

FINCANTIERI: VARD WILL BUILD A NEW SHIP FOR HAPAG-LLOYD CRUISES

A new contract announced which brings the total number of ships under construction for the German cruise company to 3

Trieste, July 3, 2018 – The press release issued by Vard Holdings Limited (“VARD”) is here attached.

VARD is 86.81% controlled by Fincantieri which fully consolidates its financial results.

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Fincantieri is one of the world’s largest shipbuilding groups and number one by diversification and innovation. It is leader in cruise ship design and construction and a reference player in all high-tech shipbuilding industry’s sectors, from naval to offshore vessels, from high-complexity special vessels and ferries to mega-yachts, ship repairs and conversions, systems and components production and after-sales services.

Headquartered in Trieste (Italy), the Group has built more than 7,000 vessels in over 230 years of maritime history. With more than 19,500 employees, of whom more than 8,300 in Italy, 20 shipyards in 4 continents, today Fincantieri is the leading Western shipbuilder. It has among its clients the major cruise operators, the Italian and the U.S. Navy, in addition to several foreign navies, and it is partner of some of the main European defense companies within supranational programmes.

www.fincantieri.com

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For Immediate Release

**VARD SECURES CONTRACT FOR ONE LUXURY EXPEDITION CRUISE VESSEL
FOR HAPAG-LLOYD CRUISES**

Singapore, 3 July 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 design and construction of one luxury expedition cruise vessel for German cruise company Hapag-Lloyd Cruises.

The new expedition cruise vessel will join Hapag-Lloyd Cruises HANSEATIC series, together with the two vessels that VARD already has under construction for the Germany-based cruise company. Developed by VARD in close cooperation with Hapag-Lloyd Cruises, the vessels are specially designed for cruises in polar regions in the Arctic and Antarctica, as well as operations in warm water destinations such as the Amazon.

Mr. Roy Reite, CEO and Executive Director of VARD, commented: “It is encouraging to see returning customers such as Hapag-Lloyd Cruises, which bears testament to the quality of our vessels and services. We currently have two vessels under construction to be delivered to Hapag-Lloyd Cruises in 2019, and it is our honour to be awarded with this latest contract for their new luxury expedition cruise vessel.”

The new luxury expedition cruise vessel will be approximately 16,000 gross tons, about 139 meters long and 22 meters wide. The vessel has seven passenger decks, with accommodation for 230 passengers in 120 cabins and suites. Similar to its sister vessels, the new vessel will be equipped with high standard of facilities. The HANSEATIC series features a water sports marina and modern spa and fitness areas.

Delivery of the new vessel is scheduled from Vard Langsten in Norway in 2Q 2021. The hull will be built by VARD in Romania.

Registered address:

Vard Holdings Limited

Six Battery Road #10-01, Singapore 049909

Company Reg. Number: 201012504K

Visiting address:

Vard Holdings Limited

c/o Vard Group AS, Skansekaia 2, NO-6002 Ålesund, Norway

Hapag-Lloyd Cruises is a company with a tradition of progress. Owned by TUI Group, the world's leading integrated tourism business and based in Hamburg, Germany, the company is the German-speaking region's leading cruise provider in the luxury and expedition segments. 127 years after inventing the very concept of the cruise, Hapag-Lloyd Cruises continues a tradition of innovation in the cruise market, offering passengers outstanding vessels in their class and exciting expedition experiences worldwide. www.hl-cruises.com

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 –



VARD 6 07

Overall length: Approx. 139 m | Breadth: Approx. 22 m

For further information please contact:

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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.

www.vard.com