

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

FSL TRUST DISPOSAL OF VESSEL

FSL Trust Management Pte. Ltd. (“FSLTM”), as trustee-manager of First Ship Lease Trust (“FSL Trust” or “the Trust”), announces that a wholly-owned subsidiary of the Trust has executed a Memorandum of Agreement to sell its MR product tanker *FSL Hamburg* (“Disposal”) to an unaffiliated third party and has received the initial 10% deposit in escrow.

FSL Hamburg is South Korean-built 47,496 DWT product tanker built in 2005 which has recently been deployed under a Pool Agreement.

Completion of the Disposal is scheduled to take place before end March 2019, at which time the net proceeds will be utilised for partial repayment of the Trust’s outstanding bank debt and the remainder, estimated around US\$6.5 million, will be utilised for the instalment payments due in respect of the Newbuilding Acquisition announced on 13 December 2018.

As of 31 December 2018, the *FSL Hamburg* was classified as “held for sale” in accordance to International Financial Reporting Standards and the Trust will take an impairment charge of approximately US\$6.3 million on this vessel.

Roger Woods, Chief Executive Officer of FSLTM commented: “In line with the Trust’s ongoing fleet renewal strategy, we are pleased to report this disposal, which will help fund the Newbuilding Acquisition, will reduce the outstanding bank debt thus improving the Trust’s risk profile while preparing the Trust to take advantage of the expected recovery in the sector.”

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
18 January 2019