

<p>Informazione Regolamentata n. 0912-88-2023</p>	<p>Data/Ora Inizio Diffusione 09 Novembre 2023 12:15:07</p>	<p>Euronext Star Milan</p>
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Societa' : D'AMICO INTERNATIONAL SHIPPING

Identificativo : 183075

Informazione  
Regolamentata

Nome utilizzatore : DAMICOTANKERSN02 - Franchin

Tipologia : 1.3

Data/Ora Ricezione : 09 Novembre 2023 12:09:33

Data/Ora Inizio : 09 Novembre 2023 12:15:07

Diffusione

Oggetto : DIS\_Q3 & 9M 2023 Results Press Release

*Testo del comunicato*

Vedi allegato.



## **PRESS RELEASE**

**The Board of Directors of d'Amico International Shipping S.A. approves Q3 and 9M'23 Results:**

***'DIS RECORDED A STRONG FINANCIAL PERFORMANCE IN Q3'23 AND IN THE FIRST 9M'23:  
NET PROFIT OF US\$ 48.9M IN Q3'23 AND US\$ 148.7M IN 9M'23.  
EBITDA OF US\$ 213.1M IN 9M'23 (69.8% MARGIN).***

***VERY SOLID FINANCIAL STRUCTURE, WITH NET DEBT (EXCLUDING IFRS16) TO FLEET MARKET  
VALUE RATIO OF ONLY 21.5%, AND CASH AND EQUIVALENTS OF US\$ 105.4M.***

***DISTRIBUTION OF AN INTERIM GROSS DIVIDEND OF US\$ 20.0M.'***

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### ***NINE MONTHS 2023 RESULTS***

- Time charter equivalent earnings (TCE) of US\$ 301.8 million (US\$ 209.8 million in 9M'22)
  - Total net revenue of US\$ 305.4 million (US\$ 213.4 million in 9M'22)
  - Gross operating profit/EBITDA of US\$ 213.1 million (69.8% on total net revenue) (US\$ 135.3 million in 9M'22)
  - Net result of US\$ 148.7 million (US\$ 62.8 million in 9M'22)
  - Adjusted Net result (excluding non-recurring items) of US\$ 153.0 million (US\$ 69.3 million in 9M'22)
  - Cash flow from operating activities of US\$ 224.4 million (US\$ 80.6 million in 9M'22)
  - Net debt of US\$ 264.6 million (US\$ 234.6 million excluding IFRS16) as at 30 September 2023 (US\$ 409.9 million and US\$ 370.0 million excluding IFRS16, as at 31 December 2022)
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### ***THIRD QUARTER 2023 RESULTS***

- Time charter equivalent earnings (TCE) of US\$ 98.3 million (US\$ 94.2 million in Q3'22)
  - Total net revenue of US\$ 99.5 million (US\$ 95.4 million in Q3'22)
  - Gross operating profit/EBITDA of US\$ 70.4 million (US\$ 69.1 million in Q3'22)
  - Net result of US\$ 48.9 million (US\$ 43.6 million in Q3'22)
  - Adjusted Net result (excluding non-recurring items) of US\$ 49.4 million (US\$ 46.7 million in Q3'22)
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**Luxembourg - November 9<sup>th</sup>, 2023** – The Board of Directors of d'Amico International Shipping S.A. (Borsa Italiana: "DIS") (hereinafter: "the Company", "d'Amico International Shipping" or the "Group"), a leading international marine transportation company operating in the product tanker market, today examined and approved the Company's 2023 Third Interim Management Statements as at September 30<sup>th</sup>, 2023 (Q3 and 9M 2023 Financial Results).

### **MANAGEMENT COMMENTARY**

Paolo d'Amico, Chairman and Chief Executive Officer of d'Amico International Shipping commented:

***'I am pleased to report DIS' financial results for the third quarter and the first 9 months of 2023. DIS recorded a Net profit of US\$ 48.9 million in Q3 2023 vs. US\$ 43.6 million in Q3 2022 and a Net Profit of US\$ 148.7 million in the first nine months of 2023 vs. US\$ 62.8 million in the same period of last year.***



Our Company **achieved a daily spot rate of US\$ 33,434 in the first 9 months of 2023** vs. US\$ 26,963 in the same period of 2022 (Q3 2023: US\$ 31,782 vs. Q3 2022: US\$ 37,159). At the same time, DIS had 27.9% of its employment days covered at an average daily TCE rate US\$ 27,951 in the first 9M 2023 (9M 2022: 38.8% coverage at an average daily rate of US\$ 15,251). Thus, the Company achieved a **total blended daily TCE (spot and time-charter) of US\$ 31,904 in the first 9M 2023**, compared with US\$ 22,421 achieved in the same period of 2022 (Q3 2023: US\$ 30,860 vs. Q3 2022: US\$ 30,230).

During the first nine months of 2023, the product tanker market's conditions remained robust, although earnings fell short of the exceptionally high levels observed in late 2022 and exhibited some moderation at the beginning of the third quarter. Nevertheless, a rebound occurred in August and September, primarily driven by a significant increase in refining throughputs to meet the demand deriving from surging global travel and a resilient U.S. economy, propelled by its consumers.

This year's demand for product tankers has been supported by various other key factors, including shifts in oil trade patterns due to sanctions on Russia, resulting in longer-haul routes, a resurgence in Chinese oil demand, congestion in the Panama Canal, sluggish fleet growth, limited refined product inventories, high and volatile oil prices creating attractive arbitrage opportunities, and robust refining margins deriving from strong gasoline cracks in the first half of the year and from diesel cracks later, as well as the ongoing displacement of older refineries by more modern and efficient ones, situated farther from key consuming regions.

After reaching a seasonal low of 80.8 mb/d in March, global refining throughput surged to a summer peak of 83.6 mb/d in August. Throughputs then dipped slightly in October as maintenance activities picked up. Nevertheless, the IEA anticipates that runs will rebound in the coming weeks and build towards the end of the year. Global refinery throughput is projected to increase by 1.7 mb/d in FY'23, reaching 82.4 mb/d, and by an additional 1.0 mb/d in the following year, reaching 83.4 mb/d. This growth should result in greater volumes being transported by product tankers. Additionally, inventories are below their 5-year averages and expected to fall in the second half of this year, suggesting that the product tanker market could further benefit from the need to replenish stocks next year.

On February 5, 2023, the EU sanctions and associated price cap on Russian oil product exports came into effect, significantly impacting the product tanker market. According to Vortexa, in September 2023 Russia exported products amounting to 2.5 mb/d, broadly in line with the figure for January 2021 of 2.6 mb/d. However, during the same period exports to the EU plummeted by 1.2 mb/d (-93%), whilst exports to China increased by 0.2 mb/d (+4,025%), to India by 0.3 mb/d (+581%), to Turkey by 0.2 mb/d (+131%), to the Middle East by 0.3 mb/d (+614%), to Latin America by 0.1 mb/d (+107%) and to Africa by 0.2 mb/d (+282%). Disruptions to trade flows due to the rerouting of Russian oil to new more distant destinations have led to a significant increase in sailing times, stimulating demand for product tankers. In fact, shipments from Western Russia (Baltic) to Northwest Europe took around 10 days, while voyages from the same loading ports to India and China take approximately 30 to 40 days, respectively.

We have **strong confidence in the long-term fundamentals of the product tanker industry**. The ongoing **shift of refinery capacity away from major consumption hubs** like Europe, the USA, and Australia will notably boost the ton-mile demand for product tankers. According to the IEA, over the '23-'26 period, global refinery crude distillation capacity is projected to grow by 3.9 million b/d, with a substantial majority, approximately 79.9%, concentrated in the Middle East, India, China, and the rest of Asia. **Also from a supply perspective, our industry appears to be in a healthy position**. Despite a recent increase in vessel orders (mainly in the LR2 segment where DIS does not operate) market participants are hesitant to invest in newbuilding vessels due to rising costs, technological uncertainties related to the implementation of stringent environmental regulations (particularly EEXI and CII), and limited availability at shipyards,



which are extending delivery times beyond 2025. Furthermore, the global fleet is aging rapidly. According to Clarksons, as at the end of September 2023, 9.9% of the MR and LR1 fleet (in terms of deadweight tonnage) was over 20 years old, 39.8% was older than 15 years, while the current order book for these segments represented only 6.2% of the existing trading fleet.

Thanks to the good prospects for our market, DIS' robust earnings and its very healthy financial structure (with a Net Financial Position to Fleet Market Value ratio of 21.5% as at the end of September'23), the Company has been increasing returns to its shareholders through a combination of share buybacks and dividends. In fact, in addition to a dividend distribution of US\$ 22.0 million in Q2 2023, DIS repurchased own shares amounting to US\$ 6.7 million this year up to the end of Q3, and today **declared an interim dividend of US\$ 20.0 million, to be paid at the end of November.**

A bright future lies ahead for DIS, a financially strong Company which will be able to generate value also by increasing cash returned to its shareholders.'

Carlos Balestra di Mottola, Chief Financial Officer of d'Amico International Shipping commented:

**'In the nine months of 2023, DIS posted a very strong Net profit of US\$ 148.7 million** vs. US\$ 62.8 million achieved in the same period of last year. DIS' adjusted net result (excluding results on disposals and non-recurring financial items, as well as asset impairments, from both periods) amounted to US\$ 153.0 million in the first 9 months of 2023, compared with US\$ 69.3 million recorded in the same period of 2022. **In the third quarter of 2023, DIS posted a Net profit of US\$ 48.9 million** vs. a Net profit of US\$ 43.6 million in the same quarter of last year, whilst our adjusted net result was of US\$ 49.4 million in Q3 2023 and of US\$ 46.7 million in Q3 2022.

In the first nine months of the year, we generated an EBITDA of US\$ 213.1 million, compared with US\$ 135.3 million achieved in the same period of 2022, whilst **our operating cash flow was of US\$ 224.4 million in the first 9 months 2023**, compared with US\$ 80.5 million in the same period of last year.

We continued to strengthen our financial structure during the year, thanks to the strong cash generated in the period and to the exercise of the purchase options on five of our bareboat chartered-in vessels (three delivered to us in H1 2023 and two in Q3 2023), which were all left free of debt in line with our deleveraging objectives. Therefore, as at the end of September 2023, we could count on a Net financial position (NFP) of US\$ 264.6 million and Cash and cash equivalents of US\$ 105.4 million vs. a NFP of US\$ 409.9 million at the end of 2022. **DIS' leverage** (calculated as the ratio between our NFP, excluding IFRS16 effects, and our fleet market value) **was of only 21.5% as at the end of September** vs. 36.0% at the end of 2022 and 72.9% at the end of 2018.

In addition to a very low financial leverage, DIS has no future CAPEX commitments, apart from those arising from our vessels' maintenance and does not have refinancing needs for at least the next two years. In fact, in Q3 2023 we refinanced at attractive terms the only facility which was due to mature in 2024 and we prepaid the only financing due for maturity in 2025.

Thanks to DIS' strong balance sheet and to the excellent outlook for our industry, this year we have started returning cash to our shareholders, a practice which we expect to strengthen in the coming years. In fact, in Q2 2023 we distributed dividends of US\$ 22.0 million and in Q3 2023 we repurchased own shares amounting to US\$ 6.7 million and approved the distribution of a gross interim dividend of approximately US\$ 20.0 million, which will be paid by the end of November 2023.



*We take great pride in the efforts and performance of our teams, both onboard and onshore. Their hard work and commitment are the cornerstones of our success. We are also grateful for the unwavering trust and support of our shareholders as we remain dedicated to delivering strong results and maintaining our solid financial structure. As we move forward, we are confident in the opportunities that lie ahead and are committed to continuing our track record of success, which will make our Company stronger and healthier than ever.'*

## FINANCIAL REVIEW

### **SUMMARY OF THE RESULTS IN THE THIRD QUARTER AND NINE MONTHS OF 2023**

Throughout the first nine months of 2023, the conditions of the product tanker market have remained strong historically, though earnings have not reached the exceptionally high levels observed in late 2022 and have shown some moderation at the beginning of the third quarter, posting however a recovery in the months of August and September as refining throughputs rose sharply to meet the increasing travel demand worldwide and as the US economy and industrial sector proved more resilient than anticipated.

The overall demand for product tankers has been supported this year by several factors, in particular, the shifts in oil trade patterns relating to sanctions imposed on Russia, generating longer-haul routes, the rebound in Chinese oil demand, congestion in the Panama canal, slow fleet growth, low refined product inventories, high and volatile oil prices generating attractive arbitrage opportunities, high refining margins driven by gasoline cracks in the first-half of the year and by diesel cracks later, and lastly by the ongoing displacement of older refineries by more modern and efficient ones located farther away from the key consuming regions.

The one-year time-charter rate is always the best indicator of spot market expectations and as at the end of September 2023 was assessed at around US\$ 27,000 per day for a conventional MR2, with a premium of around US\$ 2,000 per day for an Eco MR2.

**In the first 9 months of 2023, DIS recorded a Net profit of US\$ 148.7 million** vs. a Net profit of US\$ 62.8 million posted in the same period of 2022. 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 (in the first 9 months of 2022), DIS' Net result would have amounted to US\$ 153.0 million in the first 9 months of 2023, compared with US\$ 69.3 million recorded in the same period of 2022. **In Q3 2023, DIS posted a Net profit of US\$ 48.9 million** vs. a Net profit of US\$ 43.6 million in the third quarter of last year. Excluding results on disposal and non-recurring financial items, as well as the asset impairment, DIS' Net result would have amounted to US\$ 49.4 million in Q3 2023 compared with US\$ 46.7 million in Q3 2022.

In the first 9 months of 2023, DIS generated an EBITDA of US\$ 213.1 million vs. US\$ 135.3 million achieved in the same period of 2022 (Q3 2023: US\$ 70.4 million vs. Q3 2022: US\$ 69.1 million), whilst its **operating cash flow was positive for US\$ 224.4 million in the first 9 months of 2023** compared with US\$ 80.5 million generated in the same period of last year.

In terms of spot performance, **DIS achieved a daily spot rate of US\$ 33,434 in the first 9 months of 2023** vs. US\$ 26,963 in the same period of 2022 (Q3 2023: US\$ 31,782 vs. Q3 2022: US\$ 37,159), due to the much stronger market relative to the same period of last year.



At the same time, 27.9% of DIS' total employment days in the first 9 months of 2023, were covered through 'time-charter' contracts at an average daily rate of US\$ 27,951 (9 months 2022: 38.8% coverage at an average daily rate of US\$ 15,251). 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\$ 31,904 in the first 9 months of 2023**, compared with US\$ 22,421 achieved in the same period of 2022 (Q3 2023: US\$ 30,860 vs. Q3 2022: US\$ 30,230).

### **OPERATING PERFORMANCE**

**Revenue** was US\$ 136.9 million in Q3 2023 (US\$ 136.5 million in Q3 2022) and US\$ 407.8 million in the first 9 months of 2023 (US\$ 311.8 million in the same period of last year). 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 the first 9 months of 2023 (2.0%) was higher than in the same period of the previous year (1.3%), 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\$ (38.6) million in Q3 2023 and US\$ (106.0) million in the first 9 months of the current year (Q3 2022: US\$ (42.3) million and 9 months 2022: US\$ (102.0) million). The higher costs in the first 9 months of 2023 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\$ 98.3 million in Q3 2023 vs. US\$ 94.2 million in Q3 2022 and of US\$ 301.8 million in the first 9 months of 2023 vs. US\$ 209.8 million in the same period of 2022. In detail, DIS realized a **daily average spot rate of US\$ 31,782** in Q3 2023 compared with US\$ 37,159 in Q3 2022 and of **US\$ 33,434 in the first 9 months of 2023** compared with US\$ 26,963 in the same period of last year.

In the first 9 months of 2023, DIS maintained a good level of 'coverage'<sup>1</sup> (fixed-rate contracts), securing an average of 27.9% (9 months 2022: 38.8%) of its available vessel days at a daily average fixed rate of US\$ 27,951 (9 months 2022: US\$ 15,251). 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.

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<sup>1</sup> 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\$ 6,885 (in line with DIS' fleet FY'22 average 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)<sup>2</sup>** was of US\$ 30,860 in Q3 2023 vs. US\$ 30,230 in Q3 2022, and of **US\$ 31,904 in the first 9 months of 2023** vs. US\$ 22,421 in the first 9 months of last year.

DIS TCE daily rates (US dollars)	2022						2023			
	Q1	Q2	Q3	9M	Q4	FY	Q1	Q2	Q3	9M
Spot	12,857	28,687	37,159	<b>26,963</b>	42,751	31,758	36,652	31,746	31,782	<b>33,434</b>
Fixed	14,968	15,373	15,497	<b>15,251</b>	19,957	15,925	26,367	28,383	28,830	<b>27,951</b>
Average	13,796	23,389	30,230	<b>22,421</b>	38,294	26,376	34,056	30,831	30,860	<b>31,904</b>

**Bareboat charter revenue** was of US\$ 1.2 million in Q3 2023 and of US\$ 3.6 million in the first 9 months of 2023, in line with the same period of last year; 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 was 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\$ 31.1 million in the first 9 months of 2023 and by US\$ 36.4 million in the same period of 2022, 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\$ (31.1) million in the first 9 months of 2023, compared with US\$ (39.3) million in the same period of last year. In the first 9 months of 2023, DIS operated a lower number of chartered-in vessels (7.5 equivalent ships) relative to the same period of last year (9.9 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\$ 13.8 million in the first 9 month of 2023 (US\$ 16.5 million increase in the first 9 months of 2022), 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\$ (55.6) million in the first 9 months of 2023 vs. US\$ (45.9) million in the same period of 2022. In the first 9 months of 2023, the Company operated a larger fleet of owned and bareboat vessels relative to the same period of last year (9 months 2023: 28.5 vs. 9 months 2022: 25.7). 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.

<sup>2</sup> 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\$ 6,885 (in line with DIS' fleet FY'22 average 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.



**General and administrative costs** amounted to US\$ (7.1) million in Q3 2022 (US\$ (4.4) million in Q3 2022) and to US\$ (18.4) million in the first 9 months of 2023 (US\$ (11.3) million in the first 9 months of 2022). 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\$ (0.6) million in Q3 2023 vs. US\$ (0.5) million in Q3 2022 and for US\$ (4.4) million in the first 9 months of 2023 vs. US\$ (1.6) million in the same period of last year. The amount refers to the amortisation of the net deferred result on vessels sold and leased back in the previous years. In addition, the amount for the first 9 months of 2023 includes US\$ (3.4) million negative charge related to the accelerated amortization of the deferred losses on M/T High Freedom, M/T High Trust, M/T High Trader and M/T High Loyalty, whose purchase options were exercised by d'Amico Tankers d.a.c. in the first half of the current year.

**EBITDA** was of US\$ 70.4 million in Q3 2023 (US\$ 69.1 million in Q3 2022) and US\$ 213.1 million in the first 9 months of 2023 (US\$ 135.3 million in the first 9 months of 2022), reflecting the better freight markets experienced in the first nine months of the current year.

**Depreciation, impairment, and impairment reversal** amounted to US\$ (15.9) million in Q3 2023 (US\$ (14.8) million in Q3 2022) and to US\$ (46.4) million in the first 9 months of 2023 (US\$ (47.4) million in the first 9 months of 2022). The amount for the first 9 months of 2022 includes an impairment of US\$ (2.1) 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\$ 54.5 million in Q3 2023 (US\$ 54.2 million in Q3 2022) and of US\$ 166.8 million in the first 9 months of 2023 (US\$ 88.0 million in the first 9 months of 2022).

**Net financial income** was of US\$ 1.1 million in Q3 2023 (US\$ (0.2) million in Q3 2022) and of US\$ 3.5 million in the first 9 months of 2023 (US\$ 0.7 million in the first 9 months 2022). The amount for the first 9 months of 2023 comprises mainly interest income on short-term securities and funds held with financial institutions on deposit or current accounts. The amount for the first 9 months of 2022 comprises mainly US\$ 0.6 million unrealized gain in relation to the ineffective part of DIS' interest rate swap agreements, as well as bank interest income on funds held with financial institutions on deposit and current accounts.

**Net financial charges** amounted to US\$ (6.6) million in Q3 2023 (US\$ (10.3) million in Q3 2022) and US\$ (20.8) million in the first 9 months of 2023 (US\$ (25.6) million in the first 9 months of 2022). The amount for the first 9 months of 2023 comprises mainly US\$ (19.8) 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\$ (1.0) million negative exchange difference. The amount recorded in the same period of last year included US\$ (21.5) 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 net realised loss on derivative instruments of US\$ (0.9) million (US\$ (0.6) million realized loss on freight derivative instruments, US\$ (0.8) million realized loss on foreign exchange derivative instruments used for hedging purposes, US\$ 0.5 million realized gain arising from the closing of some interest rate swaps), US\$ (0.6) million negative exchange difference, and US\$ (2.5) million negative impact arising from the termination of the lease contracts on High Fidelity and High Discovery.

DIS recorded a **Profit before tax** of US\$ 49.1 million in Q3 2023 vs. US\$ 43.7 million in Q3 2022 and a profit of US\$ 149.5 million in the first 9 months of 2023 vs. US\$ 63.0 million in the same period of 2022.

**Income taxes** amounted to US\$ (0.2) million in Q3 2023 in line with the amount of Q3 2022 and to US\$





(0.8) million in the first 9 months of 2023 vs. US\$ (0.3) million in the same period of 2022.

**DIS recorded a Net profit of US\$ 48.9 million in Q3 2023** vs. a Net profit of US\$ 43.6 million achieved in Q3 2022 **and a Net profit of US\$ 148.7 million in the first 9 months of 2023** vs. US\$ 62.8 million in the same period of last year.

**Excluding the result on disposals and non-recurring financial items** from Q3 2023 (US\$ (0.5) million) and from the same period of 2022 (US\$ (3.1) million), **DIS' Net result would have amounted to US\$ 49.4 million in Q3 2023** compared with US\$ 46.7 million in Q3 2022.

**Excluding the result on disposals and non-recurring financial items** from the first 9 months of 2023 (US\$ (4.3) million) and from the first 9 months of 2022 (US\$ (4.6) million), as well as the asset impairment (US\$ (2.1) million in the first 9 months of 2022), **DIS' Net result would have amounted to US\$ 153.0 million in the first 9 months of 2023** compared with US\$ 69.3 million recorded in the same period of the previous year.

#### **CASH FLOW AND NET INDEBTEDNESS**

**DIS' Net Cash Flow for the first 9 months of 2023 was of US\$ (2.9) million** vs. US\$ 43.5 million in the same period of 2022 (Q3 2023: US\$ (7.9) million vs. Q3 2022: US\$ 40.3 million).

**Cash flow from operating activities** was positive, amounting to US\$ 51.4 million in Q3 2023 vs. US\$ 61.5 million in Q3 2022, and to US\$ 224.4 million in the first 9 months of 2023 vs. US\$ 80.5 million in the first 9 months of 2022. This positive variance is attributable to the better operating performance achieved in the first nine months of 2023, relative to the same period of last year.

**DIS' Net debt as at 30 September 2023** amounted to US\$ 264.6 million compared to US\$ 409.9 million as at 31 December 2022. Due to the application of IFRS 16 these balances include from 1 January 2019 an additional lease liability amounting to US\$ 30.0 million as at the end of September 2023 vs. US\$ 39.8 million as at the end of 2022. The net debt (excluding the IFRS16 effect) / fleet market value ratio was of 21.5% as at 30 September 2023 vs. 36.0% as at 31 December 2022 (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).

#### **SIGNIFICANT EVENTS OF THE FIRST NINE MONTHS**

In the first nine months of 2023 the main events for d'Amico International Shipping Group were the following:

##### **D'AMICO INTERNATIONAL SHIPPING S.A.:**

**Dividend distribution:** In March 2023, the Board of Directors of d'Amico International Shipping proposed to the Shareholders a dividend to be paid in cash of US\$ 22,011,953.96 gross (US\$ 18,710,160.87 net, after deducting the 15% applicable withholding tax), corresponding to US\$ 0.0153 per issued and outstanding share net of withholding taxes, to be paid out of the distributable reserves, including the share premium reserve.

**Approval of the 2022 statutory and consolidated Financial Statement, the dividend distribution and the 2022-2024 medium-long term incentive plan:** In April 2023, the Annual General Shareholders' meeting of d'Amico International Shipping S.A. approved the 2022 statutory and consolidated financial statements



of the Company, showing a consolidated net profit of US\$ 134,869,615. The Annual General Shareholders' meeting furthermore resolved the payment of the gross dividend in cash proposed by the Board of Directors. The payment of the above-mentioned dividend was made to the Shareholders on April 26th, 2023 with related coupon n. 5 detachment date (ex-date) occurring on April 24th, 2023 and record date on April 25th, 2023 (no dividend was paid with reference to the 18,170,238 shares repurchased by the Company, treasury shares not carrying a dividend right). In addition, the Annual General Shareholders' meeting of DIS approved the 2022-2024 Medium-Long Term Incentive Plan as illustrated in the Information Document – drafted in accordance with art. Art. 84-bis of the Regulation adopted by CONSOB – and related report of the Board of Directors, both approved on March 9th, 2023 and available on the Company's web site.

**Approval of the implementation of a reverse stock split with respect to all the shares of the Company and the related resolutions regarding the authorized capital and the buyback authorization:** In June 2023, d'Amico International Shipping S.A.'s board of directors (the "Board of Directors" or the "Board") resolved to implement the share consolidation with respect to all the shares of the Company at a ratio of one (1) to ten (10) (the "Reverse Stock Split"), as approved by the Company's extraordinary general meeting of shareholders held on 13 June 2023 (the "EGM"), in compliance with the relevant delegation of powers conferred by the EGM. The Board resolved to set the date in which the Reverse Stock Split was implemented and effective at 19 June 2023 (the "Effective Date"). To avoid the creation of fractions of consolidated shares as a result of the Reverse Stock Split, as resolved by the EGM, with effect as of the Effective Date, nine (9) of the existing treasury shares of the Company were cancelled, thereby reducing the number of shares issued of the Company from the previous 1,241,065,569 to 1,241,065,560 without reducing the share capital of the Company. As a result of the Reverse Stock Split, as of the Effective Date, the share capital of the Company was set at USD 62,053,278.45, divided into 124,106,556 shares with no nominal value and with ISIN code LU2592315662. Furthermore, as a consequence of the Reverse Stock Split, in accordance with the EGM resolution, as of the Effective Date (i) the Company's authorised share capital, including the issued share capital, amounted to USD 87,500,000, divided into 175,000,000 shares with no nominal value and (ii) the Board was authorized for a period of 5 years from 19 June 2023 (therefore until 19 June 2028), within the limits of the authorised share capital, to, inter alia, increase the Company's issued capital up to the maximum amount of the authorised capital and to remove or limit the statutory preferential subscription right of the shareholders. In addition, as provided for in the EGM resolution and disclosed via press release, as of the Effective Date, the buyback authorization renewal was implemented.

**Early termination of the previous share buyback authorized period and start of the new own shares buyback programme:** In June 2023 d'Amico International Shipping S.A.'s extraordinary general meeting of shareholders resolved to terminate with effect on June 19th, 2023, the Board of Directors' five years authorization to repurchase the Company's own shares – as resolved by the annual general meeting of shareholders held on April 20th, 2021 (the "Authorization"). During the Authorization period, DIS did not repurchase any own shares but assigned a total of 263,209 own shares to the beneficiaries of the Company's 2019-2021 Medium-Long Term Variable Incentive Plan.

The Board of Directors resolved to start on 19 June 2023 the own shares buyback programme pursuant to the new authorization issued by the extraordinary general meeting of shareholders held on 13 June 2023 (the "Programme"). According to Article 430-15 et seq. of the Luxembourg law of August 10, 1915 concerning commercial companies, as amended from time to time (the "Luxembourg Law"), Article 8 of the Company's articles of association (the "Articles of Association"), the relevant provisions of the EU Reg. no 596/2014 and its delegated and implementing acts (the "Market Abuse Regulation"), together with the applicable Italian and Luxembourg laws, regulations and the best market practices which are accepted on the Italian regulated market and currently authorized or authorized in future by the applicable laws and regulations. The Programme is aimed at creating an "inventory of treasury shares" that will be available as a means of payment, exchange, transfer, contribution, assignment, sale or other types of disposals associated notably with transactions linked to the Company and/or its subsidiaries' and with any



projects offering an effective investment opportunity in line with the strategic policy of the Company. The Programme shall be carried out using available reserves and/or distributable earnings sufficient for the planned repurchase of fully paid-up own shares, subject to these transactions not having the effect of reducing the Company's net assets below the amount mentioned in paragraph 1 & 2 of Article 461-2 of the Luxembourg Law (i.e. the aggregate of the subscribed share capital and the reserves which may not be distributed according to the law or the Articles of Association of the Company), and at a price per share within the following range: (i) a minimum which shall not be 10% lower than the official share price reported in the trading session on the day before each individual transaction is executed; (ii) a maximum which shall not be 10% higher than the official share price reported in the trading session on the day before each individual transaction is executed. As per the shareholders' new authorization, up to 18,615,795 ordinary shares of the Company can be repurchased (including the Own Shares already repurchased and held in the Company's portfolio in compliance with Article 430-15 of the Luxembourg Law). Furthermore, according to the resolution of the Board of Directors, the maximum value of own shares that can be repurchased under the Programme cannot exceed Euro 100 million.

The repurchase and disposal of own shares shall be carried out in one or more tranches on the regulated market managed and organized by Borsa Italiana S.p.A., in accordance with the relevant provisions of the Market Abuse Regulation, in respect of the operative instructions issued from the organizational and management rules of the markets, so as to assure a fair deal to all the shareholders, and will be executed and coordinated by Equita SIM S.p.A. an equity broker duly engaged for this purpose, which will act completely independently and without any influence from the Company regarding the moment of such repurchases and disposals, in accordance with the relevant applicable laws and of the above mentioned Shareholders' new authorization. In all cases, each transaction shall be executed and publicized in accordance with Luxembourg and/or Italian laws and regulations where applicable, as well as according to the relevant provisions concerning exemptions from market abuse applicable legislation for buyback programs and stabilization of financial instruments. In particular, any authorized own shares sale and purchase transactions shall be carried out at any time, not being subject to any time limit and notably in order to pursue the purposes of the Programme.

The authorization to repurchase and sell the Company's own shares in one or more tranches has been granted to the Board of Directors, with the option to delegate, for a maximum period of five (5) years from 19th June, 2023 (i.e. the Reverse Stock Split effective date) and thus expiring on 19th June, 2028.

**Executed buyback program:** In the first 9 months of 2023, d'Amico International Shipping S.A. has repurchased n. 1,579,619 own shares (representing 1.27% of the outstanding share capital of the Company) on the regulated market managed by Borsa Italiana S.p.A. at the average price of Euro 3.8751, for a total consideration of Euro 6,121,137. As at the end of September 2023, d'Amico International Shipping S.A. holds nr. 3,382,542 own shares, representing 2.73% of its outstanding share capital.

**Application for membership of the OTCQX® Best Market:** In September 2023, the Board of Directors of d'Amico International Shipping S.A., has resolved to apply for membership of the OTCQX Best Market ("OTCQX" or "OTCQX Market"), managed by the OTC Market Group ("OTCM"); DIS' admission is expected before the end of the year and is subject to OTCM's approval. DIS' shares are listed on the STAR Segment of the Italian stock exchange market (Borsa Italiana) and are currently traded over the counter (OTC) in the USA, in the OTC Pink market segment, managed by the OTC Market Group. The OTCQX International Market segment for international companies, is an established public market with high financial and corporate governance standards, recognized by the US Securities Exchange Commission (SEC), which provides to US investors a more transparent, liquid, and efficient cross-trading alternative to the OTC Pink market. In addition, companies listed on OTCQX are Blue sky compliant in 37 US states (not available in the OTC Pink market), enabling reverse solicitation and distribution of research by brokers to US investors in such states.

**D'AMICO TANKERS D.A.C.:**

**'Time Charter-Out' Fleet:** In January 2023, d'Amico Tankers d.a.c. fixed a time charter-out contract with an oil-major for one of its handysize vessels for a minimum of 11 months and a maximum of 13 months, starting from January 2023.

In February 2023, d'Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its handysize vessels for 12 months, starting from February 2023. In the same month, d'Amico Tankers d.a.c. fixed a time charter-out contract with another leading trading-house for one of its MR vessels for 12 months, starting from April 2023.

In April 2023, d'Amico Tankers d.a.c. fixed a time charter-out contract with an oil-major for one of its MR vessels for 6 months, starting in April 2023.

In May 2023, d'Amico Tankers d.a.c. fixed a time charter-out contract with an oil-major for one of its MR vessels for 32 months, starting in May 2023.

In July 2023, d'Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its MR vessels for a minimum of 10 months and a maximum of 13 months, starting from August 2023.

In the same month, d'Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its MR vessels for 12 months, starting from August 2023.

In September 2023, d'Amico Tankers d.a.c. extended a time charter-out contract with an oil-major for one of its MR vessels for 3 years.

**Exercise of the purchase option on a TC-in MR vessel:** In January 2023, d'Amico International Shipping S.A. announced that its operating subsidiary, d'Amico Tankers d.a.c., exercised its purchase option on the M/T High Explorer, a 50,000 dwt MR product tanker vessel, built in 2018 by Onomichi Dockyard Co., Japan, for a consideration of JPY 4.1 billion (equivalent to approximately US\$ 30.0 million), with delivery having occurred in May 2023.

**Exercise of the purchase option on a bareboat chartered-in MR vessel:** In January 2023, d'Amico International Shipping S.A. announced that its operating subsidiary d'Amico Tankers d.a.c. exercised its purchase option on the M/T High Freedom, a 49,999 dwt MR product tanker vessel, built in 2014 by Hyundai Mipo, South Korea, for a consideration of US\$ 20.1 million, with delivery having occurred in May 2023.

In May 2023, d'Amico International Shipping S.A. announced that its operating subsidiary d'Amico Tankers d.a.c. exercised its purchase option on:

- MT High Loyalty, a 49,990 dwt MR product tanker vessel built in 2015 by Hyundai Mipo, South Korea, for a consideration of approximately US\$ 21.4 million, with delivery having occurred in June 2023;
- M/T High Trust, a 49,990 dwt MR product tanker vessel built in 2016 by Hyundai Mipo, South Korea at their Vinashin facility in Vietnam, for a consideration of US\$ 22.2 million, with delivery having occurred in July 2023;
- MT High Trader, a 49,990 dwt MR product tanker vessel built in 2015 by Hyundai Mipo, South Korea at their Vinashin facility in Vietnam, for a consideration of US\$ 21.6 million, with delivery having occurred in July 2023.



**‘Time Charter-In’ Fleet:** In September 2023, d’Amico Tankers d.a.c. exercised its options to extend the time charter-in contracts on the following vessels:

- M/T Crimson Jade, a 50,000 dwt MR product tanker vessel built in 2017 by Minaminippon Shipbuilding, Japan, for an additional year starting from June 2024.
- M/T Green Planet, a 50,843 dwt MR product tanker vessel built in 2014 by Daesun Shipbuilding, South Korea, for an additional year starting from December 2023

## SIGNIFICANT EVENTS SINCE THE END OF THE PERIOD AND BUSINESS OUTLOOK

**‘Time Charter-Out’ Fleet:** In October 2023, d’Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its LR1 vessels for a minimum of 11 months and a maximum of 13 months, starting from November 2023.

In the same month, d’Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its Handy vessels for 12 months, starting from the end of October 2023.

In November 2023, d’Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its Handy vessels for 2 years, starting from December 2023.

In November 2023, d’Amico Tankers d.a.c. extended a time charter-out contract with an oil-major for one of its Handy vessels for a minimum of 11 months and a maximum of 13 months, starting from December 2023.

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

	As at 30 September 2023				As at 09 November 2023			
	LR1	MR	Handysize	Total	LR1	MR	Handysize	Total
Owned	5	15	6	26	5	15	6	26
Bareboat chartered-in*	1	2	-	3	1	2	-	3
Long-term time chartered-in	-	3	-	3	-	3	-	3
Short-term time chartered-in	-	4	-	4	-	4	-	4
<b>Total</b>	<b>6</b>	<b>24</b>	<b>6</b>	<b>36</b>	<b>6</b>	<b>24</b>	<b>6</b>	<b>36</b>

\* 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 level of inventories in key consuming markets, (vii) the efficiency of the fleet due to factors such as congestion, transshipments, and average sailing speeds and (viii) average sailing distances and ballast to laden ratios. Some of the factors that should continue supporting the current strong markets are detailed below:



### Product Tanker Demand

- According to the IEA's October Oil Market Report, global refining throughput is forecast to average 82.4 million b/d this year, approximately 1.7 million higher than 2022's average level.
- The IEA expects global refinery runs will rise from 81.6 million b/d in October to 84.0 million b/d in December 2023.
- According to IEA's October report, refining throughputs in '24 should average 83.4 million b/d, around 1.0 million b/d higher than the average for '23.
- According to IEA's October report, despite challenging economic conditions, global oil demand is forecast to continue its strong growth trajectory in 4Q23, underpinning an annual increase of 2.3 million b/d to 101.9 million b/d for the full year 2023. China and non-OECD economies account for 77% and 97% of the increase, respectively.
- According to IEA's October report, oil demand in 2024 is expected to increase by a more moderate 0.9 million b/d.
- According to Clarksons' September 2023 outlook, refined products tonne-mile trade is expected grow by around 12% in 2023 and by a further 7% in 2024.
- In 2023 average distances increased further, also due to the Ukrainian war, with Russia having recently increased exports to a range of non-European markets, including the Middle East, Turkey, Africa, and Latin America. Europe, instead, has increased imports mostly from the US and the Middle East.
- Longer-term, recovering demand and structural shifts in the location of refineries are likely to continue boosting long-haul product trades.

### Product Tanker Supply

- At the beginning of the year, Clarksons estimated 44 MRs and LR1s would be delivered in 2023. In the first nine months of the year only 28 ships have been delivered.
- Trading inefficiencies, as transhipments of cargoes and ballast to laden ratios increased, have been one of the factors reducing fleet productivity and contributing to the strong freight markets since the onset of the war in Ukraine.
- Congestions in the Panama canal due to low water levels supported the markets this summer and are expected to be a continuing feature in the coming years.
- In their September 2023 outlook, Clarksons estimated the product tanker fleet will grow by only 2.1% in 2023, with an even lower growth of only 1.3% in 2024.
- The strong freight markets have led to subdued scraping in the first nine months of 2023, with only 4 vessels in the MR and LR1 sector demolished during the period.
- According to Clarksons, as at the end of September 2023, 9.9% of the MR and LR1 fleet was over 20 years old (in dwt), whilst the current order book in these segments represented only 6.2% of the current trading fleet (in dwt). As at the same date, 39.8% of the MR and LR1 fleet (in dwt) was more than 15 years old, and this percentage should continue rising sharply 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 from January 2024. 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. From January 2023 operators are required 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 regulations is reducing the 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.

## **OTHER RESOLUTIONS**

### ***INTERIM DIVIDENDS***

Based on the statutory accounts as approved in the third 2023 interim management statement that shows that the funds available for the distribution are sufficient and on the report of the statutory auditors that duly verified that the conditions precedent of the interim dividend distribution have been satisfied, the Board of Directors resolved to distribute an interim gross dividend of US\$ 20,025,983.50 (US\$ 17,022,085.97 net, after deducting the maximum applicable withholding tax amounting to 15%) corresponding to US\$ 0.1410 per issued and outstanding share net of withholding taxes to be paid out of the distributable reserves including the share premium reserve.

According to the Borsa Italiana S.p.A. 2023 published calendar, the payment of the aforementioned interim dividend will be made to its shareholders on 29 November 2023, with related coupon n. 6 detachment date (ex date) on 27 November and record date on 28 November, being understood that for the 3,382,542 own shares repurchased to date by the Company - representing the 2.726% of the share capital - no interim dividend shall be paid, treasury shares not carrying a dividend right.



*d'Amico*  
INTERNATIONAL SHIPPING S.A.

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## CONFERENCE CALL

At 2.00pm CET, 8.00am EST today a conference call will be held with the financial community during which the Group's economic and financial results will be discussed. It is possible to participate in webcall clicking on the following link: <https://www.c-meeting.com/web3/join/3BHH8EJTPZ9WE> or dialing-in one of the following numbers: **Italy:** + 39 02 8020911 / **UK:** + 44 1 212818004 / **USA:** +1 718 7058796. The presentation slides can be downloaded before the conference call from the Investor Relations page on DIS web site: [www.damicointernationalshipping.com](http://www.damicointernationalshipping.com)

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From today this press release is available on the Investor Relations section of the Company's website, disclosed through the e-market SDIR circuit, filed with Commission de Surveillance du Secteur Financier (CSSF) and stored at Borsa Italiana S.p.A., through the e-market STORAGE system, and at Société de la Bourse de Luxembourg S.A. in its quality of OAM.

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*d'Amico International Shipping S.A. is an indirect subsidiary of d'Amico Società di Navigazione S.p.A., one of the world's leading privately owned marine transportation companies, and operates in the product tankers sector, comprising vessels that typically carry refined petroleum products, chemical and vegetable oils. d'Amico International Shipping S.A. indirectly controls, either through ownership or charter arrangements, a modern, high-tech and double-hulled fleet, ranging from 35,000 and 51,000 deadweight tons. The Company has a history and a long tradition of family enterprise and a worldwide presence with offices in key market maritime centres (London, Dublin, Monaco and Singapore). The company's shares are listed on the Milan Stock Exchange under the ticker symbol 'DIS'.*

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## ANNEXES

### CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

Q3 2023	Q3 2022	US\$ Thousand	9 MONTHS 2023	9 MONTHS 2022
136,947	136,494	Revenue	407,779	311,774
(38,646)	(42,321)	Voyage costs	(105,984)	(101,994)
<b>98,301</b>	<b>94,173</b>	<b>Time charter equivalent earnings*</b>	<b>301,795</b>	<b>209,780</b>
1,228	1,213	Bareboat charter revenue *	3,640	3,599
<b>99,529</b>	<b>95,386</b>	<b>Total net revenue</b>	<b>305,435</b>	<b>213,379</b>
-	(1,188)	Time charter hire costs	(27)	(2,909)
(21,403)	(20,199)	Other direct operating costs	(69,391)	(62,340)
(7,130)	(4,414)	General and administrative costs	(18,446)	(11,254)
(599)	(513)	Result on disposal of fixed assets	(4,425)	(1,561)
<b>70,397</b>	<b>69,072</b>	<b>EBITDA*</b>	<b>213,146</b>	<b>135,315</b>
(15,869)	(14,837)	Depreciation and impairment	(46,358)	(47,365)
<b>54,528</b>	<b>54,235</b>	<b>EBIT*</b>	<b>166,788</b>	<b>87,950</b>
1,147	(197)	Net financial income	3,525	696
(6,611)	(10,321)	Net financial (charges)	(20,819)	(25,603)
<b>49,064</b>	<b>43,717</b>	<b>Profit before tax</b>	<b>149,494</b>	<b>63,043</b>
(178)	(159)	Income taxes	(775)	(267)
<b>48,886</b>	<b>43,558</b>	<b>Net profit</b>	<b>148,719</b>	<b>62,776</b>
<i>The net result is attributable to the equity holders of the Company</i>				
<b>0.402</b>	<b>0.356</b>	<b>Earnings (loss) per share in US\$<sup>(1)</sup></b>	<b>1.219</b>	<b>0.513</b>

\*see Alternative Performance Measures on page 9

### CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

Q3 2023	Q3 2022	US\$ Thousand	9 MONTHS 2023	9 MONTHS 2022
<b>48,886</b>	<b>43,558</b>	<b>Profit for the period</b>	<b>148,719</b>	<b>62,776</b>
<i>Items that can subsequently be reclassified into Profit or Loss</i>				
(867)	(307)	Cash flow hedges	(3,465)	7,568
(28)	(148)	Exchange differences in translating foreign operations	810	(89)
<b>47,991</b>	<b>43,103</b>	<b>Total comprehensive income for the period</b>	<b>146,064</b>	<b>70,054</b>

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

(1) For comparative reasons, reported average outstanding shares used in the calculation of the 2022 e.p.s. were adjusted following the criteria of the Reverse stock split which occurred on 13 June 2023 (please refer to the significant events of the first nine months for more detailed information), and the earnings per share (e.p.s.) were restated accordingly. Basic earnings per share (e.p.s.) was calculated on an average number of outstanding shares equal to 121,963,926 in the first nine months of 2023 (122,289,533 shares in the first nine months of 2022) and on an average of 121,616,280 outstanding shares in the third quarter of 2023 (Q3, 2022: 122,288,855 average outstanding shares). In Q3/nine months of 2023 and Q3/nine months 2022 diluted e.p.s. was equal to basic e.p.s.



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

<i>US\$ Thousand</i>	As at 30 September 2023	As at 31 December 2022
<b>ASSETS</b>		
Property, plant and equipment (PPE) and Right-of-use assets (RoU)	805,288	809,298
Other non-current financial assets	4,944	9,103
<b>Total non-current assets</b>	<b>810,232</b>	<b>818,401</b>
Inventories	15,608	18,303
Receivables and other current assets	74,839	91,498
Other current financial assets	4,580	8,787
Cash and cash equivalents	105,358	117,896
<b>Total current assets</b>	<b>200,385</b>	<b>236,484</b>
<b>TOTAL ASSETS</b>	<b>1,010,617</b>	<b>1,054,885</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		
Share capital	62,053	62,053
Accumulated earnings	202,548	53,938
Share Premium	346,684	368,827
Other reserves	(15,178)	(6,404)
<b>Total shareholders' equity</b>	<b>596,107</b>	<b>478,414</b>
Banks and other lenders	243,662	266,124
Non-current lease liabilities	77,484	150,225
Other non-current financial liabilities	2,748	3,332
<b>Non-current liabilities</b>	<b>323,894</b>	<b>419,681</b>
Banks and other lenders	31,184	51,086
Current lease liabilities	21,445	71,740
Payables and other current liabilities	34,292	30,734
Other current financial liabilities	2,953	3,129
Current tax payable	742	101
<b>Total current liabilities</b>	<b>90,616</b>	<b>156,790</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,010,617</b>	<b>1,054,885</b>



## CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

Q3 2023	Q3 2022	US\$ Thousand	9 MONTHS 2023	9 MONTHS 2022
<b>48,886</b>	<b>43,558</b>	<b>Profit for the period</b>	<b>148,719</b>	<b>62,776</b>
15,869	14,837	Depreciation and amortisation	46,358	45,285
-	-	Impairment	-	2,080
178	159	Current and deferred income tax	775	267
1,485	6,121	Net lease cost	6,948	13,735
3,979	4,407	Other Financial charges (income)	10,346	11,172
599	513	Result on disposal of fixed assets	4,425	1,561
(28)	(329)	Other non-cash changes	798	(441)
221	-	Allotment and accruals LTI	433	110*
<b>71,189</b>	<b>69,266</b>	<b>Cash flow from operating activities before changes in working capital</b>	<b>218,802</b>	<b>136,545</b>
(945)	(2,710)	Movement in inventories	2,696	(8,989)
(17,444)	768	Movement in amounts receivable	16,607	(33,193)
4,050	(189)	Movement in amounts payable	(400)	7,153
(46)	(108)	Taxes (paid) received	(133)	(214)
(1,485)	(3,572)	Net cash payments for the interest portion of IFRS16 related leases	(6,948)	(11,176)
(3,928)	(1,976)	Net interest paid	(7,055)	(9,536)
<b>51,391</b>	<b>61,479</b>	<b>Net cash flow from operating activities</b>	<b>224,369</b>	<b>80,590</b>
(1,892)	(3)	Acquisition of fixed assets	(37,456)	(897)
-	46	Sale of fixed assets	-	19,351
-	(25,542)	Increase in participation in Glenda International Shipping**	-	(25,542)
<b>(1,892)</b>	<b>(25,499)</b>	<b>Net cash flow from investing activities</b>	<b>(37,456)</b>	<b>(7,088)</b>
-	4	Share capital increase	-	4
(96)	-	Other changes in shareholder's equity	(131)	-
(5,887)	-	Movement in treasury shares	(6,661)	-
-	48	Movement in other financial receivables	-	121
-	-	Dividend paid	(22,012)	-
(21,721)	(130,703)	Bank loan repayments	(70,821)	(162,379)
20,000	144,172	Bank loan drawdowns	37,750	159,517
-	42,900	Proceeds from disposal of assets subsequently leased-back	-	42,900
(49,738)	(52,139)	Net repayments for the principal portion of the lease liability	(127,918)	(70,121)
<b>(57,442)</b>	<b>4,282</b>	<b>Net cash flow from financing activities</b>	<b>(189,793)</b>	<b>(29,958)</b>
<b>(7,943)</b>	<b>40,262</b>	<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,880)</b>	<b>43,544</b>
113,301	29,688	Cash and cash equivalents net of bank overdrafts at the beginning of the period	108,238	26,406
<b>105,358</b>	<b>69,950</b>	<b>Cash and cash equivalents net of bank overdrafts at the end of the period</b>	<b>105,358</b>	<b>69,950</b>
105,358	85,135	Cash and cash equivalents at the end of the period	105,358	85,135
-	(15,185)	Bank overdrafts at the end of the period	-	(15,185)

\*For comparative reasons, the allotment of 9 months 2022 LTI shares in the amount of US\$(9) thousand is reclassified from Net cash-flows from financing activities to Cash flow from operating activities before changes in working capital, therefore changing such cash-flows by the same amount.

\*\* The consideration paid by d'Amico Tankers d.a.c. (US\$27.4 million) for the increase in participation in Glenda International Shipping d.a.c., was allocated to the fair value of the assets and liabilities acquired.

The manager responsible for preparing the company's financial reports, Mr. 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 nine months/third quarter 2023 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.

**Carlos Balestra di Mottola** - Chief Financial Officer



## **ALTERNATIVE PERFORMANCE MEASUREMENTS**

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 by 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.

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