



4th Quarter 2021 Financial Results

3 February 2022



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4TH QUARTER 2021 HIGHLIGHTS



- **Continuously weak tanker market environment affecting vessels operating in pools or spot**
 - > Continuously low oil production levels and ton-mile demand for tankers
 - > Negative result for the tankers operating in pools and the spot market
- **Fleet utilisation increased to 98%**
- **Net profit of US\$ 0.09m⁽¹⁾ in the 4th quarter and net loss of US\$ 1.5m⁽¹⁾ for the full year 2021**
 - > Compared to a net loss of US\$ 2.2m in the 4th quarter 2020 and a net profit of US\$ 6.2m⁽¹⁾ for the full year 2020
- **Adjusted EBITDA of US\$ 1.4m⁽¹⁾⁽²⁾ in the 4th quarter and US\$ 6.8m⁽¹⁾ for the full year 2021**
 - > 4th quarter 2021 adjusted EBITDA 53% lower than previous year (US\$ 3.1m)⁽¹⁾⁽²⁾
 - > Full year 2021 adjusted EBITDA 77% lower than previous year (US\$ 29.1m)⁽¹⁾⁽²⁾
- **Extension of the charter for *Clyde Fisher* with James Fisher Everard**
 - > Contracted revenue of US\$ 28.6m⁽³⁾ as at 31 December 2021 compared to US\$ 29.8m⁽³⁾ the year before
- **Solid capital structure**
 - > Low leverage of 2.0x net interest-bearing debt⁽¹⁾
 - > Low gearing of 25% and strong equity ratio of 79%⁽¹⁾

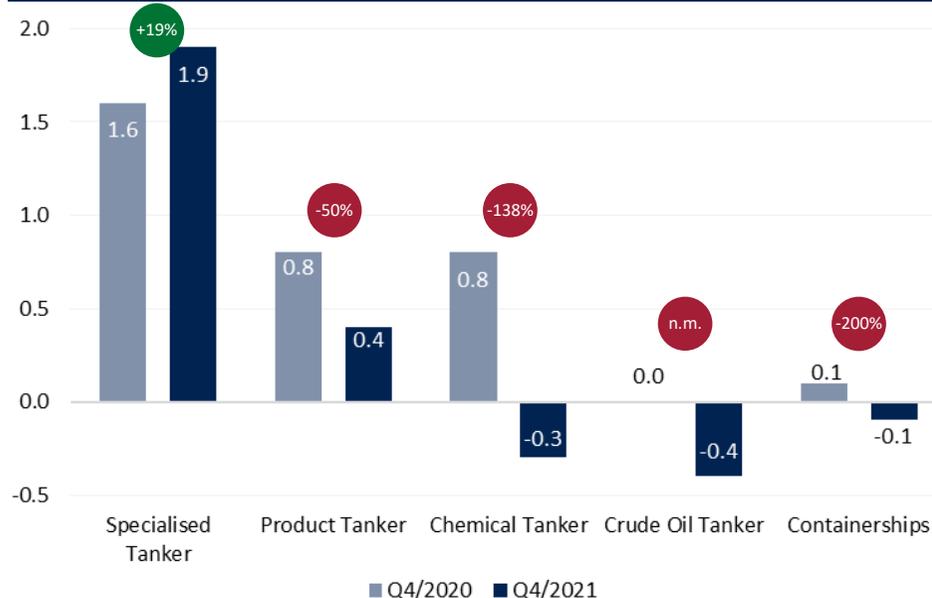
Note(s): ⁽¹⁾ Unaudited

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

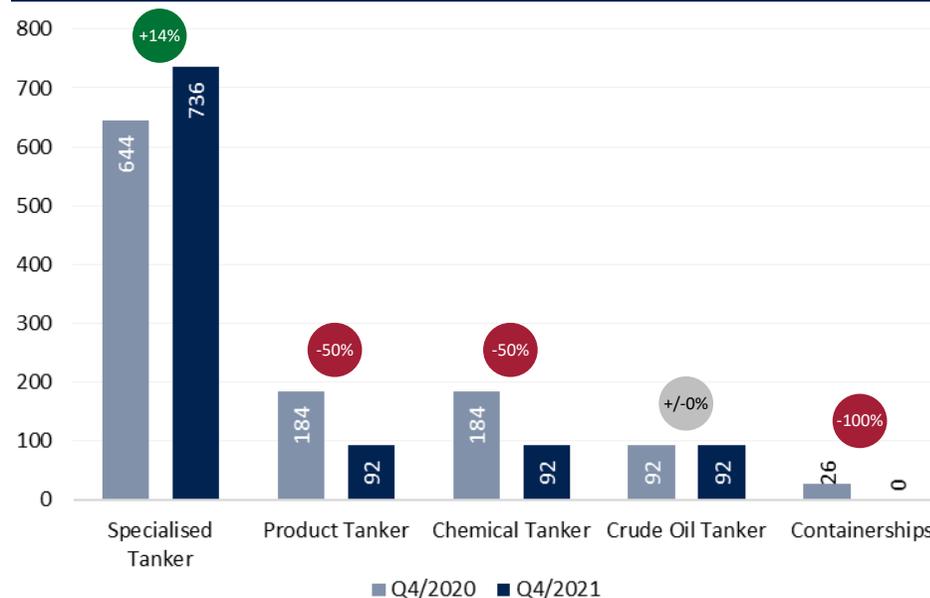
⁽³⁾ Excluding optional extension periods and early termination options

OPERATING PERFORMANCE REVIEW: WEAK MARKETS IMPACTED THE OPERATING PERFORMANCE

ADJUSTED EBITDA BY VESSEL TYPE (IN US\$m)⁽¹⁾⁽²⁾



OWNERSHIP DAYS BY VESSEL TYPE

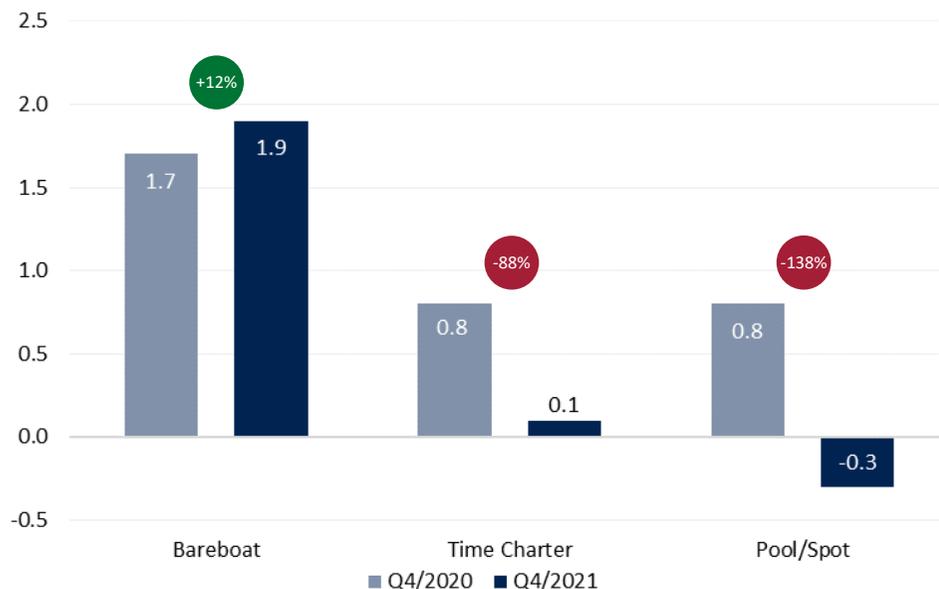


- > Increase adjusted EBITDA⁽¹⁾ for specialised tanker driven by increased charter rates and new vessel acquisition
- > Decline in adjusted EBITDA⁽¹⁾ for product tanker and crude oil tanker impacted by weak freight rates as well as the disposal of one product tanker in the 1st quarter 2021
- > Decline in adjusted EBITDA⁽¹⁾ for chemical tanker driven by maturity of charters in summer 2021 and subsequent sale of one chemical tanker in the 3rd quarter 2021
- > Full exit from containerships in 2021

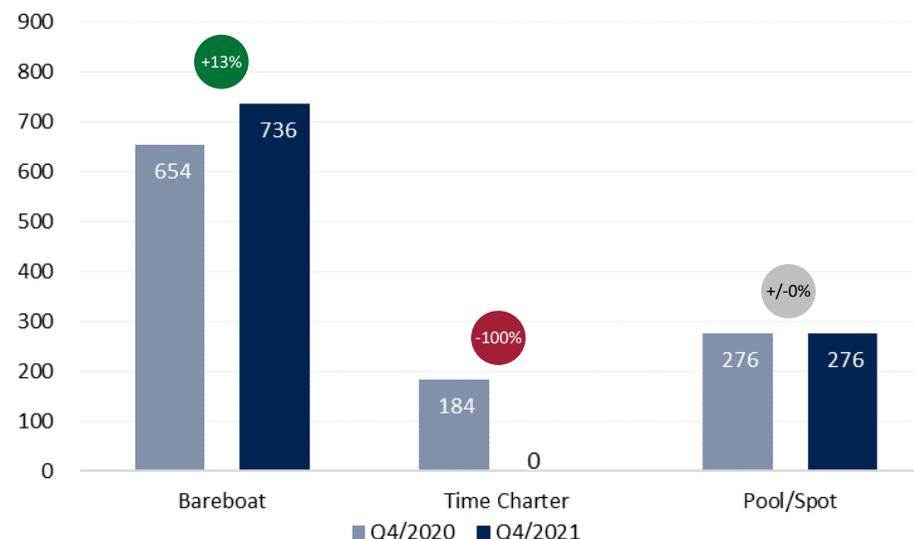
Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments
⁽²⁾ Unaudited

OPERATING PERFORMANCE REVIEW: WEAK MARKETS IMPACTED THE OPERATING PERFORMANCE

ADJUSTED EBITDA BY EMPLOYMENT TYPE (IN US\$m)⁽¹⁾⁽²⁾



OWNERSHIP DAYS BY EMPLOYMENT TYPE



- > Increase in adjusted EBITDA⁽¹⁾ of bareboat chartered vessels driven by increased charter rates for specialised tanker and new vessel acquisition
- > Decline of adjusted EBITDA⁽¹⁾ of time chartered vessels as a result of the maturity of charters in summer 2021 and the subsequent disposal of one chemical tanker in the 3rd quarter 2021
- > Pool and spot employed vessels were adversely impacted by the overall weak tanker market environment

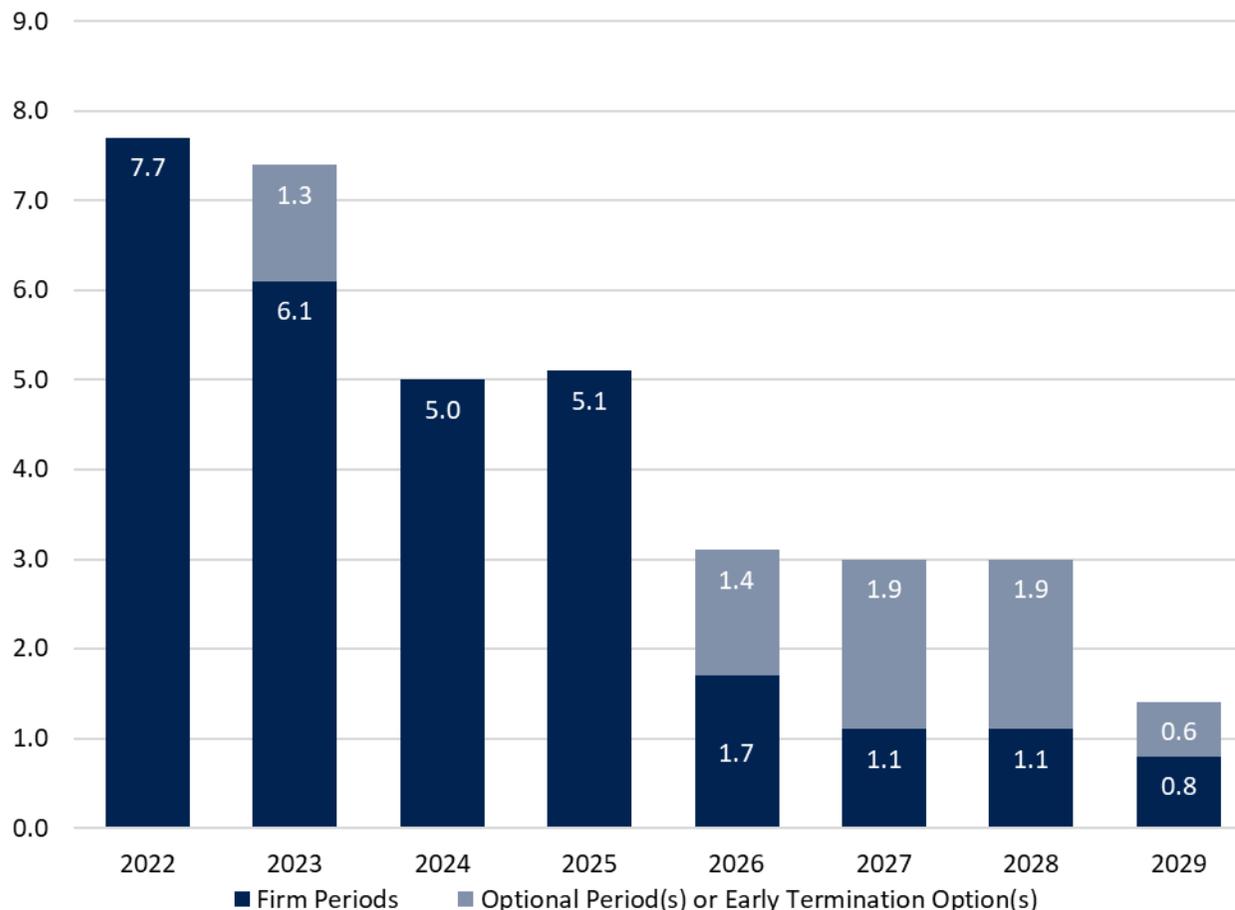
Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairments

⁽²⁾ Unaudited

FLEET EMPLOYMENT: ROBUST CONTRACTED REVENUE FROM FIRM EMPLOYMENTS



US\$ 28.6m OF CONTRACTED REVENUE PLUS US\$ 7.1m OPTIONAL REVENUE⁽¹⁾



EMPLOYMENT UPDATE

- > New 1-year bareboat charter with early termination options and extension option for *Clyde Fisher*
- > Chemical tanker *FSL London* currently idle due to customs investigations over a cargo carried
- > No scheduled charter maturities until year-end 2022

Note(s): ⁽¹⁾ As at 31 December 2021

FLEET EMPLOYMENT: MAJORITY OF THE VESSELS EMPLOYED ON PERIOD CHARTERS

FLEET EMPLOYMENT PROFILE⁽¹⁾

Vessel	Built	Size	Employment	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	■	■						
Pelican Fisher	2008	9,596	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 London	2006	19,996	Spot								
<u>Crude Oil Tanker</u>											
FSL Hong Kong	2007	115,000	RSA								

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

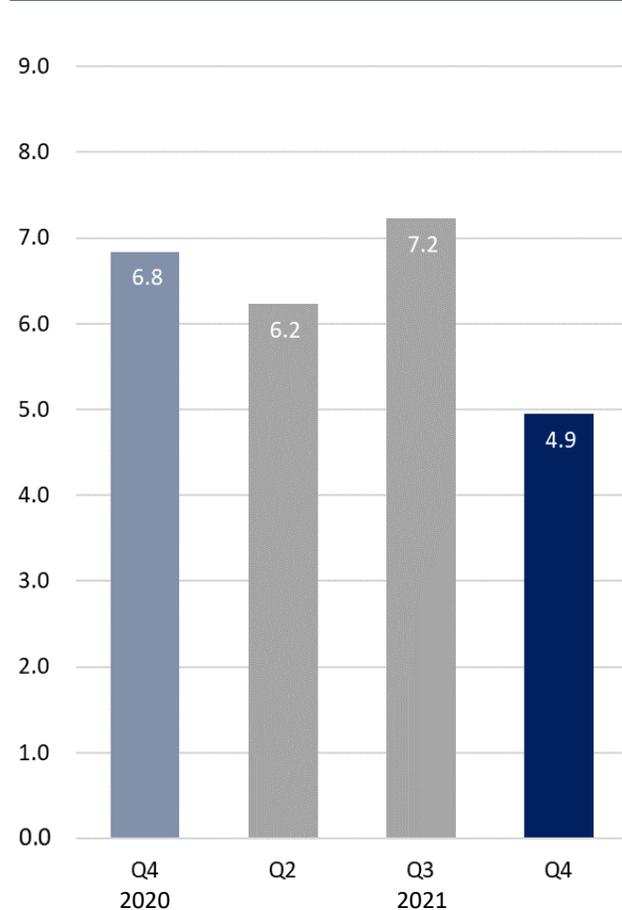
- > Charter maturities for period employed vessels spread over the next years with certain optionality
- > 3 vessels operate in the spot market or in revenue sharing agreements providing upside participation

Note(s): ⁽¹⁾ As at 31 December 2021

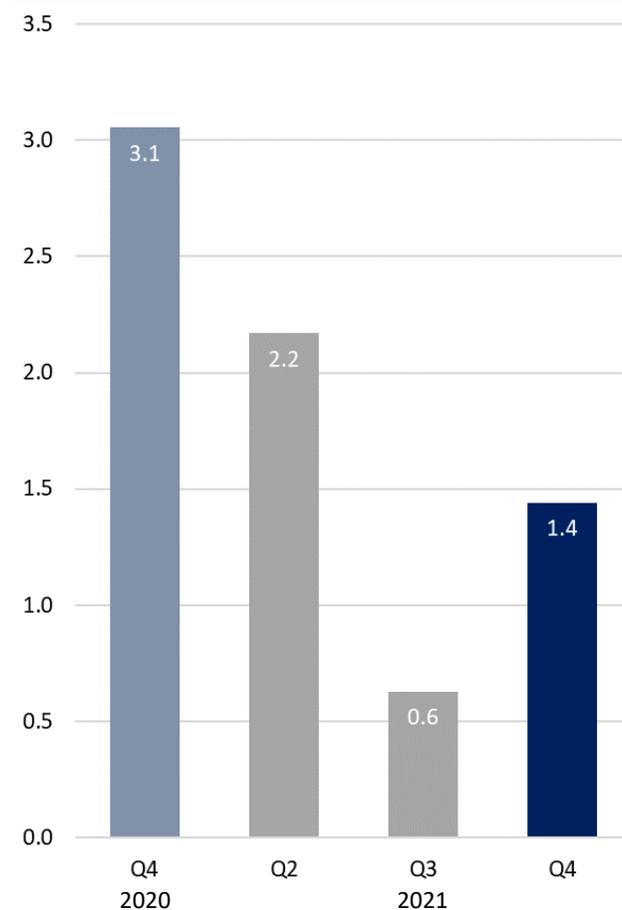
FINANCIAL PERFORMANCE REVIEW: EARNINGS REMAIN UNDER PRESSURE AMID WEAK MARKETS



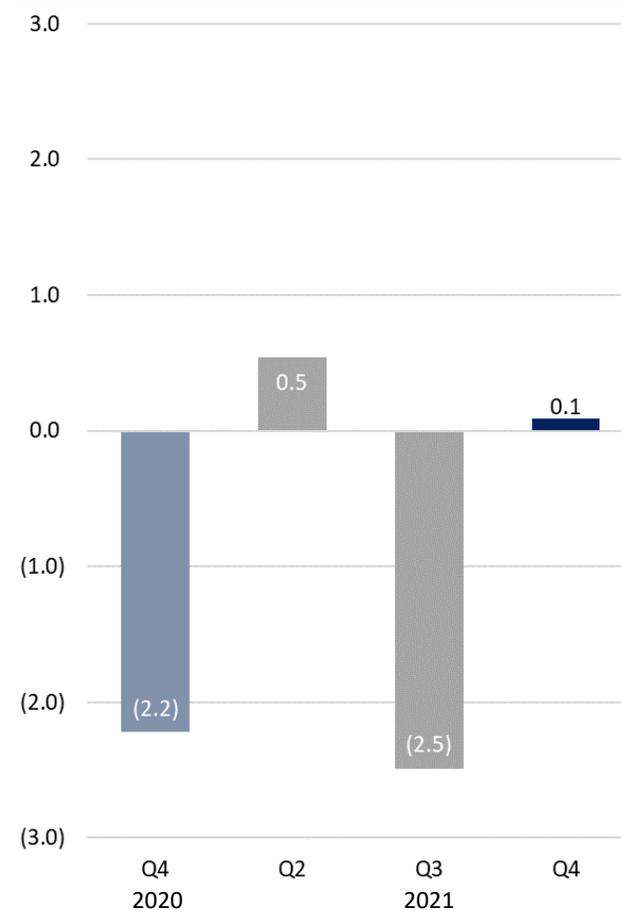
REVENUE (IN US\$m)⁽¹⁾



ADJUSTED EBITDA (IN US\$m)⁽¹⁾⁽²⁾



NET INCOME (IN US\$m)⁽¹⁾



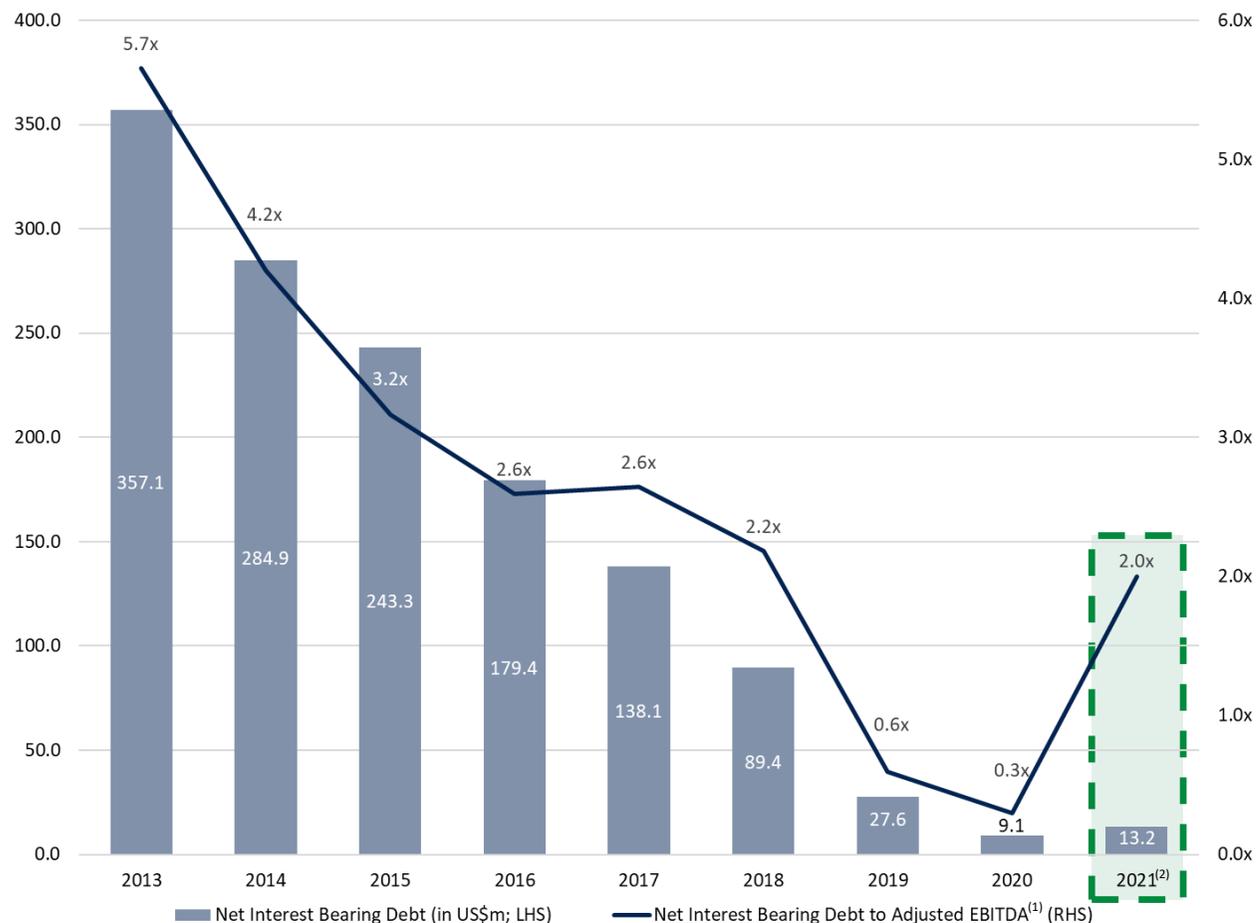
Note(s): ⁽¹⁾ Unaudited

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FINANCIAL PERFORMANCE REVIEW: STRONG BALANCE SHEET PROVIDES RESILIENCE



DEBT REDUCTION (IN US\$m)



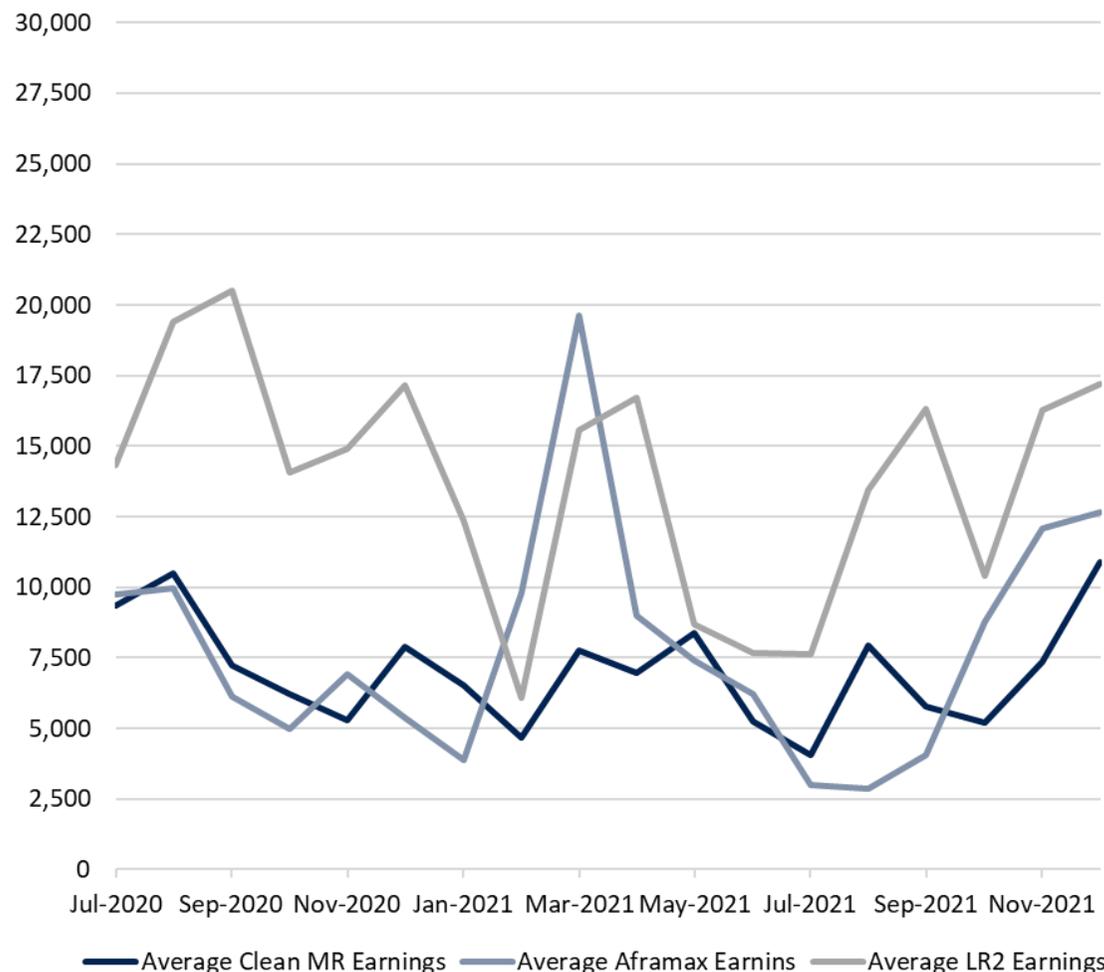
BALANCE SHEET HIGHLIGHTS⁽²⁾

- > US\$ 13.2m of net interest-bearing debt outstanding with US\$ 3.6m of scheduled annual amortisation⁽³⁾
- > Healthy leverage of 2.0x net interest-bearing debt, which is well below the contracted revenue
- > Low gearing of 25%⁽⁴⁾
- > Strong equity ratio of 79%⁽⁵⁾

Note(s): ⁽¹⁾ Excluding gains/losses from the disposal of vessels and vessel impairment
⁽²⁾ Unaudited
⁽³⁾ Excluding the US\$ 3.95m loan raised in October 2021
⁽⁴⁾ Interest bearing debt to total equity
⁽⁵⁾ Total equity to total assets

TANKER MARKET SNAPSHOT: DESPITE A SLIGHT IMPROVEMENT, THE WINTER DISAPPOINTED

TANKER EARNINGS (IN USD/DAY)⁽¹⁾



COMMENTARY

- > Despite a slight improvement of freight rates in the relevant segments, tanker demand has continuously been under pressure amid low oil production, remaining below pre-pandemic levels
- > OPEC+ has continued to slightly increase production whilst the winter-season disappointed and did not meet the expectations in terms of ton-mile demand; resurgence of the pandemic with the Omicron-variant creates new uncertainties for oil and oil products demand
- > Limited contracting of new tonnage and a historically low orderbook indicate low supply growth coupled with the ageing fleet and tightening environmental regulation, potentially provide meaningful tanker market upside in the medium term

Sources(s): ⁽¹⁾ 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)⁽¹⁾

	Three months period ended			Twelve months period ended		
	31 Dec 2021	31 Dec 2020	Change in %	31 Dec 2021	31 Dec 2020	Change in %
Revenue	4.95	6.84	(27.7)%	24.98	48.33	(48.3)%
Voyage expenses	(0.50)	-	100.0%	(4.61)	(0.28)	1,570.3%
Vessel operating expenses	(2.29)	(3.29)	(30.5)%	(11.15)	(15.54)	(28.2)%
Management fees	(0.11)	(0.15)	(27.2)%	(0.46)	(1.36)	(66.7)%
Trustee fees	(0.01)	(0.01)	(44.4)%	(0.03)	(0.04)	(44.4)%
Other Trust expenses	(0.60)	(0.33)	81.9%	(1.97)	(1.99)	(1.2)%
Adjusted EBITDA⁽²⁾	1.44	3.06	(52.8)%	6.76	29.12	(76.8)%
Depreciation	(1.17)	(1.93)	(39.6)%	(5.79)	(14.77)	(60.8)%
Impairment charges	(0.15)	(3.12)	(95.2)%	(2.72)	(10.50)	(74.1)%
Gain on disposal of vessel(s)	0.18	0.16	8.4%	1.09	4.97	(78.2)%
Operating result (EBIT)	0.30	(1.83)	n.m.	(0.66)	8.82	n.m.
Finance income	0.01	0.02	(72.2)%	0.03	0.28	(88.9)%
Finance expenses	(0.22)	(0.41)	(46.5)%	(0.89)	(2.85)	(68.6)%
EBT	0.09	(2.22)	n.m.	(1.52)	6.25	n.m.
Income tax	(0.00)	(0.00)	unch	(0.00)	(0.00)	Unch
Net income	0.09	(2.22)	n.m.	(1.52)	6.25	n.m.
per unit (basic) (in US cents) ⁽³⁾	0.00	(0.13)	n.m.	(0.09)	0.35	n.m.
per unit (diluted) (in US cents) ⁽³⁾	0.00	(0.13)	n.m.	(0.09)	0.35	n.m.

Note(s):

⁽¹⁾ Unaudited

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

APPENDIX: BALANCE SHEET



BALANCE SHEET (IN US\$m)⁽¹⁾

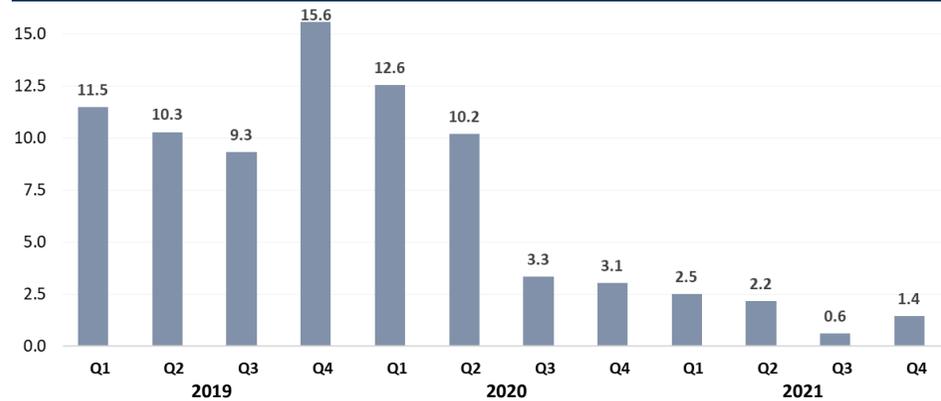
	31 Dec 2021	31 Dec 2020		31 Dec 2021	31 Dec 2020
Assets			Equity and liabilities		
Vessels ⁽²⁾	66.17	136.11	Units in issue	561.33	561.33
Non-current assets	66.17	136.11	Reserves	(495.17)	(431.77)
Trade and other receivable	4.94	5.04	Total unitholder's equity	66.16	129.56
Cash and cash equivalents ⁽³⁾	3.67	20.69	Bank loans	13.51	13.30
Non-current assets held-for-sale	8.89	-	Non-current liabilities	13.51	13.30
Current assets	17.50	25.73	Trade and other payables	0.64	1.67
			Bank loans (current portion)	3.36	16.54
			Lease income received in advance	-	0.76
			Income tax payable	-	0.01
			Current liabilities	4.00	18.98
			Total liabilities	17.51	32.28
Total assets	83.67	161.84	Total equity and liabilities	83.67	161.84

Note(s):
⁽¹⁾ Unaudited

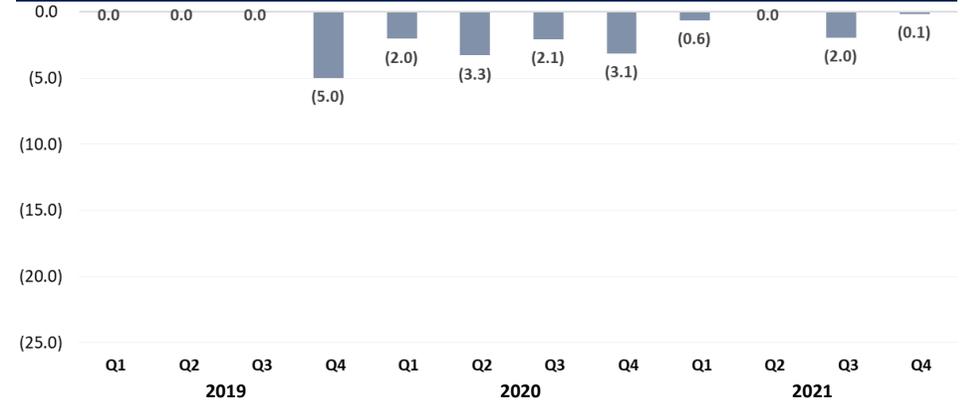
APPENDIX: HISTORICAL FINANCIAL PERFORMANCE



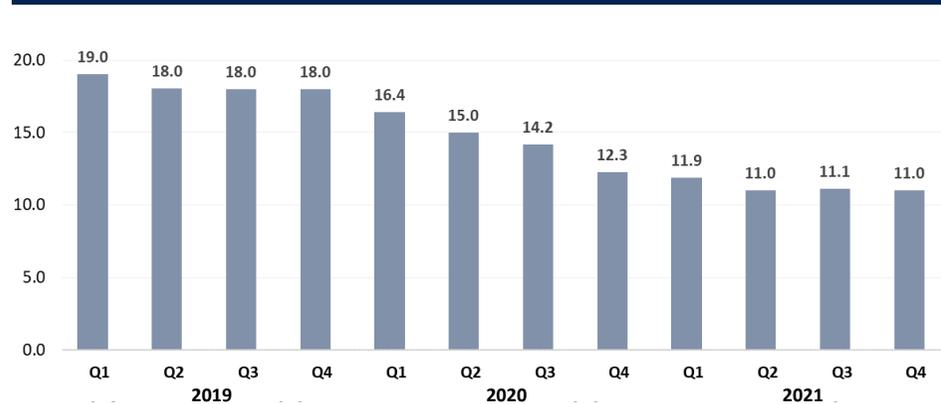
ADJUSTED EBITDA (IN US\$m)⁽¹⁾⁽²⁾



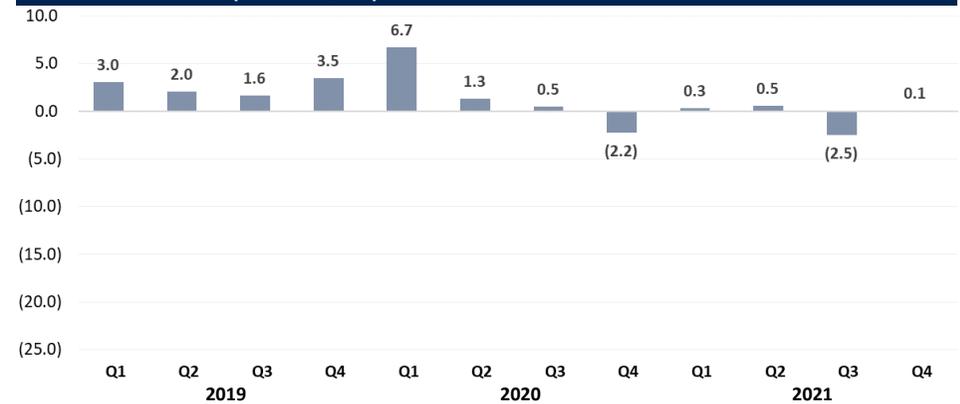
VESSEL IMPAIRMENTS (IN US\$m)⁽¹⁾



AVERAGE NUMBER OF VESSELS



NET INCOME (IN US\$m)⁽¹⁾



Note(s):

⁽¹⁾ Unaudited

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