

TechPrecision Announces Closing of Strategic Acquisition Stadco Inc

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WESTMINSTER, MA / ACCESSWIRE / August 26, 2021 / TechPrecision Corporation (OTCQB:TPCS) ("TechPrecision" or the "Company"), an industry-leading manufacturer of precision, large-scale fabricated and machined metal components and tested systems with customers in the defense and precision industrial sectors, today reported that it completed its acquisition of Stadco, located in Los Angeles, a key supplier of large flight-critical components for several high-profile commercial and military programs, including military helicopters, and closed on a private placement financing and new loans from its current bank, Berkshire Bank, the proceeds of which were used to settle Stadco's debt and acquire the outstanding shares of Stadco.

We believe we can end the cycle of what we believe were badly negotiated contracts by Stadco's pre-November 2014 management and financial shortages and economic woes that have crippled Stadco since it was last acquired in November 2014. With working cash no longer an issue and the new cycle of defense contracts being negotiated on more favorable terms, we believe we have found an opportunity with a company that not only fits our primary defense focus but could complement both Stadco and Ranor's businesses as they are very similar in what they do but at the same time do work that the other does not or cannot do.

We did NOT buy Stadco based on its past financial performance, we bought it for its future.

STADCO History

Stadco, whose name was derived from Standard Tool and Die Co., was founded in 1941 by Nat Handel, who expanded the business over the next few decades, ultimately selling to the Nazarian family in 1981. The Nazarians sold Stadco to a private equity firm in 2010 for \$27 million. Doug Paletz, who had spent eight years with Stadco, and Bob Parsi, who had spent 12 years with Stadco, left within two years of the sale. Stadco's financial condition and results of operations deteriorated under new ownership over the next several years. In November 2014, an investment group led by Doug Paletz (CEO, Pres.) and Bob Parsi (COO) acquired Stadco.

Stadco is a key supplier of large flight-critical components on several high-profile commercial and military aircraft programs, including military helicopters. It has been a critical supplier to a blue-chip customer base that includes some of the largest OEMs and prime contractors in the defense and aerospace industries. Stadco also provides tooling, customized molds, fixtures, jigs and dies used in the production of aircraft components.

Some of Stadco's largest orders run on multi-year-based cycles and it is presently finalizing the latest in string of recurring long-term production contracts that will last through several years and provide a sound economic base upon which we believe we can grow the company. For some of these contracts, it is the most significant supplier, if not the actual or virtual sole supplier.

Stadco has a long history of making critical high precision parts for the defense and civil aviation industry, national laboratories, various weapons programs, and space flight. It continues to do so. It has been a prime supplier of parts for the Sikorsky CH-53 helicopter for over 45 years and continues to be a supplier of critical parts for the current CH-53E model and the new CH-53K King Stallion heavy lift helicopter.

Stadco has one of the largest electron beam welding machines set up in the United States, allowing it to seamlessly weld thick pieces of titanium and other metals. Using this capability, it has produced some of the largest structural parts for the F-15EX Strike Eagle II fighter plane. As well as various large components for the Rolls-Royce Trent-900 used to power the Airbus A-380 aircraft, F-35 rudder spars, control surfaces for hypersonic applications, and various other new applications.

Stadco presents as a world leader in metal tools to lay up aerospace composites and it has provided these tools to major US Prime contractors as well as internationally.

Doug Paletz and Bob Parsi will remain in day-to-day charge of the operations under the oversight of TechPrecision's Alex Shen (CEO) and Tom Sammons (CFO).

About TechPrecision Corporation

TechPrecision Corporation, through its wholly owned subsidiary, Ranor, Inc., manufactures large-scale, metal fabricated and machined precision components and equipment. These products are used in a variety of markets including: defense, aerospace, nuclear, industrial, and medical. TechPrecision's goal is to be an end-to-end service provider to its customers by furnishing customized solutions for completed products requiring custom fabrication and machining, assembly, inspection and testing. To learn more about the Company, please visit the corporate website at <http://www.techprecision.com>. Information on the Company's website or any other website does not constitute a part of this press release.