



2nd Quarter 2022 Financial Results

3 August 2022



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2ND QUARTER 2022 HIGHLIGHTS

OPERATING

- **Significantly improved tanker market conditions meet growing macro-economic uncertainties**
 - > Tanker markets benefitting from cargo dislocations, changed trade patterns and improved refinery margins
 - > High macro-economic risks, triggered by geopolitical tensions, inflation and declining consumer confidence
- **Fleet utilisation of 89%**
- **Disposal of *FSL Hong Kong* in June 2022, realising a net gain of US\$ 1.9m⁽¹⁾**
- **Up to US\$ 31.8m of contracted future revenue**
 - > US\$ 24.7m of firm contracted future revenue
 - > US\$ 7.1m of optional contracted future revenue

FINANCIAL

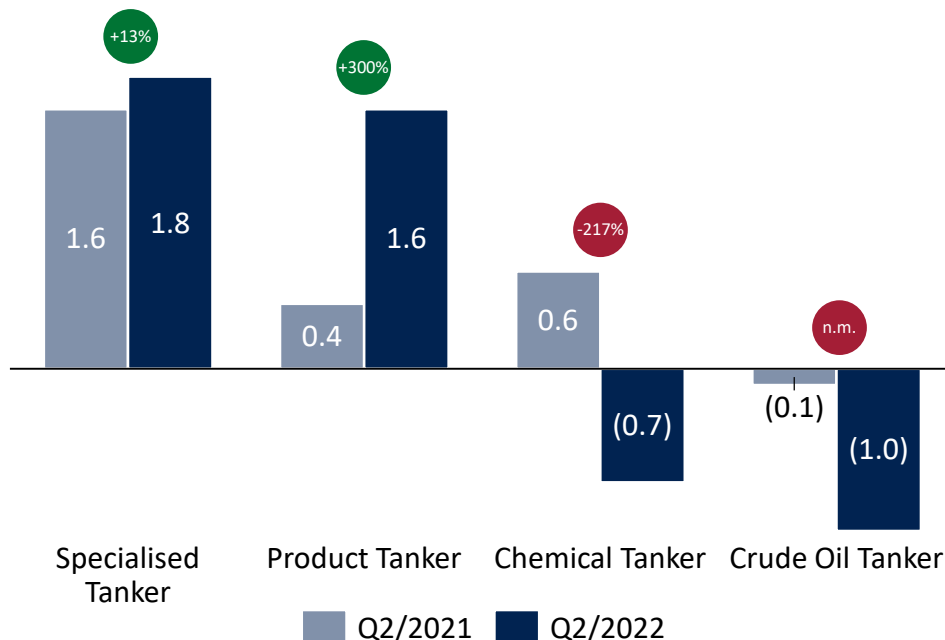
- **Net profit of US\$ 2.1m⁽¹⁾ in the 2nd quarter 2022 and US\$ 2.2m⁽¹⁾ in the 1st half 2022**
 - > 2nd quarter 2022 net profit 280% higher than previous year (US\$ 0.5m)⁽¹⁾
 - > 1st half 2022 net profit 154% higher than previous year (US\$ 0.9m)⁽¹⁾
- **Adjusted EBITDA⁽²⁾ of US\$ 1.5m⁽¹⁾ in the 2nd quarter 2022 and US\$ 3.1m⁽¹⁾ in the 1st half 2022**
 - > 2nd quarter 2022 adjusted EBITDA⁽²⁾ 32% lower than previous year (US\$ 2.2m)⁽¹⁾
 - > 1st half 2022 adjusted EBITDA⁽²⁾ 33% lower than previous year (US\$ 4.7m)⁽¹⁾
- **Healthy capital structure**
 - > Strong liquidity position of US\$ 24.6m⁽¹⁾
 - > Zero net debt⁽¹⁾
- **Distribution of 1.60 US cents per unit for the 2nd quarter 2022**

Note(s): ⁽¹⁾ Unaudited

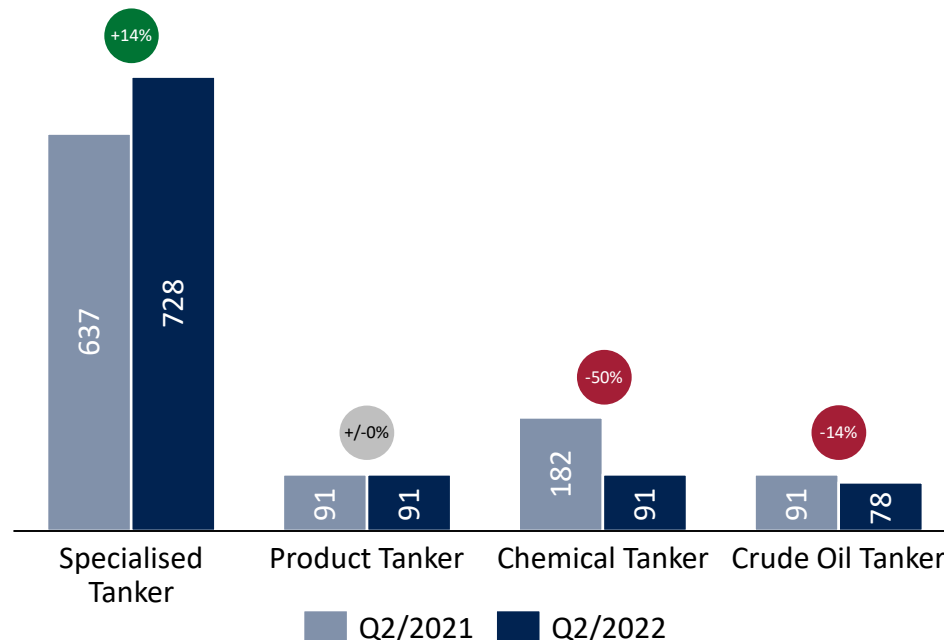
⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

OPERATING PERFORMANCE REVIEW: RIGHT DIRECTION BUT CHEMICAL TANKER WEIGHS ON RESULTS

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



OWNERSHIP DAYS BY VESSEL TYPE



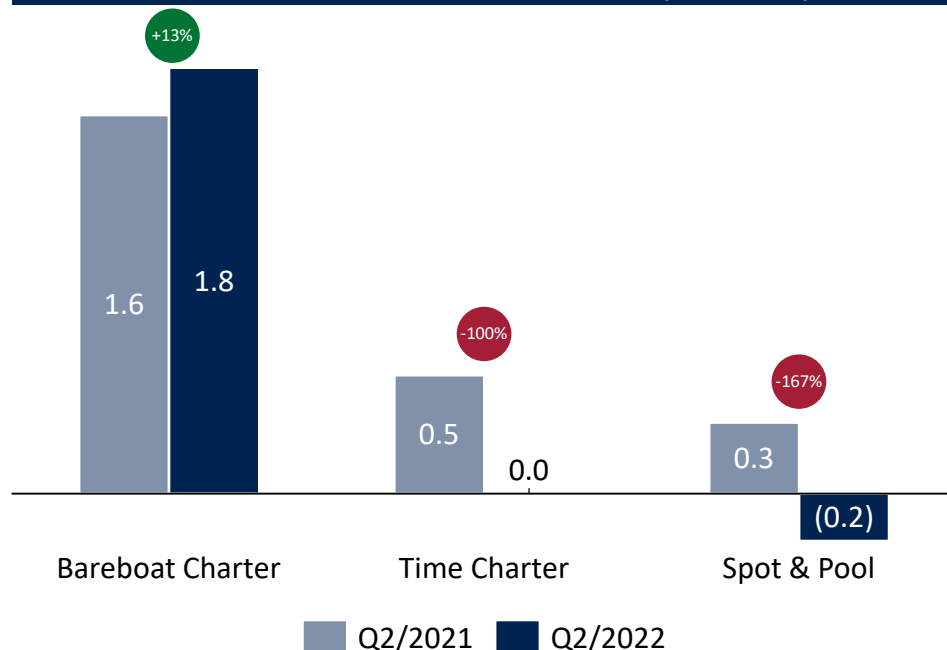
- > Adjusted EBITDA and ownership days of core fleet (specialised tanker) increased after the *Pelican Fisher*-acquisition in 2021
- > With equal ownership days, adjusted EBITDA⁽¹⁾ for product tanker increased amid improved products market
- > Negative adjusted EBITDA⁽¹⁾ for chemical tanker due to *FSL London* held in India until June 2022
- > Adjusted EBITDA⁽¹⁾ for the crude oil tanker was impacted by operational issues and ownership days declined following the profitable disposal in June 2022

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

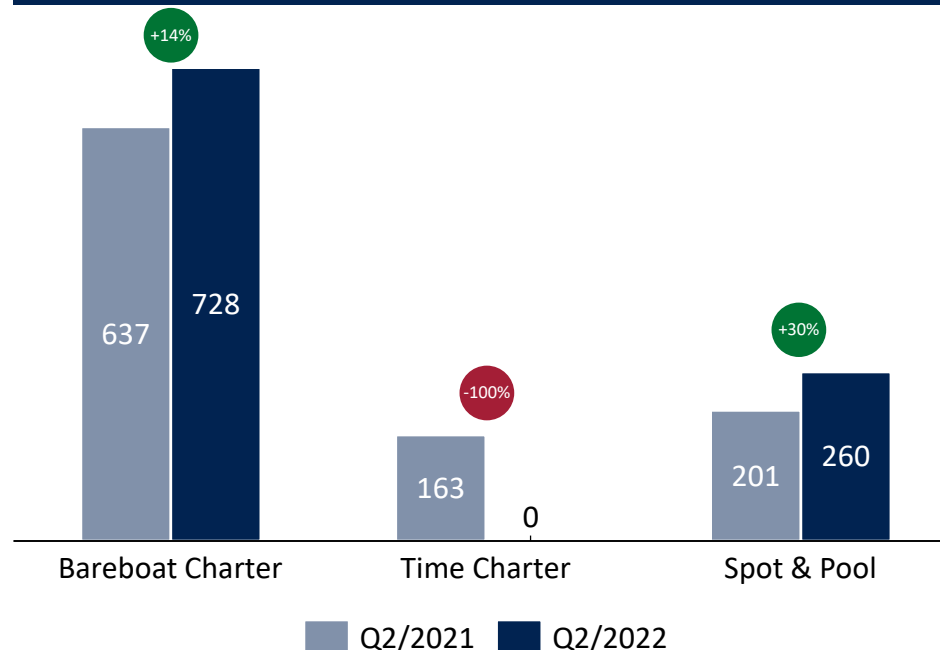
OPERATING PERFORMANCE REVIEW (CONT'D): RIGHT DIRECTION BUT CHEMICAL TANKER WEIGHS ON RESULTS



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



OWNERSHIP DAYS BY EMPLOYMENT TYPE

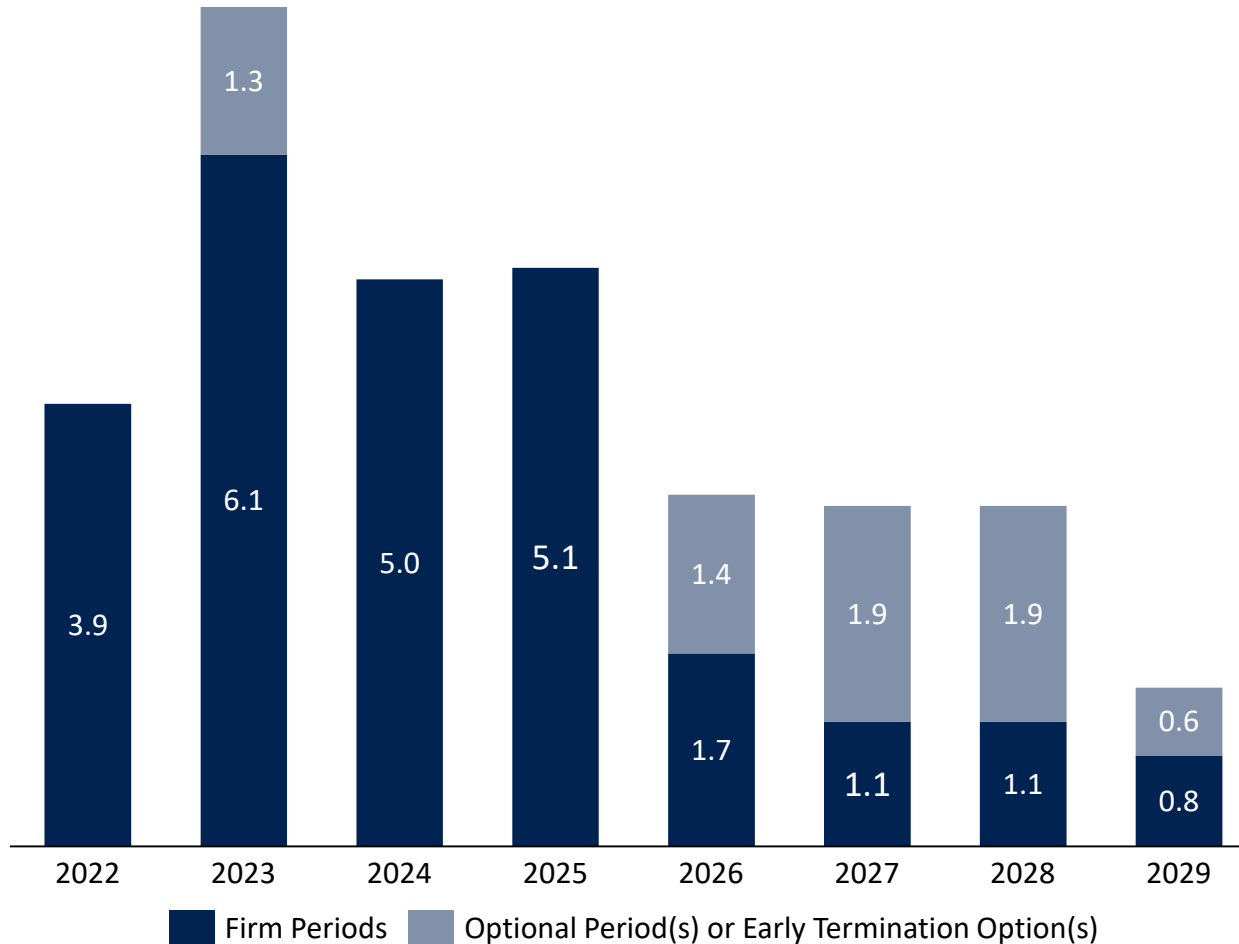


- > Increase in adjusted EBITDA⁽¹⁾ and ownership days for bareboat charters after the *Pelican Fisher*-acquisition in 2021
- > Decline in adjusted EBITDA⁽¹⁾ and ownership days for time charters following maturity of the charters for the chemical tankers in summer 2021 and subsequent switch to spot trading amid unsatisfactory period charter markets and sale of one unit
- > Despite higher ownership days, result from spot and pool trading vessels adversely impacted by a) *FSL London* held in India until June 2022, and b) operational issues impacting the result of the crude oil tanker

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

FLEET EMPLOYMENT: CONTRACTED REVENUE UP TO US\$ 31.8 MILLION⁽¹⁾

CONTRACTED REVENUE (IN US\$m)⁽¹⁾






EMPLOYMENT UPDATE

- > Chemical tanker *FSL London* released by customs in India in June 2022 after the vessel was held over investigations of a cargo carried
- > No scheduled charter maturities until year-end 2022

Note(s): ⁽¹⁾ As at 30 June 2022

FLEET EMPLOYMENT: MAJORITY OF THE VESSELS EMPLOYED ON PERIOD CHARTERS

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 ⁽²⁾	2006	19,996	Spot									

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

- > Charter maturities for period employed vessels spread over the next years with certain optionality
- > One⁽³⁾ vessel operates in the spot market

Note(s): ⁽¹⁾ As at 30 June 2022
⁽²⁾ Sold in July 2022, post quarter end
⁽³⁾ Excluding FSL Hong Kong

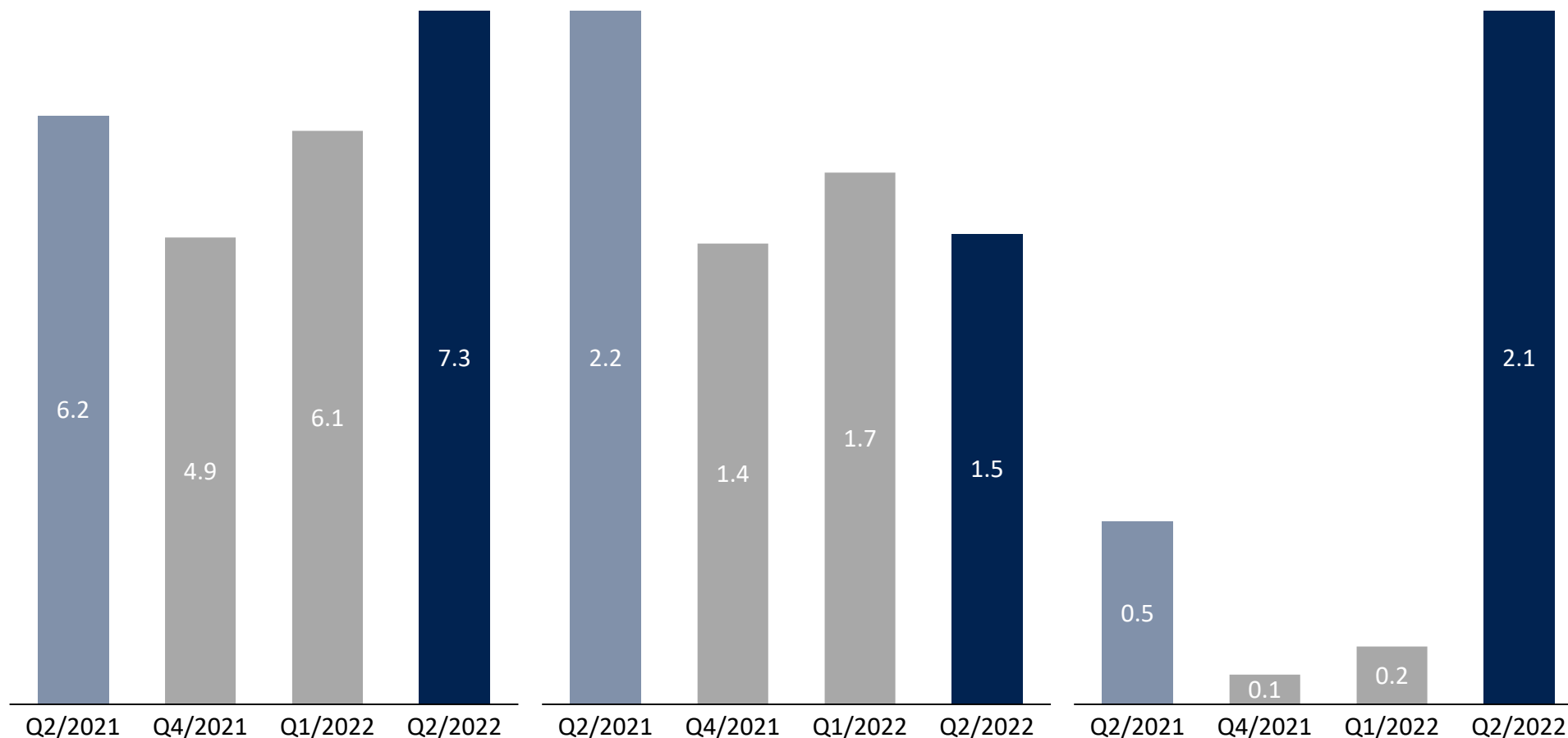
FINANCIAL PERFORMANCE REVIEW: IMPROVED EARNINGS COMPARED TO LAST QUARTERS



REVENUE (IN US\$m)⁽¹⁾

ADJUSTED EBITDA (IN US\$m)⁽¹⁾⁽²⁾

NET INCOME (IN US\$m)⁽¹⁾

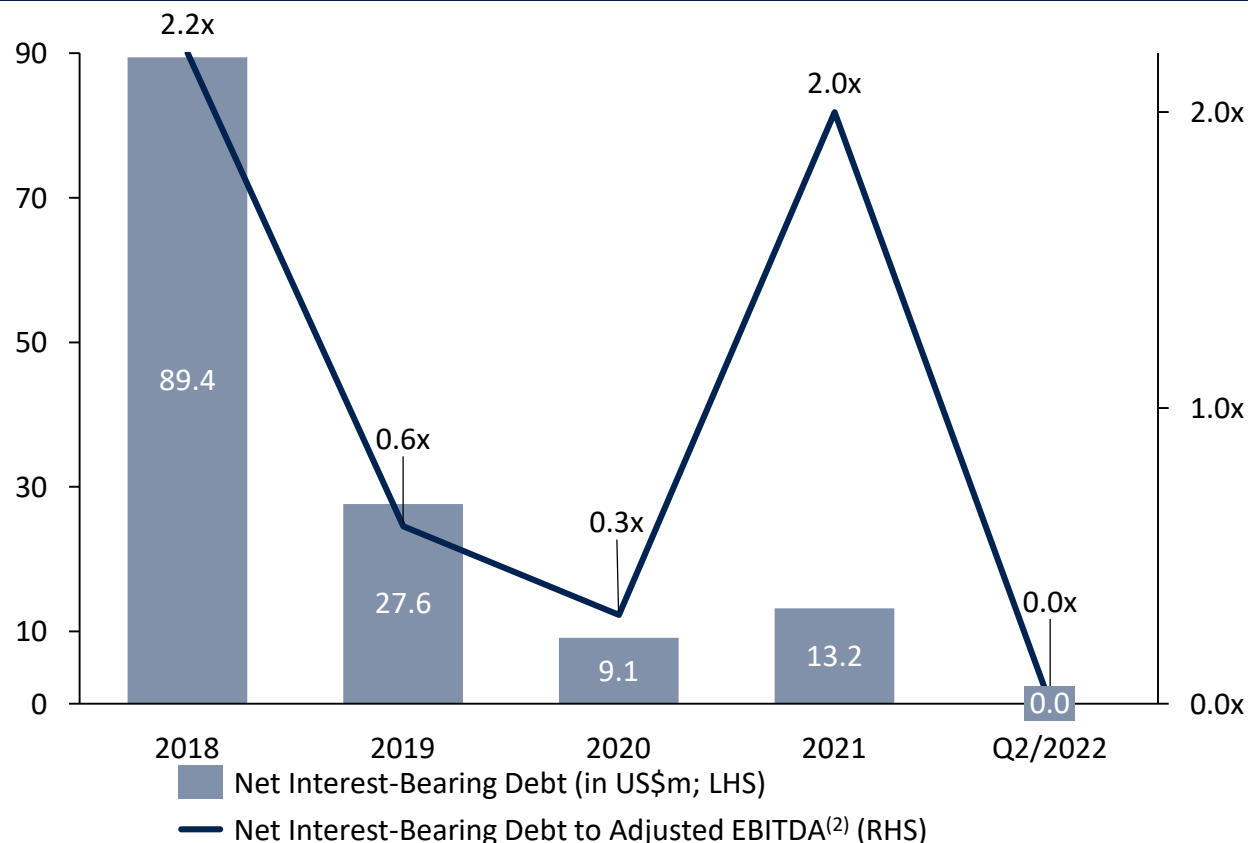


Note(s): ⁽¹⁾ Unaudited

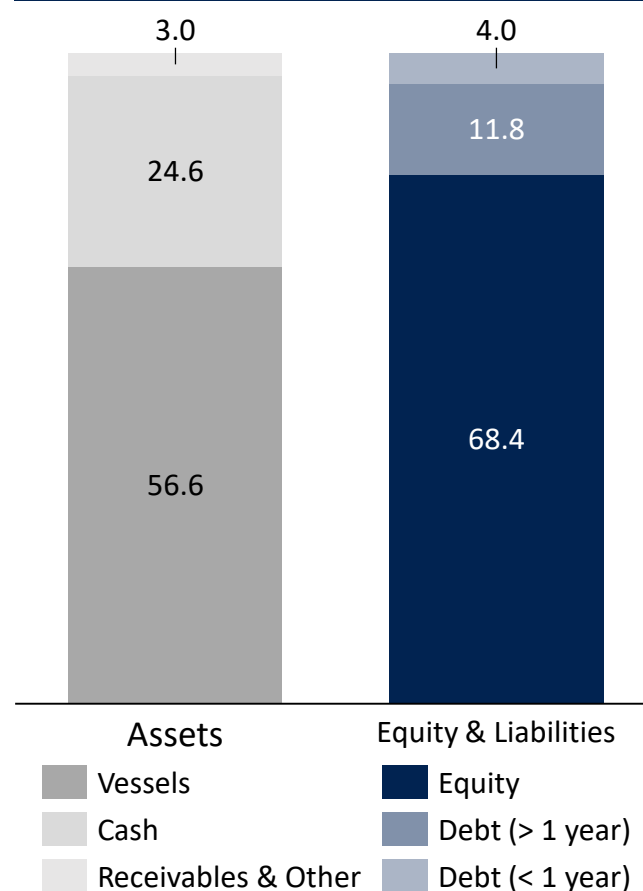
⁽²⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

FINANCIAL PERFORMANCE REVIEW: ZERO NET DEBT AND HEALTHY BALANCE SHEET

DEBT REDUCTION⁽¹⁾



BALANCE SHEET (IN US\$m)⁽¹⁾



> 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⁾ Unaudited; as at 30 June 2022

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

DISTRIBUTION FOR THE 2ND QUARTER 2022

- **Distribution period** 1 April 2022 – 30 June 2022
- **Distribution per unit** 1.60 US cents
- **Distribution timetable**



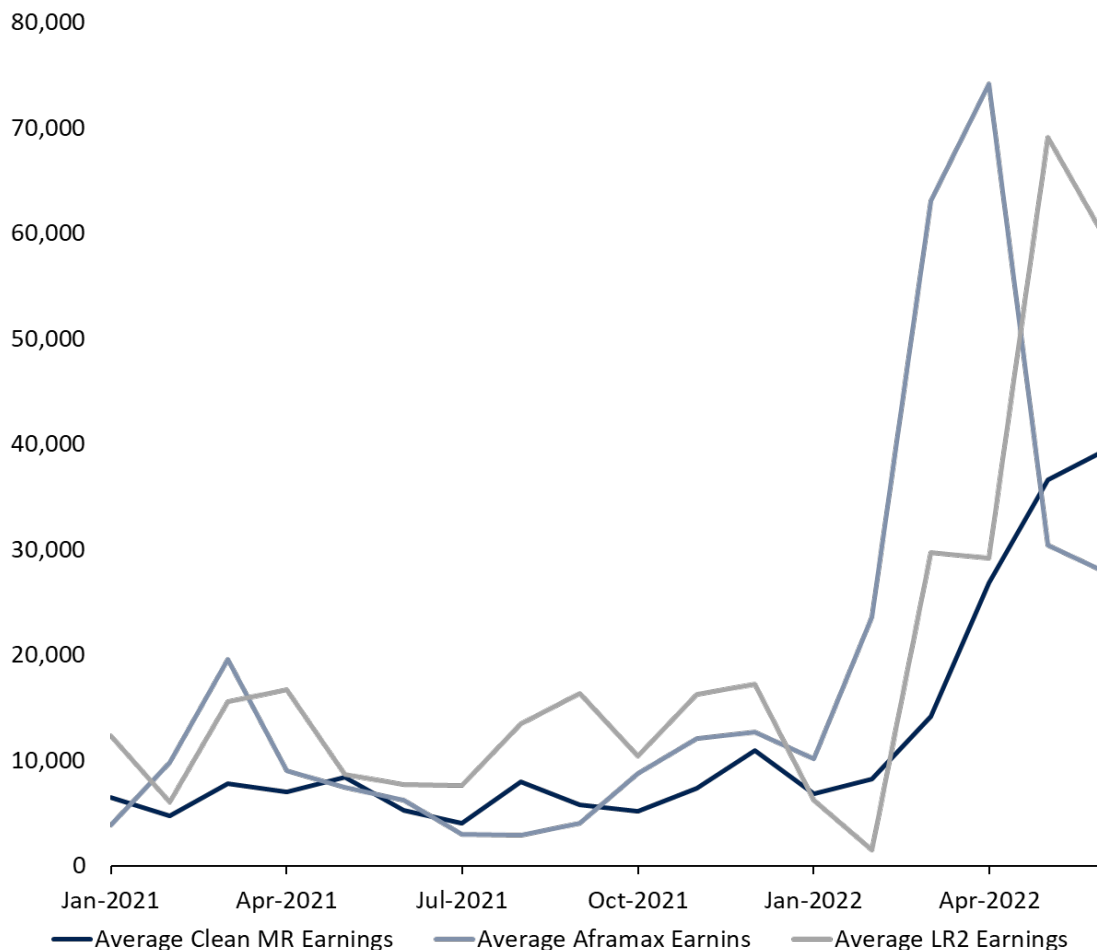
- **Distribution history (in US cents per unit)**

PERIOD	2019	2020	2021	2022 (YTD)
Q1	-	1.50	2.00	-
Q2	-	-	-	1.60
Q3	-	1.50	1.50	
Q4	1.50	-	-	
Total	1.50	3.00	3.50	1.60

TANKER MARKET SNAPSHOT: IMPROVED MARKET SENTIMENT AMID REDUCED VESSEL SUPPLY



TANKER EARNINGS (IN USD/DAY)⁽¹⁾



COMMENTARY

- > Freight rates and market values for relevant tanker sizes significantly improved as a consequence of cargo dislocations due to the Russia-Ukraine conflict and sanctions on Russia, resulting in shifts in trade patterns and higher ton-mile demand
- > OPEC+ production increases remain at a slow pace despite increased oil prices and political pressure; refinery margins have increased and demand for oil products is recovering amid recovering international travel and economic activity
- > Contracting of new tonnage continues to remain subdued, resulting in a historically low orderbook whilst the fleet is aging and tightening environmental regulation starting 2023 is anticipated to reduce effective tonnage supply, which is anticipated to provide further tanker market upside in the medium term

Sources(s): ⁽¹⁾ Clarkson Research Limited (Shipping Intelligence Network); MR: Average MR Clean Products Long Run Historical Earnings; Aframax: Average Aframax Long Run Historical Earnings; LR2: average of East combination (Ras Tanura - Chiba - Ulsan - Singapore) and East-West combination (Ulsan - Singapore - Mina Al - Ahmadi - Rotterdam - Skikda - Chiba)

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APPENDIX: INCOME STATEMENT (2ND QUARTER 2022)



INCOME STATEMENT (IN US\$m) ⁽¹⁾			
	2 nd Quarter 2022	2 nd Quarter 2021	Change in %
Revenue	7.35	6.23	17.9
Voyage expenses	(3.24)	(0.74)	337.8
Vessel operating expenses	(2.17)	(2.88)	(24.6)
Management fees	(0.14)	(0.11)	27.9
Trustee fees	(0.00)	(0.01)	(42.9)
Other Trust expenses	(0.32)	(0.33)	(2.8)
Adjusted EBITDA⁽²⁾	1.47	2.17	(32.2)
Depreciation	(1.08)	(1.62)	(33.5)
Impairment charges	-	-	Unch
Gain on disposal of vessel(s)	1.90	0.10	n.m.
Results from operating activities (EBIT)	2.29	0.65	253.0
Finance income	0.00	0.01	(84.6)
Finance expenses	(0.23)	(0.12)	95.8
EBT	2.06	0.54	279.4
Income tax	-	-	-
Result for the period	2.06	0.54	279.4
per unit (basic) (in US cents) ⁽³⁾	0.12	0.03	300.0
per unit (diluted) (in US cents) ⁽³⁾	0.12	0.03	300.0

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 (1ST HALF 2022)



INCOME STATEMENT (IN US\$m)⁽¹⁾

	1 st Half 2022	1 st Half 2021	Change in %
Revenue	13.42	12.81	4.8
Voyage expenses	(5.30)	(1.19)	345.7
Vessel operating expenses	(4.12)	(6.10)	(32.5)
Management fees	(0.26)	(0.24)	8.0
Trustee fees	(0.01)	(0.02)	(46.7)
Other Trust expenses	(0.61)	(0.58)	6.1
Adjusted EBITDA⁽²⁾	3.13	4.69	(33.2)
Depreciation	(2.34)	(3.30)	(29.0)
Impairment charges	-	(0.62)	(100.0)
Gain on disposal of vessel(s)	1.90	0.57	234.9
Results from operating activities (EBIT)	2.69	1.34	100.9
Finance income	0.00	0.02	(85.0)
Finance expenses	(0.46)	(0.48)	(4.0)
EBT	2.23	0.88	153.9
Income tax	-	-	Unch
Result for the period	2.23	0.88	153.9
per unit (basic) (in US cents) ⁽³⁾	0.13	0.05	160.0
per unit (diluted) (in US cents) ⁽³⁾	0.13	0.05	160.0

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⁾

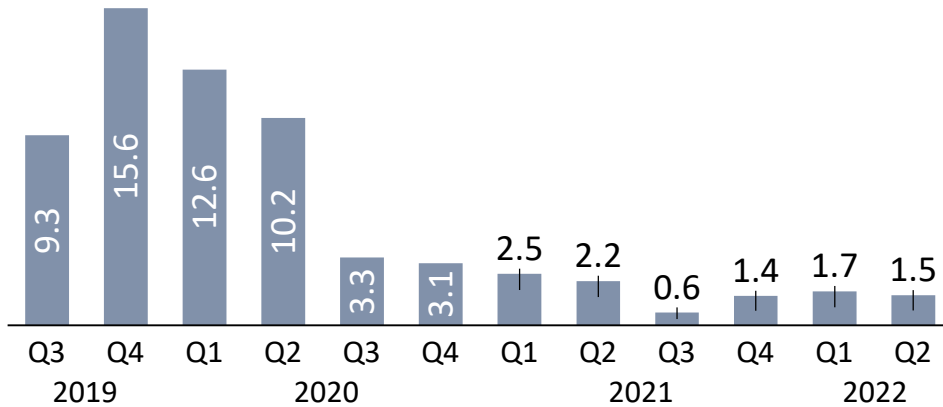
	30 June 2022	31 Dec 2021		30 June 2021	31 Dec 2021
Assets			Equity and liabilities		
Vessels	47.66	66.17	Units in issue	561.33	561.33
Non-current assets	47.66	66.17	Reserves	(492.94)	(495.17)
			Total unitholder's equity	68.39	66.16
Trade and other receivable	2.54	4.94			
Inventories	0.44	-	Bank loans	11.82	13.51
Cash and cash equivalents	24.64	3.67	Non-current liabilities	11.82	13.51
Non-current assets held-for-sale	8.89	8.89			
Current assets	36.51	17.50	Trade and other payables	0.58	0.64
			Bank loans (current portion)	3.38	3.36
			Current liabilities	3.97	4.00
			Total liabilities	15.78	17.51
Total assets	84.17	83.67	Total equity and liabilities	84.17	83.67

Note(s): ⁽¹⁾ Unaudited

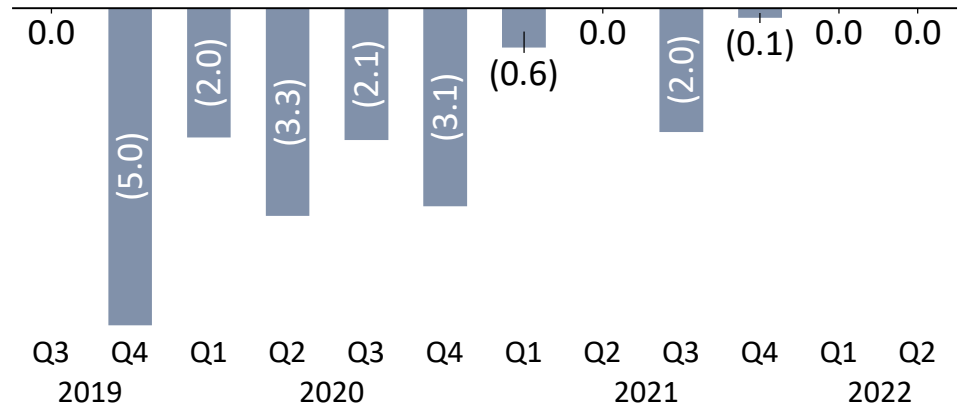
APPENDIX: HISTORICAL FINANCIAL PERFORMANCE



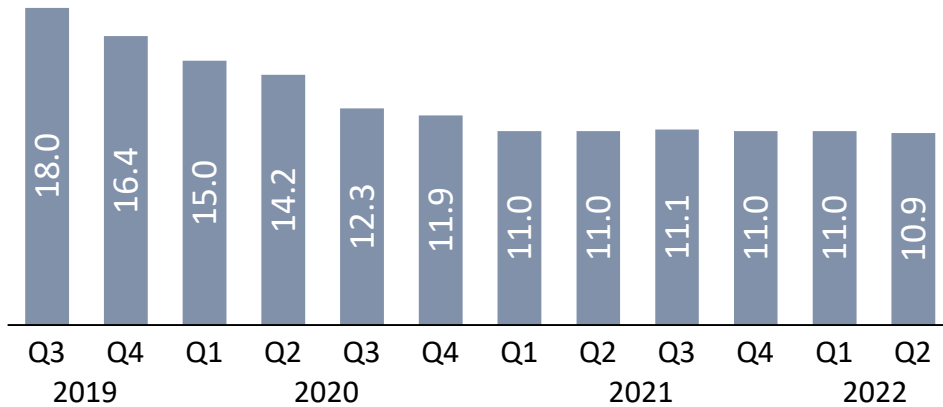
ADJUSTED EBITDA (IN US\$m)⁽¹⁾⁽²⁾



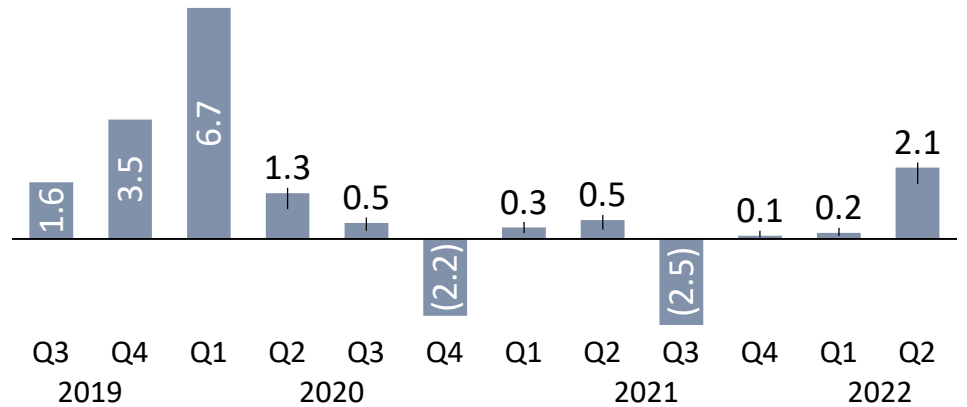
VESSEL IMPAIRMENTS (IN US\$m)⁽¹⁾



AVERAGE NUMBER OF VESSELS



NET INCOME (IN US\$m)⁽¹⁾



Note(s): ⁽¹⁾ Unaudited

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