

TECHCROSS NEWS

www.techcross.com

Providing Right Solutions For Your Ships

2019 September Edition. Issue. 19

Copyright@TECHCROSS all rights reserved.

News 01. Techcross Aims To Become A Comprehensive Environmental Enterprise

Techcross, the world's largest manufacturer of the ballast water treatment system, entered into the land-based water treatment business. On September 26, Techcross completed acquisition of LG Hitachi Water Solutions and HiEntech, both former subsidiaries of LG Electronics.

In March, LG Electronics announced the sale of its water treatment business as part of the reorganization and sale of the non-core business. Four companies participated in the bidding, and LG Electronics, which gave the greatest weight to the continuity of operational excellence of two subsidiaries, chose Techcross, the sole strategic investor among the candidates, as the buyer of the two companies.

This contract enabled Techcross, which had been in the ballast water treatment business, to grow into a comprehensive environmental company with newly added land-based water treatment business.

LG Hitachi Water Solutions, an environmental facility design and construction company, posted sales of 350 million dollars in the previous year, and HiEntech, a water treatment and management company, had sales of 227 million dollars (130 million dollars for its headquarters and 97 million dollars for its Chinese subsidiary). The two companies are quite solid with the total sales of about 580 million dollars combined. Both with LG Electronics as a parent company, they have been gearing up for future growth with continuous efforts to expand external networks for orders.

With sales expected to surpass 170 million dollars this year, Techcross intends to achieve a sound profit and intermediate-term goal of 420 million dollars through increasing orders and business efficiency. In addition, Techcross holds patent and original technology for electrodes, a key component of electrolysis water treatment technology, which makes limitless future development possible. In this regard, Techcross intends to achieve long-term synergy with the improved competitiveness and performance of the company by sharing its original technology for water treatment and the capacity for global management with the subsidiaries.

"Techcross, which started as a small start-up company in the past, has risen to the world's No. 1 position in the ballast water treatment system market through continuous investment in R&D and human resources. The two companies, new family members of Techcross, also achieved remarkable results in the shortest period of time, and have potential to take a leap in sales by increasing external orders. Based on the capital and know-how of the three companies accumulated in the growth process, Techcross has a goal to grow into a unique environmental company that can compete with global companies such as Veolia Environment S.A. in France and Xylem Inc. in USA." said Wayne Park, CEO of Techcross.

LG Hitachi Water Solutions and HiEntech, which became the family members of Techcross, will be renamed to Techcross Water & Energy Inc. and Techcross Environmental Services Inc. in time for the completion of the acquisition.

Event Schedule

Public Event

- October 22 ~ 25, 2019
: Kormarine 2019 / Busan, Korea
- December 3 ~ 6, 2019
: Marintec China 2019 / Shanghai, China
- December 9 ~ 11, 2019
: BWMTech Conference / London, UK

TECHCROSS Event

- December 12, 2019
: Business Plan Workshop
- December 27 ~ 16, 2019
: Year-End Ceremony

Providing Right Solutions For Your Ships

News 02. Boosting Sales for Retrofit Market in China with Chinese Government TA

Techcross, in addition to the type approval received from CCS (China Classification Society) in December 2016, obtained the type approval from the Chinese government in July 2019. This approval, based on the CCS type approval, was obtained from MSA in recognition of the stability of the equipment. Techcross is currently the only non-Chinese company that received the type approval from MSA. In other words, ECS from Techcross has become the only foreign product that can be installed on Chinese national carriers.

At present, China is a shipping giant with 11.2% of the world tonnage, which is about 4,000 ships. In particular, 62% of these vessels, about 2,637 ships, have Chinese nationality, so obtaining the type approval for Chinese carriers is just like having an important key to exploring the Chinese market in the future.

As attesting this, Techcross is making strides in the retrofit market in China. In 2019, Techcross contracted and delivered for 5 existing ships from one of China's largest state-owned banks and agreed to install the BWMS in the remaining large fleets. In addition, it has won orders for about 60 ships from China's state-owned and private-owned ship owners. Especially after acquiring the type approval from the Chinese government, Techcross signed a contract in September with one of the private Chinese ship owners for Chinese national carriers and CCS class fleet. Techcross is stepping up its efforts to deliver quality products and provide AS service to secure orders for Chinese national ships.

News 03. Participation in Kormarine 2019

Kormarine 2019 as one of the major international marine&shipbuilding exhibitions will be held from October 22 to 25 in Busan, Korea. A large number of visitors from maritime industry in and out of Korea are expected at exhibition, and Techcross, one of the leading BWMS manufacturers will be also attending as a main exhibitor.

As BWMS retrofitting market has been started, Techcross believes that the on-site meeting will lead visitors to the better solutions on how to optimize specific BWMS for their vessels. Techcross also prepares a variety promotional material including new system, ECS-Hychlor™ System. Techcross' stand located at 3D39 in Hall 3 of Bexco. The detailed information can be referred at www.techcross.com

News 04. ECS-Hychlor USCG TA Document Submitted

The final documents for the type approval of ECS-Hychlor™ System, a newly launched indirect electrolysis BWMS were submitted. Initially, the documents were scheduled to be submitted in April, but the application date was postponed due to delayed onboard tests for reasons beyond the control such as changes in the operation schedules of test ships. Given the circumstances, it is expected that USCG type approval will be obtained no later than February 2020.

As of the end of September, 21 BWMSs had obtained USCG type approval, and 10 additional products are awaiting type approval.

TECHCROSS

WE ARE B W M S

TOTAL SOLUTIONS PROVIDER

PRODUCT ENGINEERING MANPOWER A/S SERVICE PRODUCTIVITY

www.techcross.com