

D'Amico builds \$35m war chest

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Fiori sees opportunity to acquire low-priced assets ahead of market recovery

PRODUCT tanker owner d'Amico International Shipping is seeking to raise \$35m in a public offering of common shares and warrants. The proceeds raised will be used to build the company's cash chest and opportunistically acquire vessels over the coming months.

According to chief executive Marco Fiori's comments to Lloyd's List, the capital raise fits with the company's strategy to acquire assets at the bottom of the cycle. Mr Fiori would like his company to take advantage of low asset prices and acquire vessels now ahead of a market recovery in medium range product tankers. Mr Fiori believes that such recovery is feasible within the next six months.

According to Mr Fiori, raising a modest amount of capital to take advantage of low asset prices makes sense, despite his company's shares trading at a 50% discount to net asset value.

The new shares issued will include five-year warrants that could potentially raise total gross proceeds to \$60m. Existing shareholders of d'Amico will have priority to buy into the offering. D'Amico is publicly traded on the Milan Stock Exchange.

D'Amico, which reported a \$12.8m loss for fiscal 2016 yesterday, had \$31.6m in cash as of December 31, 2016.

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