

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

US\$7,250,000 REDEEMABLE 7% CONVERTIBLE BONDS

- **RECEIPT OF APPROVAL IN-PRINCIPLE FROM THE SGX-ST FOR UP TO 57,508,685 ADDITIONAL NEW UNITS RESULTING FROM AN ADJUSTMENT TO THE CONVERSION PRICE OF THE CONVERTIBLE BONDS**
 - **CLARIFICATION RELATING TO THE ADJUSTMENT TO THE CONVERSION PRICE OF THE CONVERTIBLE BONDS**
-

1. Introduction

FSL Trust Management Pte. Ltd., in its capacity as trustee-manager of First Ship Lease Trust (“**FSL Trust**”, and as trustee-manager of FSL Trust, the “**Trustee-Manager**”) refers to its announcements dated 24 April 2018, 22 May 2018, 25 May 2018, 5 June 2018, 26 November 2018 and 7 June 2019 in relation to the Convertible Bonds and its circular dated 4 April 2019 (the “**Circular**”) 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 Circular.

2. Adjustment to the Conversion Price and Approval in-principle

As announced on 7 June 2019, in accordance with Condition 4.3.4 of the terms and conditions of the Bond Subscription Agreement, the Preferential Offering resulted in an adjustment to the Conversion Price. With effect from 7 June 2019, being the date of issue of the New Units pursuant to the Preferential Offering, the Adjusted Conversion Price is S\$0.05644.

As announced on 5 June 2018, FSL Trust had previously 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 Convertible Bonds.

An additional 57,508,685 new units may be issued upon conversion of the Convertible Bonds resulting from the adjustment to the Conversion Price of the Convertible Bonds,

The Trustee-Manager wishes to announce that FSL Trust had on 1 July 2019 received the approval in-principle of the SGX-ST for the listing and quotation of up to 57,508,685 additional new units on the Main Board of the SGX-ST resulting from an adjustment to the Conversion Price of the Convertible Bonds and which may be issued upon the conversion of the Convertible 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) a written undertaking from FSL Trust that it will comply with Rules 704(30) and Rule 1207(20) of the Listing Manual in relation to the use of proceeds from the proposed placement of units and where proceeds are to be used for working capital purposes, FSL 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;
- (c) a written undertaking from FSL Trust that it will comply with Rule 803 of the Listing Manual; and

- (d) a written confirmation from FSL Trust that it will not issue new units to persons prohibited under Rule 812(1) of the Listing Manual.

Therefore FSL Trust has received the approval in-principle of the SGX-ST for the listing and quotation of an aggregate number of up to 185,000,000 new units on the Main Board of the SGX-ST which may be issued upon conversion of the Convertible Bonds.

The approval in-principle of the SGX-ST is not an indication of the merits of the placement, the new units, FSL Trust and/or its subsidiaries.

3. Clarification relating to the Adjustment of the Conversion Price

The Trustee-Manager wishes to clarify that the formula under Condition 4.3.4 of the Bond Subscription Agreement for the purposes of deriving the adjustment to the Conversion Price, as disclosed in the Previous Announcement and the Circular, should include the following underlined text:

$$\text{Adjusted Conversion Price} = \frac{A + B}{A + C} \times \underline{\text{Conversion Price}}^1$$

For the avoidance of doubt, the Adjusted Conversion Price of S\$0.05644, as disclosed in the announcement dated 7 June 2019 and the Circular, remains correct.

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
4 July 2019

¹ The conversion price of S\$0.07455 in force immediately before the issuance of the New Units pursuant to the Preferential Offering.