SECO SPACE SECO/WARWICK'S NEWSLETTER

SECO/WARWICK consolidates Operational Structure in the USA

15 years of SECO/WARWICK in China

SECO/WARWICK's impressive growth and strategic milestones

Family Day at SECO/WARWICK

SECO/WEBINAR - Savings in Heat Treatment

SUCCESS

EXPANSION

CELEBRATE

DEVELOPMEN

RIGHT

ON THE MOVE

ECOLOGICAL INNOVATIONS

We Share Our Experience And Knowledge With You

WWW.SECOWARWICK.COM

03/2025

SECO/WARWICK Consolidates Operational Structure in the USA

As part of the SECO/WARWICK Group's strategy for 2023-2026, the Group is merging its two American companies: SECO/VACUUM Technologies (SVT) and SECO/WARWICK (SWC). Both entities, located in Meadville, will now operate under one brand - SECO/WARWICK. Piotr Zawistowski, the current president of SECO/VACUUM, will remain at the helm of the merged organization in the USA.

The decision to consolidate responds to the growing market needs, the changing geopolitical conditions, and the aim to further strengthen the global SECO/WARWICK brand as the partner of choice in heat treatment technology in North America.

The merger of the companies eliminates duplicate administrative, management, and IT structures, reducing operational costs. Additional savings will come from joint production planning, better utilization of human and material resources, and the impact of scale in purchasing. Annual savings are estimated to reach several hundred thousand dollars.

"With this change, we will gain brand clarity, a simplified structure, and higher operational efficiency. We are combining engineering potential, team experience, and service and sales capabilities to better meet the needs of our customers. The consolidation will strengthen brand SECO/WARWICK recognition, optimize operational processes, and simplify administrative formalities. I want to emphasize that while the formal structure and name change, the values, mission, and vision of the SECO/WARWICK Group remain unchanged. The goal of the entire undertaking is growth on all fronts,"

- says Sławomir Woźniak, CEO of the SECO/WARWICK Group Management

After years of the development of both companies and the success of SECO/VACUUM in the vacuum technology segment, the time has come for



of SECO/WARWICK America specialists

"We believe that integration opens up new growth opportunities and further strengthens our position in the demanding American market. It is also a reflection of organizational maturity and the conscious development of the entire Group. All existing product lines of both entities will continue., moreover, we plan to expand the offer with new solutions from the Group's portfolio, including breakthrough technologies the market for aluminum products and proven solutions in the atmospheric furnace segment. All previously manufactured devices will still be covered by full technical support. The merger of the PIOTR ZAWISTOWSKI companies will increase the speed of service response, the availability of spare parts, and access to highly qualified

SECO/WARWICK Combines Forces

The decision to merge was motivated by several factors. A strong, unified brand guarantees clear communication with the market and strengthens the SECO/WARWICK Group's position as a leader in the metal heat treatment segment. Operational integration will ensure greater efficiency streamlined processes, lower fixed costs, and greater operational flexibility. This decision also results in better utilization of engineering, sales, and service potential. The simplified organization and structure facilitate all kinds of legal and financial audits and settlements.



" The American market is crucial for us – this region made a significant contribution to the Group's sales in 2024. We are making progress in terms of efficiency, and this consolidation will enable even more effective operations,"

- added S. Woźniak.

Development of the US market - merger and expansion

The SECO/WARWICK Group boasts customers in 70 countries. In the US market, the Group has hundreds of customers, with SECO/VACUUM serving over 125 customers during its 8 years of market presence. The headquarters of SECO/WARWICK America remains unchanged and is located in the business park on Technology Drive in Meadville.

Recently, the SECO/WARWICK Group invested \$4 million in the development and expansion of its American plant in Meadville. This investment is part of the "Made in USA" strategy that the SECO/WARWICK Group has been implementing since 2024. This upgrade significantly increases the Group's production capabilities for the American market, and is one of the factors leading to the consolidation of the companies. The Commonwealth of Pennsylvania supported this expansion by granting the then two American branches of the Group a package of grants worth \$2 million from the Department of Community and Economic Development (DCED) under the Redevelopment Assistance Capital Program (RACP).

SECO/WARWICK has been continuously present in the American market since 1984. One of the short-term goals following the merger will be the transfer of technology and the expansion of the product portfolio in the American market. This will provide a logistical advantage and improve competitiveness in the region. The remaining branch of the Group in the USA - RETECH in Buffalo, New York - will maintain its existing production, product segment, and separate brand.

The merger of the two companies results from an analysis of the market, financial, and organizational situation. The new structure will also allow for a more effective response to customer needs and a quick reaction to dynamic changes in the business environment.

15 years of SECO/WARWICK in China

In 2010, the <u>SECO/WARWICK</u> Group made a strategic decision to expand its operations in Asia by establishing the SECO/WARWICK company in China. Today, 15 years later, it is one of the key assets in the SECO/WARWICK Group. The Chinese company is now a leader in providing advanced technologies for the automotive and aerospace industries in Asia. During their tenure, the Asian branch has delivered over 200 devices in the metal heat treatment and metallurgy segment to partners around the world.

Since its inception, SECO/WARWICK China has significantly developed its operations — the plant area has doubled to 10,000 m², and the number of employees has increased from 29 to nearly 100. The Chinese company has already delivered 206 innovative solutions, including 133 CAB lines, 55 vacuum systems, and 18 solutions from other segments.

The Strength of SECO/WARWICK - Globalization through localization

Currently, the Asian branch of the Group provides solutions to customers around the world. The largest recipients of technologies, apart from the local market, includes Mexico (6%), India (4%), and Morocco (2%), as well as Poland, Spain, France, and Brazil.



"This is a particularly pleasing anniversary for me, as I had the honor of managing the Chinese company almost from the beginning. When I became its managing director in 2011, my goal was to create internal structures and a sales force that would operate with excellence in the Asian market. It was crucial to build a team and hire the right people who knew the business culture of this region. Today, in China, we have a factory with an assembly process, and the ability to work in many technologies. We have also conducted extensive training aimed at delivering unified SECO/WARWICK products regardless of the region of the world they are produced in"

The strength of SECO/WARWICK is, on one hand, globalization and a high level of know-how throughout the entire Group, and at the same time localization understood as the ability to adapt to the needs of the local market – needs that include the necessity for accurate business communication. Today, the Chinese branch can conduct commercial trials for CAB technology, and produce 20 <u>CAB</u> lines, 8-10 VAC vacuum furnaces, and 3-5 devices from the vacuum metallurgy segment annually.

Technologies produced by SECO/WARWICK China are used in industries such as automotive (53%), <u>aerospace</u> (27%), telecommunications, electronics, tools and molds, energy, rail transport, construction machinery, HVAC, and medical equipment.

Innovation and development

Over 15 years, the Chinese branch has grown organically. Since 2010, the company has consistently implemented modern technologies. Currently, SECO/WARWICK China is a leading provider of vacuum furnaces (2012) and plasma brazing technology (2013). The first device from the VME segment was built by the Chinese company in 2013, and in 2022 the company began producing Vacuum Induction Melting (VIM) devices.



"In 2024, we officially launched a comprehensive R&D CAB center in Asia, allowing for process research and the development of new technologies. We began producing Vector vacuum furnaces — SECO/WARWICK Group's flagship solution, making our branch complete, playing a key role in the Group's structure. I can't count the awards we've received during these 15 years. Among others, we have received the title of "Qualified Supplier for the Aviation Industry," "Chinese National High-Tech Enterprise," "Brand appreciated by customers," and the certificate, "Integration of information and industrialization management systems." Over 15 years, we increased employment by nearly 250%. I am grateful to the employees who continue to build SECO/WARWICK's success in China. Our capital is our people, their ideas, diligence, and reliability."

 $-commented \, Liu \, Yedong, Managing \, Director \, of \, \, SECO/WARWICK \, China.$

At the end of 2024, SECO/WARWICK China owned 31 patents, confirming its innovation and contribution to the development of advanced industrial technologies.

What does the future hold?

The 15th anniversary of SECO/WARWICK China is a milestone but also the impetus for further development. The company plans to continue its expansion in local markets, develop new technologies, and strengthen its position as a leader in heat treatment and brazing. The SECO/WARWICK Group estimates that the share of the Chinese company as a potential supplier of components and equipment to other Group entities will also increase gradually.

SECO/WARWICK China is a success story – from a local player to a global provider of advanced technological solutions.

Impressive growth and strategic milestones in 2024 and the first half of 2025

SECO/WARWICK maintains growth dynamics in the first half of 2025 – financial results, strategic consolidations, and the 5000th device on the horizon.



SECO/WARWICK, a global leader in metal heat treatment technology, has announced a record-breaking 2024, and looks forward to the future with optimism.

The Group ended the past year with revenues exceeding PLN 712 million, representing a 4.26% year-on-year increase. This is further evidence of the effective implementation of its development strategy and how the Group consistently strengthens its position on the global market. The first half of 2025 confirms that the Group is heading in the right direction.

The Group merged two American companies, reducing operating costs and increasing economic efficiency. 2025 will also be exceptional because SECO/WARWICK will soon produce its five-thousandth device.

Last year was not only about revenue growth, but also impressive results in foreign markets, including over 138% sales growth for SECO/WARWICK in the USA. Retech increased sales by 12%, SECO/VACUUM by 47% (now under the SECO/WARWICK brand), and SECO/WARWICK India – by as much as 125%. The high order portfolio of PLN 767 million at the end of 2024 confirms the stability of the Group and further growth potential.

One of the key events of the year was the tightening of cooperation and operational synergy between the American SECO/WARWICK companies and Retech, opening up new expansion opportunities in the American market and in the vacuum metallurgy and aviation sectors.

"2024 was a good year for us — not only in terms of sales growth but also in global development and digitization. The expansion of the plant in India and the launch of local production strengthen our position in Asia, and the strengthening of structures in the USA opens new prospects in the world's largest market. We recently merged two American companies, eliminating duplicate administrative, managerial, and IT structures, which will reduce operating costs. Additional savings result from joint production planning, better use of human and material resources, and economies of scale in purchases. Annual savings are estimated to reach several hundred thousand dollars. At the same time, we will increase our product portfolio in this market, which will translate into higher sales. We are looking forward to more milestones, one of which will be the jubilee, five-thousandth SECO/WARWICK device, which will soon be delivered to the customer,"

-says Sławomir Woźniak, CEO of the SECO/WARWICK Group.

The SECO/WARWICK Group remains one of the key suppliers of technology for aviation, automotive, and energy industries. For example, a line of furnaces based on the reduction technology developed by GreenIron, which will soon be delivered to the Partner, is a response to climate change and the urgent need to reduce CO₂ emissions and create energy-efficient and resource-protecting business models. The project fits into global decarbonization trends and sustainable development.



KATARZYNA SAWKA

VP of Marketing
of SECO/WARWICK Group.

"The SECO/WARWICK Group continuously focuses on development: technology, innovation, production, space, and employment. Every year is a challenge that strengthens us as one of the world's leaders in the metal heat treatment industry. Later this year, the 5000th SECO/WARWICK device will roll off the production line. We expect this to happen by the end of the third quarter of 2025"

The year 2025 promises to be even more successful by building stronger, more integrated, and more innovative partnerships with industry worldwide. The SECO/WARWICK Group stands ready to implement more ambitious projects and push technological boundaries even further into the future.

Family Day at SECO/WARWICK an Event That Will Go Down in Company History!

Under the slogan 2 hours for the family, for the first time in the company's history we organized SUCH A DAY!

Children, together with their parents, had the opportunity to visit the company, participate in various attractions and learn about our daily work.

Never before has there been such a bustle in the corridors of the office building or in the assembly hall!

We were visited by over 100 children aged 3 to 14, accompanied by 70 parents. Over 45 people were involved in the organization!

On the route we had 14 attractions adapted to the children's age. The program included:

- / a photo in the president's chair and a signature exercise,
- / a 3D furnace demonstration and technical writing practice,
- / fun with company stamps,
- / a meeting with a welding robot and a welding mask fitting,
- / a ride in a "vintage" Melex,
- / a handprint on a commemorative plaque,
- / a health and safety lesson with helmets and protective clothing,
- / a LEGO-like warehouse full of parts, cables and tools!
- / a visit to R&D and a heat treatment demonstration oil hardening,
- / at the end, everyone could take a photo in a frame, which is a great souvenir from that day!









It was an event that will go down in the company's history. Thanks to cooperation and commitment, dedication and heart, we managed to create unforgettable memories for our youngest guests and their parents.

The satisfaction and smiles on the children's faces were priceless and were the best reward for our joint efforts.

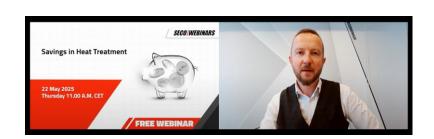
We hope that this day will remain in the memories of both the visitors and the entire team involved in the implementation of this event.

SECO/WEBINAR - Savings in Heat Treatment

Discover how SECO/WARWICK solutions can help you reduce production costs and maintain operations during challenging times. Join our webinar to learn practical strategies for efficient production and gaining a market advantage.

What will you find in SECO/WEBINAR?

- / How to reduce production costs,
- / How to produce more efficiently while controlling costs,
- How to gain a market advantage and gain a key edge in tough times



WATCH WEBINAR



CONTACT:
SECO/WARWICK
Sobieskiego 8, 66-200 Świebodzin, Poland
Ph. +48 68 38 20500 | contact@secowarwick.com