

Press Release
For Immediate Release

Straits receives approval from Marine Department to commence operation for Asia's Largest STS Energy Transshipment Hub in Labuan

KUALA LUMPUR, 2 AUGUST 2021 – **Straits Inter Logistics Berhad** (“Straits” or “Company”), a Bursa Malaysia Listed Company, announced today that Victoria STS (Labuan) Sdn Bhd (“Victoria STS”) had received approval from **Marine Department Malaysia** on 30 July 2021 to commence operations to develop an integrated offshore Ship-to-Ship Transshipment Hub. The Company has mobilized its resources and infrastructure in preparation to commence operation of the STS Transshipment Hub in the coming fourth quarter 2021.

Victoria STS is a 70% owned subsidiary of Fajar Maritime and Logistics Sdn Bhd, which in turn is a 60% owned subsidiary of Straits.

Concurrently, Victoria STS has also on 30 July 2021 received approval from Marine Department Malaysia on the Marine Risk Assessment (“MRA”) in accordance with the terms of reference of MRA. The assessment was done as part of the requirements to be complied before 8 January 2022 to develop an integrated offshore Ship-to-Ship (“STS”) Energy Transshipment Hub within the port limits of Victoria Bay.

The Company expects to commence and complete the development of the STS Energy Transshipment Hub which includes setting up the key facilities and equipment such as tugboats, pneumatic fenders, LNG cryogenic equipment and single point mooring system by the fourth quarter of 2021.

Marine Department Malaysia had on 12 July 2021 granted the approval for the Company to develop the STS as announced to Bursa Malaysia.

The STS hub will be Straits' flagship energy project which will be located within the port limits of Victoria Bay deep water area spanning a vast 3309 hectares supporting an initial six (6) STS berths with safe water depths of up to 30 meters. The development will advance the introduction of state-of-the-art multi-functional energy transshipment facilities that will be able to accommodate LNG carriers up to the size of a Q-Max and Very Large Crude Carriers (VLCC).

Victoria Bay is strategically located along international shipping and energy trade routes. Straits' plan to develop the STS Hub is set to be one of the largest offshore LNG and LPG energy transshipment hubs in Asia. The STS hub is also strategically located within the vicinity of Labuan Liberty Port which is managed and operated by Megah Port Management Sdn Bhd ("MPM"), a 51% owned subsidiary of Straits.

Commenting on the latest development, Straits Group Managing Director Dato Sri Ron Ho Kam Choy said " Since our announcement on 12 July 2021 on the STS Transshipment Hub, we have received numerous enquiries from both notable international and local entities that are interested in partnering us to develop this into Asia's largest STS Transshipment Hub. We are engaged in discussion with many parties in preparation for this project and Straits is gearing to kickstart this within the next few months. The other entities within the Straits Group will also stand to benefit from the business spin-offs of this project. "

Issued by: Sense Consultancy on behalf of **Straits Inter Logistics Berhad**
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For further media enquiries please contact:

Jaz Ng
Tel: +6012 202 0096
Email: jaz@leesense.com

Anthony Lee
Tel: +6012 338 3705
Email: anthony@leesense.com