UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934

For the month of November 2020

Commission File Number: 001-34153

Global Ship Lease, Inc.
(Translation of registrant's name into English)

c/o Global Ship Lease Services Limited,
25 Wilton Road
London SW1V 1LW
United Kingdom
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F [X] Form 40-F [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): [ ].

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): [ ].

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

INFORMATION CONTAINED IN THIS FORM 6-K REPORT

Attached to this Report on Form 6-K (this "Report") as Exhibit 99.1 is a copy of the press release of Global Ship Lease, Inc. (the "Company"), dated November 9, 2020, reporting the Company's financial results for the three and nine months ended September 30, 2020. Attached to this Report as Exhibit 99.2 are the Company's interim unaudited consolidated financial statements for the nine months ended September 30, 2020.

The information contained in this Report, except for the commentary of George Youroukos and Ian Webber contained in Exhibit 99.1, is hereby incorporated by reference into the Company's registration statements on Form F-3 (File Nos. 333-231509, 333-234343 and 333-235305).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GLOBAL SHIP LEASE, INC.
(registrant)

Dated: November 10, 2020

By: /s/ Ian J. Webber
Ian J. Webber
Chief Executive Officer

Global Ship Lease Reports Results for the Third Quarter of 2020

LONDON, Nov. 09, 2020 (GLOBE NEWSWIRE) - Global Ship Lease, Inc. (NYSE:GSL) (the "Company," "Global Ship Lease" or "GSL"), a containership charter owner, announced today its unaudited results for the three and nine month periods ended September 30, 2020.

Third Quarter and Year To Date Highlights

- Reported operating revenue of $70.5 million for the third quarter 2020. Operating revenue for the nine months ended September 30, 2020 was $212.8 million.

- Reported net income available to common shareholders of $13.6 million for the third quarter 2020. For the nine months ended September 30, 2020, net income available to common shareholders was $26.8 million, after a non-cash impairment charge of $8.5 million, $0.2 million loss on sale of two ships and $2.3 million premium paid on the redemption in February 2020 of $46.0 million of the Company's 9.875% Senior Secured Notes due 2022 ("2022 Notes"), giving normalized net income(3) of $37.8 million.

- Generated $41.6 million of Adjusted EBITDA(3) for the third quarter 2020. Adjusted EBITDA for the nine months ended September 30, 2020 was $123.0 million.

- During the third quarter of 2020, a further $1.9 million net proceeds was raised under our ATM program for our 8.75% Series B Preferred Shares ("Series B Preferred Shares"). During the period from October 1, 2020 through November 8, 2020, a further $2.1 million net proceeds was raised under our ATM program for Series B Preferred Shares, for total net proceeds in 2020 of $8.9 million.

- Agreed fifteen charter extensions and new charters increasing contracted Adjusted EBITDA for 2021 to $144.2 million representing approximately 90%:

- Charters for six 2,200 – 2,500 TEU feeder ships (*Julie, Keta, Kumasi, Marie Delmas, La Tour,* and *Manet*), to Sea Consortium, OOCL, CMA CGM (two ships), MSC, and Sea-Lead, at rates between $7,250 and $9,400 per day, and with median redelivery periods between 4Q2020 and 4Q2021;
- A charter for *GSL Valerie*, a 2,800 TEU feeder ship, to ZIM, on completion of her five-year special survey, at an average rate of $12,825 per day and with median redelivery in 4Q2021;
- A charter for *GSL Chateau d'If,* a 5,100 TEU Panamax ship, to Hapag-Lloyd, at a rate of $14,500 per day, and with median redelivery in 4Q2021;
- A charter extension for *CMA CGM Alcazar,* a 5,100 TEU Panamax ship, to CMA CGM, at a rate of $16,000 per day, and with median redelivery in 4Q2021;
- A charter extension for *Dimitris Y,* a 5,900 TEU Post-Panamax ship, to ZIM, at a rate of $14,500 per day, and with median redelivery in 2Q2022;
- Charters for two 6,800 TEU Post-Panamax ships (*GSL Christen* and *GSL Nicoletta*), to Maersk and MSC, at daily rates of $12,250 (escalating over time) and $13,500, respectively, and with median charter periods to 1Q2021 and 3Q2021;
- A charter for *GSL Ningbo,* an 8,600 TEU Post-Panamax ship, to MSC, at a rate of $22,500 per day, and with a median charter period to 2Q2023;
- A charter for *Maira XL,* an ECO-9,100 TEU ship, to a leading liner operator, at a rate expected to generate approximate Adjusted EBITDA of $14.3 million over the median charter period to 2Q2022; and
- A charter for *Anthea Y,* an ECO-9,100 TEU ship, to a leading line operator, at a rate expected to generate approximate Adjusted EBITDA of $29.5 million over the median charter period to 3Q2023;

- Disposed of two 1999-built, 2,200 TEU feeder ships (*GSL Matisse* and *Utrillo*) in July 2020 for aggregate net proceeds of $6.9 million.

- Improved credit outlook with Moody's, from B3 / Stable to B3 / Positive.

- Issued inaugural Environmental Social and Governance (ESG) Report.

George Youroukos, Executive Chairman of Global Ship Lease, stated, "Throughout the second half of 2020, the container shipping sector has demonstrated remarkable resilience, discipline in pricing and capacity management, and surprisingly robust demand. Containerized freight volumes have rebounded sharply in recent months, with freight rates in various trades at record highs. The resulting demand for containerships has driven global idle capacity below 2%, with effectively no available capacity for our core mid-size Post Panamax segments, and caused charter rates to double from Spring 2020 troughs. In this environment, we have successfully locked in numerous new charters and extensions at attractive rates across our fleet of low slot cost, high reefer capacity, fuel efficient containerships."

"Although COVID-19 remains a source of uncertainty, the combination of the surge in demand we are seeing for containerized cargo, the dramatic tightening of available supply, the negligible orderbook for mid-sized and smaller containerships, and the long lead-time for any new orders all but ensures that net vessel supply growth in our focus fleet segments will remain flat or negative through the medium term. With our extensive contracted revenue and multi-year remaining charter duration, we are well positioned for any market environment in the mid-term. And, given the exceptionally supportive supply-side fundamentals, we believe that Global Ship Lease is in a strong position to achieve additional long-term value creation for our shareholders."

Ian Webber, Chief Executive Officer of Global Ship Lease, commented, "By securing extensive new contract cover at attractive rates, increasing our expected Adjusted EBITDA cover for 2021 to approximately 90%, and continuing to reduce our leverage over time, we have meaningfully enhanced GSL's balance sheet and financial flexibility. As a result of these positive steps, as well as the fundamentally improved financial and operational performance of our diversified, top-tier counterparties in the liner sector, Moody's recently improved the credit outlook for Global Ship Lease to B3 / Positive from B3 / Stable. Furthermore, in response to the growing importance of ESG to GSL, our investors and other key stakeholders, we launched our inaugural ESG report during the third quarter to provide insight into the practices we have adopted and are embedding in our company culture and the way we do business. In all, we have made significant strides in ensuring that Global Ship Lease is poised to act opportunistically as we continue to focus on refinancing our 2022 Notes."

SELECTED FINANCIAL DATA – UNAUDITED

(thousands of U.S. dollars)

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Operating Revenue (1)	70,520	65,947	212,843	193,548
Operating Income	28,834	28,701	78,912	84,224
Net Income (2)	13,590	10,807	26,816	28,798
Adjusted EBITDA (3)	41,610	40,756	122,960	119,225
Normalized Net Income (3)	13,834	10,807	37,828	28,798

(1) Operating Revenue is net of address commissions which represents a discount provided directly to a charterer based on a fixed percentage of the agreed upon charter rate. Brokerage commissions are included in "Time charter and voyage expenses".

(2) Net Income available to common shareholders.

(3) Adjusted EBITDA and Normalized Net Income are non-U.S. Generally Accepted Accounting Principles ("U.S. GAAP") financial measures, as explained further in this press release, and are considered by Global Ship Lease to be a useful measure of its performance. For reconciliations of these non-U.S. GAAP financial measure to net income, the most directly comparable U.S. GAAP financial measure, please see "Reconciliation of Non-U.S. GAAP Financial Measures" below.

Revenue and Utilization

The Company generated revenue from fixed-rate, mainly long-term, time-charters of $70.5 million in the three months ended September 30, 2020, up $4.6 million (or 7.0%) on revenue of $65.9 million for the comparative period in 2019. The increase is principally due to a 10.8% increase in operating days from the addition of six vessels since July 1, 2019, offset by decreases in revenue from *Agios Dimitrios* and *MSC Qingdao* due to offhire from scrubber installation during third quarter 2020. There were 3,977 ownership days in the quarter, an increase of 10.2% on 3,610 in the third quarter 2019. The 125 days of offhire for dry-dockings in the three months ended September 30, 2020 were mainly attributable to three dry-dockings, two for scrubber installation and one for regulatory reasons that completed during the quarter. With 19 days idle time for *Utrillo* (asset held for sale as at June 30, 2020) and disposed of in the third quarter, 35 idle days for *Maira XL, Dolphin II* and *GSL Christen* between charters and 20 days of unplanned offhire days, utilization was 94.8%. In the comparative period of 2019, there were 168 days of offhire for dry-dockings, mainly attributable to four completed dry-dockings primarily to upgrade the ships to increase substantially their reefer capacity and two for regulatory reasons. With 32 days idle time for *Tasman* and *Keta* prior to their delivery to their new charterers and six days of unplanned offhire, utilization was 94.3%.

For the nine months ended September 30, 2020, revenue was $212.8 million, up $19.3 million (or 10.0%) on revenue of $193.5 million in the comparative period, mainly due to the factors noted above, together with increased revenue from *MSC Tianjin, Alexandra, Alexis, Olivia I, Kristina* and *Katherine* as the charters for these ships were renewed at increased rates, counterbalanced by a decrease in revenue from *GSL Matisse* and *Utrillo* (both sold in third quarter 2020) and *La Tour* and *Manet* as their charters were renewed at a lower rate.

The table below shows fleet utilization for the three and nine month periods ended September 30, 2020 and 2019, and for the years ended December 31, 2019, 2018, 2017 and 2016.

	Three months ended		Nine months ended		Year ended			
Days	September 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	Dec 31, 2019	Dec 31, 2018	Dec 31, 2017	Dec 31, 2016
Ownership days	3,977	3,610	12,088	10,522	14,326	7,675	6,570	6,588
Planned offhire - dry-dockings	(125)	(168)	(559)	(342)	(537)	(34)	(62)	(100)
Unplanned offhire	(20)	(6)	(79)	(30)	(105)	(17)	(40)	(3)
Idle time	(62)	(32)	(312)	(50)	(164)	(47)	0	0
Operating days	3,770	3,404	11,138	10,100	13,520	7,577	6,468	6,485
Utilization	94.8%	94.3%	92.1%	96.0%	94.4%	98.7%	98.4%	98.4%

One dry-docking was in progress as of September 30, 2020, for regulatory reasons. In the fourth quarter of 2020, we anticipate four further dry-dockings, one for the installation of a scrubber and three for regulatory purposes.

Vessel Operating Expenses

Vessel operating expenses, which primarily include costs of crew, lubricating oil, repairs, maintenance, insurance and technical management fees, were up 18.1% at $25.4 million for the three months ended September 30, 2020, compared to $21.5 million in the prior year period. The increase was due to 367 (or 10.2%) additional ownership days as a result of the acquisition of six vessels since July 1, 2019, all of which are Post-Panamax with higher daily operating expenses offset by the sale in July 2020 of two 2,200 TEU feeder ships with lower daily operating expenses. Further, there was an increased number of crew changes during the third quarter of 2020, following an easing of the Covid-19 related restrictions which affected our ability to effect crew changes and which applied from March to early June of 2020. The average cost per ownership day in the quarter was $6,397, compared to $5,967 for the prior year period, up $430 per day, or 7.2%.

For the nine months ended September 30, 2020, vessel operating expenses were $75.1 million, or an average of $6,215 per day, compared to $63.3 million, or $6,016 per day, in the comparative period, an increase of $199 per ownership day, or 3.3%. The absolute increase and increase in vessel operating expenses per day are mainly due to the reasons noted above.

Time Charter and Voyage Expenses

Time charter and voyage expenses comprise mainly commission paid to ship brokers, the cost of bunker fuel for owner's account when a ship is off-hire or idle and miscellaneous owner's costs associated with a ship's voyage. Time charter and voyage expenses were $2.5 million for the three months ended September 30, 2020, compared to $2.4 million in the prior year period. The increase was mainly due to the addition of the six vessels since July 1, 2019, all of which incur such commission. In addition, a number of our legacy ships have completed their initial charters with CMA CGM or OOCL, which charters did not attract such commission and were employed on new charters obtained with the assistance of a broker, thereby incurring commission.

For the nine months ended September 30, 2020, time charter and voyage expenses were $8.7 million, compared to $6.1 million in the comparative period with the increase being due to the addition of five vessels since October 1, 2019. Further, there was an increase in bunker costs for *GSL Matisse* and *Utrillo* (assets held for sale as at June 30, 2020), and for *Julie* and *GSL Christen* during idle time.

Depreciation and Amortization

Depreciation and amortization for the three-month period ended September 30, 2020 was $11.8 million, compared to $11.2 million in the third quarter of 2019. The increase was mainly due to the addition of six vessels since July 1, 2019.

Depreciation for the nine months ended September 30, 2020 was $35.0 million, compared to $32.9 million in the comparative period, with the increase being due to the addition of five vessels since October 1, 2019.

Loss on sale of vessels - vessel impairment losses

Two 1999-built, 2,200 TEU feeder ships, *GSL Matisse* and *Utrillo,* were sold on July 3, 2020 and July 20, 2020, respectively resulting in a loss of $0.2 million. As of March 31, 2020, we had an expectation that the vessels would be sold before the end of their previously estimated useful life, and as a result performed an impairment test of these two asset groups and an impairment charge of $7.6 million was recognized. An additional impairment charge of $0.9 million was recognized on these two vessels in the three months ended June 30, 2020 for a total of $8.5 million in the nine months ended September 30,2020. No impairment charges were recognized in the prior year periods.

General and Administrative Expenses

General and administrative expenses were $1.6 million in the three months ended September 30, 2020, compared to $2.1 million in the comparative period. The average general and administrative expense per ownership day for the three-month period ended September 30, 2020 was $407, compared to $586 in the comparative period, a decrease of $179 or 30.5%.

For the nine months ended September 30, 2020, general and administrative expenses were $6.4 million, compared to $7.1 million in the comparative period. The average general and administrative expense per ownership day for the nine-month period ended September 30, 2020 was $528, compared to $673 in the comparative period, a decrease of $145 or 21.5%.

Adjusted EBITDA

As a result of the above, Adjusted EBITDA was $41.6 million for the three months ended September 30, 2020, up from $40.8 million for the three months ended September 30, 2019, with the increase being mainly due to the addition of six vessels since July 1, 2019.

Adjusted EBITDA for the nine months ended September 30, 2020 was $123.0 million, compared to $119.2 million for the comparative period, with the increase being due to the addition of five vessels since October 1, 2019.

Interest Expense and Interest Income

Debt at September 30, 2020 totaled $830.3 million, comprising $265.1 million of indebtedness on our 2022 Notes and $4.7 million of indebtedness under a secured term loan, both cross collateralized by 16 vessels in the legacy GSL fleet, $59.0 million of unsecured indebtedness on our Senior Unsecured Notes due 2024 (the "2024 Notes"), and $501.5 million other secured debt collateralized by our other vessels. As of September 30, 2020, five of our vessels were unencumbered.

Debt as at September 30, 2019 totaled $882.0 million, comprising $340.0 million of indebtedness under our 2022 Notes, $24.8 million of indebtedness under a secured term loan, both cross collateralized by 18 ships in the legacy GSL fleet and $517.2 million of bank debt collateralized by the rest of the fleet. Three vessels were unencumbered.

Interest and other finance expenses for the three months ended September 30, 2020 were $15.0 million, a decrease of $3.4 million, or 18.5%, on the interest and other finance expenses for the prior year period of $18.4 million. The decrease is mainly due to principal repayments during third quarter of 2020 and decrease in LIBOR.

For the nine months ended September 30, 2020, interest expense was $50.5 million, compared to $56.5 million for the nine months ended September 30, 2019, with the decrease mainly for the reasons noted above offset by the $2.3 million premium paid on the optional redemption of $46.0 million of our 2022 Notes in the first quarter of 2020.

Interest income for the three months ended September 30, 2020 was $0.1 million, compared to $0.4 million for the comparative period in 2019 with the decrease being due to decrease in lower deposit interest rates.

Interest income for the nine months ended September 30, 2020 was $0.9 million, compared to $1.2 million for the comparative period in 2019.

Other Income, Net

Other income, net was $0.7 million in the three months ended September 30, 2020, compared to other income, net of $0.9 million in the prior year period.

Other income, net was $0.4 million in the nine months ended September 30, 2020, compared to other income, net of $2.1 million in the prior year period.

Taxation

Taxation for the three months ended September 30, 2020 was a credit of $47,000, compared to $nil in the third quarter of 2019.

Taxation for the nine months ended September 30, 2020 was a credit of $50,000, compared to $40,000 charge in the comparative period in 2019.

Earnings Allocated to Preferred Shares

Our Series B Cumulative Redeemable Perpetual Preferred Shares (the "Series B Preferred Shares") carry a coupon of 8.75%, the cost of which for the three months ended September 30, 2020 was $1.0 million, compared to $0.8 million for the comparative period; the increase is due to additional Series B Preferred Shares issued under our Depositary Shares ATM program since December 2019. Each Depositary Share represents 1/100th of one Series B Preferred Share. The cost was $2.7 million in the nine months ended September 30, 2020, compared to $2.3 million for the comparative period.

Net Income Available to Common Shareholders

Net income available to common shareholders for the three months ended September 30, 2020 was $13.6 million, compared to $10.8 million in the third quarter of 2019.

Net income available to common shareholders was $26.8 million for the nine months ended September 30, 2020, after a non-cash impairment charge of $8.5 million, $0.2 million loss on sale of two ships and $2.3 million premium paid on the redemption of $46.0 million of our 2022 Notes in February 2020, compared to $28.8 million in the comparative period.

Normalized net income for the three months ended September 30, 2020, was $13.8 million, before the loss on sale of two ships. For the nine months ended September 30, 2020, normalized net income was $37.8 million, before the non-cash impairment charge of $8.5 million, $2.3 million premium paid on the redemption of 2022 Notes and $0.2 million of loss on sale of the two ships. Normalized net income in the comparative periods was the same as reported.

Fleet

The following table provides information about the on-the-water fleet of 43 ships. The table includes charters agreed up to November 8, 2020.

Vessel Name	Capacity in TEUs	Lightweight (tons)	Year Built	Charterer	Earliest Charter Expiry Date	Latest Charter Expiry Date	Daily Charter Rate $
CMA CGM Thalassa	11,040	38,577	2008	CMA CGM	4Q25	1Q26	47,200
UASC Al Khor(1)	9,115	31,764	2015	Hapag-Lloyd	1Q22	2Q22	34,000
Anthea Y(1)	9,115	31,890	2015	Confidential (2)	3Q23(2)	4Q23(2)	Confidential(2)
Maira XL(1)	9,115	31,820	2015	Confidential (3)	2Q22	3Q22	Confidential(3)
MSC Tianjin	8,603	34,325	2005	MSC	2Q24	3Q24	Confidential(4)
MSC Qingdao	8,603	34,305	2004	MSC	2Q24	3Q24	Confidential(4)
GSL Ningbo	8,603	34,340	2004	Maersk (5)	1Q23(5)	3Q23(5)	18,000(5)
GSL Eleni	7,847	29,261	2004	Maersk	3Q24	4Q24(6)	16,500(6)
GSL Kalliopi	7,847	29,105	2004	Maersk	4Q22	4Q24(6)	14,500(6)
GSL Grania	7,847	29,190	2004	Maersk	4Q22	4Q24(6)	14,500(6)
Mary(1)	6,927	23,424	2013	CMA CGM	3Q23	4Q23	25,910
Kristina(1)	6,927	23,421	2013	CMA CGM	2Q24	3Q24	25,910
Katherine (1)	6,927	23,403	2013	CMA CGM	1Q24	2Q24	25,910
Alexandra (1)	6,927	23,348	2013	CMA CGM	1Q24	2Q24	25,910
Alexis (1)	6,882	23,919	2015	CMA CGM	1Q24	2Q24	25,910
Olivia I (1)	6,882	23,864	2015	CMA CGM	1Q24	2Q24	25,910
GSL Christen	6,840	27,954	2002	Maersk (7)	4Q20	2Q21	12,250(7)
GSL Nicoletta	6,840	28,070	2002	MSC	2Q21	3Q21	13,500
CMA CGM Berlioz	6,621	26,776	2001	CMA CGM	2Q21	4Q21	34,000
Agios Dimitrios	6,572	24,746	2011	MSC	4Q23	1Q24	20,000
GSL Vinia	6,080	23,737	2004	Maersk (8)	3Q24	1Q25	13,250(8)
GSL Christel Elisabeth	6,080	23,745	2004	Maersk (8)	2Q24	1Q25	13,250(8)
Tasman	5,936	25,010	2000	Maersk	1Q22	3Q23(9)	12,500(9)
Dimitris Y	5,936	25,010	2000	ZIM	2Q22	2Q22	14,500
Ian H	5,936	25,128	2000	ZIM	1Q21	2Q21	14,500
Dolphin II	5,095	20,596	2007	Sea-Lead	4Q20	4Q20	7,000
Orca I	5,095	20,633	2006	Maersk	4Q20(10)	2Q21(10)	10,000(10)
CMA CGM Alcazar	5,089	20,087	2007	CMA CGM	4Q21(11)	4Q21(11)	33,750(11)
GSL Château d'If	5,089	19,994	2007	CMA CGM (11)	4Q21(11)	4Q21(11)	33,750(11)
CMA CGM Jamaica	4,298	17,272	2006	CMA CGM	3Q22	1Q23	25,350
CMA CGM Sambhar	4,045	17,429	2006	CMA CGM	3Q22	1Q23	25,350
CMA CGM America	4,045	17,428	2006	CMA CGM	3Q22	1Q23	25,350
GSL Valerie	2,824	11,971	2005	ZIM	3Q21	1Q22	12,825(12)
Athena	2,762	13,538	2003	MSC	1Q21	1Q21	9,000
Maira	2,506	11,453	2000	MSC	4Q20	4Q20	8,000
Nikolas	2,506	11,370	2000	MSC	4Q20	4Q20	8,000
Newyorker	2,506	11,463	2001	MSC	1Q21	1Q21	8,000
La Tour	2,272	11,742	2001	MSC	2Q21	2Q21	7,250
Manet	2,272	11,727	2001	Sea-Lead	4Q20	4Q20	7,750
Keta	2,207	11,731	2003	OOCL	3Q21(13)	3Q21(13)	8,000(13)

Julie	2,207	11,731	2002	Sea Consortium	2Q21	2Q21	9,250
Kumasi	2,207	11,791	2002	CMA CGM	3Q21[14]	4Q21[14]	9,800[14]
Marie Delmas	2,207	11,731	2002	CMA CGM	3Q21[14]	4Q21[14]	9,800[14]

(1) Modern design, high reefer capacity, fuel-efficient vessel
(2) Charter with COSCO to early December 2020. Thereafter a charter with a leading liner operator to 3Q23, assuming median redelivery, at a rate expected to generate approximately $29.5 million of Adjusted EBITDA over the median charter term of 33.5 months;
(3) Charter with a leading liner operator to 2Q22, assuming median redelivery, at a rate expected to generate approximately $13.5 million of Adjusted EBITDA from September 30, 2020;
(4) Five-year charters, which commenced 2Q19, at rates expected to generate aggregate Adjusted EBITDA of approximately $38 million from September 30, 2020 until median expiry of the charters in 2Q24;
(5) GSL Ningbo to be re-delivered by mid-November, with new charter to MSC to commence thereafter at a rate of $22,500 per day and with median redelivery 2Q23;
(6) GSL Eleni delivered 2Q2019 and is chartered for five years; GSL Kalliopi (delivered 4Q19) and GSL Grania (delivered 3Q19) are chartered for three years plus two successive periods of one year at the option of the charterer. During the option periods the charter rates for GSL Kalliopi and GSL Grania are $18,900 per day and $17,750 per day respectively;
(7) GSL Christen commenced a new charter with Maersk in 3Q20, with escalating charter rates: the rate for the first four months is $12,250 per day, after which it climbs to $14,000 per day until mid-March 2021, and thereafter increases to $15,000 per day;
(8) GSL Vinia and GSL Christel Elisabeth delivered in 4Q19, and are contracted on 52 – 60 months charters;
(9) 12-month extension at charterer's option callable in 2Q22, at an increased rate of $20,000 per day.
(10) 12-24 month charter (which commenced in 2Q19), at charterer's option.
(11) Charter for CMA CGM Alcazar extended from end-October 2020 to 4Q21, assuming median redelivery, at a rate of $16,000 per day. New charter agreed with Hapag-Lloyd from late-October 2020 for GSL Chateau d'If (formerly CMA CGM Chateau d'If) to 4Q21, assuming median delivery, at a rate of $14,500 per day.
(12) New charter agreed with ZIM, on scheduled completion of GSL Valerie's drydocking at end-October 2020, at an average rate of $12,825 per day, assuming median duration of the charter to 4Q21.
(13) Charter extended to 3Q21, with a new rate of $9,400 per day from mid-October 2020;
(14) Charter extended to 3Q21, assuming median charter term, with a new rate of $9,300 per day from mid-October 2020.

Conference Call and Webcast

Global Ship Lease will hold a conference call to discuss the Company's results for the three months ended September 30, 2020 today, Monday November 9, 2020 at 10:30 a.m. Eastern Time. There are two ways to access the conference call:

(1) Dial-in: (877) 445-2556 or (908) 982-4670; Passcode: 8143337

Please dial in at least 10 minutes prior to 10:30 a.m. Eastern Time to ensure a prompt start to the call.

(2) Live Internet webcast and slide presentation: http://www.globalshiplease.com

If you are unable to participate at this time, a replay of the call will be available through Wednesday, November 25, 2020 at (855) 859-2056 or (404) 537-3406. Enter the code 8143337 to access the audio replay. The webcast will also be archived on the Company's website: http://www.globalshiplease.com.

Annual Report on Form 20-F

The Company's Annual Report for 2019 was filed with the Securities and Exchange Commission (the "Commission") on April 2, 2020. A copy of the report can be found under the Investor Relations section (Annual Reports) of the Company's website at http://www.globalshiplease.com or on the Commission's website at www.sec.gov. Shareholders may request a hard copy of the audited financial statements free of charge by contacting the Company at info@globalshiplease.com or by writing to Global Ship Lease, Inc, care of Global Ship Lease Services Limited, 25 Wilton Road, London SW1V ILW.

About Global Ship Lease

Global Ship Lease is a leading independent owner of containerships with a diversified fleet of mid-sized and smaller containerships. Incorporated in the Marshall Islands, Global Ship Lease commenced operations in December 2007 with a business of owning and chartering out containerships under fixed-rate charters to top tier container liner companies. On November 15, 2018, it completed a strategic combination with Poseidon Containers.

Global Ship Lease owns 43 containerships, ranging from 2,207 to 11,040 TEU, with a total capacity of 245,280 TEU and an average age, weighted by TEU capacity, of 13.4 years as at September 30, 2020. 25 ships are Post-Panamax, of which nine are fuel-efficient new-design wide-beam.

Adjusted to include all charters agreed, and ships acquired or divested, up to November 8, 2020, the average remaining term of the Company's charters at September 30, 2020, to the mid-point of redelivery, including options under the Company's control, was 2.3 years on a TEU-weighted basis. Contracted revenue on the same basis was $673.7 million. Contracted revenue was $749.0 million, including options under charterers' control and with latest redelivery date, representing a weighted average remaining term of 2.6 years.

Reconciliation of Non-U.S. GAAP Financial Measures

A. Adjusted EBITDA

Adjusted EBITDA represents net income before interest income and expense, earnings allocated to preferred shares, income taxes, depreciation and amortization of drydocking costs, gains or losses on the sale of vessels and impairment losses. Adjusted EBITDA is a non-U.S. GAAP quantitative measure used to assist in the assessment of the Company's ability to generate cash from its operations. We believe that the presentation of Adjusted EBITDA is useful to investors because it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. Adjusted EBITDA is not defined in U.S. GAAP and should not be considered to be an alternative to net income or any other financial metric required by such accounting principles. Our use of Adjusted EBITDA may vary from the use of similarly titled measures by others in our industry.

Adjusted EBITDA is presented herein on a forward-looking basis in certain instances. The Company has not provided a reconciliation of forward looking Adjusted EBITDA to the most directly comparable U.S. GAAP measure because such U.S. GAAP financial measure on a forward-looking basis is not available to the Company without unreasonable effort.

ADJUSTED EBITDA - UNAUDITED

(thousands of U.S. dollars)

		Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Net income available to Common Shareholders		13,590	10,807	26,816	28,798
Adjust:	Depreciation and amorization	11,844	11,174	34,970	32,884
	Impairment charges	-	-	8,497	-
	Loss on sale of vessels	244	-	244	-
	Interest income	(66)	(414)	(897)	(1,198)
	Interest expense	14,994	18,424	50,533	56,484
	Income tax	47	-	50	(40)
	Earnings allocated to preferred shares	957	765	2,747	2,297
Adjusted EBITDA		41,610	40,756	122,960	119,225

B. Normalized net income

Normalized net income represents net income available to common shareholders adjusted for impairment charges, the premium paid on redemption of our 2022 Notes and gains/losses on sale of vessels. Normalized net income is a non-U.S. GAAP quantitative measure which we believe will assist investors and analysts who often adjust reported net loss for items that do not affect operating performance or operating cash generated. Normalized net income is not defined in U.S. GAAP and should not be considered to be an alternate to net income or any other financial metric required by such accounting principles. Our use of Normalized net income may vary from the use of similarly titled measures by others in our industry.

NORMALIZED NET INCOME

(thousands of U.S. dollars)

		Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Net income available to Common Shareholders		13,590	10,807	26,816	28,798
Adjust:	Impairment charges	-	-	8,497	-
	Loss on sale of vessels	244	-	244	-
	Premium paid on redemption of 2022 Notes	-	-	2,271	-
Normalized net income		13,834	10,807	37,828	28,798

Safe Harbor Statement

This communication contains forward-looking statements. Forward-looking statements provide Global Ship Lease's current expectations or forecasts of future events. Forward-looking statements include statements about Global Ship Lease's expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as "anticipate," "believe," "continue," "estimate," "expect," "intend," "may," "ongoing," "plan," "potential," "predict," "should," "project," "will" or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. These forward-looking statements are based on assumptions that may be incorrect, and Global Ship Lease cannot assure you that these projections included in these forward-looking statements will come to pass. Actual results could differ materially from those expressed or implied by the forward-looking statements as a result of various factors.

The risks and uncertainties include, but are not limited to:

- future operating or financial results;
- expectations regarding the future growth of the container shipping industry, including the rates of annual demand and supply growth;
- the length and severity of the ongoing outbreak of the novel coronavirus (COVID-19) around the world and governmental responses thereto;
- the financial condition of our charterers, particularly CMA CGM, our principal charterer and main source of operating revenue, and their ability to pay charterhire in accordance with the charters;
- Global Ship Lease’s financial condition and liquidity, including its level of indebtedness or ability to obtain additional financing to fund capital expenditures, ship acquisitions and other general corporate purposes;
- Global Ship Lease’s ability to meet its financial covenants and repay its credit facilities;
- Global Ship Lease’s expectations relating to dividend payments and forecasts of its ability to make such payments including the availability of cash and the impact of constraints under its credit facility;
- risks relating to the acquisition of Poseidon Containers and Global Ship Lease’s ability to realize the anticipated benefits of the acquisition;
- future acquisitions, business strategy and expected capital spending;
- operating expenses, availability of crew, number of off-hire days, drydocking and survey requirements and insurance costs;
- general market conditions and shipping industry trends, including charter rates and factors affecting supply and demand;
- assumptions regarding interest rates and inflation;
- changes in the rate of growth of global and various regional economies;
- risks incidental to ship operation, including piracy, discharge of pollutants and ship accidents and damage including total or constructive total loss;
- estimated future capital expenditures needed to preserve its capital base;
- Global Ship Lease’s expectations about the availability of ships to purchase, the time that it may take to construct new ships, or the useful lives of its ships;
- Global Ship Lease’s continued ability to enter into or renew long-term, fixed-rate charters or other ship employment arrangements;
- the continued performance of existing long-term, fixed-rate time charters;
- Global Ship Lease’s ability to capitalize on its management’s and board of directors’ relationships and reputations in the containership industry to its advantage;
- changes in governmental and classification societies’ rules and regulations or actions taken by regulatory authorities;
- expectations about the availability of insurance on commercially reasonable terms;
- unanticipated changes in laws and regulations including taxation;
- potential liability from future litigation.

Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Global Ship Lease's actual results could differ materially from those anticipated in forward-looking statements for many reasons specifically as described in Global Ship Lease's filings with the U.S Securities and Exchange Commission (the “SEC”). Accordingly, you should not unduly rely on these forward-looking statements, which speak only as of the date of this communication. Global Ship Lease undertakes no obligation to publicly revise any forward-looking statement to reflect circumstances or events after the date of this communication or to reflect the occurrence of unanticipated events. You should, however, review the factors and risks Global Ship Lease describes in the reports it will file from time to time with the SEC after the date of this communication.

Global Ship Lease, Inc.

Interim Unaudited Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars)

		September 30, 2020		December 31, 2019
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents		98,964		138,024
Restricted cash		8,728		3,909
Accounts receivable, net		2,356		2,350
Inventories		5,415		5,595
Prepaid expenses and other current assets		6,075		8,132
Due from related parties		2,371		3,860
Total current assets	**$**	**123,909**	**$**	**161,870**
NON - CURRENT ASSETS				
Vessels in operation		1,148,116		1,155,586
Advances for vessels acquisitions and other additions		4,047		10,791
Intangible assets - charter agreements		49		1,467
Deferred charges, net		18,858		16,408
Restricted cash, net of current portion		6,216		5,703
Total non - current assets		**1,177,286**		**1,189,955**
TOTAL ASSETS	**$**	**1,301,195**	**$**	**1,351,825**
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Accounts payable		9,469		9,052
Accrued liabilities		21,852		22,916
Current portion of long-term debt and deferred financing costs		81,313		87,532
Deferred revenue		6,115		9,987
Due to related parties		153		109
Total current liabilities	**$**	**118,902**	**$**	**129,596**
LONG-TERM LIABILITIES				
Long - term debt, net of current portion and deferred financing costs		735,509		809,357
Intangible liability-charter agreements		4,964		6,470
Total non - current liabilities		**740,473**		**815,827**
Total liabilities	**$**	**859,375**	**$**	**945,423**
Commitments and Contingencies				
SHAREHOLDERS' EQUITY				
Class A common shares - authorized 214,000,000 shares with a $0.01 par value 17,741,008 shares issued and outstanding (2019 – 17,556,738 shares)		177		175
Class B common shares - authorized 20,000,000 shares with a $0.01 par value nil shares issued and outstanding (2019 – nil shares)		-		-
Series B Preferred Shares - authorized 44,000 shares with a $0.01 par value 16,655 shares issued and outstanding (2019 – 14,428 shares)		-		-
Series C Preferred Shares - authorized 250,000 shares with a $0.01 par value 250,000 shares issued and outstanding (2019 - 250,000 shares)		3		3
Additional paid in capital		574,186		565,586
Accumulated deficit		(132,546)		(159,362)
Total shareholders' equity		**441,820**		**406,402**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**1,301,195**	**$**	**1,351,825**

Global Ship Lease, Inc.
Interim Unaudited Consolidated Statements of Operations

(Expressed in thousands of U.S. dollars except share data)

	Three months ended September 30,		Nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
OPERATING REVENUES				
Time charter revenue (includes related party revenues of $37,027 and $40,409 for each of the three month periods ended September 30, 2020 and 2019, respectively, and $111,551 and $112,887 for each of the nine month periods ended September 30, 2020 and 2019, respectively)	70,520	65,947	212,843	193,548
OPERATING EXPENSES:				
Vessel operating expenses (includes related party vessel operating expenses of $3,276 and $2,773 for each of the three month periods ended September 30, 2020 and 2019, respectively, and $9,381 and $7,006 for each of the nine month periods ended September 30, 2020 and 2019, respectively)	25,442	21,537	75,124	63,302
Time charter and voyage expenses (includes related party time charter and voyage expenses of $600 and $478 for each of the three month periods ended September 30, 2020 and 2019, respectively, and $1,801 and $1,328 for each of the nine month periods ended September 30, 2020 and 2019, respectively)	2,537	2,420	8,718	6,055
Depreciation and amortization	11,844	11,174	34,970	32,884
Vessel impairment losses	-	-	8,497	-
General and administrative expenses	1,619	2,115	6,378	7,083
Loss on sale of vessels	244	-	244	-
Operating Income	**28,834**	**28,701**	**78,912**	**84,224**
NON OPERATING INCOME/(EXPENSES)				
Interest income	66	414	897	1,198
Interest and other finance expenses	(14,994)	(18,424)	(50,533)	(56,484)
Other income, net	688	881	337	2,117
Total non operating expenses	**(14,240)**	**(17,130)**	**(49,299)**	**(53,169)**
Income before income taxes	**14,594**	**11,572**	**29,613**	**31,055**
Income taxes	(47)	-	(50)	40
Net Income	**14,547**	**11,572**	**29,563**	**31,095**
Earnings allocated to Series B Preferred Shares	(957)	(765)	(2,747)	(2,297)
Net Income available to Common Shareholders	**$ 13,590**	**$ 10,807**	**$ 26,816**	**$ 28,798**

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars)

	Three months ended September 30,		Nine months ended September 30,	
	2020	2019	2020	2019
Cash flows from operating activities:				
Net income	14,547	11,572	29,563	31,095
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	11,844	11,174	34,970	32,884
Vessel impairment losses	-	-	8,497	-
Loss on sale of vessels	244	-	244	-
Amortization of deferred financing costs	1,109	755	3,030	2,244
Amortization of original issue discount/premium on repurchase of notes	173	202	2,455	607
Amortization of intangible liability/asset-charter agreements	(443)	490	(88)	1,436
Share based compensation	358	430	1,640	1,288
Changes in operating assets and liabilities:				
Decrease/(increase) in accounts receivable and other assets	1,869	1,660	2,051	(86)
Decrease in inventories	656	650	180	456
Increase in accounts payable and other liabilities	9,674	6,023	4,520	6,812
Increase/(decrease) in related parties' balances, net	4,993	(510)	1,533	(6,877)
Increase/(decrease) in deferred revenue	1,096	4,506	(3,872)	3,717
Unrealized foreign exchange gain/(loss)	1	(30)	2	(16)
Net cash provided by operating activities	**$ 46,121**	**$ 36,922**	**$ 84,725**	**$ 73,560**
Cash flows from investing activities:				
Acquisition of vessels	-	(15,001)	(23,060)	(33,497)
Cash paid for vessel expenditure	(3,104)	(7,286)	(4,489)	(14,062)
Advances for vessel acquisitions and other additions	(4,839)	(1,500)	(6,118)	-
Cash paid for drydockings	(2,910)	(2,485)	(10,099)	(3,182)
Proceeds from sale of vessels	2,733	-	6,852	(1,500)
Net cash used in investing activities	**$ (8,120)**	**$ (26,272)**	**$ (36,914)**	**$ (52,241)**
Cash flows from financing activities:				
Proceeds from issuance of 2024 Notes	-	-	19,193	-
Repurchase of 2022 Notes, including premium	(1,793)	-	(59,615)	-
Proceeds from drawdown of credit facilities	-	280,500	47,000	293,500
Repayment of credit facilities	(12,890)	(11,272)	(46,802)	(37,819)
Repayment of refinanced debt	-	(262,809)	(44,366)	(262,809)
Deferred financing costs paid	7	(3,890)	(962)	(4,212)
Costs relating to offering of Class A common shares	-	-	(76)	-
Proceeds from offering of Series B preferred shares, net of offering costs	1,854	-	6,836	-
Series B Preferred Shares-dividends paid	(957)	(765)	(2,747)	(2,297)
Net cash (used in)/provided by financing activities	**$ (13,779)**	**$ 1,764**	**$ (81,539)**	**$ (13,637)**
Increase/(decrease) in cash and cash equivalents and restricted cash	**24,222**	**12,414**	**(33,728)**	**7,682**
Cash and cash equivalents and restricted cash at beginning of the period	89,686	85,340	147,636	90,072
Cash and cash equivalents and restricted cash at end of the period	**$ 113,908**	**$ 97,754**	**$ 113,908**	**$ 97,754**
Supplementary Cash Flow Information:				
Cash paid for interest	7,273	10,307	40,371	45,094
Non-cash Investing activities:				
Unpaid drydocking expenses	260	-	260	-
Unpaid vessel additions	90	-	90	-
Non-cash financing activities:				
Unpaid offering costs	-	856	-	856

Investor and Media Contacts:
The IGB Group
Bryan Degnan
646-673-9701
or
Leon Berman
212-477-8438

Exhibit 99.2

GLOBAL SHIP LEASE, INC.

INTERIM UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

PERIOD ENDED SEPTEMBER 30, 2020

GLOBAL SHIP LEASE, INC.

Global Ship Lease, Inc.

Interim Unaudited Consolidated Balance Sheets

(Expressed in thousands of U.S. dollars except share data)

	Note		As of September 30, 2020		December 31, 2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents			98,964		138,024
Restricted cash			8,728		3,909
Accounts receivable, net			2,356		2,350
Inventories			5,415		5,595
Prepaid expenses and other current assets			6,075		8,132
Due from related parties	5		2,371		3,860
Total current assets		**$**	**123,909**	**$**	**161,870**
NON-CURRENT ASSETS					
Vessels in operation	3		1,148,116		1,155,586
Advances for vessels acquisitions and other additions	3		4,047		10,791
Intangible assets-charter agreements			49		1,467
Deferred charges, net			18,858		16,408
Restricted cash, net of current portion			6,216		5,703
Total non-current assets			**1,177,286**		**1,189,955**
TOTAL ASSETS		**$**	**1,301,195**	**$**	**1,351,825**
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Accounts payable			9,469		9,052
Accrued liabilities			21,852		22,916
Current portion of long-term debt and deferred financing costs	4		81,313		87,532
Deferred revenue			6,115		9,987
Due to related parties	5		153		109
Total current liabilities			**118,902**		**129,596**
LONG-TERM LIABILITIES					
Long-term debt, net of current portion and deferred financing costs	4		735,509		809,357
Intangible liability-charter agreements			4,964		6,470
Total non-current liabilities			**740,473**		**815,827**
Total liabilities		**$**	**859,375**	**$**	**945,423**
Commitments and Contingencies	6		—		—
SHAREHOLDERS' EQUITY					
Class A common shares - authorized 214,000,000 shares with a $0.01 par value 17,741,008 shares issued and outstanding (2019 – 17,556,738 shares)	7		177		175
Series B Preferred Shares - authorized 44,000 shares with a $0.01 par value 16,655 shares issued and outstanding (2019 – 14,428 shares)	7		—		—
Series C Preferred Shares - authorized 250,000 shares with a $0.01 par value 250,000 shares issued and outstanding (2019 - 250,000 shares)	7		3		3
Additional paid in capital			574,186		565,586
Accumulated deficit			(132,546)		(159,362)
Total shareholders' equity			**441,820**		**406,402**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**$**	**1,301,195**	**$**	**1,351,825**

See accompanying notes to interim unaudited consolidated financial statements

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Operations

(Expressed in thousands of U.S. dollars except share data)

	Note	Nine months ended September 30, 2020	Nine months ended September 30, 2019
OPERATING REVENUES			
Time charter revenues (include related party revenues of $111,551 and $112,887 for each of the periods ended September 30, 2020 and 2019, respectively)		212,843	193,548
OPERATING EXPENSES:			
Vessels operating expenses (include related party vessels operating expenses of $9,381 and $ 7,006 for each of the periods ended September 30, 2020 and 2019, respectively)		75,124	63,302
Time charter and voyage expenses (include related party time charter and voyage expenses of $1,801 and $1,328 for each of the periods ended September 30, 2020 and 2019, respectively)		8,718	6,055
Depreciation and amortization		34,970	32,884
Vessel impairment losses	3	8,497	—
General and administrative expenses		6,378	7,083
Loss on sale of vessels		244	—
Operating Income		**78,912**	**84,224**
Interest income		897	1,198
Interest and other financial expense		(50,533)	(56,484)
Other income, net		337	2,117
Total non-operating expense		**(49,299)**	**(53,169)**
Income before income taxes		**29,613**	**31,055**
Income taxes		(50)	40
Net Income		**29,563**	**31,095**
Earnings allocated to Series B Preferred Shares	7	(2,747)	(2,297)
Net Income available to Common Shareholders		**$ 26,816**	**$ 28,798**
Earnings per Share			
Weighted average number of Class A common shares outstanding			
Basic	9	17,669,049	9,939,559
Diluted	9	17,750,749	10,009,080
Net Earnings per Class A common share			
Basic		$ 0.88	$ 1.26
Diluted		$ 0.87	$ 1.25

See accompanying notes to interim unaudited consolidated financial statements

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Cash Flows

(Expressed in thousands of U.S. dollars except share data)

	Note	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Cash flows from operating activities:			
Net income		29,563	31,095
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization		34,970	32,884
Vessel impairment losses	3	8,497	—
Loss on sale of vessels		244	
Amortization of deferred financing costs	4	3,030	2,244
Amortization of original issue discount/premium on repurchase of notes		2,455	607
Amortization of intangible liability/asset-charter agreements		(88)	1,436
Share based compensation	8	1,640	1,288
Changes in operating assets and liabilities:			
Decrease/(increase) in accounts receivable and other assets		2,051	(86)
Decrease in inventories		180	456
Increase in accounts payable and other liabilities		4,520	6,812
Decrease/(increase) in related parties' balances, net		1,533	(6,877)
(Decrease)/increase in deferred revenue		(3,872)	3,717
Unrealized foreign exchange loss/(gain)		2	(16)
Net cash provided by operating activities		**$ 84,725**	**$ 73,560**
Cash flows from investing activities:			
Acquisition of vessels		(23,060)	(33,497)
Cash paid for vessel expenditures		(4,489)	(14,062)
Advances for vessel acquisitions and other additions		(6,118)	—
Cash paid for drydockings		(10,099)	(3,182)
Proceeds from sale of vessels		6,852	(1,500)
Net cash used in investing activities		**$ (36,914)**	**$ (52,241)**
Cash flows from financing activities:			
Proceeds from issuance of 2024 Notes		19,193	—
Repurchase of 2022 Notes, including premium		(59,615)	—
Proceeds from drawdown of credit facilities		47,000	293,500
Repayment of credit facilities		(46,802)	(37,819)
Repayment of refinanced debt		(44,366)	(262,809)
Deferred financing costs paid		(962)	(4,212)
Costs relating to offering of Class A common shares		(76)	—
Proceeds from offering of Series B preferred shares, net of offering costs	7	6,836	—
Series B Preferred Shares-dividends paid		(2,747)	(2,297)
Net cash used in financing activities		**$ (81,539)**	**$ (13,637)**
Net (decrease)/increase in cash and cash equivalents and restricted cash		**(33,728)**	**7,682**
Cash and cash equivalents and restricted cash at beginning of the period		147,636	90,072
Cash and cash equivalents and restricted cash at end of the period		**$ 113,908**	**$ 97,754**
Supplementary Cash Flow Information:			
Cash paid for interest		40,371	45,094
Non-cash Investing activities:			
Unpaid drydocking expenses		260	—
Unpaid vessel additions		90	—
Non-cash financing activities:			
Unpaid offering costs		—	856

See accompanying notes to interim unaudited consolidated financial statements

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Changes in Shareholders' Equity

(Expressed in thousands of U.S. dollars except share data)

	Number of Common Shares at par value $0.01	Number of Series B Preferred Shares at par value $0.01	Number of Series C Preferred Shares at par value $0.01	Common Shares	Series B Preferred Shares	Series C Preferred Shares	Additional paid-in capital	Accumulated Deficit	Total Shareholders' Equity
Balance at December 31, 2018	**9,942,950**	**14,000**	**250,000**	**$ 99**	**$ —**	**$ 3**	**$ 512,379**	**$ (196,119)**	**$ 316,362**
Restricted Stock Units (Note 8)	—	—	—	—	—	—	429	—	429
Net Income for the period	—	—	—	—	—	—	—	10,389	10,389
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(766)	(766)
Balance at March 31, 2019	**9,942,950**	**14,000**	**250,000**	**$ 99**	**$ —**	**$ 3**	**512,808**	**$ (186,496)**	**326,414**
Restricted Stock Units (Note 8)	—	—	—	—	—	—	429	—	429
Net Income for the period	—	—	—	—	—	—	—	9,134	$ 9,136
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(766)	(766)
Balance at June 30, 2019	**9,942,950**	**14,000**	**250,000**	**$ 99**	**$ —**	**$ 3**	**$ 513,237**	**$ (178,128)**	**$ 335,211**
Restricted Stock Units (Note 8)	—	—	—	—	—	—	430	—	430
Issuance of Class A common shares, net of offering costs	—	—	—	—	—	—	(856)	—	(856)
Net Income for the period	—	—	—	—	—	—	—	11,572	11,572
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(765)	(765)
Balance at September 30, 2019	**9,942,950**	**14,000**	**250,000**	**$ 99**	**$ —**	**$ 3**	**$ 512,811**	**$ (167,321)**	**$ 345,592**

Global Ship Lease, Inc.

Interim Unaudited Consolidated Statements of Changes in Shareholders' Equity (continued)

(Expressed in thousands of U.S. dollars except share data)

	Number of Common Shares at par value $0.01	Number of Series B Preferred Shares at par value $0.01	Number of Series C Preferred Shares at par value $0.01	Common Shares	Series B Preferred Shares	Series C Preferred Shares	Additional paid-in capital	Accumulated Deficit	Total Shareholders' Equity
Balance at December 31, 2019	**17,556,738**	**14,428**	**250,000**	**$ 175**	**$ -**	**$ 3**	**$ 565,586**	**$ (159,362)**	**$ 406,402**
Issuance of Class A common shares, net of offering costs	—	—	—	—	—	—	(39)	—	(39)
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(879)	(879)
Restricted Stock Units (Note 8)	—	—	—	—	—	—	429	—	429
Net Income for the period	—	—	—	—	—	—	—	1,500	1,500
Issuance of Series B Preferred shares, net of offering costs	—	1,646	—	—	—	—	4,003	—	4,003
Balance at March 31, 2020	**17,556,738**	**16,074**	**250,000**	**$ 175**	**$ -**	**$ 3**	**$ 569,979**	**$ (158,741)**	**$ 411,416**
Issuance of Class A common shares, net of offering costs	184,270	—	—	2	—	—	(37)	—	(35)
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(911)	(911)
Restricted Stock Units (Note 8)	—	—	—	—	—	—	853	—	853
Net Income for the period	—	—	—	—	—	—	—	13,516	13,516
Issuance of Series B Preferred shares, net of offering costs	—	581	—	—	—	—	1,179	—	1,179
Balance at June 30, 2020	**17,741,008**	**16,655**	**250,000**	**$ 177**	**$ -**	**$ 3**	**$ 571,974**	**$ (146,136)**	**$ 426,018**
Series B Preferred Shares dividend (Note 7)	—	—	—	—	—	—	—	(957)	(957)
Restricted Stock Units (Note 8)	—	—	—	—	—	—	358	—	358
Net Income for the period	—	—	—	—	—	—	—	14,547	14,547
Issuance of Series B Preferred shares, net of offering costs	—	853	—	—	—	—	1,854	—	1,854
Balance at September 30, 2020	**17,741,008**	**17,508**	**250,000**	**$ 177**	**$ -**	**$ 3**	**$ 574,186**	**$ (132,546)**	**$ 441,820**

See accompanying notes to interim unaudited consolidated financial statements

Global Ship Lease, Inc.

Notes to the Interim Unaudited Consolidated Financial Statements

(Expressed in thousands of U.S. dollars except share data)

1. Description of Business

Global Ship Lease, Inc.'s (the "Company") business is to own and charter out containerships to leading liner companies.

On August 14, 2008, the Company merged indirectly with Marathon Acquisition Corp., a company then listed on The American Stock Exchange, and with the pre-existing Global Ship Lease, Inc. GSL Holdings, Inc. was the surviving entity, changed its name to Global Ship Lease, Inc. and became listed on The New York Stock Exchange (the "NYSE").

On November 15, 2018, the Company completed a transformative transaction and acquired Poseidon Containers' 20 containerships, one of which, the Argos, was contracted to be sold, which sale was completed in December 2018, which we refer to herein as the "Poseidon Transaction". References herein to the "GSL Fleet" are to the 19 vessels that were owned by us prior to the consummation of the Poseidon Transaction, two of which GSL Matisse and Utrillo, were sold in July 2020, and references to the "Poseidon Fleet" are to the 19 vessels that we acquired as a result of the Poseidon Transaction, excluding the Argos.

The following table provides information about the 43 vessels owned as at September 30, 2020 which had an average age weighted by TEU capacity of 13.4 years.

Company Name (1)	Fleet	Country of Incorporation	Vessel Name	Capacity in TEUs (2)	Year Built	Earliest Charter Expiry Date
Global Ship Lease 54 LLC	GSL	Liberia	CMA CGM Thalassa	11,040	2008	4Q25
Laertis Marine LLC	Poseidon	Marshall Islands	UASC Al Khor	9,115	2015	1Q22
Penelope Marine LLC	Poseidon	Marshall Islands	Maira XL	9,115	2015	2Q22
Global Ship Lease 53 LLC	GSL	Liberia	MSC Tianjin	8,603	2005	2Q24
Global Ship Lease 52 LLC	GSL	Liberia	MSC Qingdao	8,603	2004	2Q24
Global Ship Lease 43 LLC	GSL	Liberia	GSL Ningbo	8,603	2004	1Q23
Global Ship Lease 30 Limited	—	Marshall Islands	GSL Eleni	7,847	2004	3Q24(3)
Global Ship Lease 31 Limited	—	Marshall Islands	GSL Kalliopi	7,847	2004	4Q22(3)
Global Ship Lease 32 Limited	—	Marshall Islands	GSL Grania	7,847	2004	4Q22(3)
Alexander Marine LLC	Poseidon	Marshall Islands	Mary	6,927	2013	3Q23
Hector Marine LLC	Poseidon	Marshall Islands	Kristina	6,927	2013	2Q24
Ikaros Marine LLC	Poseidon	Marshall Islands	Katherine	6,927	2013	1Q24
Philippos Marine LLC	Poseidon	Marshall Islands	Alexandra	6,927	2013	1Q24
Aristoteles Marine LLC	Poseidon	Marshall Islands	Alexis	6,882	2015	1Q24
Menelaos Marine LLC	Poseidon	Marshall Islands	Olivia I	6,882	2015	1Q24
Global Ship Lease 48 Limited	GSL	Liberia	CMA CGM Berlioz	6,621	2001	2Q21
Leonidas Marine LLC	Poseidon	Marshall Islands	Agios Dimitrios	6,572	2011	4Q23
Global Ship Lease 35 LLC	—	Liberia	GSL Nicoletta	6,840	2002	2Q21
Global Ship Lease 36 LLC	—	Liberia	GSL Christen	6,840	2002	4Q20(4)
Global Ship Lease 33 Limited	—	Liberia	GSL Vinia	6,080	2004	3Q24(5)
Global Ship Lease 34 Limited	—	Liberia	GSL Christel Elisabeth	6,080	2004	2Q24(5)
Tasman Marine LLC	Poseidon	Marshall Islands	Tasman	5,936	2000	1Q22(6)
Hudson Marine LLC	Poseidon	Marshall Islands	Dimitris Y	5,936	2000	2Q22
Drake Marine LLC	Poseidon	Marshall Islands	Ian H	5,936	2000	1Q21
Hephaestus Marine LLC	Poseidon	Marshall Islands	Dolphin II	5,095	2007	4Q20
Telemachus Marine LLC	Poseidon	Marshall Islands	Anthea Y	9,115	2015	4Q20

(Expressed in thousands of U.S. dollars except share data)

1. Description of Business (continued)

Company Name (1)	Fleet	Country of Incorporation	Vessel Name	Capacity in TEUs (2)	Year Built	Earliest Charter Expiry Date
Zeus One Marine LLC	Poseidon	Marshall Islands	Orca I	5,095	2006	4Q20(7)
Global Ship Lease 47 LLC	GSL	Liberia	GSL Château d'If	5,089	2007	4Q20
GSL Alcazar Inc.	GSL	Marshall Islands	CMA CGM Alcazar	5,089	2007	4Q20
Global Ship Lease 50 LLC	GSL	Liberia	CMA CGM Jamaica	4,298	2006	3Q22
Global Ship Lease 49 LLC	GSL	Liberia	CMA CGM Sambhar	4,045	2006	3Q22
Global Ship Lease 51 LLC	GSL	Liberia	CMA CGM America	4,045	2006	3Q22
Global Ship Lease 26 Limited	GSL	Hong Kong	GSL Valerie	2,824	2005	3Q20(8)
Pericles Marine LLC	Poseidon	Marshall Islands	Athena	2,762	2003	1Q21
Aris Marine LLC	Poseidon	Marshall Islands	Maira	2,506	2000	4Q20
Aphrodite Marine LLC	Poseidon	Marshall Islands	Nikolas	2,506	2000	4Q20
Athena Marine LLC	Poseidon	Marshall Islands	Newyorker	2,506	2001	1Q21
Global Ship Lease 46 LLC	GSL	Liberia	La Tour	2,272	2001	2Q21
Global Ship Lease 38 LLC	GSL	Liberia	Manet	2,272	2001	4Q20
Global Ship Lease 37 LLC	GSL	Liberia	GSL Matisse	2,262	1999	—
Global Ship Lease 39 LLC	GSL	Liberia	Utrillo	2,262	1999	—
Global Ship Lease 5 Limited	GSL	Cyprus	GSL Keta	2,207	2003	3Q21
Global Ship Lease 41 LLC	GSL	Liberia	Julie	2,207	2002	2Q21
Global Ship Lease 45 LLC	GSL	Liberia	Kumasi	2,207	2002	3Q21
Global Ship Lease 44 LLC	GSL	Liberia	Marie Delmas	2,207	2002	3Q21

(1) All subsidiaries are 100% owned, either directly or indirectly;
(2) Twenty-foot Equivalent Units;
(3) GSL Eleni delivered 3Q2019 and is chartered for five years; GSL Kalliopi (delivered 4Q2019) and GSL Grania (delivered 3Q2019) are chartered for three years plus two successive periods of one year at the option of the charterer;
(4) GSL Christen was delivered in January 2020 and is chartered for 2 – 10 months, at charterer's option. The charter commenced in July 2020; GSL Nicoletta delivered in February 2020;
(5) GSL Vinia and GSL Christel Elisabeth were delivered in December 2019 and are contracted on 52 – 60 months charters;
(6) 12-month extension at charterer's option callable in 2Q2022;
(7) 12 - 24 month charter (which commenced in June 2019), at charterer's option;
(8) GSL Valerie concluded her charter in September 2020, in time for her five-year special survey & dry-docking.

2. Summary of Significant Accounting Policies and Disclosures

(a) Basis of Presentation

The accompanying financial information is unaudited and reflects all adjustments, consisting solely of normal recurring adjustments, which, in the opinion of management, are necessary for a fair statement of financial position and results of operations for the years presented. The financial information does not include all disclosures required under United States Generally Accepted Accounting Principles ("US GAAP") for annual financial statements. These interim unaudited consolidated financial statements should be read in conjunction with the Company's consolidated financial statements as of December 31, 2019 filed with the Securities and Exchange Commission on April 2, 2020 in the Company's Annual Report on Form 20-F.

Adoption of new accounting standards

On January 1, 2020, the Company adopted Accounting Standards Update ("ASU") No. 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU amends the accounting for credit losses on available-for-sale debt securities, purchased financial assets with credit deterioration and clarifies that impairment of receivables arising from operating leases should be accounted for in accordance with Topic 842, Leases. In addition, these amendments require the measurement of all expected credit losses for financial assets, including trade accounts receivable, held at the reporting date based on historical experience, current conditions, and current expectations of future economic conditions based on reasonable and supportable forecasts. Upon adoption and as of September 30, 2020, this new guidance did not have a material impact on the Company's interim unaudited consolidated financial statements, as the majority of its Accounts Receivable, net relates to receivables arising from operating leases and are scoped out of the new standard.

In March 2020, the FASB issued ASU 2020-4, "Reference Rate Reform (Topic 848)" ("ASU 2020-4"), which provides optional guidance intended to ease the potential burden in accounting for the expected discontinuation of LIBOR as a reference rate in the financial markets. The guidance can be applied to modifications made to certain contracts to replace LIBOR with a new reference rate. The guidance, if elected, will permit entities to treat such modifications as the continuation of the original contract, without any required accounting reassessments or remeasurements. The ASU 2020-4 was effective for the Company beginning on March 12, 2020 and the Company will apply the amendments prospectively through December 31, 2022. There was no impact to the Company's interim unaudited consolidated financial statements for the nine months ended September 30, 2020 as a result of adopting this standard update. Currently, the Company has various contracts that reference LIBOR and is assessing how this standard may be applied to specific contract modifications.

Counterparty risk

A portion of the Company's revenues is derived from charters to CMA CGM. The Company is consequently dependent on the performance by CMA CGM of its obligations under these charters, which operate in an industry that is subject to volatility.

If CMA CGM ceases doing business or fails to perform its obligations under the charters, the Company's business, financial position and results of operations would be materially adversely affected as it is probable that, even if the Company was able to find replacement charters, such replacement charters, specifically for the GSL Fleet's old long term charters, would likely be at significantly lower daily rates and shorter durations. If such events occur, these events may give rise to uncertainty about the Company's ability to continue as a going concern.

These unaudited consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The interim unaudited consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets, nor to the amounts and classification of liabilities that may be necessary should the Company be unable to continue as a going concern.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the novel coronavirus ("COVID-19") outbreak a pandemic. Since the beginning of calendar year 2020, the outbreak of COVID-19 that originated in China and that has spread to most nations of the world has resulted in the implementation of numerous actions taken by governments and governmental agencies in an attempt to mitigate the spread of the virus, including, among others, quarantines, travel restrictions, and physical distancing requirements. These measures have resulted in a significant reduction in global economic activity and uncertainty in the global financial markets. When these measures and the resulting economic impact will end and the long-term impact of such measures on the global economy cannot be known at this time.

2. Summary of Significant Accounting Policies and Disclosures (continued)

A significant reduction in manufacturing and other economic activities has and will continue to have a material and adverse impact on the global production and supply of goods, such as those that our customers transport on our vessels, which has and may continue to negatively affect the demand for container shipping services, and therefore charter rates and asset values. In addition, the COVID-19 pandemic has caused, and if it continues on a prolonged basis may continue to cause, delayed or extended drydockings and disruptions in our operations from non-availability of staff and materials. The scale and duration, as well as the impact, of these factors, while currently uncertain, could have a material and adverse impact on our operations, earnings, cash flows and financial condition for 2020. Accordingly, an estimate of the impact cannot be made at this time.

(b) Principles of Consolidation

The accompanying interim unaudited consolidated financial information include the financial statements of the Company and its wholly owned subsidiaries; the Company has no other interests. All significant intercompany balances and transactions have been eliminated in the Company's interim unaudited consolidated financial statements.

(c) Use of estimates

The preparation of interim unaudited consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the interim unaudited consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates under different assumptions and/or conditions.

(d) Vessels in operation

Vessels are generally recorded at their historical cost, which consists of the acquisition price and any material expenses incurred upon acquisition. Vessels acquired in a corporate transaction accounted for as an asset acquisition are stated at the acquisition price, which consists of consideration paid, plus transaction costs less any negative goodwill, if applicable. Vessels acquired in a corporate transaction accounted for as a business combination are recorded at fair value. Vessels acquired as part of the Company's merger with Marathon Acquisition Corp. in 2008 were accounted for under ASC 805, which required that the vessels be recorded at fair value, less the negative goodwill arising as a result of the accounting for the merger.

Subsequent expenditures for major improvements and upgrades are capitalized, provided they appreciably extend the life, increase the earnings capacity or improve the efficiency or safety of the vessels. Borrowing costs incurred during the construction of vessels or as part of the prefinancing of the acquisition of vessels are capitalized. There was no capitalized interest for the nine months ended September 30, 2020 and for the year ended December 31, 2019.

Vessels are stated less accumulated depreciation and impairment, if applicable. Vessels are depreciated to their estimated residual value using the straight-line method over their estimated useful lives which are reviewed on an ongoing basis to ensure they reflect current technology, service potential and vessel structure. The useful lives are estimated to be 30 years from original delivery by the shipyard.

Management estimates the residual values of the Company's container vessels based on a scrap value of steel and the weight of the vessel in lightweight tons ("LWT"). Residual values are periodically reviewed and revised to recognize changes in conditions, new regulations, or other reasons. Revision of residual values affects the depreciable amount of the vessels and affects depreciation expense in the period of the revision and future periods. Management, after considering current market trends for scrap rates and historical scrap rates of the residual values of the Company's vessels, estimates scrap value per LWT at a rate of $400.

For any vessel group which is impaired, the impairment charge is recorded against the cost of the vessel and the accumulated depreciation as at the date of impairment is removed from the accounts.

The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss is included in the interim unaudited Consolidated Statements of Operations.

2. Summary of Significant Accounting Policies and Disclosures (continued)

(e) Assets Held for Sale

The Company classifies assets and disposal groups as being held for sale when the following criteria are met: management has committed to a plan to sell the asset (disposal group); the asset (disposal group) is available for immediate sale in its present condition; an active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated; the sale of the asset (disposal group) is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year; the asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Long-lived assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less cost to sell. These assets are not depreciated once they meet the criteria to be held for sale. As of September 30, 2020, there were no assets classified as held for sale.

(f) Impairment of Long-lived assets

Tangible fixed assets, such as vessels, are reviewed individually for impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. If an impairment review is considered necessary, undiscounted projected operating cash flows are determined for each vessel group, which comprises of the vessel, the unamortized portion of deferred dry-docking related to the vessel and the related carrying value of the intangible asset or liability (if any) with respect to the time charter attached to the vessel at its purchase, if applicable (together the “vessel group”) and compared to the carrying value of the vessel group (step one). Within the shipping industry, vessels can be purchased with a charter attached.

The value of the charter may be favorable or unfavorable when comparing the contracted charter rate to then current market rates. An impairment charge is recognized when the sum of the expected undiscounted future cash flows from the vessel group over its estimated remaining useful life is less than its carrying amount (step one) and is recorded equal to the amount by which the vessel group’s carrying amount exceeds its fair value, including any applicable charter. Fair value is determined with the assistance from valuations obtained from third party independent ship brokers (step two).

The assumptions used involve a considerable degree of estimation. Actual conditions may differ significantly from the assumptions and thus actual cash flows may be significantly different to those estimated with a material effect on the recoverability of each vessel’s carrying amount.

The most significant assumptions made for the determination of expected cash flows are (i) charter rates on expiry of existing charters, which are based on forecast charter rates, where relevant, in the four years from the date of the impairment test and a reversion to the historical mean for each vessel thereafter (ii) off-hire days, which are based on actual off-hire statistics for the Company’s fleet (iii) operating costs, based on current levels escalated over time based on long term trends (iv) dry-docking frequency, duration and cost (v) estimated useful life, which is assessed as a total of 30 years from original delivery by the shipyard and (vi) scrap values.

The Company has recognized an impairment loss of $8,497 for the nine months ended September 30, 2020. No impairment loss was recognized for the nine months ended September 30, 2019.

2. Summary of Significant Accounting Policies and Disclosures (continued)

(g) Revenue recognition and related expense

The Company charters out its vessels on time charters which involves placing a vessel at a charterer's disposal for a specified period of time during which the charterer uses the vessel in return for the payment of a specified daily hire rate. Such charters are accounted for as operating leases and therefore, revenue is recognized on a straight-line basis as the average revenues over the rental periods of such charter agreements, as service is performed. Cash received in excess of earned revenue is recorded as deferred revenue. If a time charter contains one or more consecutive option periods, then subject to the options being exercisable solely by the Company, the time charter revenue will be recognized on a straight-line basis over the total remaining life of the time charter, including any options which are more likely than not to be exercised. Any difference between the charter rate invoiced and the time charter revenue recognized is classified as, or released from, deferred revenue within the interim unaudited Consolidated Balance Sheets. Revenues are recorded net of address commissions, which represent a discount provided directly to the charterer based on a fixed percentage of the agreed upon charter rate.

Charter revenue received in advance which relates to the period after a balance sheet date is recorded as deferred revenue within current liabilities until the respective charter services are rendered.

Under time charter arrangements the Company, as owner, is responsible for all the operating expenses of the vessels, such as crew costs, insurance, repairs and maintenance, and such costs are expensed as incurred and are included in vessel operating expenses.

Commission paid to brokers to facilitate the agreement of a new charter are included in time charter and voyage expenses as are certain expenses related to a voyage, such as the costs of bunker fuel consumed when a vessel is off-hire or idle.

(h) Fair Value Measurement and Financial Instruments

Financial instruments carried on the balance sheet include cash and cash equivalents, restricted cash, trade receivables and payables, other receivables and other liabilities and long-term debt. The particular recognition methods applicable to each class of financial instrument are disclosed in the applicable significant policy description of each item or included below as applicable.

Fair value measurement: Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date. The hierarchy is broken down into three levels based on the observability of inputs as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

As of March 31, 2020, two of the Company's vessel groups with a total aggregate carrying amount of $15,585 were written down to their fair value of $8,000 resulting in a non-cash impairment charge of $7,585 which was allocated to the respective vessels' carrying values (see note 3).

As of June 30, 2020, two of the Company's vessel groups with a total aggregate carrying amount of $8,008 were written down to their fair value of $7,096 resulting in a non-cash impairment charge of $912 which was allocated to the respective vessels' carrying values (see note 3).

The estimated fair value, measured on a non-recurring basis, was determined with the assistance of valuations obtained from third party independent ship brokers. Therefore, the Company has categorized the fair value of these vessels as Level 2 in the fair value hierarchy for the periods ended March 31, June 30 and September 30, 2020.

As of September 30, 2020, there were no events or changes in circumstances which indicated that the carrying amounts of the Company's other vessels may not be recoverable. Accordingly, no impairment review was undertaken.

(h) Fair Value Measurement and Financial Instruments (continued)

Financial Risk Management: The Company activities expose it to a variety of financial risks including fluctuations in, time charter rates, credit and interest rates risk. Risk management is carried out under policies approved by executive management. Guidelines are established for overall risk management, as well as specific areas of operations.

Credit risk: The Company closely monitors its credit exposure to customers and counter-parties for credit risk. The Company has entered into commercial management agreement with Conchart Commercial Inc. ("Conchart"), pursuant to which Conchart has agreed to provide commercial management services to the Company, including the negotiation, on behalf of the Company, vessel employment contracts (see note 5). Conchart has policies in place to ensure that it trades with customers and counterparties with an appropriate credit history.

Financial instruments that potentially subject the Company to concentrations of credit risk are accounts receivable and cash and cash equivalents. The Company does not believe its exposure to credit risk is likely to have a material adverse effect on its financial position, results of operations or cash flows.

Liquidity Risk: Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company monitors cash balances appropriately to meet working capital needs.

(i) Recent accounting pronouncements

The Company does not believe that any recently issued, but not yet effective, accounting pronouncements would have a material impact on its interim unaudited consolidated financial statements.

(Expressed in thousands of U.S. dollars except share data)

3. Vessels in Operation

	Vessel Cost, as adjusted for Impairment charges	Accumulated Depreciation	Net Book Value
As of January 1, 2019	**$ 1,224,377**	**$ (111,611)**	**$ 1,112,766**
Additions	82,559	—	82,559
Depreciation	—	(39,739)	(39,739)
As of December 31, 2019	**$ 1,306,936**	**$ (151,350)**	**$ 1,155,586**
Additions	38,860	—	38,860
Depreciation	—	(30,775)	(30,775)
Impairment loss	(43,803)	35,306	(8,497)
Disposals	(7,058)	—	(7,058)
As of September 30, 2020	**$ 1,294,935**	**$ (146,819)**	**$ 1,148,116**

On July 3, 2020, the Company sold GSL Matisse for net proceeds of $3,441, and the vessel was released as collateral under the Company's 2022 Notes and Citi Credit Facility.

On July 20, 2020, the Company sold Utrillo for net proceeds of $3,411, and the vessel was released as collateral under the Company's 2022 Notes and Citi Credit Facility.

On February 21, 2020, the Company took delivery of a 2002-built, 6,840 TEU containership, GSL Nicoletta for a purchase price of $13,000.

On January 29, 2020, the Company took delivery of a 2002-built, 6,840 TEU containership, GSL Christen for a purchase price of $13,000.

On December 12, 2019, the Company took delivery of two 2004-built, 6,080 TEU containerships, GSL Vinia and GSL Christel Elisabeth, for a contract price of $12,250 each.

On October 9, 2019, the Company took delivery of a 2004-built, 7,847 TEU containership, GSL Kalliopi, for a contract price of $15,000.

On September 9, 2019, the Company took delivery of a 2004-built, 7,847 TEU containership, GSL Grania, for a contract price of $15,000.

On May 28, 2019, the Company took delivery of a 2004-built, 7,847 TEU containership, GSL Eleni, for a contract price of $18,500.

Impairment

During the three months ended March 31, 2020, the Company determined that the vessels Utrillo and GSL Matisse should be divested. As at March 31, 2020, the vessels were not immediately available for sale and therefore did not qualify as "assets held for sale". As of March 31, 2020, the Company had an expectation that the vessels would each be sold before the end of their estimated useful life, and as a result an impairment test of each of the specific asset groups was performed. An impairment loss of $7,585 has been recognized under the line item "Vessel impairment losses" in the interim unaudited Consolidated Statements of Operations for the three months ended March 31, 2020.

As of June 30, 2020, the Company concluded that all the criteria required by the relevant accounting standard, ASC 360 for the classification of the vessels GSL Matisse and Utrillo as "held for sale" were met. As of June 30, 2020, the amount of $7,096, separately reflected in Assets held for sale in the unaudited interim Consolidated balance sheets, represents the fair market value of these vessels based on the vessel's estimated sale price, net of commissions (Level 2 inputs of the fair value hierarchy). The difference between the estimated fair value less cost to sell both vessels and their carrying value (including the unamortized balance of dry-docking cost of $38), amounting to $912, was recognized during the three months ended June 30, 2020 under the line item "Vessel impairment losses".

The total impairment loss recognized for the nine months ended September 30, 2020 amounted to $8,497.

(Expressed in thousands of U.S. dollars except share data)

3. Vessels in Operation (continued)

The Company has evaluated the impact of current economic situation on the recoverability of all its other vessel groups and has determined that there were no events or changes in circumstances which indicated that their carrying amounts may not be recoverable. Accordingly, no further impairment review was undertaken as of September 30, 2020.

Collateral

As of September 30, 2020, 16 vessels of the GSL Fleet were pledged as collateral under the 2022 Notes and the Citi Super Senior Term Loan ("Citi Credit Facility"), one vessel of the GSL Fleet was pledged as collateral under the Hayfin Credit Facility. Five of the seven vessels acquired during 2019 and 2020 were pledged under the Hellenic Bank Credit Facility (see note 4h). Additionally, the loan facilities of Poseidon Fleet are collateralized by preferred mortgages over 16 of the Poseidon vessels. Throughout the Company, five vessels were unencumbered as of September 30, 2020.

Advances for vessel acquisitions and other additions

On November 5, 2019, the Company via its subsidiaries, Global Ship Lease 35 and 36 agreed to purchase two 2002-built, 6,840 TEU containerships for a contract price of $13,000 each. In connection with these acquisitions, the Company paid advances of $1,300 each. Both vessels were delivered subsequent to the year end.

The Company has made advances for the installation of scrubbers and ballast water treatments totaling $4,047 and $8,191 as of September 30, 2020 and December 31, 2019, respectively. It is expected that the installations will be completed during 2020.

4. Long-Term Debt

Facilities	September 30, 2020	December 31, 2019
2022 Notes	$ 322,723	$ 340,000
Less repurchase of Notes	(57,580)	(17,277)
2022 Notes (a)	**$ 265,143**	**$ 322,723**
2024 Notes (b)	58,958	39,765
Syndicated Senior Secured Credit Facility (CACIB, ABN, CIT, Siemens, Hellenic, CTBC, Bank Sinopac, Palatine) (c)	244,200	224,800
Blue Ocean Junior Credit Facility (d, p)	38,500	38,500
Deutsche, CIT, HCOB, Entrust, Blue Ocean Credit Facility (e)	152,349	164,710
Citi Credit Facility (f)	4,677	12,077
Hayfin Credit Facility (g)	6,703	7,129
Hellenic Bank Credit Facility (h)	51,700	57,700
Chailease Credit Facility (i)	8,064	—
DVB Credit Facility (j)	—	45,445
Total	**$ 830,294**	**$ 912,849**
Less: Current portion of 2022 Notes (a)	(27,923)	(27,923)
Less: Current portion of long-term debt	(53,390)	(59,609)
Less: Original issue discount of 2022 Notes (a)	(1,306)	(1,859)
Less: Original issue discount of 2024 Notes (b)	(139)	(6)
Less: Deferred financing costs (r)	(12,027)	(14,095)
Non-current portion of Long-Term Debt	**$ 733,509**	**$ 809,357**

4. Long-Term Debt (continued)

a) 9.875% First Priority Secured Notes due 2022

On October 31, 2017, the Company completed the sale of $360,000 in aggregate principal amount of its 9.875% First Priority Secured Notes (the "2022 Notes") which mature on November 15, 2022. Proceeds after the deduction of the original issue discount, but before expenses, amounted to $356,400.

Interest on the 2022 Notes is payable semi-annually on May 15 and November 15 of each year, commencing on May 15, 2018. As at September 30, 2020 and December 31, 2019 the 2022 Notes were secured by first priority vessel mortgages on the 16 and 18 vessels, respectively, in the GSL Fleet and by assignments of earnings and insurances, pledges over certain bank accounts, as well as share pledges over each subsidiary owning a vessel securing the 2022 Notes. In addition, the 2022 Notes were fully and unconditionally guaranteed, jointly and severally, by the Company's 16 vessel owning subsidiaries and Global Ship Lease Services Limited.

The Company is required to have a minimum cash balance of $20,000 on each test date, being March 31, June 30, September 30 and December 31 in each year. The original issue discount is being amortized on an effective interest rate basis over the life of the 2022 Notes. The Company is required to repay at a purchase price of 102%, $40,000 each year for the first three years and $35,000 thereafter, across both the 2022 Notes and the new Citi Credit Facility - see note 4(f) below. The Citi Credit Facility has minimum fixed amortization whereas as long as amounts are outstanding under that Facility amortization of the 2022 Notes is at the option of the noteholders, who can accept or reject an annual tender offer the Company is obliged to make. In December 2018, the tender offer was accepted in full and the Company repurchased $20,000 of the 2022 Notes at a purchase price of 102%. In December 2019, the tender offer of $20,000 was partially accepted by the noteholders and the Company repurchased $17,277 principal amount of the 2022 Notes at a purchase price of 102%. The balance of the offer of $2,723 was applied to repay the Citi Credit Facility at par - see note 4(f) below.

On February 10, 2020, the Company completed an optional redemption of $46,000 aggregate principal amount of its 2022 Notes at a redemption price of $48,271 (representing 104.938% of the aggregate principal amount) plus accrued and unpaid interest. During the nine months ended September 30, 2020, the Company purchased $11,580 of aggregate principal amount of 2022 Notes in the open market at a weighted average price of 97.96% of the aggregate principal amount.

On December 20, 2018, the Company entered into a first supplemental indenture for the 2022 Notes according to which the date beginning on which the Company is permitted to pay dividends to common shareholders in an aggregate amount per year equal to 50% of the consolidated net profit after taxes of the Company for the preceding financial year, was brought forward from January 1, 2021 to January 1, 2020. Also, certain restrictions were agreed in the increase in the permitted transfer basket and the immediate increase in dividend capacity as a result of completing the Poseidon Transaction, and certain other provisions of the Indenture, among other things, the restricted payment covenant, the arm's length transaction covenant and the reporting covenant were amended.

As of September 30, 2020, the outstanding balance was $263,837, net of the outstanding balance of the original issue discount.

b) 8.00% Senior Unsecured Notes due 2024

On November 19, 2019, the Company completed the sale of $27,500 aggregate principal amount of its 8.00% Senior Unsecured Notes (the "2024 Notes") which mature on December 31, 2024. On November 27, 2019, the Company sold an additional $4,125 of 2024 Notes, pursuant the underwriter's option to purchase such additional 2024 Notes. Interest on the 2024 Notes is payable on the last day of February, May, August and November of each year commencing on February 29, 2020.

The Company has the option to redeem the 2024 Notes for cash, in whole or in part, at any time (i) on or after December 31, 2021 and prior to December 31, 2022, at a price equal to 102% of the principal amount, (ii) on or after December 31, 2022 and prior to December 31, 2023, at a price equal to 101% of the principal amount and (iii) on or after December 31, 2023 and prior to maturity, at a price equal to 100% of the principal amount.

On November 27, 2019, the Company entered into an "At Market Issuance Sales Agreement" with B. Riley FBR, Inc. (the "Agent") under which and in accordance with the Company's instructions, the Agent may offer and sell from time to time newly issued 2024 Notes.

4. Long-Term Debt (continued)

b) 8.00% Senior Unsecured Notes due 2024 (continued)

As of September 30, 2020, the outstanding aggregate principal amount of the 2024 Notes was $58,958 including an amount of $27,333 comprised of newly issued 2024 Notes under the At Market Issuance Sales Agreement. The outstanding balance, net of the outstanding balance of the original issue discount, was $58,819.

c) $268.0 Million Syndicated Senior Secured Credit Facility (CACIB, ABN, CIT, Siemens, Hellenic, CTBC, Bank Sinopac, Palatine)

On September 19, 2019, the Company entered into a Syndicated Senior Secured Credit Facility in order to refinance existing credit facilities that had a maturity date in December 2020, of an amount $224,310.

The Senior Syndicated Secured Credit Facility was agreed to be borrowed in two tranches. The Lenders are Credit Agricole Corporate and Investment Bank (“CACIB”), ABN Amro Bank N.V. (“ABN”), CIT Bank, N.A. (“CIT”), Siemens Financial Services, Inc (“Siemens”), Hellenic Bank Public Company Limited (“Hellenic”), CTBC Bank Co. Ltd. (“CTBC”), Bank Sinopac Ltd. (“Bank Sinopac”) and Banque Palatine (“Palatine”).

Tranche A amounting to $230,000 was drawn down in full on September 24, 2019 and is scheduled to be repaid in 20 consecutive quarterly instalments of $5,200 starting from December 12, 2019 and a balloon payment of $126,000 payable on September 24, 2024.

Tranche B amounts to $38,000 was drawn down in full on February 10, 2020 and is scheduled to be repaid in 20 consecutive quarterly instalments of $1,000 and a balloon payment of $18,000 payable in the termination date on the fifth anniversary from the utilization date of Tranche A, which falls in September 24, 2024.

The existing indebtedness that was refinanced comprised of the following credit facilities:

- $55,700 Credit Agricole Credit Facility with an outstanding balance of $50,961 as of September 19, 2019 (see note 4k).
- $24,500 Blue Ocean Credit Facility with an outstanding balance of $23,652 as of September 19, 2019 (see note 4l).
- $65,300 ABN AMRO Credit Facility with an outstanding balance of $61,595 as of September 19, 2019 (see note 4m).
- $17,100 Amsterdam Trade Bank (“ATB”) Credit Facility with an outstanding balance of $12,600 as of September 19, 2019 (see note 4n).
- $80,000 Credit Agricole Credit Facility with an outstanding balance of $75,500 as of September 19, 2019 (see note 4o).
- $52,625 DVB Credit Facility with an outstanding balance of $44,366 as of February 12, 2020 (see note 4j).

The interest rate is LIBOR plus a margin of 3.00% and is payable at each quarter end date.

As of September 30, 2020, the outstanding balance of this facility amounted to $244,200.

d) $38.5 Million Blue Ocean Junior Credit Facility

On September 19, 2019, the Company entered into a refinancing agreement with Blue Ocean Income Fund LP, Blue Ocean Onshore Fund LP, and Blue Ocean Investments SPC Blue, holders of the outstanding debt of $38,500 relevant to the previous Blue Ocean Credit Facility in order to refinance that existing facility with the only substantive change being to extend maturity at the same date with the Syndicated Senior Secured Credit Facility (see note 4c).

The Company fully drew down the facility on September 23, 2019 and it is scheduled to be repaid in a single instalment on the termination date which falls on September 24, 2024.

This facility bears interest at 10.00% per annum.

As of September 30, 2020, the outstanding balance on this facility amounted to $38,500.

4. Long-Term Debt (continued)

e) $180.5 Million Deutsche, CIT, HCOB, Entrust, Blue Ocean Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the three vessel owning companies of UASC Al Khor, Maira XL and Anthea Y on the date of completion of the transaction of $180,500 with Deutsche Bank AG. The agreement is dated November 9, 2018, with initial drawdown amount of $180,500 and final maturity of June 30, 2022.

On December 31, 2018, the Company entered a deed of amendment and restatement with the bank. Based on this restatement there was a re-tranche of the existing facility such that it was split into a senior facility in an amount of $141,900 (“Senior Facility”) and a junior facility in an amount of $38,600 (“Junior Facility”). The Lenders of the Senior Facility are Hamburg Commercial Bank AG (“HCOB”), Deutsche Bank AG and CIT Bank N.A and the Lenders of the Junior Facility are Blue Ocean GP LLC, Blue Ocean Income Fund LP, Blue Ocean Onshore Fund LP, Entrustpermal ICAV, Blue Ocean Investments SPC one and Blue Ocean Investments SPC for three. The final maturity of both Facilities (Senior and Junior) will be June 30, 2022. In addition to the repayment schedule a cash sweep mechanism based on a DSCR ratio of 1.10:1 (DSCR ratio is the ratio of Cash Flow to the Cash Flow Debt Service) will apply pro rata against the Senior Facility and the Junior Facility.

Senior Facility

The Senior Facility is comprised of three Tranches. Tranche A relates to Al Khor and is repayable in 14 instalments of $868, and a final instalment of $35,148. Tranche B relates to Anthea Y and is repayable in 14 instalments of $863 and a final instalment of $35,218. Tranche C relates to Maira XL and is repayable in 14 instalments of $858 and a final instalment of $35,288.

The Senior Facility bears interest at LIBOR plus 3.00% payable quarterly in arrears.

As of September 30, 2020, the outstanding balance on the Senior Facility was $119,769.

Junior Facility

The Junior Facility is comprised of three Tranches. Tranche A relates to Al Khor and is repayable in 14 instalments of $236 and a final instalment of $9,563. Tranche B relates to Anthea Y and is repayable in 14 instalments of $235 and a final instalment of $9,577. Tranche C relates to Maira XL and is repayable in 14 instalments of $233 and a final instalment of $9,604.

The Junior Facility bears interest at LIBOR plus 10.00% payable quarterly in arrears.

As of September 30, 2020, the outstanding balance on the Junior Facility was $32,580.

f) $54.8 Million Citi Credit Facility

On October 26, 2017, and in connection with the 2022 Notes, the Company entered into a new $54,800 loan with Citibank N.A. The loan was drawn down in full on October 31, 2017 and matures no later than October 31, 2020. The interest rate is LIBOR plus a margin of 3.25% and is payable at least quarterly.

Amortization, which may be increased as described in note 4(a) above, is payable semi-annually and is a minimum of $20,000 in each of the first and second years with the balance to be repaid in the third year.

The collateral provided to the 2022 Notes also secures on a first priority basis the Citi Credit Facility. The Company is required to have a minimum cash balance of $20,000 on each test date, being March 31, June 30, September 30 and December 31 in each year.

As of September 30, 2020, the outstanding balance on this facility was $4,677.

4. Long-Term Debt (continued)

g) $65.0 Million Hayfin Credit Facility

On September 7, 2018, the Company and certain subsidiaries entered into a facility agreement with Hayfin Services LLP (the “Lenders”) which provides for a secured term loan facility of up to $65,000. The Hayfin Credit Facility is to be borrowed in tranches and is to be used in connection with the acquisition of vessels as specified in the Hayfin Credit Facility or as otherwise agreed with the Lenders. Hayfin Credit Facility, which is non-amortizing, was available for drawing until May 10, 2019 and has a final maturity date of July 16, 2022. The interest rate is LIBOR plus a margin of 5.5% and is payable at each quarter end date. A commitment fee of 2.0% per annum was due on the undrawn commitments until May 10, 2019 when the availability period was terminated.

Any debt drawn under the Hayfin Credit Facility is secured by first priority vessel mortgage on the acquired vessel (the “Facility Mortgaged Vessel”) and by assignments of earnings and insurances, pledges over certain bank accounts, as well as share pledges over each subsidiary owning a Facility Mortgaged Vessel. In addition, the Hayfin Credit Facility is fully and unconditionally guaranteed, jointly and severally, by the Company, GSL Holdings, Inc. and the subsidiaries owning the Facility Mortgaged Vessels. An initial tranche of $8,125 was drawn on September 10, 2018 in connection with the acquisition of the GSL Valerie.

As of September 30, 2020, the outstanding balance of this facility was $6,703.

h) $59.0 Million Hellenic Bank Credit Facility

On May 23, 2019, the Company via its subsidiaries, Global Ship Lease 30, 31 and 32 entered into a facility agreement with Hellenic Bank for an amount up to $37,000. The Hellenic Bank Facility is to be borrowed in tranches and is to be used in connection with the acquisition of the vessels GSL Eleni, GSL Grania and GSL Kalliopi (see note 3).

An initial tranche of $13,000 was drawn on May 24, 2019, in connection with the acquisition of the GSL Eleni. The Facility is repayable in 20 equal quarterly instalments of $450 each with a final balloon of $4,000 payable together with the final instalment.

A second tranche of $12,000 was drawn on September 4, 2019, in connection with the acquisition of GSL Grania. The Facility is repayable in 20 equal quarterly instalments of $400 each with a final balloon of $4,000 payable together with the final instalment.

The third tranche of $12,000 was drawn on October 3, 2019, in connection with the acquisition of GSL Kalliopi. The Facility is repayable in 20 equal quarterly instalments of $400 each with a final balloon of $4,000 payable together with the final instalment.

On December 10, 2019, the Company via its subsidiaries Global Ship Lease 33 and 34 entered into an amended and restated loan agreement with Hellenic Bank for an additional facility of amount $22,000 that is to be borrowed in two tranches and to be used in connection with the acquisition of the vessels GSL Vinia and GSL Christel Elisabeth. Both tranches were drawn on December 10, 2019 and are each repayable in 20 equal quarterly instalments of $375 each with a final balloon of $3,500 payable together with the final instalment.

This facility bears interest at LIBOR plus a margin of 3.90% per annum.

As of September 30, 2020, the outstanding balance of this facility was $51,700.

i) $9.0 Million Chailease Credit Facility

On February 26, 2020, the Company via its subsidiaries, Athena Marine LLC, Aphrodite Marine LLC and Aris Marine LLC entered into a secured term facility agreement with Chailease International Financial Services Pte., Ltd. for an amount of $9,000. The Chailease Bank Facility is to be used for the refinance of DVB Credit Facility (see note 4j).

The Facility is repayable in 36 consecutive monthly instalments $156 and 24 monthly installments of $86 with a final balloon of $1,314 payable together with the final instalment.

This facility bears interest at LIBOR plus a margin of 4.20% per annum.

As of September 30, 2020, the outstanding balance of this facility was $8,064.

4. Long-Term Debt (continued)

j) $52.6 Million DVB Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the four vessel owning companies of Maira, Nikolas, Newyorker and Mary, on the date of completion of the transaction of $51,063 with DVB Bank SE ("DVB"). The agreement is dated July 18, 2017, with initial drawdown amount of $52,625 and final maturity of December 31, 2020.

As of February 12, 2020, the outstanding balance on this facility amounted to $44,366 was fully refinanced by the Tranche B Syndicated Senior Secured Credit Facility (see note 4c) and the Chailease Credit Facility (see note 4i).

The facility had a repayment schedule along with a cash sweep clause, whereby the excess cash flows will be used against the outstanding balance of the facility and would be specifically applied to the prepayment of the balloon instalment up to a specific amount.

The facility carried interest at LIBOR plus a margin of 2.85% per annum.

k) $55.7 Million Credit Agricole Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the three vessel owning companies of Dolphin II, Kristina and Athena, on the date of completion of the transaction of $54,025 with Credit Agricole Corporate and Investment Bank ("Credit Agricole"). The agreement was dated August 11, 2017, with initial drawdown amount of $55,650 and final maturity of December 31, 2020.

On September 23, 2019, the outstanding balance on this facility of $50,961 was fully refinanced by the Syndicated Senior Secured Credit Facility (see note 4c).

The facility had a repayment schedule along with a cash sweep clause, whereby the excess cash flows would be used against the outstanding balance of the facility and would be specifically applied to the prepayment of the balloon instalment up to a specific amount.

This facility carried interest at LIBOR plus a margin of 2.75% per annum.

l) $24.5 Million Blue Ocean Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the vessel owning company of Agios Dimitrios on the date of completion of the transaction of $24,231 with Blue Ocean Income Fund LP, Blue Ocean Onshore Fund LP, Blue Ocean Investments SPC One and Blue Ocean Investments SPC Three (together, "Blue Ocean"). The agreement was dated August 11, 2017, with initial drawdown amount of $24,500 and final maturity of December 31, 2020.

On September 24, 2019, the outstanding balance on this facility of $23,652 was fully refinanced by the Syndicated Senior Secured Credit Facility (see note 4c).

The facility had a following repayment schedule along with a cash sweep clause, whereby the excess cash flows would be used against the outstanding balance on the facility and would be specifically applied to the prepayment of the balloon instalment up to a specific amount.

This facility carried interest on $18,830 of principal at LIBOR plus a margin of 4.00% per annum.

m) $65.3 Million ABN AMRO Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the two vessel owning companies of Orca II and Katherine, on the date of completion of the transaction of $64,254 with ABN AMRO Bank N.V. The agreement was dated August 30, 2017, with initial drawdown amount of $65,300 and final maturity of December 31, 2020.

As of September 24, 2019, the outstanding balance on this facility amounted to $61,595 was fully refinanced by the Syndicated Senior Secured Credit Facility (see note 4c).

The facility had a repayment schedule along with a cash sweep clause, whereby the excess cash flows would be used against the outstanding balance on the facility and would be specifically applied to the prepayment of the balloon instalment up to a specific amount.

This facility carried interest at LIBOR plus a margin of 3.42% per annum up to March 31, 2019 and afterwards 3.50% per annum.

4. Long-Term Debt (continued)

n) $17.1 Million Amsterdam Trade Bank ("ATB") Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from THD Maritime Co. Limited, a holding company of the three vessel owning companies of Tasman, Dimitris Y and Ian H, on the date of completion of the transaction of $17,100 with Amsterdam Trade Bank N.V. The agreement was dated October 9, 2018 with initial drawdown amount of $17,100 divided in three tranches of $5,700 each and final maturity of December 31, 2020.

On September 27, 2019, the outstanding balance on this facility of $12,600 was fully refinanced by the Syndicated Senior Secured Credit Facility (see note 4c).

The facility had a repayment schedule along with a cash sweep clause, whereby the excess cash flows would be used against the outstanding balance on the facility and would be specifically applied to the prepayment of the balloon instalment up to a specific amount.

This facility carried interest at LIBOR plus a margin of 3.90% per annum.

o) $80.0 Million Credit Agricole Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the three vessel owning companies of Alexandra, Alexis, (previously named UASC Bubiyan) and Olivia I (previously named UASC Yas) on the date of completion of the transaction of $80,000 with Credit Agricole. The agreement was dated October 3, 2018, with initial drawdown amount of $80,000 and final maturity of June 30, 2020. An amendment to the agreement was entered into on April 22, 2019, whereby the final maturity date was amended to April 5, 2021 and the number of quarterly repayments increased from six to 10.

On September 24, 2019, the outstanding balance on this facility of $75,500 was fully refinanced by the Syndicated Senior Secured Credit Facility (see note 4c).

The Facility was repayable in 10 equal quarterly instalments of $1,500 each with a final balloon of $65,000 payable together with the final instalment.

This facility carried interest at LIBOR plus a margin of 3.00% per annum for the first 6 months, 3.25% for the following 12 months and 3.50% thereafter, payable quarterly in arrears.

p) $38.5 Million Blue Ocean Credit Facility

In connection with the Poseidon Transaction, the Company assumed debt from the three vessel owning companies of Alexandra, UASC Bubiyan and Olivia I (ex. UASC Yas) on the date of completion of the transaction of $38,500 with Blue Ocean. The agreement was dated October 3, 2018, with initial drawdown amount of $38,500 and final maturity of October 3, 2023.

On September 19, 2019, the outstanding balance on this facility of $38,500 was refinanced by the Blue Ocean Junior Credit Facility (see note 4d).

The Facility was scheduled to be repaid in one instalment at maturity date and bears interest at 10.00% fixed payable quarterly in arrears.

(Expressed in thousands of U.S. dollars except share data)

4. Long-Term Debt (continued)

q) Repayment Schedule

Maturities of long-term debt subsequent to September 30, 2020 are as follows:

Payment due in period ended		Amount
September 30, 2021	$	81,318
September 30, 2022		214,679
September 30, 2023		236,473
September 30, 2024		224,885
Thereafter		72,939
	$	**830,294**

r) Deferred Financing Costs

		September 30, 2020		December 31, 2019
Opening balance	$	14,095	$	9,299
Expenditures in the period		962		7,904
Amortization included within interest expense		(3,030)		(3,108)
Closing balance	**$**	**12,027**	**$**	**14,095**
Current portion		4		—
Non-current portion	**$**	**12,023**	**$**	**14,095**

During 2020, total costs amounting $545 were incurred in connection with the "At Market Issuance Sales Agreement" of 2024 Notes (see note 4b). In addition, total costs amounting $67 were incurred in connection with the Syndicated Senior Secured Credit Facility (see note 4c), costs amounting $320 in connection with the Chailease Credit Facility (see note 4i) and costs amounting $30 in connection with the two Tranches of Hellenic Bank Credit Facility that were drawn down during the nine months ended September 30, 2020 (see note 4h).

During 2019, total costs amounting $4,726 were incurred in connection with the Syndicated Senior Secured Credit Facility (see note 4c) and the Blue Ocean Junior Credit Facility (see note 4d) utilized for the refinance of certain then-existing credit facilities. Further, total costs amounting $2,426 were incurred in connection with the issuance of 2024 Notes (see note 4b). Additionally, total costs amounting to $752 were incurred in connection with the Hellenic Bank Credit Facility (see note 4h).

Deferred financing costs are amortized on an effective interest rate basis over the life of the financings for which they were incurred.

s) Debt covenants-securities

Amounts drawn under the facilities listed above are secured by first priority mortgages on certain of the Company's vessels and other collateral. The majority of the credit facilities contain a number of restrictive covenants that limit the Company from, among other things: incurring or guaranteeing indebtedness; charging, pledging or encumbering the vessels; and changing the flag, class, management or ownership of the vessel owning entities. The credit facilities also require the vessels to comply with the ISM Code and ISPS Code and to maintain valid safety management certificates and documents of compliance at all times. Additionally, specific credit facilities require compliance with a number of financial covenants including debt ratios and minimum liquidity and corporate guarantor requirements. Among other events, it will be an event of default under the credit facilities if the financial covenants are not complied with.

As of September 30, 2020, and December 31, 2019, the Company was in compliance with its debt covenants.

5. Related Party Transactions

CMA CGM is presented as a related party due to the fact that as of September 30, 2020 and December 31, 2019, it was a significant shareholder of the Company, owning Class A common shares representing 11.13% and 11.20% of voting rights, respectively, in the Company. Amounts due to and from CMA CGM companies are shown within amounts due to or from related parties in the interim unaudited Consolidated Balance Sheets.

Time Charter Agreements

A number of the Company's time charter arrangements are with CMA CGM. Under these time charters, hire is payable in advance and the daily rate is fixed for the duration of the charter. Revenues generated from charters to CMA CGM are disclosed separately in the interim unaudited Consolidated Statements of Operations. The outstanding receivables due from CMA CGM are presented in the interim unaudited Consolidated Balance Sheets under "Due from related parties" totaling $2,117 and $2,968 as of September 30, 2020 and December 31, 2019, respectively.

Ship Management Agreements

Technomar Shipping Inc. ("Technomar") is presented as a related party, as the Company's Executive Chairman is a significant shareholder. As of September 30, 2020, the management of the Company's fleet was performed solely by Technomar under ship management agreements under which the ship manager is responsible for all day-to-day ship management, including crewing, purchasing stores, lubricating oils and spare parts, paying wages, pensions and insurance for the crew, and organizing other ship operating necessities, including the arrangement and management of dry-docking. During 2019, the ship management of certain vessels was undertaken by other third party companies, including CMA Ships, an affiliate of CMA CGM.

The management fees charged to the Company by Technomar and CMA Ships for the nine months ended September 30, 2020 amounted to $9,381 and $nil, respectively (nine months ended September 30, 2019: Technomar-$6,816 and CMA Ships-$190) and are shown in vessel operating expenses-related parties in the interim unaudited Consolidated Statements of Operations. As of September 30, 2020, any outstanding fees due to Technomar and CMA Ships are presented in the interim unaudited Consolidated Balance Sheets under "Due to related parties" totaling to $nil (December 31, 2019: Technomar:$nil and CMA Ships: $nil). Additionally, as of September 30, 2020, outstanding receivables due from Technomar and CMA Ships are presented under "Due from related parties" totaling to $147 and $107, respectively (December 31, 2019: Technomar: $855 and CMA Ships: $37).

Conchart Commercial Inc. ("Conchart") provides commercial management services to the Company and is presented as a related party, as the Company's Executive Chairman is the sole beneficial owner. Under the management agreements, Conchart is responsible for (i) marketing of the Company's vessels, (ii) seeking and negotiating employment of the Company's vessels, (iii) advising the Company on market developments, developments of new rules and regulations, (iv) assisting in calculation of hires, freights, demurrage and/or dispatch monies and collection any sums related to the operation of vessels, (v) communicating with agents, and (vi) negotiating sale and purchase transactions. For the 19 vessels of Poseidon Fleet, the agreements were effective from the date of the completion of the Poseidon Transaction; for the GSL Fleet, the agreements will come into effect when new charters are entered into and applied to nine vessels up to September 30, 2020; for all vessels acquired during 2019 and 2020, the agreements were effective upon acquisition.

The fees charged to the Company by Conchart for the nine months ended September 30, 2020 amounted to $1,801 (nine months ended September 30, 2019: $1,328) and are disclosed within time charter and voyage costs-related parties in the interim unaudited Consolidated Statements of Operations.

Any outstanding fees due to Conchart are presented in the interim unaudited Consolidated Balance Sheets under "Due to related parties" totaling to $153 and $109 as of September 30, 2020 and December 31, 2019, respectively.

(Expressed in thousands of U.S. dollars except share data)

6. Commitments and Contingencies

Charter Hire Receivable

The Company has entered time charters for its vessels. The charter hire is fixed for the duration of the charter. The minimum contracted future charter hire receivable, net of address commissions, not allowing for any unscheduled off-hire, assuming expiry at earliest possible dates and assuming options callable by the Company included in the charters are not exercised, for the 43 vessels as at September 30, 2020 is as follows:

Period ending		Amount
September 30, 2021	$	217,862
September 30, 2022		171,092
September 30, 2023		110,632
September 30, 2024		61,168
Thereafter		17,275
Total minimum lease revenue, net of address commissions	**$**	**578,029**

7. Share Capital

Common shares

As of September 30, 2020, the Company had one class of common shares.

On October 1, 2019, the Company closed a public offering of 7,613,788 Class A common shares, at an offering price of $7.25 per share, for gross proceeds of $55,200. This included the exercise in full by the underwriter of its option to purchase additional shares. The net proceeds, after underwriting discounts and commissions and expenses, amounted to $50,710 and are to be used for general corporate purposes, including the acquisition of containerships or the prepayment of debt.

On March 25, 2019, the Company effected a one-for-eight reverse stock split of the Company's issued Class A common shares (see note 1). The reverse stock split ratio and the implementation and timing of the reverse stock split were determined by the Company's Board of Directors, following approval of shareholders at a Special Meeting on March 20, 2019. The reverse stock split did not change the authorized number of shares or par value of the Company's common shares. As part of the completion of the Poseidon Transaction, the outstanding shares of Class B common shares converted to Class A common shares on a one-for-one basis on January 2, 2019 and were also retrospectively adjusted for the one-for-eight reverse stock split.

Restricted stock units have been granted periodically to the Directors and management, under the Company's Equity Incentive Plans, as part of their compensation arrangements (see note 8).

During the nine months ended September 30, 2020, 184,270 Class A common shares were issued under the 2019 Plan.

Preferred shares

On August 20, 2014, the Company issued 1,400,000 depositary shares, each of which represents 1/100th of one share of the Company's 8.75% Series B Cumulative Redeemable Perpetual Preferred Shares (the "Series B Preferred Shares"). The net proceeds from the offering were $33,497. Dividends on the Series B Preferred Shares are payable at 8.75% per annum in arrears on a quarterly basis. At any time after August 20, 2019 (or within 180 days after the occurrence of a fundamental change), the Series B Preferred Shares may be redeemed, at the discretion of the Company, in whole or in part, at a redemption price of $2,500.00 per share (equivalent to $25.00 per depositary share).

On December 10, 2019, the Company entered into At Market Issuance Sales Agreement with B. Riley FBR under which the Company may, from time to time, issue additional depositary shares, each of which represents 1/100th of one share of the Company's Series B Preferred Shares (the "Depositary Share ATM Program"). Pursuant to the Depositary Share ATM Program, in 2019, the Company issued 42,756 depositary shares (representing an interest in 428 Series B Preferred Shares) for net proceeds of $856, and during the nine months ended September 30, 2020, the Company issued 308,014 depositary shares (representing an interest in 3,080 Series B Preferred Shares) for net proceeds of $7,036. As of September 30, 2020, the Company had 17,508 Series B Preferred Shares outstanding.

(Expressed in thousands of U.S. dollars except share data)

7. Share Capital (continued)

These shares are classified as Equity in the interim unaudited Consolidated Balance Sheets. The dividends payable on the Series B Preferred Shares are presented as a reduction of Retained Earnings in the interim unaudited Consolidated Statements of Shareholders' Equity, when and if declared by the Board of Directors. An initial dividend was declared on September 22, 2014 for the third quarter 2014. Subsequent dividends have been declared for all quarters.

8. Share-Based Compensation

In July 2019, the Compensation Committee of the Board of Directors approved stock-based awards to four members of senior management under the Company's 2019 Omnibus Incentive Plan (the "2019 Plan"). A total of 1,359,375 shares of incentive stock may be issued pursuant to the awards, in four tranches. The first tranche is to vest conditioned only on continued service over the three year period which commenced January 1, 2019. Tranches two, three and four vest when the Company's stock price exceeds $8.00, $11.00 and $14.00, respectively, over a 60-day period. The $8.00 threshold was achieved in January 2020. A total of 402,146 incentive shares have vested as at September 30, 2020, of which 184,270 have been issued.

The 2019 Plan is administered by the Compensation Committee of the Board. The maximum aggregate number of Class A common shares that may be delivered pursuant to awards granted under the 2019 Plan during its 10-year term is 1,812,500. The maximum number of Class A common shares with respect to which awards may be granted to any non-employee director in any one calendar year is 12,500 shares or $100,000.

Share based awards since January 1, 2019, are summarized as follows:

	Restricted Stock Units		
	Number of Units		
	Number	Weighted Average Fair Value on Grant Date	Actual Fair Value on Vesting Date
Unvested as at January 1, 2019	—	$ —	—
Granted in July 2019	1,359,375	3.79	n/a
Vested in 2019	113,279	—	—
Unvested as at December 31, 2019	**1,246,096**	**$ 3.79**	**n/a**
Vested in nine months ended September 30, 2020	288,867	—	—
Unvested as at September 30, 2020	**957,229**	**$ 3.79**	**n/a**

Using the graded vesting method of expensing the restricted stock unit grants, the weighted average fair value of the stock units is recognized as compensation costs in the interim unaudited Consolidated Statements of Operations over the vesting period. The fair value of the restricted stock units for this purpose is calculated by multiplying the number of stock units by the fair value of the shares at the grant date. The Company has not factored any anticipated forfeiture into these calculations based on the limited number of participants.

For the nine months ended September 30, 2020 and 2019, the Company recognized a total of $1,640 and $1,288, respectively, in respect of stock based compensation.

(Expressed in thousands of U.S. dollars except share data)

9. Earnings per Share

Under the two-class method, net income, if any, is first reduced by the amount of dividends declared in respect of common shares for the current period, if any, and the remaining earnings are allocated to common shares and participating securities to the extent that each security can share the earnings assuming all earnings for the period are distributed. The net income allocated to Class A and Series C shares was based on an as converted basis utilizing the two-class method.

Earnings are only allocated to participating securities in a period of net income if, based on the contractual terms, the relevant common shareholders have an obligation to participate in such earnings. As a result, earnings are only be allocated to the Class A common shareholders and Series C preferred shareholders.

At September 30, 2020, there were 957,229 shares of restricted stock units granted and unvested as part of management's equity incentive plan. At September 30, 2019, there were no unvested awards under any of the Company's incentive plans, only Class A common shares and Series C preferred shares were participating securities.

	Nine months ended September 30,	
	2020	**2019**
Numerator:		
Net income attributable to common shareholders	26,815	28,798
Undistributed income attributable to Series C participating preferred shares	(11,344)	(16,296)
Net income available to common shareholders, basic and diluted	15,471	12,502
Net income available to:		
Class A, basic and diluted	15,471	12,502
Denominator:		
Class A Common shares		
Basic weighted average number of common shares outstanding	17,669,049	9,939,559
Plus weighted average number of RSUs with service conditions	81,700	69,521
Common share and common share equivalents, dilutive	17,750,749	10,009,080
Basic earnings per share:		
Class A	0.88	1.26
Diluted earnings per share:		
Class A	0.87	1.25
Series C Preferred Shares-basic and diluted earnings per share:		
Undistributed income attributable to Series C participating preferred shares	11,344	16,296
Basic weighted average number of Series C Preferred shares outstanding, as converted	12,955,187	12,955,187
Plus weighted average number of RSUs with service conditions	59,904	90,613
Dilutive weighted average number of Series C Preferred shares outstanding, as converted	13,015,091	13,045,800
Basic earnings per share	0.88	1.26
Diluted earnings per share	0.87	1.25

10. Subsequent events

After the period end and up to November 9, 2020, the Company issued and sold an aggregate of 96,379 depositary shares (representing an interest in 964 Series B Preferred Shares) in connection with the At Market Issuance Sales Agreement for net proceeds of $2,089.

During the period from October 1, 2020 through November 9, 2020, the Company sold $5.0 aggregate principal amount of 2024 Notes at an average price of $24.75 per 2024 Note, for aggregate net proceeds of $4.8 under the Notes ATM Program.

During October 2020, the Company purchased $2,075 of aggregate principal amount of 2022 Notes in the open market at a weighted average price of 101.98% of the aggregate principal amount.