

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

USE OF PROCEEDS FROM PREFERENTIAL OFFERING FOR THE NEWBUILDING ACQUISITION

FSL Trust Management Pte. Ltd., in its capacity as trustee-manager of First Ship Lease Trust (“**FSLT**”, and as trustee-manager of FSLT, the “**Trustee-Manager**”) refers to its announcements dated 13 December 2018, 8 February, 4 June, 7 June, 6 August and 7 October 2019 (the “**Announcements**”) and its circular dated 4 April 2019 (the “**Circular**”) in relation to the Preferential Offering in FSLT (the “**Offering**”), which was completed on 7 June 2019. Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Announcements and the Circular.

The Trustee-Manager wishes to provide an update on the utilisation of the net proceeds of US\$31,000,000 from the Offering, as follows:

Use of proceeds	Amount utilised as per earlier announcement(s)	Amount utilised as per this announcement
Full repayment of the amounts outstanding under the Bridging Loan	US\$10,220,000 ^(a)	-
Second instalment of 10% of the consideration for New Vessel hull N944	US\$4,880,000	-
Second instalment of 10% of the consideration for New Vessel hull N945	-	US\$4,880,000
Total	US\$15,100,000	US\$4,880,000

Note:

- (a) The Bridging Loan was applied towards the first instalments of the aggregate consideration for the New Vessels hulls N944 and N945.

The above utilisation of the net proceeds from the Offering is consistent with the intended use as disclosed in the Circular. The US\$11,020,000 balance of the net proceeds is on fixed deposits with banks in Singapore.

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

Mr. Efsthios Topouzoglou
Non-Independent Non-Executive Chairman
7 November 2019