



**FSL Trust Management Pte. Ltd.**

as Trustee Manager for First Ship Lease Trust

9 Temasek Boulevard, #19-03 Suntec Tower Two, Singapore 038989

Tel: 65 6836 3000 Fax: 65 6836 6001 Co. Reg. No. 200702265R

## **FSL Trust distributes 1.5 US cents per unit for the 3<sup>rd</sup> quarter 2021**

### **Highlights**

- Distribution to unitholders of 1.50 US cents per unit for the 3<sup>rd</sup> quarter 2021
- Adjusted EBITDA<sup>1</sup> of c.US\$ 0.6 million and net loss of c.US\$ 2.5 million, after US\$ 2.0 million of non-cash impairments, for the 3<sup>rd</sup> quarter 2021
- Acquisition of one vessel (*Pelican Fisher*) with an 8-year bareboat charter and new c.US\$ 4.0 million loan which was closed post quarter-end
- Contracted revenue increased to US\$ 29.8 million as at 30 September 2021 with 8 out of 11 vessels employed on fixed-rate period charters
- Strong liquidity position and zero net interest-bearing debt

**Singapore, 1 November 2021** – FSL Trust Management Pte. Ltd. (“FSLTM”), the trustee-manager of First Ship Lease Trust (“FSL Trust” or the “Trust”), today announced the unaudited financial results of FSL Trust for the 3<sup>rd</sup> quarter and 9-months period ended 30 September 2021.

In a continuously challenging tanker market environment, FSL Trust reported a net loss of US\$ 2.5 million for the 3<sup>rd</sup> quarter and US\$ 1.6 million for the first 9-months of 2021, compared to net profit of US\$ 0.5 million and US\$ 8.5 million, respectively, in the same periods last year, impacted by low freight rates for the tankers operating in pools and the spot market as well as non-cash impairments on vessels of c.US\$ 2.0 million the 3<sup>rd</sup> quarter and US\$ 2.6 million for the first 9-months of 2021. The adjusted EBITDA<sup>1</sup> in the 3<sup>rd</sup> quarter and first 9-months of 2021 was US\$ 0.6 million and US\$ 5.3 million, respectively.

Despite the softer financial performance, reflecting the weak freight rates operating in pools or the spot market, the Trust maintains its healthy financial profile characterised by a solid liquidity position of US\$ 28.1 million, zero net interest-bearing debt and an equity ratio of 86% as at 30 September 2021.

In September 2021, the Trust acquired the vessel *Pelican Fisher* which commenced an 8-year bareboat charter with James Fisher Everard upon delivery, adding to the contracted revenue of the Trust which totalled US\$ 29.8 million as at 30 September 2021. To partly refinance the acquisition cost of US\$ 5.0 million for *Pelican Fisher*, the Trust arranged a loan of US\$ 3.95 million from Chailease, which was closed post quarter-end, in October 2021. The loan has a maturity of seven years from drawdown.

<sup>1</sup> Excluding gains/losses from the disposal of vessels and vessel impairments

**Commenting on the results, Roger Woods, Chief Executive Officer, said:**

“The tanker markets have remained challenging during the 3<sup>rd</sup> quarter of 2021 with continuously low freight rates amid subdued oil production and ton-mile demand for tankers. This has weighed on the earnings of the Trust’s vessels operated in pools or the spot market and the impact could not be fully absorbed by the vessels employed on period charters. In response to the lower rate environment, we have also booked a non-cash impairment and reported a negative result for the Trust of US\$ 2.5m for the 3<sup>rd</sup> quarter 2021.

As winter season is approaching and oil inventory levels in some major economies world-wide are reducing, we believe that tanker demand has reached a plateau and will improve, which is also supported by recovering economic activity and commercial aviation.”

**Stathis Topouzoglou, Chairman of the Board of Directors, commented:**

“During the 3<sup>rd</sup> quarter 2021, we continued to execute our strategy of disposing older tonnage without long-term employment and, hence, reduce our market exposure and the regulatory risk in respect to the tightening environmental regulations. At the same time, in September 2021, we acquired a new vessel with a long-term charter to a longstanding customer of FSL Trust. This acquisition provides predictable cash flows with an attractive risk profile, creating value for the Trust’s unitholders.

Our capital allocation priorities remain focussed on creating unitholder value by either deploying capital in accretive projects or returning capital to the unitholders. As the investment environment in shipping continues to be challenging, the Board of Directors has decided to declare a cash distribution to unitholders of 1.50 US cents per unit for the 3<sup>rd</sup> quarter 2021.”

**3<sup>rd</sup> Quarter 2021 Results Live Webcast**

FSLTM will host a live webcast for all registered participants on Tuesday, 2 November 2021, at 10:00 am (Singapore time) to discuss the financial results of the Trust followed by a Q&A session. An audio replay of the live webcast will be available on FSL Trust’s website [www.firstshiplease.com](http://www.firstshiplease.com) from 12:00 pm (Singapore time) on Wednesday, 3 November 2021.

**About First Ship Lease Trust**

First Ship Lease Trust is a Singapore-based business trust which owns a fleet of well-maintained, oceangoing tankers across different sizes. The current vessel portfolio comprises 11 vessels of which 8 vessels are employed on fixed-rate period charters, whilst the other 3 vessels are employed in the spot market. FSL Trust is listed on the Mainboard of the Singapore Exchange (SGX: D8DU).

---

This news release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies, changes in operating expenses, trust expenses and governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events.

---

### **Investor Relations Contact**

Markus Wenker  
Chief Financial Officer  
Telephone: +65 6836 3000  
Email: [investors@firstshiplease.com](mailto:investors@firstshiplease.com)