d'Amico Tankers d.a.c.

Directors' Report and Financial Statements

Financial Year Ended 31 December 2024

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DIRECTORS AND OTHER INFORMATION

Board of Directors

Paolo d'Amico
Antonio Carlos Balestra di Mottola
Antonia d'Amico
Federico Rosen (appointed 30 July 2024)
Flemming Carlsen
Peter Cahill
Malgorzata Agnieszka Petryczko
Giuseppe Oliveri
David Morris
James Gerard Healy (appointed 01 January 2024)
Saiful Islam Bin Aman (appointed 30 July 2024)

Secretary and registered address

Maple Secretaries Limited 39/40 Upper Mount St. Dublin 2

The Anchorage, 17-19 Sir John Rogerson's Quay, Dublin 2, Ireland

Registered Number: 351529

Auditors

Moore Ireland Audit Partners Limited Chartered Accountants and Statutory Audit Firm Ulysses House Foley Street Dublin 1 D01 W2T2

Principal activities

The principal activity of d'Amico Tankers d.a.c. (the 'Company') involves operating commercial vessels, which are primarily engaged in the transportation of refined petroleum products and vegetable oils. The Company provides worldwide shipping services to major oil companies and commodity trading houses. It operates a modern fleet of 33 product tanker vessels, comprising 27 owned vessels, 3 time chartered-in, and 3 bareboat chartered-in. The average age of the Company's owned and bareboat-chartered vessels is approximately 9.2 years, compared to an average in the product tanker industry of 14.3 years for Medium Range ('MRs') (25,000 – 54,999 dwt) and 15.8 for Long Range ('LR1s') (55,000 – 84,999 dwt), (source: Clarksons Research). All vessels in the fleet are double-hulled and comply with the regulations of the International Maritime Organization (IMO), including the International Convention for the Prevention of Pollution from Ships (MARPOL). They also meet the stringent requirements of major oil and energy-related companies and adhere to other relevant international standards. According to MARPOL/IMO rules, specific cargoes, such as palm oil, vegetable oil, and certain chemicals, can only be transported by vessels that are IMO Classed.

Financial review

Summary of the 2024 results

d'Amico Tankers reported a Net Profit of US\$ 195.5 million in 2024, driven by the robust product tanker market experienced throughout the year. This result is lower than the Net Profit of US\$ 196.3 million in 2023, The variance is primarily attributed to a relatively weaker freight market in the second half of 2024, coupled with an increased level of 'time-charter' coverage secured at marginally lower average rates.

The Company achieved Total net revenue of US\$ 386.6 million in 2024 compared with US\$ 431.7 million in 2023. In terms of vessel spot performance, d'Amico Tankers achieved a daily spot rate of US\$ 33,871 in 2024 vs. US\$ 32,873 in 2023, thanks to a stronger market in the first half of 2024 relative to the previous year. At the same time, 41.5% of DIS' total employment days in 2024 were covered through 'time-charter' contracts at an average daily rate of US\$ 27,420 (2023: 29.8% coverage at an average daily rate of US\$ 28,107). 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.

In 2024, there was a US\$ 13.5 million decrease in Time charter hire costs relative to the previous year (US\$ 9.4 million in 2024 compared with US\$ 22.9 million in 2023).

Compared to the previous year, the Company's 2024 results were affected by the following main variances:

- US\$ 4.1 million decrease in Other direct operating costs (US\$ 90.6 million in 2024 compared with US\$ 94.7 million in 2023);
- US\$ 3.9 million decrease in Depreciation and impairment (US\$ 57.1 million in 2024 vs. US\$ 61.0 million in 2023):
- US\$ 2.6 million increase in Finance income (US\$ 7.5 million in 2024 vs. US\$ 4.9 million in 2023);
- US\$ 6.3 million decrease in Finance costs (US\$ 22.9 million in 2023 vs. US\$ 29.2 million in 2023).

In 2024, d'Amico Tankers achieved an EBITDA of US\$ 269.8 million ('EBITDA Margin on Total net revenue' of 69.8%) compared with US\$ 282.6 million ('EBITDA Margin on Total net revenue' of 65.5%) recorded in the previous year.

Total Gross Capital expenditure (Capex) amounted to US\$ 115.7 million in 2024 (2023: US\$ 41.5 million). The amount for 2024 comprises US\$ 44.7 million for the first 20% instalment paid in Q2 2024 on the four newbuilding LR1s ordered from Jiangsu New Yangzi Shipbuilding Co., China, and US\$ 62.0 million related to d'Amico Tankers' exercise of the purchase option on M/T Crimson Jade and M/T Crimson Pearl (two MR vessels time-chartered-in by d'Amico Tankers since 2017). In addition, the total amount includes the capitalised dry-dock costs pertaining to owned and bareboat vessels.

Market Commentary

The tanker markets remained strong throughout 2024, although a softening trend emerged in the second half of the year. Despite these challenges, the markets concluded the year robustly and maintained a healthy position into early 2025. Market dynamics were significantly shaped by several key factors, including ongoing vessel re-routing around the Cape of Good Hope due to disruptions in the Red Sea, and sustained longer-haul trade flows from Russia, which contributed to market strength. Although average tanker earnings softened during the last six months, the markets showed signs of strengthening in the middle of the last quarter, heading into the seasonally stronger part of the year. However, the final months of 2024 were marked by short-term pressures, such as seasonal oil trade weakness, compounded by softer Chinese crude imports, reduced exports of Russian products due to refinery outages, and poor refinery margins.

In the products sector, deadweight tonnage (dwt) demand is estimated to have grown by 5.5% in 2024, as reported by Clarksons in January 2025, marking a fourth consecutive year of robust expansion. Product tanker market conditions softened in the second half of 2024, following a period of strong earnings throughout 2022/23 and into early 2024. Despite an uptick in activity in early December, earnings declined in the latter part of the year but remained well above the 10-year average. The market was pressured by lower refinery throughput and declining oil demand trends, along with crude tonnage trading clean cargoes. Nevertheless, ongoing support was provided by Red Sea re-routing and continued longer-haul Russian flows. Looking ahead, tanker market volatility is expected to increase, driven by the potential easing of Red Sea disruptions and a likely escalation in sanctions activity. The introduction of significant sanctions on Russian oil producers and tankers by the U.S. in early January has added complexity to the market and may influence tanker earnings in 2025.

The one-year time-charter rate, a reliable indicator of spot market expectations, was assessed at approximately US\$ 20,750 per day for an eco MR2 tanker at the end of December 2024. This rate represents a premium of around US\$ 2,000 per day compared to a conventional MR tanker.

Significant events of the year

'Time Charter-Out' Fleet: In January 2024, 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 February 2024.

In March 2024, d'Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its handysize vessels for a minimum of 9 months and a maximum of 12 months.

In May 2024, 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 period of 6 months.

In June 2024 d'Amico Tankers d.a.c. fixed a time charter-out contract with a leading trading-house for one of its Handysize vessels for a period of three years. In the same month, d'Amico Tankers d.a.c. also fixed one of its MR vessels for a time charter-out contract with a leading refining company for a period of three years.

In September 2024 d'Amico Tankers d.a.c. fixed a time charter-out contract with a reputable counterparty for one of its MR vessels for a period of two years.

In October 2024, d'Amico Tankers d.a.c. fixed a time charter-out contract with a reputable counterparty for one of its MR vessels for a period of two years, starting between November and December 2024.

In November 2024, d'Amico Tankers d.a.c. fixed a time charter-out contract with a reputable counterparty for one of its handysize vessels for a minimum of 12 months and a maximum of 15 months starting in December 2024. In the same month, d'Amico Tankers d.a.c. extended a time charter-out contract with an oil major for one of its MR vessels for a period of six months starting in December.

In December 2024, d'Amico Tankers d.a.c. extended a time charter-out contracts with an oil major for one of its handysize vessels for a minimum of 15 months as well as extended a time charter-out contract for another of its handysized vessels for a period of 12 months.

'Time Charter-In' Fleet: In February 2024, the time-charter-in contract for the M/T High SD Yihe, an MR vessel built in 2005, ended and the vessel was redelivered to her owners.

Significant events of the year - continued

In April 2024, the time-charter-in contract for the M/T High Prosperity, an MR vessel built in 2006, ended and the vessel was redelivered to her owners.

Sale of Vessels: In March 2024, d'Amico Tankers d.a.c. signed a memorandum of agreement for the sale of the M/T Glenda Melanie (the "Vessel"), a 47,162 dwt owned MR product tanker vessel, built in 2010 by Hyundai Mipo, South Korea, for a consideration of US\$ 27.4 million. The vessel was delivered to her new owners in Q2 2024.

Purchase of a second-hand vessel: In April 2024, d'Amico Tankers d.a.c. signed a memorandum of agreement for the purchase of the M/T Amfitrion, a 50,000 dwt MR product tanker vessel, built in 2017 by Samsung Heavy Industries Ningbo, China, for a consideration of US\$ 43.5 million. The purchase of M/T Amfitrion was subsequently cancelled in July 2024 due to the sellers' failure to adhere to the "Cancelling Date" stipulated in the agreement.

Order of four LR1 newbuilding vessels: In April 2024, d'Amico Tankers d.a.c. signed a shipbuilding contract with Jiangsu New Yangzi Shipbuilding Co., China, for the purchase of two (2) new Long Range (LR1 – 75,000 DWT) product tanker vessels at a contract price of US\$ 55.4 million each. These new very efficient vessels are expected to be delivered to d'Amico Tankers d.a.c. in September and November 2027, respectively.

In the same month, d'Amico Tankers d.a.c. signed a shipbuilding contract with Jiangsu New Yangzi Shipbuilding Co., China, for the purchase of two (2) additional new Long Range (LR1 – 75,000 DWT) product tanker vessels at a contract price of US\$ 56.2 million each. These new very efficient vessels are expected to be delivered to d'Amico Tankers d.a.c. in July and December 2027, respectively.

Exercise of purchase options: In June 2024, d'Amico Tankers d.a.c., exercised its purchase option on the M/T Crimson Jade, a 50,000 dwt medium-range product tanker vessel, built in June 2017 by Minaminippon Shipbuilding Co., Ltd., Japan, for a consideration of approximately US\$ 31.0 million with delivery having occurred in July 2024.

In August 2024, d'Amico Tankers d.a.c., exercised its purchase option on the M/T Crimson Pearl, a 50,000 dwt medium-range product tanker vessel, built in August 2017 by Minaminippon Shipbuilding Co., Ltd., Japan, for a consideration of approximately US\$ 31.0 million with delivery having occurred in October 2024.

In October 2024, d'Amico Tankers d.a.c., exercised its purchase options on the following vessels:

- M/T High Navigator, a 49,999 dwt medium-range product tanker vessel, built in May 2018 by Japan Marine United Corporation, Japan for a consideration of approximately US\$ 34.3 million, with delivery expected between Q1 and Q2 2025
- M/T High Leader, a 49,999 dwt medium-range product tanker vessel, built in June 2018 by Japan Marine United Corporation, Japan for a consideration of approximately US\$ 34.3 million, with delivery expected between Q2 and Q3 2025

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 February 2025 report, world oil demand growth is assessed at 0.9 million barrels per day (b/d) for 2024 and is projected to accelerate to 1.1 million b/d in 2025, as the economic outlook marginally improves. Despite the recent slowdown in economic growth, China remains a major driver of global oil demand growth, accounting for approximately 20% of the expected gains in 2025. Significant contributions are also expected from India and Brazil.

Business Outlook - continued

Product Tanker Demand - continued

- According to the IEA's February 2025 report, global crude runs are estimated to have increased by 0.5 million barrels per day (b/d) in 2024 to 82.7 million b/d, with much of the increase attributed to more resilient refining activity in the United States and new capacity coming online in the Middle East and Africa. Crude throughputs are forecast to rise by an additional 0.6 million b/d in 2025 to 83.3 million b/d, with growth underpinned by stronger non-OECD crude runs, while closures in the Americas and Europe will weigh on OECD rates.
- While a ceasefire deal between Israel and Hamas was reached in January 2025, the situation remains volatile; the Houthis have stated they will halt attacks on non-Israeli affiliated vessels. Should the second phase of the ceasefire be agreed upon, all attacks would cease. The peace agreement between Hamas and Israel could eventually lead to the reopening of the Canal, potentially unwinding the positive ton-mile impact from which product tanker owners benefited in 2024.
- According to Clarksons' January 2025 outlook, demand growth for the seaborne transportation of refined products is expected to be around 0.5% in 2025, following strong growth of 5.5% in 2024.
- Longer-term, structural shifts in the location of refineries are likely to continue boosting long-haul product trades. New refinery capacity, the majority of which is located East of Suez, will enhance global refinery throughput. This increase will raise the demand for crude oil imports and boost volumes of clean petroleum products for export. According to Clarksons' January 2025 outlook, refinery capacity is projected to increase by 2.4 million b/d in 2025, following an increase of 1.2 million b/d in 2024. Meanwhile, 2.2% of US and 2.8% of OECD Europe's refinery capacity are expected to close in 2025.
- Since October 2023, the US, UK, and EU have intensified efforts to curb illicit oil trades by targeting tankers with sanctions. This escalated with comprehensive measures announced on January 10, 2025, by the US against Russia. These sanctions targeted key Russian oil producers such as Gazprom Neft and Surgutneftegaz, approximately 183 tankers (according to the IEA's February 2025 report) engaged in transporting oil for Russia, Iran, and Venezuela, as well as ship insurance providers, traders, trading firms, Russian oil and gas producers, oilfield service companies, and energy officials and executives, thereby complicating logistics for the affected nations. Additionally, the sanctions have prompted actions such as the Shangdong Port Group's decision to refuse sanctioned tankers, further influencing global oil trade dynamics. The tightening sanctions, particularly with the re-election of President Trump, suggest a more stringent policy environment that could reduce fleet availability, impact global oil supply flows, and potentially elevate freight rates as markets adjust. The ongoing geopolitical shifts and sanctions could notably strain supply-demand balances, pushing Chinese and Indian refiners to seek alternative oil sources from the Middle East, and driving a significant reshaping of international oil trade routes and practices.

Product Tanker Supply

- Trading inefficiencies, such as increased transshipments of cargoes and higher ballast to laden ratios, have contributed to reduced fleet productivity and strengthening freight markets since the start of the war in Ukraine.
- According to Clarksons' January 2025 outlook, the product tanker fleet is estimated to grow by 5.8% in 2025
- There has been a notable increase in the ordering of new ships, with 194 ships ordered in the MR and LR1 sectors in 2024. However, due to reduced yard capacity and availability, these vessels are expected to be delivered only in 2026-2027.
- The strong freight markets have led to continued subdued scrapping activity in 2024, with only 3 vessels in the MR and LR1 sectors being demolished during the period.
- Due to limited demolitions over the past few years, the product tanker fleet has aged rapidly. According to Clarksons' January 2025 outlook, 16.2% of the MRs and LR1s currently trading are 20 years or older.

Business Outlook - continued

Product Tanker Supply - continued

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 included 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. Furthermore, the increase in new building costs and decrease in yard availability is also negatively affecting the appetite for new orders.

Directors and secretary and their interests

Mr. Paolo d'Amico directly holds a 50% interest in the share capital of d'Amico Società di Navigazione S.p.A., exercises joint control over d'Amico International S.A. (Luxembourg) which is the major shareholder of d'Amico International Shipping S.A. (Luxembourg), a company listed on the Milan Stock Exchange, that owns 100% of d'Amico Tankers d.a.c.

Names of directors

The names of persons who, at any time during the financial year, were directors of the company are listed on page 2.

Principal risks and uncertainties

The company's activities expose it to a variety of market and financial risks which are set out in note 27 to the financial statements.

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are adequate and are discharging their responsibility through the:

- Implementation of necessary policies and procedures for recording transactions.
- Employment of competent accounting personnel with appropriate expertise, and
- Provision of adequate resources to the financial function.

The accounting records are held at the company's business premises, The Anchorage, 17-19 Sir John Rogerson's Quay, Dublin 2, Ireland.

Results

The Profit for the year amounted to US\$ 195.5 million (2023: profit of US\$ 196.3 million).

Dividends

In 2024, the Company's Board of Directors approved the following interim dividends: US\$40.0 million on 10 January 2024, US\$5.0 million on 07 May 2024, and US\$15.0 million on 30 September 2024 (In 2023, the Company's Board of Directors approved an interim dividend of €10.0 million, followed by a final dividend of US\$10.0 million proposed by the Company's Directors and approved by the Annual General Meeting distributed in March 2024). The Company will not proceed with a final dividend distribution for the financial year ended 31 December 2024. On 29 January 2025, the Company's Board of Directors approved an interim dividend of US\$57.0 million.

Financial risk management objectives

The financial risk management objectives of the company are set out in note 27 to the financial statements.

Research and development

The Company is not currently involved in Research and Development activities connected to the shipping industry.

Political donations

The Company has not made any political donations during the year.

Events after the reporting period

A summary of the subsequent events is outlined in note 30 - Events after the reporting period.

Auditors

The auditors, Moore Ireland Audit Partners Limited, have indicated their willingness to continue in office.

Audit committee

The Company, although meeting the requirements to do so, has not established an audit committee under Section 167 of the Companies Act 2014. The reasons for not establishing an audit committee are:

- its parent company d'Amico International Shipping S.A., is listed on the Italian stock exchange and already has established an audit committee;
- d'Amico Tankers d.a.c. is a wholly owned subsidiary of d'Amico International Shipping S.A.; and
- the audit committee of the parent company also monitors the financial reporting process of the Company, in addition to monitoring the effectiveness of the Company's systems of internal control, internal audit and risk management.

Statement on relevant audit information

The directors confirm that:

- so far as the directors are aware, there is no relevant audit information of which the statutory auditors are unaware:
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

On behalf of the board

11th March 2025

Director, Chief Executive Officer

Federicd Rosen

Chief Financial Officer

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors' compliance statement

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014. The directors confirm that:

- a compliance policy statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regard to such compliance;
- appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- a review has been conducted, during the financial year, of those arrangements and structures.

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with Irish law.

Irish law requires the directors to prepare financial statements for each financial year which give a true and fair view of the Company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the company for the financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Under Irish Company law, the directors shall not approve the financial statements unless they are satisfied that they give a true and fair view of the company's assets, liabilities and financial position as at the end of the financial year and the profit or loss of the company for the financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards and identify the standards in question, subject to any material departures from those standards being disclosed and explained in the notes to the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to:

- correctly record and explain the transactions of the company;
- enable, at any time, the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy; and
- enable the directors to ensure that the financial statements comply with the Companies Act 2014 and enable those financial statements to be audited.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board

th March 2025

Director, Chief Executive Officer

Chief Financial Officer Director

D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of d'Amico Tankers Designated Activity Company (the 'company') for the year ended 31 December 2024 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of cash flows, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 10, the directors are responsible for the preparation of the financial statements in accordance with applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF D'AMICO TANKERS DESIGNATED ACTIVITY COMPANY

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Cormac Reilly
For and on behalf of
Moore Ireland Audit Partners Limited
Chartered Accountants & Statutory Audit Firm
3rd Floor
Ulysses House
Foley Street
Dublin 1

Date: 13 3 25

INCOME STATEMENT Year Ended 31 December 2024

	Notes	Year ended 2024 US\$'000	Year ended 2023 US\$'000
Revenue	3	501,532	566,320
Voyage costs	4	(119,785)	(139,456)
Time charter equivalent earnings	5	381,747	426,864
Bareboat charter revenue	3	4,886	4,869
Total net revenue	=	386,633	431,733
Time charter hire costs	6	(9,428)	(22,930)
Other direct operating costs	7	(90,603)	(94,681)
General and administrative costs	8	(23,868)	(26,563)
Profit/(loss) on disposal Other (losses)	9	7,979 (940)	(4,697) (227)
Gross operating profit	-	269,773	282,635
Depreciation	10 & 14	(57,119)	(61,048)
Impairment	10 & 14	-	-
Operating profit	-	212,654	221,587
Finance income	11	7,461	4,868
Finance cost	11	(22,897)	(29,166)
Impairment of financial assets	12	-	(29,937)
Dividend income from subsidiaries		4	30,141
Profit before tax	-	197,222	197,493
Income taxes	13	(1,687)	(1,156)
Net profit for the year	-	195,535	196,337

The notes on the following pages form part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME Year Ended 31 December 2024

		Year ended 2024 US\$'000	Year ended 2023 US\$'000
Net profit for the year		195,535	196,337
Other comprehensive income: Items that can subsequently be reclassified into Profit or Loss Effective portion of changes in fair value of cash flow hedges	18	(3,077)	(5,131)
Total comprehensive profit for the year		192,458	191,206

The notes on the following pages form part of the financial statements.

STATEMENT OF FINANCIAL POSITION As at 31 December 2024

	Notes	2024 US\$'000	2023
ASSETS	Notes	05\$000	US\$'000
Non-current assets			
Property, plant and equipment	14	723,372	690,293
Right of use assets	14	73,255	92,364
Investments	15	254	254
Derivative financial assets	18	605	1,381
Other non-current assets	17	-	1,053
Financial assets	20	5,625	5,625
Total non-current assets	-	803,111	790,970
Current assets			
Other current assets	17	1,178	1,093
Inventories	16	7,642	7,680
Derivative financial assets	18	1,840	3,338
Trade and other receivables	19	56,001	91,057
Cash and cash equivalents	21 _	155,641	97,471
Current assets	=	222,302	200,639
Assets classified as held for sale		17,809	2
Total current assets		240,111	200,639
Total assets	-	1,043,222	991,609
EQUITY Shareholders' equity			
Total shareholders' equity	22 -	720 424	C02 CCC
Total shareholders equity	P 22	726,124	603,666
LIABILITIES			
Non-current liabilities			
Borrowings	23	190,429	214,737
Finance lease liabilities	24	32,972	73,158
Other financial liabilities	25	3,543	2,695
Derivative financial liabilities	18	35	41
Total non-current liabilities	<i>!!</i>	226,979	290,631
Current liabilities			
Borrowings	23	26,234	28,698
Finance lease liabilities	24	32,641	19,682
Trade and other payables	26	27,874	46,060
Other financial liabilities	25	2,183	2,765
Derivative financial liabilities	18	900	45
Tax payable	2=	287	62
Total current liabilities	(<u></u>	90,119	97,312
Total liabilities and shareholders' equity	_	1,043,222	991,609

The notes on the following pages form part of the financial statements.

On behalf of the board March 11, 2025

Antonio Carlos Balestra di Mottola Director, Chief Executive Officer Federico Rosen
Director, Chief Financial Officer

STATEMENT OF CASH FLOWS Year Ended 31 December 2024

	Notes	2024 US\$'000	2023 US\$'000
	Notes	Ο Ο Ψ Ο Ο Ο	Ο Ο Ψ Ο Ο Ο
Profit before income tax		197,222	197,493
Adjustments for:			
Depreciation and impairment	10,14	57,119	61,048
Financial costs net	11	15,185	24,475
Result on disposal of fixed assets		(7,979)	4,697
Impairment of financial asset	12	-	29,937
Dividends income from subsidiaries		(4)	(30,141)
Unrealised results on derivative financial instruments	11	45	(26)
Realised results on derivative financial instruments	11 _	206	(151)
	_	261,794	287,332
Cash flows from operating activities			
Decrease in inventories	16	38	3,157
Decrease in trade and other receivables	.0	26,015	33,570
(Decrease) in trade and other payables		(8,371)	(1,593)
Income taxes paid		(1,480)	(1,074)
Financial fees paid		(2,564)	(2,570)
Net interest paid		(13,071)	(21,224)
Net cash inflow from operating activities		262,361	297,598
Acquisition of property, plant and equipment	14	(115,705)	(41,488)
Proceeds from disposal of property, plant, and equipment		26,925	-
Dividends received from subsidiaries	_	4	520
Net cash (outflow) from investing activities	_	(88,776)	(40,968)
Repayment of borrowings		(93,404)	(112,230)
Drawdown of borrowings		66,275	37,750
Finance lease repayments		(18,286)	(133,912)
Dividend paid to the parent company	22	(70,000)	(52,989)
Net cash (outflow) from financing activities	_	(115,415)	(261,381)
Not in a so of decrees a line cook and cook a mission to	_		(4.754)
Net increase/(decrease) in cash and cash equivalents	_	58,170	(4,751)
Cash and cash equivalents at the beginning of the year	21	97,471	102,222
Cash and cash equivalents at the end of the year	21	155,641	97,471

STATEMENT OF CHANGES IN EQUITY Year Ended 31 December 2024

	Share capital US\$'000	Share premium US\$'000	Capital contribution ¹ US\$'000	Retained earnings US\$'000	Other reserves ² US\$'000	Total US\$'000
Balance as at 1 January 2024	108	121,960	155,200	321,819	4,579	603,666
Total comprehensive profit for the year Issue of ordinary share at	-	-	-	195,535	(3,077)	192,458
premium Dividend	-	-	-	(70,000)	-	(70,000)
Balance at 31 December 2024	108	121,960	155,200	447,354	1,502	726,124
	Share capital US\$'000	Share premium US\$'000	Capital contribution ¹ US\$'000	Retained earnings US\$'000	Other reserves ² US\$'000	Total US\$'000
Balance as at 1 January 2023	108	121,960	155,200	178,471	9,710	465,449
Total comprehensive profit for the year Issue of ordinary share at	-	-	-	196,337	(5,131)	191,206
premium Dividend	-	-	-	(52,989)	-	(52,989)

¹ The amount relates to distributable reserves due to reclassifications of the shareholder loan from d'Amico International Shipping S.A to capital.

The notes on the following pages form part of the financial statements.

² The other reserves relate to cash flow hedges as per note 18. The cash flow hedges are made up of interest rate swaps.

1 Accounting policies

Basis of preparation

The entity financial statements have been prepared on the going concern basis. The amounts are expressed in U.S. Dollars, rounded to the nearest thousand, being the functional and presentation currency of the company.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS - International Financial Reporting Standards and IAS – International Accounting Standards) as issued by the 'IASB' (International Accounting Standards Board) and adopted by the European Union. The designation 'IFRS' also includes all 'IAS', as well as all interpretations of the International Financial Reporting Interpretations Committee 'IFRIC', formerly the Standing Interpretations Committee 'SIC' as adopted by the European Union and those parts of the Companies Act 2014 applicable to companies reporting under IFRS. The entity financial statements have been prepared under the historical cost convention except for those financial instruments which are recognised at fair value as outlined in note 27.

These financial statements were authorised for issue by the Board of Directors on 11 March 2025. The financial statements for the company are for the financial year ended 31 December 2024. The Financial Statements comply with the IFRS, as adopted by the European Union.

At December 31, 2024 the Company had net current assets of US\$ 150 million and based on detailed cash flow forecasts, management have drawn up these financial statements using the going concern concept.

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

Foreign currencies

Functional and presentation currency - items included in the financial statements are measured using the currency of the primary economic environment in which the company operates (the 'functional currency'). The financial statements are presented in US Dollars, rounded to the nearest thousand, which is the company's functional and presentation currency.

Transactions in foreign currencies are translated into the functional currency of the entity at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in currencies other than U.S. dollar are re-translated into U.S. dollars at the foreign exchange rate ruling at the financial position date. Non-monetary items (e.g. share capital) are translated into the functional currency at historical rates.

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.

Employee benefits

The company operates a defined contribution plan whereby a fixed amount is paid to a separate entity. The Company has no further legal or constructive obligations to pay further contributions once the fixed contributions have been paid.

EU Emission Trading System (EU ETS) – Carbon Pricing Program

Carbon allowances, also known as carbon credits or emission allowances, are permits issued by governments or regulatory bodies under emissions cap-and-trade regulatory programs. These programs allow companies to emit a specified amount of greenhouse gases (GHG) and require polluters to pay for their emissions. The goal is to limit emissions to the number of allowances issued, reducing the cap annually in line with the EU's climate targets, while generating revenue to finance the green transition. The program applies in all EU Member States, Iceland, Lichtenstein, Norway, and Northern Ireland.

The EU ETS program began in 2005 and was extended in 2024 to include emissions from maritime transport (ports of compliance). Commencing January 1, 2024, for all voyages starting or finishing in EU waters d'Amico Tankers d.a.c. is required to acquire carbon allowances which allow the emission of one tonne of CO₂. Please

1 Accounting policies – continued

refer to the accounting policy in note 4, Voyage Costs and note 26, **Tr**ade and other payables and deferred revenue.

Provisions for risks and charges

Provisions for risks and charges are recognised when the Company has a present obligation as a result of a past event and it is likely that the Company will be required to settle that obligation. Provisions are measured, in accordance with IAS 37, at the directors' best estimate of the expenditure required to settle the obligation at the financial position date and are discounted to present values.

Segment information

The Company provides transportation services of refined petroleum products and vegetable oil operating only in one business segment: Product Tankers. The Company only has one geographical segment, considering the global market as a whole, and the fact that individual vessels deployment is not limited to a specific area of the world. As a result, no segment information is presented.

New accounting principles

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

Accounting principles, amendments and interpretations not yet effective

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 Capital disclosure

3

d'Amico Tankers d.a.c.'s objectives in managing capital are:

- To safeguard the Company's ability to continue as a going concern, so it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by operating the vessels through both spot and time charter contracts, managing the market exposure depending on its financial strength and the forecasted market outlook.

The Company has various sources of capital including equity, various bank facilities, credit lines and finance leases (see Notes 22 and 23).

The capital structure is constantly reviewed and, if needed, adjusted, depending on capital requirements, and changes in the current and forecasted market conditions.

The Company monitors its capital and the 'assets cover ratio', which is equal to the amounts drawn down on its facilities, over the fair market value of the vessels owned. The vessels are subject to mortgages.

Revenue	2024	2023
	US\$'000	US\$'000
Revenue from voyage charter (spot) and demurrage (contractual)	321,683	413,446
Revenue from operating leases (time-charter)	140,053	120,342
Revenue from subleasing RoUA (time-charter)	34,182	26,500
Other revenue	5,614	6,032
Total revenue, excluding bareboat charter revenue	501,532	566,320
Bareboat charter revenue	4,886	4,869
Revenue and bareboat charter revenue	506,418	571,189

Revenue represents vessel income, comprising time charter hire, freight, demurrage, and the participation in pools. It is recognised over time (please refer to the accounting principles). Revenue also includes US\$

3 Revenue - continued

89.2 million (2023: US\$ 67.1 million) relating to services rendered to the fully-owned subsidiary, d'Amico Tankers UK Ltd. In 2024, the Company's five largest customers contributed US\$ 143 million (2023: US\$ 178 million) in revenues, representing 28% (2023: 31%) of d'Amico Tankers d.a.c. total revenues.

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 vessel's technical management, including the payment of its crew costs. Bareboat charter revenue in 2024 was of US\$ 4.9 million (2023: US\$ 4.9 million).

Revenue from leases represents 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-charted-out.

Costs to fulfil a contract (ballast days to the first loading port) are recognised over the time and capitalised at the reporting date; they amounted to US\$ 0.8 million as at the end of 2024 (US\$ 1.1 million as at 31 December 2023) and will be amortised throughout the term of the relevant contracts.

ACCOUNTING POLICY

Revenues from contracts with the customers

The Company applies IFRS15: Revenue from contracts with Customers, to Spot contract revenues, which are recognised over time using the percentage of completion method. In 'Spot voyages', cargo is transported from the loading to the discharging port, with revenues recognized over time during the laden voyages. Freight is paid upon voyage completion; therefore no outstanding performance obligations remain at that time. The percentage of completion for spot voyages and 'contracts of affreightment (COAs)' is determined using the 'load-to-discharge' method (please also refer to the Alternative Performance Measures section of this report). Under this method, the freight revenue is recognized over the period from the loading of a vessel from its original load port to the completion of discharging at the final discharge port ('load-to-discharge').

On Spot voyages, which are performed through voyage charter contracts, transaction prices are equivalent to the product of spot freight rates and the quantity of goods transported, at the time of closing of the transaction. As no financing element is present, the Company does not apply the IFRS 15 practical expedient.

When a repositioning (from the last discharge port to the next load port) is required for a vessel to satisfy its performance obligation (with no additional benefit from such voyage), these costs - 'ballast cost', are capitalised prior to loading if they meet all of the following three conditions:

- 1. They relate directly to a contract;
- 2. They generate or enhance resources to be used in meeting obligations under the contract;
- 3. They are expected to be recovered.

They will be amortised over the next laden voyage on the 'load-to-discharge' basis.

Demurrage revenues

Freight contracts contain conditions regarding the amount of time allowed for loading and discharging the vessel. Demurrage revenues, recognized over time, represent the compensation for the additional time incurred for loading and/or discharging a vessel. An allowance for credit losses, as per IFRS 9: *Financial Instruments* requirements, is made for the part of the demurrage revenue which the Company estimates will not be collectable (please refer to note 27).

Leases

'Time charter' revenues are accounted for under IFRS16: *Leases* on a pro-rata temporis basis over the rental periods of such charters, as service is performed and represents income from owned vessels that are time-chartered-out. Revenue from sub-leasing relates to vessels controlled through time-charter-in contracts, which are then time-charted-out.

3 Revenue - continued

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

For voyages in progress at the end of a reporting period, d'Amico Tankers d.a.c. recognizes a percentage of the estimated revenue for the voyage equal to the percentage of the estimated duration of the voyage completed at the financial position date. The estimated revenue is based on the expected voyage duration and destination and is subject to changes in voyage instructions and unexpected delays.

Demurrage revenues, which are recognized as part of the voyage over-time in accordance with the terms and conditions of the charter parties and represents the compensation estimated for the additional time incurred for loading and discharging a vessel, are based on an estimate of the amount earned during the period on uncompleted voyages. Demurrage calculations are complex and take many months to agree with the charterer, they are therefore subject to an allowance for credit losses based on any expected loss.

4 Voyage costs

	2024	2023
	US\$'000	US\$'000
Bunkers (fuel)	68,828	78,150
Commissions costs	10,931	12,995
Port charges	28,231	30,562
Other	11,037	17,749
EU-ETS allowance costs	758	-
Total voyage costs	119,785	139,456

Voyage costs are operating costs resulting from the employment of d'Amico Tankers d.a.c. vessels on the spot market and through contracts of affreightment. Other voyage costs include all other voyage expenses arising during the performance of the voyages such as surveys, tank cleaning, and additional insurance.

ACCOUNTING POLICY

Voyage costs

Voyage costs (port expenses, canal passage, bunker fuel consumption and commissions) are incurred in connection with the employment of the fleet on the spot market. These costs are recognized over time according to the matching principle of IFRS15. Voyage costs arise from the employment of d'Amico Tankers d.a.c. vessels through voyage charters. When vessels are employed under time charters, voyage costs are not incurred.

EU Emission Trading System (EU ETS) – Carbon Pricing Program

Carbon allowances (EUA) purchased by d'Amico Tankers d.a.c. are allocated to the voyage as a voyage cost and initially recognized in inventories at the purchase price. At the period end, the balance of allowances in excess of that required to meet the liability, are measured at the current EUA market price, fair market value. The allocation to the voyage is based on the average inventory cost, systematically applied on a voyage-by-voyage basis over the annual "compliance period", which is based on the calendar year. Expanded information about the EU ETS is reported under the Sustainability statement, Environmental Value, Regulatory Framework, Monitoring, Reporting and Verification (MRV) of CO2 emissions, EU fit for 55.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Voyage costs of uncompleted voyages

Voyage costs for uncompleted voyages are estimated based on the most recent projections of expenses for each specific voyage.

5	Time charter equivalent earnings	2024 US\$'000	2023 US\$'000
	Time charter equivalent earnings	381,747	426,864
	Time charter equivalent earnings represent revenue less voyage costs.		
6	Time charter hire costs	2024 US\$'000	2023 US\$'000
	Time charter hire costs	9,428	22,930
	Time charter hire costs represent the cost of chartering in vessels from third	oarties.	
7	Other direct operating costs	2024	2023
		US\$'000	US\$'000
	Crew costs	40,256	39,430
	Technical expenses	21,997	19,722
	Technical and quality management	8,007	7,860
	Other costs	9,283	8,465
	Service costs related to right of use assets	11,060	19,204
		90,603	94,681

Other direct operating costs include crew costs (seagoing personnel), technical expenses, technical and quality management fees. Other costs include luboil expenses amounting to US\$ 2.9 million (2023: US\$ 2.4 million), vessel insurance of US\$ 2.8 million (2023: US\$ 2.8 million), and sundry expenses originating from the operation of the vessels.

Service costs related to right of use assets represent the non-lease component of the TC contracts, which is expensed in the income statement.

ACCOUNTING POLICY

Other direct operating costs

Other direct operating costs include crew costs, technical expenses, lubricating oils, technical and quality management fees, insurance and sundry expenses originating from the operation of vessels. Service costs related to leased vessels represent one of the non-lease components of a time charter contract, which is expensed in the statement of profit or loss. Vessel operating costs such as crew, repairs, spares, stores, insurance, commercial fees and technical fees are charged to the statement of profit or loss as incurred. The cost of lubricants is based on the estimated consumption in the period.

Personnel

As at 31 December 2024, the Company employed 657 seagoing personnel (2023: 626).

8 Employees, Directors and Auditors Remuneration

a) Employees

The average number of persons employed by the company, excluding Directors, during the year was:

	2024	2023
	Number	Number
Administrative	8	7
	8	7

8 Employees, Directors and Auditors Remuneration – continued

Staff costs comprise:	2024 US\$'000	2023 US\$'000
Wages and salaries Social insurance costs Other retirement benefit costs Other staff costs	483 58 34 - 575	527 53 23 3
b) Directors	2024	2023
Emoluments	90 90	US\$'000 38 38

There were no contributions to long term benefit schemes, no benefits under long term incentive schemes and no compensation payments for loss of office or termination payments made to any director in 2024 or 2023.

c) Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the Company by the Company's auditors is as follows:

	2024 US\$'000	2023 US\$'000
Audit of entity's financial statements	110	96
	110	96

ACCOUNTING POLICIES

General and Administrative expenses

Administrative expenses, which comprise administrative staff costs, management and director fees, office expenses and other expenses relating to administration, are expensed as incurred.

9	Result on vessels disposal	2024	2023
		US\$'000	US\$'000
	Gain on vessels disposal	9,401	878
	Loss on vessels disposal	(1,422)	(5,575)
		7,979	(4,697)

The amount in 2024 consists of the profit on disposal on the sale of the M/T Glenda Melanie, as well as the amortization of the unrealized portion of the deferred result on the disposal of vessels subsequently leased back.

In 2023, only the unrealized portion of the deferred result on the disposal of vessels subsequently leased back was included: d'Amico Tankers d.a.c. exercised purchase options on four vessels: M/T High Freedom, M/T High Trust, M/T High Trader, and M/T High Loyalty, leading to accelerated amortization of the deferred result.

10 Operating profit	2024 US\$'000	2023 US\$'000
Operating profit is stated after charging:		
Depreciation: owned vessels	41,182	37,024
Depreciation: right of use assets	15,937	24,024
	57,119	61,048

In 2024, the operating profit was affected by depreciation amounting to US\$ 57.1 million; no impairment was recorded during the year.

In 2023, the operating profit was affected by depreciation amounting to US\$ 61.0 million; no impairment was recorded during the year.

11 Finance income/(cost)	2024 US\$'000	2023 US\$'000
Finance income:		
Loans and receivables at amortised cost		
Interest income	6,485	3,809
Realised gains	41	191
Foreign exchange gain	911	831
At fair value through income statement		
Unrealised gains	24	37
Total finance income	7,461	4,868
Finance cost:		
Financial liabilities measured at amortised cost	(1.4.16.4)	(16 E00)
Interest expense	(14,164)	(16,500)
Finance lease cost	(4,500)	(8,292)
Financial fees	(2,858)	(3,285)
Realised losses	(247)	(40)
Foreign exchange loss	(1,059)	(1,039)
At fair value through income statement		
Unrealised losses	(69)	(10)
Total finance cost	(22,897)	(29,166)
Net finance cost	(15,436)	(24,298)

Financial income in 2024 at fair value through income statement are mainly represented by unrealised gains on interest swaps (financial instruments) amounting to US\$ 0.02 million (2023: US\$ 0.04 million).

Financial costs in 2024 at fair value through income statement are mainly represented by unrealised losses on interest swaps amounting to US\$ 0.07 million (2023: US\$ 0.01 million).

11 Finance income/(cost) - continued

ACCOUNTING POLICIES

Finance income and charges

Finance income and charges include interest, realised and unrealised exchange gains or losses from transactions in currencies other than the functional currency, and other finance income and charges. This also includes value adjustments of financial instruments not designated as hedging instruments. Interest is recognised on an accrual basis using the effective interest method.

Derivative instruments

Derivative financial instruments are primarily used to hedge exposures to interest rate risks (via interest rate swaps), currency fluctuations, freight rates (via freight forward agreements), and bunker prices. In accordance with IFRS 9, a hedging relationship qualifies for hedge accounting only when:

- The hedging relationship consists solely of eligible hedging instruments and eligible hedged items.
- At the inception of the hedge, there is a formal designation and documentation of the hedging relationship.
- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes resulting from that economic relationship.
- The hedge ratio of the relationship must reflect the actual quantities of both the hedged item and the hedging instrument, ensuring there is no imbalance that would contradict the purpose of hedge accounting.

When effectiveness is subsequently not met with regards to the hedge ratio, but the risk management objective remains the same, the hedging relationship is adjusted to take into account only the hedged amount.

The fair value measurement of derivative instruments is recurring, at each closing date; derivatives are classified as an asset or a liability. The fair value of a derivative instrument classification is split between non-current and current asset or liability. The non-current asset or liability is the remaining maturity of the hedging instrument that is more than twelve months from the reporting date and the current asset or liability is the maturity of the hedging instrument expected to be settled in twelve months from the reporting date.

12 Impairment of financial assets	2024 US\$'000	2023 US\$'000
Impairment of financial assets	-	(29,937)

No impairment was recognized in 2024.

An impairment of US\$ 29.9 million was recognised in 2023 in relation to d'Amico Tankers d.a.c. participation in Glenda International Shipping d.a.c., a wholly owned subsidiary, which was valued as at year-end at the lower between its carrying and recoverable amounts.

13 Income taxes	2024 US\$'000	2023 US\$'000
Tonnage tax	158	176
Income tax	1,581	980
Income Tax previous year	(52)	-
Total tax	1,687	1,156
	407.000	407.400
Profit before tax	197,222	197,493
of which profit chargeable to different tax rate	(6,315)	(3,809)
Profit/(loss) subject to 12.5%	190,907	193,684
Tax at 12.5%	23,863	24,210
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Not subject to income tax (due to tonnage tax regime)	(23,863)	(24,210)
Profits subject to Tonnage tax at a 12.5% rate	1,268	1,406
Total Tonnage tax	158	176
Profits subject to different tax rates	6,315	3,809
Income tax in the year	1,579	952
Other tax items	2	28
Total Income tax	1,581	980
Income Tax previous year	(52)	-
Total Tax expenses	1,687	1,156

The tonnage tax charge for the year reflects the tax levied on notional shipping income based on the tonnage of the controlled fleet. The income tax charge relates to activities, namely derivatives trading and investment income, which are not eligible for tonnage tax and are taxed at 12.5% and 25% respectively. Both in 2024 and 2023, the company did not have any income tax charge related to derivative trading income.

ACCOUNTING POLICIES

The Company is taxed under the Irish tonnage tax regime in respect of all eligible activities. Under the tonnage tax regime, the tax liability is not calculated on the basis of income and expenses as under the normal corporate taxation regime but is based on the controlled fleet's notional shipping income, which in turn depends on the total net tonnage of the controlled fleet. The tonnage tax charge is included within the income tax charge in the income statement.

For all the Irish activities which fall outside tonnage tax, income tax expense represents the tax charge based on the result for the year adjusted for items, which are non-assessable or disallowed. It is calculated using tax rates enacted or substantially enacted as at the financial position date. Certain activities will not fall within the tonnage tax regime and are subject to standard rates of local corporation tax (currently 12.5% on trading income, and 25% on interest income, with non-tonnage tax capital gains being taxable at 33%).

Deferred tax, if any, represents the tax the Company is expected to pay or recover on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable profit. It is accounted for using the financial position liability method. Liabilities relating to deferred tax are generally recognised for all taxable temporary differences. Assets relating to deferred tax are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amounts of deferred tax assets are reviewed at each financial position date and reduced in the event that it is not considered probable that

13 Income taxes - continued

sufficient taxable profits will be available to allow all or part of the assets to be recovered. Deferred tax is calculated at the applicable tax rates during the period when the liability is settled, or the asset realised. It is charged or credited in the income statement, unless it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also accounted for in comprehensive income.

Pillar 2 Tax reforms

The Company has assessed the applicability of the Pillar 2 rules and has determined that as a result of its current activities and sources of income that there will be no impact on the company's current or deferred tax positions and no additional disclosures are required at this time.

The Company will continue to monitor developments in legislation and assess any future implications as necessary.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Tax liabilities are calculated based on our tax situation as affected by the regulatory frameworks of the jurisdictions in which we operate. The liability for tax may be affected by changes in the treatment or assessment of trading income, freight tax, tonnage tax and value added tax.

14 Property, plant and equipment (PPE) and Right-of-Use assets

Property, plant and equipment (PPE) and Right-of-Use assets 2024

		PPE - Vessels				
US\$ thousand	Owned Fleet	under construction	Other	Total PPE	RoU	Total asset
At 1 January 2024						
Cost or valuation	905,595	-	16	905,611	187,727	1,093,338
Accumulated depreciation	(215,307)	-	(11)	(215,318)	(95,363)	(310,681)
Net book amount	690,288	-	5	690,293	92,364	782,657
Period ended 31 December 2023						
Opening net book amount	690,288	-	5	690,293	92,364	782,657
Change in contractual terms	-	-	-	-	(8,941)	(8,941)
Additions	65,220	44,715	-	109,935	5,770	115,705
Disposal at cost - vessel	(1,494)	-	-	(1,494)	(55,339)	(56,833)
Disposal at cost - Accumulated depreciation	1,494	-	-	1,494	55,339	56,833
Transfer to assets held for sale - vessel	(41,000)	-	-	(41,000)	-	(41,000)
Transfer to assets held for sale - accumulated depreciation	5,325	-	-	5,325	-	5,325
Depreciation charge	(41,179)	-	(2)	(41,181)	(15,938)	(57,119)
Closing net book amount	678,654	44,715	3	723,372	73,255	796,627
At 31 December 2024						
Cost or valuation	928,321	44,715	16	973,052	129,217	1,102,269
Accumulated depreciation	(249,667)	-	(13)	(249,680)	(55,962)	(305,642)

14 Property, plant and equipment (PPE) and Right-of-Use assets – continued

Property, plant and equipment (PPE) and Right-of-Use assets 2023

US\$ thousand	Owned Fleet	Other	Total PPE	RoU	Total asset
At 1 January 2023					
Cost or valuation	724,472	15	724,487	333,205	1,057,692
Accumulated depreciation	(150,787)	(10)	(150,797)	(110,509)	(261,306)
Net book amount	573,685	5	573,690	222,696	796,386
Period ended 31 December 2023					
Opening net book amount	573,685	5	573,690	222,696	796,386
Change in contractual terms	-	-	-	5,831	5,831
Additions	41,487	1	41,488	-	41,488
Transfer from Right of use assets - Vessel	140,356	-	140,356	(140,356)	-
Transfer from Right of use assets - Accumulated depreciation	(28,217)	-	(28,217)	28,217	-
Depreciation charge	(37,023)	(1)	(37,024)	(24,024)	(61,048)
Closing net book amount	690,288	5	690,293	92,364	782,657
At 31 December 2023					
Cost or valuation	905,595	16	905,611	187,727	1,093,338
Accumulated depreciation	(215,307)	(11)	(215,318)	(95,363)	(310,681)

14 Property, plant and equipment (PPE) and Right-of-Use assets - continued

A detailed description of the Fleet is provided in the relevant section of the management report.

In April 2024, d'Amico Tankers d.a.c. signed two shipbuilding contracts with Jiangsu New Yangzi Shipbuilding Co., China, for the purchase of four (4) new Long Range (LR1 – 75,000 DWT) product tanker vessels at a contract price totalling US\$223.2 million. These new very efficient vessels, for which instalments are reported under "PPE-Vessels under construction", are expected to be delivered to d'Amico Tankers d.a.c. between July and November 2027.

The net book value of d'Amico Tankers d.a.c. Fleet (the company's shipping related assets, owned or leased) amounted to US\$ 796.6 million as at 31 December 2024 (31 December 2023: US\$ 782.7 million). This includes the net book value of the fleet on the water, vessels under construction and associated drydocks.

Owned vessels, Vessels under construction and Dry-docks amount to US\$723.4 million as at 31 December 2024 (2023: US\$ 690.3 million).

Right of Use assets amount to US\$ 73.3 million as at 31 December 2024 (2023: US\$ 92.4 million), of which Leased vessels (both bare-boat and time-chartered-in) and Dry-docks amount to US\$ 72.9 million (2023: US\$ 91.9 million).

Dry-dock includes expenditures for the fleet's dry-docking programme and relevant amortization; additions in the period ended 31 December 2024 concern instalments paid to the yard for dry-docks, for both categories of PPE and RoU, corresponding to US\$3.2 million and US\$5.8 million, respectively. In 2024, six vessels completed their dry-docks, and zero were still in progress at the period's end.

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

The total fair value of d'Amico Tankers d.a.c. fleet as at 31 December 2024 – excluding PPE Vessels under construction, based on charter-free independent broker valuations, is US\$1,139.0 million (31 December 2023: US\$1,105 million). This figure includes d'Amico Tankers d.a.c.'s owned vessels and leased vessels with purchase obligations or bargain purchase options. The value of the remaining RoU assets is based on their value-in-use, as described further below.

At the reporting date, no impairment indicator existed, as the fair value based on independent broker valuations of d'Amico Tankers d.a.c. fleet was significantly higher than its book-value by US\$387.1 million (31 December 2023: US\$322.3 million). Whenever an impairment indicator arises, an impairment test is performed.

The net book value of leased vessels with a purchase obligation or bargain purchase option amounted to US\$66.1million as at 31 December 2024 (31 December 2023: US\$ 69.6 million).

During the year, several purchase options on time-chartered-in and bareboat-chartered-in vessels were exercised. In June and August 2024, d'Amico Tankers d.a.c. exercised its purchase option on the time-chartered-in M/T Crimson Jade and M/T Crimson Pearl for a consideration of approximately US\$ 31.0 million each. In October, two additional purchase options on bareboat-chartered-in vessels were exercised, specifically for the M/T High Navigator and M/T High Leader, which delivery is expected between Q1 and Q3.

The following table provides details of purchase obligations and options, as at 31 December 2024, no changes with respect to 31 December 2023.

Vessels name, M/T	Year the lease begins	Purchase obligation	Option to repurchase the vessel
Cielo di Houston*	2019	n.a.	at 5 th and 6 th year
High Discovery	2022	10 th year from sale	from 2 nd year
High Fidelity	2022	10 th year from sale	from 3 rd year

^{*}Option exercised on 27 Jan 2025, the amount is variable depending on the exact delivery date of the vessel

14 Property, plant and equipment (PPE) and Right-of-Use assets - continued

Impairment charge and assets held for sale reclassification

Continuing its fleet renewal policy, d'Amico Tankers d.a.c. management continued marketing certain vessels for sale. No impairment was booked in 2024 (2023: Nil).

Other assets

Other assets mainly include fixtures, fittings, and office equipment.

ACCOUNTING POLICY

Property, plant and Equipment

Property, plant and equipment (PPE) are valued at cost less accumulated depreciation and impairment losses.

Owned vessels

Cost includes the acquisition cost of the vessels as well as other costs which are directly attributable to the acquisition or construction of the vessel, including interest expenses incurred during the period of construction based on the loans obtained for the vessels. Subsequent expenditures to enhance the vessels design and performance are also classified as cost.

The values of PPE, including vessels, are reviewed each reporting date to assess whether there is any indication of impairment (see below).

Dry-docking costs

To comply with industry certification or governmental requirements, the vessels are required to undergo planned major inspections from classification societies for major repairs and maintenance, which cannot be carried out while the vessels are operating; these therefore occur during dry-docks. For vessels less than 15 years, dry-docking takes place approximately every 5 years depending on the nature of work and external requirements, with an Intermediate in-water survey (IWS) every 2.5 years. For vessels older than 15 years dry-docking takes place every 2.5 years. Dry-docking costs are capitalized and amortised on a straight-line basis over the period until the expected next dry-docking. If a vessel undergoes a dry-dock before its previous dry-docking costs are fully amortized, the remaining balance is written off.

For vessel new buildings and second-hand vessels acquired, the initial dry-docking asset is estimated and capitalized separately. The estimate is based on the parts of the vessel expected to wear out before the next dry-docking.

Depreciation is calculated on a straight-line basis to the estimated residual value over the estimated useful life of the major components of the vessels. The useful lives of new vessels are as follows:

Vessels: 25 years; Tank coatings: 10 years; Dry-docking: 2.5-5 years; Other assets: 3-7 years.

Vessels under construction (new buildings)

Are shown at cost less any identified impairment losses. Costs relating to new buildings include instalment payments to date, and other vessel costs incurred during the construction period including capitalized interest. Depreciation commences upon vessel delivery.

Right-of-Use assets (Leases)

Assets and liabilities arising from a lease are initially measured at present value. A right-of-use (RoU) asset is recognized, calculated as the present value of minimum lease payments, plus any initial direct costs and dismantling or removal costs, minus any incentives or prepayments received. The lease liability is measured as the sum of fixed payments, any residual value guarantee, and the value of a purchase option, minus any receivable incentive. The present value calculations use the interest rate implicit in the lease. If this rate is not readily determinable, the incremental borrowing rate is applied.

The capitalised and amortised value of d'Amico Tankers d.a.c. lease obligations (RoU) are discounted using d'Amico Tankers d.a.c. marginal borrowing rate, which is obtained by combining the swap interest rate, for

14 Property, plant and equipment (PPE) and Right-of-Use assets - continued

liabilities with the same term as the lease obligations, to the margin applied to d'Amico Tankers d.a.c. most recent third-party financings. For leases previously identified as such in accordance with IAS 17, the lease payments are discounted using d'Amico Tankers d.a.c. (the lessee's) inherent rate in the lease. All d'Amico Tankers d.a.c. discount rates for such contracts vary between 5.6% and 6.5% with a weighted average of 5.9% (2023: 2.8% and 7.1%, with a weighted average rate of 5.5%).

When contracts include optional periods for the charterer, d'Amico Tankers d.a.c. has estimated the remaining term, assuming such options will be exercised, only if at the date of initial application, it is reasonably certain to exercise the renewal option and including a termination penalty in the lease liability only if at date of initial application, it is reasonably certain to exercise the termination option.

d'Amico Tankers d.a.c. has also elected to use the following practical expedients:

- Not to recognise as leases contracts shorter than 12 months (short-term leases) and those with a value lower than US\$ 5,000 (low-value items). For these contracts, the lease cost is recorded as an expense.
- To exclude initial direct costs in the measurement of the RoU as at the date of initial application.

The values of RoU vessels are reviewed regularly to assess whether there in any indication of impairment: d'Amico Tankers d.a.c., as a lessee, applies IAS 36 *Impairment of Assets* to determine whether the leased assets are impaired and to account for any impairment loss identified.

d'Amico Tankers d.a.c., as lessor, recognises lease payments from operating leases as income on a straight-line basis for time-charter and bareboat charter income.

Impairment of assets

Impairments and their reversal are based on the fleet's recoverable amount as well as on an assessment by management of a number of key market factors.

The carrying amount of the Cash Generating Unit (CGU) is tested for impairment when events or changes in circumstance suggest it might not be recoverable. If any such indication exists, the recoverable amount of the CGU is estimated, to determine the extent of the impairment.

In the same way, at each reporting date management assesses whether there is any indication that an impairment loss recognised in a previous period either no longer exists or has decreased. If there is such an indication management estimates the recoverable amount of the CGU and, in case of a positive difference with the carrying amount, a reversal of the impairment is recognised. The reversal is limited to the value that would have been recognised if the original impairment had not been recorded. A possible trigger event for the reversal of the impairment recognised in previous years is the gain arising from the sale of the vessels to which that impairment was allocated.

The Fleet's recoverable amount is defined as the higher of its fair value less costs to sell and its value-inuse, represented by the net present value of the cash flows from the vessels' remaining useful life. The impairment is then allocated to each vessel on a pro-rata basis, based on the carrying amount of each vessel in the CGU, with the limit of the higher of fair value less cost of disposal and value in use.

Assets held-for-sale

In accordance with IFRS 5, non-current assets held-for-sale, if the carrying amount will be recovered through a disposal of the asset, rather than through continuing use, and the relevant conditions are met, a vessel should be shown as held-for sale. To qualify, the disposal must be highly probable, the asset is available for immediate sale in its present condition and the asset is being actively marketed for sale at a price that is reasonable compared to its current fair value. Management must be committed to the sale, which should be expected within one year from the date of classification as held-for-sale.

Immediately before classification as held-for-sale, the assets are re-measured in accordance with d'Amico Tankers d.a.c. accounting policies. Thereafter, the assets are recognised at the lower of their carrying amount and fair value less cost to sell. Assets classified as held-for-sale, are not depreciated. Impairment losses on initial classification as held-for-sale and subsequent gains or losses on re-measurement, if the vessel is no longer classified as held-for-sale, are included in the statement of profit or loss.

14 Property, plant and equipment (PPE) and Right-of-Use assets - continued

If the conditions for classification of non-current assets and disposal groups as held-for-sale are no longer met, classification as held-for-sale ceases. Non-current assets that cease to be classified as held-for-sale are re-measured at the lower of their carrying amount before classification as held-for-sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset or disposal group not been classified as held-for-sale, and its recoverable amount at the date of the subsequent decision not to sell.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Determination of Cash-generating Units

d'Amico Tankers d.a.c. Fleet is considered as a single CGU: a cash-generating unit is the smallest group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Identification of an asset's cash-generating unit involves judgement: a single vessel does not generate cash inflows that are largely independent of those from other vessels because vessels are mostly of the same type and similar age and have a similar customer base. All company vessels are double-hulled and are primarily engaged in the transportation of refined oil products, providing worldwide shipping services to 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).

d'Amico Tankers d.a.c. internal management reporting is designed to measure the performance of its fleet rather than considering the individual vessels. d'Amico Tankers d.a.c. is responsible for the commercial, operational, and technical management, as well as the financial administration of its entire fleet.

Useful life and residual values

The vessels contracted by d'Amico Tankers d.a.c. are estimated to have a useful economic life of 25 years, depending on the specifications and expected type of employment. The remaining useful economic life is estimated at the date of acquisition or delivery from the shipyard and is periodically reassessed. Residual value is estimated as the lightweight tonnage of each vessel multiplied by the current market scrap value per ton, which is reassessed every year.

Impairment of assets

The carrying value of vessels may differ significantly from their market value. This is influenced by management's assessment of the vessels' useful lives, residual values, and impairment indicators.

To assess value in use, estimated future cash flows are discounted to their present value. These cash flows are based on various assumptions, including future revenues net of commissions, operating expenses, scheduled dry-docking, expected off-hire, and scrap values.

In estimating future charter rates, management considers rates currently in effect for existing time charters and estimated daily time charter equivalent rates for unfixed days across vessel classes. Rates for unfixed days are derived from a combination of internally forecasted rates—aligned with management and board-reviewed projections—and the trailing 10-year historical average market earnings, as reported by maritime researchers. Internally forecasted rates are applied to short-term periods, while 10-year averages are used for long-term projections. Management acknowledges that charter rates are cyclical and subject to significant volatility due to factors beyond its control.

Estimated outflows for operating expenses and dry-docking requirements are based on historical and budgeted costs. Forecasts also account for the cost of complying with new regulations and planned investments to enhance the energy efficiency of our vessels.

Expenditures related to climate compliance include measures required under IMO regulations, such as the Energy Efficiency Existing Ship Index (EEXI). These measures involve derating engines and installing energy-saving devices on older vessels. Furthermore, estimates incorporate planned fuel efficiency improvements, such as applying low-friction hull paints.

14 Property, plant and equipment (PPE) and Right-of-Use assets - continued

Vessel utilization is based on historical operating days, while residual value estimates align with current reported scrap values.

The table below summarizes the key assumptions used in value-in-use calculations:

Key Assumption	Basis
Charter Rates	Combination of actual contract rates, internal forecasts (short-term) and trailing 10-year averages (long-term).
Useful Economic Life	25 years from date of construction.
Residual Value	calculated based on the average demolition prices in different markets.
Operating and Administrative Costs	Budgeted expenses based on historical costs and the current corporate structure.
Discount Rate (WACC)	Nominal, adjusted for inflation using the 10-year historical US Core CPI average.

Management believes the assumptions used to evaluate potential impairment are reasonable and appropriate. However, these assumptions are inherently subjective and may change materially in the future. There is no assurance that charter rates and vessel values will remain at current levels or whether they will significantly improve or decline.

d'Amico Tankers d.a.c., has a modern fleet with an average age of approximately 9.2 years as at 31 December 2024, relative to an industry average of 14.3 years for MRs and 15.8 for LR1s (25,000 – 84,999 dwt), as at the same date. This modern fleet positions d'Amico Tankers d.a.c. to effectively address evolving industry changes.

15 Investments	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
d'Amico Tankers UK Limited	50	50
d'Amico Tankers Monaco SAM	197	197
Glenda Int. Shipping d.a.c (2)	7	7
High Pool Tankers Limited (1)	-	-
Total Investments in subsidiaries	254	254

⁽¹⁾ Amounts to US\$ 2.63

Glenda International Shipping d.a.c. is an Irish incorporated and tax resident company established on 5 December 2005, as part of a joint venture between d'Amico International Shipping S.A. and Topley Corporation. In August 2022, d'Amico Tankers d.a.c. gained control of 100% of Glenda International Shipping d.a.c. ("Glenda" or "the JV") through the redemption of the shares owned by Topley Corporation in the JV for a consideration of US\$ 27.4 million. In 2024 a dividend of US\$ 0.004 million was received from GIS (2023: US\$ 30.1 million).

d'Amico Tankers UK Limited and d'Amico Tankers Monaco SAM provide chartering and administration support to d'Amico Tankers d.a.c. and to all the d'Amico International Shipping S.A. Group.

High Pool Tankers Limited is a Pool company which currently manages commercially only the vessels of d'Amico Tankers d.a.c..

In accordance with IFRS 10 paragraph 4(a), the Company has elected not to prepare consolidated financial statements and all entities have been consolidated in the financial statements of d'Amico International Shipping S.A. (see note 30). These consolidated financial statements are filed with the Luxembourg Companies Register RCSB124790. Registered address of controlling party: 25C Boulevard Royal, Luxembourg.

⁽²⁾ Glenda Int. Shipping d.a.c. has been inactive since September 2022

15 Investments - continued

The following are the details of subsidiaries of d'Amico Tankers d.a.c:

	Principal Activity	Shareholding	Number & type Of shares	Country of Incorporation	Net assets/ (net liabilities)	Profit/(loss) for year
					US\$ '000	US\$ '000
d'Amico Tankers UK Ltd	Services	100%	100 ordinary shares	UK	1,230	230
High Pool Tankers Ltd	Pool Company	100%	2 ordinary shares	Ireland	-	-
d'Amico Tankers Monaco SAM	Services	99.98%	149,850 ordinary shares	Monaco	1,007	290
Glenda International Shipping d.a.c.	Shipping services	100%	202 ordinary shares	Ireland	-	(3)

ACCOUNTING POLICIES

Investments in subsidiaries jointly controlled and associated entities are stated at cost adjusted for any impairment losses. Investments in subsidiaries and associates are tested for impairment annually and if necessary, more often. If there is any evidence that these investments have been impaired, the impairment loss is recognised directly in the income statement. Consolidated financial statements have not been presented as the company is a wholly owned subsidiary of d'Amico International Shipping S.A., a company listed on the Milan stock exchange which prepares consolidated financial statements.

16 Inventories	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Bunkers	2,639	3,654
Luboil	4,201	4,026
EU-ETS Allowance	802	-
	7,642	7,680

Inventories represent stocks of Intermediate Fuel Oil (IFO), Marine Diesel Oil (MDO) and luboils on board vessels.

ACCOUNTING POLICIES

Inventories

Bunker inventories relate to intermediate fuel oil (IFO) and marine diesel oil (MDO), collectively referred to as bunker. These inventories are measured at cost using the first-in, first-out (FIFO) method. Cost includes expenses incurred in delivering the inventory to the vessels.

Luboil Inventories relate to luboils onboard vessels. They are shown at cost, calculated using the first-in first-out method. The cost includes the expenses incurred in delivering the inventory to the vessels.

EU Emission Trading System (EU ETS) - Carbon Pricing Program

Please refer to the accounting policy in note 4, Voyage Costs and note 26, Trade and other payables and deferred revenue.

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NOTES TO THE FINANCIAL STATEMENTS - continued

Other assets	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Deferred financial loss – non-current	-	1,053
Total other non-current assets	-	1,053
Deferred financial loss – current Other current financial assets Total other current assets	897 281 1,178	1,036 57 1,093
Total other assets	1,178	2,146

Deferred financial loss represents the remaining portion of the difference between the proceeds and the carrying amount of vessels arising from sale and leaseback transactions; these losses are amortised over the lease term.

18 Derivative financial instruments

As at 31 December 2024 and 31 December 2023, the following derivative instruments were in place:

	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Non-current derivative financial assets	605	1,381
Current derivative financial assets	1,840	3,338
Non-current derivative financial liabilities	(35)	(41)
Current derivative financial liabilities	(900)	(45)
	1,510	4,633

Derivative financial instruments, assets, and liabilities, refer to the fair value of interest rate swaps and forward contracts on foreign exchange; information about fair value measurement and the Company's exposure to market risk is included in note 27.

The movement in the value of these derivative instruments was recognised as follow:

	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
At fair value through income statement		
Interest rate swaps	(45)	27
At fair value through other comprehensive income		
Interest rate swaps and foreign exchange	(3,077)	(5,131)
Total movement	(3,122)	(5,104)

18 Derivative financial instruments - continued

ACCOUNTING POLICIES

Financial assets and liabilities

Financial assets within the company are classified and measured under three categories: amortized cost, fair value through profit or loss, and fair value through other comprehensive income.

- Amortized cost: a financial asset is measured at amortised cost when d'Amico Tankers d.a.c. business model is to hold the asset for collecting contractual cash flows that are solely payments of principal and interest, and these payments are scheduled on specific dates.
- Fair Value through Other Comprehensive Income: when the requirements for measuring the financial asset at amortised cost are met, but the business model also includes the selling of those instruments, then these financial assets are measured at fair value through other comprehensive income.
- Fair Value through Profit or Loss: all other financial assets are measured at fair value through profit or loss.

The Group's exposure to various risks associated with these financial instruments and techniques used for the fair value calculations of derivative instruments are further discussed in note 27.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

d'Amico Tankers d.a.c. Management has assessed the implications of the Ukraine war, conflicts in the Middle East, and current economic conditions on the Group's financial assets and liabilities. It was determined that no adjustments are required based on these assessments. For detailed information on risk exposure, fair value calculations, and further disclosures related to financial assets and liabilities, please refer to note 27.

19	Trade and other receivables	As at 31 December 2024 As at 31 December 20 US\$'000 US\$'			
	Current:				
	Contractual receivables	16,030	31,706		
	Contract assets	4,436	3,990		
		20,466	35,696		
I	Prepayment & accrued income	640	7,384		
	Receivables from pool agent	32,600	41,986		
(Other debtors	2,295	5,991		
		56,001	91,057		
A	Amounts owing from Group companies and other rela	ted parties included above:	:		
	Due from subsidiaries	36,973	50,043		
	Due from related parties	1,947	6,109		
		38,920	56,152		

As at 31 December 2024, receivables and other current assets include contractual receivables amounting to US\$ 16.0 million (2023: US\$ 31.7 million), which is net of allowance for credit losses of US\$ 0.1 million (2023: 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 Company'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) and amounts to US\$ 4.4 million (U\$ 3.9 million on 31 December 2023). Management expects that 75 % of the transaction price allocated to contract assets as at 31 December 2024 will be invoiced during the month of January 2025.

19 Trade and other receivables - continued

The amount of US\$ 38.9 million due from subsidiaries and related parties relates mainly to the amount due by High Pool Tankers amounting to US\$ 32.6 million (as at 31 December 2023, the amount due by High Pool Tankers was of US\$ 41.9 million). As at the end of 2024, d'Amico Tankers d.a.c. had contributed 15 vessels to a Pool entity, High Pool tankers d.a.c.. The remaining related party transactions are disclosed in Note 28.

The aging of trade receivables is disclosed below:	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
0-60 days 61-90 days	13,139 383	25,646 2,155
91-120 days	905	1,519
Over 120 days	1,603	2,386
	16,030	31,706

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectable in full, based on historic payment behaviour and extensive analysis of customer credit risk, since they are mostly due by first-class counterparties (Oil majors and large trading houses).

Information about the Company's exposure to credit risk and impairment losses for trade and other receivables is included in note 27.

The movement in the allowance for credit losses is disclosed below:

	As at 31 De	ecember 2024 US\$'000		US\$'000
	Current	Non-Current	Current	Non-Current
Allowance for credit losses	96	-	396	-
	96	· -	396	-
		nce for credit losses ecember 2024 US\$'000		ance for credit losses ecember 2023 US\$'000
Carrying amount at start of year Charged/(credited) to profit or loss		396		426
- additional provision recognised		- (222)		-
Unused amounts reversed		(300)		(30)
Amounts used during the year		96		396
		90		390

ACCOUNTING POLICIES

Trade and other receivables

Contractual receivables are recognised when the right to consideration becomes unconditional. For voyage charters, this occurs when the voyage is completed, and the customer is billed. d'Amico Tankers d.a.c. measures trade receivables at amortized cost, as they are held with the objective of collecting contractual cash flows. Freight is invoiced upon the completion and delivery of the service.

Revenue-related contract assets, as defined under IFRS 15, include outstanding freight from voyages in progress. These assets represent accrued income for work performed but not yet billed. This reflects a

19 Trade and other receivables - continued

conditional right to consideration for the portion of the contractual obligation that has been fulfilled. The consideration is invoiced upon the completion of the performance obligation.

Changes in contract assets depend on factors such as voyage duration, freight rate levels, and the number of vessels employed on the spot market.

Initially, contract assets are measured at their nominal value, which represents the fair value of the transaction. Subsequently, they are measured at amortized cost, net of impairment write-downs and allowances for credit losses. Impairment is recognized in the statement of profit or loss when there is objective evidence of a loss. The impairment write-downs are calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the asset's original effective interest rate. For short-term trade receivables, the measurement at amortized cost is equivalent to their nominal value, less any impairment write-downs.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

For details on the impairment in respect of demurrage receivables, management's assessment of credit risk, and expected credit losses, please refer to note 27, "Financial Risk Management and Financial Instruments".

20 Non-current financial assets:

As at 31 December 2024 As at 31 December 2023 US\$'000 US\$'000

Working capital contribution

5,625

5,625

97,471

The amount of U\$ 5.6 million as at 31 December 2024 relates to working capital contributions to High Pool tankers d.a.c.; the Company acts as an agent for 15 d'Amico Tankers vessels.

21 Cash and cash equivalents

As at 31 December 2024 As at 31 December 2023 US\$'000 US\$'000

Cash and cash equivalents

155,641

Cash and cash equivalent include cash-on-board, cash at bank, short-term deposits with no restrictions as well as highly liquid, and investment-grade government bonds, i.e. securities with maturity up-to 3 months. Additionally, the balance at year-end includes a US\$ 6.8 million deposit in an escrow account related to the exercise of purchase options on M/T High Navigator and M/T High Leader by d'Amico Tankers d.a.c.

ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents include cash in-hand, current accounts, deposits held on demand with banks, and other short-term, highly liquid investments that are readily convertible to a known amount of cash within three months of inception and are subject to insignificant risk of changes in value. Cash and cash equivalents are measured at fair value, which corresponds to their nominal value, or at cost plus interest, if applicable.

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NOTES TO THE FINANCIAL STATEMENTS - continued

Shareholders' equity	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Share capital	108	108
Share premium	121,960	121,960
Retained earnings	447,354	321,820
Other reserves	1,502	4,578
Capital contribution	155,200	155,200
	726,124	603,666

Share capital

As at 31 December 2024, d'Amico Tankers d.a.c. share capital amounted to US\$ 108,000 corresponding to 100,002 ordinary shares with a nominal value of Euro 1 each (2023: 100,002 ordinary shares with a nominal value of Euro 1 each).

The authorised share capital is Euro 1,000,000 corresponding to 1,000,000 ordinary shares with a nominal value of Euro 1 each.

Share premium reserve

The share premium reserve initially arose from a shareholders' equity increase of US\$ 49.9 million which occurred in December 2007. In 2018, the share premium increased by US\$ 69.9 million due to a reclassification to capital of the shareholder's loan from d'Amico International Shipping S.A.

On 6 December 2022, 1 Ordinary Share of Euro 1 was allotted and issued at a premium, for an aggregate subscription price of EUR 3 million (US\$ 3.2 million).

Retained earnings

The movement from the balance of US\$ 321.8 million as at 31 December 2023, to US\$ 447.3 million as at 31 December 2024, was due to the net profit of US\$ 195.5 million in 2024 less dividends paid to the parent company amounting to US\$ 70.0 million.

Capital contribution

The capital contribution is deemed realised profit in the form of qualifying consideration.

Dividend

A dividend of US\$ 699.99 per equity share (2023: US\$529.9 per equity share) amounting to US\$ 70.0 million (2023: US\$53.0 million) was paid during the financial year.

In January 2025, the Company declared an interim dividend of US\$ 569.99 per equity share, amounting to US\$ 57.0 million. The Company will not proceed with a final dividend distribution for the financial year ended 31 December 2024.

Other reserves

The other reserve as at 31 December 2024 amounted to US\$ 1.5 million and represents the interest rate swap derivative hedging instruments accounted for in the cash flow hedge reserve through the statement of other comprehensive income disclosed in note 27.

ACCOUNTING POLICY

Dividends

Dividend payments are recognized as a movement in equity in the period they are approved by the shareholders' meeting for final dividends, or by the Board of Directors for interim dividends.

Cash-flow-hedge reserve

The fair value of the derivative financial instruments is disclosed in note 22.

23	Borrowings	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
	Non-current liabilities: Borrowings	190,429	214,737
	Current liabilities: Borrowings	26,234	28,698
		216,663	243,435

23 Borrowings – continued

Bank loans as at 31 December 2024:

US\$/000

Lender / Details	Asset	Repayment Terms	interest%	Loan-to- value covenant	Financial covenants	Short- term	Long- term	Total 31 Dec. 2024	
		d'A	AMICO TANKER	S D.A.C.					
Skandinaviska Enskilda Banken AB/ December 2021 US\$ 20m Term Loan Facility (as amended and supplemented from time to time)	Cielo Bianco	24 consecutive quarterly instalments + US\$ 10.880m balloon at maturity	Compounded SOFR + 2%	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	1,520	13,920	15,440	
ABN Amro Bank N.V./ December 2021 US\$43m Term Loan Facility (amended and restated from time to time)	Cielo di Gaeta	20 consecutive quarterly instalments + US\$ 3.044m balloon at maturity	Compounded SOFR + 0.26161% CAS + 2.4 % or + 2.35% according to vessel employment + Sustainability differential (+/- 5bps)	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	757	3,802	4,559	
Tokyo Century Corporation/ November 2015 US\$ 21.78m Term Loan Facility (supplemented and amended from time to time)	High Challenge	24 + 18 consecutive quarterly instalments + US\$ 3.431m balloon at maturity	CME Term SOFR + 2.40%	< 87.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%				
					Liquid assets >	762	4,765	5,527	
Danish Ship Finance A/S / July 2022 US\$ 25.2m Term Loan Facility	High Seas	28 consecutive quarterly instalments, no balloon at	Compounded SOFR + 2.30%	< 76.9%	US\$ 25m Net worth > US\$ 100m Equity ratio >	1,800	6,750	8,550	
Loan racinty	High Tide	maturity	maturity			25%	4 000	0.750	0.550
ING Bank N.V., London Branch &	Cielo di Cagliari	20 consecutive quarterly	Compounded		Liquid assets > US\$ 25m	1,800 1,696	6,750 16,532	8,550 18,228	
Skandinaviska Enskilda Banken AB/ July 2022 US\$82m	Cielo Rosso	instalments + US\$ 13.56m balloon at	SOFR + 2.20% + Sustainability differential (+/- 10bps)	< 76.9%	Net worth > US\$ 100m Equity ratio >	1,696	16,532	18,228	
Term Loan Facility	Cielo di Rotterdam	maturity			25%	1,696	16,532	18,228	
	Glenda Meryl	20 consecutive quarterly instalments + US\$ 0.9m balloon at maturity			Liquid assets >	1,800	4,050	5,850	
Crédit Agricole CIB & ING Bank N.V. London Branch/ September 2022 US\$ 54.213m Term Loan Facility	Glenda Melissa	20 consecutive quarterly instalments + US\$ 0.9m balloon at maturity	Compounded SOFR + 2.30%		US\$ 25m Net worth > US\$ 100m Equity ratio > 25%				
	Cielo di Capri	20 consecutive quarterly instalments + US\$ 8.34m balloon at maturity				1,800	4,050	5,850	
The Iyo Bank/ May 2023 US\$ 17.5m Term Loan Facility	High Explorer	32 consecutive quarterly instalments + US\$ 6.7m balloon at maturity	CME Term SOFR + 2%	< 90%	n.a.	1,390	11,118	12,508	
	<u> </u>	L	<u> </u>	<u> </u>	<u> </u>	1,350	14,125	15,475	

23 Borrowings-continued

Bank loans as at 31 December 2024 - continued

US\$/000

Lender / Details	Asset	Repayment Terms	interest%	Loan-to- value covenant	Financial covenants	Short- term	Long- term	Total 31 Dec. 2024
		d'A	AMICO TANKER	S D.A.C.				
NTT TC Leasing Co., Ltd./ August 2023 US\$ 20m Term Loan Facility	Cielo di Londra	20 consecutive quarterly instalments + US\$ 13.75m balloon at maturity	Compounded SOFR + 1.975%	< 80%	n.a.	1,250	17,188	18,438
The Iyo Bank/ June 2024 US\$ 16m Term Loan Facility	High Voyager	32 consecutive quarterly instalments, no balloon at maturity	CME Term SOFR + 1.85%	< 90%	n.a.	2,000	13,000	15,000
BPER Banca S.p.A./ June 2024 US\$ 16m Term Loan Facility	High Freedom	32 consecutive quarterly instalments, no balloon at maturity	CME Term SOFR + 1.80%	< 75%	n.a.	2,000	13,000	15,000
NTT TC Leasing Co., Ltd./ July 2024 US\$ 16.775m Term Loan Facility	High Trader	20 consecutive quarterly instalments + US\$ 9.15m balloon at maturity	CME Term SOFR + 1.75%	< 80%	n.a.	1,525	14,869	16,394
DnB Bank ASA / August 2024 US\$ 17.5m Term Loan Facility	High Loyalty	20 consecutive quarterly instalments + US\$ 7.8m balloon at maturity	CME Term SOFR + 2.15% + Margin adjustment (min- 10bps/max- 90bps)+ Sustainability differential (+/- 3bps & +/- 2bps)	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,940	15,075	17,015
Bank of Ireland						2	-	2
Financial Fees							(4.000)	
Total as at 31 Decembe	r 2024					(550) 26,234	(1,629) 190,429	(2,179) 216,663

23 Borrowings - continued

Bank loans as at 31 December 2023

US\$/000

Lender / Details	Asset	Repayment Terms	interest%	Loan-to- value	Financial covenants	Short- term	Long- term	Total 31 Dec.
		ď	AMICO TANKER	covenant S D.A.C.				2023
Skandinaviska Enskilda Banken AB/ December 2021 US\$ 20m Term Loan Facility	Cielo Bianco	20 consecutive quarterly instalments + US\$ 12.4m balloon at maturity	Compounded SOFR + 0.26161% CAS + 2.4 % or + 2.3% according to vessel employment	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	1,520	15,440	16,960
ABN Amro Bank N.V./ December 2021 U\$\$43m Term Loan Facility (amended and restated from time to time)	Cielo di Gaeta	20 consecutive quarterly instalments + US\$ 6.25m balloon at maturity	Compounded SOFR + 0.26161% CAS + 2.4 % or + 2.35% according to vessel employment + Sustainability differential (+/- 5bps)	< 76.9%	Liquid assets > US\$ 25m Net Worth > US\$ 100m Equity ratio > 25%	1,555	9,360	10,91
Banco BPM SpA/ December 2021 US\$15.5m Term Loan Facility	Cielo di Salerno	20 consecutive quarterly instalments + US\$ 8.97m balloon at maturity	Compounded SOFR + 0.26161% CAS + 2.4 %	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,305	11,910	13,21
Tokyo Century Corporation/ November 2015 US\$ 21.78m Term Loan Facility (supplemented and amended from time to time)	High Challenge	24 + 18 consecutive quarterly instalments + US\$ 6.53m balloon at maturity	CME Term SOFR + 2.40%	<87.0%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,452	10,527	11,97
Danish Ship Finance A/S / July 2022	High Seas	28 consecutive quarterly instalments, no	Compounded SOFR + 2.30%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$	1,800	8,550	10,35
US\$ 25.2m Term Loan Facility	High Tide	balloon at maturity			100m Equity ratio > 25%	1,800	8,550	10,35
	Cielo di Cagliari	20 consecutive quarterly instalments + US\$ 13.56m balloon at maturity	Compounded SOFR + 2.20% + Sustainability differential (+/- 10bps)			1,696	18,228	19,92
ING Bank N.V., London Branch & Skandinaviska Enskilda Banken AB/ July 2022	Cielo Rosso	20 consecutive quarterly instalments + US\$ 13.56m balloon at maturity		70.00/	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,696	18,228	19,92
US\$82m Term Loan Facility	Cielo di Rotterdam	20 consecutive quarterly instalments + US\$ 13.56m balloon at maturity		< 76.9%		1,696	18,228	19,92
	Cielo di New York	20 consecutive quarterly instalments + US\$ 7.05m balloon at maturity				1,762	11,902	13,664
Crédit Agricole CIB & ING Bank N.V. London Branch/ September 2022 US\$ 54.213m Term Loan Facility	Glenda Melanie	20 consecutive quarterly instalments, no balloon at maturity				1,845	5,074	6,919
	Glenda Melody	20 consecutive quarterly instalments + US\$ 0.471m balloon at maturity	Compounded SOFR + 2.30%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m	1,886	5,657	7,54
	Glenda Meryl	20 consecutive quarterly instalments + US\$ 0.9m balloon at maturity	-		Equity ratio > 25%	1,800	5,850	7,650
	Glenda Melissa	20 consecutive quarterly instalments + US\$ 0.9m balloon at maturity				1,800	5,850	7,650

23 Borrowings-continued

Bank loans as at 31 December 2023 - continued

US\$/000

Lender / Details	Asset	Repayment Terms	interest%	Loan-to- value covenant	Financial covenants	Short- term	Long- term	Total 31 Dec. 2023
		d'A	AMICO TANKER	S D.A.C.				
Crédit Agricole CIB & ING Bank N.V. London Branch/ September 2022 US\$ 54.213m Term Loan Facility	Cielo di Capri	20 consecutive quarterly instalments + US\$ 0.9m balloon at maturity	Compounded SOFR + 2.30%	< 76.9%	Liquid assets > US\$ 25m Net worth > US\$ 100m Equity ratio > 25%	1,390	12,508	13,898
Skandinaviska Enskilda Banken AB/December 2022 US\$ 20m Term Loan Facility	High Adventurer	20 consecutive quarterly instalments + US\$ 11.7m balloon at maturity	Compounded SOFR + 2.30% + Sustainability differential (+/- 10bps)	< 76.9%	Liquid assets > U\$\$ 25m Net worth > U\$\$ 100m Equity ratio > 25%	1,660	16,680	18,340
The Iyo Bank/ May 2023 US\$ 17.5m Term Loan Facility	High Explorer	32 consecutive quarterly instalments + US\$ 6.7m balloon at maturity	CME Term SOFR + 2%	< 90%	n.a.	1,350	15,475	16.825
NTT TC Leasing Co., Ltd./ August 2023 US\$ 20m Term Loan Facility	Cielo di Londra	20 consecutive quarterly instalments + US\$ 13.75m balloon at maturity	Compounded SOFR + 1.975%	< 80%	n.a.	1,250	18,438	19,688
Crédit Agricole Italia S.p.A./ December 2022 US\$ 3.5m ESG Facility	n.a.	10 consecutive quarterly instalments starting from September 2024, no balloon at maturity	CME Term SOFR + 2% + KPI ESG differential (+ 5bps /- 7bps)	n.a.	n.a.	50	200	250
Financial Fees						(615)	(1,918)	(2,533)
Total as at 31 December	2023					28,698		243,435

(1) As specified in the financing contract;

All bank loans are guaranteed by d'Amico International Shipping S.A. and were in compliance with the relevant covenants at the reporting date.

ACCOUNTING POLICY

Banks and other lenders

Interest-bearing bank loans relating to the financing of vessels and overdrafts are recorded based on the amounts received, net of transaction costs, and are subsequently measured at amortized cost using the effective interest rate method. The difference between the loan proceeds and the nominal value is recognized in the income statement over the loan term.

24 Lease liabilities

Liabilities arising from leases are repaid over the lease term. They have the following residual lease terms at the balance sheet date:

	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Total future minimum lease payments (gross investment):		
Due within one year	35,746	24,367
Due in one to five years	20,531	59,092
Due over five years	20,563	25,608
	76,840	109,067
Principal repayment of minimum lease payments:		
Due within one year	32,641	19,682
Due in one to five years	14,425	50,766
Due over five years	18,547	22,392
	65,613	92,840
Finance charge included in the minimum lease payments	11,227	16,226

The carrying amount of the assets held under finance leases, as well as the main lease terms, are disclosed principally under property, plant and equipment in note 14. As at 31 December 2024, out of the 3 contracts previously classified as finance leases under IAS17, two vessels have a purchase obligation at the end of the lease term.

Vessels	Purchase Option	Lease contract amount as at 31 December 2024	Purchase Obligation and purchase option* amount
		US\$ 000	US\$ 000
M/T High Fidelity	From 3rd year of lease	20,515	4,330
M/T High Discovery	From 2nd year of lease	21,506	2,630
M/T Cielo Di Houston*	At 5th and 6th year of lease	36,691	25,600

^{*}Option exercised on 27 Jan 2025, amount is variable depending on exact delivery date of the vessel

ACCOUNTING POLICIES

Liabilities arising from leases are initially measured at the present value of the lease payments, which include fixed payments, any residual value guarantee, the exercise price of a purchase option (if reasonably certain to be exercised), less any receivable incentives. The present value is calculated using either the interest rate implicit in the lease, or if that rate is not readily determinable, the lessee's incremental borrowing rate.

In the statement of profit or loss, as per IFRS16, charter hire costs are reclassified to other direct operating costs, depreciation and interest. The interest component of financial leases is deducted from operating cash-flows, while the remaining cash payments on lease liabilities are reclassified under financing activities.

Leases (following the adoption of IFRS 16 and excluding those previously identified under IAS 17) are discounted using d'Amico Tankers d.a.c. marginal borrowing rate. This rate is determined by adding the margin applied to the most recent third-party financings to the interest rate swap. For leases previously identified under IAS 17, the inherent rate in the lease is used. d'Amico Tankers d.a.c. discount rates for such contracts range between 5.6% and 6.5%, with a weighted average rate of 5.9%.

25	Other financial liabilities Non-current liabilities:	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
	Other financial liabilities	3,543	2,695
	Current liabilities:		
	Other financial liabilities Current:	2,183	2,765
		5,726	5,460

Other financial liabilities mainly relate to financial interest and fee accruals.

26	Trade and other payables and deferred revenue	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
	Trade payables	15,519	19,666
	Accruals	11,440	25,569
	Other payables	915	825
		27,874	46,060
	Amounts owed to subsidiaries and other related parties included above:		
	Due to subsidiaries	6,775	12,938
	Due to related parties	1,996	4,099
		8,771	17,037

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms. While trade payables are not subject to interest unless past due, amounts of a financial nature will be charged interest at market rates. The company has financial risk management policies in place to ensure all payables are settled within agreed terms; further information is disclosed in note 27.

ACCOUNTING POLICIES

Trade and other payables

Trade and other payables are measured at amortized cost. Given the characteristics and maturity of these payables, this is generally equivalent to their nominal value. Payments received in advance under time charter contractual agreements are recognized as deferred income.

d'Amico Tankers d.a.c. has implemented financial risk management policies to ensure all payables are settled within agreed terms. Further details are provided in Note 27: "Financial Risk Management and Financial Instruments".

EU ETS Allowances Liability

A liability for EU ETS allowances is recognized as emissions are incurred and must be surrendered to the regulatory body. This liability is measured at the best estimate of the expenditure required to settle the obligation as of the reporting date, based on the average price of allocated allowances. The compliance period liability is settled by surrendering allowances by the end of September of the following year.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

For detailed information on risk management policies and fair value classifications, please refer to note 27 "Financial Risk Management and Financial Instruments".

27 Risk management

The Company's activities expose it to a variety of financial risks and risk management is part of d'Amico Tankers d.a.c.'s strategy. The Company's risk management strategy is framed by the risk management strategy of the parent company, d'Amico International Shipping S.A. The shipping industry is highly sensitive to market fluctuations, which can determine significant fluctuations in freight rates and vessel prices. One of the aims of the Company's risk management strategy is to reduce the exposure of its earnings to cyclical fluctuations.

Market risk

The Company is exposed to market risk in respect of vessels trading on the spot market, since they are exposed to fluctuations in market freight rates. In particular, when chartering-out vessels the hire rates may be too low to ensure an adequate return or to cover costs. The following risk management strategies are applied:

- (i) the Company aims to cover part of its fleet through fixed-rate contracts:
- (ii) the vessels trade on a worldwide basis to reduce the effect of different regional market conditions. The Company also occasionally uses derivative financial instruments to manage its exposure to spot market rates.
- (iii) Derivative Instruments: the use of derivative financial instruments, including freight forward agreements and bunker swaps, helps manage exposure to volatile spot freight rates.

Technical and operational risks

The Company is exposed to operating cost risk arising from the variable costs of vessel operations. The key areas of operating cost risk are crew costs, bunkers, dry dock and repair costs and insurance. Risk management includes the following strategies:

- (i) The crew policy is coordinated through the support of the d'Amico Group, to obtain synergies and economies of scale, making reference to d'Amico's expertise in crewing (training school, company specialised in this kind of service), seeking to maintain a high crew quality, while controlling costs; the Safety & Quality Department (SQE), whose focus is to ensure that the vessels and its staff comply fully with external requirements, such as regulatory Oil Major Companies requirements and certifications;
- (ii) Dry dock contracts the technical management, which also includes dry-dock, is also coordinated through the support of d'Amico Group, providing economies of scale. The same happens for repair costs. The policy of controlling a well maintained modern fleet also helps to minimize risks;
- (iii) the insurance plan provides coverage for a wide range of risks which may arise from owning and chartering-in ships, including coverage from personal injury, environmental damage and pollution, third-party casualty and liability, hull and engine damage, total loss, war risks and piracy risks;
- (iv) Piracy risks is a major issue both in the Gulf of Aden and Indian Ocean and in the Gulf of Guinea economic zone north of Lat 3 North (including Nigeria, Togo and Benin).

Measures have been taken to: (a) minimize the risk during transit in the Gulf of Aden and make the navigation safer; (b) check the suitability of the insurance structure currently in place to ensure that such events are properly covered. A detailed analysis of the situation has allowed the Company, together with the d'Amico Group, to prepare guidelines to be followed by any vessel while in risk zones. Moreover, to get as much information as possible and be continuously updated on such issues, websites dedicated to the piracy risks are monitored. Regarding insurance, on the basis of a risk assessment the Company ascertained that the main risks inherent to piracy are duly covered through: (a) Loss of hire insurance, which covers the Company for the loss of income resulting from physical damage to the vessel caused by a piracy attack risk covered under the Hull & Machinery policy, according to clause 6.5 "Perils" of the Institute Time Clauses Hulls, 1/10/83, where piracy is one of the named perils); (b) Kidnap and Ransom insurance, which covers the perils of kidnap, wrongful detention, hijacking; (c) Piracy Loss of hire, which covers the payment of hire during the period of detention by pirates; (d) Third parties liabilities – included in the P&I cover.

27 Risk management - continued

Fraud risk

The Company is exposed to fraud risk resulting from the significant volume and value of transactions processed. To minimise the risk the Company has the following risk management strategies:

- (i) Limits of powers and authority set for all individuals (e.g. power of attorneys restricted in object, limit amount for transactions);
- (ii) Controls over bank signatories (e.g. four eyes principle for specific transactions);
- (iii) Controls over tendering process;
- (iv) The parent company operates an internal audit function.

Financial markets risk

Currency risk

The Company's functional currency is the US\$ and the majority of its transactions are denominated in U.S. Dollars. The Company is exposed to currency risk in respect of transactions denominated in currencies other than U.S. Dollars.

The Company monitors its exposure to currency risk on a regular basis. Management does not consider it has significant exposure to foreign exchange risk, as almost all the Company's revenues and most of its operating costs are denominated in United States Dollars.

The Company systematically identifies and monitors its exposure to foreign currency fluctuations to detect potential negative effects in advance and take the necessary mitigating action, hedging its foreign currency exposure, when appropriate, and seeking to keep it within acceptable levels. In particular, in 2024 part of the Company's exchange rate exposure on financial and operating cash-flows was hedged through currency forward contracts, subject to specific risk policies, guidelines and internal control procedures (for further details see the following part dedicated to derivative instruments). Counterparties to those agreements were major financial institutions.

The foreign exchange risk relates primarily to administrative expenses and operating costs denominated in Euros. In 2024, foreign currency payments amounted to US\$ 26.4 million, representing 20% of total operational, administrative, financial and fiscal expenses (US\$ 25.3 million and 17% in 2023) of which 78% related to Euro denominated transactions (72% in 2023). Other foreign currencies do not represent a significant portion of the Company's cash flows.

Interest rate risk

The Company is exposed to interest rate risk arising from credit facilities and bank deposits earning interest at variable rates. The risk management strategies require that:

- (i) A portion of the interest cost on d'Amico Tankers d.a.c.'s facilities is fixed using interest rate swap (IRS) agreements. Most of these agreements are classified as hedges for accounting purposes (IFRS 9) and the effective portion of the gain or loss on the hedging instrument is recognised in comprehensive income. Management considers that by fixing a portion of its loan interest costs it will improve the visibility of future costs, to a level considered appropriate for the business. To comply with the ongoing requirements of hedge accounting the effectiveness of hedges are reviewed on a quarterly basis.
- (ii) Management continuously reviews interest rates available in the market to ensure the facilities are competitive.

27 Risk management - continued

Financial markets risk - continued

Interest rate sensitivity

•	As at 31 De	cember 2024	As at 31 December 2023		
	+1%	-1%	+1%	-1%	
	increase	decrease	increase	decrease	
Interest rate cost Interest rate swaps, Δ year-end valuations	1,407	(1,407)	1,467	(1,467)	
	759	(777)	1,808	(1,865)	

Net of interest rate swap hedges, with all other variables constant, an increase in the level of interest rates of 100 basis points would have increased net financial charges in 2024 by US\$ 1.41 million (US\$ 1.47 million in 2023) while a reduction in interest rates of 100 basis points would have decreased net financial charges by US\$ 1.41 million (US\$ 1.47 million in 2023). As at 31 December 2024, had interest rates been 100 bp higher/lower, with all other variables constant, the valuation of the swaps would have increased by US\$ 0.76 million, or decreased by US\$ 0.78 million, respectively (As at 31 December 2023: US\$ 1.8 million increased or decreased by US\$ 1.9 million, respectively).

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:

- (i) 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;
- (ii) 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 rate swaps are measured at the present value of the future cash-flow estimated and discounted based on the applicable yield curves derived from quoted interest rates;
- (iii) The fair value of other financial assets and financial liabilities (excluding those described above) is determined in accordance with generally accepted pricing models based on discounted cash-flow analysis;
- (iv) The fair value of financial instruments accounts for the risk of the counterparty (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, together with their levels within the fair value hierarchy.

27 Risk management - continued

	As at 31 December 2024	Fair value Level 1	Fair value Level 2	Amortised cost
Accounting classification and fair values – as at 31 December 2024	U\$'000	U\$'000	U\$'000	U\$'000
Assets				
Non-current derivative financial assets	605	-	605	-
Non-current financial assets	5,625	-	-	5,625
Current derivative financial assets	1,840	-	1,840	-
Trade and other receivables	56,001	-	-	56,001
Liabilities				
Borrowings	216,663	-	-	216,663
Other financial liabilities	5,726	-	-	5,726
Non-current derivative instruments	35	-	35	-
Finance lease liabilities	65,613	-	-	65,613
Current derivative financial instruments	900	-	900	-
Trade and other payables	27,874	-	-	27,874

The Level 1 financial instruments above refer to derivative instruments whose fair value is obtained through quoted prices in active markets for identical assets or liabilities.

The Level 2 financial instruments above refer to derivative instruments whose fair value is obtained through discounted cash flow techniques based on the applicable quoted interest rates and quoted forward exchange rates.

The fair value of short-term trade receivables and payables is not disclosed as their carrying amount is reasonably approximate to their fair value.

27 Risk management - continued

	As at 31 December 2023	Fair value Level 1	Fair value Level 2	Amortised cost
Accounting classification and fair values – as at 31 December 2023	U\$'000	U\$'000	U\$'000	U\$'000
Assets				
Non-current derivative financial assets	1,381	-	1,381	-
Non-current financial assets	5,625	-	-	5,625
Current derivative financial assets	3,338	-	3,338	-
Trade and other receivables	87,067	-	-	87,067
Liabilities				
Borrowings	243,435	-	-	243,435
Other financial liabilities	5,460	-	-	5,460
Non-current derivative instruments	41	-	41	-
Finance lease liabilities	92,840	-	-	92,840
Current derivative financial instruments	45	-	45	-
Trade and other payables	42,070	-	-	42,070

The Level 1 financial instruments above refer to derivative instruments whose fair value is obtained through quoted prices in active markets for identical assets or liabilities.

The Level 2 financial instruments above refer to derivative instruments whose fair value is obtained through discounted cash flow techniques based on the applicable quoted interest rates and quoted forward exchange rates.

The fair value of short-term trade receivables and payables is not disclosed as their carrying amount is reasonably approximate to their fair value.

27 Risk management - continued

Interest rate swaps

As at 31 December 2024, d'Amico Tankers d.a.c. had in place seven interest rate swap contracts (IRS) to hedge the risk relating to interest rates on bank financing. All of these interest rate swaps are linked to the financing of vessels and deemed highly effective hedges, with the effective part of the unrealized gain/loss for the period recognized in other comprehensive income and the ineffective part recognised in profit or loss. These contracts were held with the following counterparties: three with ING Bank N.V., one with ABN Amro Bank N.V., one with Banco BPM S.p.A., one with DnB Bank ASA and one with Skandinaviska Enskilda Banken AB.

During the year, the swaps were regularly re-measured at fair value and compared to the respective hypothesis established upon the inception of the hedging relationship.

Measurement of fair value

The fair value measurement for all derivative financial instruments has been categorised as Level 2, in that their fair value measurement is derived from inputs other than quoted prices that are observable. The disclosures envisaged for Level 3 categories of fair value are not applicable to the current measurement.

The fair value of existing derivative instruments and hedging instruments is measured at each closing date.

The derivatives are entered into with banks and financial institution counterparties which are rated A and BBB (S&P).

Credit risk

The Company is exposed to credit risk resulting from the possible non-performance of any of its counterparties, primarily customers, agents, joint venture partners and financial institutions. The Company normally deals only with creditworthy counterparties and has financial risk management policies in place to ensure all payables are settled within agreed terms. Such policies include continuous monitoring and evaluation, also of the default risk of the industry and country in which its customers operate, to limit its exposure to delayed payments. To minimise its credit risk d'Amico Tankers d.a.c. has the following risk management strategies:

- (i) Receivables: for receivables, balances are reviewed on an ongoing basis. The recovery of demurrage income and expenses incurred on behalf of charterers is followed by a dedicated team. The company customers include several oil majors, and large oil trading companies. Historically d'Amico Tankers d.a.c. has, therefore, not experienced significant losses on trade receivables. Nevertheless, the company recognises an allowance for impairment that represents its estimate of losses that will be incurred with respect to trade and other receivables.
- (ii) Payments for Services: advances are carefully planned to reduce credit risk for services such as crew management, technical operations, and bunker purchases.
- (iii) Vessel Construction Payments: instalment payments for vessels under construction are secured by appropriate bank guarantees from creditworthy institutions.
- (iv) Port Agent Payments: payments to port agents are managed by the DA Desk, a specialized professional organization ensuring effective execution of commercial transactions. The relationships with the agents and the DA Desk are managed through an in-house team with significant experience;
- (v) Cash Deposit: for banks holding its cash deposits, the Group's policy is to deal only with large institutions with strong credit ratings, a first-class reputation and in most cases, specialised in shipping;
- (vi) Impact of Global Events: the effects of the Ukraine war, high inflation, interest-rate changes, and conflicts in the Middle East were evaluated, and it was determined that these factors did not increase the credit risk of d'Amico Tankers d.a.c. customers. The majority of d'Amico Tankers d.a.c. clients—oil majors and large oil trading companies—maintained stable credit ratings and recorded strong results in 2024.

27 Risk management - continued

Credit risk - continued

The Company's top 10 customers in 2024 represented 39% of the revenue of the Company during the year (2023: 44%). The Company primarily deals with oil majors and large oil trading companies, with strong credit ratings. Counterparty risks, therefore, mainly relate to demurrage receivables and expenses incurred on behalf of charterers. Each of these receivables is regularly monitored and written down on an individual basis).

To measure the expected credit losses, management has used time-slot risk indices for overdue demurrages as per the below table, with a risk increase per time-slot of 0.5% until 90 days overdue, with additional increases of 1.0% for overdue balances within 120 days and of 1.3% balances overdue by more than 120 days.

US\$ Thousand	< 30 days	< 60 days	< 90 days	< 120 days	> 120 days	Total
Demurrage receivable	1,139	ı	360	338	307	2,144
Percentage of risk of overdue receivables	3.5%	4.0%	4.5%	5.5%	6.8%	-
2024 Life-time credit loss evaluation (gross interest)	40	-	16	19	21	96
Life-time credit loss recognition (impairment of credit)	-	-	-	-	-	-

As at year-end 2024, the allowance for credit loss had increased by US\$ 0.3 million relative to its amount as at 31 December 2023; the total allowance for trade and other receivables losses as at 31 December 2024 amounted to US\$ 0.1 million (2023: US\$ 0.4 million).

As at year-end 2024, the Company had significant cash deposits with Banco BPM with a rating of Baa2 (Moody's), Credit Agricole with a rating of Aa3 (Moody's), DNB Bank with a rating of Aa2 (Moody's), JP Morgan Chase with a rating of A1 (Moody's), Iyo Bank with a rating of A+ (S&P), and Skandinaviska Enskilda Banken AB (SEB) with a rating of Aa3 (Moody's).

As at year-end 2024, the Company also had a portion of its liquidity invested in short-term (maturity of less than 3 months) investment-grade government bonds; in particular the holdings consisted of three securities issued by the US Treasury with a rating of Aaa.

The carrying amount of financial assets represents the maximum credit exposure.

Liquidity risk

The Company is exposed to liquidity risk, since due to its exposure to the shipping spot markets, freight rates earned might not be sufficient to cover its operating costs, required investments and financial commitments, leading to an excessive reduction in cash balances.

As part of its financial planning process, the Company manages the liquidity risk through appropriate financial planning, which is regularly reviewed and updated. The Company targets a capital structure that balances the significant credit lines and funds currently available with the expected cash generation of the operating activities, to allow the Company to maintain an adequate level of liquidity. In this respect, d'Amico Tankers d.a.c. also seeks to manage the terms, maturity and composition of its financing facilities. The Company's capital structure is set within the limits established by the Company's Board of Directors and d'Amico Tankers d.a.c. Management regularly reviews group facilities and cash requirements.

The Company has succeeded in maintaining access to a wide range of funding at competitive rates through financial institutions, private debt capital and the capital markets.

The following tables detail for the years 2024 and 2023, respectively, the Company's remaining contractual maturity for its financing liabilities based on contractual repayment terms. The tables below represent the

27 Risk management - continued

Liquidity risk - continued

principal repayments for these financing liabilities and have been drawn-up based on undiscounted cashflows on the earliest date which the company is required to pay:

As at 31 December 2024 US\$ Thousands	< 1 year	1 – 2 years	2 - 5 years	>5 years	Total
Borrowings*	26,782	29,827	143,506	18,725	218,840
Finance leasing	32,641	3,326	11,098	18,548	65,613
	59,423	33,153	154,604	37,273	284,453

As at 31 December 2023 US\$ Thousands	< 1 year	1 – 2 years	2 – 5 years	>5 years	Total
Borrowings*	29,313	29,363	174,517	12,775	245,968
Finance leasing	19,682	37,597	13,168	22,393	92,840
	48,995	66,960	187,685	35,168	338,808

^{*} Excluding financial fees and including overdrafts

For all financial liabilities, as disclosed in the maturity analysis above, it is not expected that the cash-flows could occur significantly earlier or with significantly different amounts.

Other risks

d'Amico Tankers d.a.c. is exposed also to a number of other operating risks, which can lead to unplanned costs and loss of income. These risks can arise from any of its operating activities, such as crewing, bunkering, dry-docks and repairs, commercial management, port agencies, towage and navigation.

d'Amico International Shipping regularly carries out a risk assessment of its operations. The Internal Audit function supports the process owners in their self-assessment, providing a complete map of its operating risks and the related controls.

The 2024 risk assessment underlined seven other risk categories as the most significant:

- 1. Reputational risk: mainly affected by d'Amico Tankers d.a.c. media campaign.
- 2. Market risk: financial risks related to the market's volatility and cyclicality.
- 3. Natural and geopolitical risk: derive mainly from cybercrime, also linked to geopolitical events.
- 4. Asset risk: mainly relating to vessel availability, which could be affected by vessel failures or non-compliance.
- 5. People availability risk: referred both to attracting and retaining personnel.
- 6. Fraud risk: mainly relating to misappropriation risk.
- 7. Climate-related matters and other.
- Reputational risk is affected mainly by media campaigns, which includes the risk of negative media
 by third parties and boycott campaigns; these could have negative commercial implications, entail fines,
 and lead to third-party surveys/investigations. The mitigation strategies implemented are mainly
 referred to active press monitoring, also with the support of an advisor; enforcement of employee's
 accountability; active/reactive communication (press releases). A spokesperson was identified to
 ensure information is properly communicated.

27 Risk management - continued

Other risks - continued

- 2. Market risk derives mainly from fluctuations in freight rates, and from interest rate and exchange rate volatility. The Company is exposed to significant changes in freight rates due to changes in the supply and demand for the seaborne transportation of refined products, resulting from the cyclical nature of our sector. The Company mitigates this risk by employing part of its fleet through period contracts at fixed rates and possibly also by further hedging some of the spot market exposure via Freight Future Agreements and bunker hedging. Strong corrections in freight rates can lead to losses and affect our cash balance, as well as our ability to fulfil contracts and could lead to defaults on our loans' financial covenants. The same factors that influence freight rates can also impact vessel prices. Furthermore, in severe market downturns, the second-hand market liquidity for our vessels can drop significantly, affecting our ability to sell these assets. Strong corrections in vessel prices, can lead to potential defaults on our loans' financial covenants. Interest rates and exchange rates, which affect respectively the Company's financing cost, are mitigated through interest/exchange rate swaps.
- 3. Natural and geopolitical risk derives mainly from the war, cybercrime and piracy.

The Ukrainian war

The ongoing conflict in Ukraine has significantly reshaped market dynamics for the seaborne transportation of refined products. EU, US, and UK sanctions targeting Russian oil exports and vessels involved in circumventing trade restrictions—commonly referred to as the 'dark fleet'—have tightened the product tanker demand-supply balance, leading to increased freight rates. The resolution of this conflict remains uncertain, and the potential continuation of sanctions could perpetuate market volatility in the product tanker sector throughout 2025.

Conflicts in the Middle East

The conflict between Israel and Hamas, along with attacks on vessels by the Houthis purportedly in support of Hamas, has severely disrupted trade through the Suez Canal. This disruption has forced many shipowners, including our operations, to divert around the Cape of Good Hope, significantly increasing sailing distances. The Suez Canal is crucial for both crude and product tankers; thus, these disruptions have significantly reduced fleet availability and tightened the market, driving up freight rates. A potential peace agreement between Israel and Hamas could stabilize the region and facilitate a full reopening of this vital transit route, potentially easing the ton-mile demand that spiked in 2024.

Cybercrime could affect security and business continuity. It could influence ICT services availability (system; network; data centre) and data confidentiality. A cyber security contingency plan, a disaster recovery and business continuity plan, a crisis management team and an emergency plan have been shared with employees, together with a training program and a periodical bulletin.

Political conditions and unexpected events traditionally affect our business. These could imply sanctions, extra costs and reductions in performance. The mitigation strategies include guidelines, technical support, and other specific solutions, including appropriate dry-dock planning taking into account seasons and location, adoption of technology for vessel performance monitoring, double communication systems (different bands), technological providers of weather-news and adoption of an optimum-ship-routing system.

Piracy risk can entail security and economic risks for the vessel and/or risks to complete the vessel voyage as planned. Piracy risk is a major issue in the Southern Red Sea/ Gulf of Aden, and in the Gulf of Guinea.

In this respect, d'Amico Tankers d.a.c. has taken measures to:

(i) minimize the risk during transit in the Gulf of Aden, to promote safer navigation;

27 Risk management - continued

Other risks - continued

(ii) check the suitability of the insurance policies currently in force to ensure such risks are adequately covered.

A detailed analysis of the situation has allowed d'Amico Tankers d.a.c., together with the d'Amico Group, to prepare guidelines to be followed by any vessel while in the risk zone. Moreover, to obtain as much information as possible and to stay updated on all issues, the d'Amico Group monitors websites dedicated to piracy issues regularly.

Regarding insurance, on the basis of a risk assessment, d'Amico Tankers d.a.c. ascertained that the main piracy risks are adequately covered through:

- (iii) loss of hire insurance, which covers the Company for the loss of income resulting from physical damages to the vessel caused by a piracy attack (risk covered under the Hull & Machinery policy);
- (iv) kidnap and ransom insurance, which covers the perils of kidnap, wrongful detention, hijacking;
- (v) piracy loss of hire, which covers the payment of hire during the period of detention by pirates (a physical damage of the vessel is not required to be covered under this policy);
- (vi) third parties' liabilities included in the P&I cover.

In addition to the above-mentioned security measures the Company adopts armed guards to reduce the risk to an acceptable level.

4. **Asset risk** relates to the risk of potential off-hires for vessels and their reduced ability to generate revenues due to failure, collision or grounding.

Ship collision and grounding are serious casualties which could lead to the total loss of vessels. Damages to the ship as well as the total loss or constructive total loss of the vessel are covered by the Hull & Machinery Policy up to the agreed insured value of the vessel less the agreed deductible. Salvage charges are covered by the H&M cover as well. Business Interruption following a collision, or a grounding event, is covered by the Loss of Hire and/or Strike Shipboard cover.

The Company adopts a planned maintenance system (PMS), to reduce vessel failure risk. The management of dry-docks and repairs is coordinated through the d'Amico Group, providing economies of scale and a proper benchmarking for the cost and quality of such services. d'Amico Tankers d.a.c. objective of controlling a young fleet also helps to minimize such risks. The PMS includes scheduled technical inspections and the appropriate management of critical spare parts. The d'Amico Group has established preferred yards in key trade areas based on criteria such as the quality of jobs performed, ISO certifications and other volunteer or mandatory certifications, compliance with ethical principles, past experience of the d'Amico Group and a list of references. The dry-docks are planned in advance, so as to secure the required slots and the dry-dock specification is finalized through a pre-docking inspection. A Company representative is always onsite to monitor the quality of the job performed and the progress of the project, ready to promptly address any issue outstanding. To monitor the performance, d'Amico Tankers d.a.c. has established as a key performance indicator, the "Dry-dock planning performance", to monitor and control costs and delays. When selecting dry-docks all costs are taken into account, including the repair cost, the cost of the deviation, including that of bunkers consumed, and the time required for the repairs. The Company's aim is to maintain and operate its ships in compliance with the applicable rules and regulations (Flag Administration/Class/shipping industries requirements/local and international regulation and conventions/makers instructions) and any relevant additional requirements, procedures and standards established by the Company.

5. **The people availability risk** relates to the Company's ability to both attract and retain employees. The risk is mitigated through external and internal communication plans, together with proper compensation and professional development programs including through training.

27 Risk management - continued

Other risks - continued

6. In addition to **the fraud risks** outlined in other sections of the Company's annual report, such risks relate mainly to the misappropriation risk. Misappropriation of ICT assets could imply data confidentiality breaches. The Company's encryption policy reduces this risk to an acceptable level. Misappropriation could also result from the payment to a wrong counterparty. The Group procedures including the segregation of duties in the management of the ledgers and chart of accounts and in the approval, recording and payment of invoices, reduce this risk to an acceptable level.

7. Climate related matters and other Energy Transition and Industry Impact

The ongoing energy transition and new environmental regulations are reshaping the product tanker shipping industry. A potential peak in oil demand by the end of this decade could reduce the need for seaborne transportation of refined products. However, freight rates are primarily influenced by the balance between vessel demand and supply.

In anticipation of reduced demand, vessel supply could contract due to increased demolition of older vessels and historically low levels of new vessel orders observed in recent years. Additionally, the mix of cargoes transported by product tankers is expected to evolve, with a larger share of renewable fuels—such as biofuels and green methanol—potentially replacing petroleum products.

Given these uncertainties, d'Amico Tankers d.a.c. acknowledges the challenges in predicting how the transition to cleaner fuels will impact the industry in the long term. Climate related risks did not have financial impact in the reporting period.

Impact of the EU ETS

The EU Emissions Trading System (EU ETS) has been extended to include the maritime sector, effective January 2024. This extension applies to CO₂ emissions from all large ships (5,000 gross tonnage and above) calling at EU ports, irrespective of their flag. The system accounts for 50% of emissions from voyages starting or ending outside of the EU and 100% of emissions from voyages between EU ports and while ships are at berth within EU ports.

To align with the EU's climate targets, the overall emissions cap under the EU ETS decreases annually, guided by a linear reduction factor. This mechanism reduces the number of allowances available each year, thereby driving up their price over time.

For vessels burning fossil fuels, inclusion in the EU ETS is expected to increase operating costs over time. Companies will need to acquire sufficient emission allowances or invest in cleaner technologies to comply with the progressively tightening cap. The EU ETS is designed to incentivize the adoption of less polluting fuels, with allowance prices structured to support this transition.

Although it is difficult to estimate the financial impact of these increased costs on earnings, d'Amico Tankers d.a.c. notes that the company has remained profitable during past periods of elevated bunker prices. The company continues to closely monitor regulatory developments and assess their financial implications, ensuring adaptability in an evolving regulatory landscape.

Integration into Value-in-Use Calculations

Climate-related factors were incorporated into d'Amico Tankers d.a.c. value-in-use calculations to estimate the recoverable amounts of vessels. However, these were not deemed key assumptions. Expenditures related to climate compliance and efficiency improvements include:

- IMO EEXI Compliance: Measures such as engine derating and installation of energy-saving devices on older vessels.
- Planned Investments in Fuel Efficiency: Initiatives like applying low-friction hull paints to enhance the fleet's overall energy efficiency.

For further details, refer to the Environmental Impact and Regulatory Framework within the Environmental Responsibility section of the sustainability statement.

27 Risk management - continued

Other risks - continued

Inflation and interest rates

The Ukrainian conflict, substantial fiscal and monetary stimulus, and the swift recovery of the global economy post-COVID-19 have intensified inflationary pressures. These pressures have notably increased operating expenses in the shipping industry, particularly for crew, fuel, and insurance. In response, major central banks, including the U.S. Federal Reserve and the European Central Bank, initially hesitated but then enacted monetary tightening measures, such as significant hikes in discount rates and quantitative tightening. These actions have helped moderate inflation, which continued on a downward trend in most countries throughout 2024.

In 2024, global interest rates were volatile, influenced by ongoing economic uncertainties and shifting market expectations. These were driven by factors such as geopolitical tensions, especially concerning trade relations and potential tariffs, as well as by potential fiscal adjustments. Given the cautious policy trajectories of central banks, particularly the Federal Reserve's data-driven adjustment strategy, this volatility in interest rates is expected to continue into 2025. This uncertainty has increased debt servicing costs for d'Amico Tankers d.a.c., particularly for portions of its financial indebtedness tied to variable rates (SOFR) not covered by interest rate swaps.

Risks linked to bunker management

When bunkering its vessels, d'Amico Tankers d.a.c. has several objectives, including reducing direct purchase costs, minimizing vessel deviations and ensuring supplies are in line with the most recent ISO standards in force.

Bunkering is managed by d'Amico Tankers d.a.c. with the support of a d'Amico Group company, Rudder Sam, which has an in-depth knowledge of the market and uses a network of reliable suppliers with high quality standards (please refer also to the Related party transaction note to the consolidated financial statements).

A constant supervision of physical deliveries (as per planned timing and quantities) and analysis of the quality of bunker samples, ensures quality and quantity issues are kept under control.

Risks linked to voyage management

Voyage planning and control is managed by d'Amico Tankers d.a.c. to ensure a high-quality service to charterers, through constant attention to the fulfillment of contractual requirements, with the objective of reducing costs and minimizing delays.

Port agencies and towage are managed by d'Amico Tankers d.a.c. through general agreements and are based on a reliable network of agents operating at high standards, with the aim of maximizing the efficiency of d'Amico Tankers d.a.c. vessels turnaround during port stays, providing qualified husbandry services to owned vessels and taking advantage of economies of scale.

d'Amico Tankers d.a.c. insurance plan provides coverage for a wide range of risks which may arise from ship ownership and management and which may expose the Group to financial losses. With regards to the vessels' operation and transportation of cargoes the coverage includes personal injury, environmental damage and pollution, third-party casualty and liability, hull and engine damage, total loss, war risks and piracy risks.

ACCOUNTING POLICY

Credit risk

Expected credit losses on demurrage receivables are calculated using the simplified approach under IFRS 9, based on an assessment of lifetime expected credit losses. These losses are recognized at initial recognition and subsequently adjusted to reflect any changes in expectations.

The impairment methodology varies depending on whether there has been a significant increase in credit risk, with changes in provisions recognized through the statement of profit or loss.

27 Risk management - continued

IFRS 9 applies a three-stage impairment model:

- Stage 1: If there is no significant increase in credit risk, 12-month expected credit losses are recognized and updated at each reporting date, with the asset presented on a gross basis.
- Stage 2: If a significant increase in credit risk occurs, lifetime expected credit losses are recognized, while the asset continues to be presented on a gross basis.
- Stage 3: If the asset is impaired, it is presented on a net basis, with lifetime expected credit losses recognized.

Default risk is assessed individually for each counterparty, using both historical and current data.

The policy is to write off undue demurrages upon the conclusion of trade negotiations, in accordance with the agreed terms.

Financial assets and liabilities

Financial assets are measured at amortised cost, fair value through profit or loss (FVTPL), or fair value through other comprehensive income (FVOCI). Financial assets are measured at amortised cost when the company's business model is to hold them to collect contractual cash flows, with those cash flows consisting solely of principal and interest payments on specified dates. If the requirements for measuring a financial asset at amortised cost are met but the business model also involves selling those assets, they are measured at fair value through other comprehensive income (FVOCI). All other financial assets are measured at fair value through profit or loss (FVTPL).

Fair value risk and valuation techniques

'Fair value' represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal or most advantageous market on the measurement date under current market conditions, whether the price is directly observable or estimated using another valuation technique. Fair values of financial assets and liabilities are determined as follows:

- Level 1 inputs are quoted prices in active (liquid) markets for identical assets or liabilities;
- Level 2 inputs are other than quoted prices included within Level 1 that are observable directly or indirectly for the asset or the liability:
- Level 3 inputs are not observable from market data.

If the inputs used to measure the fair value of an asset or liability fall into different categories, the fair value measurement is categorised in the lowest significant level within the hierarchy. The transfer between levels of fair value hierarchy is recognised at the end of the reporting period during which the change has occurred.

The fair value of derivative and hedging instruments is assessed on a recurring basis at each reporting date.

SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Credit risk

In assessing credit risk and expected losses, management continuously evaluates payment windows and assigns a probability of default to each. Longer payment delays are viewed as indicators of heightened default risk, prompting management to establish delay clusters with progressively higher default probabilities as the delays extend. Provisions are recognized based on these clusters, corresponding to an increasing percentage of outstanding amounts as payment delays lengthen.

Management believes that unimpaired amounts past-due by more than 30 days are fully collectible. This confidence is based on historical payment behaviors and thorough analyses of customer credit risk. The receivables primarily involve first-class counterparties such as oil majors and large trading houses. Notably, the credit ratings of DIS's clients—primarily oil majors and commodity trading houses—have not been negatively impacted by recent geopolitical events such as the war in Ukraine, high inflation, rising interest rates, or conflicts in the Middle East. In fact, many of these clients achieved strong financial results in 2024, benefiting from increased oil prices and market volatility. Consequently, d'Amico Tankers d.a.c. has not encountered, nor does it foresee, any significant increases in credit losses or overdue receivables.

27 Risk management - continued

Measurement of Fair Values.

The fair value of financial instruments is determined using market quotations or, if unavailable, appropriate financial valuation models that consider all relevant factors used by market participants, as well as prices from similar market transactions.

For significant fair value measurements, quoted prices or broker information are used to support valuations and adjustments. These, along with unobservable inputs, are regularly reviewed for proper classification within the fair value hierarchy. In the measurement of fair values market data are used to the farthest possible extent.

The fair values of derivative instruments are calculated using quoted prices. If quoted prices are unavailable, fair values are estimated using discounted cash flow analysis. 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 (Level 2). Interest rate swaps are measured at the present value of future cash flows, discounted using applicable yield curves derived from quoted interest rates.

The fair value of other financial assets and liabilities (excluding those described above) is determined using generally accepted pricing models, typically based on discounted cash flow analysis.

The fair value of financial instruments reflects both counterparty risk (for financial assets) and the entity's own credit risk (for liabilities).

28 Related party transactions

d'Amico Tankers d.a.c. is a key-operating subsidiary of d'Amico International Shipping S.A., a holding company listed on the Milan Stock Exchange. At the financial position date, the ultimate parent company was d'Amico Società di Navigazione S.p.A., a company registered in Italy.

During 2024, d'Amico Tankers d.a.c. had transactions with the ultimate Italian parent company, d'Amico Società di Navigazione S.p.A, d'Amico Ship Management Srl, and certain subsidiaries (d'Amico Group). These transactions have been carried out on the basis of arrangements negotiated on commercial market terms and conditions.

These transactions include management service agreements (for technical, crewing and IT services) with d'Amico Ship Management Srl and a brand fee and loan guarantee fees with d'Amico Società di Navigazione S.p.A., for a total cost of US\$ 8.1 and US\$ 3.6 million respectively in 2024 (2023: Nil and US\$ 7.8 millions).

d'Amico Tankers Monaco SAM, a subsidiary, provided administrative and commercial management services to the company for a total of US\$ 4.5 million in 2023 (2023: US\$ 5.2 million).

d'Amico Shipping UK, a d'Amico Group controlled company, provided services related to the sale and purchase of vessels for a fee of US\$ 0.3 million in 2024 (2023: US\$ 0.3 million).

As at year-end 2024, d'Amico tankers d.a.c. had provided U\$ 5.6 million in working capital contributions to High Pool tankers d.a.c (as at year-end 2023: US\$ 5.6 million); the company acts as an agent for 15 d'Amico Tankers vessels, resulting in a US\$ 32.6 million net receivables as at the same date (as at year-end 2023: 41.9 million).

28 Related party transactions - continued

The effects, by legal entity, of related party transactions on the Company's Income statement for 2024 are:

The effects, by legal effility, of felaled party transacti	d'Amico International Shipping S.A.	d'Amico Tankers UK Limited	d'Amico Tankers Monaco Sam	Glenda International Shipping d.a.c.	High Pool Tankers Limited	Ishima PTE Limited
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenues	-	45,329	-	-	163,544	5
Voyage costs	-	(372)	-	-	(723)	-
of which						
Commission -vessel cost	-	(372)	-	-	-	-
Bunker Cost	-	-	-	-	(723)	-
Port Cost	-	-	-	-	-	
Activity Cost						
Charter Expenses	-	-	-	-	(7,525)	-
Other direct operating costs	-	-	-	-	-	(113)
of which						
Management Fees	-	-	-	-	-	-
Other Management and Admin fees	-	-	-	-	-	(36)
Manning	-	-	-	-	-	(67)
Spares	-	-	-	-	-	(10)
General & Administrative (Costs)/Income of which	-	(4,032)	(4,548)	-	-	-
Service and commercial management	-	(4,032)	(4,548)	-	-	-
Interest (cost)/ income	-	-	-	-	-	-
Rent (cost)/ income	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Financial interests	(1,554)	-	-	-	-	-
Finance lease cost	-	-	-	-	-	-
Dividend income	-	-	-	4	-	-
	(1,554)	40,925	(4,548)	4	155,296	(108)

Voyage costs include purchases of fuel oil and gasoil from Rudder S.A.M., on a back-to-back basis from third-party suppliers; on these transactions Rudder S.A.M. earned an average margin per metric ton of US\$ 1.97 in 2024 and US\$ 3.17 in 2023, for volumes sold to d'Amico Tankers and High Pool Tankers (acting as agent of d'Amico Tankers), of 109,893 Mts in 2024 and 114,144 Mts in 2023 respectively, resulting in a gross margin for Rudder S.A.M. of US\$ 216.7 thousand in 2024 and of US\$362 thousand in 2023. The total amount invoiced by Rudder S.A.M. to the company in relation to these transactions was US\$69.1 million in 2024 and US\$76.0 million in 2023.

28 Related party transactions – continued

	d'Amico Shipping UK	d'Amico Shipping Singapore Pte Ltd	d'Amico Shipping USA Ltd	d'Amico Dry d.a.c.	d'Amico Societa' Di Navigazione spa	d'Amico Ship Management Srl	Rudder Sam
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenues	-	783	-	-	-	-	-
Voyage costs of which	-	-	-	-	-	-	(217)
Commission -vessel cost	-	-	-	-	-	-	-
Bunker Costs	-	-	-	-	-	-	(217)
Activity Cost	-	-	-	-	-	-	-
Charter Expenses	-	-	-	-	-	-	-
Other direct operating costs of which	(3)	(11)	-	-	-	(8,079)	-
Management Fees	-	-	-	-	-	(8,001)	-
Other Management and Admin fees	(3)	-	-	-	-	-	-
Manning	-	(3)	-	-	-	(78)	-
Spares	-	(8)	-	-	-	-	-
General & Administrative (Costs)/income) of which	(270)	(1,835)	(1,465)	(97)	(3,592)	-	-
Service and commercial management	(270)	(1,835)	(1,465)	-	(3,592)	-	-
Interest (cost)/ income							
Rent (cost)/ income	-	-	-	(97)	-	-	-
Depreciation	-	-	-	(107)	-	-	-
Financial interests	-	-	-	-	-	-	-
Finance lease cost	-	-	-	(27)	-	-	-
Dividend income	-	-	<u>-</u>	-	-	-	-
	(273)	(1,063)	(1,465)	(231)	(3,592)	(8,079)	(217)

28 Related party transactions - continued

The effects, by legal entity, of related party transactions on the Company's Income statement for 2023 are:

	d'Amico international Shipping S.A. US\$'000	d'Amico Tankers UK Limited US\$'000	d'Amico Tankers Monaco Sam US\$'000	Glenda International Shipping d.a.c. US\$'000	High Pool Tankers Limited US\$'000	Ishima PTE Limited US\$'000
Revenues	-	25,027	-	-	195,657	-
Voyage costs	-	-	(7)	-	-	-
of which						
Commission -vessel cost	-	-	(7)	-	-	-
Bunker Cost	-	-	-	-	-	-
Activity Cost	-	-	-	-	-	-
Charter Expenses	-	-	-	-	(23,855)	-
Other direct operating costs	-	-	-	-	-	(339)
of which						
Management Fees	-	-	-	-	-	(33)
Other Management and Admin fees	-	-	-	-	-	(189)
Extraordinary	-	-	-	-	-	(54)
Spares	-	-	-	-	-	(63)
General & Administrative (Costs)/Income	-	(4,532)	(5,151)	-	-	-
of which						
Service and commercial management	-	(4,532)	(5,151)	-	-	-
Interest (cost)/ income	-	-	-	-	-	-
Rent (cost)/ income	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-
Financial interests	(1,969)	-	-	-	-	-
Finance lease cost	-	-	-	-	-	-
Dividend income		-	-	520	-	-
	(1,969)	20,495	(5,158)	520	171,802	(339)

28 Related party transactions – continued

	d'Amico Shipping UK	d'Amico Shipping Singapore Pte Ltd	d'Amico Shipping USA Ltd	d'Amico Dry d.a.c.	d'Amico Societa' di Navigazione spa	Rudder Sam
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenues	-	14,620	-	-	-	-
Voyage costs of which	-	(119)	-	-	-	(362)
Commission -vessel cost	-	(99)	-	-	-	-
Bunker Costs	-	-	-	-	-	(362)
Activity Cost	-	(20)	-	-	-	-
Charter Expenses	-	-	-	-	-	-
Other direct operating costs of which	-	(6)	-	-	(7,827)	-
Management Fees	-	-	-	-	-	-
Other Management and Admin fees	-	(4)	-	-	(7,827)	-
Extraordinary	-	-	-	-	-	-
Spares	-	(2)	<u>-</u>	-	<u>-</u>	-
General & Administrative (Costs)/income) of which	(285)	(2,435)	(1,520)	(128)	(3,596)	-
Service and commercial management Interest (cost)/ income	(285)	(2,435)	(1,520)	-	(3,596)	-
Rent (cost)/ income	-	-	-	(128)	-	-
Depreciation	-	-	-	(107)	-	-
Financial interests	-	-	-	-		14
Finance lease cost	-	-	-	(32)	-	-
Dividend income	<u> </u>	-	-	-	-	-
	(285)	12,060	(1,520)	(267)	(11,423)	(348)

28 Related party transactions – continued

The effects, by legal entity, of related party transactions on the Company's statement of financial position as at 31 December 2024 are the following:

	d'Amico international Shipping S.A.	d'Amico Tankers UK Limited	d'Amico Tankers Monaco SAM	High Pool Tankers Limited	Ishima PTE Limited	Rudder SAM	Cogema	d'Amico Shipping UK
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Receivable and Other Current Assets Payables and Other Current Liabilities	- (379)	3,774 (2,245)	1 (932)	33,198 (3,597)	- (19)	- (282)	1 -	100 (278)
Facility Credit	-	-	-	-	-	-	-	-
Other Non-Current Assets of which	-	-	-	5,625	-	-	-	-
Other Receivable – Non-current	-	-	-	5,625	-	-	-	-
Non-Current Financial Liabilities of which	-	-	-	-	-	-	-	-
Facility Debit	-	-	-	-	-	-	-	-
Finance Lease Payable	-	-	-	-	-	-	-	-
Current Financial Liabilities of which	-	-	-	-	-	-	-	-
Facility Debit	-	-	-	-	-	-	-	-
Finance Lease Payable	-	-	-	-	-	-	-	-
Reserves Of which	-	-	-	-	-	-	-	-
Additional Paid in Capital	-	-	-	-	-	-	-	-
	(379)	1,529	(931)	35,226	(19)	(282)	1	(178)

28 Related party transactions – continued

	d'Amico Shipping Singapore Pte Ltd	d'Amico Shipping Usa Ltd	d'Amico Dry d.a.c.	d'Amico Societa' Di Navigazione spa	d'Amico Ship Management Srl	Acgi Pte Ltd	d'Amico International S.A.
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Receivable and Other Current Assets	1,688	-	68	90	-	-	-
Payables and Other Current Liabilities	(419)	(180)	(137)	(245)	(58)	-	-
Facility Credit	-	-	-	-	-	-	-
Other Non-Current Assets	-	-	-	-	-	-	-
of which							
Other Receivable - Non current	-	-	-	-	-	-	-
Non-Current Financial Liabilities of which	-	-	(344)	-	-	-	-
Facility Debit	-	-	-	-	-	-	-
Finance Lease Payable	-	-	(344)	-	-	-	-
Current Financial Liabilities	-	-	(113)	-	-	-	-
of which			, ,				
Facility Debit	-	-	-	-	-	-	-
Finance Lease Payable	-	-	(113)	-	-	-	-
Reserves	-	-	-	-	-	-	-
Of which							
Additional Paid in Capital	-	-	-	-	-	-	-
	1,269	(180)	(526)	(155)	(58)	-	-

28 Related party transactions – continued

The effects, by legal entity, of related party transactions on the Company's statement of financial position as at 31 December 2023 are the following:

	d'Amico international Shipping S.A. US\$'000	d'Amico Tankers UK Limited US\$'000	d'Amico Tankers Monaco SAM US\$'000	High Pool Tankers Limited US\$'000	Ishima PTE Limited US\$'000	Rudder SAM US\$'000	d'Amico Shipping UK US\$'000
Receivable and Other Current Assets	-	2,415	363	49,600	-	-	-
Payables and Other Current Liabilities	(440)	· -	(2,047)	(13,225)	(66)	(493)	(115)
Facility Credit	-	-	=	-	-	-	-
Other Non-Current Assets	-	-	-	5,625	-	-	-
of which							
Other Receivable – Non-current	-	-	-	5,625	-	-	-
Non-Current Financial Liabilities	-	-	-	-	-	-	-
of which							
Facility Debit	-	-	-	-	-	-	-
Finance Lease Payable Current Financial Liabilities	-	<u>-</u>	-	-	<u>-</u>	-	<u>-</u>
of which	_	_	_	_	_	_	_
Facility Debit	_	-	-	-	-	-	-
Finance Lease Payable	-	-	-	-	-	-	-
Reserves	-	-	-	-	-	-	-
Of which							
Additional Paid in Capital	-	-	-	-	-	-	-
	(440)	2,415	(1,684)	42,000	(66)	(493)	(115)

28 Related party transactions – continued

	d'Amico Shipping Singapore Pte Ltd	d'Amico Shipping Usa Ltd	d'Amico Dry d.a.c.	d'Amico Societa' Di Navigazione spa	Acgi Pte Ltd	d'Amico International S.A.
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Receivable and Other Current Assets	5,974	-	134	-	-	-
Payables and Other Current Liabilities	(1,526)	(515)	(110)	(786)	(8)	(40)
Facility Credit Other Non-Current Assets	- -	- -	- -	-	-	-
of which						
Other Receivable - Non current	-	-	-	-	-	-
Non-Current Financial Liabilities of which	-	-	(450)	-	-	-
Facility Debit	-	-	-	-	-	-
Finance Lease Payable	-	-	(450)	-	-	-
Current Financial Liabilities of which	-	-	(105)	-	-	-
Facility Debit	-	-	-	-	-	-
Finance Lease Payable	-	-	(105)	-	-	-
Reserves	-	-	-	-	-	-
Of which Additional Paid in Capital	_	_	_	_	_	_
Auditional Falu III Capital	-	-	-	-	-	-
	4,448	(515)	(531)	(786)	(8)	(40)

29 Commitments and contingencies

Capital commitments

	As at 31 December 2024 US\$'000	As at 31 December 2023 US\$'000
Within one year Between 1 and 3 years	67,861 178,560	-
Between 3 and 5 years More than 5 years	-	-
	264,421	-

d'Amico Tankers d.a.c.' capital commitments within one year refer to the exercise of the purchase options on the 2018-built MR vessel M/T High Navigator for US\$ 33.9 million, delivered in Feb'25, and the 2018-built MR vessel M/T High Leader for US\$ 33.9 million (purchase price subject to adjustment basis actual date of delivery, expected in April'25). In addition, d'Amico Tankers d.a.c. capital commitments beyond one year, refer entirely to the payment of the instalments due on the four newbuilding LR1s ordered at Jiangsu New Yangzi Shipbuilding Co., China, in Q2 2024, with expected delivery in 2027. There were no capital commitments as at December 31, 2023.

Chartered-in vessels

With the introduction of IFRS 16 – Leases, the lease liabilities relating to vessels chartered-in, with contracts at inception longer than one year, are recognised within the balance sheet, see note 27. In the following table we indicate the lease liabilities relating to time-charters which at inception were shorter than one year.

	As at 31 December 2024	As at 31 December 2023
	US\$'000	US\$'000
Within one year		

As at 31 December 2024, the Company did not have time-chartered-in vessels with a term at inception shorter than one year.

Ongoing disputes

The Company is currently involved in a number of on-going commercial disputes concerning both owned and chartered-in vessels. The majority of current disputes relate to cargo contamination claims. In addition, there is also a collision dispute and a repudiation of charter claim. The disputes are mostly covered by our Protection and Indemnity (P&I) Club insurance and management expects the Company's financial exposure will be limited to the value of the relevant insurance policy deductibles.

Tonnage tax deferred taxation

d'Amico Tankers d.a.c., is 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 company may be subject to tax if vessels are sold, or the company fails to comply with the ongoing requirements to remain within the regime.

The Company last renewed its application on January 2024 for the following 10 years. No provision has been made for deferred taxation as no liability is reasonably expected to arise.

30 Events after the reporting period

Exercise of a purchase option: In January 2025, d'Amico Tankers d.a.c., exercised its purchase option on M/T Cielo di Houston, a 75,000 dwt LR1 vessel, built in 2019 by Hyundai Mipo, South Korea in their Vinashin, Vietnam facility for a consideration of US\$ 25.6 million, with delivery expected in Q3 2025.

'Time Charter Out' Fleet: In January 2025, d'Amico Tankers d.a.c. fixed a time charter-out contract with a reputable counterparty for one of its handysize vessels for a period of 16 months.

31 Other Information

d'Amico Tankers d.a.c. is a company limited by shares, domiciled in Ireland, its country of incorporation, with the following registered address:

The Anchorage 17-19 Sir John Rogerson's Quay Dublin 2 Ireland

The Company's registered number is 351529.

The parent company of d'Amico Tankers d.a.c. is d'Amico International Shipping S.A.. The ultimate parent company and controlling party to consolidate these financial statements is d'Amico Societa' di Navigazione S.p.A. d'Amico Societa' di Navigazione S.p.A's consolidated financial statements are filed with the Palermo Companies Register.

Registered address of controlling party:

Via Enzo ed Elvira Sellerio 27, Palermo, Italy.

32 Approval of financial statements

The directors approved the financial statements on 11th March 2025.