

SSHIP | Strong revenue and profit growth, and technology breakthrough

Oslo, 6 May 2019 – Scanship continues the result improvements with first quarter revenues of NOK 93.1 million (77.4), a growth of 21 %, and EBITDA of NOK 11.1 million (9.0), a growth of 23 %. Breakthrough contracts have also been made for our Waste to Energy (WtE) technology, both towards the cruise industry and landbased applications.

"We are very proud of our performance. Results continue to improve and at the same time we are recording an all-time high order backlog of NOK 680 mill. Our efforts to focus on improving our client's environmental footprint by delivering solutions for cleaner oceans pays off," says Henrik Badin, CEO of Scanship.

In March, Scanship signed a breakthrough contract for deployment of its novel microwave assisted pyrolysis (MAP) technology in WtE systems for two mega sized cruise ships, with options for two additional vessels. These systems provide clean energy and saves fuel, capture CO₂ and convert biomass to valuable biochar for sale.

In April, Scanship entered another milestone, with the project cooperation to deliver its first landbased industrial system with microwave assisted pyrolysis inside to the VOW (Valorisation of Organic Waste) research program at Lindum in Drammen, Norway. The project consortium includes Lindum, VEAS, NGL and SINTEF in addition to Scanship.

The Norwegian Research Council has granted 50 % funding for the program. The primary objective of the project is to create a sustainable and valuable biochar sorbent product for soil, air and waste water treatment.

"With these breakthrough's, we have commercialized our pyrolysis technology, as we are helping our clients take further steps to improve their environmental footprint," says Badin.

Key figures

(NOK million)	1Q 2019	1Q 2018	Incr.	Year 2018
Total Revenue	93.3	77.4	21 %	329.6
EBITDA	11.1	9.0	23 %	39.2
EBITDA margin %	11.9 %	11.6 %		11.9 %
Order Backlog	680	513		656

The cruise industry continues to grow as cruise liners place new orders at European yards. The total industry orderbook to date is 125 cruise ships to be delivered until 2027. Scanship has firm orders on 36 newbuilds, additional options for 9 vessels and sister vessels, and is currently tendering for a further 30 newbuilds. The cruise market has tripled in size the last twenty years, reaching 28.5 million passengers in 2018 (CAGR 5.7 %), translating into the continued growth in the industry orderbook.

Cruise Lines International Association (CLIA) (2018) reported that 53 % of the global fleet are equipped with advanced wastewater purification (AWP) systems and only 7 % are in compliance with the new Baltic standard. With shipowners becoming ever more focused on the environmental impact of their business, this translates to more demand for Scanship systems for ships in operation, and the company is experiencing higher retrofit activity within this business segment. In addition to the three ongoing retrofit projects we are now tendering for a significant number of new retrofit projects, confirming this market trend.

Shipowners sustainability goals, changes in regulatory environments and the overall industry growth drives markets both in newbuild and retrofits.

Attention to sustainability and cleaner oceans is continuing to create opportunities for the company within the aquaculture industry, where Scanship delivers technology for sustainable fish farming and circular economy. The company is currently working on four aquaculture projects, including what will be the world's largest landbased fishfarm, Atlantic Sapphire in Miami. Scanships is also currently tendering for multiple projects within smolt, landbased fishfarms and seabased close cage system.

Scanship has resolved to submit an application for transfer of listing from Oslo Axess to Oslo Børs.

For further queries, please contact:

Henrik Badin - CEO
Scanship Holding ASA
Tel: + 47 90 78 98 25
Email: henrik.badin@scanship.no

ABOUT SCANSHIP HOLDING ASA

Scanship delivers world leading solutions for cleaner oceans in the cruise and aquaculture industries. Scanship provides advanced technologies for processing waste and purifying wastewater. Owners operating Scanship systems have the solution to convert all waste and wastewater into clean energy and purified water which meets the highest international discharge standards. Any residuals from the Scanship processes can be recovered for reuse.

This information is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act.