



## **Dril-Quip and Proserv Group Announce Strategic Agreement**

June 24, 2020

HOUSTON and ABERDEEN, Scotland, June 24, 2020 (GLOBE NEWSWIRE) -- Dril-Quip, Inc. (NYSE: DRQ) (the "Company" or "Dril-Quip") and Proserv Group ("Proserv") today announced an agreement pursuant to which Dril-Quip will rely upon Proserv for the development and manufacturing of its subsea control systems as a supplier. The mutually beneficial arrangement allows Dril-Quip to continue to support its existing subsea controls customers with the support of Proserv. The arrangement follows Dril-Quip's strategic decision to consolidate the supply and development of control systems with a dedicated subsea controls provider.

Proserv's independence in the controls area, combined with its versatility to interface with all subsea tree providers made it the natural party for Dril-Quip to partner with. In addition, the agreement establishes a framework where Proserv and Dril-Quip may pursue joint marketing and collaboration efforts, with Dril-Quip providing subsea trees and Proserv providing subsea controls. This bundled offering will be a compelling value proposition for customers as it brings cutting edge technology solutions at competitive prices.

Blake DeBerry, Dril-Quip's Chief Executive Officer, commented, "We are pleased to announce this strategic collaboration between Dril-Quip and Proserv which allows us to leverage capabilities and enhance our product offerings. Our collaboration will provide significant benefits to our customers in the subsea production system market and allows access to complementary award-winning subsea technologies at competitive pricing. This agreement aligns the interests of both companies in leveraging their respective technical and engineering expertise to deliver high quality subsea trees and controls that will save customers time and money, all while enhancing the execution of their offshore projects. We look forward to engaging with Proserv and our customers with these expanded offerings."

Davis Larssen, Proserv Controls Chief Executive Officer, stated, "We believe Proserv and Dril-Quip entering this agreement is an exciting and refreshing development for operators and our whole industry as we strive for value solutions focused on best-in-class technologies. While Proserv will continue to operate independently, Proserv will also now support Dril-Quip with the supply of subsea controls to Dril-Quip's overall subsea offering, including fully integrated solutions that provide customers access to best-in-class systems and service. At Proserv, our clear focus is the continued development and supply of market leading control systems. Our customers value our focus and we are attentive to their current and future needs as we continue to invest in our technology and build on our reputation for reliability and non-obsolescence, while enabling advanced data management and maximizing the benefits offered by digitalization as we move forward."

David Currie, Proserv Group Chief Executive Officer, stated, "Following our restructuring in 2019 and the creation of two focused divisions, this agreement reflects the next logical stage for the Proserv Controls business as it continues to focus on the core strengths of technology and innovative partnering for customer success, as evident here with Dril-Quip, as the only truly independent and focused controls provider in an industry that looks to new solutions going forward."

### **About Dril-Quip**

Dril-Quip is a leading manufacturer of highly engineered drilling and production equipment for use onshore and offshore, which is particularly well suited for use in deep water, harsh environments and severe service applications.

### **About Proserv Group**

Proserv Group is a controls technology company, incorporating two divisions, Proserv Controls and Gilmore providing tailored solutions to clients across the energy sector. Proserv operates worldwide and has offices in the U.S., Europe, the Middle East & Asia.

### **Forward-Looking Statements**

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding the anticipated benefits of the agreements with Proserv. Forward-looking statements are based upon certain assumptions and analyses made by the Company in light of its experience and perception of historical trends, current conditions, expected future developments and other factors. These statements are subject to risks, some of which are beyond the Company's control, including but not limited to, costs and difficulties related to the collaboration with Proserv, the volatility of oil and natural gas prices and cyclicalities of the oil and gas industry, decisions made by the Company's customers and suppliers, operating risks, and other factors detailed in the Company's public filings with the Securities and Exchange Commission. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and actual outcomes may vary materially from those indicated.

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