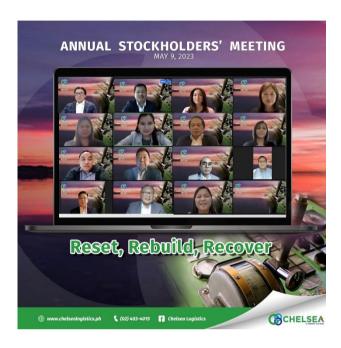


Chelsea Logistics' Reset, Rebuild, Recover Plan boosts business performance



12 May 2023, Manila – Chelsea Logistics and Infrastructure Holdings Corp. reported recovery across all business segments at its virtual Annual Stockholders' Meeting on 09 May 2023.

Chelsea Logistics President & CEO Chryss Alfonsus V. Damuy shared how the Group executed its three strategic action points: Reset, Rebuild, and Recover to keep the business moving sustainably under challenging and changing conditions. To accomplish a Reset, the Company optimized its existing assets, making its financial management more fluid. As part of the Company's Rebuilding efforts, leaner and more agile teams were retained and reskilled. Four areas for improvement were identified and given extra attention to ensure Recovery will be sustainable in the next five years and beyond: Fleet Availability, Customer Experience, Operational Excellence, and Technology Advancements.

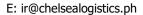
The improved performance of the Passage business contributed significantly to the recovery of the Chelsea Group as Starlite Ferries, Trans-Asia Shipping Lines, and SuperCat Fast Ferry carried more than 1.8 million passengers, a 165% increase from 686,096 passengers in 2021. The number of trips totaled 13,191, up by 11% from 2021. The Passage segment now contributes 19% of the total revenue, from a 7% share in the previous year, capping 2022 with P1.2 Billion, or an increase of more than 6x year on year. Likewise, passage-related Sale of Goods grew by 137% to P115 Million.

Riding on the growing demands of various sectors, particularly construction, manufacturing, and retail business, the Freight segment delivered 24% growth with P3.4 Billion revenues. Despite the sky-high rates due to general inflation, Starlite Ferries loaded 246,986 rolling cargoes, 40% higher compared to the previous year, while Trans-Asia transported cargoes with a total of 73,538 TEU volume.

The Tanker segment continued to serve its charterers, which had become more active in trading their goods and services with the economy's reopening. The Tanker business recorded a 97% increase in the total volume of liquid shipped, from 343M liters in 2021 to 675M liters in 2022. As a result, Charter revenue grew by 30% to P718 Million in 2022.

Although the Tugboat segment faced several challenges in 2022 including the decrease in the number of foreign vessel arrivals in its ports of operations and the temporary downsizing of operations of a major customer in Batangas, its revenue moved up to P424 Million, 29% higher from last year.

INVESTOR RELATIONS CONTACT





The Group's logistics and distribution arm, Worklink Services, Inc. also showed substantial improvements, completing 405,239 deliveries, up by 29% from the previous year. In 2022, Worklink launched its last mile courier service, a participation in the fast-growing e-Commerce business in the country. By the fourth quarter, Worklink had inked a deal with two of the country's leading e-Com service platforms. The Logistics revenue grew by 6% to P552 Million.

Overall, Chelsea Logistics achieved a significant increase in Consolidated Revenues by 44% to P6.4 Billion in 2022. Chelsea Logistics Chief Financial Officer Ms. Ignacia S. Braga IV said: "Profitability ratios also showed recovery. Gross Profit Margin is now at positive 12% from a negative 10% in December 2021. Likewise, EBITDA margin was reversed to positive 15% this period from -1% in 2021."

Even while the Group is still struggling in some areas of the business, it has continued with its activities focused on creating a more sustainable future. Through its employee-volunteers, the Group was able to plant 1,500 trees, donated 30 bags of blood to blood banks, and provided school supplies to 5,585 elementary students. On the technology side, the Group launched 'Chelsea Travel', a unified online booking app that allows passengers to book sea travel anytime and anywhere, and to enjoy the ease of boarding directly to the vessel. By the end of 2022, the Chelsea Group had achieved 90% of its target of becoming a fully cloud-based company in partnership with Amazon Web Services.

Mr. Damuy ended his 2022 review with a positive outlook for the shipping and logistics industry as evidenced by the favorable 2022 year-end data from the Philippine Ports Authority and the reopening of the economy, with the country's GDP achieving a 5.9% growth rate in the first quarter of 2023, which is higher than the 4.2% growth rate in the same period in 2022.

"We at the Chelsea Group stand ready to overcome the headwinds we will face in the coming years. We hope you join hands with us as we help the nation through its journey of resetting, rebuilding, and recovery. With your trust and support in our endeavors, the Chelsea Group will be able to make the 'new normal' work and ensure the successful recovery of the shipping and logistics industry," Mr. Damuy concluded.

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ABOUT THE COMPANY

Chelsea Logistics and Infrastructure Holdings Corp. is the publicly-listed shipping and logistics arm of the Udenna Corporation. It is a corporation organized and registered with the Philippine Securities and Exchange Commission (SEC) on 26 August 2016 primarily to act as a holding company. Through its wholly-owned subsidiaries, Chelsea Logistics is engaged in the shipping transport and logistics business with key segments divided into: (i) Charter, (ii) Passage, (iii) Freight, (iv) Tugboat services, and (v) Logistics services. To learn more about the Chelsea Group, visit https://www.chelsealogistics.ph/