

PRESS RELEASE

For immediate release

Straits Energy Resources unit signs HOA with Fendercare Marine to make Victoria Bay Port Limit, Labuan the preferred STS energy transshipment hub in Asia

KUALA LUMPUR, 15 December 2021 – Straits Energy Resources Berhad 大马能源资源有限公司 (formerly known as Straits Inter Logistics Berhad) (“Straits” or the “Group”), a Bursa Malaysia Listed Company, announced today that its unit Victoria STS (Labuan) Sdn Bhd (“Victoria STS”) has signed a Heads of Agreement (HoA) with Fendercare Marine (Asia Pacific) Pte Ltd (“FCM”) to form an exclusive collaboration to provide ship-to-ship (STS) services together at the port limit of Victoria Bay, Labuan, Malaysia (“Victoria Bay Port Limit”). To ensure the success of the STS transshipment hub, both parties will combine their synergistic resources and expertise to provide the STS services at Victoria Bay Port Limit.

Victoria STS, a 70% owned subsidiary of Fajar Maritime and Logistics Sdn Bhd, which in turn is a 60% owned subsidiary of Straits, has been awarded a concession to develop an integrated offshore ship-to-ship energy transshipment hub at Victoria Bay Port Limit. The STS hub will be Straits’ sustainable energy flagship project in Victoria Bay deep water area spanning a vast 3,309 hectares supporting an initial six STS berths with safe water depths of up to 30 meters.

FCM is a 100% owned subsidiary of Fendercare Marine Ltd (“Fendercare”), which is a 100% direct owned subsidiary of James Fisher and Son plc (“James Fisher”), a listed company on the London Stock Exchange. Fendercare is one of the world leaders in STS transfers and a major supplier of premium quality marine products around the globe, as well as offering turnkey solutions in the operation of offshore energy terminals. In addition to having regional hubs in the UK, the UAE, Singapore, Brazil, India and West Africa, Fendercare has also established 60 over offices and fully operational bases worldwide. Meanwhile, James Fisher group is a leading service provider to the global marine industry and a specialist supplier of innovative engineering and technical services to the energy industry, operating across 23 countries with 2,500 employees.

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Under the HoA, FCM will be registering Victoria Bay Port Limit, Labuan as an official STS hub in its website and through its extensive global network and marketing, to promote to its potential clients worldwide and bring clients to Victoria Bay Port Limit as the preferred STS location in Asia. In addition, FCM is to support the STS hub with the required system and equipment, specialised trained personnel, advisory control and provide additional training and certification for Victoria STS' staff, compliment by FCM's foreign experts.

Straits' Group Managing Director Dato Sri Ron Ho Kam Choy 何锦财 said: "As a result of our diligent efforts the last few months in seeking the right and synergistic collaboration partner for this STS project, we are delighted to have gained a valued and important partner in Fendercare. This collaboration will kickstart Straits' foray into the sustainable and alternative energy space and together with Fendercare, our prime focus right now is to establish Victoria Bay Port Limit as a major energy transshipment hub in Asia. We are confident of being able to serve the needs of major global shipping line customers with our combined wide spectrum of energy related maritime solutions and infrastructure. The STS hub is scheduled to commence operation by early 1st quarter 2022."

"Straits as a fast-growing enlarged Group is always looking for business opportunities to increase its earnings base, and this exclusive collaboration with Fendercare will definitely open up an array of numerous exciting opportunities not only for Victoria STS but also the other entities within the Straits Group that will benefit from the business spin-offs of this project," he added.

Fendercare's Managing Director Elizabeth Skinner commented: "We are delighted to be collaborating with Straits Energy Resources on this new venture to establish STS exclusively at Victoria Bay Port Limit in Labuan, Malaysia. Since we first met with Dato Sri Ron and his team it was clear their passion for quality and a safety-first philosophy mirrored that of our own, so we are excited to be working together.

Fendercare are world leaders in STS with close to 60 STS locations globally and we pride ourselves on delivering safe and efficient operations for the world's largest energy companies and commodity traders and this reputation has been built up over 25 years. Our success is also due to the relationships we have with our local partners and with Straits we are confident we can develop Victoria Bay into an STS hub location for transfer of all oil and gas cargoes without restriction on vessel sizes.

Furthermore, due to the favourable met ocean conditions at the STS location at Victoria Bay, we will also be conducting STS transfers of LNG. As the drive increases for the world to transition to cleaner and greener sources of energy, LNG STS is becoming more commonplace and where we

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have over a decade's experience. So for us to offer transfers of LNG as well as all oil cargoes at Victoria Bay gives our customers additional options and flexibility which we anticipate an appetite and hope to grow this venture together with Victoria STS and Straits."

To recap, Straits had on 12 July 2021 received approval from the Marine Department Malaysia to develop Asia's largest STS transshipment hub in Victoria Bay Port Limit, Labuan.

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