



FSL Trust Management Pte. Ltd

as Trustee Manager for First Ship Lease Trust

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FSL Trust reports improved net profit of US\$ 2.1 million for the 2nd quarter 2022 and declares a distribution of 1.60 US cents

Highlights

- Distribution to unitholders of 1.60 US cents per unit for the 2nd quarter 2022
- Adjusted EBITDA¹ of US\$ 1.5 million and net profit of US\$ 2.1 million for the 2nd quarter 2022
- Adjusted EBITDA² of US\$ 3.1 million and net profit of US\$ 2.2 million for the 1st half 2022
- Disposal of the 2007-built Aframax crude oil tanker *FSL Hong Kong* in June 2022, resulting in a net gain of US\$ 1.9 million
- Up to US\$ 31.8 million³ of contracted future revenue from fixed-rate period charters
- Strong liquidity position and zero net interest-bearing debt

Singapore, 3 August 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 2nd quarter and 1st half 2022.

Benefitting from firmer tanker markets, FSL Trust reported a net profit of US\$ 2.1 million for the 2nd quarter 2022 and US\$ 2.2 million for the 1st half 2022, which represents an y-o-y increase of 279% and 154%, respectively. Adjusted EBITDA¹ declined 32% to US\$ 1.5 million in the 2nd quarter 2022 and 33% to US\$ 3.1 million in the 1st half 2022. The net profit reflects the improved tanker markets in the 2nd quarter 2022 as well as the disposal of the Aframax crude oil tanker *FSL Hong Kong* resulting in a gain of US\$ 1.9 million, whilst the situation with the chemical tanker *FSL London*, which was held by the customs authorities in India and released in June 2022, was weighing on the results.

With 8 vessels operating under fixed-rate period charters, the Trust has contracted future revenue of up to US\$ 31.8 million, including US\$ 24.7 million of firm contracted revenue and US\$ 7.1 million of optional contracted revenue. The Trust ended the 2nd quarter 2022 with zero net debt and a robust equity ratio⁴ of 81%. Given the strong liquidity position, the Trust will pay a distribution to unitholders of 1.60 US cents per unit for the 2nd quarter 2022, whilst maintaining a healthy capital structure.

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

“I am pleased to report that FSL Trust has ended the 2nd quarter 2022 with a higher net profit compared to last year amid the geopolitical and macro-economic uncertainties. The demand for oil products has continued its recovery from the COVID-19 pandemic and the overall tanker

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

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

³ As at 30 June 2022, including US\$ 24.7 million of firm contracted future revenue and US\$ 7.1 million of optional contracted future revenue

⁴ Total equity to total assets

market sentiment has improved, resulting in a meaningful increase in freight rates and market values. This has not only benefitted our MR product tanker *FSL Singapore* operating in the spot market, but we have sold two vessels for accretive prices, with one of the vessels delivered to the buyers post quarter end.”

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

“As FSL Trust is benefitting from the improved tanker markets and has sold two older, environmentally less friendly vessels and reduced market exposure, we have declared a cash distribution to unitholders of 1.60 US cents per unit. This brings the total distributions paid during the last 24 months to 6.60 US cents. At the same time, FSL Trust maintains a healthy capital structure with a low leverage and limited market exposure, which provides resilience in the face of macro-economic uncertainties.”

2nd Quarter 2022 Results Live Webcast

FSLTM will host a live webcast for all registered participants on Thursday, 4 August 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, 5 August 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 9 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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