

SCANJET COURIER



Scanjet Newsletter
Issue 19 - 2020

Welcome to the 19th edition of Scanjet Courier 2020. We will take you through the latest news and updates from Scanjet Group's offices and production centres all over the world.



Euronav's Suezmax Corpus Cristi, Norway.
Photo: Johnny Forsman



INTELLIGENT TANK MANAGEMENT

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Scanjet Systems India - A new venture of Scanjet

Scanjet Systems India, A new venture of Scanjet, is located at the South Asian headland of India, close to Cochin shipyard and container terminals.

India, being one of the fastest emerging economy along with the growth of ship managing companies and repair yards in this region, the presence of Scanjet in this market will be an added advantage to well serve existing customers and explore new business especially in NBs.

From its office in Cochin, Scanjet will be represented in the Indian, Bangladesh and Sri Lankan markets. Professional capability of Aneesh VK and Sandeep Parakkat (Directors), together with the expert guidance of Mr. KP Krishnan (Senior Advisor), we aim to capture these markets with hard work and enthusiasm.



From left: Mr. KP Krishnan, Mr. Aneesh VK & Mr. Sandeep Parakkat.

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Bit Viking berthed in Norway.
Photo: Johnny Forsman



CEO at Speakers Corner



Dear colleagues, partners and end-users,

X-mas season and the epilogue of 2020 is soon here. I guess we all can agree that such a year, as 2020, have never been seen in our lives before and let's trust in a far better outcome next year. COVID-19 have been an ongoing and sad issue since early March and the challenges have been unexpected and plentiful. In working environment for sure but also in private life for many of us and truly, let's hope for a vaccine success soonest.

What else can be made than saluting the overall Scanjet Group worldwide personnel performance, which has been explicit and remarkable during 2020. Thank you all, for a remarkable spirit and willingness to perform maximum in these yet exceptional times.

The Scanjet Group turnover and result for 2020 turned out to be the best in history, and the services to our just as well exposed end-users have been unbroken during the whole year. Sales and service has been done on time to the extent possible, and I can be nothing but humble to the service department after reading the positive comments from our customers. Scanjet Group stand very strong for the coming years. All Scanjet production units in Batam, Poland and Sweden have been able to deliver on time, much to our customers satisfaction. Well done. Following the grand job made for 2020, Scanjet Group stand very strong for the coming years.



Magnus Wallin visiting PT Usda Seroya Jaya Shipyard, Batam.
Photo: Arief Hidayatullah

For 2021 we expect an acceptable year in business, however it's very hard to predict due to COVID-19, and the competition in a still slow market sharpens every day. The ITAMA concept has been much useful in winning projects throughout the whole 2020 in spite of sales difficulties by means of travelling restrictions. Individual products importance may still be there, but the larger scope attracts the better interest from the shipowner's, which has been verified again and again during 2020. Game-changing large ITAMA orders for Valles Steamship of Canada, Island Navigation of Hongkong, Shell of UK, Pantheon and Ocean Gold of Greece just to mention a few, all confirms the acceptance of the ITAMA package with;

- Tank Cleaning
- Pressure Vacuum Valves
- Inert Gas Systems
- Level Gauging
- Portable Tank Cleaning and Gas Freeing Fans

The above Products creating Intelligent Tank Management (ITAMA) surely belongs together and it's after 2020 proven. Period.



Finally, all owners of Scanjet wish all of you and your families the best possible X-mas and happy new year and stay safe. My humble advice is to look forward and not back. See you 2021 and let's hope for the better year in respect of our wish for normal life coming back to us again.

Scanjet Economy Report 2020



Scanjet Marine & Systems AB

Scanjet Systems AB was prior to 2020 part owned by external capital. During 2020 consolidation of the Scanjet Group has been a major guideline and accordingly, Scanjet acquired 100 % of the share capital in Scanjet Systems AB during 2020.

This opened the natural opportunity to the merger of Scanjet Marine AB and Scanjet Systems AB and the merger is now renamed to Scanjet Marine & Systems AB.

No changes in operation or personnel either on the marine or industrial side, however Lars Cronsjö is entering into the SCANJET Holding AB board of Directors and remain Chief Operations Officer of the operation of the SCANJET Industrial segment.

The Tank Cleaning Industrial Market has shown the similar tendency as the Marine side, when the scope of supply increases the better the sales. The general feeling is that the Industrial Market may obtain far better result worldwide 2021 and as the owners will support this line very much, we trust in maximum support to the Industrial sales team from all sales channels worldwide. 2020 was a golden year on the industrial side and the more the success stories are known to our sales outlets the better the result for sure.

Sure, there has been some setbacks during the year of 2020, but nothing that could not be solved, and X-Mas and better times are coming also here.



Magnus Wallin
CEO & Part Owner
SCANJET GROUP

Scanjet Economy Report

The financial year 2020 was one of the best in Scanjet history, which is fantastic a year like this. Aftersales continued its growth and we received a lot of good orders for the industrial segments the first 6 months. Even after Covid-19 came into the picture in February - March, the business continued almost as normal with some delays. The service and industrial segments were affected the most by Covid-19, so the second half of the year was weaker than normal. But overall a very good result for the industrial department. Volumes was a bit reduced compared to FY19 due to lower tanker market but since Aftersales gained a larger part of total sales, the margins increased.

Cash flow has been in focus and improved very well during FY20. The major part of it thanks to optimizing the inventory levels.

Looking forward to 2021 financially, the business looks very healthy with a forecasted profit to be slightly higher than 2020. Not because of higher volumes, but because of a better mix of sales with better margins.

The work of improving the cash flow will continue and will play an important role to strengthen the business for the future.

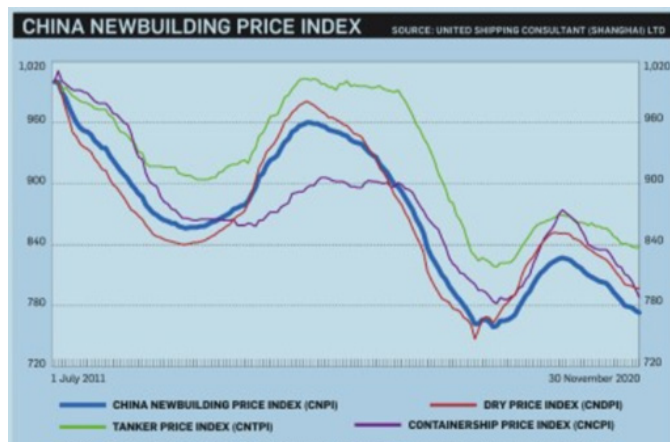


Robin Ejerblom
CFO
Scanjet Marine AB



Market Update & Orders of significance

The newbuilding market is still at slow steaming in most areas, even if some owners are taking advantage of the low prices at yards for newbuilding's. Some owners who are about to order have seen delay due to Covid-19 both in terms of their charter contracts as well as actually being able to sign the contracts with yards remotely. However, with lowest order stock vs sailing fleet in decades, and some vessels in the smaller segments becoming old and ready for scrap, we will see an increase in ordering around the corner.



China Newbuilding Price Index 2020-12-05.
Source: United Shipping Consultant (Shanghai) Ltd.

Even if demand have levelled out for wet cargo, we have seen some new innovative solutions were very large crude carriers are taking diesel as first cargo from China to Europe. Also, the refineries in Australia are closing down which generates additional ton-miles for the tanker market. Cruise business is still slow, and the cruise companies are suffering heavily. Newbuilding projects are postponed and cancelled.

Despite the challenging times, Scanjet ITAMA package continue to harvest new success. Most recently for a project at New Times in China with a Greek shipowner, were Scanjet will supply Inert Gas System, Pressure & Vacuum Valves, Tank Level Gauging and Tank Cleaning System for the 156,000 dwt tankers. Oil major Total have also fully recognized Scanjet unique design for the P/V valves that enable to reduce VOC emissions even further and also make the old VOCON valves redundant. The patented secondary nozzle on the valves enable a stable tank pressure during transport.



New Times Shipbuilding, China.
Photo: NTS.

With 2020 soon behind us and the best results in many years, we look ahead with great optimism and a well-tuned product range.



Niklas Falkmer
Managing Director
Scanjet Marine AB

Sjöbo & Lobez Production Unit Update

Production Unit Update

The Production unit in Sjöbo has a crew of 42 and in Lobez we have a crew of 11. Many of us have 10+ years of experience from working for Scanjet.

With our experienced crew, we are specialized in TCM for the Industrial market. Since we have close cooperation between development, workshop, purchasing, QC, assembly and testing in a full-scale test unit, we are well equipped for new and customized products. We have skilled personnel for polishing equipment for the Food, Beverage and Pharma Industry with its high demands of surface finish. Since we are certified according to ISO 3834-2, we also produce welded equipment that follows the high demands for FPSOs and the Offshore market. Other products that we deliver are TCM and portable equipment for the European Marine market, P/V valves, Flame Arrestors, DVCs and Inline valves.

We also work as one of the main hubs in spare part distribution with a delivery precision above 99 % for many years in a row. Many of the skilled personnel in this area have experience from both assembly and service, giving our customers a good support in recommending correct parts and service KITS.



Håkan Amilon
Site Manager Sjöbo & Lobez
Scanjet Marine AB



Japan Review During Covid-19



Japan Review

Due to less investments in newbuilding tankers and this strange worldwide-spread of problem, the contracted number of newbuilding tankers here in Japan is without exception very few this year. For example, one of our very important shipyards that is building chemical tankers, located in the northern part of Japan, has nearly no tanker newbuilding's expected in 2021. So far, they have built 5 – 6 chemical tankers per year and our Scanjet Tank Cleaning Machines has been delivered to 100% of these vessels.

However, in conjunction with newbuilding tanker contracts in Japanese yards (for export vessels), comparing between last year and this year, we can see that this year has had a slightly increased figure. Contracted newbuilding tankers in Japan in 2020 (Q1 to Q3) is reportedly to be 22 vessels so far, compared to same period last year in 2019 (Q1 – Q3), which was 14 only vessels. We would expect that this could be a good sign.

Despite the currently depressed market, our deliveries of Scanjet Tank Cleaning Machines and Scanjet Pressure/Vacuum Valves keeps going on. Deliveries of Scanjet products for chemical tankers are ongoing for Fukuoka SB, Minaminippon SB, Kitanihon SB, Usuki SB, Asakawa SB, Higaki SB, Shin Kurushima DY, Hakata SB, Shitanoe SB, etc.

In 2020, we have confirmed orders with 4 new Japanese Chemical Tanker Owners, who previously used tank cleaning machines from other maker brands for a long time, but now changed to Scanjet TCM for the first time. Thanks to the exceptional model SC30T, the best-seller tank cleaning machine for chemical/ products!

For crude oil tankers, we are proud to announce that “most of the VLCCs”, recently built in Japan are fitted with Scanjet tank cleaning machines. The VLCCs being

built at JMU, Imabari SB, Namura SB and Mitsui E+S SB and all mentioned for well-known shipping companies /operators. Quantity of TCM orders has recently been lower than previous peak years. However, certain number of TCM deliveries keeps moving on towards 2021, thanks to model SC90T2, the best-seller tank cleaning machine for crude oil!

More orders of Scanjet tank cleaning machines mean more ship's crew worldwide who should be much more familiar with Scanjet tank cleaning machines, which also means less mishandling and unnecessary claims.

Our further challenges will be to increase the orders of P/V Valves, selling Scanjet complete ITAMA package and increasing orders of Scanjet Systems!

We do appreciate the manufacturing of tank cleaning machines in Batam. This assists us very much. The lead time of delivery after order to arrival in Japan could save us up to 1 month compared with delivery from Sweden, due to less sea freight time. Another appreciation is that we could communicate with the project team in Batam on technical matters such as documentations, drawings and shadow diagrams without the time zone difference, at nearly same day time to each other.

It is Tratec's great pleasure to have been working with Scanjet for over two decades. Many thanks to every Scanjet team, for your superb cooperation which has been remaining unchanged.



Tsuneo Miyoshi
Chief Marketing Officer
Tratec Ltd. Tokyo



Maersk Container Vessel, Norway
Photo: Johnny Forsman



Looking Back on a Challenging but Rewarding 2020

2020 has brought many challenges to businesses globally as the world has had to deal with the COVID-19 pandemic. The safety of our staff and customers has always been paramount, and in line with UK government guidelines, we were able to continue trading through the difficult months of the UK lockdown with production continuing under controlled COVID-secure conditions.

Despite these unprecedented and uncertain times, we have delivered major projects to customers around the world, including in Australia, Canada, China, Egypt, Saudi Arabia, Spain, the UAE and the UK. During 2020, we have delivered around many sensors, for a wide range of commercial and naval applications.

Prestigious Project Wins

We have secured notable project wins with the Royal Canadian Navy for a Joint Support Ship, a complete tank instrumentation package for a Spanish FSPO, full tank gauging systems for five Corvettes for the Saudi Arabia Navy, multiple orders for integrated gauging systems for Tugs plus many retrofit projects including a complete replacement system for a UK navy amphibious assault ship.



Saudi Arabian Corvette underway.
Photo: Unknown.

Launching New Products

One of the highlights was the launch of the Digital Tank Gauging System (DTGS) which uses our VPM 4300 display panel, RFM connection modules and our APT1000 level transmitters. This complete tank monitoring solution, designed for small vessels, makes tank monitoring more reliable, more accurate, and simple to install.



M/Y Andromeda, Singapore.
Photo: Gabriel Brännlund.

We also have more new products in development which will be launched in early 2021, including Scanjet Connect an exciting next generation tank gauging system with class leading capabilities. These are just a selection of our 2020 highlights, and we look forward to serving our customers again in 2021.



Mark Jones
Sales Director
PSM Instrumentation

PSM Launch Digital Tank Gauging System (DTGS)

Tank Gauging Made Easy With PSM's New DTGS

PSM recognised there was a demand for a simple to deploy tank gauging solution for small vessels and have launched their new DTGS (Digital Tank Gauging System), a fully integrated solution.

The central VPM display communicates to all connected APT1000 level transmitters to obtain accurate real-time data and processes this to provide a comprehensive display of the status of all tanks. Multiple displays can be added, and the status information can be serially communicated to other onboard systems, loading computers or alarm monitoring systems.

The DTGS fully integrates:

- APT1000 Level Transmitters
- RFM Connection Modules
- VPM 4300 Display Panel

And comes with benefits for both installers and users, including:

- Delivered preconfigured and ready for use
- Low cost of installation with minimal cabling
- Real-time display with option for data logging
- All data continually backed up to internal secondary memory

All the key features and benefits are detailed in the new DTGS Brochure which you can download from the PSM website. PSM are confident that remote tank monitoring has never been easier! The DTGS system has already been installed successfully on a range of vessels around the world, including Tug boats, Superyachts, and Naval Corvettes, showcasing the versatility of the product.

If you'd like to find out more about the DTGS, then please visit the PSM website.





Marine Service in Transformation

COVID-19

Or commonly known as Corona virus, has changed the past year for most people in the world. How we interact travel, doing business and of course also service. Some of the changes I think would have come anyway, others will fast-forward and dramatically change. We can also see the impact of environmental demands and movements around the world. In the following article I will guide you through the biggest trends that I think we would see in the near future.

Remote Service

The remote service will increase its cost efficiency and environmental sound, as the need for travel will decrease. We get more and more enquiries on newbuilding's for this. Sadly, this must be installed from start for best effect and to a reasonable cost. Of course, re-fitting is possible but in most cases to a higher cost. I think this will be pushed from Shipowner's first when they understand the long-term savings. New pandemics and restrictions that may spread locally in the future makes service even harder. Ask us about our solutions for your next newbuilding and or upgrading an existing vessel.



Scanjet service team on the way to assist Klaveness' Bulk Carrier M/V Baleen.
Photo: Desislav Dinev

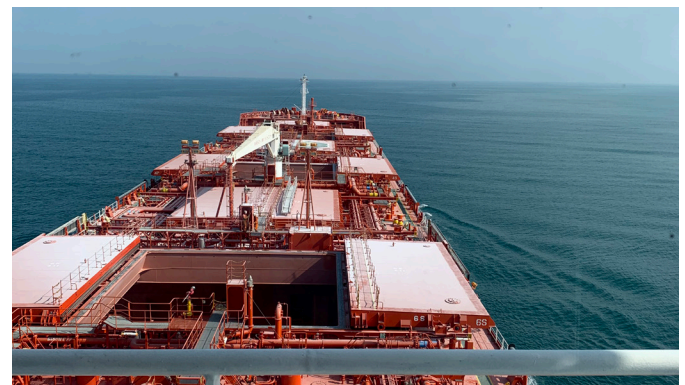
Local Service

We have seen how important it is to have local presence and service stations. When our global

Service engineers are not able to travel, we use our local service engineers. This has proved to be an excellent idea. We are still able to do service without long distance travel and we can support locally. Most clients may not know this, but we are present in most of the major shipping hubs and close to the dry-docking yards where we can support to make sure you get the correct service on-site. Next time you plan a dry-dock, ask us what we can support with.

Co-operation Between Companies

We have strengthened our service support world-wide and locally. To be able to do service under strict travel restrictions we co-operate with other major marine companies, so that we can increase the service scoop for one service technician. Not only is he available to perform service on our equipment, but also other companies' equipment.



Bridge view onboard Klaveness' Bulk Carrier, M/V Baleen.
Photo: Desislav Dinev

Green Service

We can now offer an eco-friendly service if you as a client demands it. Try it next time you need a service from Scanjet and call for "Scanjet Green Service". You will notice that it's friendly to your wallet, but first and foremost it will make a huge difference for us and the climate. If you choose to go with Scanjet Green Service, you will get a report with the CO2-savings and other positive effects your green service has given. If you want to, we can also provide a yearly report for you.

Marine Service in Transformation



More Local and Personal Support

We see that the dialogues we have in our day-to-day work is more important than ever and that we support each other through phone calls, and not only e-mails. The need for a voice and some sort of real interaction has become more and more important these days. We need to plan more thoroughly and do more testing, which takes longer time to fulfill these days with all safety and security precautions. We would like to thank everyone for your support and help in these difficult times. This reminds me of the kindness and care humanity showed when the Icelandic volcano erupted, and we could not fly due to ash clouds high up in the air. A big thanks to all wonderful supporting people out there.



Scanjet service of MarinFloc waste water solution onboard Cruise Ship Sapphire Princess.
Photo: Richard Santos

Other Changes and Aspects

Many companies have during the pandemic shut down, and letting people work from home. As a result of this, we have seen an increase and need for remote solutions within the company and department itself. We must be aware of the social effects when we can't meet as before. Video communication is now more important than ever. I think this comes to meeting with customers as well and we should continue using video communications until we can meet again. Supporting video is more and more important for the future than in the past.

Partnering Up With Other Companies On Service

We are now working very close with MarinFloc from Sweden and helping them with service in Singapore and the Mediterranean area. MarinFloc develops, manufacture and sell waste-water solutions for bilge-, black-, grey- and offshore deck drain water. Please visit their website at www.marinfloc.com for more. We have a full-service center in the Black Sea region as well as Marmara Sea. We think that partnering up to maintain a high service grade for customers, is the way of the future. This is also very cost effective for the shipowners. Instead of one service engineer for each product type or company brand, they get one for all. In one go, you as a shipowner can get more for your money. We are now looking for more companies to join our network. Note that you will still order service from your original supplier, but we talk and inform each other so we know if any additional service or checks can be done at the same service for your benefit.



MarinFloc Whitebox 17 H-V.
Photo: MarinFloc



Patrik Rilby
Global Service & After Sales Director
Scanjet Marine AB



Travelling's Still The Same, But Different

Day-of travel is much like it used to be. You get a boarding pass, walk through security and hop on a plane. But this time I was thrown off guard when I realised that merely 16 people had boarded the normally crowded flight from Amsterdam to Singapore. All of us passengers were seated towards the front of economy class section. I did not notice any transit passengers, who would have been seated at the back of the airplane.

The arrival procedure in Singapore was quite normal, but the airport was empty and there were no queues at the immigration counter. A truly depressing sight and also a visual reminder of what COVID-19 has done to Singapore, and the world.

After immigration we were given a yellow sticker and directed off to a fenced area. We were then informed about the hotel we would serve our 14-days of quarantine at and asked to wait for the bus. The bus escorted us to our dedicated facility, which was randomly allocated depending on the day of arrival and the colour of your sticker that you received after the immigration desk. What impressed me the most was the consistently friendly attitude of the government staff on various posts, from immigration officers and medical staff to bus drivers and hotel staff. They were very professional and patient from beginning to end.

We are still today very grateful for the warm hospitality received from Singapore duty personnel and amazed over the professionalism and handling during these uncertain and stressful times.



Picture from 14-days hotel quarantine in Singapore. View over Marina Bay Sands and vessels in lay-up. 2020-10-10.
Photo: Gabriel Brännlund

Shipping has kept going during the pandemic – which is indeed lucky for all of us. Although the growing number of cruise ships and oil tankers in lay-up around the world pose significant financial exposures for the shipowners. The tanker newbuilding market has been slow, but with a new vaccine around the corner and economy getting back up slowly, things are looking brighter and we might see an increase of tanker newbuildings very soon.

Around the world, uncertainty persists to when normality will return in business and life, or perhaps when we will adjust to the 'new normal'. I personally stay positive to what the future will bring. A sincere thanks to all Scanjet colleagues and partners around the world for the excellent cooperation and professionalism you have brought throughout 2020. I wish you all a Merry Christmas and Happy New 2021!



Gabriel Brännlund
Editor in Chief
Scanjet Asia Pacific Pte Ltd

Scanjet Marine & Systems News



25 Years & Still Going Stora!

As for most of our partners who work towards both Marine and Industry, you quickly learn the differences between the segments. Mentality, demands, certification, etc. This list can quickly become extensive. But there are several areas where we have found similarities, and the main one is found in Scanjet's back garden. The Paper industry.

To date we have installations all over the world, from the freezing North all the way down through the tropics and in to the southern hemisphere.



Stora Enso Paper Mill Factory in Skoghall, Sweden.
Photo: Stora Enso.

Recently we received a big order from what now turns out to be one of our oldest and most loyal customers. Stora Enso Skoghall. In the next few days we ship a number of SC 40RT units replacing older SC 50T units marking 25 years of continued business. The mill, the paper machines, the people and the tank cleaning technology have all changed somewhat over the year, but the reliability of the products and relationship between the companies has remained strong.

We often say in sales that it is the second or third sale when you start making money, and this is a goal we all strive after on the industrial markets, to keep our customers, our friends happy, because they will come back and Stora Enso is the perfect example

of this. Walking around the Stora Enso plant is in some ways like walking through a Scanjet museum, new and old products still in operation all over the plant! We have machines installed in the inlet of giant pumps keeping them clear from debris from lake Vänern, machines installed in all the pulp towers, mixing tanks and so many Bio 5's in the flume channels that we have lost count!



Scanjet TC model SC 40RT
Photo: Scanjet.



Scanjet TC model BIO 5SB
Photo: Scanjet.

A job well done by all the sales and engineering teams involved over the years!



Stuart Sharp
Head of Global Sales
Scanjet Marine & Systems AB



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Tug boat Belos Baus, Norway.
Photo: Johnny Forsman