

**d'Amico International Shipping S.A.**

société anonyme

Registered office: 25 C, boulevard Royal, L-2449 Luxembourg,

R.C.S. Luxembourg: B – 124.790

(the “**Company**”)

**REPORT OF THE BOARD OF DIRECTORS**

**to the annual general meeting of shareholders of the Company**

**to be held on April 20<sup>th</sup>, 2021**

\*\*\*

**Renewal of the authorization to the board of directors to repurchase the own shares of the Company**

Dear shareholders,

The board of directors of d'Amico International Shipping S.A. (the “**Board of Directors**”) wishes the Company to continue to have access to a shares' buyback program. Accordingly, the annual general meeting of shareholders of the Company will be asked to renew the authorization with respect to the repurchase and disposal by the Company of its own shares (together with the Company's shares already bought back (the “**Own Shares**”), to be effected by the Board of Directors pursuant to Article 430-15 *et seq.* of the Luxembourg law of August 10, 1915 concerning commercial companies, as amended from time to time (the “**Luxembourg Law**”), Article 8 of the Company's articles of association (the “**Articles of Association**”), the relevant provisions of the EU Reg. no 596/2014 and its delegated and implementing acts (the “**Market Abuse Regulation**”) together with the applicable Italian and Luxembourg laws, regulations and the best market practices which are accepted on the Italian regulated market and currently authorized or authorized in future by the applicable laws and regulations.

Given that the previous authorization, as granted to the Board of Directors by the annual general meeting of shareholders of the Company held on 20 April 2016 for a period of five (5) years is due to expire on 20 April 2021, the Board of Directors believes it is in the best interests of the Company to renew such authorization to acquire and sell Own Shares of the Company in accordance with the applicable laws and regulations and for all purposes constituting market practices which are accepted on the Italian regulated market and currently authorized or which

may be authorized in future by the applicable laws and regulations, in compliance with the equal treatment of shareholders and the applicable laws and regulations.

## **1. Purposes for which the authorization to repurchase Own Shares is required**

The request to the shareholders for authorization to repurchase Own Shares is based, without limitation, on the following purposes and considerations

- i) to create, in accordance with market practices currently accepted or that may be implemented in future on the Italian regulated market, “inventory of treasury shares” that will be available as a means of payment, exchange, transfer, contribution, assignment or other action of disposal within the framework of transactions linked to the Company and its subsidiaries’ operations and of any projects offering an effective investment opportunity in line with the strategic policy of the Company. These include agreements with strategic partners, acquisition of shareholdings or share packages or other extraordinary finance transactions that involve the allocation or assignment of Own Shares (e.g. merger, demerger, issuance of convertible debentures or warrants, etc.), and more widely for any purposes permitted under the applicable laws and regulations, including but not limited to placing the Company in a position to offer all Own Shares for distribution to the Company and its subsidiaries and controlling companies’ directors, officers or employees, whether or not pursuant to the implementation of a stock option plan as approved and/or amended from time to time by the Company;
- ii) to place the Company in a position where it can intervene on the market in order to maintain the stock’s liquidity or investment policies in accordance with market practices currently accepted or that may be implemented in future on the Italian regulated market, by providing support for the price of the Company’s shares for a limited time period if they come under selling pressure, thus alleviating the sales pressure generated by short term investors and maintaining an orderly market;
- iii) to help to stabilize the market price of the Company’s shares, if deemed appropriate and/or necessary, according to Article 5 *et seq.* of the EU Regulation and/or any other applicable law or provision;

## **2. Maximum number of shares to be repurchased**

The proposal to the shareholders concerns renewal of the authorization to the Board of Directors to repurchase, in one or more tranches, up to a maximum of 186,157,950 ordinary shares of the

Company including the Own Shares already repurchased and held in the Company's portfolio in compliance with Article 430-15 of the Luxembourg Law.

The issued and fully paid share capital of the Company is currently fixed at USD 62,052,650.30, represented by 1,241,053,006 ordinary shares of no nominal value, including the Own Shares held in the portfolio.

At the time of this report, the Company holds 18,326,911 Own Shares corresponding to 1,48% of the outstanding share capital.

It is stressed that the voting and dividend rights of the Own Shares shall be suspended.

### **3. Authorized period**

The authorization to repurchase Own Shares in one or more tranches is required for a maximum period of five (5) years from the date of the relevant shareholder's meeting approving renewal of the authorization.

The disposal of Own Shares shall not be subject to any time limits.

### **4. Maximum and minimum consideration**

The Board of Directors proposes to the shareholders to fix the minimum and maximum consideration for the repurchase of Own Shares, in accordance with applicable laws and regulations, as follows

- (i) a minimum price of no more than 10% below the shares' official price reported in the trading session on the day before each individual transaction is executed;
- (ii) a maximum price of no more than 10% above the shares' official price reported in the trading session on the day before each individual transaction is executed.

### **5. Information regarding fulfillment of the requirements set forth in Article 430-15 of the Luxembourg Law**

According to the Luxembourg Law, the amount of the available reserves and distributable earnings shall be sufficient for the scheduled repurchase of fully paid-up Own Shares, such that the acquisitions shall not have the effect of reducing the net assets below the amount mentioned

in paragraph 1 & 2 of Article 461-2 of the Luxembourg Law (i.e. the aggregate of the subscribed capital and the reserves which may not be distributed according to the law or the Articles of Association of the Company).

## **6. Procedures and terms and conditions**

The Board of Directors proposes to the shareholders that the Own Shares repurchase and sale transactions be executed in one or more tranches on the regulated market managed and organized by *Borsa Italiana S.p.A.* in compliance with the relevant applicable laws and regulations.

The terms and conditions and procedures (the “**Parameters**”) to be observed for each repurchase or sale of Own Shares by the Company shall be approved by the Board of Directors, which is authorized, with option to delegate, to have the transactions effected and publicized. In all cases, each repurchase shall be executed and publicized in accordance with Luxembourg and/or Italian laws and regulations where applicable, as well as according to the relevant provisions concerning exemptions from market abuse applicable legislation for buyback programs and stabilization of financial instruments.

March 11<sup>th</sup>, 2021

For the Board of Directors

---

Paolo d'Amico  
President and Chief Executive Officer