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## PRESS RELEASE

### **Chelsea Logistics Holdings Corp. signs with Kegoya Dock Co., Ltd. of Japan for the construction of new vessels.**

Chelsea Logistics Holdings Corp. (CLC) has signed a Contract with Kegoya Dock Co., Ltd. for the construction of one (1) brand new RORO-Passenger Ship. The Contract, which was signed on 22 January 2018, is in CLC's pursuit of becoming the country's prime mover of vital goods, cargoes and people. This ship is specifically designed for Philippine waters taking into consideration the local sea condition and consumer demand.

In addition, under the Contract with Kegoya Dock, CLC also has the option for additional three (3) units with respective delivery dates in 2019 to 2020, according to its President and CEO Chryss Alfonsus V. Damuy. The "newly-built" ships will modernize the Company's fleet and will enhance safety and reliability for better customer experience.

Shipping and Logistics business is a long term business as it takes 2 years to 3 years to acquire new ships. However, once these new vessels are put into operation, they will deliver better cash flows for the Company as the brand new ships have very minimal downtime and very low maintenance costs, Mr. Damuy further said. We are conscious of our direction and our deliverables to our shareholders, thus we are fast-tracking our fleet expansion which is aligned with the Company's plans as disclosed during the initial public offering (IPO) of CLC last August 2017. Shipping and logistics is not a short-term business as the Company has to make substantial CAPEX not limited to acquisition of ships and equipment, before it can start delivering the returns to its shareholders.

In late 2017, the Company's subsidiary Trans-Asia Shipping Lines, Incorporated acquired a cargo vessel named "MV Orient Spirit" which can handle 700 twenty-foot equivalent units (TEUS). Trans-Asia will be operating this vessel by first quarter 2018.

Also in 2017, after the IPO, CLC through its wholly-owned subsidiary, PNX-Chelsea Shipping acquired three (3) vessels. These acquisitions will further boost the profitability of the Company as these vessels are already in commercial operation.

Further, Fortis Tugs Corporation one of the Companies in the Chelsea Shipping Group, has acquired new tugboats which will be used to maneuver tankers and other larger vessels in harbors. The purchased tugboats are expected to arrive 1<sup>st</sup> quarter 2018 to expand Fortis Tugs operations nationwide.

“The newly acquired vessels and tugs, and the “newly-built” vessels which are soon to be delivered, will bring Chelsea Logistics another step closer to fulfilling its commitment to growth in order to realize more value for our stakeholders, from the investors to the consumers,” Mr. Damuy said.

Further to CLC’s expansion in 2017, it acquired Starlite Ferries, Inc., a passenger-cargo operator based in Batangas, which has fourteen vessels, five of which are brand new RORO-Passenger vessels. CLC also added to its subsidiaries the Worklink Service Inc., a one-stop integrated logistics solutions provider, which CLC acquired 100% in November of 2017.

Currently, CLC has 15 tankers, 8 tugboats, 21 roll-on/ roll-off and passenger vessels (RoPax), 4 cargo ships. While 2GO Group, has 16 RoPax, 5 cargo vessels and 10 fastcrafts.