



MEDIA RELEASE

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MISC SECURES 2 NEW TIME CHARTER CONTRACTS WITH LNG SHIPPING S.P.A

MISC Berhad has secured two time charter contracts with LNG Shipping S.p.A. (LSS), a 100% owned subsidiary of Eni S.p.A, for the time charter of two Liquefied Natural Gas (LNG) carriers known as LNG Portovenere and LNG Lerici. The time charter contracts are pursuant to a sale agreement between LSS and MISC, which resulted in MISC acquiring ownership of the two vessels from LSS.

The two LNG carriers will be used to transport LNG cargoes to meet the latter's trading needs in the international waters. Both vessels have a capacity of 65,000 cubic metres (cbm).

The five-year charter period will tentatively commence in December 2018 for LNG Portovenere and January 2019 for LNG Lerici, with an estimated combined contract value of USD133 million.

MISC's President / Group Chief Executive Officer, Mr. Yee Yang Chien said *"Acquisition of the two vessels as well as the TCPs will further strengthen MISC's position as one of the leading international LNG shipping solutions provider by boosting the strength of our fleet as well as our capacity to support the LNG demand worldwide. This business opportunity supports the MISC2020 strategy for our LNG business segment in expanding our portfolio of customers. In view of the evolving marketplace, there is certainly potential for us to diversify our solutions by including mid-scale and small-scale LNG transportation especially with the growing spot market demand for LNG trading and this will enable MISC to develop our capability in the trading of multiple-size vessels as well as our reach to other global locations,"*

Mr. Yee added *"These mid-sized LNG carriers also present unique opportunities that supports MISC's efforts to venture into non-conventional LNG shipping solutions, whereby upon expiry of the charter party, these vessels will have the potential to be converted into mid-sized Floating Storage Regasification Unit (FSRU), Floating Storage Unit (FSU) or other alternative LNG floating solution projects."*

LNG Portovenere and LNG Lerici are currently trading in the Asia Pacific region and these vessels are capable for worldwide trading.

During the signing of the TCPs yesterday in Milan, MISC was represented by its Vice President of LNG Business, Mr. Zahid Osman while LSS was represented by its Head of LNG Shipping S.p.A, Mr. Riccardo Baratozzi.

MISC is currently one of the largest single owner-operator of LNG tankers in the world with over three decades of proven experience as well as a distinguished reputation for overall operational excellence, reliability, safety and on-time cargo deliveries. Currently, its LNG fleet comprises of 28 LNG carriers and two FSUs with a combined deadweight tonnage (dwt) capacity of over 2



million dwt. The delivery of LNG Portovenere and LNG Lerici, will increase MISC's fleet of LNG carriers to 30.

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About MISC Berhad

MISC Berhad (MISC), was incorporated in 1968 and is a world leading provider of international energy related maritime solutions and services. The principal businesses of the Group comprise energy shipping and its related activities, owning and operating offshore floating solutions, marine repair and conversion, engineering and construction works, integrated marine services, port and terminal services as well as maritime education and training.

As of 30 June 2018, MISC Group's fleet consists of more than 120 owned and in-chartered Liquefied Natural Gas (LNG), Petroleum and Product vessels, 16 Floating Production Systems (FPS) as well as 2 LNG Floating Storage Units (FSUs). The fleet has a combined deadweight tonnage (dwt) capacity of approximately 16 million tonnes.

Aside from its shipping business, maritime education is a priority for the Group and its Malaysian Maritime Academy (ALAM) is ranked amongst the top 10% of the world's Maritime Education and Training (MET) institutions.

MISC Group takes pride in our asset and service reliability, commitment to uphold the highest standards of Health, Safety and Environment (HSE), fostering a culture of excellence amongst our employees, operating responsibly and caring for the environment as well as making a positive difference to the communities in which we operate.

Since 2014, we have been a proud constituent of the FTSE4Good Bursa Malaysia Index, a testament to our sustainability performance and strong Environmental, Social and Governance (ESG) practices.

About LSS

LNG Shipping SpA, 100% owned by Eni SpA, was incorporated on 26 July 2001 and operates in the transportation by sea of liquefied natural gas (LNG) through the use of two proprietary LNG tankers: LNG Portovenere and LNG Lerici, each with a capacity of 65,000 cubic metres. The company also provides support to Eni for shipping needs and the LNG business.

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