

GSE Solutions Encourages Stockholders to VOTE FOR the AMENDED Merger

COLUMBIA, Md., Oct. 22, 2024 — GSE Solutions (“GSE Systems, Inc.” or “GSE”) (Nasdaq: GVP), a leader in advanced engineering solutions that supports the future of clean-energy production and decarbonization initiatives of the power industry, announced today that it wished to thank all of its stockholders who have already voted **overwhelmingly** in favor of its merger with an affiliate of Pelican Energy Partners (“Pelican”) in an all-cash transaction (the “Merger”). Following the amendment to increase merger consideration, GSE now reminds stockholders that, under the terms of the amended merger agreement, which was unanimously approved by the board of the directors of GSE, Pelican will acquire all the outstanding shares of GSE for an estimated total cash consideration of **\$4.60 per share**.



Reasons for **VOTING FOR THE MERGER** include, but are not limited to:

- the fact that the per share price represents a premium of approximately **69%** over the closing price of GSE common stock as of August 7, 2024, the last trading day on NASDAQ prior to public announcement of the merger agreement;
- the fact that the per share price represents a premium of approximately **29%** over the average 30-day volume weighted average price per share as of August 7, 2024, the last trading day on NASDAQ prior to public announcement of the merger agreement; and
- Pelican is an independent third party buyer and the merger is an arms-length transaction that will maximize value for stockholders.

In continuing to recommend the Merger, the GSE Board of Directors also considered available alternatives and found those options inferior because, among other reasons:

- while the tailwinds for nuclear industry are apparent, capital spend within the industry is moving at very slow pace;
- Management has expressed that substantial doubt exists for the Company to continue as a going concern at fiscal year-end 2023, 2022, 2020 and 2019 and, **IF THE MERGER IS NOT APPROVED, THE BOARD OF DIRECTORS BELIEVES THAT SUBSTANTIAL DOUBT WILL CONTINUE TO EXIST FOR GSE TO CONTINUE AS A GOING CONCERN;**

- GSE cannot obtain performance bonds given its financial position and, therefore, is at a competitive disadvantage to its competitors;
- The Merger Agreement with Pelican followed **two** robust auction processes where **hundreds** of participants were involved – notably, **not a single one of those participants** from the 2019-2020 auction process (286 potential bidders and 143 parties received confidential information) or the 2023 auction process (116 potential bidders and 60 parties received confidential information) **has reemerged with a competing Takeover Proposal**;
- GSE has failed to meet internal goals and projections in each of FY 2022 and FY 2023 resulting in the payment of ZERO dollars in bonuses to senior management;
- To conserve cash, GSE’s prior Chief Executive Officer agreed to receive nearly 90% of his compensation from June 2023 to May 2024 in shares of stock;
- GSE negotiated an interest-only, one-year term loan from an affiliate of Pelican Energy Partners because (i) absent prepayment of the prior convertible promissory note, GSE anticipated significant dilution of its stockholders through the merger date; and (ii) GSE lacked the ability to make cash payments to the note holder to support the debt during that time;
- Despite lean staffing, GSE incurs annual public-company costs in excess of \$2,100,000 or approximately 4.66% of revenue in 2023 alone;
- GSE is required to cash collateralize project-based letters of credit, resulting in restricted cash in excess of one million dollars; and
- GSE anticipates that material suppliers and vendors will require prepayment for goods and services in light of GSE’s going concern status and payment history.

Vote Your Shares Today

If you have any questions, or need assistance in voting your shares, please call our proxy solicitor,

INNISFREE M&A INCORPORATED

TOLL-FREE, at (877) 750-5837 (from the U.S. and Canada)
or at +1 (412) 232-3651 (from other countries)

ABOUT GSE SOLUTIONS

Proven by more than 50 years of experience in the nuclear power industry, GSE knows what it takes to help customers deliver carbon-free electricity safely and reliably. Today, GSE Solutions leverages top talent, expertise, and technology to help energy facilities achieve next-level power plant performance. GSE’s advanced Engineering offer highly specialized training, engineering design, program compliance, and simulation to that reduce risk and optimize plant operations. With more than 1,100 installations and hundreds of customers in over 50 countries, GSE delivers operational excellence. www.gses.com

Additional Information About the Proposed Transaction and Where to Find It

More detailed and updated information regarding the merger is set forth in the Definitive Proxy Statement filed with the SEC and mailed to stockholders on September 16, 2024. GSE stockholders can obtain a free copy of the Definitive Proxy Statement, as well as other filings containing information about GSE, without charge, at the SEC's website (www.sec.gov). Copies of the Definitive Proxy Statement and the filings with the SEC incorporated by reference therein can also be obtained, without charge, by directing a request to GSE's Corporate Secretary at 6940 Columbia Gateway Drive, Suite 470, Columbia, Maryland 21046 (telephone: (410) 970-7800). The Company maintains an internet site at www.gses.com.

BEFORE MAKING ANY VOTING DECISION, GSE STOCKHOLDERS ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC, INCLUDING THE DEFINITIVE PROXY STATEMENT, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED MERGER.

Participants in the Solicitation of Proxies

The Company and certain of its directors, executive officers and employees may be deemed to be participants in the solicitation of proxies in respect of the proposed merger. Information regarding GSE's directors and executive officers is available in GSE's definitive proxy statement for its 2024 annual meeting of stockholders, which was filed with the SEC on May 24, 2024, the Company's Annual Report on Form 10-K/A for the year ended December 31, 2023, which was filed with the SEC on April 2, 2024 (as amended on April 2, 2024, and April 29, 2024), and in other documents filed by the Company with the SEC. These documents can be obtained free of charge from the sources indicated above. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Definitive Proxy Statement and other relevant materials to be filed with the SEC in connection with the proposed transaction when they become available. Free copies of the Definitive Proxy Statement and such other materials may be obtained as described in the preceding paragraph. Investors should read the Definitive Proxy Statement carefully before making any voting or investment decisions.

Forward-Looking Statements and Information

This communication contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. These statements are often identified by the use of words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "plan," "project," "will," "would" or the negative or plural of these words or similar expressions or variations. Forward-looking statements are made based upon management's current expectations and beliefs and are not guarantees of future


performance. Such forward-looking statements are subject to a number of risks, uncertainties, assumptions and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by the forward-looking statements. These factors include, among others: completion of the Merger is subject to various risks and uncertainties related to, among other things, its terms, timing, structure, benefits, costs and completion; the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement; risks related to the disruption of management's attention from GSE's ongoing business operations due to the Merger; and other risks set forth under the heading "Risk Factors," of our Annual Report on Form 10-K for the year ended December 31, 2023 and in our subsequent filings with the SEC. You should not rely upon forward-looking statements as predictions of future events. Furthermore, such forward-looking statements speak only as of the date of this report. Our actual results could differ materially from the results described in or implied by such forward looking statements. Forward-looking statements speak only as of the date hereof, and, except as required by law, we undertake no obligation to update or revise these forward-looking statements.

Media Contact

Sunny DeMattio
GSE Solutions
Director of Marketing & Communications
sunny.demattio@gses.com
Direct: +1 410.970.7931

Investor Contact

Adam Lowensteiner
Vice President
Lytham Partners
gvp@lythampartners.com
Direct: +1 646.829.9702

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