

SCANJET COURIER

Scanjet Newsletter
Issue 12 - 2018

Welcome to the 12th edition of Scanjet Courier 2018. We will take you through the latest news and updates from Scanjet Group's offices and production centres all over the world.

In this edition you will find:

- CEO at speakers corner
- Scanrad R5 - A Success
- PSM Order Review and APT sensor
- Scanjet System - Year review
- Tank Management gets smart makeover

And much more!



Vehicles Carrier "Courageous Ace" berthing in Singapore container terminal.

Photo: Gabriel Brännlund



ITAMA
INTELLIGENT TANK MANAGEMENT

CEO at Speakers Corner



Dear Colleagues, Partners, End-users and Representatives;

The year of the “dog” 2018 is here. Writing these notes from Singapore we can see an extract of what the year of the Dog 2018 may give;

According to the Chinese horoscope 2018, the Year of the Dog 2018 is a good time for lifestyle changes and start of new business ventures. It is surely so that the horoscope forecast coincides very well with SCANJET GROUP activities.

However, the status of newbuilding orders to shipyard starts being yet a bit slow but in light of the new regulations for emissions (scrubbers) but also Water Ballast Control Systems and approaching implementation dates, may very well be a trigger for more vessels to be scrapped and consequently more vessels to be built. Crude Oil prices are also exceeding USD 68 per Bbl. again (once down in 27 USD Bbl.) and in a cyclic world many good signs are there. Once the avalanche of tanker new building starts, as it has to and will, there’s no way to stop it.



Nordic Remote Control Valves & Actuators.
Photo: Nordic Group

SCANJET Group is today geared to face the challenge and we have the ITAMA concept fully developed. With a new cooperation agreement with Nordic Group in Singapore we can also offer VRC (Valve Remote Control Systems) making our ITAMA concept worldwide unique i.e.

- Tank Cleaning
- Cargo Tank Monitoring
- Ballast Level and Flooding control
- Pressure Vacuum Valves
- Inert Gas Systems SCANJET Feen IGS Pte Ltd
- Valve Remote Control Systems

- Gas Freeing Fans, Portable Tank Cleaning and Accessories
- Full range of Electric Pressure Sensors, Electro Pneumatic Sensors and finally Radar Sensor in independent form for the first time in history of SCANJET GROUP

The ITAMA concept of SCANJET GROUP has already been a winning factor as later described by MD Niklas Falkmer and I look forward to the 2018 with controlled optimism. The signals of the acceptance for the ITAMA concept is coming from all angles - shipyards, ship-owners, consultants etc. - and that’s why I am totally convinced we have a winning concept, proven by over 25 orders in the initiation year already.

Our cooperation with Feen Marine and SCANJET Feen IGS Pte Ltd has recorded 28 firm orders for IGS Systems, primarily in China, Korea and Turkey, awarded by companies such as CMB of Belgium, Ocean Gold and Pantheon of Greece, Erik Thun of Sweden and Socatra of France among many others. The company has a very bright future and the sales has overcome all expectations. Feen Marine Pte Ltd (30 % owned by Scanjet Group) is expanding its factory in Batam in Indonesia very fast to meet up with delivery demands and foreseen increase in market shares here as well. The IGS venture Scanjet Feen IGS Pte Ltd and Feen Marine Pte Ltd. is nothing but a success ringing all the bells of the marine society today.

Let’s now make 2018 the best year the ITAMA success ever seen.



Magnus Wallin
CEO & Part Owner
SCANJET GROUP

Scanjet ITAMA gets acknowledged!

After some years of hard work building the ITAMA (Intelligent Tank Management) package we see that shipowners and yards are embracing the concept of having “One Port of Call” for the equipment that handles the cargo and tanks onboard the vessels. We are especially proud to announce that several Greek shipowners, as well as Korean yards has followed the Scandinavian owner and yards in China. The full advantage of having a single maker for the Tank Management ensures that Scanjet takes care of the interfaces between the different systems as well as being able to service the equipment for the years to come. The ITAMA package, and the fact that all equipment meets the latest type of rules and regulation and being able to easily incorporate future demand, has now fully reached the market, and Scanjet is proud that we have been acknowledged by several well-known owners and yards.

Market Insight

Scanjet today is a well-established quality brand for equipment to tankers, bulkers and cruise vessels all over the world. Tank cleaning was started in 1994, and here we are proud to announce that we hold 74% market share for all newbuildings worldwide. We currently see some lower phase in ordering newbuildings in the tanker segment, but increased number of bulk carriers and cruise being ordered. New rules and regulations that kicks in 2020 (sulphur cap) and the BWT regulation in combination with some oversupply in the tanker segment have resulted in increased scrapping, where vessels being as “young” as 12-15 years have been sent to the breakers! At the same time the need for wet transports will increase for the years to come where there will be a demand to renew the fleet.

New financing solutions, mainly in China, and the fact that newbuilding prices are low, will trigger orders for more modern vessels. Even if current situation is challenging for yard and sub suppliers, we believe that the future is bright and that the Scanjet ITAMA will have a good future!

Scanrad R5 - A Success

Scanjet launched its own radar some time ago and it is now fully integrated in the Scanjet Surveyor platform being installed on some 30 vessels. The radar is a 26Ghz pulse radar and suits most types of tankers. The instrument is robust and fits in the package of Scanjet together with our own developed pressure sensors and other equipment included in the ITAMA concept.



Niklas Falkmer
Managing Director
Scanjet Marine

PSM Order Review - Navantia confirms order!

In the last issue of Scanjet Courier, we reported on a number of recent project wins for Naval Vessels from some of the leading world Navies, and mentioned that we were in the final stages of negotiation for what would be our largest ever single order for a Navy package.

I am pleased to report in this issue that the contract has now been placed, and PSM will be providing a complete tank gauging system comprising of hydrostatic transmitters, central displays and interface to the IPMS, for a series of 5 Corvettes being built by Navantia Spain for the Royal Kingdom of Saudi Arabia.

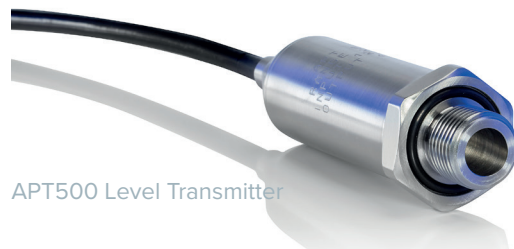
The PSM system will be based on our ICT intelligent Hydrostatic transmitters. Rather than the more conventional 4-20mA based signal, these ICTs' will be multi-drop connected over a serial network. This has provided significant savings and simplification of the cabling requirements, and also facilitates Ships' own Staff being able to fully support the system with its built in diagnostics and programming utilities. In the event that a sensor in any tank requires replacement, a standard spare can be fitted and configured by a few keystrokes on the PSM display, which will communicate all of the necessary settings to the replacement. Deliveries will take place through 2018 and 2019.

The APT Sensor

Staying with the Naval theme, we were pleased to make the first deliveries of our newly launched transmitter, the APT, to Intermarine Italy where they will be used in a series of Patrol Vessels currently under construction.

The APT is a significant milestone for PSM since becoming part of the Scanjet group. It has been developed to provide full in-house capability for tank level and overpressure measurement, as well

as higher pressure duties for pump and manifold pressure measurement. Available in Stainless Steel, Titanium, and Hastelloy versions, it is suitable for all onboard duties and further enhances Scanjet's ITAMA concept to provide complete solutions from one source. Full environmental testing and certification is in place and Type Approval / Intrinsic Safety Certification will be in place by end Q1 2018.



APT500 Level Transmitter

In an interesting departure from our shipboard systems PSM was selected as supplier of a flood monitoring and control system by Ideol France, whom have developed a unique and market leading offshore floating platform for wind turbines, their Floatgen project (<http://ideol-offshore.com/en/les-projets/floatgen-project>). Stability is obviously critical for the structure and the PSM system monitors all compartments of the platform to provide early warning of water ingress over 60 points, and then controls the dewatering valves and pumps if needed. For the PLC control aspect of this project we engaged Nordic Flow Control, Singapore, whose expertise in control systems enabled them to engineer a solution specifically tailored to Ideol's needs. The system was successfully commissioned in December 2017, and the platform



Mark Jones
Sales Director
PSM Instrumentation

will now undergo a trial period to demonstrate its capabilities. Leading, we hope, to many more being built in the future as the focus on this area of energy generation intensifies.

News

Symphony of the Seas

Royal Caribbean's **Symphony of the Seas** sets sail on its maiden voyage as the world's largest cruise ship. Equipped with nothing less than Scanjet Macron Flooding and Ballast Control System!



Photo: Loic Venance / AFP

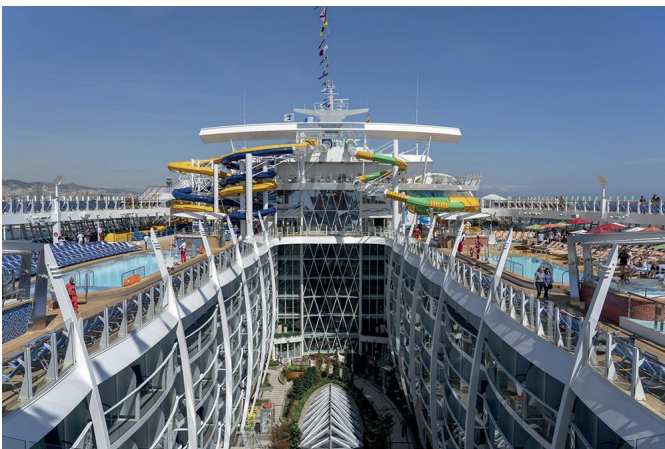


Photo: Jonatan Svennered/ Resia

Upcoming Exhibitions

Sea Japan, Tokyo

11-13 April, 2018



Posidonia, Athens

4-8 June, 2018



SMM, Hamburg

4-7 September, 2018



CEO Magnus Wallin in action during a TV interview on Asia Pacific Maritime Exhibition - 15th of March 2018, Singapore.

Scanjet Systems Year Review

At Scanjet Systems, we had another good year, smashing both our revenue and profit targets for the financial year 2017 – and the current financial year has already got off to a flying start. What's more, we expect the positive trend to continue, as we carry on developing our sales and marketing capabilities further, both within the team and in collaboration with our partners.

Much of our focus this year has been on the energy/oil sector, where the SC 60A continues to attract strong interest. We are seeing success significantly within the contractor segment (ie. operators of tank-cleaning services), and will continue to pursue that market with even more vigour in the new year through various sales and marketing initiatives across a range of channels. This sector is also where much of our trade show effort has been aimed at. We have successfully exhibited at all three regional StocExpo / Tank Storage events, namely in Rotterdam, Dubai and Singapore, and will continue investing in these promotional channels to further strengthen our position in the sector.

We are also enjoying continued success within the pulp & paper sector, where especially noteworthy is a recent order from a major Chinese customer for approximately 1,600 units of the SC 15TW, currently being finalised by our esteemed local partner Benjamin Xu and his team at Shanghai Wise-Works Engineering. Without their hard work and persistence, skilful sales negotiations, and intimate knowledge of the Chinese market, this order would not have materialised, therefore full credit for this great achievement goes to them.

Another key market for us this year has been the beverage sector, where several interesting projects have come to fruition. Especially the Bio 25 (and its new 'brewery special' sibling, the Bio 25B) has performed very well in this market, as has the Bio 10.

We are especially proud to be associated with the new distillery complex of Edrington in Scotland, makers of the world-renowned Macallan single malt whisky. Their new facility (picture below) comprises over 60 tanks and stills of various sizes and shapes, with a Bio 10 fitted into each and every one. At the old distillery, a competitor product had previously been in use, causing endless maintenance headaches and production downtime. Following our close consultative sales approach and after extensive testing, Scanjet was chosen as the new supplier, and initial reports tell us that the Bio 10 is more than meeting the high expectations placed on it.



Finally, in geographical terms, we have seen particularly strong interest from several new markets in Latin America and parts of Asia; both exciting regions with plenty of potential, which we look forward to exploring and developing further in coming months and years.

Roope Aaltonen
Marketing Director
Scanjet Systems AB

Scanjet Feen IGS

Scanjet Feen IGS Pte Ltd. With Q1 2018 behind us ship owners have settled their budgets for the coming year. We hope to see an overall increase in yard orders. The end of last year was a bit slow for Scanjet Feen IGS considering the “boom” during the rest of the year. With a rising and stable oil price, we anticipate orders to pick up as we get longer into 2018. STX is our biggest customer so far, with 13 firm vessels and 4 possible options. STX has been financially scrutinized by the Korean government in order to live up to the standards for receiving government support to survive. We predict this means business as usual for some time for STX.

Turkey is the center for Pressure Swing Adsorption type of Nitrogen Generators (PSA) systems so far. Nitrogen generators are usually used in chemical tankers. But we see a good number of yard orders also in China with PSA specifications. The economical PSA system is compared to the membrane type of nitrogen generators. The market seem to have decided that the PSA type of nitrogen generators system is a better choice for chemical tankers and similar.

For all systems and for the tanker segment in general, many indicators like that the VLCC order book being on a five year low, scrapping picking as ship owners are positioning themselves for the upcoming BWT and Sulphur regulations kicking in, suggests that we will see a fast growing order book for tankers later this year.

Overall, Scanjet Feen IGS have in total 28 vessels in order with 6 connected options. Not bad for one year's work.
Well done, to all involved!



Mikael Nehvonen
IGS Product Manager
Scanjet Feen IGS

Scanjet lands FPSO order!

Scanjet have won a contract from Sembcorp Marine in Singapore including 52 tank cleaning machines. The Statoil-owned FPSO Johan Castberg - named after the Johan Castberg oil field in the Barents Sea - has a contract value of total 4 billion NOK. The construction of the hull is the most time-critical for the delivery as the scheduled start-up of the project is 2022.



Graphic: Statoil



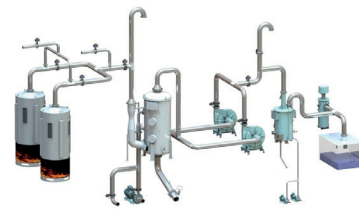
Tank Management Gets Smart Makeover

Faced with challenging trading conditions and constrained by rising operational costs, shipyards and fleet operators are increasingly demanding more flexibility and control from their on-board tank management equipment. Niklas Falkmer, Managing Director of Scanjet, looks at the key drivers including integration and automation, which have led to the introduction of a new intelligent tank management concept.

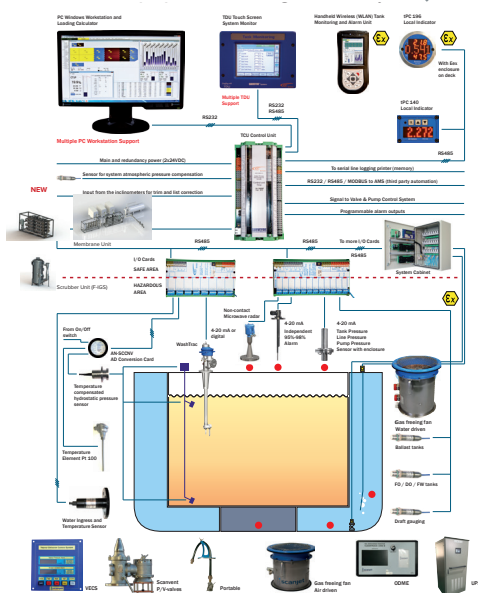
For cargo carriers, especially tankers carrying crude oil, protecting the cargo tank is paramount, with values potentially representing millions of dollars of investment. In addition, today's stringent safety regulations call for comprehensive checking procedures and alarm systems to be in place. With the growing sophistication of vessels and the need to minimize costs through greater performance efficiency, the burden of monitoring and control has increased. At the same time, responding to rapidly changing demand patterns requires a fast, flexible response from shipyards and vessel owners.

With its established reputation in the supply of tank cleaning systems and anti-pirate cannons, and a worldwide network of engineers and manufacturing companies providing the necessary technology and marine expertise, Scanjet has responded to the industry's need for a more comprehensive approach with the development of a new Intelligent Tank Management system (ITAMA).

An industry first, the 'total management' offered by this new development encompasses every aspect of tank management and measurement, at sea and during loading and unloading. Central to the philosophy behind the new system is the integration between key elements, such as tank cleaning machines, P/V Valves, tank level gauging equipment and the Inert Gas Systems.



MULTIPURPOSE MONITORING & CONTROL SYSTEM



Equally key to the latest designs, is the relay of information on tank levels, tanks and manifold pressures, temperatures, draft and other operating parameters to the ship's automatic systems. It updates in real time, and a comprehensive alarm system allows staff to stage a timely intervention where necessary. Freeing up valuable crew time at the same time as making sure safety and efficiency targets are consistently met, automation of the control process also protects valuable cargoes against loss or theft.

One of the main advantages of an integrated system is that shipyards and shipbuilders benefit from added flexibility within a standard product, thus reducing the cost of ownership. Designed to be multi-purpose with universal application to suit all sizes of vessel, the ITAMA concept allows customisation to suit

Quality control has been a critical factor in the development of the ITAMA system. The company takes full responsibility of the specification and supply process from end to end, interfacing with producers throughout to achieve the necessary fit. For shipyards and vessel owners, product reliability and performance is essential. It is for this reason Scanjet acquired PSM to bring production of the pressure sensors in-house and why critical equipment such as the radar systems are also manufactured by the company.

For vessels due for upgrades, integrated solutions like ITAMA offer a fast, economic alternative to replacing individual elements, where issues with compatibility or obsolescence can lead to unexpected extra costs.

Installing an integrated system for new builds eliminates problems from the outset while offering the added benefit of automation.

With compatibility assured, and all interfaces accommodated in the system design, there is minimal or no need for specialist engineering input, saving time and money. This allows shipyards to handle simultaneous projects easily with the added advantage that projects can be fast-tracked where this is a condition of supply by vessel owners. Integration also simplifies ongoing maintenance. A single-source supply chain can deliver a faster response for spares and service support, with evidence of compliance with all recognised class requirements – often a condition of contract for oil companies.

The industry has reacted favourably to the introduction of the new integrated concept, with take-up from renowned shipyards and ship owners worldwide.



One particular project for Greek ship owner Pantheon illustrates the unique breadth and the scope offered by Scanjet ITAMA. Pantheon have specified the total ITAMA package, including Tankcleaning, Inert Gas system, Level gauging and PV valves for four 49700 dwt vessels.

Other confirmed orders include the French tanker operator Socatra at the AVIC Dingheng ship yard in China and Norwegian company DSD who have opted for the Tank Cleaning, P/V Valve and Cargo Monitoring system for 4 vessels under construction at the Hyundai shipyard in Korea. German shipowner Carl Buttner has also confirmed orders for 6 vessels at the Hantong shipyard in China.

Providing a total monitoring and control system with real-time measurement and reporting, the development of an integrated system offers operators total visibility with minimal input and marks a key milestone on the path to total ship autonomy.



Chemical Tanker "Stolt Ajisen" in Singapore.
Photo: Gabriel Brännlund

Contents

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