

# NOTICE OF ANNUAL GENERAL MEETING OF THE UNITHOLDERS

NOTICE IS HEREBY GIVEN THAT the Tenth Annual General Meeting of First Ship Lease Trust will be held at Meeting Room 328, Level 3, Suntec Singapore Convention & Exhibition Centre, 1 Raffles Boulevard, Suntec City, Singapore 039593 on Friday, 28 April 2017 at 2:30 p.m. for the purpose of transacting the following businesses:

## ORDINARY BUSINESSES

1. To receive and adopt the Report of the Trustee-Manager, Statement by the Trustee-Manager and Audited Financial Statements of First Ship Lease Trust for the financial year ended 31 December 2016, together with the Auditor's Report thereon.

**(Ordinary Resolution 1)**
2. To re-appoint Moore Stephens LLP as the Auditors of First Ship Lease Trust to hold office until the conclusion of the next annual general meeting of First Ship Lease Trust, and to authorise the Directors of the Trustee-Manager to fix their remuneration.

**(Ordinary Resolution 2)**
3. To transact any other ordinary business which may properly be transacted at an annual general meeting of the Unitholders.

## SPECIAL BUSINESSES

4. To consider and, if thought fit, to pass the following resolution with or without modifications as an Ordinary Resolution:

THAT:

pursuant to Section 36 of the Business Trusts Act, Chapter 31A of Singapore (the "**Business Trusts Act**") Clause 6.1 of the deed of trust dated 19 March 2007 constituting First Ship Lease Trust (as amended) (the "**Trust Deed**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Trustee-Manager, on behalf of First Ship Lease Trust, be authorised to:

- (a) (i) issue units in First Ship Lease Trust ("**Units**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that would or might require Units to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Units,

at any time to such persons and on such terms and conditions whether for cash or otherwise as the Trustee-Manager may in its absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Units in pursuance of any Instrument made or granted by the Trustee-Manager while this Resolution was in force,

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provided that:

- (1) the aggregate number of Units to be issued pursuant to this Resolution (including Units to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution):
  - (A) by way of renounceable rights issues on a pro rata basis to Unitholders of First Ship Lease Trust (“**Renounceable Rights Issues**”) shall not exceed 100 per cent. (100%) of the total number of issued Units excluding treasury Units (as calculated in accordance with paragraph (3) below); and
  - (B) otherwise than by way of Renounceable Rights Issues (“**Other Unit Issues**”) shall not exceed 50 per cent. (50%) of the total number of issued Units excluding treasury Units (as calculated in accordance with paragraph (3) below), of which the aggregate number of Units to be issued other than on a pro rata basis to Unitholders of First Ship Lease Trust shall not exceed 20 per cent. (20%) of the total number of issued Units excluding treasury Units (as calculated in accordance with paragraph (3) below);
- (2) the Renounceable Rights Issues and Other Unit Issues shall not, in aggregate, exceed 100 per cent. (100%) of the total number of issued Units excluding treasury Units (as calculated in accordance with paragraph (3) below);
- (3) (subject to such calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of Units that may be issued under paragraphs (1)(A) and (1)(B) above, the percentage of issued Units shall be based on the total number of issued Units (excluding treasury Units) in First Ship Lease Trust at the time of the passing of this Resolution, after adjusting for:
  - (a) new Units arising from the conversion or exercise of any Instruments that are convertible into Units; and
  - (b) any subsequent bonus issue, consolidation or subdivision of Units;
- (4) in exercising the authority conferred by this Resolution, the Trustee-Manager shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), the Trust Deed and the Business Trusts Act; and
- (5) unless revoked or varied by ordinary resolution of Unitholders of First Ship Lease Trust in a general meeting, such authority shall continue in force (i) until the conclusion of the next annual general meeting of the Unitholders of First Ship Lease Trust or the date by which the next annual general meeting of the Unitholders of First Ship Lease Trust is required by law to be held, whichever is earlier, or (ii) in the case of Units to be issued in pursuance of the Instruments made or granted pursuant to this Resolution, until the issuance of such Units in accordance with the terms of the Instruments.

**(Ordinary Resolution 3)**

5. To consider and, if thought fit, to pass the following resolution with or without modifications as an Ordinary Resolution:

THAT:

authority be and is hereby given to the Trustee-Manager to allot and issue from time to time such number of Units as may be required to be allotted and issued pursuant to the First Ship Lease Trust Distribution Reinvestment Scheme.

**(Ordinary Resolution 4)**

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6. To consider and, if thought fit, to pass the following resolution with or without modifications as an Ordinary Resolution:

THAT:

(a) the exercise by the Trustee-Manager of all the powers of First Ship Lease Trust to purchase or otherwise acquire Units of First Ship Lease Trust not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Trustee-Manager from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) market purchases (each a “**Market Purchase**”) on the SGX-ST; and/or

(ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme (as defined in the Trust Deed) as may be determined or formulated by the Trustee-Manager as it considers fit, which scheme shall satisfy all the conditions prescribed in accordance with the Trust Deed,

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Unit Buy-back Mandate**”);

(b) unless varied or revoked by Unitholders of First Ship Lease Trust in a general meeting, the authority conferred on the Trustee-Manager pursuant to the Unit Buy-back Mandate may be exercised by the Trustee-Manager at any time during the Relevant Period (as hereafter defined); and

(c) the Trustee-Manager be and is hereby authorised to complete and do all such acts and things (including executing such documents or other action as may be required) as it may consider necessary, expedient or in the interests of First Ship Lease Trust to give effect to the transactions contemplated and/or authorised by this Resolution.

In this Resolution:

“**Maximum Limit**” means the number of Units representing not more than 10 per cent. of the total number of issued Units of First Ship Lease Trust as at the date of the passing of this Resolution; and

“**Relevant Period**” means the period commencing from the date on which the annual general meeting is held and this Resolution is passed, and expiring on:

(a) the date on which the next annual general meeting of Unitholders is held;

(b) the date by which the next annual general meeting of Unitholders is required by law or the Trust Deed to be held; or

(c) the date on which the purchases of Units by the Trustee-Manager pursuant to the Unit Buy-back Mandate are carried out to the full extent mandated,

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whichever is earliest; and

“**Maximum Price**” in relation to a Unit to be purchased, means an amount (excluding related expenses of the purchase) not exceeding:

- (i) in the case of a Market Purchase: 105 per cent. of the Average Closing Market Price
- (ii) in the case of an Off-Market Purchase: 120 per cent. of the Highest Last Dealt Price

where:

“**Average Closing Market Price**” means the average of the closing market prices of a Unit over the last five (5) market days, on which transactions in Units were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after such five-day market period in accordance with Rule 884 of the Listing Manual of the SGX-ST;

“**Highest Last Dealt Price**” means the highest price transacted for a Unit as recorded on the market day on which there were trades in the Units immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

“**day of the making of the offer**” means the day on which the Trustee-Manager announces its intention to make an offer for the purchase of Units from Unitholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Unit and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

**(Ordinary Resolution 5)**

By Order of the Board  
FSL Trust Management Pte. Ltd.  
As Trustee-Manager of First Ship Lease Trust

Elizabeth Krishnan  
Company Secretary

Singapore  
10 April 2017

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## Notes:

1. A Unitholder entitled to attend and vote at the Annual General Meeting of the Unitholders of First Ship Lease Trust is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a Unitholder of First Ship Lease Trust. Where a Unitholder appoints more than one proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.
2. The instrument appointing a proxy or proxies (the “**Proxy Form**”) must be deposited at the registered office of FSL Trust Management Pte. Ltd. at 9 Temasek Boulevard #19-03 Suntec Tower Two Singapore 038989 not less than 48 hours before the time appointed for the Annual General Meeting.

## Explanatory Notes on Resolution 3

If passed, the Ordinary Resolution set out in Resolution 3 empowers the Trustee-Manager from the date of the Tenth Annual General Meeting until the date of the subsequent Annual General Meeting, the date by which the subsequent Annual General Meeting is required by law to be held or such authority is varied or revoked by First Ship Lease Trust in a general meeting of Unitholders, whichever is the earlier, to issue Units, make or grant Instruments convertible into Units and to issue Units pursuant to such Instruments, up to a number not exceeding (i) 100% for Renounceable Rights Issues and (ii) 50% for Other Unit Issues, of which up to 20% may be issued other than on a pro rata basis to Unitholders, provided that, the total number of Units which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued Units (excluding treasury Units).

The aggregate number of Units which may be issued shall be based on the total number of issued Units (excluding treasury Units) at the time Resolution 3 is passed after adjusting for new Units arising from the conversion or exercise of any Instruments that are convertible into Units, as well as any subsequent bonus issue, consolidation or subdivision of Units.

The authority for 100% Renounceable Rights Issues (“**Enhanced Rights Issue Limit**”) is proposed pursuant to SGX-ST’s news release dated 13 March 2017 titled “SGX raises pro-rata renounceable rights issue cap to 100% of share capital” and the Practice Note 8.3 of the Listing Manual of the SGX-ST which introduced measures to help issuers raise funds expediently for expansion activities or working capital. This unit issue mandate (including the Enhanced Rights Issue Mandate) shall be subject to the conditions as set out in Practice Note 8.3 of the Listing Manual of the SGX-ST and any other guidelines, notices or practice notes which the SGX-ST may issue from time to time. Unless renewed, the mandate sought at this meeting shall expire at the subsequent Annual General Meeting of the Unitholders of First Ship Lease Trust, or the date by which the next Annual General Meeting of the Unitholders of First Ship Lease Trust is required by law to be held, whichever is earlier.

The Board of Directors of the Trustee-Manager is of the view that the Enhanced Rights Issue Limit is in the interests of the First Ship Lease Trust and its unitholders as it will allow First Ship Lease Trust to raise funds expediently for expansion activities or working capital.

## Explanatory Notes on Resolution 4

Resolution 4 is a renewal of the resolution that was approved by Unitholders at the Ninth Annual General Meeting held on 29 April 2016.

If passed, the Ordinary Resolution set out in Resolution 4 authorises the Trustee-Manager to issue Units pursuant to the First Ship Lease Trust Distribution Reinvestment Scheme, which was adopted by resolution of the Unitholders at the Extraordinary General Meeting held on 9 October 2008, to Unitholders who, in respect of a qualifying distribution, have elected to receive Units in lieu of the cash amount of that qualifying distribution.

## Explanatory Notes on Resolution 5

Resolution 5 is a renewal of the Unit Buy-back Mandate that was approved by Unitholders at the Extraordinary General Meeting held on 14 April 2010. Please refer to the Appendix to this Notice of Annual General Meeting for more details.

**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting (“AGM”) and/or any adjournment thereof, a Unitholder of First Ship Lease Trust (i) consents to the collection, use and disclosure of the Unitholder’s personal data by the Trustee-Manager (or its agents or service providers) for the purpose of the processing, administration and analysis by the Trustee-Manager (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Trustee-Manager (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the Unitholder discloses the personal data of the Unitholder’s proxy(ies) and/or representative(s) to the Trustee-Manager (or its agents or service providers), the Unitholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Trustee-Manager (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Unitholder will indemnify the Trustee-Manager in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.