

Press Release

MOL and Vopak reach agreement to jointly own and operate the FSRU for the new LNG terminal in Hong Kong

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- Vopak will acquire 49.99% of the vessel owning company of MOL that owns a floating storage and regasification unit (FSRU) MOL FSRU Challenger, to be renamed Bauhinia Spirit.
- MOL and Vopak will jointly own and operate the FSRU and provide jetty operations & maintenance and port services for a new FSRU-based offshore LNG terminal in Hong Kong.
- MOL and Vopak through the new FSRU based-terminal contribute to the energy transition in Hong Kong.
- MOL and Vopak aim to explore further downstream opportunities for bunkering of LNG as a cleaner marine fuel in Hong Kong.

Mitsui O.S.K. Lines Ltd. (MOL) and Royal Vopak (Vopak) announce an agreement has been reached, whereby Vopak will acquire 49.99% of the shares in the vessel owning company of MOL FSRU Challenger, whose name will be changed to Bauhinia Spirit. This new joint venture company between MOL and Vopak in Hong Kong will own the world's largest floating storage and regasification unit (FSRU) and have a long-term contract with Hong Kong LNG Terminal Limited.¹ The FSRU has a storage and regasification capacity of 263,000 cbm and 800 mmscfd, respectively. Under the contract, the joint venture will provide the FSRU as well as jetty operations & maintenance and port services.

The offshore jetty platform for the mooring of the FSRU and LNG carriers are owned by Hong Kong LNG Terminal Limited. The terminal is currently under construction and is expected to be operational around mid 2022. The terminal will be located offshore about 25 km southwest of Hong Kong Island. The terminal will provide natural gas feedstock to the customer's dedicated power plants. It is being developed to support the Hong Kong Special Administrative Region (HKSAR) government's target to improve air quality and environmental conditions by increasing the percentage of power generation by natural gas.

Both MOL and Vopak are excited to contribute to the success of Hong Kong's first ever LNG import terminal based on the companies' complementary strengths, combining their experiences related to the LNG industry including FSRU, and offshore jetty platform operations & maintenance respectively. Being the global market leaders in their respective fields, MOL is involved in over 100 LNG carrier and FSRU projects with Vopak having a portfolio of 4 LNG terminals in operation and more than 300 jetties across its global terminal network.

¹ Hong Kong LNG Terminal Limited is a joint venture between the two utility companies in Hong Kong, the Castle Peak Power Company Limited (CAPCO) and The Hongkong Electric Company, Limited. CAPCO is a joint venture between CLP Power Hong Kong Limited and China Southern Power Grid International (HK) Co., Limited.

Press Release

“An ideal complementary relationship works by combining Vopak’s many years of experience as a terminal operator for oils, chemicals and liquefied gas with MOL’s know-how of LNG carrier and FSRU operation. MOL looks forward to further working with Vopak on this promising project and feels confident that with our joint forces, we will be able to establish a safe and reliable operation structure for the Hong Kong FSRU project.” said Takeshi Hashimoto, President & CEO of MOL.

Eelco Hoekstra, Chairman of the Executive Board & CEO of Royal Vopak, said “We very much look forward to further strengthening our partnership with MOL and to actively contribute together to the energy transition policy of the government in Hong Kong. This cooperation gives Vopak an excellent entry in the growing LNG market in Hong Kong and fits our ambition to diversify our service offering in LNG by investing in FSRUs.”

This agreement follows MOL’s earlier [announcement](#) whereby MOL has entered into a long-term contract with the customer and an agreement with Vopak for jetty support. The transaction is subject to customary conditions, including closing, refinancing and obtaining (regulatory) approvals, with the expected completion after the commissioning of the terminal around mid 2022.

Based on these joint initiatives, MOL and Vopak also aim to explore further downstream opportunities for bunkering of LNG as a cleaner marine fuel in Hong Kong, which is one of the major bunkering ports of fuel oils for marine transportation. MOL has a plan to operate approximately 90 LNG-fueled vessels by 2030, which is a part of MOL Group Environmental Vision 2.1, aiming for Net Zero GHG emission by 2050.

The FSRU outline

Length : 345.00 m

Beam : 55.00 m

LNG storage capacity : 263,000 m³

Regas discharging capacity : 800 mmscfd

Delivery : 2017

Profile MOL

Mitsui O.S.K. Lines, Ltd. is a multi-modal international shipping company headquartered in Tokyo, Japan. MOL is one of the largest shipping companies in the world and the largest LNG carrier operator. Our fleet includes dry cargo ships, liquefied natural gas carriers, ro-ro car carrier ships, tankers, and also diversified assets in maritime related industries. We will develop a variety of social infrastructure businesses in addition to traditional shipping businesses and will meet the evolving social needs including environmental conservation, with innovative technology and services. MOL group aims to be a strong and resilient corporate group that provides new value to all stakeholders and grows globally. For more information, please visit <https://www.mol.co.jp/en/index.html>

Press Release

Profile Vopak

Royal Vopak is the world's leading independent tank storage company. We store vital products with care. With over 400 years of history and a focus on sustainability, we ensure safe, clean and efficient storage and handling of bulk liquid products and gases for our customers. By doing so, we enable the delivery of products that are vital to our economy and daily lives, ranging from chemicals, oils, gases and LNG to biofuels and vegoils. We are determined to develop key infrastructure solutions for the world's changing energy and feedstock systems, while simultaneously investing in digitalization and innovation. Vopak is listed on the Euronext Amsterdam and is headquartered in Rotterdam, the Netherlands. For more information, please visit www.vopak.com.

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