

Silverback acquires stake in GSE Systems and requests board and management changes

Silverback calls for significant management changes at GSE Systems, Inc. and seeks board control

Miami, Florida May 6, 2023 ([IssueWire.com](https://www.IssueWire.com)) - Silverback Seeks Board Representation and Calls for Management Changes at GSE Systems, Inc.

Announces stock position of 160,000 shares

Silverback United, Inc. has acquired 160,000 shares of GSE Systems, Inc. and said it intends to seek board representation. The company, led by activist Ron Bienvenu, has published an open letter to shareholders in which the company calls for CEO Kyle Loudermilk and Chairwoman Kathryn O'Connor Gardner to resign immediately. The company also sent a letter to the independent board members of the company stating the same and requested a meeting to discuss leadership changes and board representation. The letter also asks that Dr. Suresh Sundaram also resign. The company noted it is considering various shareholder actions and will make its strategy known over the coming weeks.

Mr. Bienvenu said, "The litany of challenges facing the company is well known. At least one frustrated shareholder has taken the trouble to set up a very informative website dedicated to the subpar performance and questionable corporate governance policies and actions of the company www.gvpshareholdersforchange.com. The company has a debt facility that threatens to become highly dilutive (or worse) if not addressed in the coming months, it has received a delisting notice from Nasdaq, and revenues have fallen from a high in 2018 of \$92.2 million to \$47.7 million in 2022, the stock price has declined from a high of \$3.80/share in 2018 to \$0.61/share as of this writing, and the shareholders have rejected the chairwoman's reelection but she is still on the board. The statute of limitations on incompetence has been reached. Therefore, it is simply time for change that will revitalize GSE and set it on a road to growth and prosperity."

He continued, "In addition to simply having a more aggressive sales strategy and basic blocking and tackling across all operations, which alone would improve the value of the company and we believe rectify the "going concern" language in the latest 10K, we also believe that GSE sits on a virtual gold mine of unique, non-replicable data that could be worth multiples of its current market capitalization. However, we have no confidence in the current leadership to achieve operational excellence and bring a compelling, visionary strategy for optimizing the value of the company's unique position in the marketplace and the data assets of the company."

The company also noted that it was willing to acquire more shares of GSE in return for board representation.

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Source : GSE Systems, Inc.

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