



## Completion of a major strategic transaction **TGWT strengthens its position as a leader in tannin-based water treatment for steam boilers**

**Longueuil, Quebec, Canada, Thursday, June 28, 2018** - Louis-Philippe Cloutier, Chairman and CEO of TGWT, also known as "The Tannin Guys®", is proud to announce that the company has just sold 37% of its share capital to its long-standing partner, the German company Korn GmbH.

TGWT and Korn, which had already been bound for several years by an intellectual property sharing contract, decided to join forces to accelerate their conquest of the world. The boiler water treatment chemicals market is projected to grow from USD 2.68 Billion in 2017 to USD 4.35 Billion by 2022, at a CAGR (compound annual growth rate) of 10.1% from 2017 to 2022 according to a recent MarketsandMarkets™ report. This transaction, approved by TGWT's Board of Directors in May 2017, was aimed at strengthening TGWT's shareholder structure by adding a strategic industrial partner. Korn GmbH thus acquired the shares of a portion of the minority shareholders.

"There are many synergies following this agreement, particularly in terms of market development through the pooling of our partner and distributor networks in North America and Europe," said Louis-Philippe Cloutier, Chairman and CEO of TGWT. "Our research and development collaboration will also increase. Several operational aspects can be shared to strengthen and develop best practices for the benefit of our customers," added Moritz Haltermann, Chairman and CEO of Korn GmbH.

TGWT and Korn specialize in green chemistry. Their flagship product is used for steam boiler water treatment. The unique benefits of using this product are energy, water and greenhouse gas savings, without capital investment. For example, last year TGWT won the Energia award, which highlighted the savings of more than CAD 900,000 made without capital investment between May 2011 and May 2015 by a client plant, Cascades Containerboard Packaging – Cabano. The business model of the two companies is similar. TGWT and Korn serve their local market directly by selling and servicing water treatment for steam boilers, closed systems and cooling towers. Outside their respective countries, Canada and Germany, they have developed a network of water treatment company partners, who distribute and offer the range of purified tannin products developed by TGWT and Korn, in the United States, Mexico and several European countries.

### **About TGWT**

TGWT is based in Longueuil, Quebec, Canada. Founded in 2005, better known as "The Tannin Guys®", provides greener technologies to help customers optimizing their steam boiler and cooling system efficiency and asset protection. For more information about TGWT: <https://www.tgwt.com>

### **About Korn GmbH**

KORN GmbH is located in Hamburg, Germany. Since 1932, they have developed, produced and marketed high-performance water treatment products for boilers and cooling systems that are environmentally friendly and extremely efficient, "made in Germany" quality. For more information about Korn: <https://www.korn-gmbh.de>



*From left to right, Board of Directors of TGWT:  
Moritz Haltermann, Louis-Philippe Cloutier and Didier Fillion.*

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**Source:** TGWT

**Information and interview requests:**

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