

SHIPPINGWATCH

D'Amico buys two vessels and refinances them in a leasing arrangement

Product tanker company d'Amico Tankers has purchased two tankers and refinanced them through two new leasing transactions, according to a company release.



Photo: d'Amico

BY IDHA TOFT VALEUR

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D'Amico Tankers, a subsidiary of d'Amico International Shipping, has purchased two product tankers and thus has "exercised its purchase options" on the existing contracts for the vessels, according to a press release.

The vessels, MT High Discovery and MT High Fidelity, are both 49,990-dwt medium-range product tankers, and both were built in 2014.

D'Amico Tankers buys them back for USD 20.3m for MT High Discovery and pays USD 19.2m for MT High Fidelity, the **release states** https://en.damicointernationalshipping.com/about-dis/press-area/#_dis-press-releases.

The company informs that the two vessels have already been leased out and that d'Amico tankers will finance the vessels with new 10-year leases. The bareboat charter contracts will include a purchase obligation at the end of the contract.

“I’m satisfied to announce the conclusion of these refinancing transactions with reputable Japanese counterparties, which allow DIS to generate some cash at inception of the new lease contract, while significantly reducing the cost of funding and the P&L and cash break-even for these two modern vessels,” Paolo d’Amico Chairman and CEO of d’Amico International Shipping said in the release.

”In addition, we will retain full control, both technical and commercial, of these two young Eco MR ships, through new 10-year bareboat charter contracts and we will have the option of repurchasing the High Discovery and the High Fidelity.”

There is no information on who the counterpart of the 10-year lease contract is.

The company informs that currently, its fleet consists of 35 double-hulled product tankers with a mix of MR, handysize and LR1.