



Precision Rotary Unions
Steam Joints & Siphons
Electrical Slip Rings

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Announcement

To: ALL DEUBLIN EMPLOYEES
From: Roland Rauch
Date: July 17, 2023
Subject: Gardner Systems Corp joins Deublin Company, LLC

The Paper segment has been identified as a major development growth opportunity for Deublin. In 2022, the paper market for Deublin grew substantially, and we are poised to see a significant growth rate again in 2023. However, to sustain this level of growth, we have identified that the development of service and engineering capabilities is needed. Currently, Deublin is only seen as a component but not a complete solution provider. Moreover, customers are demanding more technical expertise from suppliers as knowledgeable Steam and Condensate know-how is not readily available in the market. Furthermore, know-how is slowly becoming scarcer. In addition, the dryer section's performance has a major impact on production rates, energy efficiency, and sheet quality.

Deublin, therefore, has decided to take a significant step to close the gap and become a one-stop shop for this industry and effective today, **Gardner Systems joins Deublin Company.**

Gardner Systems originated in developing and implementing several products and processes widely used in the industry for over 50 years. Established in 1967, Gardner Systems licensed patents and technology and supplied engineering design and service for air dryers, machine ventilation, and dryer drainage systems to Valmet-Enerdry and its forebears for more than 20 years. In the 90s, the company started manufacturing Steam & Condensate Systems independently. The company rapidly became the leading supplier of paper machine steam systems and provided a significant number of complete systems worldwide.

By joining forces, we will become a complete solution provider to the paper industry.

In view of the above, please welcome our new colleagues to the Deublin family:

Steve Letwin - Specialist, Steam and Condensate System

Steve Nikolai - Project Manager - Steam and Condensate Systems

Together they bring over 60 years of experience in the design and supply of steam and condensate systems into the paper industry. In their new capacity, both Steve L. and Steve N. will be reporting directly to **Alos Almeida** – Global Market Manager – Paper & Corrugating.

This is an important step towards a brighter future, and we count on each of you for a successful integration!

Best regards

Roland Rauch
Interim CEO, Chief Financial Officer



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Gardner Systems Corp - Employee FAQ

On July 14, 2023, Gardner Systems Corp joined Deublin Company, LLC. The combined company will deliver significant value and return on investment through a comprehensive solution offering.

1. Who is Gardner Systems Corp?

Gardner Systems is a global technology leader in paper mill steam and condensate systems. Gardner provides consulting services and designs Steam & Condensate (S&C) systems, including the design and layout of all components within the drying process. Furthermore, Gardner offers system audits, training, start-ups and check-outs. Gardner also offers complete S&C systems, which they install within the paper production line. These systems include thermo-compressors, separator tanks, pumps and valves. All components are purchased on order basis.

2. What is the strategy behind Gardner joining Deublin and how will customers benefit?

Acquiring Gardner Systems is in line to strategically grow Deublin's service offering to better compete in the paper industry.

The Paper segment was identified as a major development opportunity for Deublin in last year's growth strategy review. In 2022 Deublin's sales in the paper market grew 32%, and we are poised to see a significant growth again in 2023. However, to sustain this level of growth, we have identified that the development of service and engineering capabilities is needed. Deublin is only seen as a component provider - not a complete solution provider. Moreover, customers are demanding more technical expertise from suppliers as knowledgeable Steam and Condensate know-how is not readily available, and know-how is slowly dissipating. In addition, the dryer section's performance has a major impact on production rates, energy efficiency, and sheet quality.

3. Will Gardner team relocate?

Gardner team will not relocate. Gardner employees will stay at their current office located in Appleton, WI.

4. My customers are calling and asking me questions. What can I tell them?

Gardner is now part of Deublin Company, and we can now offer a comprehensive solution in the drying section of paper machines.

5. What will the new organizational structure look like?

Gardner team will report to the Global Market Manager, Alos Almeida. All steam and condensate activities worldwide will be assessed and discussed with the Gardner team. Meetings will be scheduled with all involved to assess the situation and discuss the action plan. There will not be any changes to current activities. All current projects should progress as usual.



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6. What effect will this have on our customers?

Customers with open Gardner orders will be notified about Gardner joining Deublin. Projects in progress will be communicated via Gardner Project Manager.

7. What would a combined product portfolio look like?

We are formally adding steam and condensate solutions in addition to steam joints & siphon systems for the paper industry. The list of products and services offered by Deublin for the paper industry are as follows:

- Design and Installation (S&C systems, Steam joints, Turbulence bars)
- Diagnostics and Audits (energy efficiency improvement, runnability, and productivity)
- Maintenance and Training (S&C systems, steam joints, turbulence bars)
- Steam and Condensate Systems
- Steam and Condensate Components
- Steam Joint & Syphon Systems
- Heat Transfer Fluid Unions
- Water Unions
- Turbulence Bars

8. Is there any effect on my daily activities?

There are no changes to your daily activities. Gardner team will keep operating mostly independently. All employees involved in any extra activities will be informed in due course.

9. Are we going to manufacture steam and condensate components in any location?

No manufacturing changes will be added to the organization. All components are outsourced.