



Forum Energy Technologies Receives Approval to Proceed with Variper Energy Acquisition from Canadian Competition Bureau

December 21, 2023

HOUSTON--(BUSINESS WIRE)--Dec. 21, 2023-- Forum Energy Technologies, Inc. (NYSE: FET) today announced that it has received approval from the Canadian Competition Bureau to proceed with its planned acquisition of Variper Energy Services.

FET announced on November 2, 2023, its agreement to acquire Variper Energy Services for consideration of \$150 million of cash (subject to customary purchase price adjustments) and 2 million shares of FET's common stock, reflecting a valuation of approximately 3.7x Variper's trailing twelve months EBITDA as of September 30, 2023. The acquisition is expected to be immediately accretive to FET's margins and cash flow. At closing, FET's net leverage ratio is expected to be 1.9x with liquidity of \$142 million.

Closing is expected to occur in January 2024, subject to satisfaction of customary closing conditions.

FET (Forum Energy Technologies) is a global company, serving the oil, natural gas, industrial and renewable energy industries. FET provides value added solutions that increase the safety and efficiency of energy exploration and production. We are an environmentally and socially responsible company headquartered in Houston, TX with manufacturing, distribution and service facilities strategically located throughout the world. For more information, please visit www.f-e-t.com.

Forward Looking Statements and Other Legal Disclosures

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that the company expects, believes or anticipates will or may occur in the future are forward-looking statements. Without limiting the generality of the foregoing, forward-looking statements contained in this press release specifically include the company's ability to complete the acquisition of Variper (the "Variper Acquisition") on the timeline or the terms currently contemplated; the ultimate timing, outcome and results of integrating the operations of Variper with FET, including the combined company's ability to generate sufficient free cash flow to manage its long-term debt balances; the company's ability to realize the full benefits of the Variper Acquisition, including the company's expected transformation of its profitability and margin profile, on the anticipated timeline or at all; the expectations of plans, strategies, objectives and anticipated financial and operating results of the combined company, including any statement about the company's future financial position, liquidity and capital resources, operations, performance, acquisitions (including the Variper Acquisition), returns, capital expenditure budgets, new product development activities, costs, fourth quarter projection of free cash flow and other guidance included in this press release.

These statements are based on certain assumptions made by the company based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the company, which may cause actual results to differ materially from those implied or expressed by the forward-looking statements. Among other things, these include potential adverse reactions or changes to business relationships resulting from the announcement or completion of the Variper Acquisition; the significant costs required to complete the Variper Acquisition; the diversion of management attention to transaction-related issues related to the Variper Acquisition; the volatility of oil and natural gas prices, oilfield development activity levels, the availability of raw materials and specialized equipment, the company's ability to deliver backlog in a timely fashion, the availability of skilled and qualified labor, competition in the oil and natural gas industry, governmental regulation and taxation of the oil and natural gas industry, the company's ability to implement new technologies and services; the availability and terms of capital, and uncertainties regarding environmental regulations or litigation and other legal or regulatory developments affecting the company's business; and other important factors that could cause actual results to differ materially from those projected as described in the company's filings with the U.S. Securities and Exchange Commission.

Any forward-looking statement speaks only as of the date on which such statement is made and the company undertakes no obligation to correct or update any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by applicable law.

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