

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

**MANDATORY CONDITIONAL CASH OFFER BY CEL IMPETUS CORPORATE FINANCE
PTE LTD FOR AND ON BEHALF OF FSL HOLDINGS PTE. LTD.
FOR FIRST SHIP LEASE TRUST**

1. INTRODUCTION

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 the announcement made on 7 June 2019 (the “**Offer Announcement**”) by CEL Impetus Corporate Finance Pte Ltd, for and on behalf of FSL Holdings Pte. Ltd. (the “**Offeror**”) (the sponsor of FSLT), in relation to a mandatory conditional cash offer (the “**Offer**”) to be made by the Offeror for all the issued and paid-up ordinary units in FSLT (the “**Units**”), other than those already owned, controlled or agreed to be acquired by the Offeror and the parties acting in concert with it in accordance with Rule 14 of the Singapore Code on Take-overs and Mergers (the “**Code**”).

Further, in accordance with Rule 19 of the Code, the Offeror will also make an offer to VGO Special Situations I (Luxembourg) S.à r.l. (the “**Bondholder**”) to acquire the convertible bonds (the “**Convertible Bonds**”) issued under the bond subscription agreement dated 24 April 2018 between FSLT and the Bondholder (as amended and supplemented by a supplemental agreement dated 24 May 2018 and a second supplemental agreement dated 26 November 2018) (the “**CB Offer**”), subject to the Offer becoming or being declared unconditional and the Convertible Bonds continuing to be transferable and convertible into new Units.

Hence, according to the Offer Announcement, the Offer, when made, will be extended to:

- (a) all Units other than those already owned, controlled or agreed to be acquired by the Offeror and the parties acting in concert with it in accordance with Rule 14 of the Code as at the date of the Offer Announcement; and
 - (b) all new units unconditionally issued or to be issued pursuant to the valid conversion, prior to the close of the Offer, of the Convertible Bonds,
- (collectively, the “**Offer Units**”).

A copy of the Offer Announcement is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com. The unitholders of FSLT (“**Unitholders**”) and the Bondholder are advised to refer to the full text of the Offer Announcement for, *inter alia*, the principal terms of the Offer and CB Offer, the rationale for the Offer and the Offeror’s intentions for FSLT.

2. DESPATCH OF OFFER DOCUMENT AND LETTER TO BONDHOLDER

According to the Offer Announcement, the formal offer document (the “**Offer Document**”) containing, *inter alia*, the terms and conditions of the Offer and enclosing the appropriate form(s) of acceptance, will be despatched to the holders of Offer Units not earlier than 14 days and not later than 21 days from the date of the Offer Announcement. In addition, a letter containing further details of the CB Offer will also be despatched to the Bondholder in due course.

3. APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

The directors of the Trustee-Manager will, in connection with the Offer and CB Offer, appoint an independent financial adviser (the “**IFA**”) to advise the directors of the Trustee-Manager who are considered independent for the purposes of the Offer and the CB Offer (the “**Independent Directors**”).

4. OFFEREE CIRCULAR

A circular containing, *inter alia*, the advice of the IFA and the recommendation of the Independent Directors (the “**Offeree Circular**”) will be sent to the Unitholders and the Bondholder (if applicable) within 14 days from the date of the despatch of the Offer Document.

In the meantime, the Unitholders and the Bondholder are advised to refrain from taking any action in relation to their Units and/or Convertible Bonds which may be prejudicial to their interests and to exercise caution when dealing in the Units and/or Convertible Bonds, until they or their advisers have considered the information and the recommendation of the Independent Directors as well as the advice of the IFA which will be set out in the Offeree Circular to be issued by FSLT in due course.

5. DIRECTORS’ RESPONSIBILITY STATEMENT

The directors of the Trustee-Manager (including any who may have delegated detailed supervision of this announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this announcement (excluding those relating to the Offer, CB Offer, Offeror and parties acting in concert with it) are fair and accurate, and that no material facts have been omitted from this announcement, the omission of which would make any statement in this announcement misleading, and they jointly and severally accept responsibility accordingly.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, the Offer Announcement), the sole responsibility of the directors of the Trustee-Manager has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, reflected or reproduced in this announcement.

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

Mr. Michael Gray
Lead Independent Director
7 June 2019

IMPORTANT NOTICE

The value of Units and the income derived from them may fall as well as rise. Units are not obligations of, deposits in, or guaranteed by, the Trustee-Manager or any of its affiliates. An investment in the Units is subject to investment risks, including the possible loss of the principal amount invested. Investors have no right to request the Trustee-Manager to redeem or purchase their Units while the Units are listed on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). It is intended that holders of the Units may only deal in their Units through trading on the SGX-ST. Listing of the Units on the SGX-ST does not guarantee a liquid market for the Units. The past performance of FSLT is not necessarily indicative of the future performance of FSLT.