PRESS RELEASE

Chelsea Logistics finalizes Starlite Ferries acquisition

Chelsea Logistics Holdings Corp. (CLC) has acquired Starlite Ferries, Inc., reinforcing its fleet and services to deliver more value to customers, investors and other stakeholders.

The publicly-listed Company successfully closed the acquisition of Starlite Ferries on November 9, 2017, after the Philippine Competition Commission (PCC) ruled that the transaction "does not result in a substantial lessening of competition in the relevant market."

"We thank the PCC for clearing the acquisition that we have intended for the delivery of more efficient and reliable shipping and logistics to Filipinos more than anything," CLC President and CEO Chryss Alfonsus V. Damuy said.

"Our acquisition of Starlite Ferries ultimately redounds to the benefit of Filipino consumers. The newest addition to the group expands our capacity to provide improved transport solutions and reach more islands."

The acquisition supports the Company's vision to lead the shipping and logistics industry in bringing better services to the Filipino consumers and businesses.

"At the same time, Startlite Ferries gives us bigger opportunities to realize synergies with our affiliates in the Udenna Group and lend greater support to our growing economy," Mr. Damuy said.

Starlite Ferries brings into CLC a 14-member fleet, of which 5 are roll-on/roll-off vessels acquired brand-new in 2016 and 2017. The currently operational ships service the ports of Batangas, Calapan, Puerto Galera, Odiongan, Roxas and Caticlan.

Prior to the acquisition of Starlite Ferries, the Company only had 11 tankers, 9 tugboats, 7 roll-on/roll-off vessels with passenger accommodation (RoPax), 4 barges and 4 cargo ships. 2GO Group, Inc. meanwhile, has 16 RoPax and 8 cargo vessels.

"We remain committed to serving more Filipinos with our intention to reach more destinations by expanding and modernizing our fleet," Mr. Damuy said. "We will continue to seek and capture opportunities that will further improve our offerings."

Using the proceeds from its initial public offering, CLC intends to invest P1.78 billion for fleet expansion; P245 million for purchase and/or upgrade of ports, port facilities, containers, machineries and equipment; P3.20 billion for acquisition of shipping and logistics firms; and P278 million for general corporate purposes.

"Chelsea Logistics is keen to play an active role in keeping the Philippines on the move to greater heights by providing better and bigger shipping and logistics support to infrastructure development projects and transportation to tourist destinations, among others," Mr. Damuy said.

ABOUT THE COMPANY

CLC was organized and registered with the Philippine Securities and Exchange Commission on August 26, 2016 as Chelsea Shipping Group Corp. The SEC approved its change in corporate name to Chelsea Logistics Corp. on December 21, 2016 and to Chelsea Logistics Holdings Corp. on June 27, 2017. The Philippine Stock Exchange publicly listed the company on August 8, 2017.

The Company engages in the shipping transport business through its wholly-owned subsidiaries CSC and Trans-Asia Shipping Lines, Inc. (Trans-Asia).

CSC engages in the maritime conveyance or carriage of petroleum products, goods, wares and merchandise in the Philippines. Trans-Asia, meanwhile, engages in transporting passengers and cargo within Philippine territorial waters and/or in the high seas.

In March, CLC acquired all of the outstanding capital stock of UIBV through a share swap agreement with Udenna Corp. UIBV owns 80% economic interests and 39.97% of the voting rights in KGLI-NM Holdings, Inc. KGLI-NM holds 39.85% economic interests and owns 60% of the voting stock in Nenaco, which in turn owns 88.31% of 2GO Group, Inc. Hence, CLC has 28.15% indirect economic interests in 2GO Group.