



For Immediate Release

VARD SECURES CONTRACT FOR THREE COAST GUARD VESSELS FOR THE NORWEGIAN DEFENCE MATERIEL AGENCY

Singapore, 25 June 2018 – Vard Holdings Limited (“VARD” or the “Company”), one of the major global designers and shipbuilders of specialized vessels, is pleased to announce that it has secured a new contract for the construction of three coast guard vessels for the Norwegian Defence Materiel Agency (“NDMA”) in Norway. The value of the contract exceeds NOK 5 billion.

The Norwegian Government had originally announced plans for the construction of three new coast guard vessels in September 2016. Following review of offers from three competing yards, Vard Langsten was selected to continue negotiations in October 2017. The investments were approved by the Norwegian Parliament in the beginning of June 2018, and the final negotiations have been completed and finalized in the following weeks.

The purpose of the new series of vessels is to replace the Nordkapp-class coast guard vessels. The new tailor-made vessels are developed for worldwide operations in all weather and sea conditions, both inshore and offshore. Specially designed to withstand operations in demanding arctic areas, the new coast guard vessels will have ice-strengthened hull and ice-class notation, and will be built according to the latest requirements for such specialized vessels. With a length of 136 meters and a beam of 22 meters, the vessels feature strong ocean-going capacities for long-distance transits, search-and-rescue operations, surveillance, and oil recovery.

VARD has based its offer on the reference design developed by LMG Marin on behalf of NDMA. VARD has, in cooperation with LMG Marin further developed the concept design in order to ensure that all requirements and needs demanded by NDMA are solved with a high focus on sustainability, life cycle cost and reliability.

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Mr. Roy Reite, CEO and Executive Director of VARD, commented: “Our longstanding experience in the design and shipbuilding of highly specialized vessels has been of vital importance in the competition and development of this project. Our strength lies in recognizing and understanding the customer’s and the market’s needs, and introducing innovative solutions based on the vessel’s objective, services, operative window and geographical scope. We have worked hard to achieve this contract and are excited to be awarded.”

Ms. Mette Sjørfonden, Director General of NDMA, commented: “Due to national security interests, the Norwegian Government decided that the competition should be restricted to Norwegian yards only. Vard Group with its Vard Langsten yard was the provider that overall satisfied the defined requirements for solution and the Navy and the Coast Guard’s needs in the best manner.”

Mr. Roy Reite, added: “It is a pleasure to cooperate with NDMA’s team again. We have previously built several unique and state-of-the-art vessels together, and we look forward to building the Norwegian Coast Guard’s new flagships.”

Deliveries of the three vessels are scheduled from Vard Langsten in Norway in 1Q 2022, 1Q 2023 and 1Q 2024 respectively. The hulls will be built at Vard Tulcea in Romania.

Norwegian Defence Materiel Agency (NDMA) / Forsvarsmateriell (FMA) is an agency directly subordinate to the Royal Norwegian Ministry of Defence. The main task is to continuously develop and modernize the Norwegian Armed forces.

The effectiveness of the contract is subject to certain conditions being lifted.

The contract has been entered into in the ordinary course of business of the Company. It is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Company for the current financial year. None of the Directors or the controlling shareholders of the Company have any interest, direct or indirect, in the above contract.

- Ends -



Coast Guard Vessels

Overall length: Approx. 136 m | Breadth: Approx. 22 m | Picture: VARD/LMG Marin/Norwest3D/Photo: K.R. Venås

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About VARD

Vard Holdings Limited (“VARD”), together with its subsidiaries (the “Group”), is one of the major global designers and shipbuilders of specialized vessels. Headquartered in Norway and with 9,000 employees, VARD operates nine strategically located shipbuilding facilities, including five in Norway, two in Romania, one in Brazil and one in Vietnam. Through its specialized subsidiaries, VARD develops power and automation systems, deck handling equipment, and vessel accommodation solutions, and provides design and engineering services to the global maritime industry.

VARD’s long shipbuilding traditions, cutting-edge innovation and technology coupled with its global operations and track record in constructing complex and highly customized vessels have earned it recognition from industry players and enabled it to build strong relationships with its customers.

VARD was listed on the Main Board of the Singapore Exchange on 12 November 2010. The majority shareholder of VARD is Fincantieri Oil & Gas S.p.A., a wholly owned subsidiary of FINCANTIERI S.p.A. Headquartered in Trieste, Italy, FINCANTIERI is one of the world’s largest shipbuilding groups and has, over its 200 years of maritime history, built more than 7,000 vessels.

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