

31 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:

On behalf of Chelsea Logistics Holdings Corp. (CLC), we hereby submit to the Philippine Stock Exchange the attached press statement regarding the signing of a Memorandum of Understanding for the acquisition of Starlite Ferries, Inc. and its subsidiaries by CLC.

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

Thank you very much.

Very truly yours,



MA. HENEDINA V. SAN JUAN
*AVP - Business Development
and Corporate Secretary*



MEDIA CONTACT

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PRESS RELEASE

Chelsea Logistics Holdings Corp. (CLC) has signed a Memorandum of Understanding with the owners of Starlite Ferries, Inc. (Starlite) regarding CLC's offer to purchase 100% of the shares of stocks of Starlite and its subsidiaries. The proposed transaction is pending due diligence by CLC of Starlite and is subject to regulatory approval by the Philippine Competition Commission.

Starlite and its subsidiaries has fourteen (14) vessels in the fleet of which five (5) are Roll-on-Roll-off (RORO) passenger vessels which were acquired brand-new in 2016 and 2017. Starlite services via RORO vessels, the ports of Batangas, Calapan, Puerto Galera, Roxas and Caticlan. With its brand-new vessels, Starlite looks to expand further to other ports of operation.

“The planned acquisition will bring us a step closer to fulfilling our commitment to growth in order to realize more value for our stakeholders, from the investors to the consumers,” CLC Chairman Dennis A. Uy said.

Once all the processes and regulatory approvals are obtained, this acquisition will be financed by the net proceeds of the Company’s initial public offering of common shares.

CLC has earmarked P1.78 billion of the proceeds 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.

“By modernizing and expanding our operations, we can provide better shipping and logistics solutions as well as make our country more competitive in capturing the increasing trade opportunities in Southeast Asia,” Mr. Uy said.

The Udenna Group of Mr. Uy ventured in shipping in 2006 through Chelsea Shipping Corp. to support the operations of Phoenix Petroleum Philippines, Inc. It has since grown the business into the country’s biggest logistics group with the largest tanker fleet in terms of capacity.

In March, CLC further grew the Group with the acquisition of a 28.15% indirect economic interest in 2GO Group, Inc.

Excluding the fleet of Starlite, CLC has 11 tankers, 8 tugboats, 7 roll-on/ roll-off vessels with passenger accommodation (RoPax), 4 barges and 3 cargo ships. In addition, 2GO Group had 8 RoPax, 10 Fastcrafts and 8 cargo vessels.