



# 4<sup>th</sup> Quarter 2022 Financial Results

13 February 2023



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# 4<sup>TH</sup> QUARTER 2022 HIGHLIGHTS



## OPERATIONAL

- **Strong tanker markets despite macro-economic uncertainties**
  - > Tanker market sentiment supported by continued cargo dislocations and changed trade patterns
  - > High macro-economic risks, triggered by geopolitical tensions, high inflation and weak consumer confidence
- **Fleet utilisation of 98.9%**
- **Disposal of *FSL Singapore* in October 2022, realising a net gain of US\$ 5.2m<sup>(1)</sup>**
- **Up to US\$ 31.4m of contracted future revenue**
  - > US\$ 25.6m of firm contracted future revenue
  - > US\$ 5.8m of optional contracted future revenue

## FINANCIAL

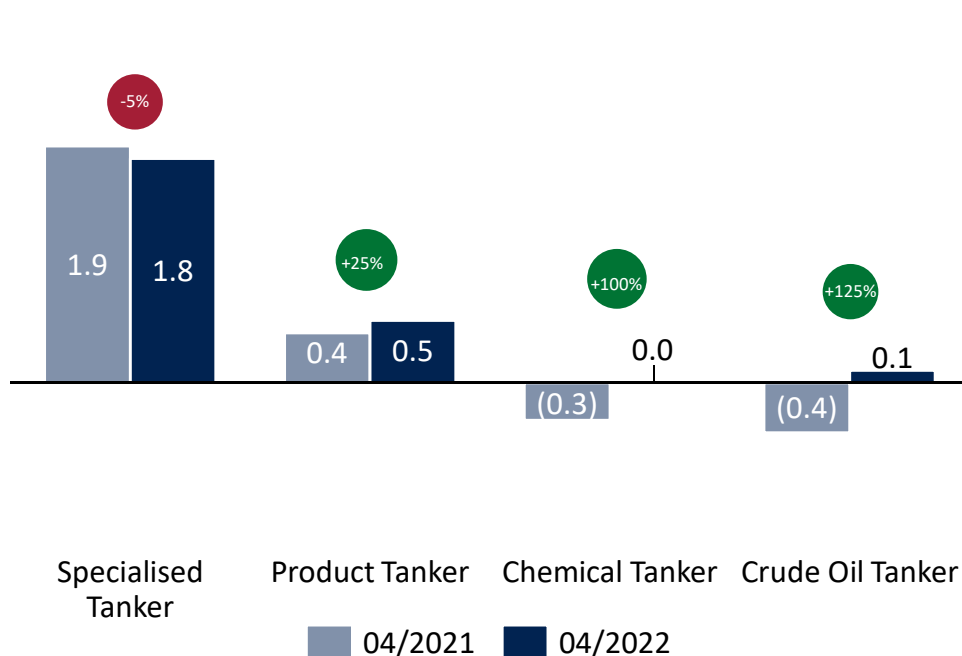
- **Net profit of US\$ 5.6m<sup>(1)</sup> in the 4<sup>th</sup> quarter and US\$ 13.3m<sup>(1)</sup> in the 12-months period 2022**
  - > 4<sup>th</sup> quarter 2022 net profit US\$ 5.5m higher than previous year (US\$ 0.1m net profit)<sup>(1)</sup>
  - > 12-months 2022 net profit US\$ 14.8m higher than previous year (US\$ 1.5m net loss)<sup>(1)</sup>
- **Adjusted EBITDA<sup>(2)</sup> of US\$ 2.3m<sup>(1)</sup> in the 4<sup>th</sup> quarter and US\$ 9.9m<sup>(1)</sup> in the 12-months period 2022**
  - > 4<sup>th</sup> quarter 2022 adjusted EBITDA<sup>(2)</sup> US\$ 0.9m higher than previous year (US\$ 1.4m)<sup>(1)</sup>
  - > 12-months 2022 adjusted EBITDA<sup>(2)</sup> US\$ 3.2m higher than previous year (US\$ 6.7m)<sup>(1)</sup>
- **Healthy capital structure**
  - > Strong liquidity position of US\$ 30.1m<sup>(1)</sup>
  - > Outstanding loan of US\$ 13.9m<sup>(1)</sup>

Note(s): <sup>(1)</sup> Unaudited

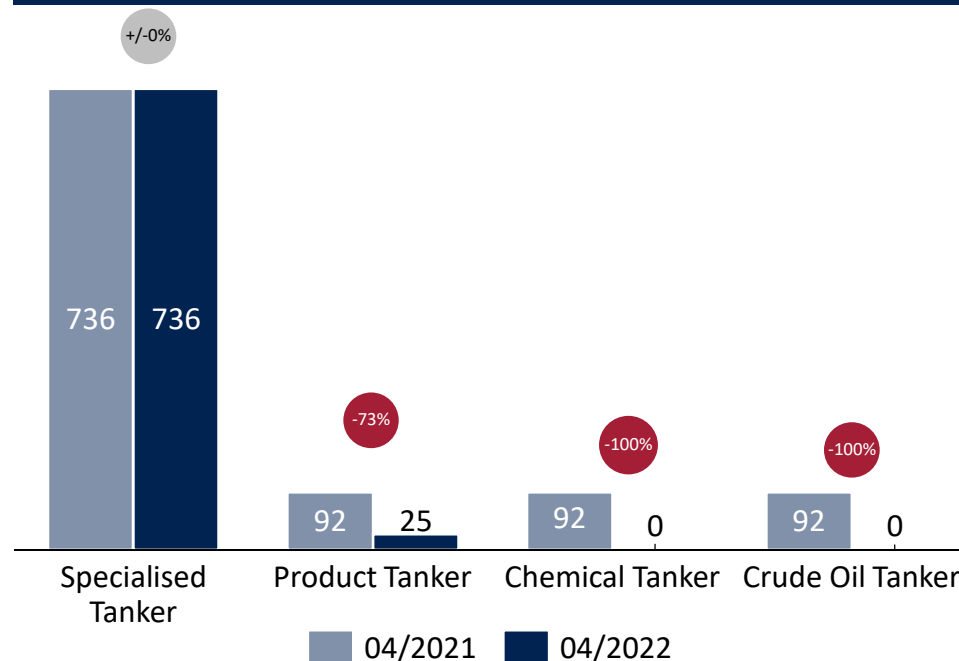
<sup>(2)</sup> Excluding gains/losses from the disposal of vessels and vessel impairments

# OPERATING PERFORMANCE REVIEW:

## ADJUSTED EBITDA BY VESSEL TYPE (IN US\$m)<sup>(1)</sup>



## OWNERSHIP DAYS BY VESSEL TYPE

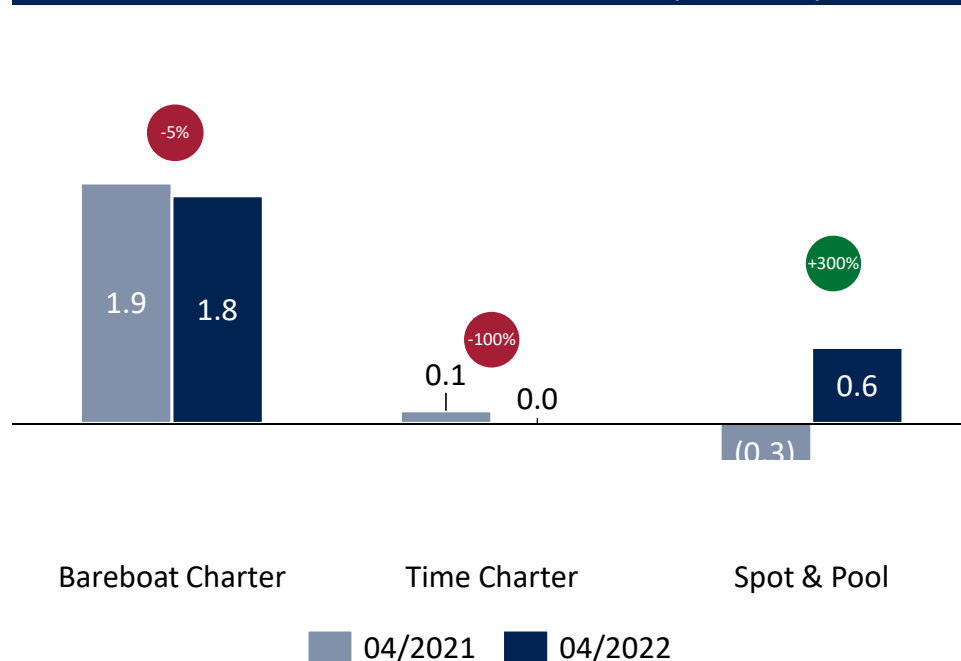


- > Adjusted EBITDA and ownership days of core fleet (specialised tanker) stable after the *Pelican Fisher*-acquisition in 2021
- > Decline in ownership days for product tanker following disposal of *FSL Singapore* in October 2022
- > Decline in ownership days for chemical tanker following disposal of *FSL London* in July 2022
- > Decline in ownership days for crude oil tanker following disposal of *FSL Hong Kong* in June 2022

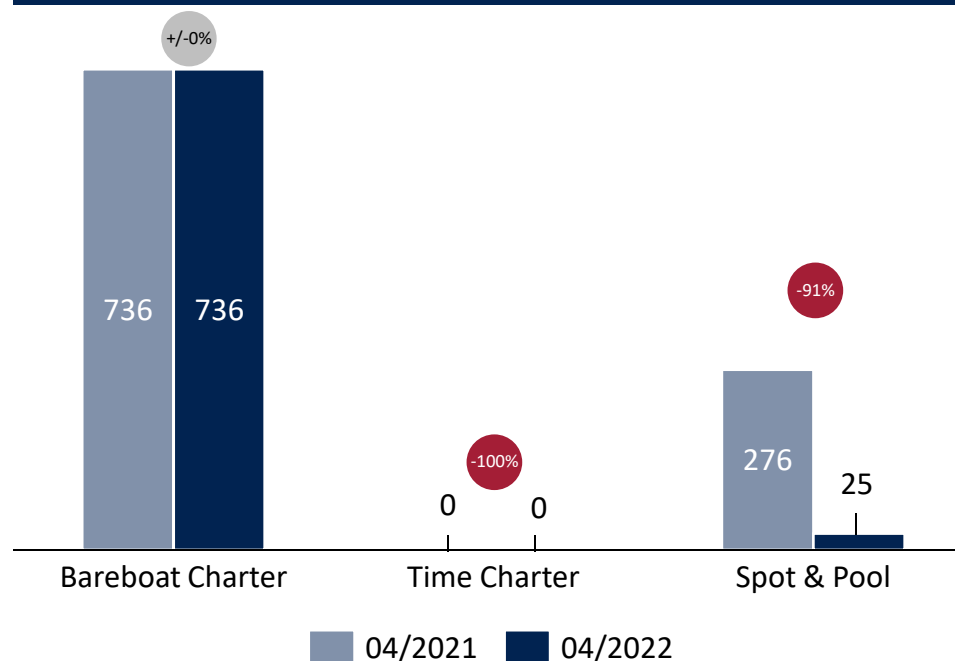
Note(s): <sup>(1)</sup> Excluding gains/losses from the disposal of vessels and vessel impairments

# OPERATING PERFORMANCE REVIEW (CONT'D):

## ADJUSTED EBITDA BY EMPLOYMENT TYPE (IN US\$m)<sup>(1)</sup>



## OWNERSHIP DAYS BY EMPLOYMENT TYPE



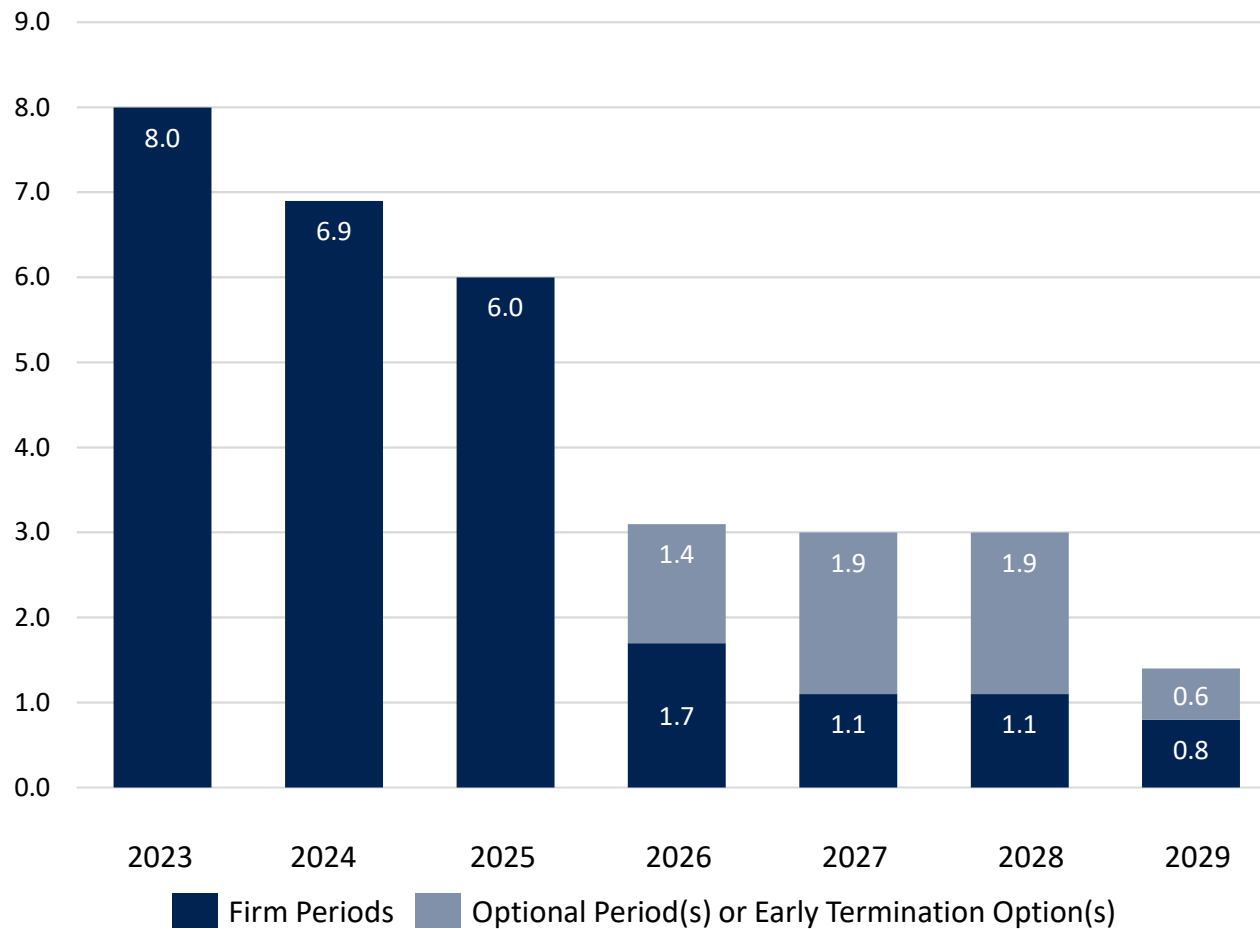
- > Stable adjusted EBITDA<sup>(1)</sup> and ownership days for bareboat charters after the *Pelican Fisher*-acquisition in 2021
- > Decline in adjusted EBITDA<sup>(1)</sup> and ownership days for time charters following the disposal of *FSL London* in July 2022
- > Decline in ownership days for product tankers following the disposal of *FSL Singapore* in October 2022

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

# FLEET EMPLOYMENT: CONTRACTED REVENUE UP TO US\$ 31.4 MILLION<sup>(1)</sup>



## CONTRACTED REVENUE (IN US\$m)<sup>(1)</sup>



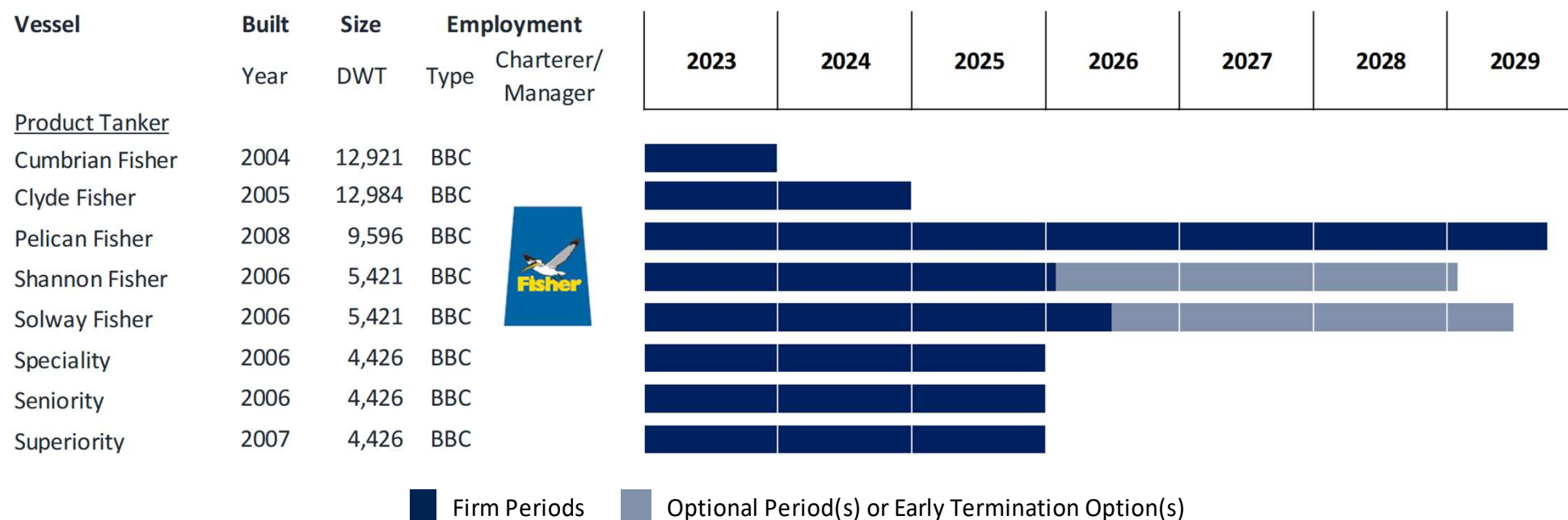
## EMPLOYMENT UPDATE

- > Charters for two specialised tankers (*Clyde Fisher* and *Speciality*) renewed in December 2022.
- > *Clyde Fisher* and *Speciality* charter extended by two and three years respectively.

Note(s): <sup>(1)</sup> As at 31 December 2022

# FLEET EMPLOYMENT: ALL VESSELS ARE NOW EMPLOYED ON PERIOD CHARTERS

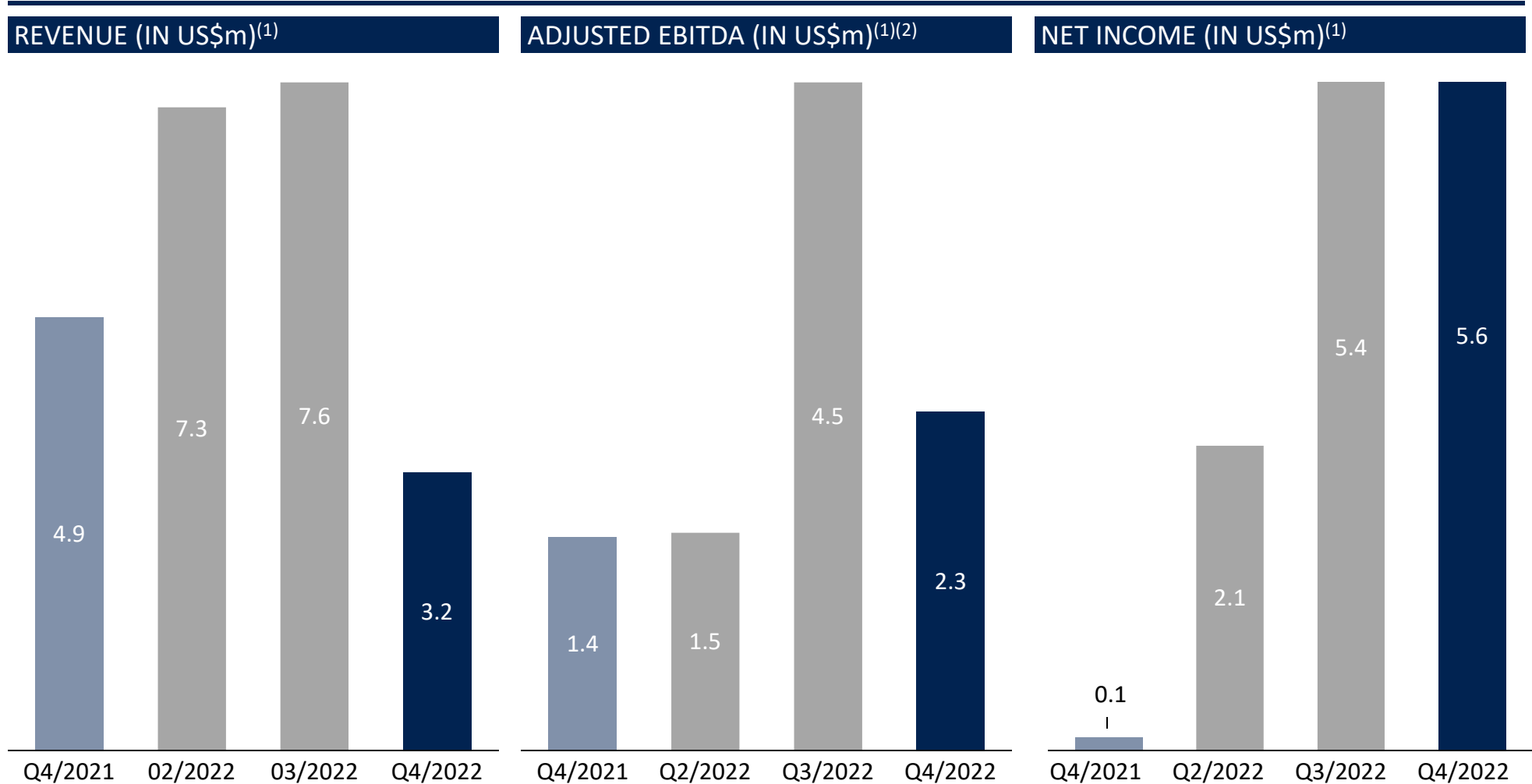
## FLEET EMPLOYMENT PROFILE<sup>(1)</sup>



> Charter maturities for period employed vessels spread over the next years with certain optionality

Note(s): <sup>(1)</sup> As at 31 December 2022

# FINANCIAL PERFORMANCE REVIEW: IMPROVED EARNINGS COMPARED TO LAST QUARTERS



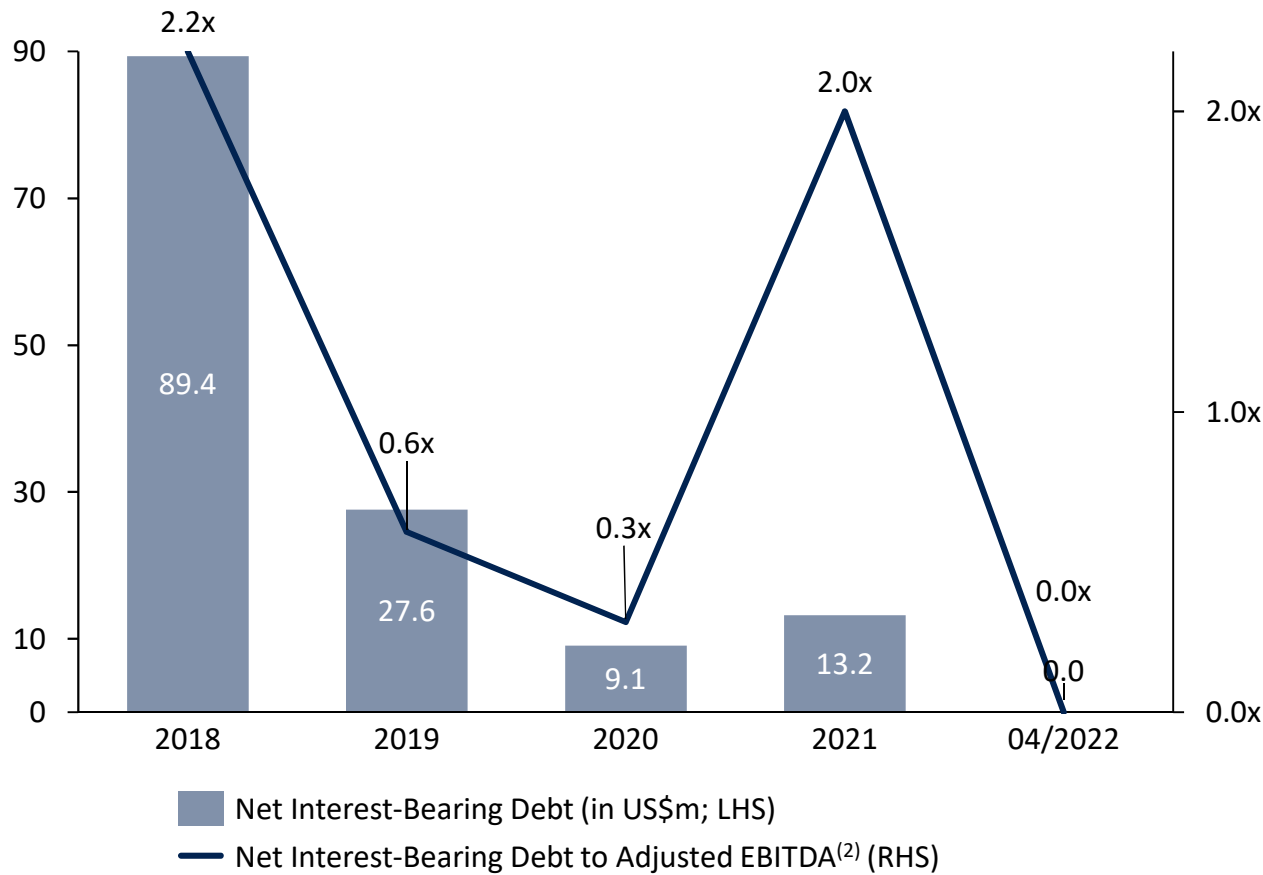
Note(s): <sup>(1)</sup> Unaudited  
<sup>(2)</sup> Excluding gains/losses from the disposal of vessels and vessel impairments



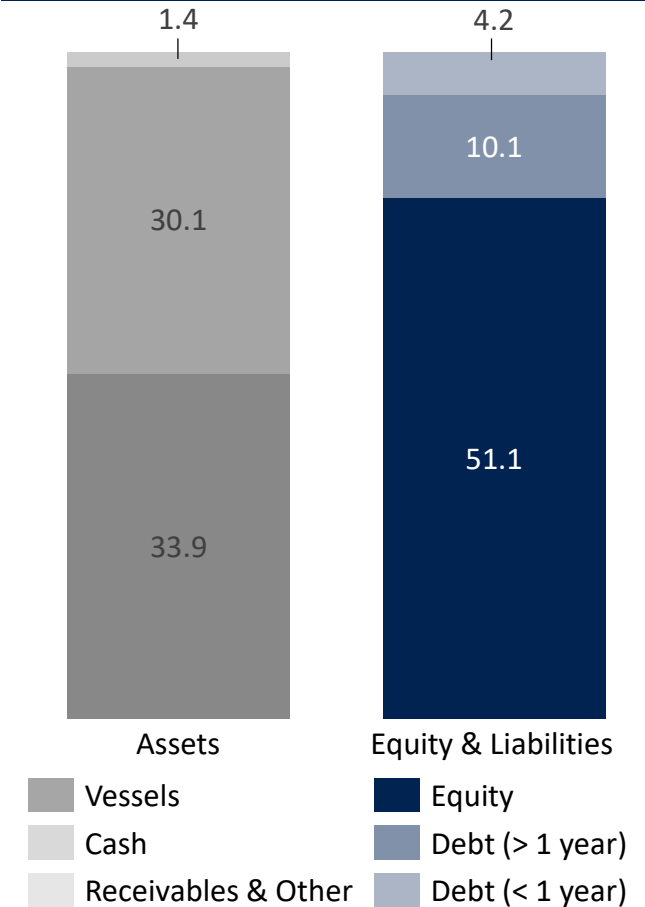
# FINANCIAL PERFORMANCE REVIEW: VERY LOW LEVERAGE AND HEALTHY BALANCE SHEET



## DEBT REDUCTION<sup>(1)</sup>



## BALANCE SHEET (IN US\$m)<sup>(1)</sup>



**> Conservative financing approach, utilising contracted revenue, leads to healthy net-leverage and low cash break-even rates for the fleet vessel**

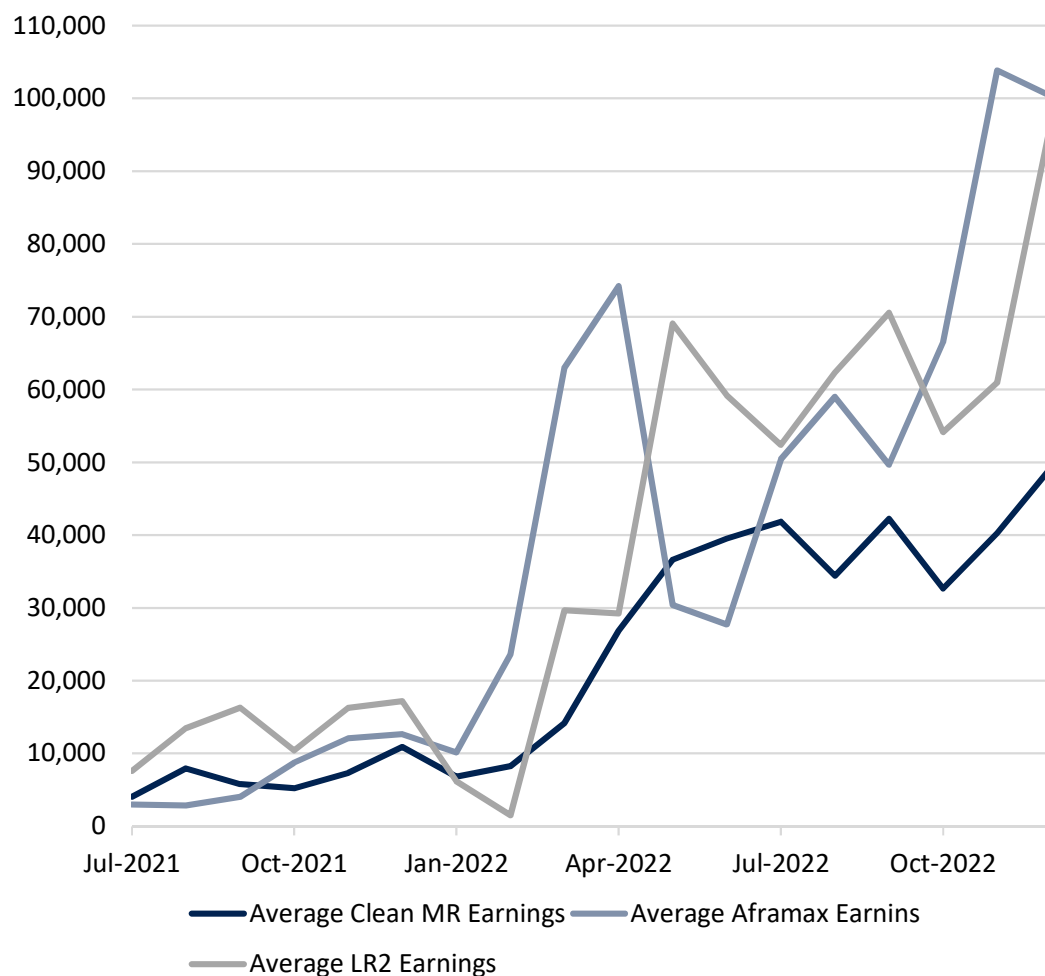
Note(s): <sup>(1)</sup> Unaudited; as at 31 December 2022

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

# TANKER MARKET SNAPSHOT: CONTINUOUSLY STRONG TANKER MARKET ENVIRONMENT



## TANKER EARNINGS (IN USD/DAY)<sup>(1)</sup>



## COMMENTARY

- > Markets for relevant tanker sizes continued to be strong during Q4, driven by cargo dislocations due to the Russia-Ukraine conflict and sanctions on Russia, resulting in shifts in trade patterns and higher ton-mile demand
- > Despite rebound of oil demand in key regions, OPEC+ announced to reduce production. Additionally macro-economic headwinds and recession in some major economies is putting the market under near term pressure.
- > Newbuilding markets remain relatively quiet, resulting in a historically low orderbook whilst the fleet is aging and introduction of new environmental regulations is anticipated to reduce effective tonnage supply from 2023, which should provide further tanker market support in the medium term

Sources(s): <sup>(1)</sup> 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



## INCOME STATEMENT (IN US\$m)<sup>(1)</sup>

	Three months period ended			Twelve months period ended		
	31 Dec 2022	31 Dec 2021	Change in %	31 Dec 2022	31 Dec 2021	Change in %
Revenue	3.18	4.95	(35.8)%	24.22	24.98	(3.0)%
Voyage expenses	(0.39)	(0.50)	(21.6)%	(7.66)	(4.61)	66.1%
Vessel operating expenses	(0.25)	(2.29)	(89.3)%	(5.12)	(11.16)	(54.1)%
Management fees	(0.33)	(0.11)	212.1%	(0.83)	(0.46)	82.9%
Trustee fees	(0.01)	(0.01)	(40.0)%	(0.02)	(0.02)	(36.0)%
Other Trust expenses	0.09	(0.60)	n.m.	(0.66)	(1.97)	(66.4)%
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>2.29</b>	<b>1.44</b>	<b>58.8%</b>	<b>9.93</b>	<b>6.76</b>	<b>46.9%</b>
Depreciation	(0.74)	(1.17)	(36.4)%	(3.91)	(5.79)	(32.5)%
Impairment charges	(0.95)	(0.15)	539.6%	(0.95)	(2.72)	(64.9)%
Gain on disposal of vessel(s)	5.23	0.18	n.m.	9.16	1.09	744.1%
<b>Operating result (EBIT)</b>	<b>5.83</b>	<b>0.30</b>	<b>n.m.</b>	<b>14.23</b>	<b>(0.66)</b>	<b>n.m.</b>
Finance income	0.11	0.01	n.m.	0.12	0.03	274.2%
Finance expenses	(0.33)	(0.22)	51.4%	(1.07)	(0.89)	19.5%
<b>EBT</b>	<b>5.61</b>	<b>0.09</b>	<b>n.m.</b>	<b>13.28</b>	<b>(1.52)</b>	<b>n.m.</b>
Income tax	(0.01)	(0.01)	500%	(0.01)	-	500.0%
<b>Net income</b>	<b>5.60</b>	<b>(0.08)</b>	<b>n.m.</b>	<b>13.27</b>	<b>(1.52)</b>	<b>n.m.</b>
per unit (basic) (in US cents) <sup>(3)</sup>	0.32	n.m.	n.m.	0.75	(0.09)	n.m.
per unit (diluted) (in US cents) <sup>(3)</sup>	0.32	n.m.	n.m.	0.75	(0.09)	n.m.

Note(s):

<sup>(1)</sup> Unaudited

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

# APPENDIX: BALANCE SHEET



## BALANCE SHEET (IN US\$m)<sup>(1)</sup>

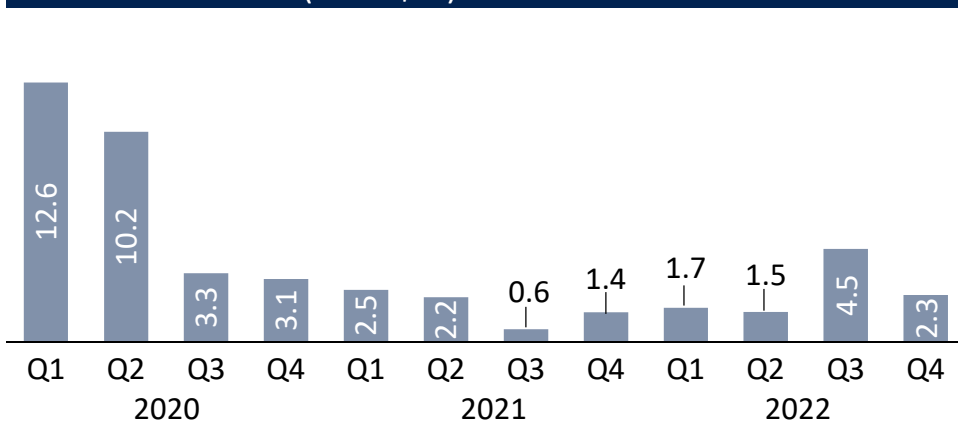
	31 Dec 2022	31 Dec 2021		31 Dec 2022	31 Dec 2021
<b>Assets</b>			<b>Equity and liabilities</b>		
Vessels	33.91	66.17	Units in issue	561.33	561.33
<b>Non-current assets</b>	<b>33.91</b>	<b>66.17</b>	Reserves	(510.19)	(495.17)
Trade and other receivable	1.44	4.94	<b>Total unitholder's equity</b>	<b>51.14</b>	<b>66.16</b>
Cash and cash equivalents	30.12	3.67	Bank loans	10.11	13.51
Non-current assets held-for-sale	-	8.89	<b>Non-current liabilities</b>	<b>10.11</b>	<b>13.51</b>
<b>Current assets</b>	<b>31.56</b>	<b>17.50</b>	Trade and other payables	0.82	0.64
			Bank loans (current portion)	3.40	3.36
			<b>Current liabilities</b>	<b>4.22</b>	<b>4.00</b>
			<b>Total liabilities</b>	<b>14.33</b>	<b>17.51</b>
<b>Total assets</b>	<b>65.47</b>	<b>83.67</b>	<b>Total equity and liabilities</b>	<b>65.47</b>	<b>83.67</b>

Note(s): <sup>(1)</sup> Unaudited

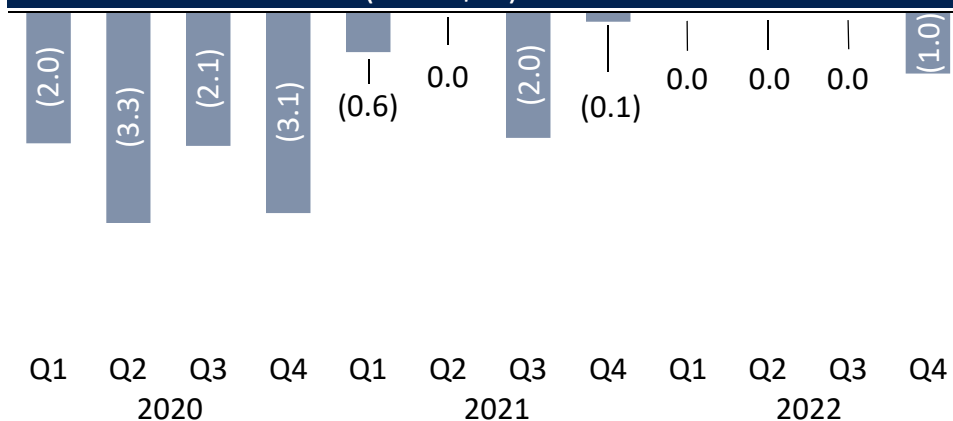
# APPENDIX: HISTORICAL FINANCIAL PERFORMANCE



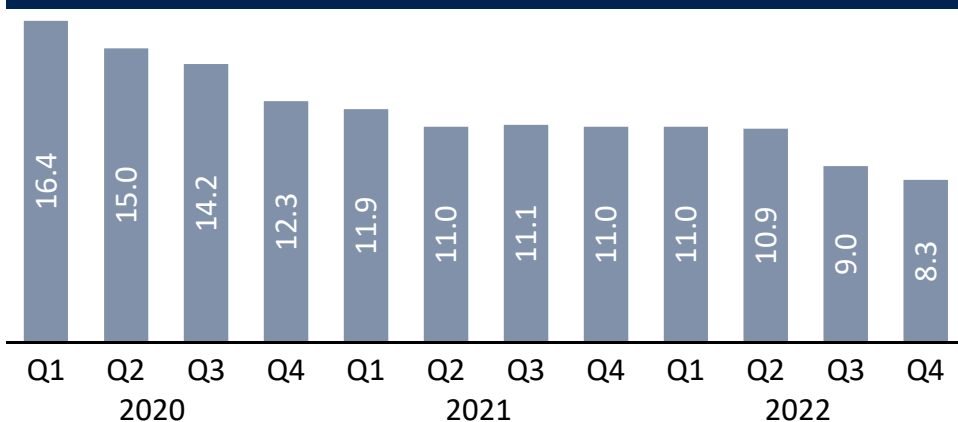
### ADJUSTED EBITDA (IN US\$m)<sup>(1)(2)</sup>



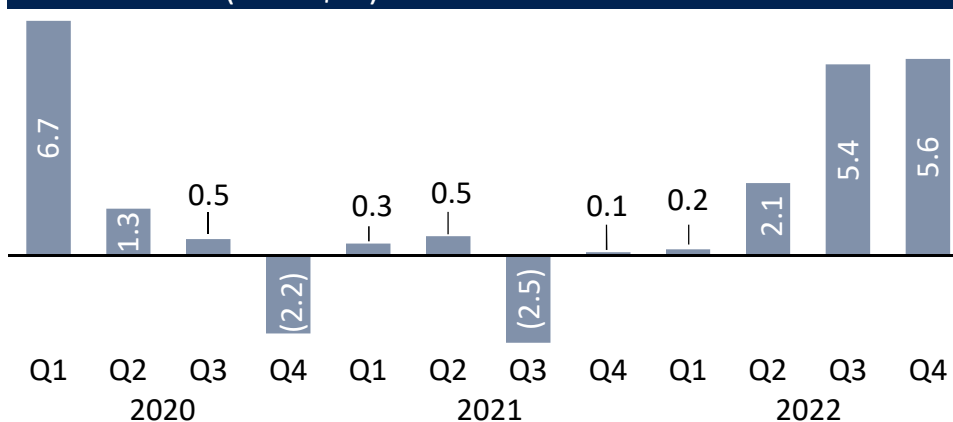
### VESSEL IMPAIRMENTS (IN US\$m)<sup>(1)</sup>



### AVERAGE NUMBER OF VESSELS



### NET INCOME (IN US\$m)<sup>(1)</sup>



Note(s): <sup>(1)</sup> Unaudited

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