

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

**RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED
ON ANNUAL REPORT 2017**

The Board of Directors of FSL Trust Management Pte. Ltd., as Trustee-Manager of First Ship Lease Trust (the “**Company**”) refers to the queries from the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on the Annual Report of First Ship Lease Trust (the “**Trust**”) for the financial year ended 31 December 2017 and wishes to respond to the queries as follows:

Query: For the purpose of determining if Rule 1303(3)(c) should apply, please provide the following information:

(i) the Board’s opinion if the Trust will be able to operate as going concern and basis for the Board’s view;

Response: The Board is of the opinion that the Trust can continue to operate as a going concern. The basis of the Board’s views arise from reviewing the Trust’s cash flows, and concluding that there will be sufficient cash resources to meet the Trust’s working capital requirements and obligations as and when they fall due. Please refer to the audit opinion of the Trust’s external auditors in our Annual Report for the year ended 31 December 2017 which has been sent to all Unitholders, and which can also be found on the Trust’s website.

(ii) the Board’s confirmation that all material disclosures have been provided for trading of the Trust’s shares to continue.

Response: The Board confirms that all material disclosures have been provided for the trading of the Trust’s shares to continue. We will continue to issue announcements as and when we have material developments to advise to Unitholders in respect of the efforts underway to refinance current loan facilities, developments in respect of the Court protection proceedings still in progress, and efforts to work with our current lenders for their continued support during this period and until the refinancing is concluded with the intention that all the current lenders are fully repaid.

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

Efstathios Topouzoglou
Non-Independent Non-Executive Chairman

2 May 2018