



FSL Trust Management Pte. Ltd

as Trustee Manager for First Ship Lease Trust

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FSL Trust reports a net profit of US\$ 0.2 million for the 1st quarter 2022 in an improving tanker market environment

Highlights

- Adjusted EBITDA¹ of US\$ 1.7 million, up from US\$ 1.4 million in the preceding quarter
- Net income of US\$ 0.2 million, up from US\$ 0.1m in the preceding quarter
- Contracted revenue of up to US\$ 33.8 million² with 8 out of 11 vessels employed under fixed-rate period charters
- Low net leverage and healthy balance sheet with 4 vessels debt free

Singapore, 27 April 2022 – FSL Trust Management Pte. Ltd. (“FSLTM”), the trustee-manager of First Ship Lease Trust (“FSL Trust” or the “Trust”), today announced the unaudited financial results of FSL Trust for the 1st quarter ended 31 March 2022.

For the 1st quarter 2022, FSL Trust reported a net profit of US\$ 0.2 million, compared to a net profit of US\$ 0.1 million in the preceding 4th quarter 2021. Adjusted EBITDA¹ increased 15%, from US\$ 1.4 million in the 4th quarter 2021 to US\$ 1.7 million in the 1st quarter 2022. The net profit reflects the slightly improved tanker markets in the 1st quarter 2022, whilst the situation with the chemical tanker *FSL London* was weighing on the results.

As at 31 March 2022, with 8 vessels operating under fixed-rate period charters, the Trust has contracted revenue of up to US\$ 33.8 million, including US\$ 26.7 million of firm contracted revenue and US\$ 7.1 million of optional contracted revenue, which is almost 3x net interest-bearing debt. With a net leverage³ of 2x and an equity ratio⁴ of 80%, the Trust maintains its conservative approach towards capital allocation and capital structure, which provides resilience amid the uncertainties due to the elevated geopolitical and global economic risks.

Commenting on the results, Roger Woods, Chief Executive Officer, said:

“The freight market for product tankers and Aframax crude oil tankers has slightly improved in the 1st quarter 2022 and, coupled with the solid result of the specialised tankers in the fleet, the Trust started the year with a small profit. This is despite the financial impact of the ongoing situation of the vessel *FSL London* being held by customs in India in relation to investigations concerning the specifications of a cargo the vessel carried for a customer, for which the Trust is claiming damages from the charterer of the vessel.”

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

² As at 31 March 2022, including US\$ 26.7 million of firm contracted revenue and US\$ 7.1 million of optional contracted revenue

³ Net interest-bearing debt to adjusted EBITDA¹

⁴ Total equity to total assets

Stathis Topouzoglou, Chairman of the Board of Directors, commented:

“As we have ended the 1st quarter 2022 with a small profit, the Russian invasion in Ukraine and the consequential international sanctions against Russia, have resulted in increased geopolitical risks and global economic uncertainty. Whilst it is premature to say what the likely medium and long-term effects for the shipping industry in general and the tanker markets in particular will be, FSL Trust’s charter coverage and its healthy capital structure provide downside protection. At the same time, the vessels trading spot or operating in revenue sharing agreements provide market upside participation and flexibility.”

1st Quarter 2022 Results Live Webcast

FSLTM will host a live webcast for all registered participants on Thursday, 28 April 2022, at 10:00 am (Singapore time) to discuss the financial results of the Trust followed by a Q&A session. An audio replay of the live webcast will be available on FSL Trust’s website www.firstshiplease.com from 12:00 pm (Singapore time) on Friday, 29 April 2022.

About First Ship Lease Trust

First Ship Lease Trust is a Singapore-based business trust which owns a fleet of well-maintained, oceangoing tankers across different sizes. The current vessel portfolio comprises 11 vessels of which 8 vessels are employed on fixed-rate period charters. The units of FSL Trust are listed on the Mainboard of the Singapore Exchange (SGX: D8DU).

This news release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

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