



UTEX INDUSTRIES, INC.

UTEX Industries Emerges from Chapter 11 with \$700 Million Less Debt, Additional Financing, and Significantly Strengthened Balance Sheet

FOR IMMEDIATE RELEASE: December 3, 2020

HOUSTON, TX – UTEX Industries, Inc. (“UTEX” or the “Company”) today announced that it has emerged from its fast-tracked “prepackaged” chapter 11 cases. This milestone marks the final step in the completion of UTEX’s financial restructuring, which has successfully reduced the Company’s funded debt by approximately \$700 million and provided \$42.5 million in new financing to the Company. The Company emerges from bankruptcy as a private company under the ownership of its pre-restructuring lenders. The Company’s prior equity interests have been cancelled in connection with the restructuring.

Mike Balas, Chief Executive Officer said: “The restructuring of Utex provides us with a flexible capital structure and liquidity to compete and grow in today’s business environment. I am grateful to our dedicated employees who have continued to work hard through the restructuring. This transaction will position us and our partners for success in the years to come.”

Jeff A. Cullman will join UTEX as the Chairman of the Board of Directors. Mr. Cullman is the former President of Worldwide Hydraulics Group, a business group of Parker Hannifin Corporation. Other members of the Board include Mike Balas, Jim Brown, the Vice Chairman of the Board of PetroStar Services and past executive of Haliburton, James Chapman, an Advisory Director of SkyWorks Capital, LLC, and Piotr Galitzine, the former Chairman and Chief Executive Officer of TMK IPSCO.

In connection with the financial restructuring, Houlihan Lokey served as financial advisor and investment banker, AlixPartners served as restructuring advisor, and Weil, Gotshal & Manges LLP served as legal advisor to UTEX.

About UTEX

UTEX is a market-leading manufacturing business headquartered in Houston, Texas. UTEX operates manufacturing, distribution, and technical sales facilities in the United States and abroad and has approximately 500 employees. UTEX’s innovative and custom-engineered products support a diverse customer base, including oil and gas, industrial, mining, and water end markets.

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Nothing in this press release shall constitute a solicitation of the holders of any of UTEX's indebtedness or equity interests with respect to the matters contemplated by the Agreement or an offer to buy or sell, or a solicitation of an offer to buy or sell, any securities of UTEX. Any such securities that may be offered under the transactions contemplated by the Agreement have not been and will not be registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.

Certain statements in this press release constitute forward looking statements. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements include, without limitation, any statement that may project, indicate or imply future results, events, performance or achievements, and may contain or be identified by the words "believe," "expect," "expected to be," "anticipate," "contemplates," "plan," "intend," "foresee," "forecast," "continue," "can," "will," "will continue," "may," "should," "would," "could" or other similar expressions that are intended to identify forward-looking statement. Readers are cautioned that any forward-looking statements herein, are subject to a number of assumptions, risks, and uncertainties, many of which are beyond our control. Important assumptions and other important factors that could cause actual results to differ materially and include, a decrease in drilling activity, as well as the volatility in commodity prices for crude oil and natural gas, competition, government regulation or other actions, the ability of management to execute its plans to meet its goals and other risks inherent in our businesses. Readers are cautioned that the forward-looking statements speak as of the date hereof, are based on our current beliefs, intentions and expectations, and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and UTEX undertakes no obligation to update any such statements.
