

**FSL TRUST MANAGEMENT PTE. LTD.**  
(As Trustee-Manager of First Ship Lease Trust)  
(Company Registration No. 200702265R)  
(Incorporated in Singapore)

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**PROPOSED ISSUE OF US\$7,250,000 IN AGGREGATE PRINCIPAL AMOUNT OF REDEEMABLE  
7% CONVERTIBLE BONDS**

**- RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST**

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The Board of Directors (“**Board**”) of FSL Trust Management Pte. Ltd. (as trustee-manager of First Ship Lease Trust (the “**Trust**”)) (the “**Trustee-Manager**”) refers to the announcements dated 24 April 2018, 22 May 2018 and 25 May 2018 (the “**Announcements**”) in relation to, inter alia, the Bond Issue. All capitalized terms not defined herein shall have the same meaning as set out in the Announcements.

**1. APPROVAL IN-PRINCIPLE**

The Board wishes to announce that the Trust has on 4 June 2018 received the approval in-principle of the SGX-ST for the listing and quotation of up to 127,491,215 New Units on the Main Board of the SGX-ST which may be issued upon conversion of the Bonds.

The approval in-principle of the SGX-ST is subject to the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) announcement of the conditions under which the Conversion Price may be adjusted and the conditions under which the Bonds may be redeemed;
- (c) submission of the following documents:
  - (i) a duly signed undertaking in the format set out in Appendix 2.3.1 of the Listing Manual;
  - (ii) a copy of the signed subscription agreement;
  - (iii) a written confirmation from the Trustee-Manager that the terms of the Bonds comply with Rule 829(1) of the Listing Manual;
  - (iv) a written undertaking from the Trustee-Manager that all debt securities will only be offered to persons specified in Sections 274 and 275 of the Securities and Futures Act of Singapore;
  - (v) a written undertaking from the Trustee-Manager that it will comply with Rules 704(30) and 1207(20) in relation to the use of proceeds from the issuance of the Bonds and conversion of the Bonds and where proceeds are to be used for working capital purposes, the Trust will disclose a breakdown with specific details on the use of proceeds for working capital in its announcements on use of proceeds and in the annual report;

- (vi) a written undertaking from the Trustee-Manager that they will comply with Rule 803 of the Listing Manual to allot and issue the Bonds so as to transfer a controlling interest in the Trust without the prior approval of the unitholders in a general meeting;
  - (vii) a written undertaking from the Trustee-Manager that it will not place the Bonds to persons prohibited under Rule 812(1) of the Listing Manual;
  - (viii) a written undertaking from the Trustee-Manager to announce any adjustment made pursuant to Rule 829(1) of the Listing Manual; and
  - (ix) a written confirmation from the Trustee-Manager that the terms of the Bonds has included the maximum number of units which would be issued upon conversion as required under Rule 832(1) of the Listing Manual and to disclose accordingly via SGXNET; and
- (d) notification to the SGX-ST immediately upon any significant changes affecting any matter contained in the application, or which would be required to be included in the application if it had arisen before the application was submitted, pursuant to Rule 864(4) of the Listing Manual.

The approval in-principle of the SGX-ST is not an indication of the merits of the Bonds, the Conversion Units, the Trust and/or its subsidiaries.

## **2. FURTHER INFORMATION ON THE SUBSCRIBER**

The Subscriber has represented that it is an investment company fully owned by VGO Special Situations Fund I LP, an institutional investment fund focused on credit and equity investments representing institutional investors including foundations, endowments and corporate pension plans. VGO Special Situations Fund I LP is managed by VGO Capital Management LP (VGO) an alternative asset management firm, specialising in private equity and credit strategies. VGO manages private equity funds, pools of committed capital from state and corporate pension funds, foundations, endowments, and other institutional investors.

By Order of the Board  
FSL Trust Management Pte. Ltd.  
(Company registration no. 200702265R)  
as Trustee-Manager of First Ship Lease Trust

Mr. Efstathios Topouzoglou  
Non-Independent Non-Executive Chairman  
5 June 2018