



3rd Quarter 2020 Financial Results Presentation

6 November 2020

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3RD QUARTER 2020 HIGHLIGHTS



- **Significant tanker market correction in the 3rd quarter 2020**
 - > Reduced earnings of vessels operating in pools
- **Net profit of US\$ 0.5m⁽¹⁾ in the 3rd quarter 2020 and US\$ 8.5m⁽¹⁾ in the first 9 months of 2020**
 - > 3rd quarter 2020 profit 72% lower than previous year (US\$ 1.7m)⁽¹⁾
 - > 9 months 2020 profit up 27% from previous year (US\$ 6.7m)⁽¹⁾
 - > 7th consecutive quarterly net profit
- **Adjusted EBITDA of US\$ 3.3m⁽¹⁾⁽²⁾ in the 3rd quarter 2020 and US\$ 26.1m⁽¹⁾⁽²⁾ in the first 9 months of 2020**
 - > 3rd quarter 2020 adjusted EBITDA down 64% from previous year (US\$ 9.3m)⁽¹⁾⁽²⁾, driven by reduced fleet, redelivery of containerships and the impact of COVID-19 on global shipping
 - > 9 months 2020 adjusted EBITDA 16% lower than previous year (US\$ 31.1m)⁽¹⁾⁽²⁾
- **Fleet utilisation of 91%**
 - > Lower primarily due to redelivery of 2 containerships at the end of the charter term in the 2nd quarter 2020
- **Robust capital structure**
 - > Strong liquidity position of US\$ 41.2m⁽¹⁾
 - > Solid financial ratios
 - > Zero net debt as at 30 September 2020
- **Distribution of 1.50 US cents per unit for the 3rd quarter 2020**
 - > 3rd quarterly distribution within 12 months

Note(s):

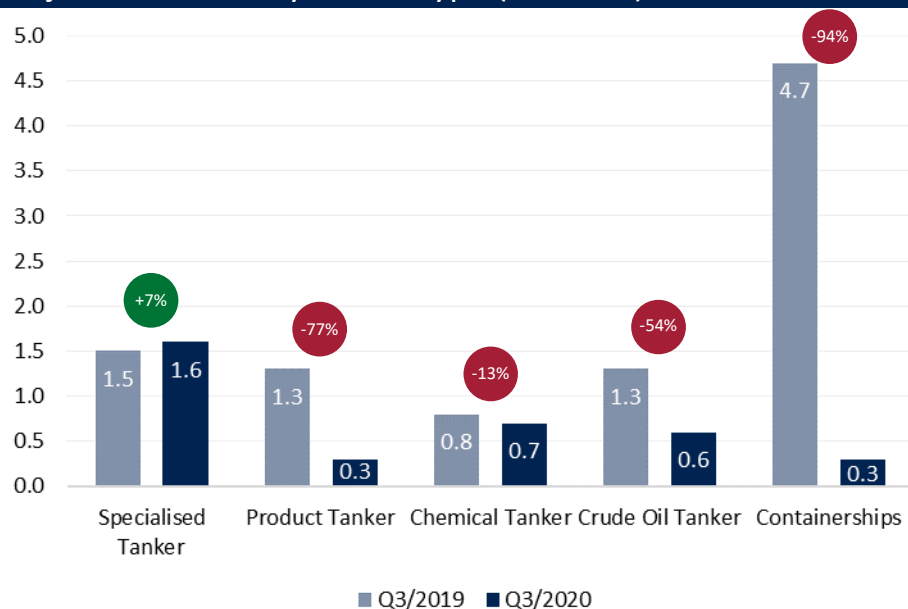
⁽¹⁾ Unaudited

⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

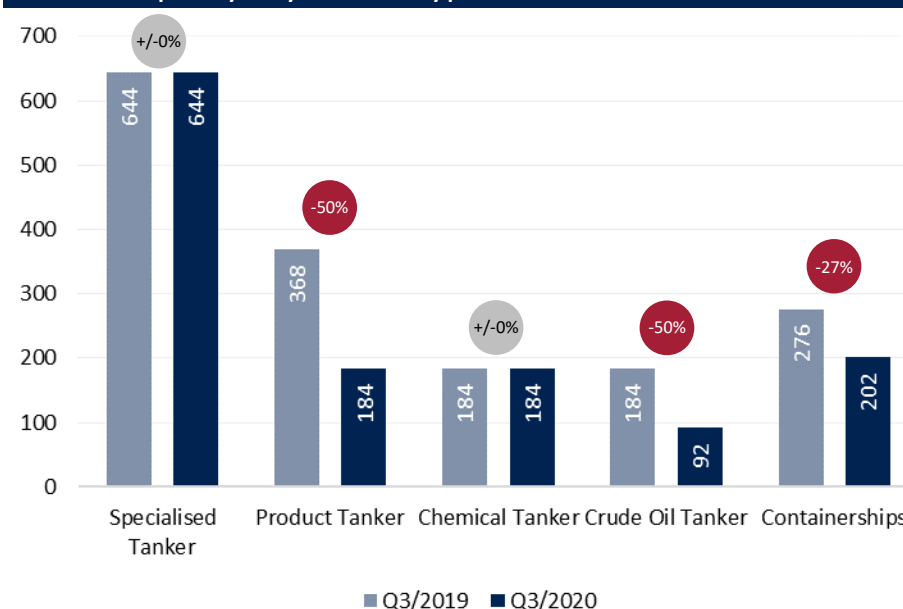
⁽³⁾ Net interest bearing debt to trailing 12-months adjusted EBITDA

OPERATING PERFORMANCE REVIEW

Adjusted EBITDA by Vessel Type (in US\$m)⁽¹⁾



Ownership Days by Vessel Type



Commentary

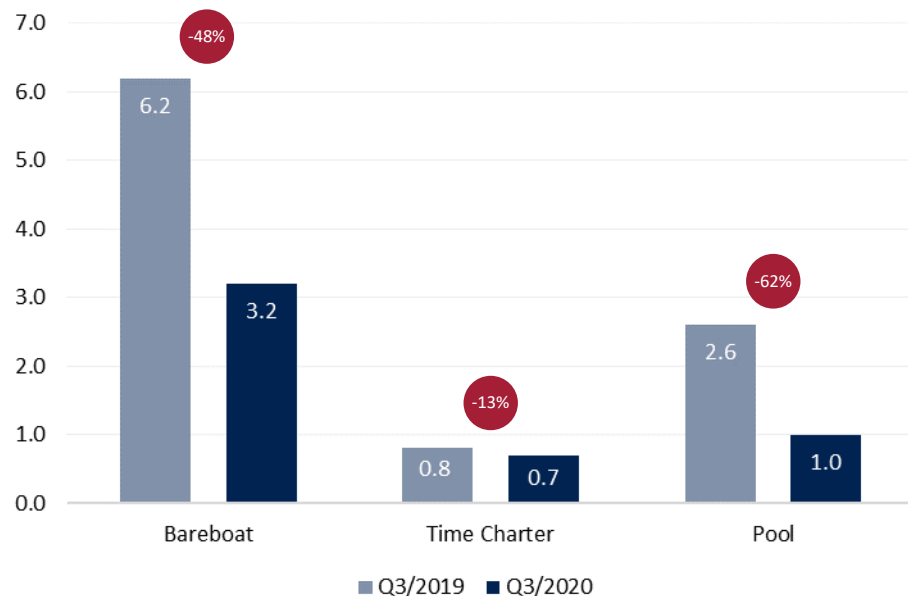
- > Disposal of 3 tankers and 2 containerships led to significant reduction (negative 50% y-o-y and negative 27%, respectively) of ownership days
- > Decline (negative 77% and negative 54%, respectively) of adjusted EBITDA⁽¹⁾ from product tankers and crude oil tankers due to soft tanker markets and reduction of ownership days
- > Decline (negative 94% y-o-y) of adjusted EBITDA⁽¹⁾ from containerships due to expiry of charters

Note(s):

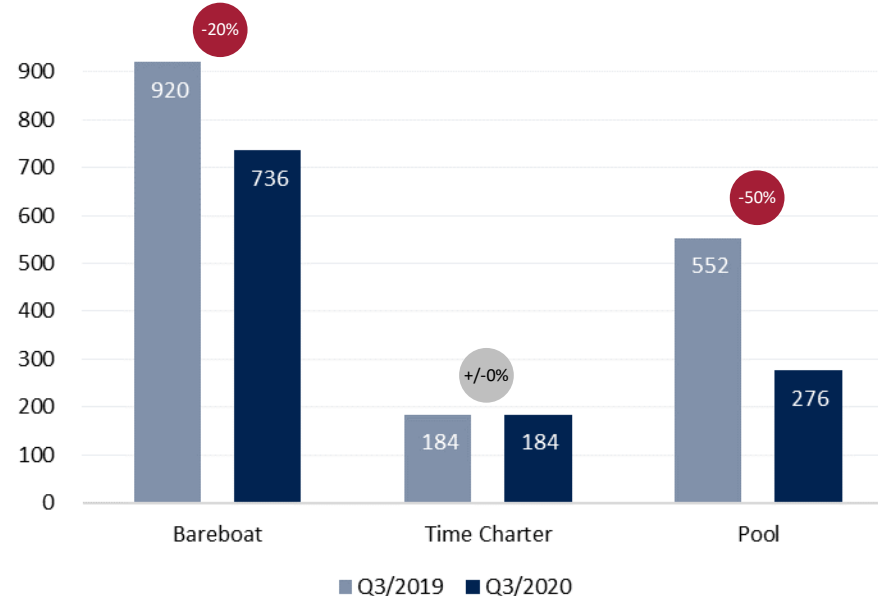
⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

OPERATING PERFORMANCE REVIEW (CONT'D)

Adjusted EBITDA by Employment Type (in US\$m)⁽¹⁾



Ownership Days by Employment Type



Commentary

- > Adjusted EBITDA from bareboat charters reduced (negative 48% y-o-y) due to the redelivery of 2 containerships
- > Adjusted EBITDA from pool employment (product and crude oil tankers) declined substantially (negative 62% y-o-y) due to soft tanker markets and vessel sales

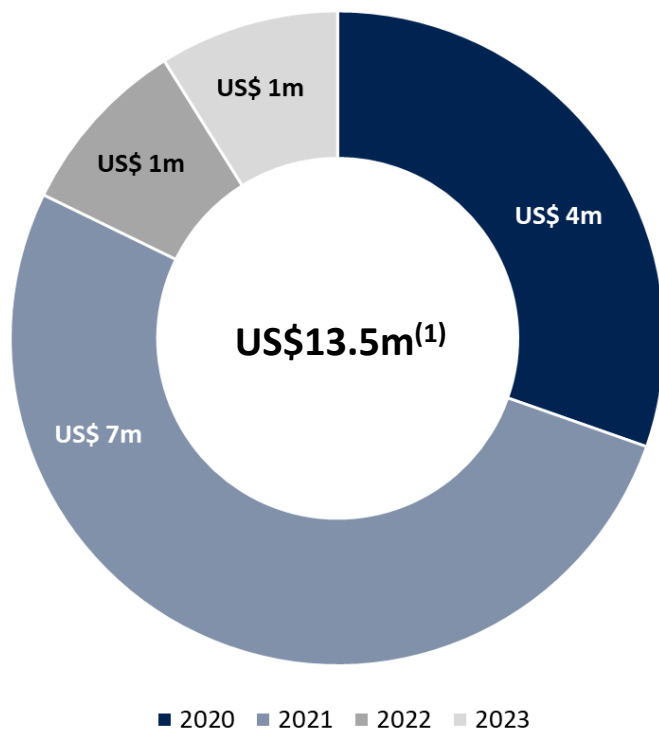
Note(s):

⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

FLEET EMPLOYMENT

US\$ 13.5m of Contracted Revenue⁽¹⁾

Charter Expiries in 2020

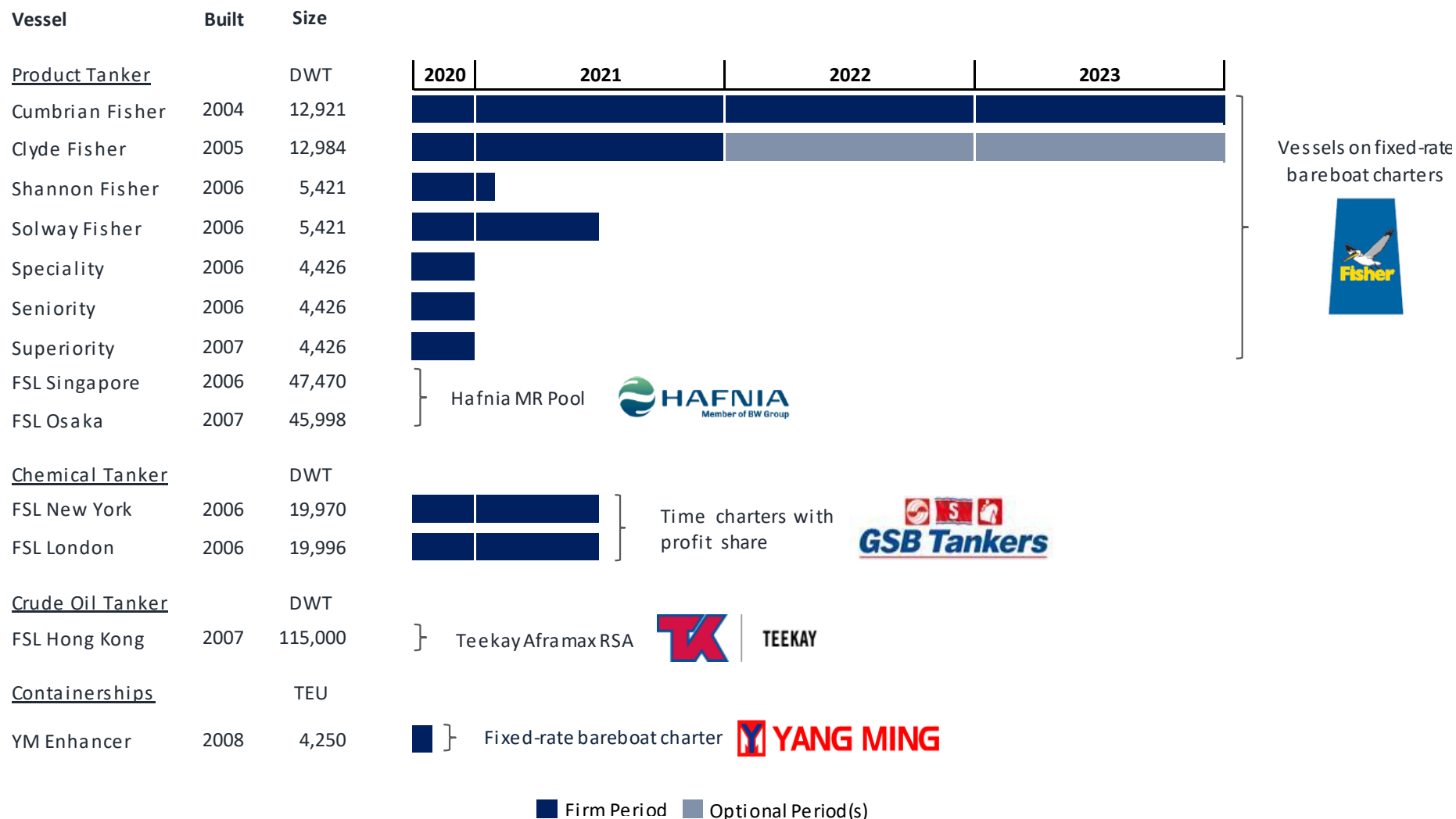


- > All 3 containerships completed their charters and were redelivered in May, June and October 2020, respectively, and subsequently sold
- > Charter maturity for 3 specialised tankers in December 2020, in continuous discussions with charterer for a potential extension of the charters

Note(s):

⁽¹⁾ As at 30 September 2020, based on revenue from 8 bareboat charters and 2 time charters, excluding optional extensions

FLEET EMPLOYMENT PROFILE⁽¹⁾



■ Firm Period ■ Optional Period(s)

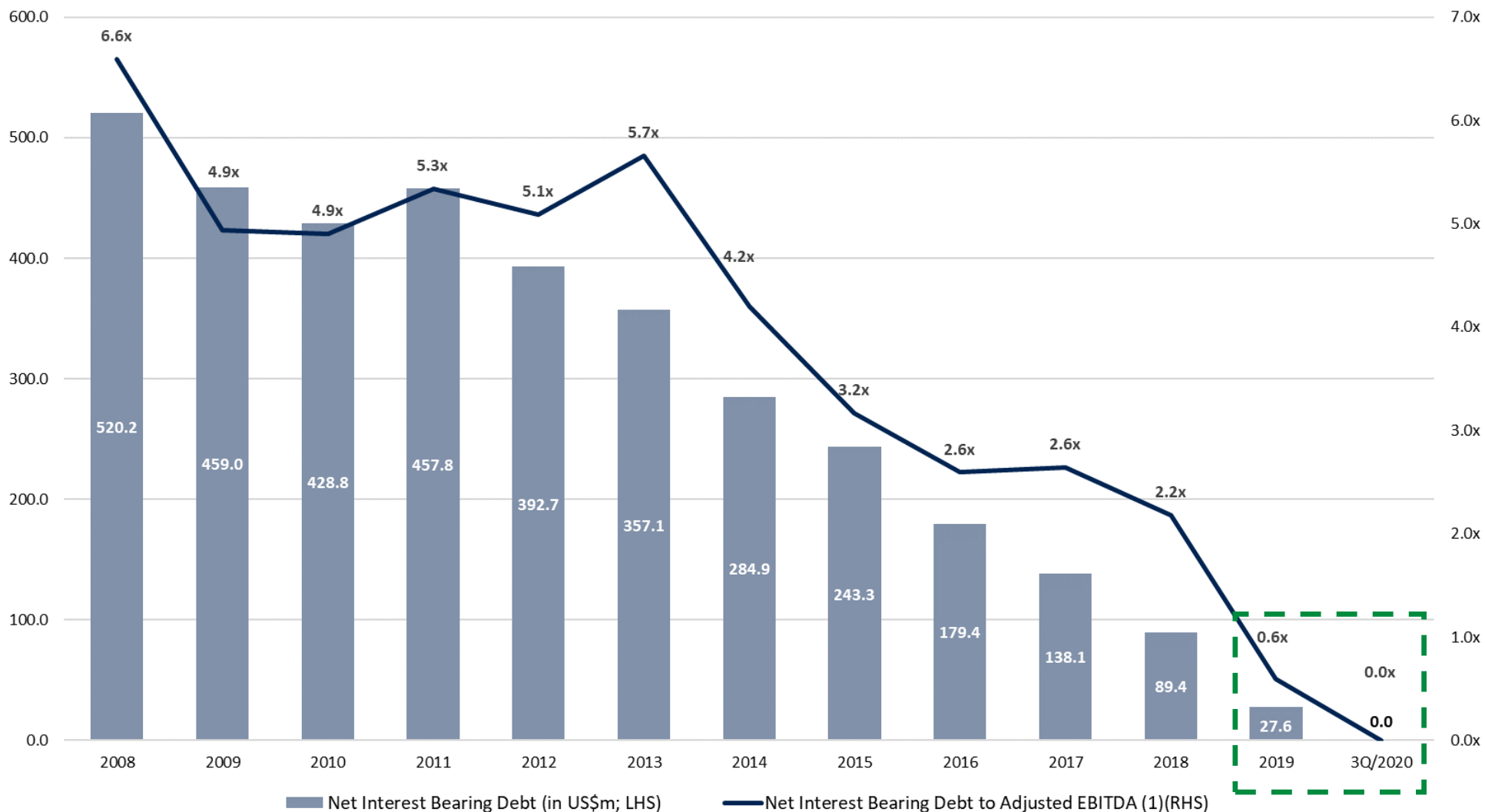
Note(s):
⁽¹⁾ As of 30 September 2020

UPDATE ON THE NEWBUILDING PROGRAMME

- The construction of the newbuildings is progressing smoothly with scheduled delivery in early 2021
- Full debt financing for the remaining 60% of the contract price has been arranged, pending completion of the legal documentation



DEBT REDUCTION



Note(s):

⁽¹⁾ Trailing 12-months; excluding gains/losses from the disposal of vessels and vessel impairments

DISTRIBUTION FOR THE 3RD QUARTER 2020

- **Distribution period** 1 July 2020 – 30 September 2020
- **Distribution per unit** 1.50 US cents
- **Distribution timetable**



TANKER MARKET SNAPSHOT

- The tanker market has substantially softened after a strong demand for tonnage and record high freight markets in the first 5 months of the year driven by the oil price war between OPEC+ members, coupled with demand contraction leading to an oversupply of oil and historically low oil prices
- OPEC+ cut output, lower refinery throughput, high inventory levels and the pandemic-hit oil demand led to reduced demand for seaborne transportation during the summer whilst oil storage on tankers remains at elevated levels due to oil surplus, but is expected to unwind over the upcoming months, adding tonnage back to the trading fleet
- Freight markets are expected to seasonally improve towards the end of the year but forecast for 2021 remains soft amid reduced demand for oil and oil products and the delivery of new tonnage
- Activity in the S&P has picked up, but remains below the levels in the previous years
- Orderbook at historical lows and subdued contracting of newbuildings
- More than 25% of the active fleet will reach 20 years of age by 2023

CONTACT



FSL Trust Management Pte. Ltd.

as Trustee Manager for First Ship Lease Trust
9 Temasek Boulevard, #19-03 Suntec Tower Two
Singapore 038989

Tel: +65 6836 3000

Email: enquiries@firstshiplease.com

Investor Relations Contact

Edward Ion and Mary Ng

Helix PR

Tel: +65 6222 6375

Email: investors@firstshiplease.com

www.firstshiplease.com

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APPENDIX: INCOME STATEMENT (3RD QUARTER 2020)



Income Statement (in US\$m) ⁽¹⁾			
	3 rd Quarter 2020	3 rd Quarter 2019	Change in %
Revenue	8.57	15.50	-44.7%
Voyage expenses/Income	0.01	0.04	-75.0%
Vessel operating expenses	-4.23	-5.28	-19.9%
Management fees	-0.21	-0.43	-51.2%
Trustee fees	-0.01	-0.02	-50.0%
Other Trust expenses	-0.80	-0.49	63.3%
Adjusted EBITDA⁽²⁾	3.33	9.33	-64.3%
Depreciation	-2.41	-6.30	-61.7%
Impairment charges	-2.07	0.00	100.0%
Gain on disposal of vessel(s)	2.11	0.01	100.0%
Results from operating activities (EBIT)	0.96	3.04	-68.4%
Finance income	0.01	0.17	-94.1%
Finance expenses	-0.50	-1.55	-67.7%
EBT	0.47	1.66	-71.7%
Income tax	0.00	0.02	-100.0%
Profit for the quarter	0.46	1.64	-72.0%
per unit (basic) (in US cents) ⁽³⁾	0.03	0.09	-66.7%
per unit (diluted) (in US cents) ⁽³⁾	0.03	0.09	-66.7%

Note(s):

⁽¹⁾ Unaudited

⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

⁽³⁾ Based on the weighted average number of issued units

APPENDIX: INCOME STATEMENT (9 MONTHS 2020)



Income Statement (in US\$m) ⁽¹⁾			
	9 Months 2020	9 Months 2019	Change in %
Revenue	41.50	50.89	-18.5%
Voyage expenses/Income	-0.28	-0.40	-30.0%
Vessel operating expenses	-12.24	-15.99	-23.5%
Management fees	-1.22	-1.42	-14.7%
Trustee fees	-0.04	-0.04	0.0%
Other Trust expenses	-1.66	-1.94	-14.4%
Adjusted EBITDA⁽²⁾	26.06	31.10	-16.2%
Depreciation	-12.83	-18.91	-32.2%
Impairment charges	-7.38	0.00	-100.0%
Gain on disposal of vessel(s)	4.80	0.02	100.0%
Results from operating activities (EBIT)	10.65	12.21	-12.8%
Finance income	0.26	0.23	13.0%
Finance expenses	-2.44	-5.73	-57.4%
EBT	8.47	6.70	26.4%
Income tax	0.00	-0.02	+100.0%
Profit for the quarter	8.47	6.68	26.8%
per unit (basic) (in US cents) ⁽³⁾	0.48	0.61	-21.3%
per unit (diluted) (in US cents) ⁽³⁾	0.48	0.61	-21.3%

Note(s):

⁽¹⁾ Unaudited

⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

⁽³⁾ Based on the Weighted average number of issued units

APPENDIX: BALANCE SHEET



Balance Sheet (in US\$m)⁽¹⁾

	30 Sep 2020	31 Dec 2019		30 Sep 2020	31 Dec 2019
Assets			Equity and liabilities		
Vessels ⁽²⁾	138.63	180.70	Units in issue	561.33	561.33
Non-current assets	138.63	180.70	Reserves	-403.02	-358.45
			Total unitholder's equity	158.31	202.88
Trade and other receivable	5.15	13.18	Bank loans	14.53	34.52
Cash and cash equivalents ⁽³⁾	41.16	42.44	Non-current liabilities	14.53	34.52
Non-current assets held for sale	7.38	38.88			
Current assets	53.68	94.50	Trade and other payables	1.59	2.22
			Bank loans (current portion)	17.13	35.54
			Lease income received in advance	0.75	0
			Income tax payable	0.01	0.04
			Current liabilities	19.47	37.80
			Total liabilities	34.01	72.32
Total assets	192.32	275.20	Total equity and liabilities	192.32	275.20

Note(s):

⁽¹⁾ Unaudited

⁽²⁾ Includes operating vessels of US\$ 96.02m (2019: US\$ 158.60m) and vessels under construction of US\$ 42.61m (2019: US\$ 22.10m)

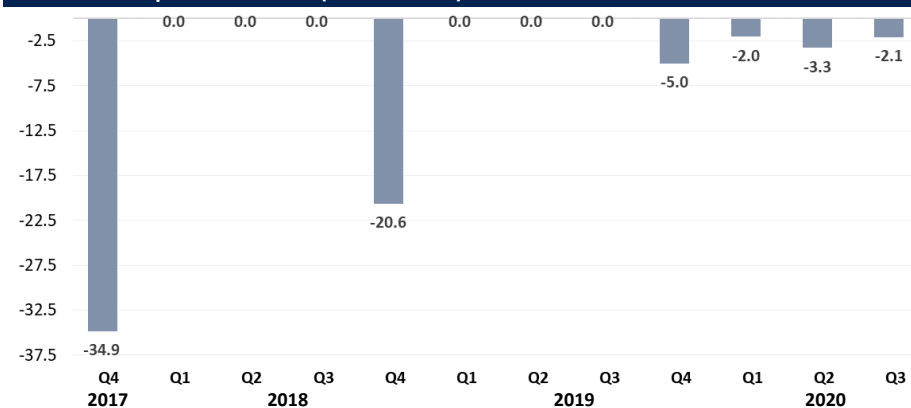
⁽³⁾ Includes US\$ 0.50m of restricted cash (2019: US\$ 0.50m)

APPENDIX: HISTORICAL FINANCIAL PERFORMANCE

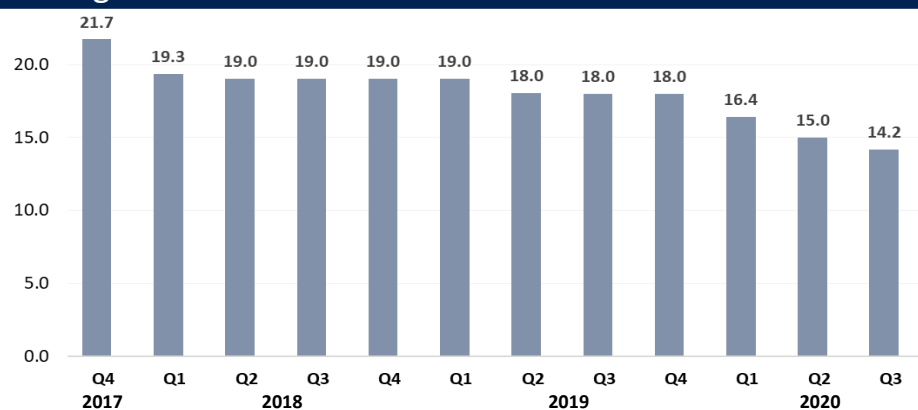
Adjusted EBITDA (in US\$m)⁽¹⁾⁽²⁾



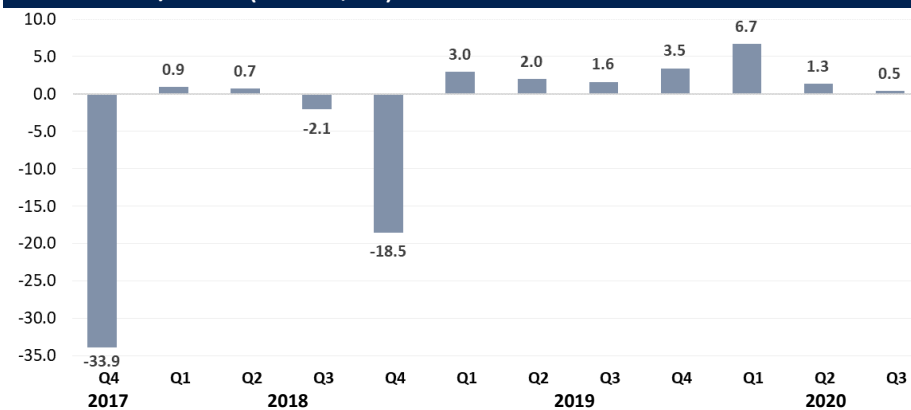
Vessel Impairments (in US\$m)⁽¹⁾



Average Number of Vessels



Net Profit/Loss (in US\$m)⁽¹⁾



Note(s):

⁽¹⁾ Unaudited

⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments