

FIRST HALF 2020

Topics and comments in the Q&A session

Below please find a list of topics covered in the online Q&A session after the company's presentation of the report for the first half of 2020.

For replay of the full presentation and Q&A, please follow this [link](#).

- Have you extracted any synergies from the Etia acquisition so far, or have all Etia revenues and order intake after consolidation been "organic" for Etia? How is the process for lifting Etia margins going?
ETIA and Scanship have more than 20 years of experience in developing and delivering systems, and there are several cross-synergies in terms of business improvements, for instance within engineering, commercial and R&D. We are now applying the same approach to execution of landbased projects as we have done for many years in cruise, where we have a proven track record.
- Within Landbased, which markets do you think are most mature, where have you come the farthest, and when can we expect to see sizeable orders coming in this segment?
We mentioned some of the most important industry verticals and application areas in our presentation, and some key orders were also highlighted, including the biomass and waste valorization contract for NSR in Sweden and the end-of-life-tyre (ELT) project for Murfitts, the largest ELT operator in the UK. Please see table on page 12 and 13 for more information.
- You state that you are doing studies with Landbased companies to figure out how you can assist them in valorizing waste. Are these generating revenue?
Yes, as mentioned in the presentation, gross margins for our landbased projects are on par with those in the cruise Project segment.
- Could you tell us more about the pyrolysis project in France? Hydrogen is very important part of the ""Green Deal"" of the EU.
The CITEO project will demonstrate high temperature pyrolysis to convert plastic waste into hydrogen gas and solid carbon by splitting the methane-molecule, a truly unique project.

- Why haven't we seen any significant landbased projects in Norway so far?
Countries and governments have different priorities. In Sweden for instance, the government has actively supported climate mitigation initiatives and we have seen projects such as Envigas and NSR realized. In Norway, there are several state and local government supported initiatives under way. The Lindum project is relevant in this context. We are also pleased to have been awarded grants from Innovation Norway to further commercialize our technologies. In addition, we see an increasing interest in Norway from several companies to use forestry waste and other type of wood-based waste streams to decarbonize the metallurgical industry.
- We read about other companies that seem to be involved in the same business as you. How would you describe the competitive landscape?
We take a very simple view on this. There is plenty of waste for all, and we welcome any player who wants to push to prevent pollution. We are focusing on our role as technology and systems providers and we consider many of the other players you read about as potential partners and customers. We believe our technology and proven capacity to deliver represent a competitive advantage.
- Have you been contacted from yards to discuss delays/cancellations on the backlog so far?
As of now, we are not aware of any significant delays or deviations from plans.
- How is the financial situation of your clients, the yards, and the end customers: the cruise lines?
Our customers are among the largest players in the industry, and they provide detailed financial reports. As far as we can see, they have been cautious and conservative in their handling of this situation and have prepared well in order to prevail through the through.