



PRESS RELEASE

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AET Tankers and Shell enter into time charter arrangements for two LNG fuelled Aframax tankers

Today in London, AET Inc. Limited and Shell International Trading and Shipping Company Limited formalised arrangements for the long-term charter of AET's two newbuild LNG dual-fuelled Aframax tankers.

AET's two 113,000 dwt vessels are currently being built by Samsung Heavy Industries in South Korea and are due for delivery from Q3 of 2018. Today's arrangements will see Shell take both vessels on a long-term charter commencing in Q4 of this year. When operating in gas mode, the two AET tankers will emit up to 30% less CO₂, 85% less NO_x, 99% less SO_x and 95% less particular matters, making them among the cleanest Aframax tankers in the market.

Speaking at a ceremony to commemorate the time charter conclusion, AET's President and CEO, Capt. Rajalingam Subramaniam, said:

"As a world leading owner and operator of petroleum vessels, we have a responsibility to embrace the future of sustainable shipping. AET strives to proactively adapt and embrace the opportunities that emerge from the industry and global environment. Therefore, we took the decision to begin building LNG dual-fuelled Aframax vessels some time ago and these two Aframax vessels are amongst the first to take their place in our global fleet. As part of the MISC Group and its Sustainability Agenda, AET upholds our environmental stewardship by consistently evaluating greener solutions, and our investment in the LNG dual-fuelled Aframax tankers is a further tribute to this.

Shell is a longstanding and highly valued partner, and we have been working together on these time charter arrangements for quite some time. The fact that Shell has agreed to charter our new ships is a true testament to their commitment to thriving throughout the energy transition and will encourage AET to forge ahead with our commitment to operate a future fleet, where at least half of our ships are fuelled with LNG."

Both Malaysian flagged vessels will be fitted with twin LNG tanks, allowing them to trade worldwide on LNG and with LNG more readily available now, this makes them ideally suited to operate in the 0.1% sulphur SECA regions of North America, Northwest Europe and Asia, and ensures full compliance with the incoming 2020 sulphur cap.



Mark Quartermain, Vice President, Shell Crude Trading, commented:

“These two LNG fuelled vessels will help Shell Trading move crude, principally in the Atlantic basin. LNG is a credible marine fuel and will play an important role in our fleet as we introduce cleaner and more efficient vessels. As emissions standards tighten we continue to work with forward thinking companies like AET to support lower emission transportation solutions.”

Also present at today’s ceremony was AET’s Chairman and President/Group CEO of MISC Bhd (AET’s parent company), Yee Yang Chien, who said:

“It is particularly apt that today’s charter arrangements ceremony is taking place in London just after the International Maritime Organisation has concluded a further round of discussions on limiting and reducing ships’ emissions. The MISC Group is working to a Sustainability Agenda that ensures we protect and sustain the environment we work within; support the communities we work for, and do all we possibly can to protect our planet for future generations. Today’s arrangement to charter our first set of LNG fuelled Aframaxes to Shell is another step on that pathway”.

In June 2017, AET was awarded a contract to build and operate two LNG dual-fuelled DP2 Offshore Loading Shuttle Tankers for service in oilfields on the Norwegian Continental Shelf of the North Sea, Norwegian Sea and the southern Barents Sea as well as on the UK Continental Shelf. When operational, these ships are expected to be amongst the world’s first LNG fuelled DP shuttle tankers and the most energy efficient. Today’s arrangement builds on that achievement and cements AET’s position in the LNG dual-fuel market. It marks a further step in the company’s ability to offer innovative and environmentally responsible solutions to its global customers.

Ends

Notes to editors

About HN 2197 & HN2198

The vessels carry the Green Passport, ENVIRO and GFS notations and are fitted with a range of environmental innovations including a saver fin, saver stator and rudder bulb; a trim optimisation system; a ship performance monitoring system and shaft torque meter; and a fully compliant ballast water management system. The hulls have a Fatigue Life Design of 25 years (North Atlantic) and comply with the new 2015 Common Structural Rules. Both ships were built under the supervision of ABS and will be classed with that society.

About AET

AET specialises in the global ocean transport of petroleum and owns a fleet comprising 14 VLCCs, 6 Suezmaxes, 1 Panamax, 43 Aframaxes, 4 DP shuttle tankers, 13 chemical carriers, 5



LR2s, 3 MR2s and 1 LPG tanker. Its current orderbook includes 2 Aframaxes and 2 DP2 Offshore Loading Shuttle Tankers.

The company is headquartered in Singapore, with commercial centers in Houston, Kuala Lumpur, London, Montevideo, Panama and Rio de Janeiro with a specialist offshore lightering unit in Galveston, Texas.

AET is the petroleum logistics unit of Malaysian energy logistics group, MISC Berhad.

www.aet-tankers.com.

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