



## **2<sup>nd</sup> Quarter 2021 Financial Results Presentation**

3 August 2021

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# 2<sup>ND</sup> QUARTER 2021 HIGHLIGHTS

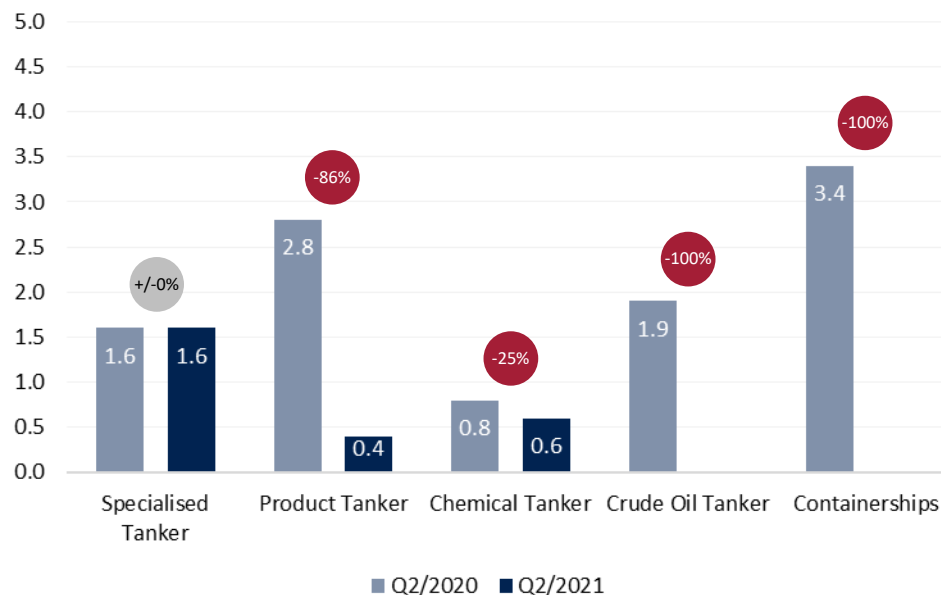
- **Continuously weak tanker market environment**
  - > Impact of low oil production and seasonality
  - > Low or negative result for tankers operating in pools
- **Fleet utilisation of 98%**
- **Net profit of US\$ 0.5m<sup>(1)</sup> in the 1<sup>st</sup> quarter 2021 and US\$ 0.9m<sup>(1)</sup> in the 1<sup>st</sup> half 2020**
  - > 2<sup>nd</sup> quarter 2021 profit 59% lower than previous year (US\$ 1.3m)<sup>(1)</sup>
  - > 1<sup>st</sup> half 2021 profit 89% lower than previous year (US\$ 8.0m)<sup>(1)</sup>
  - > Impacted by weak tanker markets
- **Adjusted EBITDA of US\$ 2.2m<sup>(1)(2)</sup> in the 1<sup>st</sup> quarter 2021 and US\$ 4.7m<sup>(1)</sup> in the 1<sup>st</sup> half 2020**
  - > 2<sup>nd</sup> quarter 2021 adjusted EBITDA 79% lower than previous year (US\$ 10.2m)<sup>(1)(2)</sup>
  - > 1<sup>st</sup> half 2021 adjusted EBITDA 79% lower than previous year (US\$ 22.7m)<sup>(1)(2)</sup>
  - > Reflecting reduced fleet and weak tanker markets
- **Robust capital structure**
  - > Successfully closed the USD 15.0m refinancing of 6 vessels
  - > Solid liquidity position of US\$ 26.7m<sup>(1)</sup>
  - > Zero net debt<sup>(1)</sup>

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

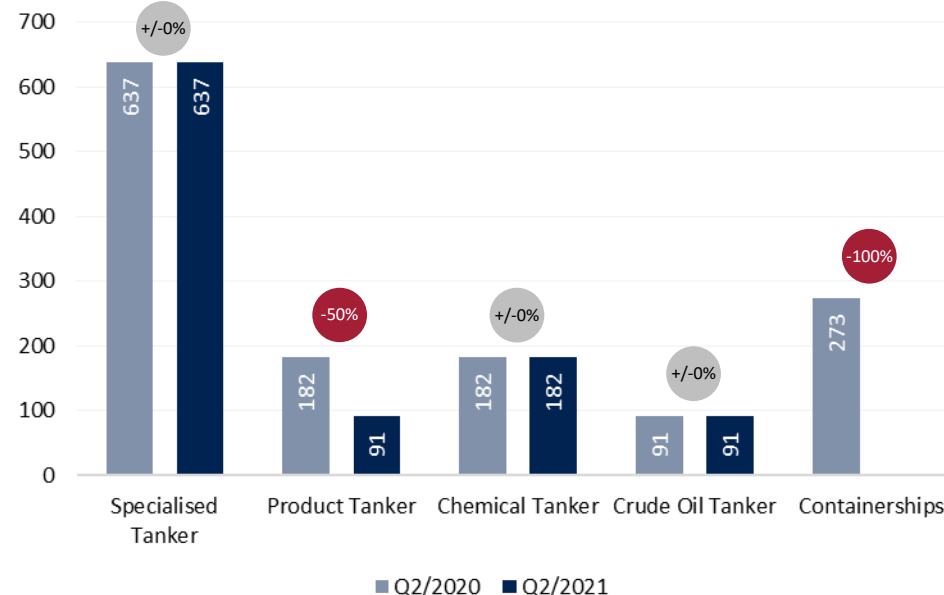
<sup>(2)</sup> Excluding gains/losses from the disposal of vessels and vessel impairments

# OPERATING PERFORMANCE REVIEW

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



## OWNERSHIP DAYS BY VESSEL TYPE



## Commentary

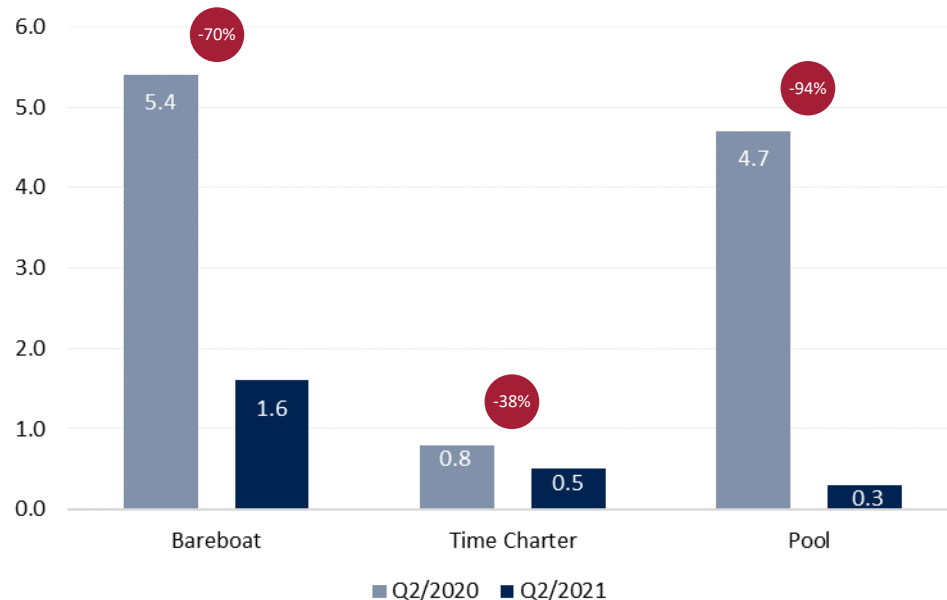
- > Decline of adjusted EBITDA<sup>(1)</sup> from product tanker and crude oil tanker (negative 86% and negative 100%, respectively, y-o-y), due to disposal of vessels (ownership days of product tankers negative 50% y-o-y) and a weak tanker market environment
- > Decline of adjusted EBITDA<sup>(1)</sup> from containerships (negative 100% y-o-y), due to maturity of charters and subsequent disposal of the vessels (ownership days negative 100% y-o-y)

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

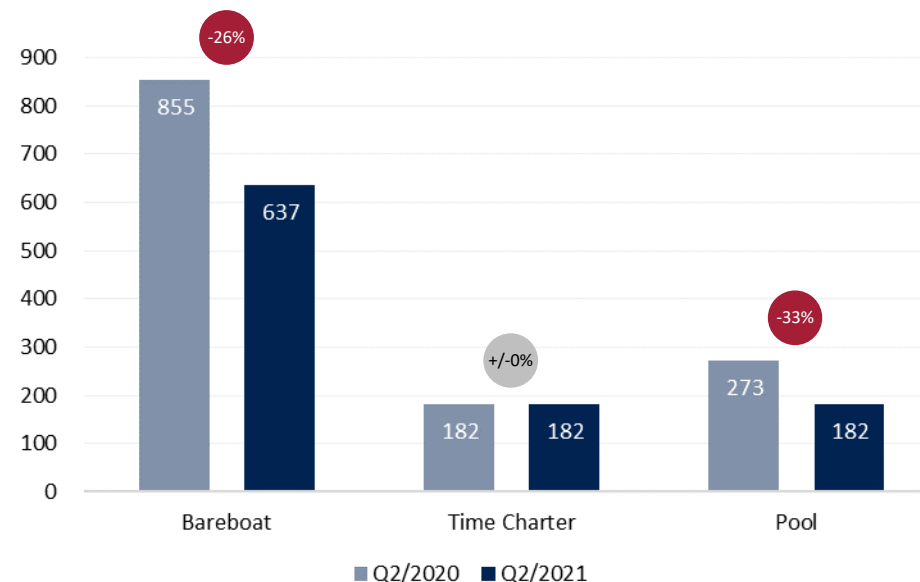
<sup>(2)</sup> Unaudited

# OPERATING PERFORMANCE REVIEW (CONT'D)

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



## OWNERSHIP DAYS BY EMPLOYMENT TYPE



## Commentary

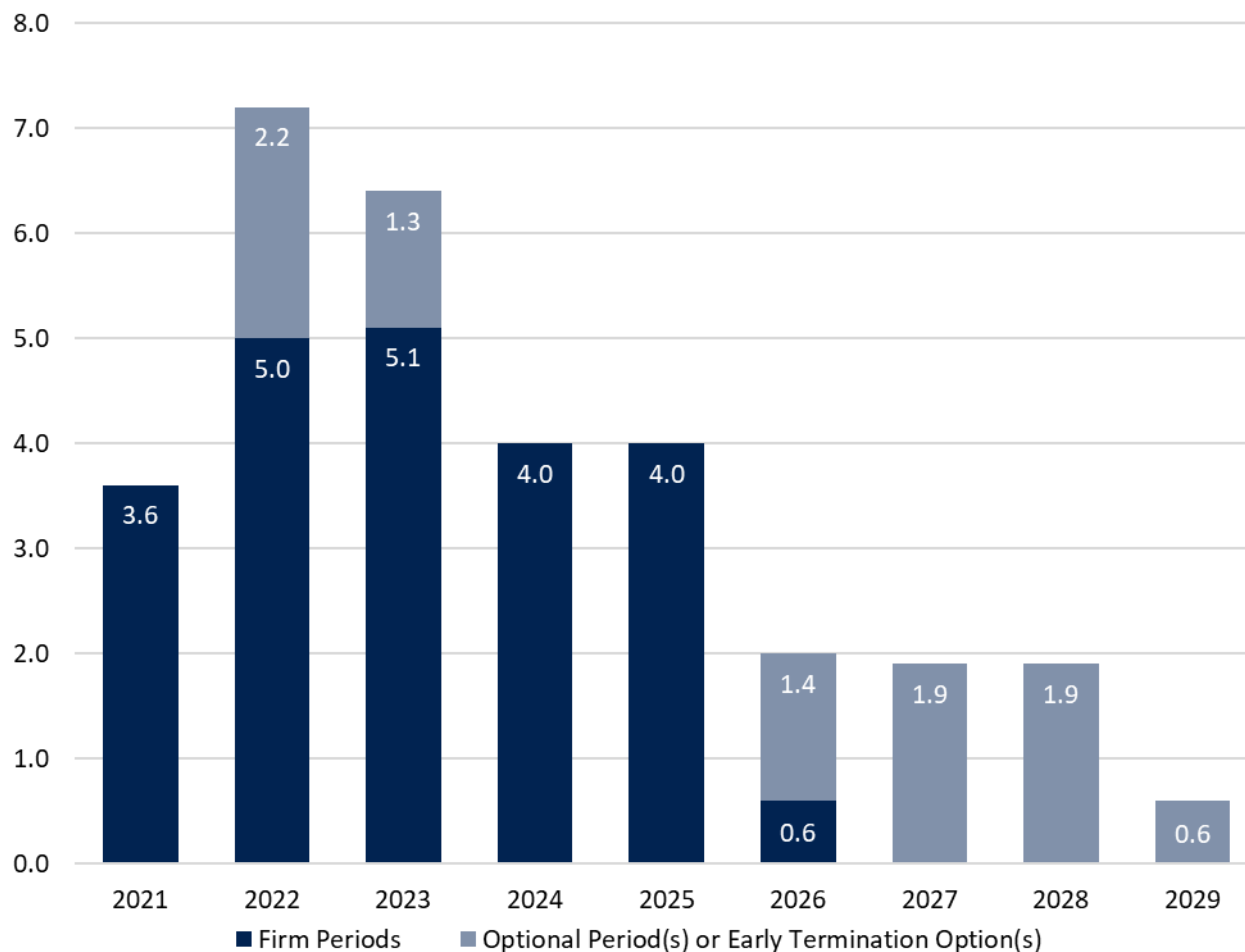
- > Decline of adjusted EBITDA<sup>(1)</sup> from bareboat charters (negative 70% y-o-y), due to maturity of charters and subsequent disposal of the containerships (ownership days negative 26%)
- > Decline of adjusted EBITDA<sup>(1)</sup> from pools (negative 94% y-o-y), due to disposal of vessels (ownership days negative 33% y-o-y) and a weak tanker market environment

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

<sup>(2)</sup> Unaudited

# FLEET EMPLOYMENT

## US\$ 22 MILLION OF CONTRACTED REVENUE<sup>(1)</sup>



## EMPLOYMENT UPDATE

- > Charters for 2 chemical tankers matured in June and July 2021 and are trading in the spot market since then
- > 1 Product tanker switched from pool employment to spot trading
- > Charters for 2 specialized tankers mature in December 2021, with extension options

Note(s): <sup>(1)</sup> As at 30 June 2021

# FLEET EMPLOYMENT (CONT'D)

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

Vessel	Built	Size	Employment	2021	2022	2023	2024	2025	2026	2027	2028	2029
	Year	DWT	Type Charterer/ Manager									
<u>Product Tanker</u>												
Cumbrian Fisher	2004	12,921	BBC	■	■	■						
Clyde Fisher	2005	12,984	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	■	■	■	■	■				
FSL Singapore	2006	47,470	Spot									
<u>Chemical Tanker</u>												
FSL New York	2006	19,970	Spot									
FSL London <sup>(2)</sup>	2006	19,996	TC	■								
<u>Crude Oil Tanker</u>												
FSL Hong Kong	2007	115,000	RSA									

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

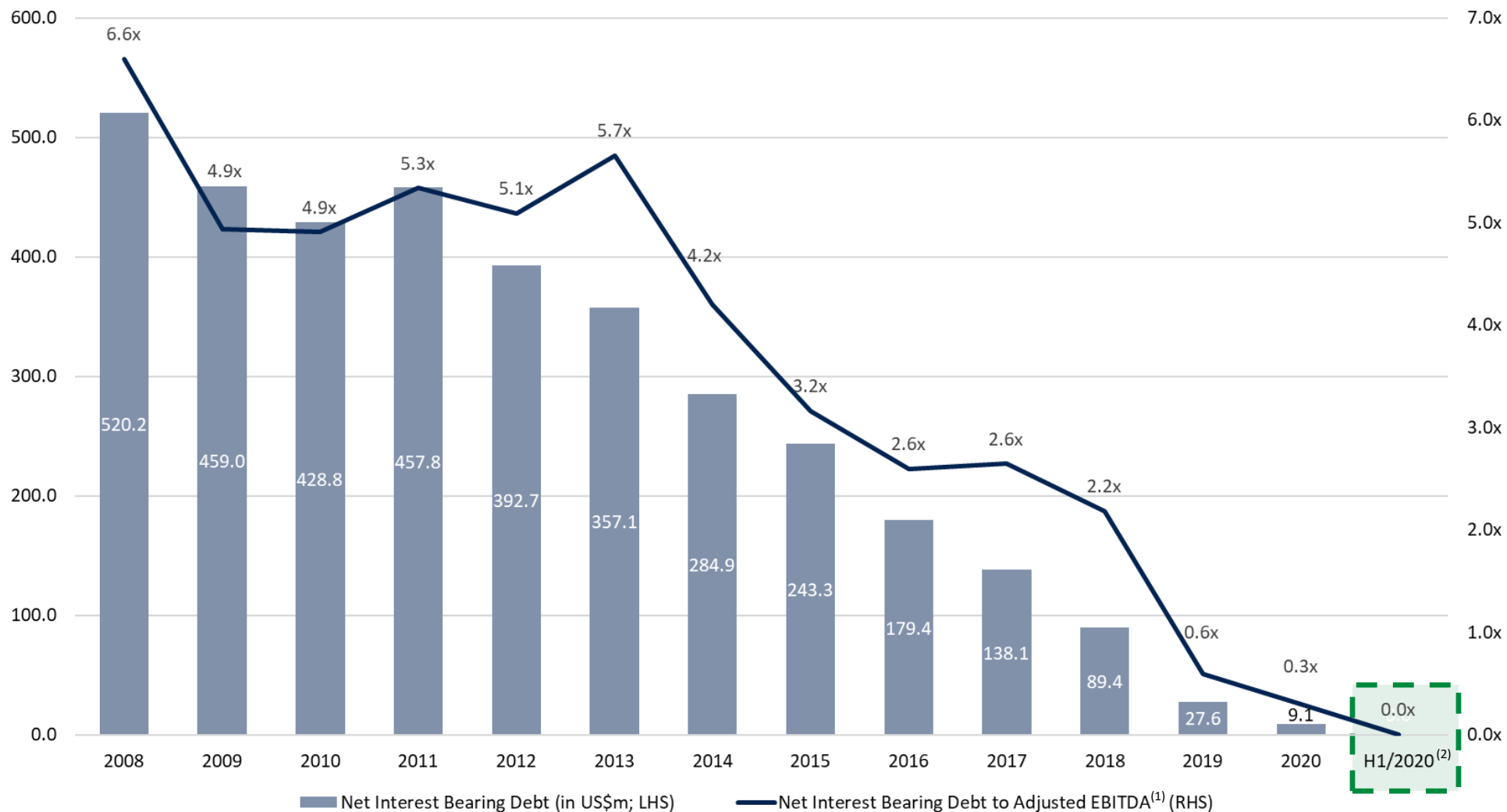
## Commentary

- > Majority of vessels with firm employment
- > Charter maturities spread over the next years with certain optionality

Note(s): <sup>(1)</sup> As at 30 June 2021

<sup>(2)</sup> The charter ended in July 2021 and the vessel is trading spot now

# DEBT REDUCTION



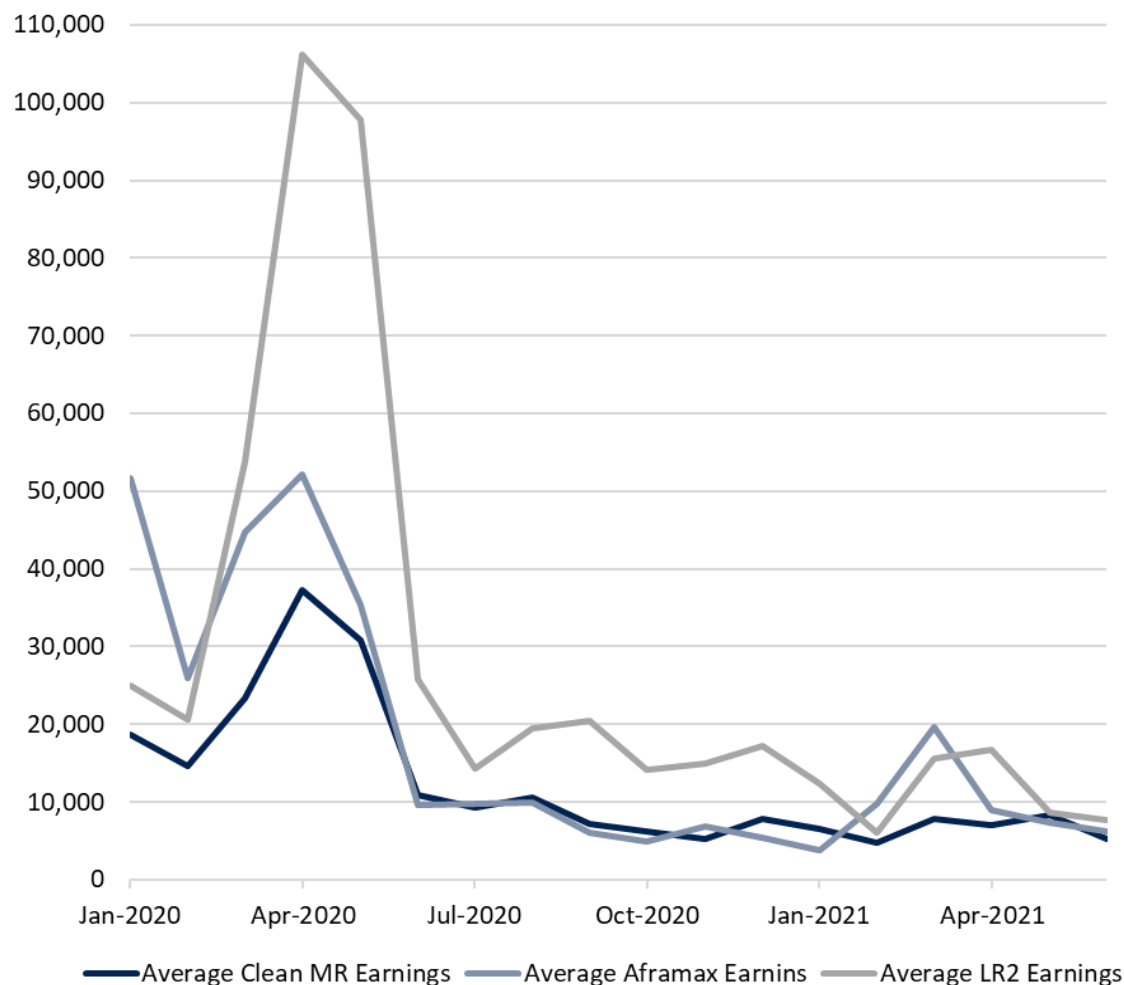
Note(s): <sup>(1)</sup> Excluding gains/losses from the disposal of vessels and vessel impairments

<sup>(2)</sup> Unaudited



# TANKER MARKET SNAPSHOT

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



## COMMENTARY

- Freight rates continue to be under pressure due to the reduced oil production and refinery throughput as demand for oil and oil products remains soft due to the impact of the COVID-19 pandemic as well as summer seasonality
- Whilst uncertainties remain due to the pandemic, there are some positive signals as OPEC+ announced to increase production and air traffic picks up
- Fleet fundamentals look positive with historically low orderbooks for most tanker sizes and muted contracting amid regulatory uncertainty
- More than 25% of the active fleet will reach 20 years of age by 2023 with environmental regulation likely to increase pressure to demolish

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 (2<sup>ND</sup> QUARTER 2021)



Income Statement (in US\$m) <sup>(1)</sup>			
	2 <sup>nd</sup> Quarter 2021	2 <sup>nd</sup> Quarter 2020	Change in %
Revenue	6.23	14.51	(57.1)%
Voyage expenses	(0.74)	0.02	n.m.
Vessel operating expenses	(2.88)	(3.37)	(14.6)%
Management fees	(0.11)	(0.45)	(75.5)%
Trustee fees	(0.01)	(0.01)	(41.7)%
Other Trust expenses	(0.33)	(0.51)	(36.3)%
<b>Adjusted EBITDA<sup>(2)</sup></b>	<b>2.17</b>	<b>10.18</b>	<b>(78.7)%</b>
Depreciation	(1.62)	(4.97)	(67.4)%
Impairment charges	-	(3.27)	(100.0)%
Gain on disposal of vessel(s)	0.10	0.01	920.0%
<b>Results from operating activities (EBIT)</b>	<b>0.65</b>	<b>1.95</b>	<b>(66.7)%</b>
Finance income	0.01	0.09	(85.4)%
Finance expenses	(0.12)	(0.71)	(83.1)%
<b>EBT</b>	<b>0.54</b>	<b>1.33</b>	<b>(59.3)%</b>
Income tax	-	(0.01)	(100.0)%
<b>Result for the period</b>	<b>0.54</b>	<b>1.33</b>	<b>(59.0)%</b>
per unit (basic) (in US cents) <sup>(3)</sup>	0.03	0.07	(57.1)%
per unit (diluted) (in US cents) <sup>(3)</sup>	0.03	0.07	(57.1)%

**Note(s):**

<sup>(1)</sup> Unaudited

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

# APPENDIX: BALANCE SHEET



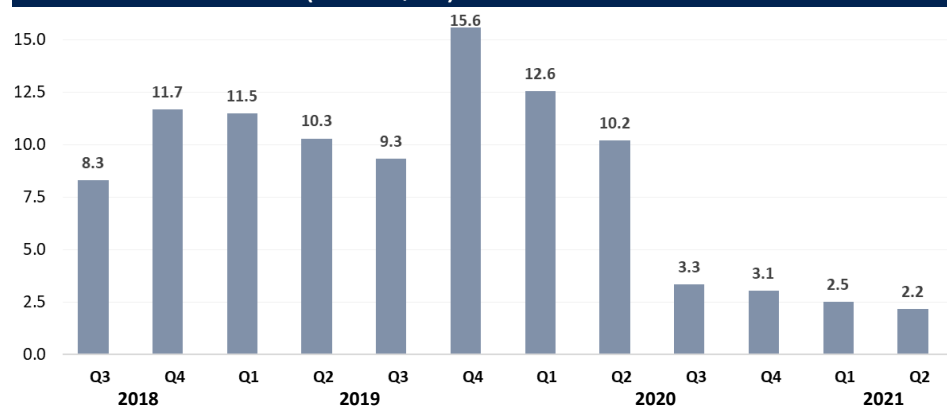
## Balance Sheet (in US\$m)<sup>(1)</sup>

	30 June 2021	31 Dec 2020		30 June 2021	31 Dec 2020
<b>Assets</b>			<b>Equity and liabilities</b>		
Vessels <sup>(2)</sup>	79.90	136.11	Units in issue	561.33	561.33
<b>Non-current assets</b>	<b>79.90</b>	<b>136.11</b>	Reserves	(466.25)	(431.77)
			<b>Total unitholder's equity</b>	<b>95.08</b>	<b>129.56</b>
Trade and other receivable	4.40	5.04	Bank loans	11.64	13.30
Cash and cash equivalents <sup>(3)</sup>	26.71	20.69	<b>Non-current liabilities</b>	<b>11.64</b>	<b>13.30</b>
<b>Current assets</b>	<b>31.11</b>	<b>25.73</b>			
			Trade and other payables	1.47	1.67
			Bank loans (current portion)	2.81	16.54
			Lease income received in advance	-	0.76
			Income tax payable	-	0.01
			<b>Current liabilities</b>	<b>4.29</b>	<b>18.98</b>
			<b>Total liabilities</b>	<b>15.92</b>	<b>32.28</b>
<b>Total assets</b>	<b>111.01</b>	<b>161.84</b>	<b>Total equity and liabilities</b>	<b>111.01</b>	<b>161.84</b>

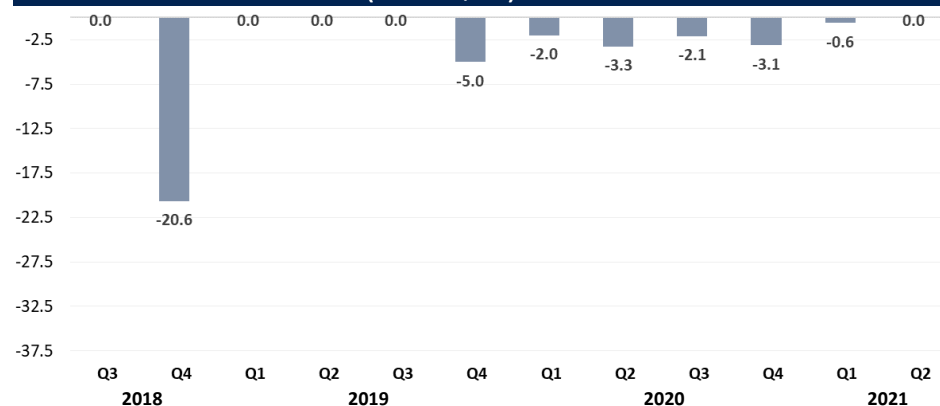
Note(s):  
<sup>(1)</sup> Unaudited

# APPENDIX: HISTORICAL FINANCIAL PERFORMANCE

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



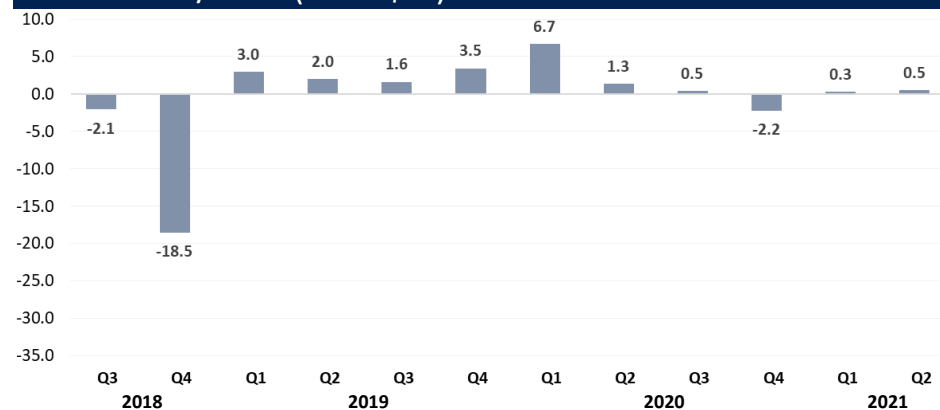
## VESSEL IMPAIRMENTS (IN US\$m)<sup>(1)</sup>



## AVERAGE NUMBER OF VESSELS



## NET PROFIT/LOSS (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