

8 August 2017

Philippine Stock Exchange

Disclosure Department
3/F PSE Plaza, Ayala Triangle Plaza
Makati City, Metro Manila

Attention: **Mr. Jose Valeriano B. Zuño**
OIC - Disclosure Department
Philippine Stock Exchange

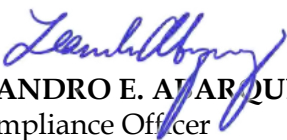
Gentlemen:

We would like to submit the attached press statement regarding the Initial Public Offering of Chelsea Logistics Holdings Corp. (CLC) and its debut on the Philippine Stock Exchange.

This disclosure is submitted in compliance with the Securities Regulation Code and the Revised Disclosure Rules.

Thank you very much.

Very truly yours,



LEANDRO E. ARQUEZ
Compliance Officer



PRESS RELEASE

Chelsea Logistics debuts on the stock market

Chelsea Logistics Holdings Corp. (CLC) successfully debuted on the Philippine Stock Exchange with an oversubscribed initial public offering (IPO) of common shares.

The company offered 546,593,000 new common shares to raise about P5.84 billion in gross proceeds, as it pursues an aggressive expansion to better serve the growing shipping and logistics needs of the archipelago.

“The role of the shipping and logistics industry in sustaining and driving the growth of the economy of an archipelago like the Philippines is, to say the least, crucial” CLC Chairman Dennis A. Uy said.

“Moving agricultural products, construction materials, petroleum and other vital goods as well as large numbers of people from one island to another requires a robust, efficient and reliable shipping industry.”

In this light, the company has moved to modernize and expand its fleet, serve and open more routes, and ensure the safety of its sea passengers.

Of the P5.50 billion it expects to net from the capital raising activity, CLC earmarked about P1.78 billion for fleet expansion, including the acquisition of a medium-range tanker that can carry 45 million to 55 million liters of bunker fuel across international waters.

The company, meanwhile, set aside P245 million for the acquisition and/or upgrade of ports, port facilities, containers, machineries and equipment to support its core business.

CLC also continues to look into the prospects of acquiring other shipping and logistics companies to expand its market reach, in conjunction to its planned fleet expansion. About P3.20 billion of the net proceeds was earmarked for this purpose.

The remaining P275 million will be used for general corporate purposes, including but not limited to, the payment of drydocking expenses, payment of trade payables and other use for the company’s working capital requirements.

“We are grateful to the investing public for helping us accelerate our expansion plans by supporting our maiden share sale to the investing public,” CLC President and Chief Executive Officer Chrystus Alfonsus V. Damuy said.

“We will not waste even an ounce of effort put into making our IPO a success. We commit to working harder to bring the company to greater heights.”

CLC is working toward becoming the prime mover of vital goods, cargoes and passengers in the Philippines and eventually a regional player by expanding organically and creating synergies with 2GO Group, Inc. and affiliates within the Udenna Group.

Udenna started the shipping business in 2006 through Chelsea Shipping Corp. (CSC) to support the operations of the country’s leading independent and fastest-growing oil company, Phoenix Petroleum Philippines, Inc.

The business has since grown into the country’s largest shipping group. It has the largest tanker fleet in terms of capacity with a total 39,271.64 gross registered tonnage.

In March, CLC acquired a 28.15% indirect economic interest in 2GO Group and subsequently took over its management. The SM Group would complete its purchase of a 34.5% stake in the publicly listed company’s parent, Negros Navigation Co., Inc. (Nenaco) later that month.

BDO Capital & Investment Corporation served as issue manager, lead underwriter and sole bookrunner of the IPO. BA Investments and Holdings, Inc., meanwhile, acted as a participating underwriter.

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 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.