



ANNUAL GENERAL MEETING

2022

SINGAPORE, 27 APRIL 2022



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AGENDA



1	2021 HIGHLIGHTS
2	OPERATIONAL REVIEW
3	FINANCIAL REVIEW
4	OUTLOOK
5	Q&A

FSL TRUST HAS NAVIGATED A CHALLENGING YEAR FOR TANKER OWNERS AND DELIVERED SUBSTANTIAL UNITHOLDER RETURN



Tanker markets have been under continuous pressure due to low oil demand and supply amid the COVID-19 pandemic



US\$ 1.5 million net loss driven by poor tanker markets and non-cash impairments of US\$ 2.7 million



Disposal of 4 vessels (including 2 newbuildings) reduced spot market exposure and generated substantial liquidity



Acquisition of 1 vessel with an 8-year bareboat charter marked the first acquisition by FSL Trust in almost 6 years



Prepayment of loans and subsequent refinancing of 6 vessels and refinancing of the new vessel acquisition



US\$ 61.9 million of distributions to unitholders

THE CURRENT VESSEL PORTFOLIO COMPRISES 11 TANKERS ACROSS DIFFERENT SEGMENTS





SPECIALISED TANKER	PRODUCT TANKER ⁽¹⁾	CHEMICAL TANKER	CRUDE OIL TANKER
			
8 Vessels	1 Vessel	1 Vessel	1 Vessel
1 Acquisition	3 Disposals	1 Disposal	Unchanged

> Diversification across different tanker segments and sizes provides exposure in different markets whilst balancing risks

Note(s): ⁽¹⁾ Including newbuildings

8 VESSELS ARE EMPLOYED ON PERIOD CHARTERS, WHILST 3 VESSELS OFFER TANKER MARKET UPSIDE PARTICIPATION

FLEET EMPLOYMENT PROFILE⁽¹⁾

Vessel	Built Year	Size DWT	Employment Type	Charterer/Manager	2022	2023	2024	2025	2026	2027	2028	2029
Specialised Tanker												
Cumbrian Fisher	2004	12,921	BBC		■	■						
Clyde Fisher	2005	12,984	BBC		■	■						
Pelican Fisher	2008	9,596	BBC		■	■	■	■	■	■	■	■
Shannon Fisher	2006	5,421	BBC		■	■	■	■	■	■	■	■
Solway Fisher	2006	5,421	BBC		■	■	■	■	■	■	■	■
Speciality	2006	4,426	BBC		■							
Seniority	2006	4,426	BBC		■	■	■	■				
Superiority	2007	4,426	BBC		■	■	■	■				
Product Tanker												
FSL Singapore	2006	47,470	Spot									
Chemical Tanker												
FSL London	2006	19,996	Spot									
Crude Oil Tanker												
FSL Hong Kong	2007	115,000	RSA									

■ Firm Periods ■ Optional Period(s) or Early Termination Option(s)

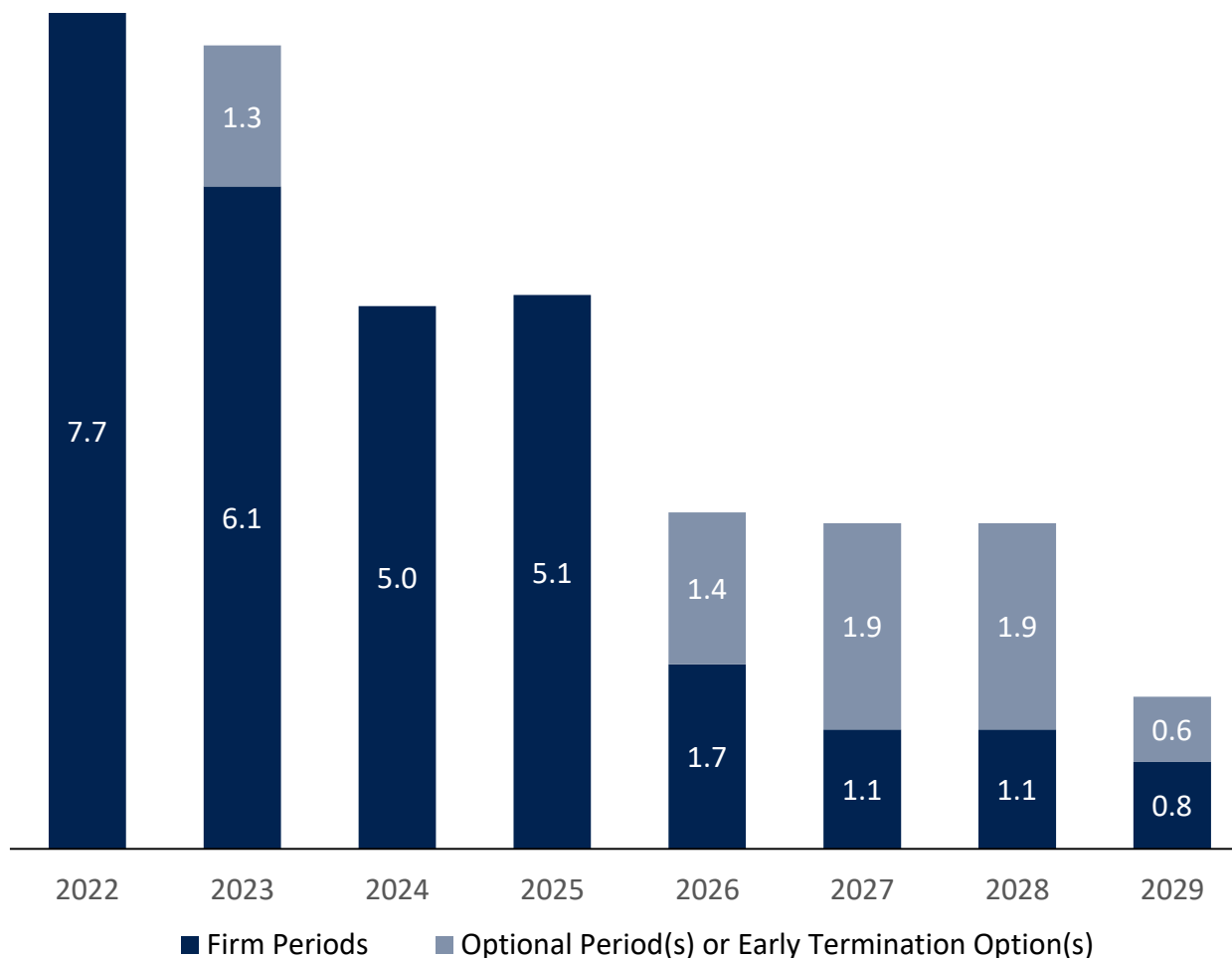
- > **Contract coverage for 73% of total ownership days in 2022 provide predictable cash flows and downside protection**
- > **27% of open ownership days provide upside participation and flexibility in an improving tanker market**

Note(s): ⁽¹⁾ As at 31 December 2021

US\$ 28.6 MILLION OF FIRM CONTRACTED REVENUE PLUS UP TO US\$ 7.1 MILLION OF OPTIONAL CONTRACTED REVENUE



CONTRACTED REVENUE (IN US\$m)⁽¹⁾



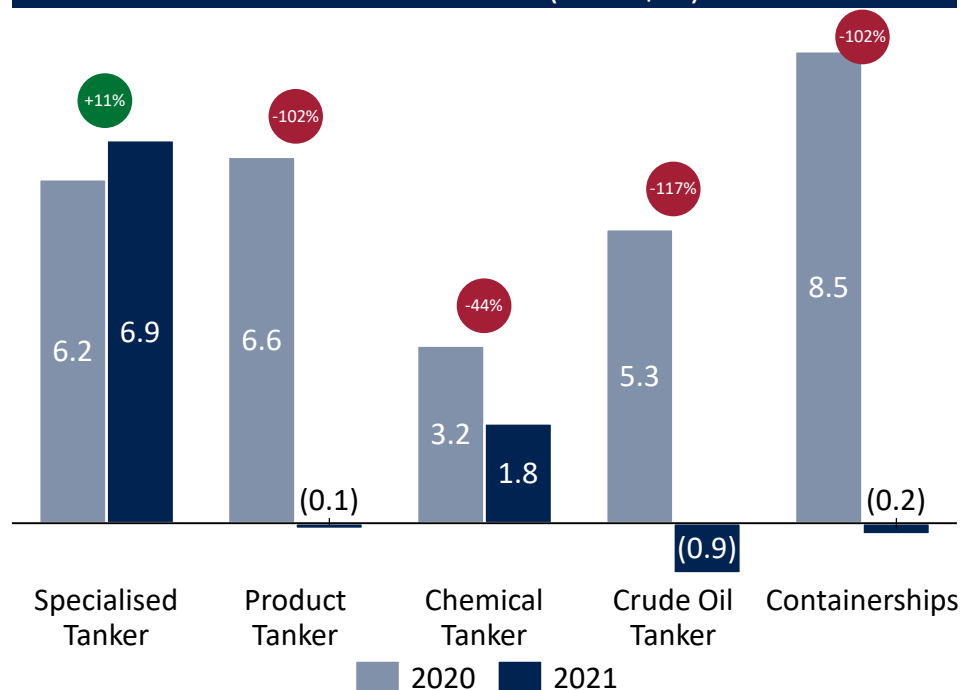
EMPLOYMENT UPDATE

- > New 8-year fixed-rate bareboat charter for the newly acquired vessel *Pelican Fisher* from September 2021
- > New 1-year fixed-rate (with profit sharing) bareboat charter with early termination options and extension option for *Clyde Fisher* from January 2022
- > Maturity of time charters for chemical tankers *FSL London* and *FSL New York* in summer 2021, with subsequent disposal of *FSL New York*
- > Chemical tanker *FSL London* currently held by customs over investigations of a cargo carried
- > No scheduled charter maturities until year-end 2022

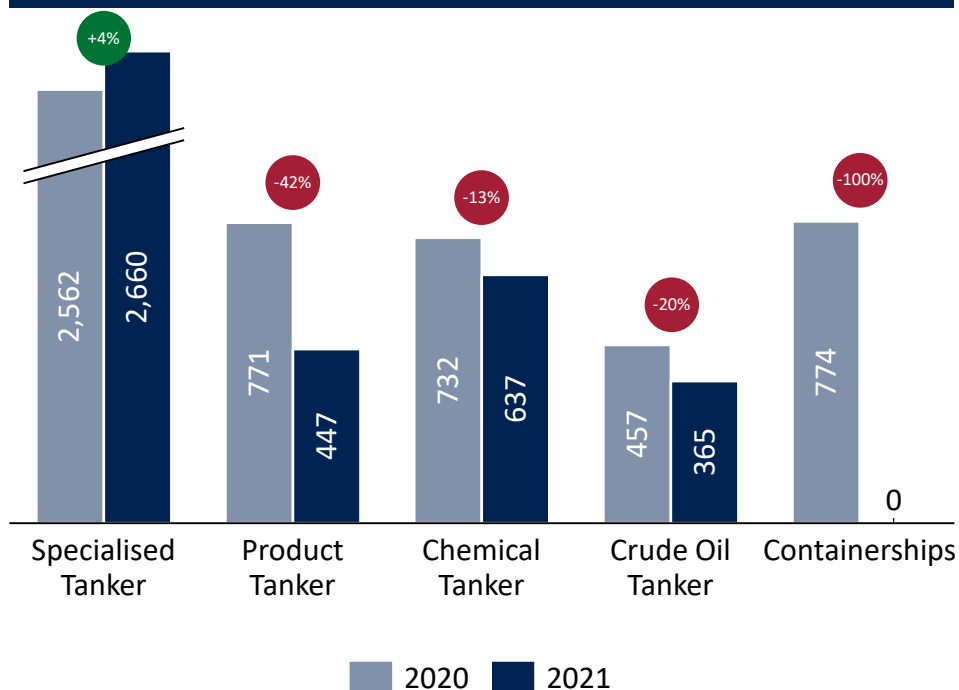
Note(s): ⁽¹⁾ As at 31 December 2021

THE OPERATING RESULTS REFLECT THE SMALLER FLEET AND WEAK TANKER MARKET ENVIRONMENT

ADJUSTED EBITDA BY VESSEL TYPE (IN US\$m)⁽¹⁾



OWNERSHIP DAYS BY VESSEL TYPE

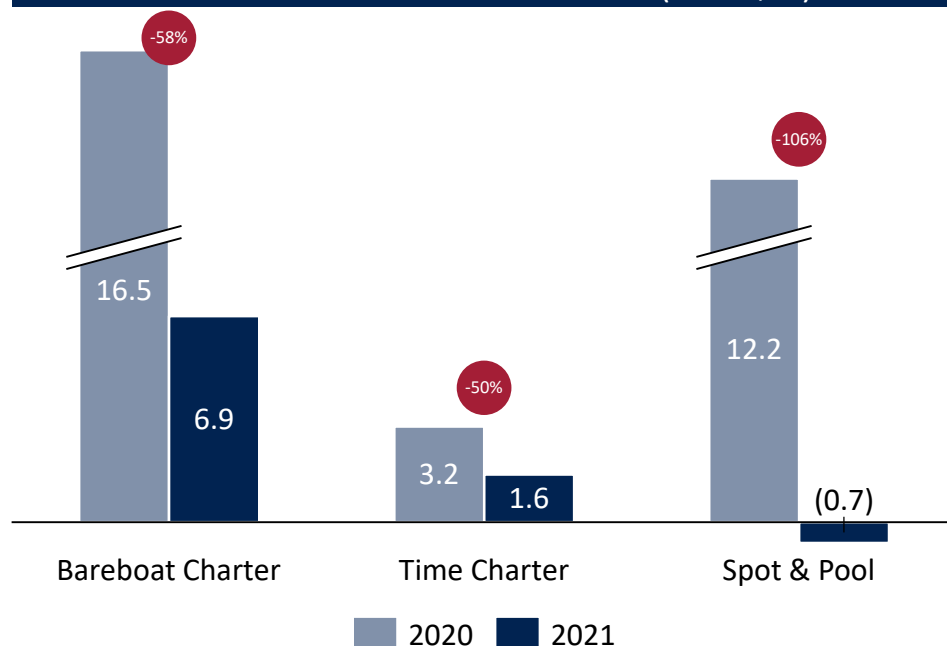


- > Adjusted EBITDA⁽¹⁾ and ownership days of core fleet (specialised tanker) increased following the *Pelican Fisher*-acquisition and incremental rate increases for some of the other vessels
- > Decline in adjusted EBITDA⁽¹⁾ for product tanker and crude oil tanker driven by the reduced fleet (lower ownership days) following the disposal of vessels and the weak tanker markets as the vessels trade spot or in revenue sharing agreements
- > Charters for the chemical tankers matured in summer 2021 with one vessel sold subsequently and the other trading spot
- > Containerships were sold in 2020 after charters matured, resulting in decline in adjusted EBITDA and ownership days

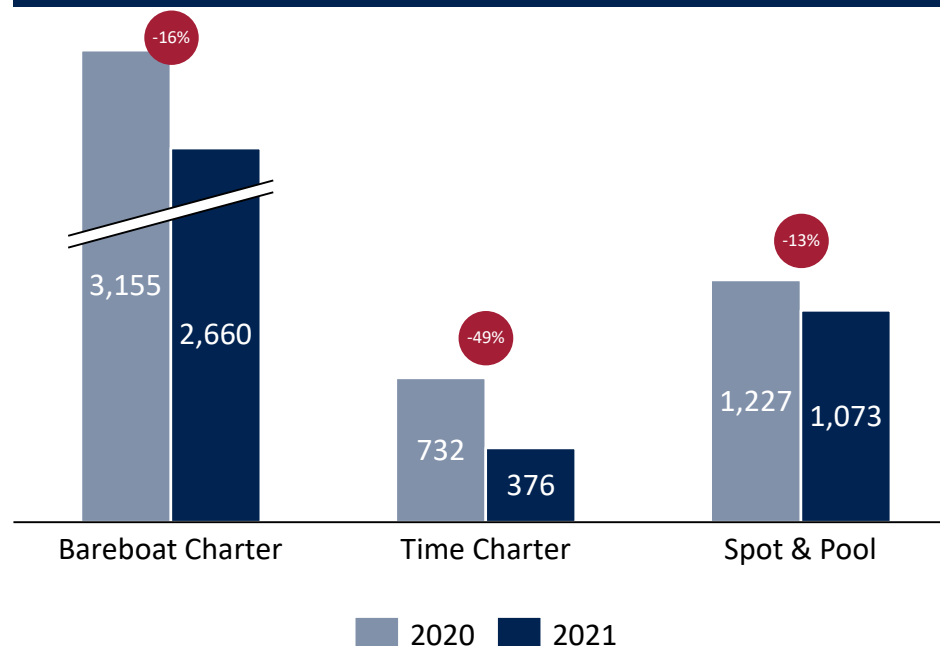
Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

THE OPERATING RESULTS REFLECT THE SMALLER FLEET AND WEAK TANKER MARKET ENVIRONMENT (CONT'D)

ADJUSTED EBITDA BY EMPLOYMENT TYPE (IN US\$m)⁽¹⁾



OWNERSHIP DAYS BY EMPLOYMENT TYPE

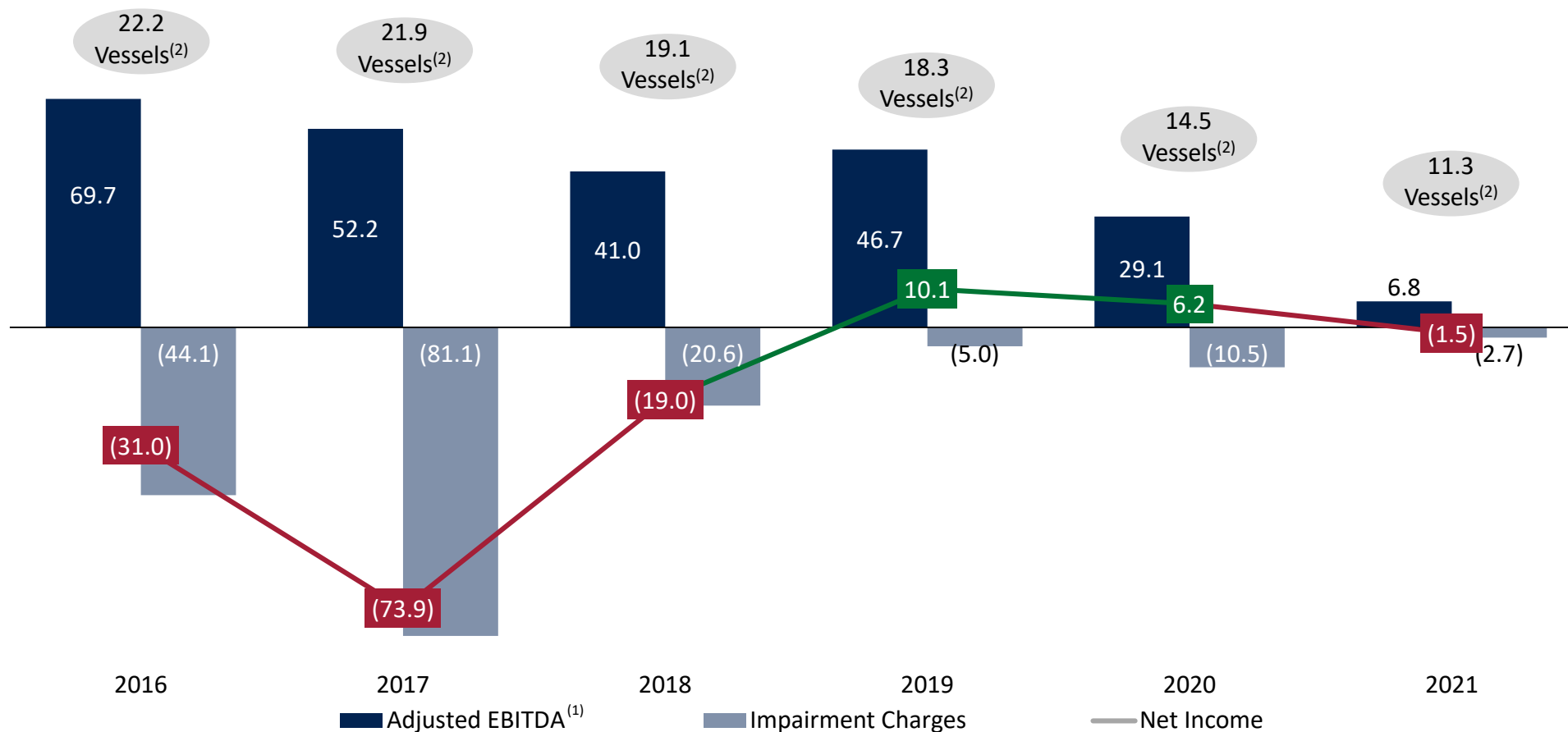


- > Adjusted EBITDA⁽¹⁾ and ownership days for bareboat charters declined following charter maturity and subsequent sale of the containerships
- > Reduction in adjusted EBITDA⁽¹⁾ and ownership days for time charters upon maturity of the charters for the chemical tankers in summer 2021 and subsequent switch to spot trading amid unsatisfactory period charter markets and subsequent sale of one unit
- > Spot and pool trading vessels were impacted by weak tanker markets and the disposal of product tanker *FSL Osaka*

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

FLEET CONSOLIDATION HELPED RESTORING PROFITABILITY, BUT WEAK TANKER MARKETS IMPACTED 2021 RESULTS

FINANCIAL PERFORMANCE (IN US\$m)

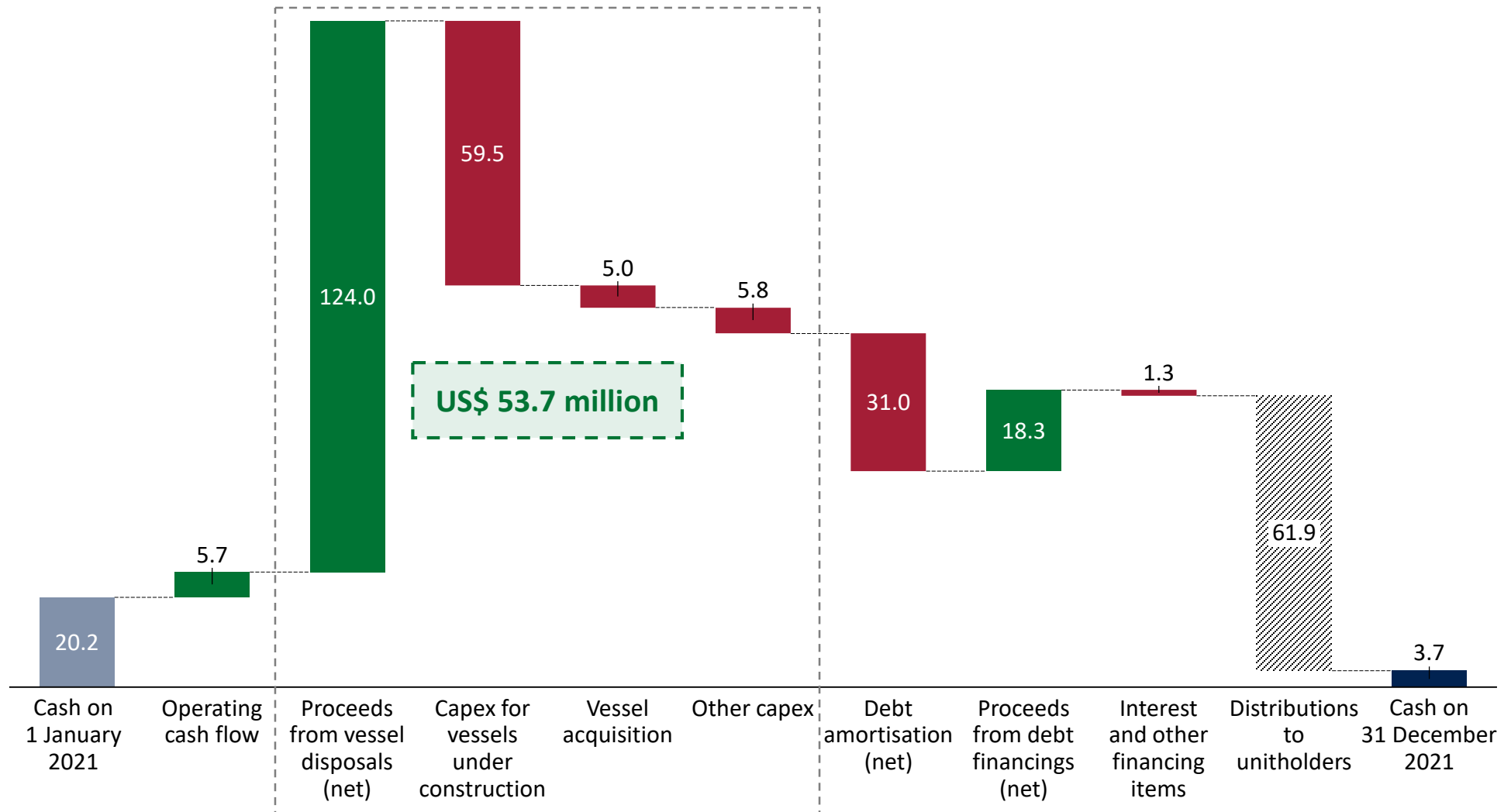


Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

⁽²⁾ Average number of vessels on the water

VESSEL SALES REDUCED MARKET EXPOSURE AND GENERATED STRONG CASH FLOWS TO DISTRIBUTE US\$ 62 MILLION

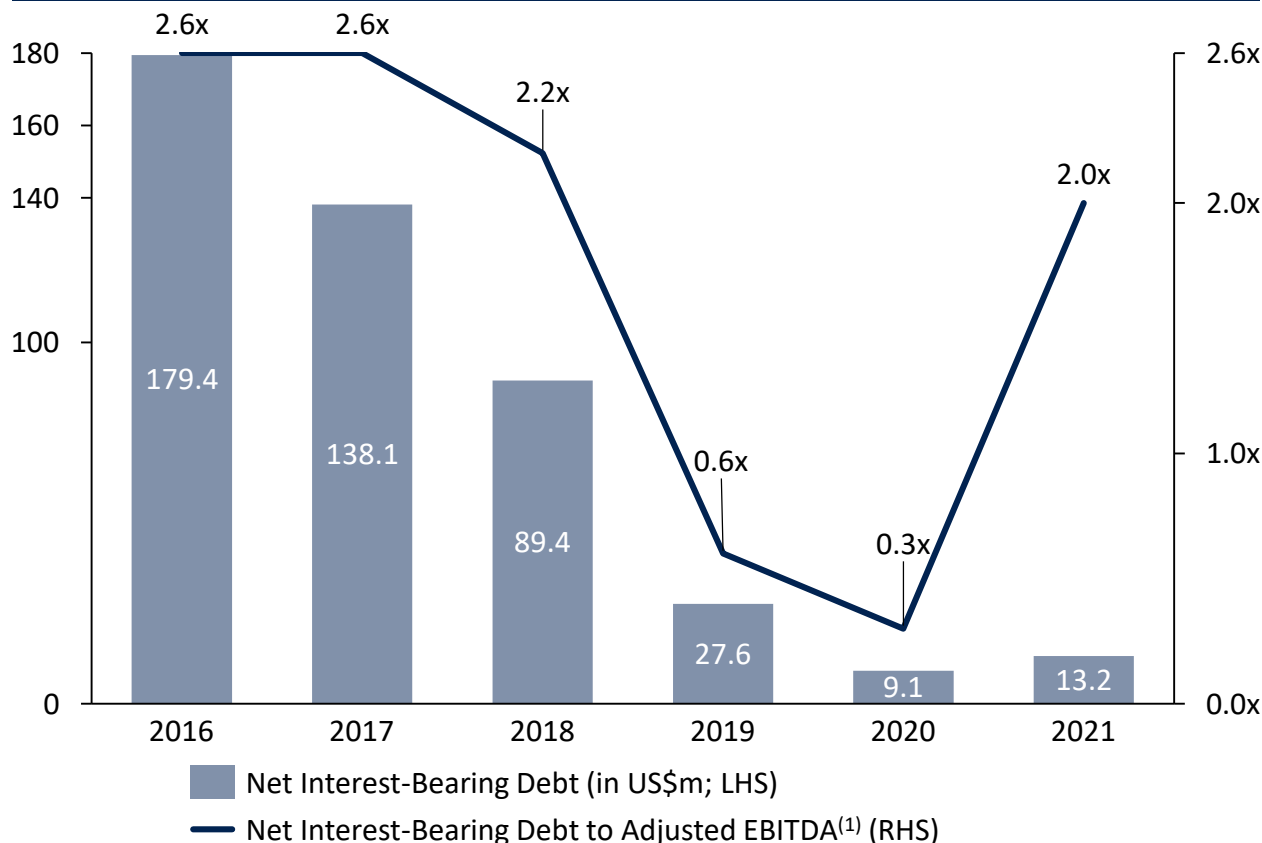
RECONCILIATION OF CASH FLOWS (IN US\$m)



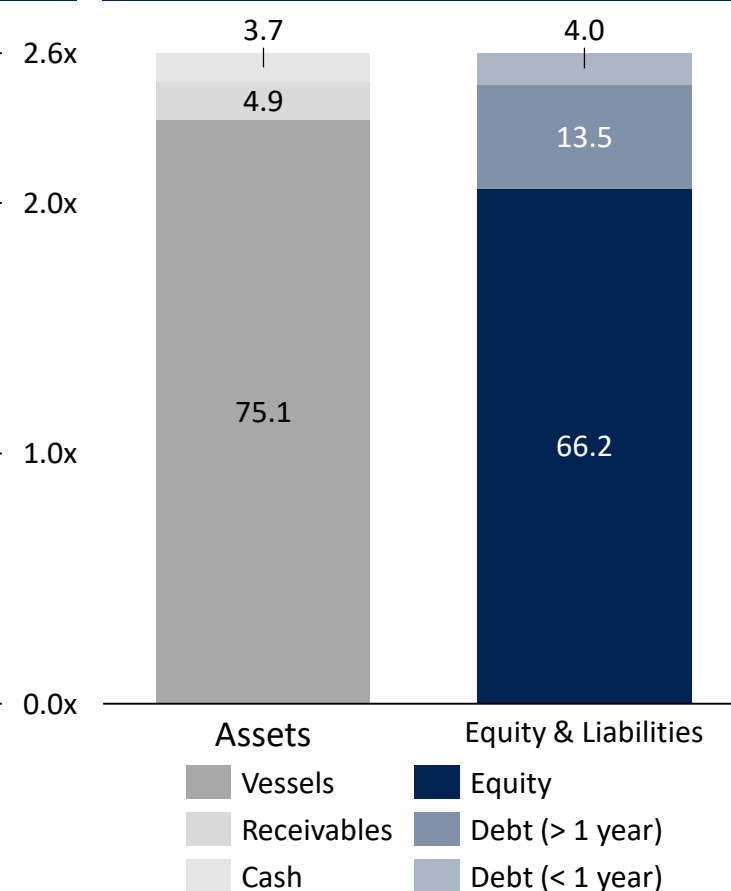
FOCUS ON DEBT REDUCTION OVER THE LAST FEW YEARS LED TO A HEALTHY BALANCE SHEET TODAY



DEBT REDUCTION



BALANCE SHEET (IN US\$m)⁽²⁾

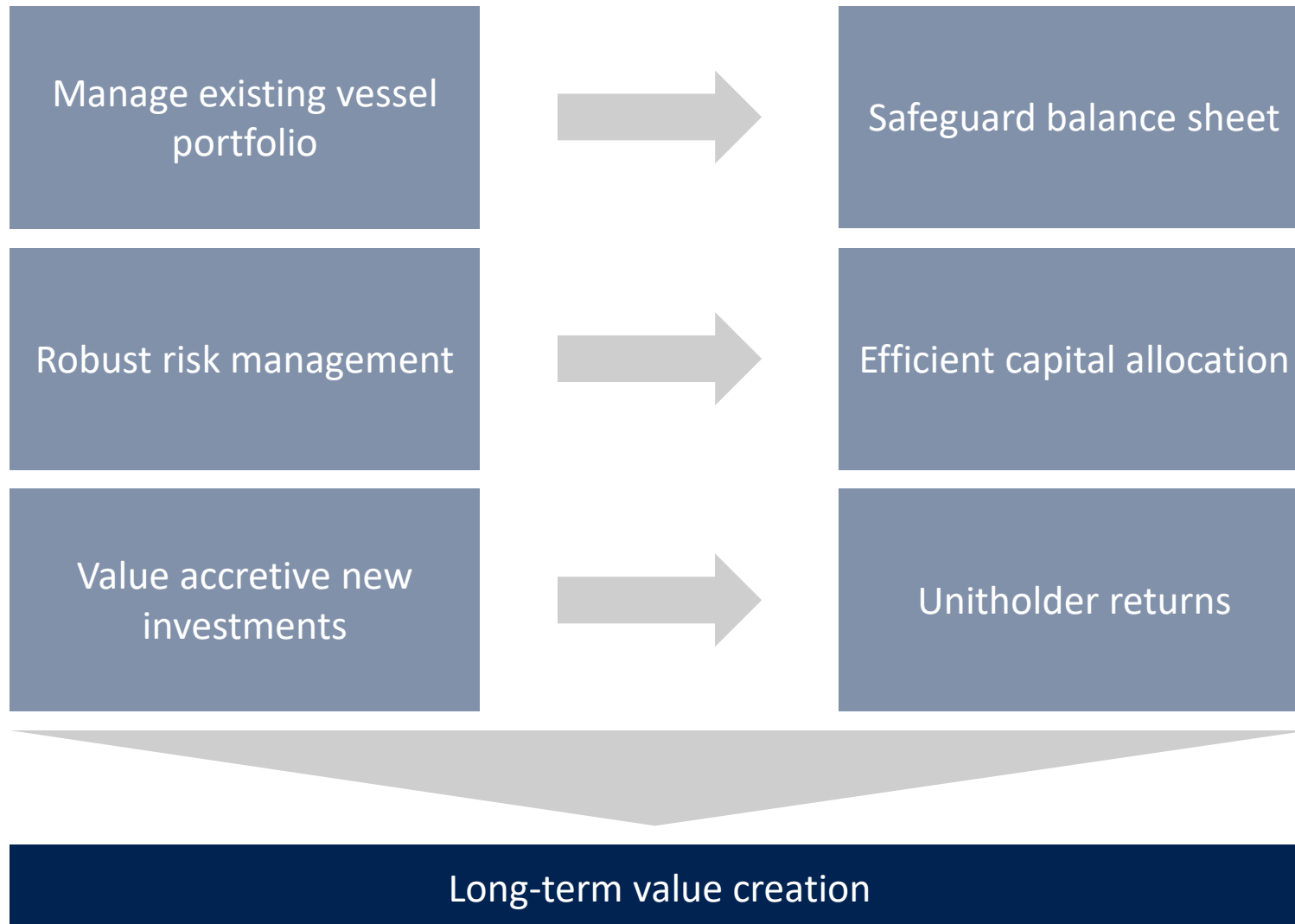


> Conservative financing approach, utilising contracting revenue, leads to healthy net-leverage and low cash break-even rates for vessels operating in the spot market or revenue sharing agreements

Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairment

⁽²⁾ As at 31 December 2021

THE STRATEGIC FOCUS REMAINS ON IDENTIFYING ACCRETIVE INVESTMENTS WHILST MANAGING MARKET EXPOSURE





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