



d'Amico International Shipping S.A. Half-Yearly / Second Quarter 2022 Financial Report

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d'Amico International Shipping S.A.

Registered office at 25C Boulevard Royal, Luxembourg

Share capital US\$ 62,052,778.45 as at 30 June 2022

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BOARD OF DIRECTORS AND CONTROL BODIES

BOARD OF DIRECTORS

Chairman, Chief Executive Officer
Paolo d'Amico

Directors

Antonio Carlos Balestra di Mottola, *Chief Financial Officer*
Cesare d'Amico – Executive Director
Marcel C. Saucy – Non-executive, Lead Independent Director
Tom Loesch – Non-executive, Independent Director
Monique I.A. Maller – Non-executive, Independent Director

INDEPENDENT AUDITORS

MOORE Audit S.A.

KEY FIGURES

FINANCIALS

US\$ million

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED	US\$ Thousand	H1 2022	H1 2021
72,786	46,135	Time charter equivalent (TCE) earnings*	115,607	88,891
48,470	18,865	EBITDA*	66,243	33,017
66.59%	40.89%	as % of margin on TCE	57.30%	37.14%
33,425	2,662	EBIT*	33,715	386
45.92%	5.77%	as % of margin on TCE	29.16%	0.43%
25,714	(5,411)	Net profit (loss)	19,218	(15,179)
35.33%	(11.73)%	as % of margin on TCE	16.62%	(17.08)%
26,534	(5,071)	Adjusted Net profit (loss)**	22,375	(14,408)
0.021	(0.004)	Earnings (loss) per share	0.016	(0.012)
8,741	11,925	Operating cash flow	18,982	18,533
(475)	(2,215)	Gross CAPEX*	(894)	(4,184)
			As at 30 June 2022	As at 31 December 2021
		Total assets	933,681	936,316
		Net financial indebtedness*	474,841	520,288
		Shareholders' equity	359,449	332,382

*see Alternative Performance Measures on page 9;

** Excluding results on disposal and non-recurring financial items, as well as the effects of IFRS 16 – please refer also to the summary of financial results for the first half of 2022.

OTHER OPERATING MEASURES*

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED		H1 2022 UNREVIEWED	H1 2021 UNREVIEWED
23,389	13,893	Daily operating measures - TCE earnings* per employment day (US\$) ¹	18,559	13,371
35.5	38.0	Fleet development - Total vessel equivalent*	35.8	38.4
17.5	20.0	- Owned	17.8	19.8
8.0	8.0	- Bareboat chartered-in	8.0	8.2
10.0	10.0	- Time chartered-in	10.0	10.4
-	-	- Vessels-equivalent under commercial management	-	-
1.3%	4.1%	Off-hire days/ available vessel days ² (%)	0.8%	4.3%
39.8%	46.7%	Fixed rate contract/ available vessel days ³ (coverage %)	42.1%	48.1%

*see Alternative Performance Measures on page 9.

¹ This figure represents time charter ("TC") equivalent earnings for vessels employed on the spot market and time charter contracts, net of commissions. Please refer to the Alternative Performance Measures included further on in this report. This figure excludes TCE Earnings generated by the 'vessels under commercial management', as DIS passes these earnings on to the vessels' owners, after deducting a 2% commission on all their gross revenues.

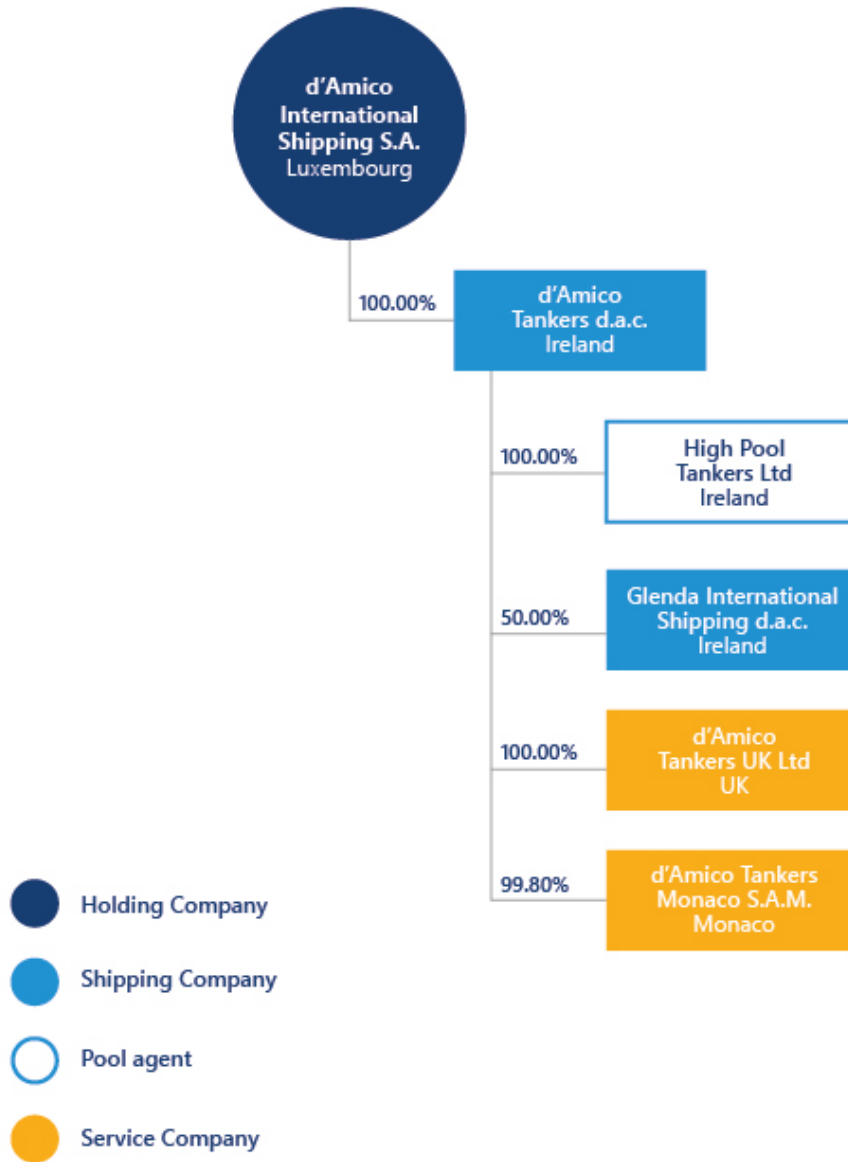
² This figure is equal to the ratio of the total off-hire days, including those from dry-docks, and the total number of available vessel days.

³ Fixed rate contract days/available vessel days (coverage ratio): this figure represents the proportion of available vessel days, including off-hire days, employed through time charter contracts.

CONSOLIDATED INTERIM MANAGEMENT REPORT

GROUP STRUCTURE

Set out below is d'Amico International Shipping Group's structure as at 30 June 2022:



D'AMICO INTERNATIONAL SHIPPING GROUP

d'Amico International Shipping S.A. (DIS, the Group, d'Amico International Shipping or the Company) is an international marine transportation company, part of the d'Amico Group (d'Amico), which traces its origins to 1936. As at 30 June 2022, d'Amico International Shipping controls, mainly through d'Amico Tankers d.a.c. (Ireland), its fully owned subsidiary, a fleet of 35.0 vessels, of which 25.0 owned and bareboat vessels (with purchase obligations), with an average age of approximately 6.9 years, compared to an average in the product tankers industry of 12 years for MRs and LR1s (25,000 – 84,999 dwt). All DIS' vessels are double-hulled and are primarily engaged in the transportation of refined oil products, providing worldwide shipping services to the major oil companies and trading houses. All the vessels are compliant with IMO (International Maritime Organization) regulations, including MARPOL (the International Convention for the Prevention of Pollution from Ships), with the requirements of oil-majors and energy-related companies and other relevant international standards. Based on MARPOL/IMO rules, cargoes such as palm oil, vegetable oil and other chemicals can only be transported by vessels that meet certain requirements (IMO Classed). As at 30 June 2022, 77.1% of DIS' controlled fleet was IMO Classed, allowing the Group to transport a large range of products.

d'Amico International Shipping's revenue is mainly generated from the employment, either directly or through its partnerships, of the vessels of its fleet under spot contracts and time charters, for the marine transportation of refined petroleum products. Vessels operating under fixed rate contracts, including time charters, usually provide more steady and predictable cash flows than vessels operating on the spot market. Spot contracts offer the opportunity to maximise DIS' revenue during periods of increasing market rates, although they may result in lower earnings than time charters during periods of decreasing rates. This employment mix varies according to prevailing and forecasted market conditions. Gains or losses can also arise from the sale of the vessels in DIS' fleet.

DIS believes that it benefits from a strong brand name and an established reputation in the international market due to its long operating history and that such a reputation is important in maintaining and strengthening its long-term relationships with its partners and existing customers and in developing relationships with new customers. Its partners and customers appreciate the transparency and accountability, which have been priorities for the Group from its early days. Accountability, transparency and a focus on quality are pillars of its operations and key to DIS' success.

The quality of its fleet is preserved through scheduled maintenance programmes, by aiming for exacting standards on owned vessels and by chartering-in vessels from owners who meet high-quality standards.

DIS' Global Footprint

DIS has a presence in Luxembourg, Dublin (Ireland), London (U.K.), Monte Carlo (Monaco), Singapore and Stamford, CT (USA). These offices are located in the key maritime centres around the world. DIS believes that its international presence allows it to meet the needs of its international clients in different geographical areas, strengthening the Group's recognition and its brand name worldwide. In addition, through the different opening hours of offices located in several time zones, DIS can continuously monitor its operations and assist its customers.

As at 30 June 2022, the Group employed an equivalent of 516 seagoing personnel and 23 onshore personnel.

Fleet

DIS controlled as at 30 June 2022, either through ownership or charter arrangements a modern fleet of 35.0 product tankers (31 December 2021: 37.0 product tankers). DIS' product tanker vessels range from approximately 36,000 to 75,000 dwt.

Since 2012, DIS has ordered 22 newbuildings, the last of which was delivered in October 2019. All these newbuildings are fuel-efficient and in compliance with recent environmental legislation. They can therefore cater to the high standards required by the Group's oil major customers, in addition to being highly cost effective.

Operating a large fleet enhances the generation of earnings and operating efficiencies. A large fleet strengthens the Group's ability to advantageously position vessels and improves the fleet's availability and scheduling flexibility, providing DIS with a competitive advantage in securing spot voyages. In particular, the scale of its

operations provides it with the flexibility necessary to enable it to capitalise on favourable spot market conditions to maximise earnings and negotiate favourable contracts with suppliers.

The following table sets forth information about DIS' fleet on the water as at 30 June 2022.

Name of vessel	Dwt	Year built	Builder, Country ⁴	IMO classed
LR1 fleet				
Owned				
Cielo di Londra	75,000	2019	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
Cielo di Cagliari	75,000	2018	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
Cielo Rosso	75,000	2018	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
Cielo di Rotterdam	75,000	2018	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
Cielo Bianco	75,000	2017	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
Bareboat with purchase options and purchase obligation				
Cielo di Houston	75,000	2019	Hyundai Mipo, South Korea (Vinashin, Vietnam)	-
MR fleet				
Owned				
High Challenge	50,000	2017	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
High Wind	50,000	2016	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
High Tide	51,768	2012	Hyundai Mipo, South Korea	IMO II/III
High Seas	51,678	2012	Hyundai Mipo, South Korea	IMO II/III
GLENDIA Melissa ⁵	47,203	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDIA Meryl ⁶	47,251	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDIA Melody ⁷	47,238	2011	Hyundai Mipo, South Korea	IMO II/III
GLENDIA Melanie ⁸	47,162	2010	Hyundai Mipo, South Korea	IMO II/III
Bareboat with purchase options and purchase obligations				
High Trust	49,990	2016	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
High Trader	49,990	2015	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
High Loyalty	49,990	2015	Hyundai Mipo, South Korea	IMO II/III
High Freedom	49,990	2014	Hyundai Mipo, South Korea	IMO II/III
High Discovery	50,036	2014	Hyundai Mipo, South Korea	IMO II/III
High Fidelity	49,990	2014	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
High Voyager	45,999	2014	Hyundai Mipo, South Korea	IMO II/III
TC-in long-term with purchase options				
High Leader	50,000	2018	Japan Marine, Japan	IMO II/III
High Navigator	50,000	2018	Japan Marine, Japan	IMO II/III
High Explorer	50,000	2018	Onomichi, Japan	IMO II/III
High Adventurer	50,000	2017	Onomichi, Japan	IMO II/III
Crimson Pearl	50,000	2017	Minaminippon Shipbuilding, Japan	IMO II/III
Crimson Jade	50,000	2017	Minaminippon Shipbuilding, Japan	IMO II/III
TC-in long-term without purchase options				
Green Planet	50,843	2014	Daesun Shipbuilding, South Korea	IMO II/III
High Prosperity	48,711	2006	Imabari, Japan	-
High SD Yihe	48,700	2005	Imabari, Japan	-

⁴ Hyundai Mipo, South Korea (Vinashin, Vietnam) refers to vessels ordered at Hyundai Mipo and built at their Vinashin (Vietnam) facility.

⁵ Vessel owned by GLENDIA International Shipping d.a.c. (in which DIS has 50% interest) and time chartered to the Glencore Group which then recharter the vessel with identical terms to d'Amico Tankers d.a.c.

⁶ Vessel owned by GLENDIA International Shipping d.a.c. (in which DIS has 50% interest).

⁷ Vessel owned by GLENDIA International Shipping d.a.c. (in which DIS has 50% interest) and time chartered to the Glencore Group which then recharter the vessel with identical terms to d'Amico Tankers d.a.c.

⁸ Vessel owned by GLENDIA International Shipping d.a.c. (in which DIS has 50% interest).

Handy-size fleet

Owned

Cielo di Salerno	39,043	2016	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
Cielo di Hanoi	39,043	2016	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
Cielo di Capri	39,043	2016	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
Cielo di Ulsan	39,060	2015	Hyundai Mipo, South Korea (Vinashin, Vietnam)	IMO II/III
Cielo di New York	39,990	2014	Hyundai Mipo, South Korea	IMO II/III
Cielo di Gaeta	39,990	2014	Hyundai Mipo, South Korea	IMO II/III

Fleet Employment and Partnership

As at 30 June 2022, d'Amico International Shipping directly employed 35.0 Vessels: 4 LR1s ('Long Range 1'), 7 MRs ('Medium Range') and 2 Handy-size vessels on term contracts at fixed rates, whilst 2 LR, 16 MR and 4 Handy-size vessels were at the same date employed on the spot market. Some of these DIS' vessels are employed through its joint venture GLENDA International Shipping d.a.c. ("GIS"), a jointly controlled entity with the Glencore Group, in which d'Amico Tankers d.a.c. has a 50% interest. As at 30 June 2022, GIS owned 4 MR vessels built between February 2010 and February 2011, all of which were time-chartered to the Glencore Group, with two of these then time-chartered with identical terms by the Glencore Group to d'Amico Tankers DAC.

d'Amico International Shipping is part of the d'Amico Group, one of the world's leading privately-owned marine transportation companies, with over 70 years of experience in the shipping business, whose ultimate parent company is d'Amico Società di Navigazione S.p.A. (Italy). As at 30 June 2022, the d'Amico Group controlled a wide fleet of owned and chartered-in vessels, of which 35.0 were part of the DIS fleet, operating in the product tanker market. d'Amico International Shipping also benefits from the expertise of the d'Amico Group, which provides technical management services, including crewing and insurance arrangements, as well as safety, quality, and environmental services for DIS' vessels.

ALTERNATIVE PERFORMANCE MEASURES (APM)

Along with the most directly comparable IFRS measures, DIS' management regularly uses Alternative Performance Measures, as they provide helpful additional information for readers of its financial statements, indicating how the business has performed over the period, filling the gaps left by the reporting standards. APMs are financial and non-financial measures of historical or future financial performance, financial position or cash-flows, other than a financial measure defined or specified in the Group's applicable financial reporting framework and standards (IFRS); for this reason they might not be comparable to similarly titled measures used by other companies and are not measurements under IFRS or GAAP and thus should not be considered substitutes for the information contained in the Group's financial statements. The following section sets out the Group's definitions of used APMs:

FINANCIAL APMs (They are based on or derived from figures of the financial statements)

Time charter equivalent earnings

A shipping industry standard allowing the comparison of period-to-period net freight revenues, which are not influenced by whether the vessels were employed on Time charters (TC), Voyage charters or Contracts of affreightment (please see Non-Financial APM definitions below). As indicated in the Profit and Loss financial statement, it is equal to revenues less voyage costs.

Bareboat charter revenue

Revenues originating from contracts under which the ship owner is usually paid monthly in advance charter hire at an agreed daily rate for a specified period of time, during which, the charterer is responsible for the technical management of the vessel, including crewing, and therefore also for its operating expenses (see further in Other definitions).

EBITDA and EBITDA Margin

EBITDA is defined as the result for the period before the impact of taxes, interest, the Group's share of the result of joint ventures and associates, depreciation, and amortization. It is equivalent to the gross operating profit, which indicates the Group's revenues from sales less its cost of the services (transport) sold. EBITDA Margin is defined as EBITDA divided by Time charter equivalent earnings (as described above). DIS believes that EBITDA and EBITDA Margin are useful additional indicators investors can use to evaluate the Group's operating performance.

EBIT and EBIT Margin

EBIT is defined as the result for the period before the impact of tax, interest, and the Group's share of the result of joint ventures and associates. It is equivalent to the net operating profit and the Group uses it to monitor its return after operating expenses and the cost of the use of its tangible assets. EBIT Margin is defined as operating profit as a percentage of Time charter equivalent earnings and represents for DIS a suitable measure to show the contribution of the Time-Charter Earnings in covering both fixed and variable costs.

ROCE

Return on Capital Employed is a profitability ratio which measures how efficiently a company is using its capital. It is calculated dividing the EBIT by the capital employed, that is, by total assets less current liabilities.

Gross CAPEX

Gross capital expenditure, that is the expenditure for the acquisition of fixed assets as well as expenditures capitalised as a result of the intermediate or special surveys of our vessels, or of investments for the improvement of DIS vessels, as indicated under Net acquisition of fixed assets within the cash-flow from investing activities; it gives an indication about the strategic planning (expansion) of the Group (capital intensive industry).

Net Indebtedness

Comprises bank loans and other financial liabilities, less cash and cash equivalents and liquid financial assets or short-term investments available to service those debt items. The Group believes net indebtedness is relevant to investors as it is a metric on the overall debt situation of a company, indicating the absolute level of non-equity funding of the business. The relevant table in the net indebtedness section within the report on operations, reconciles net debt to the pertinent balance sheet line items.

IFRS 16 impact

The standard eliminates the classification of leases as either operating leases or finance leases for a lessee; instead, all leases are treated in a similar way to finance leases applying IAS 17. Leases are "capitalised" by recognising the

present value of lease payments and showing them either as leased assets (right-of-use assets, RoU) or together with property, plant, and equipment (PPE). Lease items of low value (under US\$ 5 thousand) or for which the lease duration is shorter than one year are excluded from this treatment and are expensed as incurred. If lease payments are made over time, the company also recognises a financial liability representing its obligation to make future lease payments. The most significant effect is an increase in lease assets (or PPE) and financial liabilities, leading to changes in key financial metrics derived from balance sheet data.

For companies with material off-balance sheet leases, IFRS 16 changes the nature of the expenses related to those leases: the straight-line operating lease expense (time-charter-in) are replaced with a depreciation charge for the lease asset (included within operating costs) and an interest expense on the lease liability (included within finance costs).

NON-FINANCIAL APMs (not derived from figures of the financial statements)

Available vessel days

Total theoretical number of days a vessel is available for sailing during a period. It provides an indication of the Group's fleet earnings potential during a period, which takes into account the date of delivery to and redelivery from the Group of the vessels in its fleet (please refer also to the Key figures, other operating measures).

Coverage

Ratio indicating how many available vessel days are already covered by fixed rate contracts (time charter contracts or contracts of affreightment). It provides an indication of how exposed the Group is to changes in the freight market during a certain period (please refer to Time charter equivalent earnings in the Management financial review).

Daily spot rate or daily TC rate

Daily spot rate refers to daily time-charter equivalent earnings (please refer to definition below) generated by employing DIS' vessels on the spot market (or on a voyage basis) and daily TC rate refers to daily time-charter earnings generated by employing DIS' vessels on 'time-charter' contracts (please refer to the Management financial review).

Off-hire

Means the period in which a vessel is unable to perform the services for which it is immediately required under a time charter. Off-hire periods can include days spent on repairs, dry-docking and surveys, whether or not scheduled. It can help to explain changes in time-charter equivalent earnings between different periods (please refer to Revenues, in the Management financial review).

Time charter equivalent earnings per day

A measure of the average daily revenue performance of a vessel or of DIS' fleet. DIS' method of calculating time charter equivalent earnings per day is consistent with industry standards and is determined by dividing voyage revenues (net of voyage expenses) by on-hire days for the relevant time period. Time charter equivalent earnings per day is a standard shipping industry performance measure used primarily to compare period-to-period changes in a shipping company's performance, since it is unaffected by the changes in the mix of charter contracts (*i.e.* spot charters, time charters and contracts of affreightment) through which the vessels are employed. It allows a comparison of the Group's performance with industry peers and market benchmarks (please refer to Key figures).

Vessels equivalent

The number of vessels equivalent in a period is equal to the sum of the products of the total available vessel days over that period for each vessel and the participation of the Group (direct or indirect) in that vessel, divided by the number of calendar days in that period. It provides an indication of the Group's fleet size and earnings potential over a period (please refer to Key figures).

OTHER DEFINITIONS

Bareboat charter

A contract type under which the ship owner is usually paid monthly in advance charter hire at an agreed daily rate for a specified period of time, during which the charterer is responsible for the technical management of the vessel, including crewing, and therefore also for its operating expenses (please refer to note 6). A bareboat charter is also known as a "demise charter" or a "time charter by demise".

Charter

A contract for the hire of a vessel for a specified period of time or to carry cargo from a loading port to a discharging port. The contract for a charter is commonly called a charter party and there are three main types of such contracts, a bareboat charter party, a voyage charter party and time charter party (refer to definitions in this section).

Contract of affreightment (COA)

An agreement between an owner and a charterer which obliges the owner to provide a vessel to the charterer to move specific quantities of cargo, at a fixed rate, over a stated time period but without designating specific vessels or voyage schedules, thereby providing the owner with greater operating flexibility than with voyage charters alone.

Disponent Owner

The company that controls a vessel, replacing the registered owner, either through a time-charter or a bareboat charter.

Fixed-rate contracts

For DIS these usually refer to revenues generated through time-charter contracts or contracts of affreightment (please refer to definitions in this section). Bareboat charter contracts are also usually fixed rate contracts but DIS controls rather than employs vessels through such contracts.

Spot charter or Voyage charter

A contract type through which a registered owner (owner) or disponent owner (please refer to definition in this section) is paid freight for transporting cargo from a loading port to a discharging port. The charterer pays the vessel owner or disponent owner on a per-ton or lump-sum basis. The payment for the use of the vessel is known as freight. The owner or disponent owner is responsible for paying voyage expenses. Typically, the charterer is responsible for any delay at the loading or discharging ports. A ship-owner or bareboat charterer operating its vessel on voyage charter is responsible for the technical management of the vessel, including crewing, and therefore also for its operating expenses.

Time charter

Is a contract type through which the registered owner (owner) or disponent owner (please refer to definition within this section) is paid usually monthly in advance charter hire at an agreed daily rate for a specified period of time (usually a fixed rate contract). With such contracts the charterer is responsible for paying the voyage expenses and additional voyage insurance. A ship-owner or bareboat charterer operating its vessel on time-charter is responsible for the technical management of the vessel, including crewing, and therefore also for its operating expenses.

SUMMARY OF THE RESULTS IN THE SECOND QUARTER AND FIRST HALF OF 2022

The product tanker markets were very weak at the beginning of 2022. However, the product tanker market has seen significantly improved conditions in Q2 amid impacts from the Russia-Ukraine conflict. Conditions have varied by sector, with product tanker earnings especially strong, earnings in the smaller crude sectors healthy and the VLCC market still weak (though eco and scrubber fitted ships have fared better). Crude tanker markets are expected to benefit from further easing of OPEC output cuts and improved Chinese demand in coming months, providing further support to an already buoyant product tanker market.

Average clean MR earnings improved throughout the quarter. The recent strength in the MR markets has been underpinned by recovering demand for refined products as economies continue reopening following the lifting of restrictions linked to COVID, inefficiencies in the supply chain and shifting trade patterns, with increased volumes on longer-haul routes ex-US and ex-Asia into Europe, as purchasers source alternatives to Russian volumes. Earnings have remained high, supported by steady activity, in both the Eastern and Western basins.

According to the IEA's July '22 report global refinery runs rose by 600,000 b/d in June as maintenance wound down, while product prices and margins marched on to new highs. At 79.7 million b/d, throughputs were 1.4 million b/d higher than April's seasonal low, but with refined product demand increasing one and a half times as fast over the same period, the gap between product supply and demand widened.

Refinery margins increased further in June on a monthly average basis, except for margins in Northwest Europe, which were affected by lower naphtha runs.

The one-year time-charter rate is always the best indicator of spot market expectations and as at the end of June 2022 was assessed at around US\$ 20,000 per day (up from US\$ 13,500 per day in March) for a conventional MR2, with an Eco MR2 assessed at a premium of around US\$ 3,000 per day.

In H1 2022, DIS recorded a Net profit of US\$ 19.2 million vs. a Net loss of US\$ (15.2) million posted in the same period of 2021. Such positive variance is attributable to a much stronger product tanker market relative to the same period of last year. Excluding results on disposal and non-recurring financial items, as well as the asset impairment and the effects of IFRS 16, DIS' Net result would have amounted to US\$ 22.4 million in H1 2022 compared with US\$ (14.4) million recorded in H1 2021. **In Q2 2022, DIS posted a Net profit of US\$ 25.7 million** vs. a Net loss of US\$ (5.4) million registered in the second quarter of last year. Excluding results on disposal and non-recurring financial items, as well as the asset impairment and the effects of IFRS 16, DIS' Net result would have amounted to US\$ 26.5 million in Q2 2022 compared with US\$ (5.1) million recorded in Q2 2021.

DIS generated an EBITDA of US\$ 66.2 million in H1 2022 vs. US\$ 33.0 million achieved in H1 2021, and of US\$ 48.5 million in Q2 2022 vs. US\$ 18.9 million in Q1 2021.

In terms of spot performance, **DIS achieved a daily spot rate of US\$ 21,037 in H1 2022 vs. US\$ 11,355 in H1 2021** (Q2 2022: US\$ 28,687 vs. Q2 2021: US\$ 12,720), as a result of the much stronger market relative to the same period of last year.

At the same time, 42.1% of DIS' total employment days in H1 2022, were covered through 'time-charter' contracts at an average daily rate of US\$ 15,158 (H1 2021: 48.1% coverage at an average daily rate of US\$ 15,546). A good level of time charter coverage is one of the pillars of DIS' commercial strategy and allows it to mitigate the effects of the spot market volatility, securing a certain level of earnings and cash generation even throughout negative cycles. DIS' total daily average rate (which includes both spot and time-charter contracts) was of US\$ 18,559 in the first six months of 2022 compared with US\$ 13,371 achieved in the same period of 2021 (Q2 2022: US\$ 23,389 vs. Q2 2021: US\$ 13,893).

OPERATING PERFORMANCE

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED	US\$ Thousand	H1 2022	H1 2021
108,742	62,916	Revenue	175,280	122,037
(35,956)	(16,781)	Voyage costs	(59,673)	(33,146)
72,786	46,135	Time charter equivalent earnings*	115,607	88,891
1,200	-	Bareboat charter revenue *	2,386	-
73,986	46,135	Total net revenue	117,993	88,891
(515)	(1,361)	Time charter hire costs	(1,721)	(1,620)
(21,012)	(21,714)	Other direct operating costs	(42,141)	(46,191)
(3,462)	(3,650)	General and administrative costs	(6,840)	(6,990)
(527)	(545)	Result on disposal of fixed assets	(1,048)	(1,073)
48,470	18,865	EBITDA*	66,243	33,017
(15,045)	(16,203)	Depreciation and impairment	(32,528)	(32,631)
33,425	2,662	EBIT*	33,715	386
320	433	Net financial income	893	1,019
(8,064)	(8,416)	Net financial charges	(15,282)	(16,423)
25,681	(5,321)	Profit (loss) before tax	19,326	(15,018)
33	(90)	Income tax	(108)	(161)
25,714	(5,411)	Net profit (loss)	19,218	(15,179)

*see Alternative Performance Measures on page 9

Revenue was US\$ 175.3 million in H1 2022 (US\$ 122.0 million in H1 2021) and US\$ 108.7 million in Q2 2022 (US\$ 62.9 million in Q2 2021). The increase in gross revenue compared with the previous year is attributable mainly to a stronger freight market. In addition, the percentage of off-hire days in H1 2022 (0.8%) was lower than in the same period of the previous year (4.3%), mainly due to the timing of commercial off-hires and dry-docks.

Voyage costs reflect the mix of spot and time-charter employment contracts. These costs, which occur only for vessels employed on the spot market, amounted to US\$ (59.7) million in H1 2022 compared with US\$ (33.1) million in H1 2021 (Q2 2022: US\$ (36.0) million vs. Q2 2021: US\$ (16.8) million). The higher costs reflect DIS' higher exposure to the spot market and higher bunker prices, relative to the same period of last year.

Time charter equivalent earnings were of US\$ 115.6 million in H1 2022 vs. US\$ 88.9 million in H1 2021 and US\$ 72.8 million in Q2 2022 vs. US\$ 46.1 million in Q2 2021. In detail, DIS realized a **daily average spot rate of US\$ 21,037 in H1 2022** compared with US\$ 11,355 achieved in H1 2021, **and of US\$ 28,687 in Q2 2022** compared with US\$ 12,720 in Q2 2021.

In H1 2022, DIS maintained a good level of 'coverage'⁹ (fixed-rate contracts), securing an average of 42.1% (H1 2021: 48.1%) of its available vessel days at a daily average fixed rate of US\$ 15,158 (H1 2021: US\$ 15,546). In addition to securing revenue and supporting the operating cash flow generation, these contracts enabled DIS to strengthen its historical relationships with the main oil majors.

⁹ Coverage ratio (%) and daily average covered rate include a bareboat charter out contract on an LR1 vessel owned by d'Amico Tankers d.a.c., inclusive of an assumed daily Opex of US\$ 6,700 (in line with DIS' actual costs), in order to express this bareboat contract in time-charter equivalent terms. The gross revenue of this bareboat contract is reported under 'bareboat charter revenue' in the Income Statement.

DIS' total daily average TCE (Spot and Time Charter)¹⁰ was of US\$ 18,559 in H1 2022 vs. US\$ 13,371 in H1 2021, and of US\$ 23,389 in Q2 2022 vs. US\$ 13,893 in Q2 2021.

DIS TCE daily rates (US dollars)	2021						2022		
	Q1	Q2	H1	Q3	Q4	FY	Q1	Q2	H1
Spot	9,923	12,720	11,355	9,248	12,055	11,004	12,857	28,687	21,037
Fixed	15,842	15,231	15,546	15,163	14,493	15,194	14,968	15,373	15,158
Average	12,853	13,893	13,371	12,113	13,165	12,996	13,796	23,389	18,559

Bareboat charter revenue was of US\$ 2.4 million in H1 2022, and it relates to the bareboat charter out contract started in October 2021 on one of d'Amico Tankers d.a.c.'s LR1 vessels.

Time charter hire costs. IFRS 16 Leases is effective for annual periods beginning on or after 1 January 2019 and has been adopted by the Company. IFRS 16 substantially changes the Group's Consolidated Financial Statements, significantly affecting the treatment by lessees of contracts which in previous periods were treated as operating leases. With some exceptions, liabilities for payments on contracts previously classified as operating leases are now discounted at the lessee's incremental borrowing rate, leading to the recognition of a lease liability and a corresponding right of use asset (amounting to the liability plus the present value of any restoration costs and any incremental costs in entering the lease, as well as any lease payments made prior to commencement of the lease, minus any lease incentives already received). Therefore, starting from 1 January 2019, 'time-charter hire costs' includes only time-charter contracts whose residual term is shorter than 12 months as at that date or for contracts starting later, whose duration is shorter than 12 months from their commencement date. The application of IFRS16 reduced 'charter hire costs' by US\$ 24.2 million in H1 2022 and by US\$ 25.8 million in H1 2021, as within the Income Statement, these costs were replaced with other direct operating costs, interest, and depreciation.

Excluding the effect of IFRS 16, DIS' 'time-charter hire costs' would have amounted to US\$ (25.9) million in H1 2022, compared with US\$ (27.4) million in the same period of last year. In H1 2022, DIS operated a slightly lower number of chartered-in vessels (10.0 equivalent ships) relative to the first half of last year (10.4 equivalent ships).

Other direct operating costs mainly consist of crew, technical and luboil expenses relating to the operation of owned vessels, together with insurance expenses for both owned and chartered-in vessels. The adjustment to 'other direct operating costs' arising from the application of IFRS 16 increases such expenses by US\$ 10.9 million in H1 2022 (US\$ 11.7 million increase in H1 2021), as within the Income Statement, time-charter hire costs are replaced by other direct operating costs, interest, and depreciation. Excluding the effects of IFRS 16, DIS' 'other direct operating costs' would have amounted to US\$ (31.2) million in H1 2022 vs. US\$ (34.5) million in H1 2021. In the first six months of 2022, the Company operated a smaller fleet of owned and bareboat vessels relative to the same period of last year (H1 2022: 25.8 vs. H1 2021: 28.0). DIS constantly monitors its operating costs, while focusing on crew with appropriate skills, high SQE (Safety, Quality & Environment) standards and full compliance with very stringent market regulations. Maintaining a 'top-quality' fleet represents an essential part of d'Amico's vision and strategy.

General and administrative costs amounted to US\$ (6.8) million in H1 2022 vs. US\$ (7.0) million in H1 2021. These costs relate mainly to onshore personnel, together with office costs, consultancies, travel expenses and others.

Result on disposal of vessel was negative for US\$ (1.0) million in H1 2022 and was substantially in line with the same period of last year. The amount refers to the amortisation of the net deferred result on all vessels sold and leased back in the previous years.

EBITDA was of US\$ 66.2 million in H1 2022 compared with US\$ 33.0 million in the same period of last year (Q2 2022: US\$ 48.5 million vs. Q2 2021: US\$ 18.9 million), reflecting the better freight markets experienced in the first six months of the current year.

Depreciation, impairment, and impairment reversal amounted to US\$ (32.5) million in H1 2022 vs. US\$ (32.6) million in H1 2021 (Q2 2022: US\$ (15.0) million vs. Q2 2021: US\$ (16.2) million). The amount for H1 2022 includes

¹⁰ Total daily average TCE includes a bareboat charter out contract on an LR1 vessel owned by d'Amico Tankers d.a.c., inclusive of an assumed daily Opex of US\$ 6,700 (in line with DIS' actual costs), in order to express this bareboat contract in time-charter equivalent terms. The gross revenue of this bareboat contract is reported under 'bareboat charter revenue' in the Income Statement.

an impairment of US\$ (2.1) million on a MR vessel (M/T High Priority) owned by d'Amico Tankers d.a.c., whose sale was announced in Q1 2022 and finalized in Q2 2022. In accordance with IFRS 5, this vessel was classified as 'asset held for sale' at the end of Q1 2022, with the difference between its fair value less cost to sell and its book value charged to the Income Statement.

EBIT was of US\$ 33.7 million in H1 2022 compared with US\$ 0.4 million in H1 2021 (Q2 2022: US\$ 33.4 million vs. Q2 2021: US\$ 2.7 million).

Net financial income was of US\$ 0.9 million in H1 2022 vs. US\$ 1.0 million in H1 2021 (Q2 2022: US\$ 0.4 million vs. Q2 2021: US\$ 0.3 million). The H1 2022 amount comprised mainly US\$ 0.9 million unrealized gain in relation to the ineffective part of DIS' interest rate swap agreements, US\$ 0.03 million commercial foreign exchange gain, as well as bank interest income on funds held with financial institutions on deposit and current accounts.

Net financial charges amounted to US\$ (15.3) million in H1 2022 vs. US\$ (16.4) million in H1 2021 (Q2 2022: US\$ (8.1) million vs. Q2 2021: US\$ (8.4) million). The H1 2022 amount comprises mainly US\$ (14.1) million in interest expenses and amortized financial fees due on DIS' bank loan facilities, actual expenses on interest rate swaps and interest on lease liabilities, as well as US\$ (0.6) million realized loss on freight derivative instruments and US\$ (0.4) million realized loss on foreign exchange derivative instruments used for hedging purposes. The amount recorded in the same period of last year included US\$ (16.3) million in interest expenses and amortized financial fees due on DIS' bank loan facilities, actual expenses on interest rate swaps and interest on lease liabilities, as well as US\$ (0.1) million of unrealised losses mainly in relation to the ineffective part of DIS' interest rate swap agreements.

DIS recorded a **Profit before tax** of US\$ 19.3 million in H1 2022 vs. a loss of US\$ (15.0) million in H1 2021 and a profit of US\$ 25.7 million in Q2 2022 vs. a loss of US\$ (5.3) million in Q2 2021.

Income taxes amounted to US\$ (0.1) million in H1 2022 vs. US\$ (0.2) million in H1 2021.

In H1 2022, **DIS recorded a Net profit of US\$ 19.2 million** vs. a Net loss of US\$ (15.2) million achieved in the same period of 2021 and a Net profit of US\$ 25.7 million in Q2 2022 vs. a Net loss US\$ (5.4) million in Q2 2021. Excluding the result on disposals and non-recurring financial items from H1 2022 (US\$ (1.3) million) and from H1 2021 (US\$ (0.3) million), as well as the asset impairment (US\$ (2.1) million in H1 2022) and the net effects of IFRS 16 from both periods (H1 2022: US\$ 0.3 million and H1 2021: US\$ (0.5) million), **DIS' Net result would have amounted to US\$ 22.4 million in H1 2022** compared with US\$ (14.4) million recorded in the same period of the previous year.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>US\$ Thousand</i>	As at 30 June 2022	As at 31 December 2021
ASSETS		
Non-current assets	795,969	831,283
Current assets	137,712	94,836
Assets held for sale	-	10,197
Total assets	933,681	936,316
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity	359,449	332,382
Non-current liabilities	366,399	466,111
Current liabilities	207,833	135,487
Banks associated to assets held-for-sale	-	2,336
Total liabilities and shareholders' equity	933,681	936,316

Non-current assets mainly relate to DIS' owned vessels net book value, including right-of-use assets (there are no vessels under construction as at 30 June 2022). According to the valuation report provided by a primary broker, the estimated market value of DIS' owned and bareboat fleet as at 30 June 2022 was of US\$ 772.3 million.

Gross Capital expenditures (Capex) were of US\$ 0.9 million in H1 2022 vs. US\$ 4.2 million in H1 2021. These amounts include mainly the capitalised dry-dock costs pertaining to owned and bareboat vessels.

Total current assets as at 30 June 2022 amounted to US\$ 137.7 million. As at the same date, in addition to the working capital items (inventories and trade receivables amounting to US\$ 17.9 million and US\$ 71.1 million, respectively), current assets include 'cash and cash equivalent' of US\$ 46.0 million.

Non-current liabilities were of US\$ 366.4 million as at 30 June 2022 and mainly consist of the long-term portion of the debt due to banks (disclosed under the Net Indebtedness section of the report) and of lease liabilities.

Total current liabilities, other than the debt due to banks and other lenders (disclosed under the Net Indebtedness section of the report), includes as at 30 June 2022, working capital items amounting to US\$ 34.7 million (mainly relating to trade and other payables), US\$ 74.4 million of lease liabilities, and US\$ 4.2 million of other current financial liabilities.

Shareholders' equity amounted to US\$ 359.4 million as at 30 June 2022 (US\$ 332.4 million as at 31 December 2021). The variance relative to year-end 2021 is due to the Net result generated in H1 2022, partially offset by the change in the valuation of cash-flow hedges during the period.

NET INDEBTEDNESS*

DIS' Net debt as at 30 June 2022 amounted to **US\$ 474.8 million** compared to US\$ 520.3 million as at 31 December 2021. Due to the application of IFRS 16 these balances include from 1 January 2019 an additional lease liability amounting to US\$ 69.2 million as at the end of June 2022 vs. US\$ 80.5 million as at the end of 2021. The net debt (excluding the IFRS16 effect) / fleet market value ratio was of 52.5% as at 30 June 2022 vs. 60.4% as at 31 December 2021 (65.9% as at 31 December 2020, 64.0% as at the end of 2019 and 72.9% as at the end of 2018).

<i>US\$ Thousand</i>	As at 30 June 2022	As at 31 December 2021
Liquidity - Cash and cash equivalents	46,040	43,415
Other current financial assets	2,653	2,638
Other current financial assets – related party **	33	36
Total current financial assets	48,726	46,089
Bank loans and other lenders – current	94,360	68,870
Liabilities from financial lease – current	74,445	36,480
Other current financial liabilities – 3 rd parties	4,231	4,765
Total current financial debt	173,036	110,115
Net current financial debt	124,310	64,026
Other non-current financial assets – third parties	15,823	9,849
Other non-current financial assets – related parties	45	-
Total non-current financial assets	15,868	9,849
Bank loans - non-current	184,916	226,771
Liabilities from financial lease - non-current	180,949	237,478
Other non-current financial liabilities – 3 rd parties	534	1,862
Total non-current financial debt	366,399	466,111
Net non-current financial debt	350,531	456,262
Net financial indebtedness	474,841	520,288

* See Alternative Performance Measures on page 9

** Please refer to the disclosures on related parties in the notes to the consolidated Financial Statements

The balance of *Total Current Financial Assets* was of US\$ 48.7 million as at the end of June 2022. The total amount comprises *Cash and cash equivalents* of US\$ 46.0 million, and the current portion of deferred losses on disposal on sale and leaseback transactions, amounting to US\$ 2.4 million.

Total Non-Current Financial Assets comprise mainly deferred losses on disposal on sale and leaseback transactions.

The total outstanding bank debt (*Bank loans*) as at 30 June 2022 amounted to US\$ 279.3 million, of which US\$ 94.4 million is due within one year. In addition to some short-term credit lines, DIS' debt as at 30 June 2022 comprises mainly the following long-term facilities granted to d'Amico Tankers d.a.c. (Ireland), the key operating company of the Group:

- (i) US\$ 279.0 million (originally US\$ 250.0 million) term-loan facility granted by a pool of nine primary financial institutions (Crédit Agricole Corporate and Investment Bank, Nordea Bank, ING Bank, Banca IMI, Commonwealth Bank of Australia, Skandinaviska Enskilda Banken (SEB), The Governor and Company of the Bank of Ireland, Credit Industriel et Commercial, DnB), to provide financing for 5 existing vessels, with an outstanding debt of US\$ 98.9 million;
- (ii) Crédit Agricole Corporate and Investment Bank and ING term-loan facility to refinance 1 MR vessel built in 2016, and 1 MR vessels built in 2005, with an outstanding debt of US\$ 15.3 million;
- (iii) DnB NOR Bank 5-years term-loan facility to finance 1 MR vessel built in 2012, with an outstanding debt of US\$ 11.1 million;

- (iv) ING 5-years term-loan facility to finance 1 MR vessel built in 2012, with an outstanding debt of US\$ 10.6 million;
- (v) ABN Amro 5-years term-loan facility to finance 3 Handysize vessels built respectively in 2014, 2015 and 2016, with an outstanding debt of US\$ 40.9 million;
- (vi) Banca IMI (Intesa Group) 7-years term-loan facility to finance 1 Handy-size vessels built in 2016, with a total outstanding debt of US\$ 13.5 million;
- (vii) Skandinaviska Enskilda Banken 5-years term-loan facility to finance 1 LR1 vessel built in 2017, with an outstanding debt of US\$ 19.2 million;
- (viii) Century Tokyo Leasing 6-years term-loan facility to finance 1 MR vessel built in 2017, with a total outstanding debt of US\$ 14.3 million;
- (ix) Banco BPM S.p.A. 5-years term loan facility to finance 1 Handysize vessel built in 2016, with an outstanding debt of US\$ 15.2 million;
- (x) In addition, DIS' debt comprises also its portion of the bank loans of its joint venture 'Glenda International Shipping d.a.c.' with Standard Chartered Bank, amounting to US\$ 15.9 million, to finance 4 Glenda International Shipping d.a.c. vessels built between 2010 and 2011.

Lease liabilities include the leases on M/T High Fidelity, M/T High Discovery, M/T High Freedom, M/T High Trust, M/T High Loyalty, M/T High Trader, M/T Cielo di Houston and M/T High Voyager, which were sold and leased back between 2017 and 2019. In addition, 'lease liabilities' include as at 30 June 2022, US\$ 69.2 million arising from the application of IFRS 16 on contracts classified until 2018 as 'operating leases'.

Other Non-current financial liabilities include the negative fair value of derivative hedging instruments (interest rate swap agreements) and the deferred profit on disposal on sale and leaseback transactions.

CASH FLOW

In H1 2022, DIS' Net Cash Flow was positive for US\$ 3.2 million vs. US\$ (10.7) million in H1 2021.

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED	US\$ Thousand	H1 2022	H1 2021
8,741	11,925	Cash flow from operating activities	18,982	18,533
8,633	(2,215)	Cash flow from investing activities	18,411	(984)
(17,771)	(17,422)	Cash flow from financing activities	(34,111)	(28,235)
(397)	(7,712)	Change in cash balance	3,282	(10,686)
30,085	42,320	Cash and cash equivalents net of bank overdrafts at the beginning of the period	26,406	45,294
29,688	34,608	Cash and cash equivalents net of bank overdrafts at the end of the period	29,688	34,608
46,040	48,715	Cash and cash equivalents at the end of the period	46,040	48,715
(16,352)	(14,107)	Bank overdrafts at the end of the period	(16,352)	(14,107)

Cash flow from operating activities was positive, amounting to US\$ 18.9 million in H1 2022 vs. US\$ 18.5 million in H1 2021. The Cash flow from operating activities generated in the first six months of the year was affected by a negative working capital impact of approximately US\$ (32.9) million, which was mainly due to the increased length of spot voyages, longer payment terms on freights, and lower TC coverage.

The net **Cash flow from investing activities** was positive, amounting to US\$ 18.4 million in H1 2022 (US\$ (1.0) million in H1 2021). The amount for H1 2022 comprises mainly the costs relating to drydocks which occurred in the period, off-set by US\$ 19.3 million generated from the sale of the M/T High Valor in Q1 2022 and M/T High Priority in Q2 2022. The amount for H1 2021 comprised costs relating to drydocks occurred in the period, off-set by the reimbursement of US\$ 3.2 million of a sellers' credit relating to the sale and TC-back of two MRs in 2017.

Cash flow from financing activities was negative, amounting to US\$ (34.1) million in H1 2022. This figure comprises mainly: (i) US\$ (31.7) million in bank debt repayments (of which: US\$ (2.4) million were due to the reimbursement of the loan, including the balloon, for the M/T High Valor, sold in Q1 2022; and US\$ (14.2) million were due to the reimbursement of the facilities for the M/T Cielo di Salerno, whose debt, due to expire later in 2022, was refinanced in Q1 2022; and US\$ (1.9) million were due to the reimbursement of the loan, including the balloon, for the M/T High Priority, sold in Q2 2022); ii) US\$ 15.3 million bank debt drawdown, related to the refinancing of the facility for the M/T Cielo di Salerno; iii) US\$ (18.0) million repayment of lease liabilities.

SIGNIFICANT EVENTS OF THE FIRST SEMESTER

In H1 2022, the main events for the d'Amico International Shipping Group were the following:

D'AMICO INTERNATIONAL SHIPPING S.A.:

Fifth and last exercise period of DIS' Ordinary shares warrants 2017-2022: On 17 May 2022, d'Amico International Shipping S.A. confirmed that the holders of "d'Amico International Shipping's Warrants 2017 – 2022", ISIN code n. LU1588548724 (the "Warrants") could apply for their Warrants to be exercised on any Banking Day (days on which banks in Luxembourg and in Italy are generally open for business as defined in the terms and conditions of the Warrants) starting from 1st June, 2022 until 30th June, 2022, both dates included (the "Fifth Exercise Period"), with the right to subscribe for newly issued ordinary shares of DIS admitted to trading on Euronext STAR Milan organized and managed by Borsa Italiana, each without par value and with the same rights and features as DIS' ordinary shares outstanding at the issue date (the "Warrant Shares"), in the ratio of one (1) ordinary DIS share for one (1) Warrant exercised. After the termination of the Fifth Exercise Period, the unexercised Warrants are considered expired and can no longer be exercised. The exercise price for the Fifth Exercise Period amounts to EUR 0.412 (zero point four hundred and twelve Euros) per Warrant Share, which must be fully paid at the time of submission of the exercise notice during the Fifth Exercise Period.

Capital increase following the fifth exercise period of DIS' Ordinary shares warrants 2017-2022: on 4 July 2022 following the completion of the Fifth Warrants exercise period, in which 10,000 Warrants were exercised, leading to the issuance of 10,000 new ordinary shares, the Company's share capital amounted to US\$ 62,053,278.45, divided into 1,241,065,569 shares with no nominal value. The remaining 55,215,905 Warrants not exercised by the deadline of 30 June 2022 will expire, becoming invalid for all purposes.

D'AMICO TANKERS D.A.C.:

'Time Charter-Out' Fleet: In January 2022, d'Amico Tankers d.a.c. extended a time charter-out contract with an oil-major for one of its MR vessels for 12 months, starting from January 2022; and it extended another time charter-out contract with a reputable counterparty for one of its Handy-size vessels for 6 months, starting from January 2022.

Vessel Sale: In April 2022, d'Amico Tankers d.a.c signed a memorandum of agreement for the sale of the M/T High Priority, a 46,847 dwt MR product tanker vessel, built in 2005 by Nakai Zosen, Japan, for a consideration of US\$ 9.2 million.

HIGH POOL TANKERS D.A.C.:

'Time Charter-Out' Fleet: In April 2022, High Pool Tankers d.a.c. fixed a time charter-out contract with a reputable counterparty for one of its MR vessels for 6 months, starting in June 2022.

SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD AND BUSINESS OUTLOOK

D'AMICO TANKERS D.A.C.:

Refinancing of two leases: In July 2022, d'Amico Tankers d.a.c. exercised its purchase options on the existing bareboat charter contracts for MT High Discovery (a 49,990 dwt medium-range product tanker vessel built in 2014 by Hyundai-Mipo, South Korea), for a consideration of US\$ 20.3 million, and for MT High Fidelity (a 49,990 dwt medium-range product tanker vessel built in 2014 by Hyundai-Vinashin Shipyard Co. Ltd., Vietnam), for a consideration of US\$ 19.2 million. In addition, d'Amico Tankers refinanced the two vessels with new 10-year leases (bareboat charter contracts), with a purchase obligation at the end of the contract, and purchase options starting from the second anniversary date for MT High Discovery and the third anniversary date for MT High Fidelity.

Refinancing of the bank debt maturing in 2023, related to four vessels through a new sustainability-linked loan: In July 2022, d'Amico Tankers d.a.c. has signed a US\$ 82.0 million 5-year term facility with ING and Skandinaviska Enskilda Banken (SEB), to refinance the bank loans maturing in 2023 on MT Cielo di Cagliari, MT Cielo Rosso, MT Cielo di Rotterdam, and MT Cielo di New York. All four tranches of this new facility are expected to be drawn down, with the respective previous financings reimbursed, in July 2022. For this new sustainability-linked loan, the margin is adjusted based on the CO2 emissions of d'Amico Tankers' fleet and associated AER (annual efficiency ratio) indicator, relative to the AER trajectory established by the Poseidon Principles for the type of vessels controlled by our Subsidiary. ING is acting as the Agent and the Sustainability Coordinator of this facility.

Refinancing of the bank debt related to three MR vessels, maturing in 2023: In July 2022, d'Amico Tankers d.a.c. secured the refinancing of the loan related to three of its MR vessels maturing in 2023, with their related balloons. In detail:

- d'Amico Tankers signed a US\$ 25.2 million 7-year term loan facility with Danish Ship Finance A/S, to refinance the bank loans maturing in 2023 on MT High Seas and MT High Tide. This new loan was drawn down and the current financing reimbursed in July 2022.
- d'Amico Tankers signed an agreement with Tokyo Century Corporation to extend in direct continuation and for further 4.5 years from its previous maturity in January 2023, the existing loan on MT High Challenge, with an amount currently outstanding of US\$ 13.8 million.

The profile of d'Amico International Shipping's vessels on the water is summarized as follows.

	As at 30 June 2022				As at 28 July 2022			
	LR1	MR	Handysize	Total	LR1	MR	Handysize	Total
Owned	5.0	6.0	6.0	17.0	5.0	6.0	6.0	17.0
Bareboat chartered*	1.0	7.0	0.0	8.0	1.0	7.0	0.0	8.0
Long-term time chartered	0.0	9.0	0.0	9.0	0.0	9.0	0.0	9.0
Short-term time chartered	0.0	1.0	0.0	1.0	0.0	1.0	0.0	1.0
Total	6.0	23.0	6.0	35.0	6.0	23.0	6.0	35.0

* with purchase obligation

Business Outlook

The key drivers that should affect the product tankers, freight markets and d'Amico International Shipping's performance are (i) the growth in global oil supply, (ii) refinery margins and throughput, (iii) demand for refined products, (iv) the structure of forward prices for both crude oil and refined petroleum products, (v) the product tankers' fleet growth rate, (vi) the efficiency of the fleet due to factors such as congestion and average sailing speeds and (vii) average sailing distances. Some of the factors that should continue supporting the current strong markets are detailed below:

Product Tanker Demand

- In its latest oil market report of July'22, the IEA expects oil production to increase by 1.8 million b/d from June to December '22, a downward revision of 100,000 b/d relative to its last report. However, OPEC+ is only expected to increase supplies by 380,000 b/day, while non-OPEC+ countries, dominated by the US, are expected to add 1.4 million b/d (previously 1.1 million b/d). In particular for crude tankers, the increase in ton-miles associated with more production and exports from the US, could more than compensate for the lower overall volumes.
- According to the IEA's July '22 report, soaring fuel costs and a deteriorating economic environment are slowly starting to moderate oil demand growth in the OECD. The latest data show weaker-than-expected consumption in all three major regions. By contrast, non-OECD demand rebounded sharply in May, led by China as it emerged from COVID lockdowns, and by the Middle East, due to higher power generation needs. As a result, the IEA has modestly trimmed their outlook for 2022, with global oil demand expected to grow by 1.7 million b/d to 99.2 million b/d. Demand is projected to increase by 2.1 million b/d, to 101.3 million b/d in 2023, led by continued strong growth in non-OECD countries.
- OECD oil product inventories rose by 7.1 million barrels in May '22, significantly less than the five-year average increase of 23.2 million barrels for the month. Other oil stocks rose by 22.2 million barrels on strong gains in OECD Americas. Fuel oil inventories were up by a modest 500,000 barrels. Partly offsetting the gains, middle distillate stocks fell counter-seasonally by 1.8 million barrels, standing 96 million barrels below the five-year average. Gasoline stocks slumped by 13.7 million barrels; a ten-fold decline compared with the seasonal trend.
- In their July '22 outlook, Clarksons estimates that in 2022 product tanker tonne-miles will grow by 13%/14%, well above the expected increase in fleet supply (see below). This growth reflects the shift to longer-haul trade routes, changes in the refining landscape with increased capacity in the Middle East and Asia and recent closures in the US, Europe and Oceania, a robust increase in oil supply, demand and refinery throughputs, as well as strong refining margins, and low global oil stocks.
- More than 70% of new refining capacity in the next four years will be located east of Suez. The EIA estimates that around 800,000 b/d of refining capacity has been closed in North America since the pandemic began. Engen have converted their 120,000 b/d refinery in Durban (responsible for approximately 17% of the

country's fuel production) into a terminal/storage facility. In the long run, recovering demand and structural shifts in the refining landscape are likely to boost long-haul product trades.

Product Tanker Supply

- At the beginning of the year, Clarksons estimated 67 MRs and LR1s would have been delivered in 2022; in the first Half of the year only 34 such vessels were delivered versus an estimated 43.
- In their July 2022 outlook, Clarksons estimated the product tanker fleet will grow by only 1.8% in 2022.
- A large number of demolition yards were temporarily shut during the pandemic. However, the rebound in steel prices has improved demand for tonnage recycling. Despite the strong freight markets, 18 vessels in the MR and LR1 sector have already been scrapped this year.
- According to Clarksons, as at the end of June '22, 6.5% of the MR and LR1 fleet was over 20 years old (in dwt), whilst the current order book in these segments represented only 3.2% of the current trading fleet (in dwt). As at the same date, 31.6% of the MR and LR1 fleet (in dwt) was more than 15 years old, and this percentage should continue rising fast over the coming years.
- The IMO's 2030 and 2050 targets for reducing greenhouse gas emissions are high on the shipping agenda. Many owners and banks now require 'green recycling' of vessels in line with EU and IMO conventions, while the EU is set to include shipping in its Emissions Trading Scheme. Furthermore, important cargo charterers including oil majors such as Shell and Total, as well as leading trading houses such as Trafigura, have recently signed the Sea Cargo Charter with the aim of disclosing the CO2 emissions of the vessels they operate and reducing these in line with the IMO targets. During the Marine Environmental Committee's (MEPC) meeting (MEPC 76) in June 2021, measures were adopted which will be enforceable from 1 November 2022, requiring operators to measure their vessels' energy efficiency existing ship index (EEXI), reflecting their technical efficiency and their carbon intensity indicator (CII), assessing how efficiently they are managed. Both measures aim to cut emissions progressively from 2023 to 2030. The expected technological change required to meet the increasingly demanding environmental regulation is reducing appetite for new building orders, since such vessels could be obsolete soon after delivery. Furthermore, the increase in new building costs and decrease in yard availability is also negatively affecting the appetite for new orders.

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To the Shareholders of
d'Amico International Shipping S.A.
25C, Boulevard Royal
L-2449 Luxembourg

Livange, 28 July 2022

Report on Review of the Condensed Consolidated Interim Financial Statements

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of **d'Amico International Shipping S.A.** and its subsidiaries (the "Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2022 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated statement of cash flows and condensed interim statement of changes in consolidated shareholders' equity for the six-month period then ended, and notes, comprising a summary of significant accounting policies and other explanatory notes.

Board of Directors' responsibility for the condensed consolidated interim financial statements

The Board of Directors is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34, "*Interim financial reporting*" as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement whether due to fraud or error.

Responsibility of the "Réviseur d'Entreprises Agréé"

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

We conducted our review in accordance with International Standard on Review Engagements ("ISRE") 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" as adopted for Luxembourg by the "Institut des Réviseurs d'Entreprises". This standard requires us to comply with relevant ethical requirements and conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial framework.



A review of condensed consolidated interim financial statements in accordance with ISRE 2410 is a limited assurance engagement. The “Réviseur d’Entreprises Agréé” performs procedures, primarily consisting of making inquiries of persons responsible for financial and accounting matters within the Group, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim financial reporting* as adopted by the European Union.

MOORE Audit S.A.

A handwritten signature in blue ink, appearing to read 'Raphael Loschetter', with a long horizontal flourish extending to the right.

Raphael LOSCHETTER
Réviseur d’Entreprises Agréé

D'AMICO INTERNATIONAL SHIPPING GROUP

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AS AT 30 JUNE 2022

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED	US\$ Thousand	Note	H1 2022	H1 2021
108,742	62,916	Revenue	(2)	175,280	122,037
(35,956)	(16,781)	Voyage costs	(3)	(59,673)	(33,146)
72,786	46,135	Time charter equivalent earnings*	(4)	115,607	88,891
1,200	-	Bareboat charter revenue *	(2)	2,386	-
73,986	46,135	Total net revenue		117,993	88,891
(515)	(1,361)	Time charter hire costs	(5)	(1,721)	(1,620)
(21,012)	(21,714)	Other direct operating costs	(6)	(42,141)	(46,191)
(3,462)	(3,650)	General and administrative costs	(7)	(6,840)	(6,990)
(527)	(545)	Result on disposal of fixed assets	(8)	(1,048)	(1,073)
48,470	18,865	EBITDA*		66,243	33,017
(15,045)	(16,203)	Depreciation and impairment	(11)	(32,528)	(32,631)
33,425	2,662	EBIT*		33,715	386
320	433	Net financial income	(9)	893	1,019
(8,064)	(8,416)	Net financial charges	(9)	(15,282)	(16,423)
25,681	(5,321)	Profit (loss) before tax		19,326	(15,018)
33	(90)	Income tax	(10)	(108)	(161)
25,714	(5,411)	Net profit (loss)		19,218	(15,179)
<i>The net result is attributable to the equity holders of the Company</i>					
0.021	(0.004)	Profit (loss) per share in US\$⁽¹⁾		0.016	(0.012)

*see Alternative Performance Measures on page 9

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Q2 2022 (1) UNREVIEWED	Q2 2021 (1) UNREVIEWED	US\$ Thousand	H1 2022 (1)	H1 2021 (1)
25,714	(5,411)	Profit (loss) for the period	19,218	(15,179)
<i>Items that can subsequently be reclassified into Profit or Loss</i>				
2,127	1,160	Cash flow hedges	7,875	2,274
(29)	14	Exchange differences in translating foreign operations	(142)	(15)
27,812	(4,237)	Total comprehensive income for the period	26,951	(12,920)

The net result is entirely attributable to the equity holders of the Company.

⁽¹⁾ Basic earnings per share (e.p.s.) were calculated on an average number of outstanding shares equal to 1,222,885,331 and to 1,222,919,375 in the first half of 2022 and in the first half of 2021 respectively, and on an average number of outstanding shares equal to 1,222,762,455 and to 1,222,726,095 in the second quarter of 2022 and in the second quarter of 2021 respectively. In H1/Q2 2022 and H1/Q2 2021 diluted e.p.s. was equal to basic e.p.s.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

<i>US\$ Thousand</i>	Note	As at 30 June 2022	As at 31 December 2021
ASSETS			
Property, plant and equipment (PPE) and Right-of-use assets (RoU)	(11)	780,102	821,434
Other non-current financial assets	(12)	15,867	9,849
Total non-current assets		795,969	831,283
Inventories	(13)	17,922	11,643
Receivables and other current assets	(14)	71,064	37,104
Other current financial assets	(12)	2,686	2,674
Cash and cash equivalents	(15)	46,040	43,415
Current Assets		137,712	94,836
Assets held for sale		-	10,197
Total current assets		137,712	105,033
TOTAL ASSETS		933,681	936,316
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	(16)	62,053	62,053
Accumulated losses	(16)	(61,604)	(80,568)
Share Premium	(16)	368,823	368,823
Other reserves	(16)	(9,823)	(17,926)
Total shareholders' equity		359,449	332,382
Banks and other lenders	(17)	184,916	226,771
Non-current lease liabilities	(18)	180,949	237,478
Other non-current financial liabilities	(12)	534	1,862
Non-current liabilities		366,399	466,111
Banks and other lenders	(17)	94,360	66,534
Current lease liabilities	(18)	74,445	36,480
Payables and other current liabilities	(19)	34,733	27,665
Other current financial liabilities	(12)	4,231	4,765
Current tax payable	(20)	64	43
Current liabilities		207,833	135,487
Banks associated to assets held-for-sale		-	2,336
Total current liabilities		207,833	137,823
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		933,681	936,316

28 July 2022

On behalf of the Board



Paolo d'Amico
Chairman, Chief Executive Officer



Antonio Carlos Balestra di Mottola
Chief Financial Officer

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Q2 2022 UNREVIEWED	Q2 2021 UNREVIEWED	US\$ Thousand	H1 2022	H1 2021
25,714	(5,411)	Profit (loss) for the period	19,218	(15,179)
15,045	16,203	Depreciation and amortisation of PPE and RoU	30,448	32,631
-	-	Impairment	2,080	-
(33)	90	Current and deferred income tax	108	161
3,770	4,328	Net lease cost	7,614	8,916
3,964	3,655	Other net financial charges (income)	6,765	6,488
527	545	Movement in deferred result on disposal of S&L assets	1,048	1,073
24	(25)	Unrealised foreign exchange result	24	(25)
(127)	49	Other non-cash changes in shareholders' equity	(155)	20
-	2	Balance on liquidation of equity accounted investee	-	2
48,884	19,436	Cash flow from operating activities before changes in working capital	67,150	34,087
(4,407)	(897)	Movement in inventories	(6,279)	(1,858)
(32,777)	4,803	Movement in amounts receivable	(33,961)	4,298
6,773	(3,180)	Movement in amounts payable	7,342	(2,497)
(25)	(74)	Taxes (paid) received	(106)	(143)
(3,762)	(4,329)	Payment of interest portion of lease liability	(7,604)	(8,917)
(5,945)	(3,834)	Net interest paid	(7,560)	(6,437)
8,741	11,925	Net cash flow from operating activities	18,982	18,533
(475)	(2,215)	Acquisition of fixed assets and dry-dock expenditures	(894)	(4,184)
-	-	Deferred cash-in from the sale of fixed assets	-	3,200
9,108	-	Net sale of fixed assets	19,305	-
8,633	(2,215)	Net cash flow from investing activities	18,411	(984)
129	(14)	Other changes in shareholder's equity	129	(14)
-	-	Purchase of Treasury shares	-	(336)
(4)	637	Movement in other financial assets	73	1,111
(8,819)	(9,382)	Bank loan repayments	(31,676)	(15,960)
-	-	Bank loans drawdowns	15,345	13,756
(9,077)	(8,663)	Repayments of principal portion of lease liabilities	(17,982)	(26,792)
(17,771)	(17,422)	Net cash flow from financing activities	(34,111)	(28,235)
(397)	(7,712)	Net increase (decrease) in cash and cash equivalents	3,282	(10,686)
30,085	42,320	Cash and cash equivalents net of bank overdrafts at the beginning of the period	26,406	45,294
29,688	34,608	Cash and cash equivalents net of bank overdrafts at the end of the period	29,688	34,608
46,040	48,715	Cash and cash equivalents at the end of the period	46,040	48,715
(16,352)	(14,107)	Bank overdrafts at the end of the period	(16,352)	(14,107)

Financing activities not requiring the use of cash are reconciled within note 21.

INTERIM CONDENSED STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Share capital	Retained Earnings (Accumulated losses)	Share premium	Other Reserves		Total
				Other	Cash-Flow hedge	
<i>US\$ Thousand</i>						
Balance as at 1 January 2022	62,053	(80,568)	368,823	(16,467)	(1,459)	332,382
Treasury shares	-	-	-	129	-	129
Other changes	-	(254)	-	241	-	(13)
Total comprehensive income	-	19,218	-	(142)	7,875	26,951
Balance as at 30 June 2022	62,053	(61,604)	368,823	(16,239)	6,416	359,449

	Share capital	Retained Earnings (Accumulated losses)	Share premium	Other Reserves		Total
				Other	Cash-Flow hedge	
<i>US\$ Thousand</i>						
Balance as at 1 January 2021	62,053	(43,307)	368,853	(16,155)	(5,710)	365,734
Treasury shares	-	-	-	(336)	-	(336)
Other changes	-	-	(14)	35	-	21
Total comprehensive income	-	(15,179)	-	(15)	2,274	(12,920)
Balance as at 30 June 2021	62,053	(58,486)	368,839	(16,471)	(3,436)	352,499

The following notes form an integral part of the interim consolidated financial report.

NOTES

d'Amico International Shipping S.A. (the "Company", DIS) a Société Anonyme, was incorporated under the laws of the Grand-Duchy of Luxembourg on 9 February 2007; its statutory seat is in Luxembourg. The ultimate parent company of the Group is d'Amico Società di Navigazione. DIS is an international marine transportation company, operating, mainly through its fully owned subsidiary, d'Amico Tankers d.a.c. (Ireland), as well as other indirectly controlled subsidiaries. All DIS' vessels are double-hulled and are primarily engaged in the transportation of refined oil products, providing worldwide shipping services to the major oil companies and trading houses.

This condensed consolidated interim financial information as at, and for the six months period ended 30 June 2022 have been prepared in accordance with IAS 34 – Interim Financial reporting, as adopted by the European Union.

The interim condensed consolidated financial statements do not contain all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2021.

The consolidated financial statements are prepared on the basis of the historic cost convention, with the exception of certain financial assets and liabilities, which are stated at fair value through profit or loss or other comprehensive income for the effective portion of the hedges.

The financial statements are presented in U.S. Dollars, which is the functional currency of the Company and its principal subsidiaries. Rounding is applied to the nearest thousand.

1. ACCOUNTING POLICIES

The principal accounting policies, which have been consistently applied, are set out below.

Critical Accounting Judgments and Key Estimates

The preparation of the financial statements requires Directors to make accounting estimates and in some cases assumptions in the application of accounting principles. The Management decisions are based on historical experience as well as on expectations associated with the realization of future events, considered reasonable under the circumstances. Critical accounting estimates and judgments are exercised in all areas of the business and are reviewed on an ongoing basis.

Segment Information

d'Amico International Shipping provides transportation services of refined petroleum products and vegetable oil, operating in only one business segment, Product Tankers. Furthermore, the Group only has one geographical segment, employing all of its vessels worldwide, rather than in specific geographical areas. The Group's top management monitors, evaluates and allocates the Group's resources as a whole, operations are run in one single currency – the US\$ – and DIS considers, therefore, the product tankers business as a single segment.

Accounting principles

The accounting policies adopted are consistent with those of the previous financial year.

Accounting principles adopted from 1 January 2022

There are no new accounting principles that have been adopted for the accounting period ending 30 June 2022.

Accounting principles, amendments, and interpretations not yet effective

Interest Rate Benchmark Reform

US\$ LIBOR rates for periods of 3 months and 6 months, which are the reference rates for all of our mortgage loans, should not be published anymore from 30 June 2023. All our loans which will be affected have or will include transition clauses to the Secured Overnight Financing Rate (SOFR), the new risk-free reference rate. All new loans from January 2022, will already include the SOFR as the reference rate, from the loan's start date. The reference rate can either be based on the Term SOFR, or the Cumulative Compounded SOFR in arrears. Effective hedges can be performed for loans linked to both the Term SOFR and the Cumulative Compounded SOFR in arrears.

2. REVENUE, INCLUDING BAREBOAT CHARTER REVENUE

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Revenues from voyage-charter (spot) – freight and demurrage	83,343	27,955	127,889	56,759
Revenue from operating leases (time-charter)	18,849	27,443	34,109	48,136
Revenue from subleasing (time-charter)	6,550	7,290	13,238	14,692
Other revenues	-	228	44	2,450
Revenue, excluding bareboat charter revenue	108,742	62,916	175,280	122,037
Bareboat charter revenue*	1,200	-	2,386	-
Total revenue	109,942	62,916	177,666	122,037

*see also Alternative Performance Measures on page 9

Revenue represents vessel income comprising time charter hire, freight and demurrage and is recognized over time. DIS has only one revenue stream and it is originated from the employment of the vessels for the transportation of refined petroleum products. All contractual revenues – as defined by IFRS15 – result from freight and demurrage: for these revenues, payment is settled at completion of the voyage, and therefore no performance obligations are recognised to be outstanding.

Bareboat charter revenue represents vessel income from the employment of a vessel through a bareboat hire contract; in such contracts the charterer is responsible for the vessel's technical management, including the payment of its crew costs. Bareboat charter revenue in the first-half of 2022 was of US\$ 2.4 million, while no vessel was employed through bareboat contracts during the first-half of 2021.

Revenues from voyage charters are recognized from loading port to discharge port. Costs to fulfil a contract, relating to ballast voyages to the next loading port, are from loading port to discharge port and are capitalised at the reporting date; the accrual adjustments as at 30 June 2022, to ensure the above recognition of costs and revenues, led to a decrease in revenues of US\$ 5.0 million and a decrease in voyage costs of US\$ 1.7 million.

Revenue from leases represent income from owned vessels that are time-chartered-out. Revenue from subleasing represents revenue on vessels controlled through time-charter-in contracts, that are time-chartered-out. Other revenues comprise income from deviations, including compensation for bunker expenses.

3. VOYAGE COSTS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Bunkers (fuel)	(23,163)	(10,226)	(38,190)	(19,293)
Commissions	(3,344)	(1,603)	(5,160)	(3,048)
Port charges	(7,501)	(4,017)	(13,101)	(8,995)
Other	(1,948)	(935)	(3,222)	(1,810)
Total	(35,956)	(16,781)	(59,673)	(33,146)

Voyage costs arise from the employment, directly or through our partnerships, of DIS' vessels, through voyage charters or contracts of affreightment. When vessels are employed through time-charters they do not incur voyage costs.

4. TIME CHARTER EQUIVALENT EARNINGS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Time-charter equivalent earnings	72,786	46,135	115,607	88,891

*see also Alternative Performance Measures on page 9

Time charter equivalent earnings represent revenue less voyage costs. In the first half of 2022 vessel days on fixed rate contracts represented about 42.1% of total available vessel days (H1 2021: 48.1%).

5. TIME CHARTER HIRE COSTS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Time-charter hire costs	(515)	(1,361)	(1,721)	(1,620)

Time charter hire costs represent the cost of chartering-in vessels from third parties. The amounts relate essentially to the cost of chartering-in vessels with terms that are shorter than one year at their start date (short-term leases; please also refer to note 1 of the Group's 2021 consolidated financial statements).

6. OTHER DIRECT OPERATING COSTS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Crew costs	(8,792)	(9,439)	(17,276)	(18,836)
Technical expenses	(2,382)	(2,470)	(5,272)	(5,933)
Luboil	(530)	(527)	(1,018)	(1,103)
Technical and quality management	(2,395)	(2,585)	(4,949)	(5,350)
Insurance	(634)	(917)	(1,348)	(2,139)
Operating costs related to leased vessels	(5,340)	(5,544)	(10,950)	(11,732)
Other costs	(938)	(232)	(1,328)	(1,098)
Total	(21,011)	(21,714)	(42,141)	(46,191)

Other direct operating costs include crew costs, technical expenses, lubricating oils, technical and quality management fees and sundry expenses originating from the operation of the vessel, including insurance costs. Service costs related to leased vessels represent one of the non-lease components of a TC contract, which is expensed in the income statement.

Personnel

As at 30 June 2022, d'Amico International Shipping S.A. and its subsidiaries had 539 employees, of which 516 seagoing and 23 onshore personnel. Onshore personnel costs are included under general and administrative costs. The Group has no liabilities with regards to pensions and other post-retirement benefits.

7. GENERAL AND ADMINISTRATIVE COSTS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Personnel	(1,396)	(1,669)	(2,621)	(2,944)
Other general and administrative costs	(2,066)	(1,981)	(4,219)	(4,046)
Total	(3,462)	(3,650)	(6,840)	(6,990)

Personnel costs relate to onshore personnel salaries, including the amount expensed relating to the Long Term Incentive Plan granted to the key managers and executive directors of DIS, adopted in 2019; for the period ending 30 June 2022, no charge has been recorded for payments under such plan.

The other general and administrative costs comprise consultancy, office rental fees, and other sundry expenses originating from the operation of d'Amico International Shipping Group's companies. They include intra-group management fees on brand and for commercial, operational, administrative, internal audit, legal and IT services, amounting to US\$ 3.0 million in H1 2022 and US\$ 1.5 million in Q2 2022. They also include negligible expenses relating to short-term leases, relating mainly to office equipment, and Net Wealth Tax for the holding company (accrued in the first six months of 2022 for an amount of US\$ 2.7 thousand).

8. RESULT FROM DISPOSAL OF FIXED ASSETS

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Result from disposal of vessels	(527)	(545)	(1,048)	(1,073)

All amounts refer to the amortisation of the deferred results on the disposal of all vessels sold and leased-back.

9. NET FINANCIAL INCOME (CHARGES)

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Financial Income				
<i>Loans and receivables at amortised cost:</i>				
Interest Income	15	8	18	20
Realised exchange differences	(93)	2	34	90
Realised on derivative instruments	-	53	-	53
<i>At fair value through income statement:</i>				
Unrealised gains on derivative instruments	371	-	814	856
Unrealised exchange differences	27	370	27	-
Total financial income	320	433	893	1,019
Financial Charges				
<i>Financial liabilities at amortised cost:</i>				
Interest expense and financial fees	(3,450)	(3,829)	(6,521)	(7,370)
Lease cost	(3,771)	(4,330)	(7,617)	(8,920)
Realised exchange differences	-	(188)	-	-
Realised on derivative instruments	(964)	-	(964)	-
Realised on investing activities	(109)	-	(109)	-
<i>At fair value through income statement:</i>				
Unrealised losses on derivative instruments	230	(69)	(71)	(133)
Total financial charges	(8,064)	(8,416)	(15,282)	(16,423)
Net financial charges	(7,744)	(7,983)	(14,389)	(15,404)

In H1 2022, financial income includes realised interest income amounting to US\$ 0.02 million deriving from funds held with financial institutions on deposit and current accounts and US\$ 0.03 million realised commercial foreign exchange differences. Unrealised gains totalling US\$ 0.8 million in H1 2022, represent changes in the fair value of interest-rate swap hedging instruments relating to a pre-hedge transaction (US\$ 0.9 million in H1 2021). Financial income for the first half of 2022 includes also a gain on a forward currency contract of US\$ 0.02 million.

Financial charges in the first half of 2022 include realised expenses of US\$ 15.2 million, comprising US\$ 5.6 million interest on bank loans relating to DIS' owned vessels, interest on overdraft facilities and the realised result on interest rate swaps, US\$ 0.9 million financial fees, as well as US\$7.7 million interest implicit in leases, US\$ 1.0

million realised losses on foreign-exchange and FFA hedging activities and US\$ 0.1 million loss arising from the 2022 allocation of treasury shares, using the average cost of purchase inventory method, to the beneficiaries of DIS' LTI plan. Unrealised losses represent mainly changes in the fair value of the ineffective portion of hedging interest-rate swaps, amounting to US\$ 0.1 million.

10. TAX

<i>US\$ thousand</i>	Q2 2022	Q2 2021	H1 2022	H1 2021
Current income tax	33	(90)	(108)	(161)

d'Amico Tankers d.a.c. (DTL) and Glenda International Shipping d.a.c. (GIS) qualified to be re-elected under the terms of the Tonnage Tax regime in Ireland, for a period of 10 years, ending on 31 December 2024 for DTL and on 31 December 2028 for GIS.

The income tax liability under the tonnage tax regime is based on the controlled fleet's notional shipping income, which in turn depends on the total net tonnage of the controlled fleet. The first-half 2022 total tonnage tax provision for d'Amico Tankers d.a.c. and Glenda International Shipping d.a.c. amounts to US\$ 80.2 thousand (US\$ 39 thousand in Q2 2022). Current income tax includes also charges relating to activities that are not eligible for tonnage tax and are taxed at either 12.5% or 25.0%.

11. PROPERTY, PLANT AND EQUIPMENT (PPE) AND RIGHT-OF-USE ASSETS (ROU)

<i>US\$ thousand</i>	Fleet	Other	Total PPE	RoU	Total PPE & RoU
At 1 January 2022					
Cost or valuation	725,219	571	725,790	373,688	1,099,478
Accumulated depreciation	(178,754)	(315)	(179,069)	(98,975)	(278,044)
Net book amount	546,465	256	546,721	274,713	821,434
Period ended 30 June 2022					
Addition - assets	846	48	894	-	894
Change in contractual terms	-	-	-	(440)	(440)
Impairment upon reclassification to AHfS	(2,080)	-	(2,080)	-	(2,080)
Transfer to AHfS - assets	(14,754)	-	(14,754)	-	(14,754)
Transfer to AHfS - depreciation fund	5,646	-	5,646	-	5,646
Depreciation charge	(13,922)	(21)	(13,943)	(16,505)	(30,448)
Exchange differences	-	(25)	(25)	(125)	(150)
Closing net book amount	522,201	258	522,459	257,643	780,102
At 30 June 2021					
Cost or valuation	711,311	594	711,905	373,123	1,085,028
Accumulated depreciation	(189,110)	(336)	(189,446)	(115,480)	(304,926)

PLANT, PROPERTY AND EQUIPMENT

<i>US\$ thousand</i>	Fleet / Vessels	Fleet / Dry- docks	Other	Total PPE
At 1 January 2022				
Cost or valuation	712,703	12,516	571	725,790
Accumulated depreciation	(175,169)	(3,585)	(315)	(179,069)
Net book amount	537,534	8,931	256	546,721
Period ended 30 June 2022				
Addition of assets	-	846	48	894
Impairment upon reclassification to AHFS	(2,080)	-	-	(2,080)
Transfer to AHFS - asset	(13,195)	(1,559)	-	(14,754)
Transfer to AHFS - depreciation fund	5,065	581	-	5,646
Depreciation charge	(12,977)	(945)	(21)	(13,943)
Exchange differences	-	-	(25)	(25)
Closing net book amount	514,347	7,854	258	522,459
At 30 June 2021				
Cost or valuation	699,508	11,803	594	711,905
Accumulated depreciation	(185,161)	(3,949)	(336)	(189,446)

RIGHT-OF-USE ASSETS

<i>US\$ thousand</i>	Fleet / RoU Vessels ex- IAS17	Fleet / Other RoU Vessels	Fleet / RoU Dry-dock	RoU Other	Total RoU
At 1 January 2022					
Cost or valuation	229,062	136,388	5,287	2,951	373,688
Accumulated depreciation	(30,998)	(63,867)	(2,154)	(1,956)	(98,975)
Net book amount	198,064	72,521	3,133	995	274,713
Period ended 30 June 2022					
Change in contractual terms	(1,314)	(280)	-	1,154	(440)
Depreciation charge	(4,261)	(11,423)	(524)	(297)	(16,505)
Exchange differences	-	-	-	(125)	(125)
Closing net book amount	192,489	60,818	2,609	1,727	257,643
At 30 June 2021					
Cost or valuation	227,748	136,108	5,287	3,980	373,123
Accumulated depreciation	(35,259)	(75,290)	(2,678)	(2,253)	(115,480)

For comparison purpose we report below the summary values for property, plant and equipment and right of use assets, as at year-end 2021:

<i>US\$ thousand</i>	Fleet	Other	Total PPE	RoU	Total PPE & RoU
At 1 January 2021					
Cost or valuation	775,269	2,936	778,205	394,508	1,172,713
Accumulated depreciation and impairment	(190,138)	(2,901)	(193,039)	(77,909)	(270,948)
Net book amount	585,131	35	585,166	316,599	901,765
Period ended 31 December 2021					
Reclassification of cost	-	163	163	-	163
Reclassification of accumulated depreciation	-	(163)	(163)	-	(163)
Addition – assets	5,867	235	6,102	9,065*	15,167
Change in contractual terms	-	-	-	(3,666)	(3,666)
Transfer between RoU and PPE - asset	15,595	-	15,595	(13,195)	2,400
Transfer between RoU and PPE -	(2,283)	-	(2,283)	2,283	-
Impairment upon reclassification to AHFS	(6,422)	-	(6,422)	-	(6,422)
Transfer to AHFS - asset	(71,512)	-	(71,512)	-	(71,512)
Transfer to AHFS - depreciation fund	50,893	-	50,893	-	50,893
Disposal - RoU	-	-	-	(12,161)	(12,161)
Disposal - RoU depreciation fund	-	-	-	10,634	10,634
Write-off - RoU&PPE	-	(2,763)	(2,763)	(841)	(3,604)
Write-off - RoU&PPE depreciation fund	-	2,763	2,763	-	2,763
Depreciation charge	(30,804)	(14)	(30,818)	(33,983)	(64,801)
Exchange differences	-	-	-	(22)	(22)
Closing net book amount	546,465	256	546,721	274,713	821,434
At 31 December 2021					
Cost or valuation	725,219	571	725,790	373,688	1,099,478
Accumulated depreciation and impairment	(178,754)	(315)	(179,069)	(98,975)	(278,044)

* includes inception of lease US\$ 8,134 thousand

The net book value of DIS' property plant and equipment and right of use assets as at 30 June 2022, amounts to US\$ 780.1 million, comprising property, plant and equipment amounting to US\$522.5 million and right of use assets amounting to US\$257.6 million.

The net book value of DIS' Fleet (the Group's shipping related assets, owned or leased) amounts to US\$778.1 million as at 30 June 2022, and consists of the net book value of the Fleet on the water and associated dry-docks, amounting to US\$522.5 million, as well as the capitalised and depreciated value of DIS' shipping related lease obligations and associated dry-docks (Rights of Use assets, as per IFRS 16), amounting to US\$255.9 million. A detailed description of the Fleet is provided in the relevant section of the management report.

The value of other non-shipping related PPE and ROU assets as at 30 June 2022 amounts to US\$2.0 million and comprise mostly office rental lease obligations and the net book value of fixture, fittings and office equipment.

Leased vessels for which a purchase obligation or a bargain purchase option exists, amount to US\$ 192.5 million as at 30 June 2022.

The following table indicates purchase obligations and options for all vessels sold and leased-back through bareboat contracts:

Vessel name, M/T	Year the lease begins	Purchase obligation	Option to repurchase the vessel
High Voyager	2019	10 th year from sale	from 3 rd year
Cielo di Houston	2019	n.a.	from 5 th year
High Freedom, High Trust, High Loyalty, High Trader	2018	10 th year from sale	from 2 nd year
High Fidelity, High Discovery	2017	10 th year from sale	from 3 rd year*

* in the month of June 2022 the Company exercised its options to repurchase the two vessels, with delivery to the Company expected to occur in the month of September 2022.

The capitalised and depreciated value of DIS' leases obligations (Rights of Use assets) are discounted using DIS' marginal borrowing rate, which is obtained by adding to the swap interest rate for liabilities with the same term

as the lease obligations, the margin applied to the most recent third-party financings; for leases previously identified as such in accordance with IAS 17, the lease payments are discounted using DIS' (the lessee's) implicit rate in the lease.

Dry-dock includes expenditure for the fleet's dry-docking programme and associated amortization; additions in the period ended 30 June 2022, relate to instalments paid to the yard for dry-docks, for both PPE and RoU assets, corresponding to US\$ 0.8 million (in the period no dry-docks were performed for RoU vessels). In the first half of 2022, three of DIS' vessels dry-docked.

All financings on the vessels owned by the Group are secured through mortgages.

The total fair value of the Group's fleet as 30 June 2022, amounts to US\$ 764.5 million and includes DTL's owned vessels, DTL's right-of-use assets and DIS' share of the fleet value of Glenda International Shipping (a joint-operation, consolidated with the proportional method). The value of DIS' owned vessels and of its leased vessels with purchase obligations and bargain purchase options is based on charter-free broker valuations, while for the remaining Right-of-use Assets it is based on their value-in-use, as described below.

DIS Fleet's Recoverable Amount (Value-in-Use, Fair Value and Impairment Testing)

The Fleet's recoverable amount is defined as the higher of its fair value less costs to sell and its value-in-use, represented by the net present value of the cash flows from the vessels' remaining useful life. Impairments and their reversal are **non-recurring** and will be based on the management's assessment of the fleet's recoverable amount.

For impairment test purposes, management estimates take into consideration the market information available, including reported sales of similar vessels, as well as past experience and future expectations.

Value-in-use calculations are based on the following key assumptions: (i) Earnings under contracts concluded and estimates of future time-charter equivalent rates; (ii) Useful economic life of 25 years; (iii) Estimated economic value at the end of vessels' life based on the average of the last 10 years' demolition prices (iv) General and administrative costs reflecting DIS' current corporate structure; (v) a nominal discount rate (WACC) which represents the Group's weighted average cost of capital, based on the Group's estimated cost of debt financing and DIS' estimate of its required return on equity. Since a nominal discount rate is used for the projected cash-flows, including revenue, costs, capital expenditures and residual values, for consistency, these cash-flows are adjusted to reflect an expected inflation equal to the last ten years' average US core consumer price index. Management notes that the calculations are particularly sensitive to changes in the key assumptions for future charter rates and discount rates.

As at 30 June 2022, the Fleet's fair value, measured as its market value, less 1% cost of sale, exceeds its net book value by US\$ 45.7 million. Therefore, at the reporting date there isn't an indication of impairment.

The management of the Group therefore does not consider necessary to recognise an impairment of the Fleet's value; they confirm to closely monitor DIS' vessels market values and value-in-use calculations.

12. OTHER FINANCIAL ASSETS (LIABILITIES)

<i>US\$ Thousand</i>	As at 30 June 2022			As at 31 December 2021		
	Non-current	Current	Total	Non-current	Current	Total
Fair value of derivative instruments	7,688	206	7,894	451	169	620
Financial receivable	44	81	125	67	157	224
Deferred tax asset	20	-	20	-	-	-
Deferred loss on leased assets	8,115	2,399	10,514	9,331	2,348	11,679
Total other financial assets	15,867	2,686	18,553	9,849	2,674	12,523
Fair value of derivative instruments	(34)	(2,871)	(2,905)	(1,208)	(3,668)	(4,876)
Other financial liabilities	(70)	(1,056)	(1,126)	(39)	(862)	(901)
Deferred profit on leased assets	(430)	(304)	(734)	(615)	(235)	(850)
Total other financial liabilities	(534)	(4,231)	(4,765)	(1,862)	(4,765)	(6,627)

As at 30 June 2022, non-current financial assets amount to US\$15.9 million and include mainly the deferred losses arising on the disposal of vessels which were leased back, which will be amortised over the term of such contracts, amounting to US\$8.1 million, and the fair value of hedging instruments, amounting to US\$7.7 million; a finance lease receivable (sublease of office space by the subsidiary d'Amico Tankers UK Ltd) amounting to US\$0.04 million is also included in this item. The Group's exposure to various risks associated with the financial instruments and the derivative instruments' fair value calculation techniques are discussed within note 22.

As at 30 June 2022, current financial assets amount to US\$ 2.7 million. This value includes mainly US\$ 2.4 million in deferred losses arising on the disposal of vessels which were leased back and the fair value of hedging instruments, amounting to US\$ 0.2 million.

As at 30 June 2022, other non-current financial liabilities amount to US\$ 0.5million, including mainly the fair value of interest-rate-swap hedging instruments amounting to US\$ 0.03 million and US\$ 0.4 million in deferred profit arising on the disposal of vessels which were leased back.

As at 30 June 2022, other current financial liabilities amount to US\$ 4.2 million, comprising the fair value of interest-rate-swap hedging instruments of US\$ 2.9 million, US\$ 1.1 million of financial interest accrued on bank loans, and US\$ 0.3 million in deferred profit arising on the disposal of vessels which were leased back.

13. INVENTORIES

<i>US\$ thousand</i>	As at 30 June 2022	As at 31 December 2021
Inventories	17,922	11,643

Inventories represent stocks of Intermediate Fuel Oil (IFO), Marine Diesel Oil (MDO) – collectively bunker fuels – and lube-oils on board vessels. The amounts expensed during the period are detailed in notes 3 and 6.

14. RECEIVABLES AND OTHER CURRENT ASSETS

<i>US\$ Thousand</i>	As at 30 June 2022	As at 31 December 2021
Contractual receivables	41,497	20,970
Contract assets (accruals)	25,134	9,859
Prepayments (TC) charters, other receivables & accruals	2,584	4,745
Other debtors	1,849	1,530
Total	71,064	37,104

As at 30 June 2022, receivables and other current assets include contractual receivables amounting to US\$ 41.5 million, net of allowance for credit losses of US\$ 0.4 million. Contractual receivables are recognised when the right to consideration becomes unconditional, that is in the case of voyage charters, when the voyage is completed, and the customer is billed.

Revenue-related contract assets represent accrued income arising from the Group's right to consideration for work performed but not billed at the reporting date on voyage charters (conditional right to consideration for the part of the contractual obligation performed, which is invoiced at the end of the performance obligation), and amounts to US\$ 17.3 million as at 30 June 2022.

Prepayments, other receivables and accruals amount to US\$ 2.6 million as at 30 June 2022 and represent prepayments for TC-in contracts, other prepayments, and rebillable expenses.

The balance of Other debtors as at 30 June 2022 consists of non-trade receivables and advances to agencies, amounting to US\$ 1.8 million, including a US\$ 0.2 million tax receivable.

15. CASH AND CASH EQUIVALENTS

<i>US\$ thousand</i>	As at 30 June 2022	As at 31 December 2021
Cash and cash equivalents	46,040	43,415

Cash and cash equivalent represent cash-on-board, cash at bank and short-term deposits with a maturity of up to 3 months, with no cash restrictions.

16. SHAREHOLDERS' EQUITY

Changes to Shareholders' equity during the first six months of 2022 are detailed in the relevant primary statement.

Share capital

As at 30 June 2022, the share capital of d'Amico International Shipping amounts to US\$ 62,052,778.45, corresponding to 1,241,055,569 ordinary shares with no nominal value. As indicated in the subsequent events, within the management report, a capital increase amounting to € 4.1 thousand occurred on 4 July.

Retained earnings / Accumulated losses

As at 30 June 2022, the item includes the previous years' and current year's net results after deductions for dividends distributed.

Share premium reserve

The share premium reserve initially arose from the Group's IPO and related increase of share capital in May 2007 and thereafter from further capital increases. By statutory provision these reserves are available for distribution. Certain costs and charges connected with the listing process and further capital raises (mainly bank commissions

and related advisory fees and charges), have been deducted from the share premium reserve and are reported under Other changes within the consolidated Statement of changes in equity.

Other reserves

Other reserves include the following items:

<i>US\$ Thousand</i>	As at 30 June 2022	As at 31 December 2021
Total Other reserves	(9,823)	(17,926)
Hedging reserve (through OCI)	6,416	(1,459)
Other Reserves	(16,239)	(16,467)
<i>of which</i>		
<i>Treasury shares</i>	(19,187)	(19,316)
<i>Retranslation reserve (through OCI)</i>	(360)	(218)
<i>Legal and consolidation reserves</i>	3,279	3,029
<i>Share based payment reserve</i>	29	38

Treasury shares

Treasury shares as at 30 June 2022 consist of 18,170,238 ordinary shares, with a book value of US\$ 19.3 million, corresponding to 1.46% of the issued shares as at the same date. These shares were acquired as part of DIS' authorised own shares buyback programmes. A new own shares buyback programme was authorised by the Annual General meeting of the shareholders held on 20 April 2021, and subsequently enacted by the DIS' Board on 6 May 2021, allowing the Company to purchase up to 186,157,950 of its own ordinary shares (including the Own Shares already repurchased and held in the Company's portfolio, in compliance with Article 430-15 of the Luxembourg Law). The purpose of the new programme is the same as that of the previous programme that terminated in April 2021. DIS delivered to the beneficiaries of its Long-Term Incentive Plan adopted in 2019, comprising the Group's key managers and executive directors, 156,673 own shares, as compensation in-kind for the rolling period 2019-2020. In 2022, DIS purchased none of its own shares.

Hedging reserve

The reserve represents the valuation of the Group's interest rate swap agreements transacted to hedge interest exposure on some of its bank facilities. Details of the fair value of the derivative financial instruments is set out in note 22.

Retranslation reserve

The reserve is the result of the translation into US\$ of the shareholders' equity of the Group companies having functional currency denominated in currencies other than the United States Dollars.

Legal Reserve

This reserve is legally required in Luxembourg and is not distributable.

17. BANKS AND OTHER LENDERS

<i>US\$ thousand</i>	As at 30 June 2022	As at 31 December 2021
Banks and other lenders – <i>Non-current liabilities</i>	184,916	226,771
Banks and other lenders – <i>Current liabilities</i>	94,360	66,534
Total	279,276	293,305

The following tables show the carrying amounts for each facility as at the balance sheet closing dates of 30 June 2022 and 31 December 2021, expressed in US\$ thousand.

Lender / Details	Asset	Repayment terms	interest%	Loan-to-value covenant	Financial covenants	Short-term	Long-term	Total, as at 30 June 2022
DTL								
Crédit Agricole CIB + 8 syndicated Banks / March 2016 US\$ 250m Term Loan Facility (supplemented and amended from time to time)	Cielo di New York Cielo di Rotterdam Cielo di Cagliari Cielo Rosso Cielo di Londra	17/27 consecutive quarterly instalments + balloon at maturity (total balloon = US\$ 89.056m)	US\$ LIBOR + 2.0 % or + 2.15% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	26,293	72,577	98,870
Crédit Agricole CIB & ING Bank N.V. London Branch/ November 2020 US\$ 29.0m Term Loan Facility	High Wind	20 consecutive quarterly instalments + US\$ 10.91m balloon at maturity	US\$ LIBOR + 2.50%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,263	14,069	15,332
DNB Bank ASA/ December 2018 US\$ 16.25m Term Loan Facility	High Seas	20 consecutive quarterly instalments + US\$ 8.87m balloon at maturity	US\$ LIBOR + 2.80%	< 74.1%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,476	9,609	11,085
ING Bank N.V., London Branch/ December 2018 US\$ 15.6m Term Loan Facility	High Tide	20 consecutive quarterly instalments + US\$ 8.5m balloon at maturity	US\$ LIBOR + 2.70%	< 74.1%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,418	9,218	10,636
Skandinaviska Enskilda Banken AB/ December 2021 US\$ 20m Term Loan Facility	Cielo Bianco	20 consecutive quarterly instalments + US\$ 12.4m balloon at maturity	US\$ LIBOR + 2.4% or + 2.3% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	1,520	17,720	19,240
Banca IMI SpA/ October 2014 US\$ 45.080m Term Loan Facility	Cielo di Capri	14 consecutive semi-yearly instalments + US\$ 12m balloon for each vessel at maturity	US\$ LIBOR + 2.65%	< 75.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	13,506	-	13,506
ABN Amro N.V./ December 2021 US\$43m Term Loan Facility (Sustainability Linked Loan) ¹	Cielo di Gaeta	20 consecutive quarterly instalments + US\$ 6.2m balloon at maturity	US\$ LIBOR + 2.4 % or + 2.35% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,555	11,692	13,247
	Cielo di Hanoi	20 consecutive quarterly instalments + US\$ 8.5m balloon at maturity	US\$ LIBOR + 2.4 % or + 2.35% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,292	13,011	14,303
	Cielo di Ulsan	20 consecutive quarterly instalments + US\$ 7.5m balloon at maturity	US\$ LIBOR + 2.4 % or + 2.35% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,302	12,073	13,375
Banco BPM SpA/ December 2021 US\$15.5m Term Loan Facility	Cielo di Salerno	20 consecutive quarterly instalments + US\$ 8.97m balloon at maturity	US\$ LIBOR + 2.4%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,305	13,868	15,173
Tokyo Century Corporation/ November 2015 US\$ 21.78m Term Loan Facility	High Challenge	24 consecutive quarterly instalments + US\$ 13.1m balloon at maturity	US\$ LIBOR + 2.175%	< 87.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	14,157	-	14,157
Tokyo Century Corporation/ August 2016 US\$ 10.47m General Working Capital Facility	High Challenge	22 consecutive quarterly instalments, no balloon at maturity	US\$ LIBOR + 2.45%	n.a.	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	168	-	168
Banca Intesa / Hot Money	n.a.	n.a.	n.a.	n.a.	n.a.	10,000	-	10,000
Bank of Ireland/ Overdraft for working capital	n.a.	n.a.	n.a.	n.a.	n.a.	5,215	-	5,215
Banco Popolare/ Overdraft	n.a.	n.a.	n.a.	n.a.	n.a.	2,005	-	2,005
MPS / Overdraft	n.a.	n.a.	n.a.	n.a.	n.a.	5,143	-	5,143
ABN AMRO / Overdraft	n.a.	n.a.	n.a.	n.a.	n.a.	69	-	69
GIS								
Standard Chartered Bank/ September 2020 US\$ 45m Term Loan Facility ²	Glenda Melanie Glenda Melissa Glenda Melody Glenda Meryl	24 consecutive quarterly instalments, no balloon at maturity	US\$ LIBOR + 2.40%	< 75.2% for first 3Y then < 70.4%	n.a.	3,750	12,188	15,938
DIS								
UniCredit SpA/ Overdraft for working capital	n.a.	n.a.	n.a.	n.a.	n.a.	3,920	-	3,920
Financial fees						(997)	(1,109)	(2,106)
Total as at 30 June 2022						94,360	184,916	279,276

1. Sustainability linked loan including a premium or penalty of up to 5bps in the margin depending on d'Amico Tanker's owned and bareboat fleet AER indicator relative to some established targets.
2. GIS is a proportionally consolidated subsidiary. In DIS' consolidated accounts we therefore include only 50% of such loans, a portion which is equivalent to d'Amico Tankers d.a.c. participation in GIS' share capital.

Lender / Details	Asset	Repayment terms	interest%	Loan-to-value covenant	Financial covenants	Short-term	Long-term	Total, as at 31 Dec. 2021
DTL								
Crédit Agricole CIB + 8 syndicated Banks / March 2016 US\$ 250m Term Loan Facility (supplemented and amended from time to time)	Cielo di New York Cielo di Rotterdam Cielo di Cagliari Cielo Rosso Cielo di Londra	17/27 consecutive quarterly instalments + balloon at maturity (total balloon = US\$ 89.056m)	US\$ LIBOR + 2.0 % or + 2.15% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	7,787	94,976	102,763
Crédit Agricole CIB & ING Bank N.V. London Branch/ November 2020 US\$ 29.0m Term Loan Facility	High Priority	9 consecutive quarterly instalments, no balloon at maturity	US\$ LIBOR + 2.50%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,669	680	2,349
	High Wind	20 consecutive quarterly instalments + US\$ 10.91m balloon at maturity	US\$ LIBOR + 2.00%-2.15% for first year and 2.50% for the remaining period	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,263	14,701	15,963
DNB Bank ASA/ December 2018 US\$ 16.25m Term Loan Facility	High Seas	20 consecutive quarterly instalments + US\$ 8.87m balloon at maturity	US\$ LIBOR + 2.80%	< 74.1%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,476	10,347	11,823
ING Bank N.V., London Branch/ December 2018 US\$ 15.6m Term Loan Facility	High Tide	20 consecutive quarterly instalments + US\$ 8.5m balloon at maturity	US\$ LIBOR + 2.70%	< 74.1%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,418	9,927	11,345
Skandinaviska Enskilda Banken AB/ December 2021 US\$ 20m Term Loan Facility	Cielo Bianco	20 consecutive quarterly instalments + US\$ 12.4m balloon at maturity	US\$ LIBOR + 2.4 % or + 2.3% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	1,520	18,480	20,000
Banca IMI SpA/ October 2014 US\$ 45.080m Term Loan Facility	Cielo di Capri	14 consecutive semi-yearly instalments + US\$ 12m balloon for each vessel at maturity	US\$ LIBOR + 2.65%	< 75.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,506	12,753	14,259
ABN Amro N.V./ December 2021 US\$43m Term Loan Facility (Sustainability Linked Loan)	Cielo di Gaeta	20 consecutive quarterly instalments + US\$ 6.2m balloon at maturity	US\$ LIBOR + 2.4 % ¹	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,555	12,470	14,025
	Cielo di Hanoi	20 consecutive quarterly instalments + US\$ 8.5m balloon at maturity	US\$ LIBOR + 2.4 % ¹	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,292	13,658	14,950
	Cielo di Ulsan	20 consecutive quarterly instalments + US\$ 7.5m balloon at maturity	US\$ LIBOR + 2.4 % ¹	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,302	12,723	14,025
Tokyo Century Corporation/ December 2014 US\$ 41.6m Term Loan Facility	Cielo di Salerno	24 consecutive quarterly instalments + US\$ 12.5m balloon for each vessel at maturity	US\$ LIBOR + 2.3%	<87.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	13,860	-	13,860
Tokyo Century Corporation/ November 2015 US\$ 21.78m Term Loan Facility	High Challenge	24 consecutive quarterly instalments + US\$ 13.1m balloon at maturity	US\$ LIBOR + 2.175%	<87.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,452	13,431	14,883
Tokyo Century Corporation/ August 2016 US\$ 10.47m General Working Capital Facility	Cielo di Salerno High Challenge	22 consecutive quarterly instalments, no balloon at maturity	US\$ LIBOR + 2.45%	n.a.	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	812	-	812
Banca Intesa / Hot Money	n.a.	n.a.	n.a.	n.a.	n.a.	10,000	-	10,000
Bank of Ireland/ Overdraft for working capital	n.a.	n.a.	n.a.	n.a.	n.a.	5,634	-	5,634
Banco Popolare/ Overdraft	n.a.	n.a.	n.a.	n.a.	n.a.	2,076	-	2,076
MPS / Overdraft	n.a.	n.a.	n.a.	n.a.	n.a.	5,548	-	5,548

GIS								
Standard Chartered Bank/ September 2020 US\$ 45m Term Loan Facility ²	Glenda Melanie Glenda Melissa Glenda Meryl	24 consecutive quarterly instalments, no balloon at maturity	US\$ LIBOR +2.40%	< 75.2% for first 3Y then < 70.4%	n.a.			
						3,750	14,063	17,813
DIS								
UniCredit SpA/ Overdraft for working capital	n.a.	n.a.	n.a.	n.a.	n.a.	3,752	-	3,752
<i>Financial fees</i>						(1,138)	(1,437)	(2,575)
Total as at 31 December 2021						66,534	226,771	293,305

- Sustainability linked loan including a premium or penalty of up to 5bps in the margin depending on d'Amico Tanker's owned and bareboat fleet AER indicator relative to some established targets.
- GIS is a proportionally consolidated subsidiary. In DIS' consolidated accounts we therefore include only 50% of such loans, a portion which is equivalent to d'Amico Tankers d.a.c. participation in GIS' share capital.

All bank loans are guaranteed by d'Amico International Shipping S.A. and comply with their respective covenants.

18. LEASE LIABILITIES

Lease liabilities are repaid over the lease term. They have the following residual lease terms as the period end dates:

<i>US\$ Thousand</i>	As at 30 June 2022	As at 31 December 2021
Total future minimum lease payments (gross investment)	298,236	331,439
due within one year	86,403	51,297
due in one to five years	146,641	196,047
due over five years	65,192	84,095
Principal component of minimum lease payments	255,394	273,958
due within one year	74,445	36,480
due in one to five years	120,755	160,685
due over five years	60,194	76,793
Finance charge included in the minimum lease payments of which pertaining to the period	42,842	57,481
	7,617	17,139

The carrying amount of the assets held as Right-of-Use, as well as the main lease terms, are disclosed in note 11; the average annual rate of return on these leases reflect market rates at the time those transactions were closed.

19. PAYABLES AND OTHER CURRENT LIABILITIES

<i>US\$ thousand</i>	As at 30 June 2022	As at 31 December 2021
Trade payables	29,770	24,043
Other creditors	2,633	1,164
Accruals & deferred income	2,330	2,458
Total	34,733	27,665

Payables and other current liabilities as at 30 June 2022, mainly include trade payables. The Group has financial risk management policies in place to ensure all payables are settled within agreed terms (refer to note 22).

20. CURRENT TAX PAYABLE

<i>US\$ thousand</i>	As at 30 June 2022	As at 31 December 2021
Current tax liabilities	64	43

The balance as at 30 June 2022 reflects the amount of corporate tax, including tonnage tax, payable by the Group's subsidiaries.

21. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

<i>US\$ Thousand</i>	As at 31 December 2021	NET CASH-FLOWS	NON-CASH CHANGES								As at 30 June 2022
			Amortised financial fees	Financial lease cost	FX differences	Change in contractual terms	Inception of lease	Derivatives P&L realised movements	Derivatives P&L unrealised movements	Cash- flow hedge OCI	
Lease liabilities	273,958	(25,600)	-	7,617	(125)	1,154	(1,610)	-	-	-	255,394
Banks and other lenders	295,641	(16,940)	575	-	-	-	-	-	-	-	279,276
Liabilities from derivative instruments	4,255	(1,552)	-	-	-	-	-	964	(780)	(7,875)	(4,988)

22. RISK MANAGEMENT

Shipping freight rates and vessel values can vary significantly during the business cycle. Furthermore, the Company is a multinational that has operations throughout the world and is therefore exposed to the market risk of changes in foreign currency exchange rates. Since deposits and credit facilities necessary to fund investments in new-buildings or the purchase of vessels earn or pay interest at variable rates, the Group is also exposed to interest rate risk. DIS is also exposed to fluctuations in the price of bunkers.

d'Amico International Shipping constantly monitors the above financial risks and seeks to reduce its exposure to them also through derivative hedging instruments.

These half-year, condensed financial statements do not include all financial risk management information and disclosures required in the annual financial statements and for a detailed description of this information they should be read in conjunction with the Group's annual financial statements as at 31 December 2020, note 28; DIS' financial risk situation as described in its last annual report, has not changed significantly in the six months to 30 June 2021. There have been no changes in the risk management policies since the year end.

FINANCIAL INSTRUMENTS – FAIR VALUES AND RISK MANAGEMENT

Fair value risk and valuation techniques

The fair value of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash-flow analysis is performed. *Foreign currency forward contracts* are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching the maturities of the contracts. *Interest rates swaps* are measured as the present value of the estimated future cash-flows and discounted based on the applicable yield curves derived from quoted interest rates. *Forward Freight Agreements* and *Bunker Swaps* are calculated using quoted prices.

- The fair value of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash-flow analysis.
- The fair value of financial instruments accounts for the counterparty risk (financial assets) and the entity's own credit risk (liabilities).

Accounting classification and fair values

The following table shows the carrying amounts and the fair values of financial assets and liabilities as at 30 June 2022, together with their levels within the fair value hierarchy.

As of 30 June 2022				
US\$ thousand	Total	Fair Value		Total
		Level 1	Level 2	
Assets				
Non-current financial assets	15,867	-	15,867	15,867
Receivables and other current assets	71,064	-	-	-
Other current financial assets	2,686	-	2,686	2,686
Cash and cash equivalents	46,040	-	-	-
Liabilities				
Banks and other lenders	279,276	-	-	-
Lease liabilities	255,394	-	-	-
Other non-current financial liabilities	534	-	534	534
Payables and other current liabilities	34,733	-	-	-
Other current financial liabilities	4,231	-	4,231	4,231

The following table presents the Group's assets and liabilities that are measured at fair value as at 31 December 2021, together with their levels within the fair value hierarchy.

As at 31 December 2021				
US\$ Thousand	Total	Fair Value		Total
		Level 1	Level 2	
Assets				
Non-current financial assets	10,233	-	451	451
Receivables and other current assets	37,104	-	-	-
Other current financial assets	2,674	-	169	169
Cash and cash equivalents	43,415	-	-	-
Liabilities				
Banks and other lenders	293,305	-	-	-
Liabilities from leases	273,958	-	-	-
Other non-current financial liabilities	1,862	-	1,208	1,208
Payables and other current liabilities	27,665	-	-	-
Other current financial liabilities	4,765	-	3,668	3,668

The Level 2 financial instruments in the above tables refer to derivative instruments and their fair value is obtained through valuations provided by the corresponding bank at the end of the period. Counterparties are financial institutions which are rated from A1 to B1; taking this into consideration, no adjustments for non-performance risk are deemed necessary.

The carrying value of assets and liabilities, such as short-term trade receivables and payables, which are not measured at fair value, approximates their fair value.

23. RELATED PARTY TRANSACTIONS

Pursuant to IAS 24, the Company's related parties are entities and individuals capable of exercising control, joint control or significant influence over DIS and its subsidiaries, companies belonging to the d'Amico Group, and joint ventures of d'Amico International Shipping. Furthermore, members of DIS' Board of Directors, and executives with strategic responsibilities and their families are also considered related parties.

DIS carries out transactions with related parties, including its immediate parent company d'Amico International S.A., a company incorporated in Luxembourg, its ultimate Italian parent company, d'Amico Società di Navigazione S.p.A (DSN) and certain of DSN's subsidiaries (d'Amico Group).

During the first six months of 2022 the most significant related party transactions included management service agreements (for technical, crewing, IT, Administrative and legal services) with Società di Navigazione S.p.A., a brand fee with d'Amico Società di Navigazione S.p.A., a personnel service agreement with d'Amico Shipping Singapore and d'Amico Shipping USA and a service agreement for the purchase of Intermediate Fuel Oil and Marine Diesel Oil, with Rudder SAM, a d'Amico Group controlled company.

The effects of related party transactions on the Group's consolidated income statement for the first half of 2022 and first half of 2021, are the following:

<i>US\$ thousand</i>	H1 2022		H1 2021	
	Total	Of which related parties	Total	Of which related parties
Revenue	175,280	5,333	122,037	3,735
Voyage costs	(59,673)	(202)	(33,146)	(163)
Bareboat charter revenues	2,386	-		
Time-charter hire costs	(1,721)	-	(1,620)	-
Other direct operating costs	(42,141)	(33)	(46,191)	(3,683)
General and administrative costs	(6,840)	(6,179)	(6,990)	(2,851)
Result on disposal of fixed assets	(1,048)	-	(1,073)	-
Depreciation and impairment	(32,528)	(248)	(32,631)	(252)
Net financial income (charges)	(14,389)	(45)	(15,404)	(28)

The effects of related party transactions on the Group's consolidated balance sheets as at 30 June 2022 and 31 December 2021, not elsewhere disclosed in the present report, are the following:

<i>US\$ Thousand</i>	As at 30 June 2022		As at 31 December 2021	
	Total	Of which related parties	Total	Of which related parties
ASSETS				
Non-current assets				
Property, plant and equipment and right-of-use assets	780,102	657	821,434	720
Other non-current financial assets	15,867	44	9,849	67
Current assets				
Inventories	17,922	-	11,643	-
Receivables and other current assets	71,064	143	37,104	4,020
Current financial assets	2,686	33	2,674	36
Cash and cash equivalents	46,040	-	43,415	-
Assets held for sale	-	-	10,197	-
LIABILITIES				
Non-current liabilities				
Banks and other lenders	184,916	-	226,771	-
Non-current lease liabilities	180,949	1,112	237,478	672
Other non-current financial liabilities	534	-	1,862	-
Current liabilities				
Banks and other lenders	94,360	-	66,534	-
Current lease liabilities	74,445	443	36,480	126
Payables and other current liabilities	34,733	9,711	27,665	5,581
Other current financial liabilities	4,231	-	4,765	-
Current tax payable	64	-	43	-
Banks associated with assets held-for-sale	-	-	2,336	-

24. COMMITMENTS AND CONTINGENCIES

Ongoing disputes

The Group is currently involved in a number of on-going commercial disputes concerning both our owned and chartered vessels. The majority are cargo contamination claims. The disputes are mostly covered by insurance policies with the Group's P&I Club and therefore are not expected to generate any significant financial exposure.

Deferred taxation

All of the Group's Irish operating companies are qualified to be taxed under the Tonnage Tax regime in Ireland. The regime includes a provision whereby a proportion of capital allowances previously claimed by the Group may be subject to tax in the event that vessels are sold, or the Group fails to comply with the ongoing requirements to remain within the regime.

There are neither contingent liabilities nor commitments made by the Group which are not recognized at the reporting date in relation with the Group's interests in its joint ventures.

25. D'AMICO INTERNATIONAL SHIPPING GROUP'S COMPANIES

The table below shows the complete list of the Group's companies, and for each of these companies, d'Amico International Shipping's percentage ownership, its method of consolidation, registered office, share capital and currency.

Name	Registered Office	Share Capital	Currency	Interest %	Consolidation Method
d'Amico International Shipping S.A.	Luxembourg	62,052,778	US\$	n.a.	Integral
d'Amico Tankers d.a.c.	Dublin / Ireland	100,001	€	100.0%	Integral
High Pool Tankers Limited	Dublin / Ireland	2	€	100.0%	Proportional
Glenda International Shipping d.a.c.	Dublin / Ireland	202	US\$	50.0%	Proportional
d'Amico Tankers Monaco SAM	Monaco	150,000	€	99.8%	Integral
d'Amico Tankers UK Ltd	London / UK	50,000	US\$	100.0%	Integral

28 July 2022

On behalf of the Board



Paolo d'Amico
Chairman, Chief Executive Officer



Antonio Carlos Balestra di Mottola
Chief Financial Officer

The manager responsible for preparing the Company's financial reports, Mr. Antonio Carlos Balestra di Mottola, in his capacity as Chief Financial Officer of d'Amico International Shipping SA (the "Company") declares to the best of his knowledge, that the half yearly/second quarter 2022 financial statements prepared in accordance with the applicable set of accounting standards as published in this report, give a true and fair view of the assets, liabilities, financial position and income statement of the Company and its consolidated subsidiaries and that the interim management report includes a fair review of the development and performance of the business and the position of the Company and its consolidated subsidiaries, together with a description of the principal risks and uncertainties that they face.



Antonio Carlos Balestra di Mottola
Chief Financial Officer