

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

GRANT OF EXTENSION OF TIME FOR THE HOLDING OF THE ANNUAL GENERAL MEETING

1. INTRODUCTION

The Board of Directors (the “**Board**”) of FSL Trust Management Pte. Ltd. as trustee-manager of First Ship Lease Trust (the “**Trustee-Manager**”), wishes to announce that the Trustee-Manager had made an application to the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 23 March 2018 for an extension of 2 weeks to hold its annual general meeting (“**AGM**”) for the financial year ended 31 December 2017 (the “**Waiver**”).

2. GRANT OF WAIVER

The SGX-ST had on 28 March 2018 informed the Trust that it has no objection to the Trust’s application for an extension of time to hold its AGM by 14 May 2018 subject to the following:

- (a) the Trust announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Rule 107 of the Listing Manual of the SGX-ST and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met; and
- (b) the Trust convening the AGM by 14 May 2018.

As of the date of this announcement, condition (a) has been met.

3. DEBT RESTRUCTURING

The Trustee-Manager announced on 18 December 2017 that it had applied to the High Court of Singapore (“**Court**”) to propose a scheme of arrangement under Section 210 of the Companies Act, Chapter 50 of Singapore (the “**Companies Act**”) with regards to the Trust’s obligations under its US\$479,557,744 term syndicated loan facility dated 1 December 2011 (the “**Syndicated Loan Facility**”) (the “**Scheme**”). The Trustee-Manager further announced on 1 March 2018 that the Court had granted an extension of time to 27 April 2018 for FSL Trust Management Pte. Ltd. to convene a meeting of the lenders under the Syndicated Loan Facility (the “**Scheme Creditors**”) for the purpose of considering and, if thought fit, approving the Scheme.

On 1 March 2018, the Trustee-Manager also announced that Prime Shareholdings Inc. (“**PSI**”), an affiliate of Prime Tanker Management Inc. (“**Prime**”), had on 28 February 2018 entered into a sale and purchase agreement with Godan GMBH for the acquisition of all the shares in FSL Holdings Pte Ltd (“**FSLH**”), which has a 100% indirect interest in the Trustee-Manager. Following the completion of the acquisition on 28 February 2018, PSI became the new controlling unitholder of the Trust as it is deemed interested in 157,877,631 units, representing 24.77% of the issued units in the Trust as of the date of this announcement, held by FSLH and the Trustee-Manager in the Trust.

In connection with the Acquisition, Mr. Stathis Topouzoglou, the founder and chief executive officer of Prime, was appointed as a non-executive director of the board of the Trustee-Manager, with effect from 28 February 2018, and Mr. Michail Chalkias, the co-chief executive officer of Prime, was appointed as a non-executive director of the board of the Trustee-Manager with effect from 9 March 2018.

4. REASONS FOR SEEKING THE WAIVER

The Trust had sought an extension of time for the convening of the AGM for the reasons set out below.

- (i) Since the completion of the Acquisition, PSI and Prime have been actively engaging with the Scheme Creditors to procure consensus and approval in relation to the Scheme and to present proposals for a restructuring of the Syndicated Loan Facility. PSI and Prime have also been negotiating with potential investors and other stakeholders to explore various options in relation to the restructuring of the Syndicated Loan Facility.
- (ii) The Trustee-Manager anticipates that it will need to apply to the Court for a further extension of time to convene the meeting of the Scheme Creditors and it is likely that such meeting or any other agreement for the refinancing of the Syndicated Loan Facility will only take place after 30 April 2018. It is therefore of the view that a short extension of time to hold the AGM would allow the Trust additional time to negotiate with Scheme Creditors, potential investors and other stakeholders for the restructuring of the Syndicated Loan Facility and enable the Trust to provide a meaningful update to unitholders of the Trust and better inform them on the progress and status of the restructuring of the Syndicated Loan Facility at the AGM. The AGM, held at a later date, could then serve as a forum for unitholders of the Trust to raise queries and seek clarification on the status of the restructuring of the Syndicated Loan Facility.
- (iii) An extension of time to hold the AGM would allow Mr. Stathis Topouzoglou and Mr. Michail Chalkias, the new directors of the Trustee-Manager, additional time to familiarize themselves with the state of affairs of the Trust.
- (iv) The short extension of time to hold the AGM will not prejudice unitholders as the financial results of the Trust for the financial period ending 31 March 2018 will be released by 15 May 2018, in compliance with Rule 705(2) of the Listing Manual of the SGX-ST.

5. APPLICATION TO MAS

The Company had also made an application to the Monetary Authority of Singapore (“**MAS**”) on 23 March 2018 for an extension of time to hold its AGM by 14 May 2018 and will keep unitholders updated on the outcome of the application.

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

Mr. Efstathios Topouzoglou
Non-Independent Non-Executive Chairman
29 March 2018