a design capacity of 75,000 barrels of crude oil and 28 million cubic feet of natural gas per day. Sypris will provide specialty, high-pressure Tube Turns® D-bolt closures that are rated up to 4,885 psi and use Inconel Alloy 625, a nickel-based superalloy that possesses high strength properties and resistance to elevated temperatures.

The Company also received an award to supply the closures for a multiple compressor system upgrade on a natural gas transmission pipeline system located in North America. The project is part of an EPA program to reduce emissions from aging equipment to help reduce the negative impact on the ozone layer. Sypris will supply specialty Tube Turns® Tool-less® closures that are 72” in diameter, weigh 11.25 tons each and are rated to a pressure of 1,200 psi.

Brett Keener, General Manager of Sypris Technologies, commented, "Sypris continues to be a leader in supplying engineered products to support major energy projects around the globe. We are able to meet the demanding requirements of these type of projects by leveraging our extensive experience in engineering and manufacturing high-quality products. We are proud to be a part of enhancing energy infrastructure and contributing to environmental protection."

Sypris Technologies, Inc. is a global leader in the manufacture of custom engineered closures for high-pressure, critical applications serving the oil and gas pipeline infrastructure, hydrocarbon and petrochemical processing, and utility industry since 1927. Headquartered in Louisville, Kentucky, the Company's products are used worldwide, and can be found in projects ranging from the Trans-Alaska Pipeline and Strategic Petroleum Reserve in the U.S. to the Tengiz Oil Field in Kazakhstan and the Bonny Island Gas Field in Nigeria. For more information about the Company, visit its Web site at www.sypris.com.

Forward Looking Statements

This press release contains “forward-looking” statements within the meaning of the federal securities laws. Forward-looking statements include our plans and expectations of future financial and operational performance. *Such statements may relate to projections of the company’s revenue, earnings, and other financial and operational measures, our liquidity, our ability to mitigate or manage disruptions posed by COVID-19, and the impact of COVID-19 and economic conditions on our future operations, among other matters.*

Each forward-looking statement herein is subject to risks and uncertainties, as detailed in our most recent Form 10-K and Form 10-Q and other SEC filings.

Briefly, we currently believe that such risks also include the following: the impact of COVID-19 and economic conditions on our future operations; possible public policy response to the pandemic, including legislation or restrictions that may impact our operations or supply chain; our failure to successfully complete final contract negotiations with regard to our announced contract “orders”, “wins” or “awards”; our failure to achieve additional orders for existing projects; our failure to achieve and maintain profitability on a timely basis by steadily increasing our revenues from profitable contracts with a diversified group of customers, which would cause us to continue to use existing cash resources or other assets to fund operating losses; dependence on, retention or recruitment of key employees and distribution of our human capital; the cost, quality, timeliness, efficiency and yield of our operations and capital investments, including the impact of tariffs, product recalls or related liabilities, employee training, working capital, production schedules, cycle times, scrap rates, injuries, wages, overtime costs, freight or expediting costs; disputes or litigation involving governmental, supplier, customer, employee, creditor, product liability or environmental claims; our inability to develop new or improved products or new markets for our products; cost, quality and availability of raw materials such as steel, component parts, natural gas or utilities; our reliance on a few key customers, third party vendors and sub-suppliers; unanticipated or uninsured disasters, public health crises, losses or business risks; unanticipated or uninsured product liability claims; volatility of our customers’ forecasts, scheduling demands and production levels which negatively impact our operational capacity and our effectiveness to integrate new customers or suppliers, and in turn cause increases in our inventory and working capital levels; our inability to patent or otherwise protect our inventions or other intellectual property from potential competitors; adverse impacts of new technologies or other competitive pressures which increase our costs or erode our margins; legal rights to operate, manage our work force or import and export as needed; inaccurate data about markets, customers or business conditions; or unknown risks and uncertainties. We undertake no obligation to update our forward-looking statements, except as may be required by law.

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