



FSL Trust Management Pte. Ltd

as Trustee Manager for First Ship Lease Trust

7 Temasek Boulevard, #12-10 Suntec Tower One, Singapore 038987

Tel: 65 6836 3000 Fax: 65 6836 6001 Co. Reg. No. 200702265R

FSL Trust reports a net profit of US\$ 5.4 million for the 3rd quarter 2022 amid strong tanker markets and the sale of one chemical tanker

Highlights

- Adjusted EBITDA¹ of US\$ 4.5 million and net profit of US\$ 5.4 million for the 3rd quarter 2022
- Adjusted EBITDA¹ of US\$ 7.6 million and net profit of US\$ 7.7 million for the 9-months period ended 30 September 2022
- Disposal of the 2006-built chemical tanker *FSL London* in July 2022, resulting in a net gain of US\$ 2.0 million
- Up to US\$ 30.0 million² of contracted future revenue from fixed-rate period charters
- Strong liquidity position and low net leverage³ of 0.4x

Singapore, 3 November 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 3rd quarter and 9-months period ended 30 September 2022.

FSL Trust benefitted from the continuing strong tanker market, healthy freight rates and firm market values. For the 3rd quarter 2022, FSL Trust reported a net profit of US\$ 5.4 million, which includes a net gain from the sale of the chemical tanker *FSL London* of US\$ 2.0 million and compares to a net loss of US\$ 2.5 million in the 3rd quarter 2021. For the 9-months period ended September 2022, the Trust reported a net profit of US\$ 7.7 million, compared to a net loss of US\$ 1.6 million in the corresponding period last year.

With the entire current fleet operating under fixed-rate period charters, the Trust has contracted future revenue of up to US\$ 30.0 million², including US\$ 22.9 million of firm contracted revenue and US\$ 7.1 million of optional contracted revenue. The Trust ended the 3rd quarter 2022 with a comfortable liquidity position of US\$ 11.1 million and a very low net leverage³ of 0.4x. Post quarter-end, in October 2022, the Trust furthermore completed the disposal of the product tanker *FSL Singapore*, which generated net sales proceeds of US\$16.7 million and resulted in a net gain of US\$ 5.0 million.

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

“The 3rd quarter 2022 was very successful for FSL Trust. We reversed the quarterly loss from last year, when tanker markets were suffering from the pandemic and low oil demand, and reported the 3rd highest quarterly net profit in the history of the Trust. Whilst the outlook for the tanker markets generally remains positive with healthy supply-side fundamentals, we are mindful of the geopolitical and macroeconomic uncertainties, which may have an adverse impact on ton-mile demand. As all of FSL Trust’s vessels are now chartered on fixed-rate period charters, the Trust’s market exposure is very limited, providing meaningful downside protection.”

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

² As at 30 September 2022

³ Net interest-bearing debt to adjusted EBITDA

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

“In executing our strategy of selling older, less environmentally friendly vessels without period employment to reduce market and regulatory risks, we have successfully taken advantage of the exceptionally strong tanker market in the 3rd quarter 2022, by selling the remaining two vessels without period employment for very firm prices, maximising value to the Trust and its unitholders. FSL Trust’s remaining fleet is all employed on period charters, providing steady cash flow and considering the current liquidity position, provides a healthy basis for rebuilding the fleet.”

3rd Quarter 2022 Results Live Webcast

FSLTM will host a live webcast for all registered participants on Friday, 4 November 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 Monday, 7 November 2022.

About First Ship Lease Trust

First Ship Lease Trust is a Singapore-based business trust which owns a fleet of 8 well-maintained product tankers. All vessels are currently 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.

Investor Relations Contact

Markus Wenker
Chief Financial Officer
Telephone: +65 6836 3000
Email: investors@firstshiplease.com