



# FSL Trust

4<sup>th</sup> Quarter 2019  
Financial Results

6 February 2020

## 4QFY19 – Key Financial Highlights

- Net profit of US\$3.5M in 4Q19
- Ongoing focus on balance sheet optimization
  - Profit recorded for 4 consecutive quarters
  - Reduced gearing ratio
  - Cash generated continued to be positive
  - Fleet utilization up to 99.3%
- Revenue increased 19.8% year-on-year, primarily due to improved spot market rates
- Announces first full year distribution since 2012
- Laying groundwork to further reduce debt and to position the Trust to explore strategic alternatives for the unitholders

# Distribution Details

<b>Distribution Period</b>	<b>1<sup>st</sup> October 2019 – 31<sup>st</sup> December 2019</b>
<b>Distribution Per Unit</b>	<b>1.50 US cents</b>

<b>Distribution Timetable</b>	
Notice of Books Closure Date	5 Feb 2020
Ex-Date	12 Feb 2020
Books Closure Date	13 Feb 2020, 5pm
Distribution Payment Date	13 Mar 2020

## Use of Proceeds from Preferential Offering in 4Q19

- US\$4.88m was used as second instalment of 10% of the consideration for New Vessel hull N945;
- US\$11.04m balance of the net proceeds is on fixed deposits with banks in Singapore to be used for the next instalments due to the Shipyard.

# Performance review

	4Q FY19	4Q FY18	Change (%)
Revenue	22,214	18,542	19.8
Operating profit/(loss)	4,684	(16,922)	N/A
Profit/(Loss) for the quarter	3,450	(18,540)	N/A
Net cash generated from operations	14,001	9,645	45.2
Repayment of Loans <sup>(1)</sup>	6,838	6,369	7.4
Gearing ratio <sup>(2)</sup>	25.7%	40.0%	(35.8)

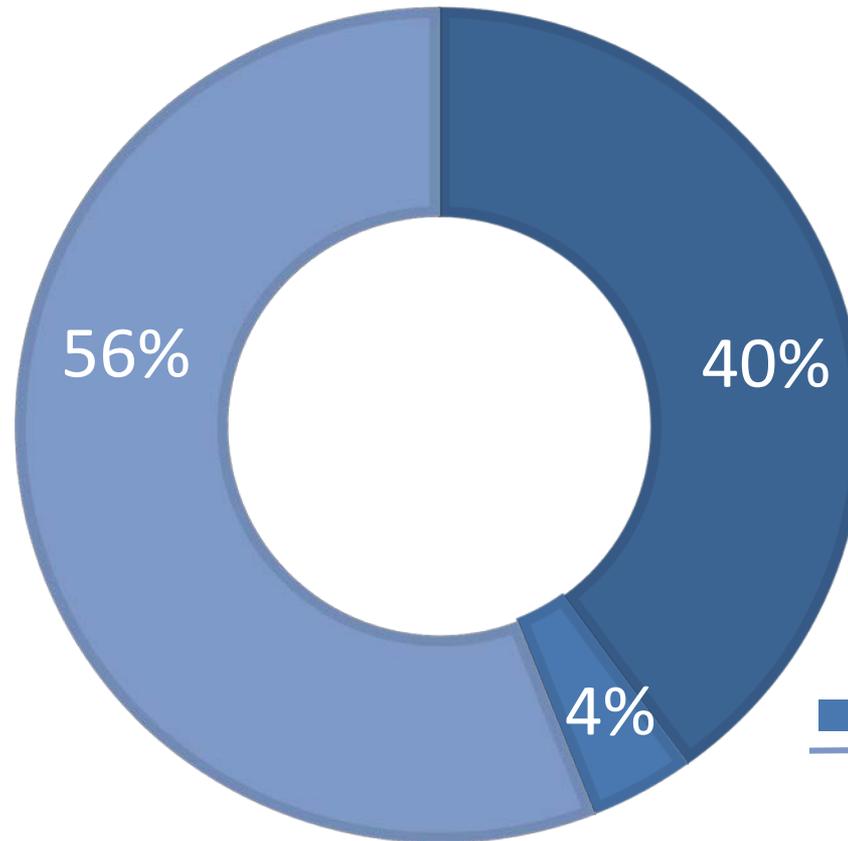
**NOTE 1**      Repayment of scheduled bank loans

**NOTE 2**      Gearing ratio = outstanding debt including convertible bonds / (total unitholders' funds + outstanding debt including convertible bonds)

# Fleet deployment by revenue<sup>(1)</sup>

■ Pool/ RSA/ Spot

■ Fixed-rate Bareboat Chartered

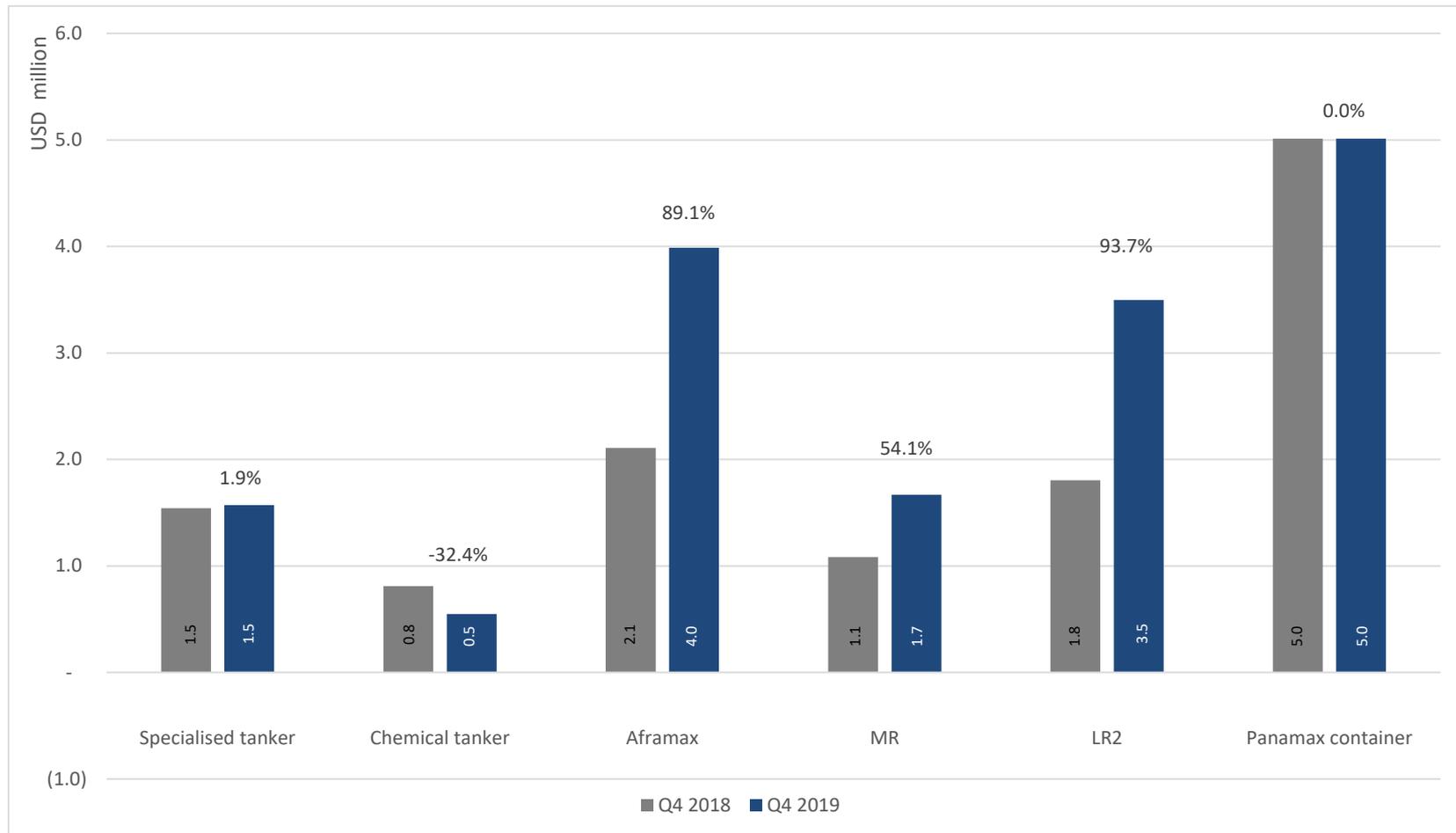


■ Time Chartered



# Operational performance

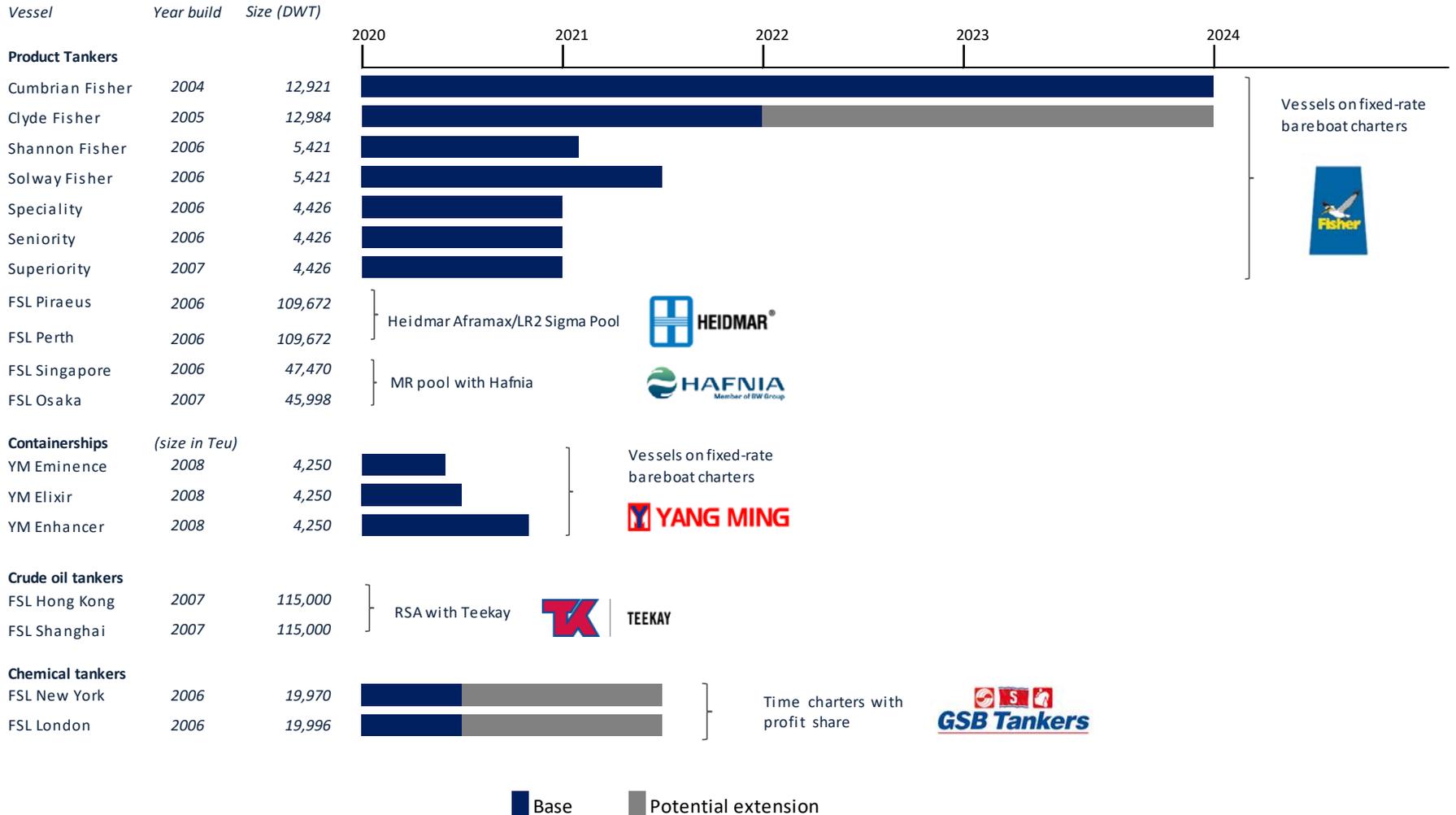
## BBCE revenue by vessel type



**NOTE**

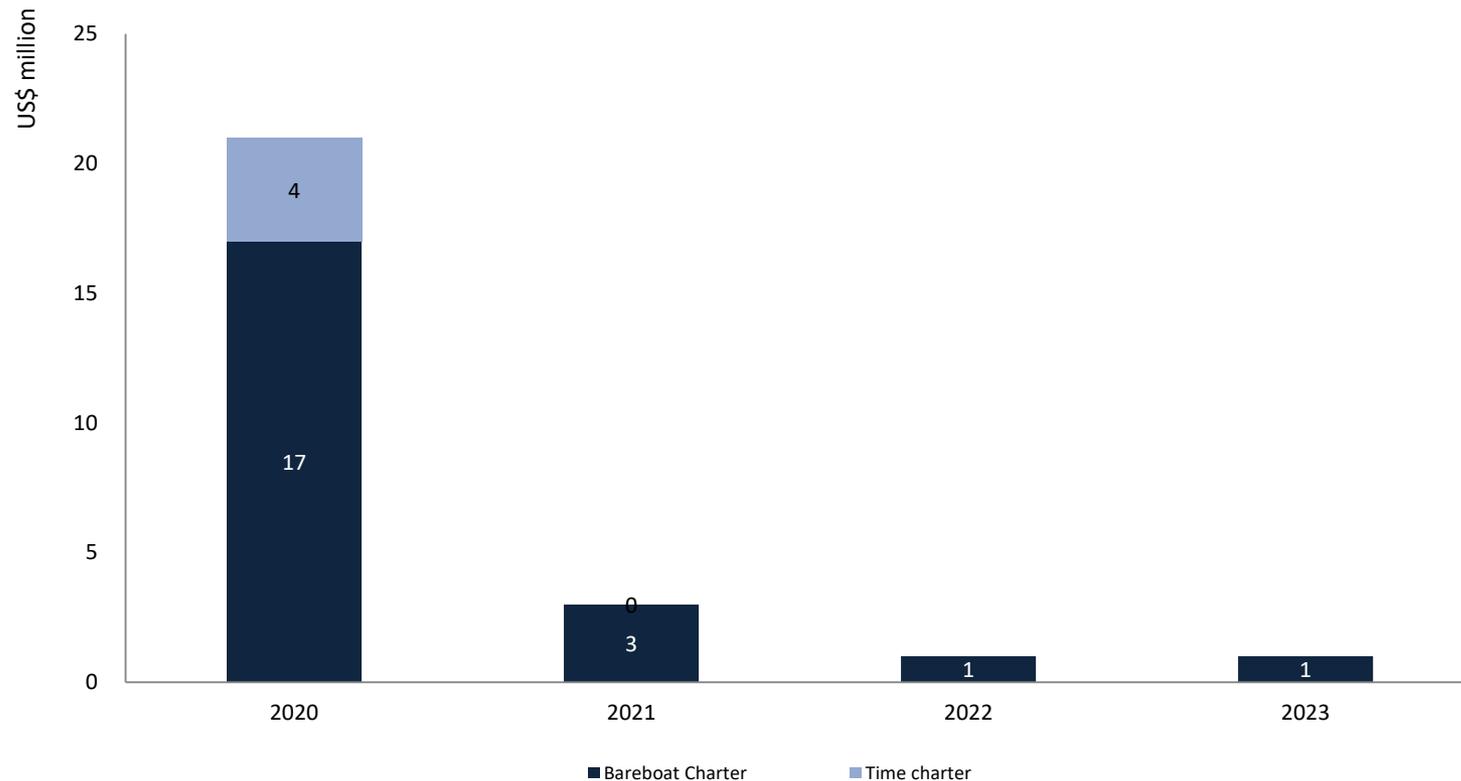
Reduced fleet compared to Q4 2018 with the disposal of one MR tanker in April 2019

# Lease maturity of vessels



■ Base      ■ Potential extension

Remaining contracted revenue stood at US\$ 26m <sup>(1)</sup>  
as at 31 December 2019



**NOTE 1**

Based on revenue from ten bareboat charters and two time charter contracts, excluding optional extensions

# Fleet Data

	4Q FY19	4Q FY18	Change (%)
Number of Vessels	18	19	(5.3)
Bareboat (BB) days	920	920	-
Ownership days *	736	828	(11.1)
Available days *	736	828	(11.1)
Operating days *	731	826	(11.5)
Vessel utilization (%)	99.3	99.8	(0.5)
Contracted Revenue Days including BB days	1,104	1,104	-

NOTES	
Bareboat (BB) days	Number of days in the period that vessels are on the Statements of Financial Position and are on Bareboat Charters
Ownership days *	Number of days in the period that vessels are on the Statements of Financial Position , excluding BB days
Available days *	Number of days in the period that vessels should be capable to generate revenues
Operating days *	Number of days in the period that vessels actually generated revenues
Vessel utilization (%)	Percentage of Operating days over Available days
The above numbers do not take into consideration the relative earnings of each vessel type	
* Excluding Bareboat days	

## 4Q2019 Outlook: Our Direction



- FSL vessels are IMO 2020 ready for compliant fuel oil
- Keeping our balance sheet strong
- 2 Newbuilding LR2 product tankers which are scheduled for delivery in Q4 FY2020 and Q1 FY2021. Keel laying for Hull no. 944 is scheduled for February 2020 while for Hull no. 945 it is scheduled for April 2020. To date we have been given ten day notices of delay, however there may be some further adjustment to these schedules due to the impact on the yard's labour force caused by the coronavirus outbreak in China
- Exploring further strategic alternatives
- Subsequent to yearend, FSL Piraeus and FSL Perth were successfully delivered to their new owners

**Company Website:** [www.firstshipleasetrust.com](http://www.firstshipleasetrust.com)

- Corporate Information
- Fleet Portfolio
- Investor Relations:
  - Financial reports, news & announcements, unit information

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# Disclaimer



This presentation contains certain forward-looking statements with respect to the financial condition, results of operations and business of FSL and certain plans and objectives of the management of FSL. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance of FSL to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding FSL's present and future business strategies and the political and economic environment in which FSL will operate in the future.

Thank You