
Press release – PSV Holdings Limited

(“PSV” or “the Group”)

PSV HOLDINGS EXPANDS SPECIALISED SERVICES DIVISION WITH ACQUISITION OF CRYOSHIELD

PSV Holdings, the JSE listed industrial engineering company, is pleased to announce the acquisition of Cryoshield, a leading manufacturer of cryogenic process equipment.

Abie da Silva, CEO of PSV said , “The rationale behind the acquisition is to add critical mass, advanced technologies and new clients to the Specialised Services division within PSV. This division already houses Rand Air and Gas Installations (“RAGI”), the business which designs and produces storage vessels and distribution equipment (road tankers) for the cryogenic industry.” In the long term the two businesses will be combined into one cryogenic service offering to the market, da Silva goes onto mention.

Cryoshield was established in 1986 by John Winterton and supplies much needed designs and manufacture prototype process control equipment to the South African gas industry. Cryoshield has the capability to manufacture large capacity, new generation, cryogenic freezing equipment. This requires specialised fabricating techniques in stainless steel and over the years Cryoshield has produced high quality equipment to suit clients’ needs.

Cryoshield is best known for its technical ability in vacuum and temperature controlled cryogenic process equipment, from vacuum furnaces, working at +2500 degrees Celsius to low temperature systems, working at minus 270 degrees Celsius. It has built cryogenic food freezing equipment, using liquid nitrogen as a refrigerant, capable of freezing 2 tons of hamburger patties per hour.

There is involvement by Cryoshield in the nuclear industry related to cryogenic systems. They are also involved in the electrical industry manufacturing transformer drying and transformer oil purification systems. Cryoshield has also designed and manufactured a space environment simulator where space conditions are replicated inside a large vacuum vessel to test the durability and resistance of satellites prior to their launch.

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The expertise built up by Cryoshield in vacuum technology has enabled the company to be well placed to break into an array of industries where vacuum technology is essential.

John Winterton, founder and MD of Cryoshield says, “The acquisition by PSV will afford our business the growth potential which was previously restricted due to a lack of funding. Our technologies have attracted interest internationally and being part of the PSV group of companies will help us develop this market. John will remain with PSV as the managing director of Cryoshield. “Cryoshield and its employees are excited about the future prospects that being part of PSV will bring,” concludes Winterton.

The purchase consideration of R8 million will be settled entirely by cash, payable in three tranches. The transaction is still subject to a successful due diligence.

Da Silva concludes by saying, “We are delighted with this transaction and the fit with our other cryogenics’ business is perfect. We believe this makes us the leading supplier of cryogenic technology in South Africa. Cryoshield has a number of long-term contracts from which PSV will also benefit.”

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