

# **I.M. Skaugen SE: Completion of agreed sale and receipt of agreed purchase price from the sale of 50% of the shares in Shenghui Gas and Chemical System in China.**

After agreeing terms and signing a binding equity transfer agreement in early November as well as receiving a non-refundable down payment, the buyer Liangzhong Investment Co. Ltd, China has now arranged its financing and managed to pay the agreed RMB259 mill. or abt USD 42 mill in full. The transaction will generate a cash flow for the group of abt USD 42 mill and a book gain of abt USD 6.1 mill. Initial investment was USD 11 mill.

The sale of our shares in Shenghui is in line with IMS' focus on our core business; Liquefied Gas Transportation, and our plan to visualize the potential values in the IMS' core businesses. The investment in Shenghui was initially made for strategic reasons in order to secure high quality manufacturing capabilities for the supply of the cargo containment and cooling systems for IMS' new-building program of nine specialized gas carrying vessels in the period between the years 2006 to 2011. Six of these were "MG ships" which are designed to also transport LNG. After the delivery of these ships our investment in Shenghui became non-strategic and we initiated the process of making a profitable exit in order to concentrate our business on Liquefied Gas Transportation.

Says Morits Skaugen, the CEO of IMS; *"We are proud to both have been the largest shareholder and a contributor to the Shenghui company since we made our initial equity investment of USD 11 mill in 2006. At the time the Shenghui company had a turnover of RMB 145 mill and expected this year is over RMB 1 billion. Shenghui has thus since IMS' equity investment was made in 2006 developed rapidly and it has been able to grow sevenfold in turnover while EBIT margins have been kept stable at above 10%. This has been quite an achievement by the management of this company; considering that no further equity injections have been made since by its shareholders since our initial investment was made in 2006. We provided the company with money and technology and its vision to focus on the LNG value chain. We have then seen the further use of advanced technology to see its growth in revenues and in the employment in the new and state of the art factories that has been made in China"*

I.M. Skaugen SE

*If you have any questions, please contact:*

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*I.M. Skaugen SE is a Marine Transportation Service Company, with a focus on Innovative Maritime Solutions. Our core activity is the seaborne transport and logistics of liquefied gases, such as petrochemical gases, LPG and now also LNG.*

*The I.M. Skaugen Group of companies (IMS) currently operates a fleet of 30 vessels worldwide of which 17 are gas carriers within the core business area. We are also capable to provide on- and off-shore LNG terminal management as well as ship to ship transfer services of LNG/LPG and on a global basis. We have in-house capabilities for the development and design of specialized high quality gas carriers for our niche markets and we recruit, train and employ our own team of seafarers.*

*IMS employs approximately 2,000 people globally out of which 700 are within our core gas activity, and with 23 nationalities represented. We manage and operate our activities and service our clients from our offices in Singapore, Oslo, Shanghai, St. Petersburg, Houston, Sunderland and Bahrain.*

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