

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

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**NON-RENOUNCEABLE PREFERENTIAL OFFERING TO RAISE  
GROSS PROCEEDS OF UP TO S\$43.03 MILLION  
- RECEIPT OF WHITEWASH WAIVER FROM THE SIC**

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FSL Trust Management Pte. Ltd., in its capacity as trustee-manager of First Ship Lease Trust (“**FSLT**”, and as trustee-manager of FSLT, the “**Trustee-Manager**”) refers to its announcements dated 26 November 2018 and 21 March 2019 (the “**Announcements**”) in relation to the Preferential Offering. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Announcements.

**1. RECEIPT OF WHITEWASH WAIVER FROM THE SIC**

The Trustee-Manager had made an application to the SIC on 29 November 2019 (as supplemented by a letter dated 19 March 2019) to seek a waiver of the obligations of the Undertaking Unitholders and their concert parties to make a Mandatory Offer arising from their subscription of the New Units under the Preferential Offering.

On 25 March 2019, the SIC informed the Trustee-Manager that it has waived the requirement for the Undertaking Unitholders to make a Mandatory Offer for FSLT under Rule 14 of the Code in the event that the Undertaking Unitholders incur an obligation to do so as a result of their subscription for (i) their pro rata entitlements of New Units in full and (ii) all New Units not taken up by the Unitholders other than the Undertaking Unitholders, subject to the following conditions:

- (a) a majority of holders of voting rights of FSLT present and voting at a general meeting, held before the Preferential Offering, approve by way of a poll, a resolution (the “**Whitewash Resolution**”) to waive their rights to receive a Mandatory Offer from the Undertaking Unitholders;
- (b) the Whitewash Resolution is separate from other resolutions;
- (c) the Undertaking Unitholders, their concert parties and parties not independent of them as well as parties not independent of the Preferential Offering abstain from voting on the Whitewash Resolution;
- (d) the Undertaking Unitholders and their concert parties did not acquire or are not to acquire any Units or instruments convertible into and options in respect of the Units (other than subscriptions for, rights to subscribe for, instruments convertible into or options in respect of new Units which have been disclosed in the Circular):
  - (i) during the period between the date of the announcement of the Preferential Offering and the date Unitholders’ approval is obtained for the Whitewash Resolution; and
  - (ii) in the 6 months prior to the date of the announcement of the Preferential Offering, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the directors of the Trustee-Manager in relation to the Preferential Offering;
- (e) FSLT appoints an independent financial adviser to advise the independent Unitholders on the Whitewash Resolution;

- (f) FSLT sets out clearly in the Circular:
- (i) details of the Preferential Offering;
  - (ii) the possible dilution effect to existing holders of voting rights as a result of the Undertaking Unitholders' acquisition of New Units and Excess New Units pursuant to the Sponsor Undertaking (as amended and restated by the supplemental letter);
  - (iii) the number and percentage of voting rights in FSLT as well as the number of instruments convertible into, rights to subscribe for and options in respect of Units held by the Undertaking Unitholders and their concert parties as at the latest practicable date;
  - (iv) the number and percentage of voting rights to be issued to the Undertaking Unitholders as a result of the Undertaking Unitholders' acquisition of New Units and Excess New Units pursuant to the Sponsor Undertaking (as amended and restated by the supplemental letter);
  - (v) that the Unitholders, by voting for the Whitewash Resolution, are waiving their rights to a Mandatory Offer from the Undertaking Unitholders at the highest price paid by the Undertaking Unitholders and their concert parties for Units in FSLT in the past 6 months preceding the commencement of the Mandatory Offer. In this regard, specific and prominent reference should be made to this; and
  - (vi) that the Undertaking Unitholders' New Units and Excess New Units pursuant to the Sponsor Undertaking (as amended and restated by the supplemental letter) could result in the Undertaking Unitholders and their concert parties holding Units carrying over 49% of the voting rights of FSLT, and the fact that the Undertaking Unitholders and their concert parties would be free to acquire further Units without incurring any obligation under Rule 14 to make a Mandatory Offer; and
- (g) the Circular states that the Whitewash Waiver granted by the SIC to the Undertaking Unitholders from the requirement to make a Mandatory Offer under Rule 14 is subject to the conditions stated at paragraphs (a) to (f) above;
- (h) FSLT obtains the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
- (i) to rely on the Whitewash Resolution, approval of the Whitewash Resolution must be obtained within 3 months of the date of the email from SIC granting the Whitewash Waiver, and the acquisition by the Undertaking Unitholders of the New Units and Excess New Units must be completed within 3 months of the date of approval of the Whitewash Resolution.

## **2. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISOR**

Further to the SIC's condition set out in paragraph 1(e) above, FSLT has appointed Stirling Coleman Capital Limited, as independent financial adviser, to advise the Directors who are considered independent for the purposes of making the recommendation to the Independent Unitholders in relation to the Whitewash Resolution.

## **3. CIRCULAR AND EGM**

Further details of the Preferential Offering will be included in the circular to be despatched to Unitholders in due course. The Circular will also enclose the notice of the EGM for the Preferential Offering and the Whitewash Resolution.

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  
27 March 2019