



Sypris Awarded Contract for Side-by-Side Drivetrain Components

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Fourth New Vehicle Model Awarded in Growing Program

LOUISVILLE, Ky.--(BUSINESS WIRE)--Apr. 3, 2023-- Sypris Technologies, Inc., a subsidiary of Sypris Solutions, Inc. (Nasdaq/GM: SYPR), announced today that it was awarded a new program to supply drivetrain components for use in the production of a new model of side-by-side utility-terrain vehicles. Production is expected to begin in 2024. Terms of the multi-year agreement were not disclosed.

The new program award provides Sypris with the opportunity for further growth in this burgeoning market. The finished components produced by Sypris to exacting specifications will be incorporated into the differentials of these vehicles. The all-terrain vehicle market is reported to grow at a compound annual growth rate of 16.8% between 2020 and 2025, according to Technavio Research.

Commenting on the announcement, Federico Aviles, Vice President & General Manager of Sypris Technologies Mexico, S. de R.L. de C.V., stated, "We are pleased to have the opportunity to extend and expand our support for this important customer, a relationship which has grown substantially over the past 20 years. We will continue to support them with advanced manufacturing systems to ensure that this valued customer continues to benefit from world-class quality, on-time delivery and cost-competitive products."

Sypris Technologies, Inc. is a premier manufacturer and supplier of drivetrain and other critical components for the commercial vehicle, automotive, recreational vehicle, mining, agriculture, industrial and energy markets. Sypris is headquartered in Louisville, Kentucky. Through its operations in North America, Sypris continues to meet the needs of the industries it serves after more than 90 years of service. 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. 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: 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 require us to sell assets to fund operating losses; cost, quality and availability or lead times of raw materials such as steel, component, parts, natural gas or utilities including increased cost relating to inflation; the cost, quality, timeliness, efficiency and yield of our operations and capital investments, including the impact of inflation, tariffs, product recalls or related liabilities, employee training, working capital, production schedules, cycle times, scrap rates, injuries, wages, overtime costs, freight or expediting costs; dependence on, retention or recruitment of key employees and highly skilled personnel and distribution of our human capital; volatility of our customers' forecasts and our contractual obligations to meet current scheduling demands and production levels, which may 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 failure to successfully complete final contract negotiations with regard to our announced contract "orders", "wins" or "awards"; adverse impacts of new technologies or other competitive pressures which increase our costs or erode our margins; breakdowns, relocations or major repairs of machinery and equipment, especially in our Toluca Plant; the termination or non-renewal of existing contracts by customers; the costs and supply of insurance on acceptable terms and with adequate coverage; the impact of COVID-19 and economic conditions on our future operations; possible public policy response to the pandemic, including U. S or foreign government legislation or restrictions that may impact our operations or supply chain; our failure to successfully win new business or develop new or improved products or new markets for our products; risks of foreign operations; currency exchange rates; inflation; war, geopolitical conflict, terrorism, or political uncertainty, including disruptions resulting from the Russia-Ukraine war arising out of international sanctions, foreign currency fluctuations and other economic impacts; our reliance on a few key customers, third party vendors and sub-suppliers; inventory valuation risks including excessive or obsolescent valuations or price erosions of raw materials or component parts on hand or other potential impairments, non-recoverability or write-offs of assets or deferred costs; disputes or litigation involving supplier, customer, employee, creditor, product liability, warranty or environmental claims; failure to adequately insure or to identify product liability, environmental or other insurable risks; unanticipated or uninsured product liability claims, disasters, public health crises, losses or business risks; the costs of compliance with our contractual obligations; labor relations; strikes; union negotiations; costs associated with environmental claims relating to properties previously owned; pension valuation, health care or other benefit costs; our inability to patent or otherwise protect our inventions or other intellectual property rights from potential competitors or fully exploit such rights which could materially affect our ability to compete in our chosen markets; our reliance on revenues from customers in the oil and gas and automotive markets, with increasing consumer pressure for reductions in environmental impacts attributed to greenhouse gas emissions and increased vehicle fuel economy; changes in legal rights to operate, manage our work force or import and export as needed; cyber security threats and disruptions, including ransomware attacks on our systems and the systems of third-party vendors and other parties with which we conduct business, all of which may become more pronounced in the event of geopolitical conflicts and other uncertainties, such as the conflict in Ukraine; 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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