

FSL TRUST MANAGEMENT PTE. LTD.
(As Trustee-Manager of First Ship Lease Trust)
(Company Registration No.200702265R)
(Incorporated in Singapore)

ANNUAL GENERAL MEETING OF UNITHOLDERS – QUESTIONS AND ANSWERS

The Board of Directors (the “**Board**”) of FSL Trust Management Pte. Ltd., as trustee-manager (the “**Trustee-Manager**”) of First Ship Lease Trust (“**FSL Trust**” or the “**Trust**”), wishes to share the responses to questions from unitholders at the Annual General Meeting (“**AGM**”) of the unitholders of FSL Trust held on 28 April 2026.

- 1) How has the ongoing conflict in the Middle East and the war in Ukraine affected FSL’s operations, and how have these conflicts affected and will affect the Trust’s current and near future earnings?

Answer: The Trust’s vessels are all employed under bare boat charter hence we have no direct exposure to the daily operations. In addition, all of the vessels operate in Northern Europe. To date we have seen no impact to the use of the vessels.

- 2) Should the Trustee-Manager carry out a strategic review soon, considering the current geopolitical events and the idle cash of US\$ 20.8 million?

Answer: The Trustee-Manager is continuously evaluating the best options for the Trust’s future and at the same time is cautious of the risks of new investments against the backdrop of uncertain business climate and geopolitical tension.

- 3) Has the Trust considered delisting from SGX bearing in mind the following:
- a) the very low volume of daily trading of FSL Trust shares in the stock market;
 - b) the diminishing fleet of vessels that the Trust owns; and
 - c) the 72.6% of FSL Trust shares owned by the non-independent and non-executive Chairman of the Board?

Answer: The Trustee-Manager continues to evaluate all viable options that would be in the best interest of the Trust and all its Unitholders.

The shareholding structure of the Sponsor is more accurately stated on page 103 of the Annual Report 2025.

- 4) Is the cash reserve of US\$ 20.8 million safe considering the volatility of USD and what are the gains from this cash reserve?

Answer: The money is placed with an international bank as fixed deposit, currently earning an average of about 3% to 3.5% interest annually.

- 5) In light of the recent trend of depreciating USD against SGD and the return on the fixed deposits at about 3%, should the Trust reconsider holding the cash reserve in USD?

Answer: The Trust’s functional currency is USD. Hedging of the currency is expensive and may not be cost effective. Nevertheless, the Trust will consult its adviser on the best possible option in protecting its cash reserve.

- 6) The shipyards in China offer the most competitive rates for a newbuilding. Perhaps, the Trust can consider converting its cash reserve into Chinese Renminbi?

Answer: The shipyards in China usually quote a newbuilding in USD instead of their local currency. Moreover, the quantum of US\$ 20.8 million may be more appropriate for investment in second-hand ships, which are likely to be purchased from elsewhere, in USD.

- 7) It has been more than a year since the last distribution and is there any plan for a cash distribution?

Answer: The cash reserve of US\$ 20.8 million was ear marked for investment purposes so as to avoid raising capital from unitholders. Currently, new ships are overpriced and the Trustee-Manager has to weigh the risk/rewards of any investment. In a volatile market, ship prices may fall suddenly steeply and may be an opportune time to buy a ship. The Trust may lose an attractive deal should it go through the process of a rights issue which takes approximately 3 months to raise capital from unitholders. The Trustee-Manager is aware of the competing interests in the usage of the cash reserve and will have to balance the needs, in the best interests of all unitholders.

- 8) With a diminishing fleet that are aging, unused cash reserve and declining interest rate, will the Trust consider the option of winding up?

Answer: Currently all 6 ships are employed. Selling these vessels will involve the charterers and they may be difficult to sell in the current uncertain economic climate.

The future direction of the Trust will be decided in discussion with the Sponsor.

- 9) If ships are expensive, shouldn't the charter rates be reflective of the demand?

Answer: The charters are on long term contracts that have limited scope for adjustments. However, when the contracts are renewed, they are in line with market rates. A contract that was renewed recently, was at 40% more than the previous charter rate.

- 10) Will Speciality and Seniority be re-employed when their existing charters expire this year?

Answer: The charters for Speciality and Seniority will expire in May and September 2026, respectively. The Trustee-Manager is looking at options in respect of these vessels and the rising geopolitical tension does not help for decision makers, be they charterers or buyers. Nonetheless, the Trustee-Manager will be conscious of the costs of keeping the vessel idle and will assess the available options closer to the material time.

By Order of the Board
FSL Trust Management Pte. Ltd.
(Company registration no. 200702265R)
as Trustee-Manager of First Ship Lease Trust

Mr Efstathios Topouzoglou
Non-Independent, Non-Executive Chairman
6 May 2026