

# Prospectus



DIANA SHIPPING INC.\*

**DIANA SHIPPING INC.**

*(a corporation with limited liability existing under the Republic of the Marshall Islands)*

## **Listing of Diana Shipping Inc. 8.75% Senior Unsecured USD 175,000,000 Bond Issue 2024/2029 on the Oslo Stock Exchange**

This prospectus (the "**Prospectus**") has been prepared by Diana Shipping Inc., a corporation with limited liability existing under the laws of the Republic of the Marshall Islands ("**Diana Shipping**" or the "**Issuer**", and together with its subsidiaries, the "**Group**") in connection with the listing (the "**Listing**") on Euronext Oslo Børs, a stock exchange being part of Euronext and operated by Oslo Børs ASA (the "**Oslo Stock Exchange**"), of the 8.75% senior unsecured USD 175,000,000 Bond Issue 2024/2029 with ISIN NO 001 3265835, issued by the Issuer on 2 July 2024 (the "**Bonds**" or the "**Bond Issue**").

The Bonds are registered in Euronext Securities Oslo, the Norwegian Central Securities Depository (the "**CSD**") in book-entry form. All Bonds rank in parity with one another.

The Bonds are expected to be listed and tradable on the Oslo Stock Exchange on or about 4 November 2024 under the ticker code "**DIASH**".

**THIS PROSPECTUS SERVES AS A LISTING PROSPECTUS ONLY. THE PROSPECTUS DOES NOT CONSTITUTE AN OFFER, OR INVITATION TO PURCHASE, SUBSCRIBE OR SELL, ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO BONDS, SHARES OR OTHER SECURITIES ARE BEING OFFERED OR SOLD IN ANY JURISDICTION PURSUANT TO THIS PROSPECTUS.**

Investing in the Issuer or the Bonds involves a high degree of risk. Any prospective investors should read the entire Prospectus, and in particular consider Section 2 "**Risk factors**", when considering an investment in the Bonds or the Issuer.

The distribution of this Prospectus may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required by the Issuer to inform themselves about and to observe any such restrictions. Any failure to comply with these regulations may constitute a violation of the securities laws of the relevant jurisdiction. See Section 11 "**Selling and transfer restrictions**".

### Managers

Fearnley Securities AS



Nordea Bank Abp, filial i Norge



31 October 2024

## IMPORTANT INFORMATION

This Prospectus has been prepared by the Issuer solely for use in connection with the Listing of the Bonds on the Oslo Stock Exchange.

This Prospectus has been prepared to comply with the Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (the "**Norwegian Securities Trading Act**") and related secondary legislation, including the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, and as implemented in Norway in accordance with section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**") and the bond rules issued by the Oslo Stock Exchange and comprises. This Prospectus has been prepared solely in the English language.

This Prospectus has been approved by the Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*) (the "**Norwegian FSA**"), as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Prospective investors should make their own assessment as to the suitability of investing in the securities.

The Issuer has engaged Fearnleys Securities AS and Nordea Bank Abp, filial i Norge, as managers in connection with the Bond Issue (the "**Managers**").

Unless otherwise indicated, the information contained in this Prospectus is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the date of this Prospectus and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstances imply that there has been no change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

All inquiries relating to this Prospectus should be directed to the Issuer. No person is authorized to give information or to make any representation concerning the Group in connection with the Listing other than as contained in this Prospectus. If any such information is given or made, it must not be relied upon as having been authorized by the Issuer or the Managers or by any affiliates, representatives, advisors or selling agents of any of the foregoing.

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents, is prohibited.

An investment in the Bonds involves inherent risks. Potential investors should carefully consider the risk factors set out in Section 2 "*Risk Factors*" in addition to the other information contained herein before making an investment decision. An investment in the Bonds is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of their entire investment. In making an investment decision, prospective investors must rely on their own examination, and analysis of, and enquiry into the Group and the Bonds, including the merits and risks involved. Neither the Issuer nor any of its advisers are making any representation to any purchaser of the Bonds regarding the legality of an investment in the Bonds by such purchaser under the laws applicable to such purchaser. The contents of this Prospectus do not constitute legal, tax, business, or financial advice, and each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

**This Prospectus does not constitute an offer of, or an invitation to purchase or sell any of the securities described herein in any jurisdiction in which such offer or sale would be unlawful. The distribution of this Prospectus and the offer and sale of the Bonds may in certain jurisdictions be restricted by law. The Issuer has not registered the Bonds under the U.S. Securities Act, and does not expect to do so in the future. The Bonds may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the U.S. Securities Act), except for pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities law, or pursuant to an effective registration statement. Neither this Prospectus nor any advertisement or other material pertaining to the securities of the Issuer may be distributed or published in any jurisdiction except under circumstances that will result in compliance with applicable laws and regulations. Persons in possession of this Prospectus are required to inform themselves about and to observe any applicable restrictions. In addition, the Bonds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations.**

This Prospectus shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with the Oslo District Court as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Prospectus.

All Sections of the Prospectus should be read in context with the information included in Section 4 "*General information*".

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## APPENDICES TO THE PROSPECTUS:

**APPENDIX 1** Articles of Incorporation of Diana Shipping Inc.

**APPENDIX 2** The Bond Terms

# 1 SUMMARY

## SECTION A | INTRODUCTION

### (i) Warning

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor. An investment involves inherent risk and the investor could lose all or part of its invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

### (ii) The securities:

This Prospectus relates to Diana Shipping Inc.'s 8.75% Senior Unsecured USD 175,000,000 Bond Issue 2024/2029.

### (iii) The issuer:

Diana Shipping Inc. with registration number 13671 and registered address at Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH 96960. The main telephone number at the headquarters is +30 21094 70100. The Issuer's website is [www.dianashippinginc.com](http://www.dianashippinginc.com). The Issuer's LEI-code is 549300XD7FHNJ0THIV12.

### (iv) The competent authority approving the Prospectus:

The Financial Supervisory Authority of Norway (Nw.: *Finanstilsynet*), with registration number 840 747 972 and registered address Revierstredet 3, N-0107 Oslo, Norway. The Financial Supervisory Authority of Norway can be contacted by telephone to +47 22 93 98 00 or by e-mail to [post@finansstilsynet.no](mailto:post@finansstilsynet.no).

### (v) The date of approval of the Prospectus:

31 October 2024.

## SECTION B | KEY INFORMATION ON THE ISSUER

### (i) Who is the issuer of the securities?

#### Corporate information

The Issuer is a corporation with limited liability existing under the laws of the Republic of the Marshall Islands. The Issuer was validly incorporated on 8 March 1999 under the laws of Liberia as Diana Shipping Investments Corp. In February 2005, the Issuer's articles of association were amended and the Issuer changed its name to Diana Shipping Inc. and was re-domiciled to the Republic of the Marshall Islands with company registration number 13671 in the Marshall Islands' Registrar of Corporations, in accordance with the Marshall Islands' Business Corporations Act. The Issuer's LEI-code is 549300XD7FHNJ0THIV12. The Issuer's registered business address is Trust Company Complex, Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH 96960, and its executive offices are located at Pendelis 16, 175 64 Palaio Faliro, Athens, Greece. The Issuer's website is [www.dianashippinginc.com](http://www.dianashippinginc.com).

#### Principal activities

The Issuer is a global provider of shipping transportation services that specializes in the ownership and bareboat charter-in of dry bulk vessels. As of the date of this Prospectus, the Group's fleet consists of 38 dry bulk vessels, owned and chartered in (9 Ultramax, 6 Panamax, 6 Kamsarmax, 5 Post-Panamax, 8 Capesize and 4 Newcastlemax vessels). The Issuer also expects to take delivery of two methanol dual fuel new-building Kamsarmax dry bulk vessels by the second half of 2027 and the first half of 2028, respectively. As of the same date, the combined carrying capacity

of the Group's fleet excluding the two vessels not yet delivered, is approximately 4.2 million dead weight tons with a weighted average age of 10.99 years. The commercial and technical management of the Group's fleet, as well as the provision of administrative services relating to the Group's fleet's operations, are carried out by Diana Shipping Services S.A., the Issuer's wholly-owned subsidiary, and Diana Wilhelmsen Management Limited, a 50/50 joint venture with Wilhelmsen Ship Management.

The Group's vessels are employed primarily on short to medium term time charters and transport a range of dry bulk cargoes, including such commodities as iron ore, coal, grain and other materials along worldwide shipping routes.

#### Major shareholders

As of the date of this Prospectus, the following shareholders hold more than 5% of the Issuer's share capital:

Shareholder	No. of Shares	Percentage
Semiramis Paliou	24,061,117	18.4%*
Anastasios Margaronis	12,272,608	9.6%*
Sea Trade Holdings Inc.	19,165,545	15.3%
F. Laeisz GmbH	6,305,426	5.0%

\* Calculated in accordance with Section 13d-3 of the U.S. Securities Exchange Act of 1934.

#### Key managing directors

The Issuer's management consists of the following individuals:

- Semiramis Paliou, Class III Director and Chief Executive Officer
- Anastasios C. Margaronis, Class I Director and President
- Ioannis G. Zafirakis, Class I Director, Chief Financial Officer, Chief Strategy Officer, Treasurer and Secretary
- Maria Dede, Chief Accounting Officer
- Margarita Veniou, Chief Corporate Development, Governance & Communications Officer
- Maria Christina Tsemani, Chief People Officer

#### Statutory auditor

The Issuer's independent auditor, since the beginning of 2024, is Deloitte Certified Public Accountants S.A., with general commercial registration number 0001223601000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address at 3a Fragoklissias & Granikou St, Maroussi, Athens, GR 15125, Greece. Before that, and since 2004, the Issuer's independent auditor was Ernst & Young (Hellas) Certified Auditors Accountants S.A. ("EY"), with general commercial registry number 000710901000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address Chimarras 8B, 15125 Maroussi, Greece.

#### **(ii) What is the key financial information regarding the issuer?**

Financial information in the Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 (the "**Annual Financial Statements**"), prepared in accordance with the generally accepted accounting principles in the United States ("**U.S. GAAP**"). The Annual Financial Statements are presented in USD and have been audited by EY. The audit reports are issued without any qualifications, modifications of opinion or disclaimers; and
- Unaudited interim financial statements for the Issuer as of and for the six months ended 30 June 2024 and 30 June 2023, as filed with the U.S. Securities and Exchange Commission on Form 6-K on 12 September 2024 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with U.S. GAAP. The Interim Financial Statements are presented in USD and have not been subject to audit review.

The following summarizes the consolidated financial data of the Group as derived from the Financial Information:

Consolidated statements of income

<i>(in USD million)</i>	Six months period ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Revenue	113.6	140.0	262.1	290.0
Net income / (loss)	(0.7)	33.1	49.8	119.1
Net income / (loss) attributed to common stockholders	(3.6)	30.2	44.1	113.3
Basic earnings / (loss) per share (in USD)	(0.03)	0.31	0.44	1.42
Diluted earnings / (loss) per share (in USD)	(0.03)	0.30	0.42	1.36

Consolidated statements of comprehensive income

<i>(in USD million)</i>	Six months period ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
<b>Net income / (loss)</b>	<b>(0.7)</b>	<b>33.1</b>	<b>49.8</b>	<b>119.1</b>
Other comprehensive income - Defined benefit plan	0	0	0.05	0.2
<b>Comprehensive income</b>	<b>(0.7)</b>	<b>33.1</b>	<b>49.9</b>	<b>119.2</b>

Consolidated balance sheets

<i>(in USD million)</i>	30 June		31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Total assets	1,148.5	1,203.9	1,166.4	1,182.9
Total equity	499.9	487.4	489.0	487.3
Total liabilities	648.6	716.5	677.4	695.6
Total equity and liabilities	1,148.5	1,203.9	1,166.4	1,182.9

Consolidated statement of cash flows

<i>(in USD million)</i>	Six months period ended 30 June		Year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
Net cash from operating activities	49.2	52.6	70.4	158.9
Net cash flow (used in) / from investing activities	(13.6)	5.9	24.9	(273.1)
Net cash flow (used in) / from financing activities	(37.1)	(12.2)	(71.1)	84.9
Net increase / (decrease) in cash, cash equivalents and restricted cash	(1.6)	46.2	24.2	(29.4)
Cash, cash equivalents and restricted cash at beginning of year	121.6	97.4	97.4	126.8
Cash, cash equivalents and restricted cash at end of period/year	120.0	143.6	121.6	97.4

**(iii) What are the key risks that are specific to the issuer?**

Risks related to the dry bulk offshore market and the Group's operations

- Charter hire rates for dry bulk vessels are volatile and have fluctuated significantly in the past years, which may adversely affect the Group's earnings, revenues and profitability and the Group's ability to comply with the Group's loan covenants
- The Group's operating results may be affected by seasonal fluctuations
- The Group is exposed to risks related to increased inspection procedures, tighter import and export controls and new security regulations which could increase costs and disrupt the Group's business
- The Group faces risks related to damage to the Group's vessels
- The Group is exposed to risks associated with the cargo of its vessels
- Failure to comply with the U.S. Foreign Corrupt Practices Act could result in fines, criminal penalties and an adverse effect on the Group's business

Risks related to regulations, disputes and litigation

- The Group is subject to risks pertaining to complex laws and regulations, including environmental regulations that can adversely affect the cost, manner or feasibility of doing business
- If the Group's vessels call on ports located in countries or territories that are the subject of sanctions or embargoes imposed by the U.S. government, the European Union, the United Nations, or other governmental authorities, it could lead to monetary fines or penalties and may adversely affect the Group's reputation and the market for the Group's securities

Risks related to the Group's financial position

- The Group is exposed to risks associated with the global financial markets and economic conditions
- The market values of the Group's vessels could decline, which could limit the amount of funds available to the Group and could trigger breaches of certain financial covenants contained in the Group's loan facilities which could adversely affect the Group's operating results, and it may incur a loss if the Group sells vessels following a decline in their market values
- The Group may not be able to borrow amounts under loan facilities and restrictive covenants in its loan facilities impose financial and other restrictions
- The Group is exposed to USD and foreign currency fluctuations and devaluations that could harm the Group's reported revenue and results of operations

Risks related to the Group's business

- The Group charter some of its vessels on short-term time charters in a volatile shipping industry and a decline in charter hire rates could affect the Group's results of operations
- Rising crew costs could also adversely affect the Group's results of operations and if the Group expands its business further, it may need to improve its operating and financial systems and will need to recruit suitable employees and crew for its vessels
- The Group's investment in Diana Wilhelmsen Management Limited exposes it to additional risks
- A cyber-attack could materially disrupt the Group's business
- Investment in derivative instruments such as forward freight agreements could result in losses
- The Group is subject to certain risks with respect to its counterparties on contracts, and failure of such counterparties to meet their obligations could cause the Group to suffer losses or otherwise adversely affect its business
- The Issuer is a holding company, and it depends on the ability of its subsidiaries to distribute funds to it in order to satisfy its financial obligations
- In the highly competitive international shipping industry, the Group may not be able to compete for charters with new entrants or established companies with greater resources, and as a result, the Group may be unable to employ its vessels profitably
- The Group may not have adequate insurance to compensate a loss of one or more vessels or to compensate third parties



- The Group is exposed to risks associated with the dependency upon a few significant customers for a large part of its revenues and the loss of one or more of these customers could adversely affect the Group's financial performance
- The Issuer exists under the laws of the Republic of the Marshall Islands and it may be difficult to serve the Issuer with legal process or enforce judgments against it, its directors or its management
- U.S. federal tax authorities could treat the Issuer as a "passive foreign investment company", which could have adverse U.S. federal income tax consequences to U.S. shareholders

## SECTION C | KEY INFORMATION ON THE BONDS

### (i) What are the main features of the securities?

#### Type, class and ISIN

The Bonds are senior unsecured bonds, electronically registered in dematerialized form with the Norwegian central securities depository, Euronext Securities Oslo, and with ISIN NO0013265835. The Bond Issue is governed by the Norwegian law bond terms entered into on 27 June 2024 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as the bond trustee on behalf of the bondholders (the "**Bond Trustee**"). Nordea Bank Abp, filial i Norge, acts as Paying Agent (as defined in the Bond Terms).

#### Currency, par value and number of securities

The currency of the Bonds is USD. The total number of Bonds issued is 3,000, each with a nominal value of USD 50,000, and a total Issue amount of USD 150,000,000.

#### Rights attached to the securities

The bond terms dated 27 June 2024 (the "**Bond Terms**") have been entered into between the Issuer and Nordic Trustee AS as bond trustee (the "**Bond Trustee**"). The Bond Terms regulate the Bondholder's rights and obligations in relation to the issue. The Bond Trustee enters into the Bond Terms on behalf of the Bondholders and is granted authority to act on behalf of the Bondholders to the extent provided for in the Bond Terms. When Bonds are purchased, the Bondholder has accepted the Bond Terms and is bound by the terms of the Bond Terms. The Bond Terms include descriptions of rights and any limitations of those rights, such as:

- Voluntary early redemption - call option;
- Mandatory repurchase due to a put option event;
- Early redemption option due to a tax event; and
- Events of default and acceleration of the Bonds.

#### Transfer restrictions

Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.

A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to the Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

#### Seniority of the securities

The Bonds will constitute senior debt obligations of the Issuer. The Bonds shall rank at least *pari passu* with each other and with all other senior unsecured obligations of the Issuer other than obligations which are mandatorily preferred by law.

### (ii) Where will the securities be traded?

On 31 October 2024, the Issuer applied for the Bonds to be admitted to trading and listed on the regulated market place for bonds on Oslo Stock Exchange.

The Issuer expects that the Bonds will commence trading on the Oslo Stock Exchange on or around 4 November 2024 under the ticker code "DIASH".

The Issuer has not applied for admission to trading of the Bonds on any other stock exchange, regulated market or multilateral trading facility, and the Bonds have not previously been subject to public trading.

**(iii) What are the key risks that are specific to the securities?**

- The Issuer is predominantly a holding company and is dependent on cash flow from its subsidiaries to meet its obligations under the Bonds
- The Bonds are unsecured and will be effectively subordinated to any secured debt of the Issuer
- The Bonds are structurally subordinated to liabilities of the Issuer's subsidiaries
- The Bond Terms impose significant operating and financial restrictions on the Group
- There are currently no active public trading markets for the Bonds
- The Group's ability to pay or refinance its indebtedness, including the Bonds, and fund capital expenditures is dependent on future cash generation
- The Issuer's option to redeem the Bonds may limit the marked value of the Bonds
- Bondholders may be overruled by majority votes taken in bondholders' meetings

**SECTION D | KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

**(i) Under which conditions and timetable can I invest in this security?**

Admission to trading

Trading in the Bonds on the Oslo Stock Exchange is expected to commence on or around 4 November 2024, see (ii) "*Where will the securities be traded?*" above.

**(ii) Why is this Prospectus being produced?**

Reasons for the admission to trading

This Prospectus has been prepared in order to facilitate for the Listing and subsequent trading of the Bonds on the Oslo Stock Exchange.

Conflict of interest

The Issuer is not aware of any interest of any natural and legal persons involved in the Bonds that is deemed material.

## 2 RISK FACTORS

*This Prospectus is a listing prospectus. An investment in the Bonds involves inherent risk. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Prospectus, including the Financial Statements and related notes. The risks and uncertainties described in this Section 2 "Risk factors" are the principal known risks and uncertainties faced by the Group as of the date hereof that the Issuer believes are the material risks relevant to an investment in the Bonds. An investment is suitable only for investors who understand the risks associated with this type of investment and who can afford to lose all or part of their investment.*

*The risk factors included in this Section 2 are presented in a limited number of categories, where each risk factor is sought to be placed in the most appropriate category based on the nature of the risk it represents. While the most material risk factor in each category is set out first, the remaining risk factors in each section are not ranked in order of materiality or probability of occurrence. The absence of negative past experience associated with a given risk factor does not mean that the risk factor is not genuine or poses a potential threat to the Group. If any of the following risks were to materialize, individually or together with other circumstances, they could have a material adverse effect on the Group and/or its business, results of operations, cash flows, financial condition and/or prospects, which may cause a decline in the value and trading price of the Bonds, resulting in loss of all or part of an investment in the Bonds. Additional factors of which the Issuer is currently unaware or which it currently deems not to be risks, may also have corresponding negative effects.*

### 2.1 Risks related to the dry bulk offshore market and the Group's operations

*2.1.1 Charter hire rates for dry bulk vessels are volatile and have fluctuated significantly in the past years, which may adversely affect the Group's earnings, revenues and profitability and the Group's ability to comply with the Group's loan covenants*

Substantially all of the Group's revenues are derived from a single market, the dry bulk segment, and therefore the financial results are subject to cyclicalities of the dry bulk shipping industry and any attendant volatility in charter hire rates and profitability. The degree of charter hire rate volatility among different types of dry bulk vessels has varied widely, and time charter and spot market rates for dry bulk vessels have in the recent past declined below the operating costs of vessels. When the Group charters its vessels pursuant to spot or short-term time charters, it is exposed to changes in spot market and short-term charter rates for dry bulk carriers and such changes may affect the earnings and the value of the Group's dry bulk carriers at any given time. Fluctuations in charter rates result from changes in the supply of and demand for vessel capacity and changes in the supply of and demand for the major commodities carried by water internationally. Because the factors affecting the supply of and demand for vessels are outside of the Group's control and are unpredictable, the nature, timing, direction and degree of changes in industry conditions are also unpredictable. A significant decrease in charter rates would adversely affect the Group's profitability, cash flows and may cause vessel values to decline, and, as a result, the Group may have to record an impairment charge in its consolidated financial statements which could adversely affect its financial results.

In 2024, the dry bulk market has shown steady demand for period fixtures, driven by consistent demand for key commodities like coal, iron ore, and grain. Ultramax, Panamax and Kamsarmax met solid charter interest, especially for one year periods, benefiting from stable freight rates. Capesizes faced more volatility but experienced stronger demand due to increased Chinese iron ore imports. Limited fleet growth due to stricter and new environmental regulations kept vessel availability tight, while charterers focused on securing fuel-efficient tonnage to meet compliance standards. The market outlook remains uncertain amid potential economic and geopolitical and other risks.

### *2.1.2 The Group's operating results may be affected by seasonal fluctuations*

The Group operates its vessels in markets that have historically exhibited seasonal variations in demand and, as a result, in charter hire rates. This seasonality may result in quarter-to-quarter volatility in its operating results. The dry bulk carrier market is typically stronger in the fall and winter months in anticipation of increased consumption of coal and other raw materials in the northern hemisphere during the winter months. In addition, unpredictable weather patterns in these months tend to disrupt vessel scheduling and supplies of certain commodities. As a result, the Group's revenues may be weaker during the fiscal quarters ending June 30 and September 30. The Group's vessels are currently not operating in the spot market, which is more sensitive to seasonal fluctuations. If the Group's vessels start operating in the spot market, seasonal fluctuations could materially affect the Group's operating results to the extent its vessels are employed in the spot market in the future.

### *2.1.3 Risks related to increased inspection procedures, tighter import and export controls and new security regulations could increase costs and disrupt the Group's business*

International shipping is subject to various security and customs inspection and related procedures in countries of origin, destination and trans-shipment points. Changes to inspection procedures could impose additional financial and legal obligations on the Group. Changes to inspection procedures could also impose additional costs and obligations on the Group's customers, as a consequence of delays, increased handling and higher compliance costs, and may, in certain cases, render the shipment of certain types of cargo uneconomical or impractical. Enhanced customs checks, or regulatory inspections could require additional documentation, more frequent cargo inspections, or modifications to shipping routes, which would lead to higher compliance costs. Such consequences could ultimately impact the Group's relationships with customers and reduce the volume of cargo shipments, thereby adversely affecting the Group's financial performance. Any such changes or developments may thus have a material adverse effect on the Group's business, customer relations, financial condition and earnings.

### *2.1.4 Risks related to damage to the Group's vessels*

The operation of ocean-going vessels carries inherent risks. The Group's vessels and their cargoes are at risk of being damaged or lost. If the Group's vessels suffer damage, they may need to be repaired at a drydocking facility. The costs of drydock repairs are unpredictable and may be substantial. The Group may have to pay drydocking costs that its insurance does not cover at all or in full. The loss of revenues while these vessels are being repaired and repositioned, as well as the actual cost of these repairs, may adversely affect the Group's business and financial condition. For the financial years ending 31 December 2023 and 2022, the total costs related to drydock repairs of the Group's vessels were USD 5.6 million and USD 16.4 million, respectively.

In addition, space at drydocking facilities is sometimes limited and not all drydocking facilities are conveniently located. The Group may be unable to find space at a suitable drydocking facility or the Group's vessels may be forced to travel to a drydocking facility that is not conveniently located relative to the Group's vessels' positions. The loss of earnings while vessels wait for space or to travel to more distant drydocking facilities may adversely affect the Group's business and financial condition.

### *2.1.5 The Group is exposed to risks associated with the cargo of its vessels*

With a dry bulk vessel, the cargo itself and its interaction with the ship can be a risk factor. By their nature, dry bulk cargoes are often heavy, dense and easily shifted, and react badly to water exposure. In addition, dry bulk vessels are often subjected to battering treatment during unloading operations with grabs, jackhammers (to pry encrusted cargoes out of the hold), and small bulldozers. This treatment may cause damage to the dry bulk vessel. Dry bulk vessels damaged due to treatment during unloading procedures may be more susceptible to a breach at sea. Hull breaches in dry bulk vessels may lead to the flooding of their holds. If flooding occurs in the forward holds, the bulk cargo may become so waterlogged that the vessel's bulkheads may buckle under the resulting pressure leading to the loss of the dry bulk vessel. If the Group is unable to adequately maintain or safeguard its vessels, inter alia by lack of regular hull inspections, proper maintenance of insufficient vessel equipment, it may be unable to prevent

these events. Any of these circumstances or events could negatively impact the Group's business, financial condition or results of operations.

*2.1.6 Failure to comply with the U.S. Foreign Corrupt Practices Act could result in fines, criminal penalties and an adverse effect on the Group's business*

The Group may operate in a number of countries throughout the world, including countries suspected to have a risk of corruption. As a global shipping company, the Issuer operates in multiple jurisdictions where local business practices may not align with U.S. regulations. Interactions with customs, port authorities, or government officials in these regions carry the risk of unintentional involvement in activities that could violate compliance standards set by U.S. laws. The Group is committed to doing business in accordance with applicable anti-corruption laws and has adopted measures designed to ensure compliance with the United States ("U.S.") Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"). The Group is subject, however, to the risk that it, its affiliated entities or its or their respective officers, directors, employees and agents may take actions determined to be in violation of such anti-corruption laws, including the FCPA. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might adversely affect the Group's business, earnings or financial condition. In addition, actual or alleged violations could damage the Group's reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations is expensive and can consume significant time and attention of the Group's senior management.

**2.2 Risks related to regulations, disputes and litigation**

*2.2.1 The Group is subject to risks pertaining to complex laws and regulations, including environmental regulations that can adversely affect the cost, manner or feasibility of doing business*

The Group's business and the operations of its vessels are materially affected by environmental regulation in the form of international conventions, national, state and local laws and regulations in force in the jurisdictions in which the Group's vessels operate, as well as in the country or countries of their registration, including those governing the management and disposal of hazardous substances and wastes, the cleanup of oil spills and other contamination, air emissions (including greenhouse gases), water discharges and ballast water management. These regulations include, but are not limited to, European Union regulations, the U.S. Oil Pollution Act of 1990, requirements of the U.S. Coast Guard, or USCG and the U.S. Environmental Protection Agency, the U.S. Clean Air Act of 1970 (including its amendments of 1977 and 1990), the U.S. Clean Water Act, and the U.S. Maritime Transportation Security Act of 2002, and regulations of the IMO, including the International Convention on Civil Liability for Oil Pollution Damage of 1969, the International Convention for the Prevention of Pollution from Ships of 1973, as modified by the Protocol of 1978 (collectively referred to as "MARPOL 73/78" or "MARPOL"), including designations of Emission Control Areas, thereunder, SOLAS, the International Convention on Load Lines of 1966, the International Convention of Civil Liability for Bunker Oil Pollution Damage, and the ISM Code. Because such conventions, laws, and regulations are often revised, the Group cannot predict the ultimate cost of complying with such requirements or the impact thereof on the re-sale price or useful life of any vessel that the Group owns or will acquire. Additional conventions, laws and regulations may be adopted that could limit the Group's ability to do business or increase the cost of doing business and which may materially adversely affect the Group's operations. Government regulation of vessels, particularly in the areas of safety and environmental requirements, continue to change, requiring the Group to incur significant capital expenditures on its vessels to keep them in compliance, or even to scrap or sell certain vessels altogether. In addition, the Group may incur significant costs in meeting new maintenance and inspection requirements, in developing contingency arrangements for potential environmental violations and in obtaining insurance coverage. In addition, the Group is required by various governmental and quasi-governmental agencies to obtain certain permits, licenses, certificates, approvals and financial assurances with respect to its operations. The Group's failure to maintain necessary permits, licenses, certificates, approvals or financial assurances could require the Group to incur substantial costs or temporarily suspend operation of one or more of the vessels in its fleet or lead to the invalidation or reduction of its insurance coverage.

Environmental requirements can also affect the resale value or useful lives of the Group's vessels, require a reduction in cargo capacity, ship modifications or operational changes or restrictions, lead to decreased availability of insurance coverage for environmental matters or result in the denial of access to certain jurisdictional waters or ports, or detention in certain ports. Under local, national and foreign laws, as well as international treaties and conventions, the Group could incur material liabilities, including for cleanup obligations and natural resource damages, in the event that there is a release of petroleum or hazardous substances from the Group's vessels or otherwise in connection with its operations. The Group could also become subject to personal injury or property damage claims relating to the release of hazardous substances associated with its existing or historic operations. Violations of, or liabilities under, environmental requirements can result in substantial penalties, fines and other sanctions, including in certain instances, seizure or detention of the Group's vessels, materially affecting the Group's operations and financial position.

*2.2.2 If the Group's vessels call on ports located in countries or territories that are the subject of sanctions or embargoes imposed by the U.S. government, the European Union, the United Nations, or other governmental authorities, it could lead to monetary fines or penalties and may adversely affect the Group's reputation and the market for the Group's securities*

The Group's shipping activities are subject to applicable sanctions or embargoes imposed by the U.S. government, the EU, the United Nations or other applicable governmental authorities. The Group's contracts with its charterers prohibit them from causing the Group's vessels to call on ports located in sanctioned countries or territories or carrying cargo for entities that are the subject of sanctions. Although the Group's charterers may, in certain cases, control the operation of the Group's vessels, the Group has monitoring processes in place to ensure its compliance with applicable economic sanctions and embargo laws. Nevertheless, it remains possible that charterers may cause vessels to trade in violation of sanctions provisions without the Group's consent. If such activities result in a violation of applicable sanctions or embargo laws, the Group could be subject to monetary fines, penalties, or other sanctions.

Current or future counterparties of the Group may be affiliated with persons or entities that are or may be in the future the subject of sanctions or embargoes imposed by the United States, EU, and/or other international bodies. If the Group determine that such sanctions require it to terminate existing or future contracts to which the Group is party or if the Group is found to be in violation of such applicable sanctions, the Group's results of operations may be adversely affected, or it may suffer reputational harm.

## **2.3 Risks related to the Group's financial position**

*2.3.1 The Group is exposed to risks associated with the global financial markets and economic conditions*

As the shipping industry is highly dependent on the availability of credit to finance and expand operations, it may be negatively affected by a general decline in the willingness of banks and other financial institutions to extend credit, particularly in the shipping industry. As of 31 December 2023, the Group had total outstanding indebtedness of USD 517.0 million under its various credit facilities and bond and a further USD 133.3 million of finance liabilities. An increase in interest rates, and instability in the banking and securities markets around the world, could have an adverse effect on the Group's results of operations, cash flows and financial condition.

*2.3.2 The market values of the Group's vessels could decline, which could limit the amount of funds available to the Group and could trigger breaches of certain financial covenants contained in the Group's loan facilities which could adversely affect the Group's operating results, and it may incur a loss if the Group sells vessels following a decline in their market values*

While the market values of vessels and the freight charter market have a close relationship as the charter market moves from trough to peak, the time lag between the effect of charter rates on market values of ships can vary.



The market values of the Group's vessels have generally experienced high volatility, and potential investors should expect the market values of the Group's vessels to fluctuate. If the market values of the Group's vessels decline, the Group may not be in compliance with certain covenants contained in its loan facilities and the Group may not be able to refinance its debt or obtain additional financing or incur debt on terms that are acceptable to the Group or at all. As of 31 December 2023, the Group was in compliance with all of the covenants in its loan facilities. If the Group is not able to comply with the covenants in its loan facilities or is unable to obtain waivers or amendments or otherwise remedy the relevant breach, its lenders could accelerate the Group's debt and foreclose on the Group's vessels.

Furthermore, if the Group sells any of its owned vessels at a time when prices are depressed, the Group's business, results of operations, cash flow and financial condition could be adversely affected. Moreover, if the Group sells a vessel at a time when vessel prices have fallen, the sale may be at less than the vessel's carrying amount in the Group's financial statements, resulting in a loss and a reduction in earnings. In addition, if vessel values decline, the Group may have to record an impairment adjustment in its financial statements which could adversely affect the Group's financial results.

### *2.3.3 The Group may not be able to borrow amounts under loan facilities and restrictive covenants in its loan facilities impose financial and other restrictions*

Historically, the Group has entered into several loan agreements to finance vessel acquisitions, the construction of newbuildings and working capital.

As of 30 June 2024, the Group had USD 613.5 million outstanding under its facilities and bond. The Group's ability to borrow amounts under its facilities is subject to the execution of customary documentation relating to the facility, including security documents, satisfaction of certain customary conditions precedent and compliance with terms and conditions included in the loan documents. Prior to each drawdown, the Group is required, among other things, to provide the lender with acceptable valuations of the vessels in its fleet confirming that the vessels have a minimum value and that the vessels that secure its obligations under the facilities are sufficient to satisfy minimum security requirements. To the extent that the Group is not able to satisfy these requirements, including as a result of a decline in the value of its vessels, the Group may not be able to draw down the full amount under the facilities without obtaining a waiver or consent from the lender. The Group will also not be permitted to borrow amounts under the facilities if the Group experiences a change of control.

The loan facilities also impose operating and financial restrictions on the Group, including in relation to, inter alia, compliance with laws, continuation of business, corporate status, operations, mergers and de-mergers, arm's length transactions, insurances, incurrence of debt and granting of financial support, disposals and dividends. Therefore, the Group may need to seek permission from its lenders in order to engage in some corporate actions. The Group's lenders' interests may be different from the Group's, and it cannot guarantee that the Group will be able to obtain its lenders' permission when needed. This may limit the Group's ability to finance its future operations, make acquisitions or pursue business opportunities which may have material adverse effect on the Group's financial results and position.

### *2.3.4 The Group is exposed to USD and foreign currency fluctuations and devaluations that could harm the Group's reported revenue and results of operations*

The Group generates all of its revenues in USD but incurs significant part of its operating expenses and its general and administrative expenses in currencies other than the USD, primarily the Euro. Because a significant portion of the Group's expenses is incurred in currencies other than the USD, the Group's expenses may from time to time increase relative to its revenues as a result of fluctuations in exchange rates, particularly between the USD and the Euro, which could affect the amount of net income that the Group reports in future periods. While the Group historically has not mitigated the risk associated with exchange rate fluctuations through the use of financial derivatives such as hedging facilities and/or currency swaps, the Group may employ such instruments from time to

time in the future in order to minimize this risk. The criteria for assessing whether such instruments shall be employed are inter alia market volatility and the amount of expenses in currencies other than the USD, especially the amount of expenses in Euro. The Group's use of financial derivatives would involve certain risks, including the risk that losses on a hedged position could exceed the nominal amount invested in the instrument and the risk that the counterparty to the derivative transaction may be unable or unwilling to satisfy its contractual obligations, which could have an adverse effect on the Group's results.

## **2.4 Risks related to the Group's business**

### *2.4.1 The Group charter some of its vessels on short-term time charters in a volatile shipping industry and a decline in charter hire rates could affect the Group's results of operations*

Although significant exposure to short-term time charters is not unusual in the dry bulk shipping industry, the short-term time charter market is highly competitive and spot market charter hire rates (which affect time charter rates) may fluctuate significantly based upon available charters and the supply of, and demand for, seaborne shipping capacity. While the short-term time charter market may enable the Group to benefit in periods of increasing charter hire rates, it must consistently renew its charters, and this dependence makes the Group vulnerable to declining charter rates. As a result of the volatility in the dry bulk carrier charter market, the Group may not be able to employ its vessels upon the termination of their existing charters at their current charter hire rates or at all. In the recent past, short-term time charter and spot market charter rates for some dry bulk carriers declined below the operating costs of those vessels.

As of October 2024, time charter rates for dry bulk vessels are experiencing fluctuations due to changing demand for commodities such as iron ore, coal, and grains. The slowdown of China's economy and increasing bunker fuel prices contribute to this volatility. Additionally, geopolitical tensions, particularly the conflict in the Middle East, introduce further uncertainty and variability in rates.

### *2.4.2 Rising crew costs could also adversely affect the Group's results of operations and if the Group expands its business further, it may need to improve its operating and financial systems and will need to recruit suitable employees and crew for its vessels*

The Group's current operating and financial systems may not be adequate if it further expands the size of its fleet and its attempts to improve those systems may be ineffective. In addition, if the Group expands its fleet further, it will need to recruit suitable additional seafarers and shoreside administrative and management personnel. If the Group or its crewing agents encounter business or financial difficulties, it may not be able to adequately staff its vessels. If the Group is unable to grow its financial and operating systems or to recruit suitable employees should it determine to expand its fleet, its financial performance may be adversely affected, among other things.

Due to an increase in the size of the global shipping fleet, the limited supply of and increased demand for crew has created upward pressure on crew costs. Additionally, the return of a number of Ukrainian seafarers to their homes as a result of the ongoing war in Ukraine has reduced the number of seafarers globally, and thereby increased the pressure on crew wages. Continued higher crew costs or further increases in crew costs could adversely affect the Group's results of operations.

### *2.4.3 The Group's investment in Diana Wilhelmsen Management Limited exposes it to additional risks*

During 2015 the Group invested in a 50/50 joint venture with Wilhelmsen Ship Management which provides management services to a limited number of vessels in the Group's fleet and to affiliated companies, but the Group's eventual goal is to provide fleet management services to unaffiliated third party vessel operators. While this joint venture may provide the Group in the future with a potential revenue source, it may also expose the Group to risks such as low customer satisfaction, increased operating costs compared to those the Group would achieve for its vessels, and inability to adequately staff its vessels with crew that meets the Group's expectations or to maintain



the Group's vessels according to the Group's standards, which would adversely affect the Group's financial condition.

#### *2.4.4 A cyber-attack could materially disrupt the Group's business*

The Group relies on information technology systems and networks in its operations and administration of its business. Information systems are vulnerable to security breaches by computer hackers and cyber terrorists. The Group relies on industry accepted security measures and technology to securely maintain confidential and proprietary information maintained on the Group's information systems. However, these measures and technology may not adequately prevent security breaches. The Group's business operations could be targeted by individuals or groups seeking to sabotage or disrupt the Group's information technology systems and networks, or to steal data. A successful cyber-attack could materially disrupt the Group's operations, including the safety of the Group's operations, or lead to unauthorized release of information or alteration of information in the Group's systems. Any such attack or other breach of the Group's information technology systems could have a material adverse effect on the Group's business and results of operations. In addition, the unavailability of the information systems or the failure of these systems to perform as anticipated for any reason could disrupt the Group's business and could result in decreased performance and increased operating costs, causing the Group's business and results of operations to suffer. Any significant interruption or failure of the Group's information systems or any significant breach of security could adversely affect the Group's business and results of operations.

For example, the Group's systems were the subject of a malicious attack in September 2020 that resulted in disruptions to the Group's computer networks for a period of several days. The Group was able to successfully fully restore its systems without interruption to its business or operations. Since then, the Group has taken extensive measures to enhance its security infrastructure, reform network architecture, and implement rigorous security policies in line with ISO27001. Key initiatives include establishing security testing, business continuity, disaster recovery, and incident response programs, as well as implementing multi-factor authentication and a vulnerability management framework.

Moreover, the Group's risk of cyber-attacks and other sources of security breaches and incidents may be elevated as a result of the ongoing conflicts between Russia and Ukraine and the Israel-Hamas conflict. Shipping operations depend on interconnected global infrastructure such as ports, financial systems, and communication networks. Cyber-attacks on these systems during conflicts can disrupt the Group's operations. To the extent such attacks have collateral effects on global critical infrastructure or financial institutions, such developments could adversely affect the Group's business, operating results and financial condition.

#### *2.4.5 Investment in derivative instruments such as forward freight agreements could result in losses*

Forward freight agreements ("**FFAs**") and other derivative instruments may be used to hedge a vessel owner's exposure to the charter market by providing for the sale of a contracted charter rate along a specified route and period of time. Upon settlement, if the contracted charter rate is less than the average of the rates, as reported by an identified index, for the specified route and period, the seller of the FFA is required to pay the buyer an amount equal to the difference between the contracted rate and the settlement rate, multiplied by the number of days in the specified period. Conversely, if the contracted rate is greater than the settlement rate, the buyer is required to pay the seller the settlement sum. If the Group take positions in FFAs or other derivative instruments and does not correctly anticipate charter rate movements over the specified route and time period, the Group could suffer losses in the settling or termination of the FFA. This could adversely affect the Group's results of operations and cash flows.

*2.4.6 The Group is subject to certain risks with respect to its counterparties on contracts, and failure of such counterparties to meet their obligations could cause the Group to suffer losses or otherwise adversely affect its business*

In depressed market conditions, the Group's charterers may no longer need a vessel that is currently under charter or may be able to obtain a comparable vessel at lower rates. As a result, charterers may seek to renegotiate the terms of their existing charter agreements or avoid their obligations under those contracts. If the Group's charterers fail to meet their obligations or attempt to renegotiate charter agreements, it may be difficult to secure substitute employment for such vessels, and any new charter arrangements the Group may be at lower rates. As a result, the Group could sustain significant losses, which could have a material adverse effect on its business, financial condition, results of operations and cash flows.

*2.4.7 The Issuer is a holding company, and it depends on the ability of its subsidiaries to distribute funds to it in order to satisfy its financial obligations*

The Issuer is a holding company and its subsidiaries conduct all of its operations and own all of its operating assets. The Issuer has no significant assets other than the equity interests in its subsidiaries. As a result, the Issuer's ability to satisfy its financial obligations depends on its subsidiaries and their ability to distribute funds to the Issuer. If the Issuer is unable to obtain funds from its subsidiaries, the Issuer may not be able to satisfy its financial obligations.

The Issuer's subsidiaries conduct all operations and own all operating assets. Any restrictions on the subsidiaries' ability to distribute profits, such as loan covenants, credit agreements, or legal restrictions, could limit the flow of funds to the Issuer.

*2.4.8 In the highly competitive international shipping industry, the Group may not be able to compete for charters with new entrants or established companies with greater resources, and as a result, the Group may be unable to employ its vessels profitably*

The operation of dry bulk vessels and transportation of dry bulk cargoes is competitive and fragmented. Competition for the transportation of dry bulk cargoes by sea is intense and depends on price, location, size, age, condition and the acceptability of the vessel and its operators to the charterers. Competition arises primarily from other vessel owners, some of whom have substantially greater resources than the Group. Due in part to the highly fragmented market, competitors with greater resources could enter the dry bulk shipping industry and operate larger fleets through consolidations or acquisitions and may be able to offer lower charter rates and higher quality vessels than the Group is able to offer. If the Group is unable to successfully compete with other dry bulk shipping companies, the Group's results of operations may be adversely impacted.

*2.4.9 The Group may not have adequate insurance to compensate a loss of one or more vessels or to compensate third parties*

The Group procures insurance for its fleet against risks commonly insured against by vessel owners and operators. The Group's current insurance includes hull and machinery insurance, war risks insurance and protection and indemnity insurance (which includes environmental damage and pollution insurance). Although the Group's insurance coverage is in line with what is customary for the maritime industry, particular claims may not be paid by the Group's insurers or not paid in time, and any claims covered by insurance would be subject to deductibles, the aggregate amount of which could be material. Such claims may inter alia relate to oil spills or other pollution of the environment which, in certain jurisdiction such as the US, could potentially exceed current insurance coverage. Even if the Group's insurance coverage is adequate to cover its losses, the Group may not be able to timely obtain a replacement vessel in the event of a loss. Furthermore, in the future, the Group may not be able to obtain adequate insurance coverage at reasonable rates for its fleet. The Group may also be subject to calls, or premiums, in amounts based not only on its own claim records but also the claim records of all other members of the protection and indemnity associations through which the Group receives indemnity insurance coverage for tort liability. The

Group's insurance policies also contain deductibles, limitations and exclusions which, although the Group believes they are standard in the shipping industry, may nevertheless increase the Group's costs.

*2.4.10 The Group is exposed to risks associated with the dependency upon a few significant customers for a large part of its revenues and the loss of one or more of these customers could adversely affect the Group's financial performance*

The Group's vessels are deployed in a mix of long- medium- and short-term contracts. Currently, the majority of the Group's vessels are employed on short- to medium-term time charters, which provides flexibility in responding to market developments. The Group has historically derived a significant part of its revenues from a small number of charterers. During 2023, 2022, approximately 13% and 34%, respectively, of its revenues were derived from one and two charterers, respectively. If one or more of the Group's charterers chooses not to charter its vessels or is unable to perform under one or more charters with the Group and the Group is not able to find a replacement charter, the Group could suffer a loss of revenues that could adversely affect its financial condition and results of operations.

*2.4.11 The Issuer exists under the laws of the Republic of the Marshall Islands and it may be difficult to serve the Issuer with legal process or enforce judgments against it, its directors or its management*

The Issuer is organized under the laws of the Republic of the Marshall Islands, and substantially all of its assets are located outside of the United States. In addition, the majority of the Issuer's directors and officers are non-residents of the United States, and all or a substantial portion of the assets of these non-residents are located outside the United States. As a result, it may be difficult or impossible for someone to bring an action against the Issuer or against these individuals in the United States if they believe that their rights have been infringed under securities laws or otherwise. Even if potential investors are successful in bringing an action of this kind, the laws of the Republic of the Marshall Islands and of other jurisdictions may prevent or restrict them from enforcing a judgment against the Issuer's assets or the assets of its directors or officers.

*2.4.12 U.S. federal tax authorities could treat the Issuer as a "passive foreign investment company", which could have adverse U.S. federal income tax consequences to U.S. shareholders*

A foreign corporation will be treated as a "passive foreign investment company" ("**PFIC**") for U.S. federal income tax purposes if either (1) at least 75% of its gross income for any taxable year consists of certain types of "passive income" or (2) at least 50% of the average value of the corporation's assets produce or are held for the production of those types of "passive income." For purposes of these tests, "passive income" includes dividends, interest, gains from the sale or exchange of investment property, and rents and royalties other than rents and royalties which are received from unrelated parties in connection with the active conduct of a trade or business. For purposes of these tests, income derived from the performance of services does not constitute "passive income." U.S. shareholders of a PFIC are subject to a disadvantageous U.S. federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC and the gain, if any, they derive from the sale or other disposition of their shares in the PFIC.

Based on the Issuer's current and proposed method of operation, it does not believe that it will be a PFIC with respect to any taxable year. In this regard, the Issuer intends to treat the gross income it derives or is deemed to derive from its time chartering activities as services income, rather than rental income. Accordingly, the Issuer believes that its income from its time chartering activities does not constitute "passive income," and the assets that it owns and operates in connection with the production of that income do not constitute assets that produce or are held for the production of "passive income".

There is substantial legal authority supporting this position consisting of case law and U.S. Internal Revenue Service (the "**IRS**") pronouncements concerning the characterization of income derived from time charters and voyage charters as services income for other tax purposes. However, it should be noted that there is also authority which characterizes time charter income as rental income rather than services income for other tax purposes.

If the IRS or a court of law were to find that the Issuer is or has been a PFIC for any taxable year, its U.S. shareholders would face adverse U.S. federal income tax consequences. Under the PFIC rules, unless those shareholders make an election available under the U.S. Internal Revenue Code of 1986, as amended (which election could itself have adverse consequences for such shareholders), such shareholders would be subject to U.S. federal income tax at the then prevailing U.S. federal income tax rates on ordinary income plus interest upon excess distributions and upon any gain from the disposition of its common stock, as if the excess distribution or gain had been recognized ratably over the shareholder's holding period of its common stock.

## 2.5 Risks related to the Bonds

### 2.5.1 *The Issuer is predominantly a holding company and is dependent on cash flow from its subsidiaries to meet its obligations under the Bonds*

The Issuer depends on obtaining cash from its subsidiaries in order to have the funds necessary to pay the principal of and interest on the Bonds and to meet its other obligations. The ability of the subsidiaries to pay distributions, dividends, intercompany debt and other payments to its direct and indirect parent entities, including the Issuer, may be restricted by, among other things, the availability of cash flows from operations and applicable corporate, tax and other laws and other agreements to which the subsidiaries are party. In addition, certain subsidiaries of the Issuer are restricted by the terms of their financings from paying dividends in certain circumstances, and the quantity and frequency of dividends that may be paid to the Issuer may fluctuate based on factors outside the Issuer's control. Compliance with such restrictions may limit the amounts available for such distribution or transfer or may lead to such distributions or transfers being subject to costs, deductions and withholdings.

Furthermore, all cash in the Group may be held in bank accounts of subsidiaries which are pledged in favor of secured creditors and may become unavailable to the Issuer or the bondholders (a "**Bondholder**", and collectively the "**Bondholders**") in a default or enforcement scenario. The inability to transfer cash from the Issuer's subsidiaries, whether in the ordinary course or in an enforcement scenario, may result in the Group not being able to meet its obligations under the Bond Terms, which could result in an investor losing its investment in the Bonds in whole or in part.

### 2.5.2 *The Bonds are unsecured and will be effectively subordinated to any secured debt of the Issuer*

The Bonds are unsecured and the Bondholders will not benefit from any security in the event that the Issuer is unable to meet its obligations under the Bond Terms. Under the Bond Terms, the Issuer is permitted to incur liabilities ranking *pari passu* with the Bonds. In addition, the Issuer is entitled, under certain conditions, to provide security over its assets in favor of third parties, which would then primarily serve to satisfy the creditors of these further liabilities. As a result, the Bonds will be effectively subordinated to any future secured indebtedness that the Issuer may incur. Accordingly, in the event of a bankruptcy, insolvency, liquidation, dissolution, reorganization or similar proceeding affecting the Issuer, the Bondholders' rights to receive payment will be effectively subordinated to those of secured creditors up to the value of the collateral securing such indebtedness. Other creditors may have conflicting interests with Bondholders in the event of a default and enforcement, including an incentive to initiate enforcement of their claims, which may be detrimental to the value of the Bonds. In the event of insolvency, therefore, there may be no or virtually no funds available for distribution in the insolvency estate and the Bondholders may receive no or only small payments on their claims. In addition, the cross-default provisions in the Bond Terms do not apply to non-recourse debt in subsidiaries of the Issuer, meaning that a default in respect of any such non-recourse financing may not trigger an event of default under the Bonds, and the Bondholders may be unable to take enforcement action in respect thereof.

### 2.5.3 *The Bonds are structurally subordinated to liabilities of the Issuer's subsidiaries*

Generally, claims of creditors of any of the Issuer's subsidiaries (which may include secured creditors, pursuant to the Bond Terms) will have priority with respect to the assets and earnings of the subsidiary over the claims of

creditors of the Issuer, and will be entitled to payments of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer, as a direct or indirect shareholder. Accordingly, the Bonds will be structurally subordinated to all such creditors' claims against such subsidiaries and in an enforcement scenario, such creditors will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiaries (which include all the Group's vessels) before the Issuer, as a direct or indirect shareholder, will be entitled to receive any distributions.

#### *2.5.4 The Bond Terms impose significant operating and financial restrictions on the Group*

The Bond Terms contain restrictions on the Issuer's activities, including, but not limited to, covenants that limit their ability to:

- Transfer or sell all or substantially all of the Group's assets or operations;
- Incur or guarantee additional debt;
- Create or permit security interests on the Issuer's assets;
- Pay dividends or make other payments; and
- Enter into transactions with affiliates.

The restrictions may prevent the Issuer from taking actions that it believes would be in the best interest of the Issuer's business and may make it difficult for the Issuer to execute its business strategy successfully or compete effectively with companies that are not similarly restricted.

Inability to take actions and/or effect profitable business strategies or loss of competitiveness as a result of these restrictions may have a material adverse effect on the Issuer's business, results of operations, financial position and/or prospects, which in turn may cause a decline in the value and trading price of the Bonds, result in loss of all or part of an investment in the Issuer and the Bonds and ability to make required payments on or repay the Bonds.

#### *2.5.5 There are currently no active public trading markets for the Bonds*

Pursuant to the Bond Terms, the Issuer has an obligation to list the Bonds on Oslo Stock Exchange or any other regulated market (as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU ("**MiFID II**") and Regulation (EU) No. 600/2014 on markets in financial instruments ("**MiFIR**"). Even if the Bonds are admitted to trading, active trading in the Bonds may not occur and a liquid market for trading in the Bonds may not be available even if the Bonds are listed. For example, if the Issuer fails to comply with the various obligations and standards of conduct which follow the listing of the Bonds, this may lead to the exclusion of the Bonds from trading. As a result of any of the foregoing, Bondholders may find it difficult or impossible to trade their Bonds when desired or at a price level which allows for a profit comparable to similar investments.

#### *2.5.6 The Group's ability to pay or refinance its indebtedness, including the Bonds, and fund capital expenditures is dependent on future cash generation*

The Group's ability to make payments on and to refinance its indebtedness, including the Bonds, and to fund planned capital expenditures and other general corporate purposes will depend on, among other things, its future operating performance and ability to generate sufficient cash. This is to a certain extent dependent on to the success of its business strategy and is largely subject to the situation of the industry which the Issuer operates in, which may be affected by general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Group's control. If the Group's business does not generate sufficient cash flow from operations or if capital is not available to the Group in an amount sufficient to enable the Group to make payments on or to refinance its indebtedness, including the Bonds, or to fund other liquidity needs, the Group may need to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance all or a portion of its indebtedness, including the Bonds. There is also a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. This would have a negative effect on the Group's operations, earnings, results and financial position

*2.5.7 The Issuer's option to redeem the Bonds may limit the marked value of the Bonds*

Pursuant to the Bond Terms, the Bonds are subject to optional redemption by the Issuer at their outstanding principal amount, plus accrued and unpaid interest to the date of redemption, plus in some events a premium calculated in accordance with the Bond Terms. This is likely to limit the market value of the Bonds. It may not be possible for Bondholders to reinvest proceeds at an effective interest rate as high as the interest rate on the Bonds. If a Change of Control Event (as defined in the Bond Terms) occurs, Bondholders will have the right to require the Issuer to repurchase the Bonds, in whole or in part, at a purchase price equal to 101% of the principal amount of the Bonds, plus accrued and unpaid interest, if any, to the date of repurchase. The Issuer's ability to repurchase the Bonds upon a Change of Control would be limited by its access to funds at the time of the repurchase and the terms of agreements governing the Issuer's other indebtedness.

*2.5.8 Bondholders may be overruled by majority votes taken in bondholders' meetings*

The Bond Terms contain provisions for calling for meetings of the Bondholders in the event that the Group wishes to amend any of the terms and conditions applicable to the Bonds. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who vote in a manner contrary to the required majority. The Bond Trustee may, without the consent of the Bondholders, agree to certain non-material modifications of the Bond Terms and other finance documents that, in the opinion of the Bond Trustee, are not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes. Such modifications will be binding upon the Bondholders.

### **3 RESPONSIBILITY FOR THE PROSPECTUS**

This Prospectus has been prepared in connection with the Listing of the Bonds on the Oslo Stock Exchange.

The Board of Directors of Diana Shipping Inc. accepts responsibility for the information contained in this Prospectus. The Directors confirm that to the best of their knowledge, the information contained in this Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

Majuro, the Republic of the Marshall Islands, 31 October 2024

**The CEO and CFO of Diana Shipping Inc.**

Semiramis Paliou  
*Director and CEO*

Ioannis G. Zafirakis  
*Director, CFO, CSO, Treasurer and Secretary*



## 4 GENERAL INFORMATION

### 4.1 Other important investor information

This Prospectus has on 31 October 2024 been approved by the Norwegian FSA, as competent authority under the EU Prospectus Regulation. The Norwegian FSA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation, and such approval shall not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

The Issuer has furnished the information in this Prospectus. The Issuer's advisors make no representation or warranty, express or implied, as to the accuracy, completeness or verification of the information set forth herein, and nothing contained in this Prospectus is, or shall be relied upon, as a promise or representation in this respect, whether as to the past or the future.

The information contained herein is current as of the date hereof and is subject to change, completion and amendment without notice. In accordance with Article 23 of the EU Prospectus Regulation, every significant new factor, material mistake or material inaccuracy relating to the information included in this Prospectus, which may affect the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved by the Norwegian FSA and the Listing, will be presented in a supplement to this Prospectus without undue delay. Neither the publication nor distribution of this Prospectus shall under any circumstance imply that there has not been any change in the Group's affairs or that the information herein is correct as of any date subsequent to the date of this Prospectus.

Neither the Issuer nor the Managers nor any of their respective affiliates, representatives or advisors, is making any representation, express or implied, to any offeree or purchaser of Bonds regarding the legality or suitability of an investment in the Bonds. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Bonds.

Investing in the Bonds involves a high degree of risk. See Section 2 "*Risk factors*".

### 4.2 Presentation of financial information

#### 4.2.1 *Historical financial information*

As further detailed in the following Sections, the financial information in this Prospectus has been derived from the following financial statements (together, the "**Financial Information**"):

- 1) Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022 (the "**Annual Financial Statements**"), prepared in accordance with the generally accepted accounting principles in the United States ("**U.S. GAAP**"). The Annual Financial Statements are presented in USD and have been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A. ("**EY**"). The audit reports are issued without any qualifications, modifications of opinion or disclaimers; and
- 2) Unaudited interim financial statements for the Issuer as of and for the six months ended 30 June 2024 and 30 June 2023, as filed with the U.S. Securities and Exchange Commission ("**SEC**") on Form 6-K on 12 September 2024 (the "**Interim Financial Statements**"). The Interim Financial Statements are prepared in accordance with U.S. GAAP. The Interim Financial Statements are presented in USD and have not been subject to audit review.



For information regarding accounting policies and the use of estimates and judgements, please refer to note 2 of the Annual Financial Statements, as well as in integrated parts of the other notes of the Annual Financial Statements. The Annual Financial Statements and the Interim Financial Statements are incorporated by reference to this Prospectus, see Section 12.4 "*Incorporation by reference*". There is no financial information in the Prospectus not extracted from the above mentioned financial statements.

#### 4.2.2 *Industry and market data*

In this Prospectus, the Issuer has used industry and market data from independent industry publications and market research.

The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and that as far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where information sourced from third parties has been presented, the source of such information has been identified, however, source references to websites shall not be deemed as incorporated by reference to this Prospectus.

The Issuer confirms that no statement or report attributed to a person as an expert is included in this Prospectus.

Industry publications or reports generally state that the information they contain has been obtained from sources believed to be reliable, but the accuracy and completeness of such information is not guaranteed. The Issuer has not independently verified and cannot give any assurances as to the accuracy of market data contained in this Prospectus that was extracted from these industry publications or reports and reproduced herein. Market data and statistics are inherently predictive and subject to uncertainty and not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market.

The Issuer cautions prospective investors not to place undue reliance on the above-mentioned data. Unless otherwise indicated in the Prospectus, any statements regarding the Group's competitive position are based on the Issuer's own assessment and knowledge of the market in which it operates. Such information and data are sourced herein as "**Issuer Information**".

As a result, prospective investors should be aware that statistics, data, statements and other information relating to markets, market sizes, market shares, market positions and other industry data in this Prospectus (and projections, assumptions and estimates based on such information) may not be reliable indicators of the Issuer's future performance and the future performance of the industry in which it operates. Such indicators are necessarily subject to a high degree of uncertainty and risk due to the limitations described above and to a variety of other factors, including those described in Section 2 "*Risk factors*" and elsewhere in this Prospectus.

#### 4.2.3 *Currencies*

In this Prospectus, all references to "**USD**" are to the lawful currency of the United States; all references to "**NOK**" are to the lawful currency of Norway; all references to "**EUR**" are to the lawful common currency of the EU member states who have adopted the Euro as their sole national currency. The functional currency of the Issuer and most of its subsidiaries is USD, and the Financial Information is presented in USD.

No representation is made that the USD, EUR or NOK amounts referred to herein could have been or could be converted into USD, NOK or EUR as the case may be, at any particular rate, or at all.

#### 4.2.4 Rounding

Certain figures included in this Prospectus have been subject to rounding adjustments (by rounding to the nearest whole number or decimal or fraction, as the case may be). Accordingly, figures shown for the same category presented in different tables may vary slightly. As a result of rounding adjustments, the figures presented may not add up to the total amount presented.

#### 4.3 Cautionary note regarding forward-looking statements

This Prospectus includes forward-looking statements that reflect the Issuer's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements as a general matter are all statements other than statements as to historic facts or present facts and circumstances. They appear, among other areas, in the following sections in this Prospectus, Section 6 "*Business of the Group*", and Section 7 "*Selected Historical Financial Information*", and include statements regarding the Issuer's intentions, beliefs or current expectations concerning, among other things, financial strength and position of the Group, operating results, liquidity, prospects, growth, the implementation of strategic initiatives, as well as other statements relating to the Group's future business development and financial performance, and the industry in which the Group operates, such as, but not limited to the Group's expansion in existing and entry into new markets in the future.

Prospective investors are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry and potential market in which the Group may operate in the future, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Prospectus. The Issuer cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

By their nature, forward-looking statements involve, and are subject to, known and unknown risks, uncertainties and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Important factors that could cause those differences include, but are not limited to:

- The strength of world economies;
- Fluctuations in currencies and interest rates;
- General market conditions, including fluctuations in charter hire rates and vessel values;
- Changes in demand in the dry-bulk shipping industry;
- Changes in the supply of vessels, including when caused by new newbuilding vessel orders or changes to or terminations of existing orders, and vessel scrapping levels;
- Changes in the Group's operating expenses, including bunker prices, crew costs, drydocking and insurance costs;
- The Group's future operating or financial results;
- Availability of financing and refinancing and changes to the Group's financial condition and liquidity, including the Group's ability, to pay amounts that it owes and obtain additional financing to fund capital expenditures, acquisitions and other general corporate activities and the Group's ability to obtain financing and comply with the restrictions and other covenants in the Group's financing arrangements;
- Changes in governmental rules and regulations or actions taken by regulatory authorities;
- Potential liability from pending or future litigation;
- compliance with governmental, tax, environmental and safety regulation, any non-compliance with the U.S. Foreign Corrupt Practices Act of 1977 (FCPA) or other applicable regulations relating to bribery;
- The failure of counter parties to fully perform their contracts with the Group;
- The Group's dependence on key personnel;
- Adequacy of insurance coverage;

- The volatility of the price of the Issuer's common shares;
- The Issuer's incorporation under the laws of the Republic of the Marshall Islands and the different rights to relief that may be available compared to other countries, including the United States;
- General domestic and international political conditions or labor disruptions;
- Acts by terrorists or acts of piracy on ocean-going vessels;
- Potential disruption of shipping routes due to accidents or political events; and
- Other important factors described from time to time in the reports filed by the Issuer with the SEC and the New York Stock Exchange (the "**NYSE**").

The risks that are currently known to the Issuer and which could affect the Group's future results and could cause results to differ materially from those expressed in the forward-looking statements are discussed in Section 2 "*Risk factors*".

The information contained in this Prospectus identifies additional factors that could affect the Group's financial position, operating results, cash flow, liquidity and performance. Prospective investors are urged to read all Sections of this Prospectus for a more complete discussion of the factors that could affect the Group's future performance and the industry in which the Group operates when considering an investment in the Issuer.

These forward-looking statements speak only as of the date on which they are made. The Issuer undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Issuer or to persons acting on the Issuer's behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Prospectus.

## 5 THE BONDS

### 5.1 Main terms of the Bonds

The Bond Issue is governed by the Norwegian law bond agreement entered into on 27 June 2024 (the "**Bond Terms**") between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders (the "**Bond Trustee**"). A copy of the Bond Terms is attached to this Prospectus as Appendix 2.

In this Section 5.1 "*Main terms of the Bonds*" capitalized terms used and not defined herein shall have the same meaning as in the Bond Terms.

<b>ISIN:</b>	NO 001 3265835
<b>The Bond Issue:</b>	Diana Shipping Inc.'s 8.75% Senior Unsecured USD 175,000,000 Bond Issue 2024/2029
<b>Issuer:</b>	Diana Shipping Inc., a corporation registered with registration number 13671 with the Registrar of Corporation of the Republic of the Marshall Islands, incorporated and existing under the laws of the Republic of the Marshall Islands, with LEI-code 549300XD7FHNJ0THIV12.
<b>Guarantors:</b>	None
<b>Group:</b>	The Issuer and its Subsidiaries from time to time.
<b>Subsidiary:</b>	A person over which another person has Decisive Influence.
<b>Status of the Bonds and Security:</b>	<p>The Bonds shall constitute senior debt obligations of the Issuer. The Bonds will rank at least <i>pari passu</i> between themselves and with all other senior unsecured obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).</p> <p>The Bonds are unsecured.</p>
<b>Date of Bond Agreement:</b>	27 June 2024
<b>Issue amount:</b>	USD 175,000,000
<b>Outstanding amount:</b>	USD 150,000,000
<b>Tap Issue:</b>	<p>The Issuer may, provided that the conditions set out in Clause 6.3 (Tap Issues) of the Bond Terms are met, at one or more occasions issue Additional Bonds (each a "Tap Issue") until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue.</p> <p>Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in the Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be at par, below or above the Nominal Amount.</p>
<b>Initial nominal amount of each Bond:</b>	USD 50,000
<b>Currency:</b>	USD
<b>Issue price:</b>	100.00 per cent of the Initial Nominal Amount (par value).
<b>Securities form:</b>	The Bonds are electronically registered in dematerialized form with CSD. (Verdipapirsentralen ASA, also known as Euronext Securities Oslo (" <b>ESO</b> ")) (Post

	address: P.O. 1174 Sentrum, 0107 Oslo, Norway. Registered address Tollbugata 2, 0152 Oslo, Norway).
<b>Issue Date:</b>	2 July 2024
<b>Interest bearing from and including:</b>	Issue Date
<b>Interest bearing until:</b>	Maturity Date
<b>Maturity Date:</b>	2 July 2029, adjusted according to the Business Day Convention.
<b>Redemption of Bonds</b>	The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100.00 per cent of the Nominal Amount.
<b>Voluntary early or partial redemption or equity clawback</b>	<p><b>Voluntary early redemption – Call Option</b></p> <p>(a) The Issuer may redeem the Outstanding Bonds (in whole or in part) (the "<b>Call Option</b>") on any Business Day from and including:</p> <ul style="list-style-type: none"> <li>(i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;</li> <li>(ii) the First Call Date to, but not including, the Interest Payment Date in January 2028 at a price equal to 103.500 per cent of the Nominal Amount for each redeemed Bond (the "First Call Price");</li> <li>(iii) the Interest Payment Date in January 2028 to, but not including, the Interest Payment Date in July 2028 at a price equal to 102.625 per cent of the Nominal Amount for each redeemed Bond;</li> <li>(iv) the Interest Payment Date in July 2028 to, but not including, the Interest Payment Date in January 2029 at a price equal to 101.750 per cent of the Nominal Amount for each redeemed Bond;</li> <li>(v) the Interest Payment Date in January 2029 to, but not including, the Maturity Date at a price equal to 100.000 per cent of the Nominal Amount for each redeemed Bond; and</li> </ul> <p>(b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the relevant Call Option Repayment Date</p> <p>(c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.</p> <p>(d) Any redemption notice given in respect of the Call Option may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, in which case the exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived no later than 3 Business Days prior to such Call Option Repayment Date.</p> <p>(e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.</p>
<b>Interest Rate:</b>	8.75 per centage per annum.
<b>Yield:</b>	Investors wishing to invest in the Bonds after the Issue Date must pay the market price for the Bonds in the secondary market at the time of purchase. Depending on the

	development in the bond market in general and the development of the Issuer, the price of the Bonds may have increased (above par) or decreased (below par).
<b>Interest Payment Date:</b>	The last day of each Interest Period.
<b>Interest Period:</b>	Interest Period means, subject to adjustment in accordance with the Business Day Convention, the period between 2 January and 2 July each year, provided however that an Interest Period shall not extend beyond the Maturity Date
<b>First Interest Payment Date:</b>	2 January 2025
<b>Calculation and payment of interest:</b>	<p><b>Calculation of interest</b></p> <p>(a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.</p> <p>(b) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:</p> <p style="padding-left: 40px;">(i) the last day in the relevant Interest Period is the 31st calendar day but the first day of that Interest Period is a day other than the 30th or the 31st day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or</p> <p style="padding-left: 40px;">(ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.</p> <p><b>Payment of interest</b></p> <p>Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.</p>
<b>Business Day:</b>	A day on which both the relevant CSD settlement system is open, and the relevant settlement system for the Bond Currency is open.
<b>Business Day Convention:</b>	If the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.
<b>Time limit on the validity of claims relating to interest and repayment of principal:</b>	All claims under the Finance Documents for payment, including interest and principal, shall be subject to the time-bar provisions of the Norwegian Limitation Act of 18 May 1979 no. 18 relating to the limitation period for claims (currently being 3 years for interest repayments and 10 years for principal).
<b>Put Option:</b>	<p><b>Put Option</b></p> <p>(a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the "<b>Put Option</b>") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.</p> <p>(b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 of the Bond Terms (<i>Put Option Event</i>). Once notified, the Bondholders' right to exercise the Put Option is irrevocable.</p> <p>(c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the fifth Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholder's holding of Bonds at the Put Option Repayment Date.</p> <p>(d) If Bonds representing more than 90 per cent of the Outstanding Bonds have been repurchased pursuant to Clause 10.3 of the Bond Terms, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10</p>

	<p>Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.</p> <p><b>Early redemption option due to a tax event</b></p> <p>If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (<i>Taxation</i>) of the Bond Terms as a result of a change in applicable law implemented after the date of the Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.</p>
<p><b>Put Option Event:</b></p>	<p>A Put Option Event means a Change of Control Event.</p>
<p><b>Change of Control Event:</b></p>	<p>Change of Control Event means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.</p> <p>Decisive Influence means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):</p> <p>(a) a majority of the voting rights in that other person; or</p> <p>(b) a right to elect or remove a majority of the members of the board of directors of that other person.</p>
<p><b>Covenants:</b></p>	<p>General and financial covenants apply to the Issuer. See clauses 12 (<i>Information undertakings</i>) and 13 (<i>General and financial undertakings</i>) of the Bond Terms for more information.</p>
<p><b>Listing:</b></p>	<p>The Issuer shall use its reasonable endeavors to ensure that the Bonds are listed on an Exchange within nine months of the Issue Date, i.e. 2 April 2025, and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.</p>
<p><b>Use of proceeds:</b></p>	<p>The Issuer has used the proceeds from the issuance of the Bonds (net of fees and legal cost of the Joint Bookrunners and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds) for the repayment in full of the senior unsecured bonds issued on 22 June 2021 and for general corporate purposes including prepayment, in full or in part, or refinancing of other debts of the Group.</p> <p>The Issuer will, unless otherwise specified, use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group.</p>
<p><b>Bond Terms:</b></p>	<p>Bond Terms means the terms and conditions, including all Attachments which form an integrated part of the Bond Terms, in each case as amended and/or supplemented from time to time.</p> <p>The Bondholders shall be bound by the terms and conditions of the Bond Terms and any other Finance Document without any further action required to be taken or formalities complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.</p> <p>The Bond Trustee acts as the representative with binding effect on behalf of all the Bondholders, following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver to the Bond Trustee pursuant to the Finance Documents, arranging Bondholders' meetings, and taking action on behalf of all the Bondholders in accordance with Bondholders' instructions.</p> <p>For further details of the Bond Trustee's role and authority as the Bondholders' representative, see Clause 16 (<i>The Bond Trustee</i>) of the Bond Terms.</p>



	Information regarding Bondholders' meeting and the Bondholders' right to vote are described in Clause 15.2 ( <i>Procedure for arranging a Bondholders' Meeting</i> ) of the Bond Terms.
<b>Finance Documents:</b>	Finance Documents means the Bond Terms, the Bond Trustee Fee Agreement, and any other document designated by the Issuer and the Bond Trustee as a Finance Document.
<b>Bondholders' Meeting:</b>	<p>At the Bondholders' Meeting each Bondholder (or person acting for a Bondholder under a power of attorney) has one vote for each Bond he/she owns. The Issuer's Bonds shall not carry any voting rights.</p> <p>At least 50% of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.</p> <p>Resolutions shall be passed with a simple majority of the Voting Bonds represented at the Bondholders' Meeting, except as set forth below.</p> <p>Save for any amendments or waivers which can be made without resolution pursuant to section (i) and (ii) of Clause 17.1 (<i>Procedure for amendments and waivers</i>) of the Bond Terms, a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of the Bond Terms.</p> <p>Subject to the Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting may also be resolved by way of a Written Resolution.</p> <p>For further details of the Bondholders' Meeting's authority, procedures, voting rules and written resolutions, see Clause 15 (<i>Bondholders' Decisions</i>) of the Bond Terms and Section 5.2 below.</p>
<b>Bond Trustee:</b>	Nordic Trustee AS, Postboks 1470 Vika, NO-0116 Oslo, Norway, a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
<b>Joint Lead Managers for the Bond Issue:</b>	<p>Fearnley Securities AS, P.O. Box 1158 Sentrum, N-0191 Oslo; and</p> <p>Nordea Bank Abp, filial i Norge ("<b>Nordea</b>"), P.O. Box 1166 Sentrum, N-0107 Oslo, Norway.</p>
<b>Paying Agent:</b>	Nordea Bank Abp, Filial i Norge, as appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.
<b>Transfer of Bonds:</b>	<p><b>Restrictions</b></p> <p>(a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.</p> <p>(b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to the Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.</p>
<b>Legislation under which the Bonds have been created:</b>	Norwegian law.
<b>Fees and expenses:</b>	Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer is not responsible for reimbursing any such fees.



## 5.2 Bondholders' rights

The rights attached to the Bonds are set out in the Bond Terms, which is enclosed as [Appendix 2](#) to the Prospectus. Below is a summary of principal rights and competencies. Capitalized terms used and not defined herein shall have the same meaning as in the Bond Terms.

### 5.2.1 Bondholders' meetings

The Bondholders' meeting is the highest authority in the Bondholders' community. The Bondholders' meeting may on behalf of the Bondholders resolve to alter any of the Bond Terms, including but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes. The Bondholders' meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro-rata reduction of the principal that has not fallen due but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal. The Bondholders' meeting may not adopt resolutions that will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.

Subject to the power of the Bond Trustee to take certain actions, if a Bondholders' resolution or approval is required, such resolution may be passed at a Bondholders' meeting. Resolutions passed at any Bondholders' meeting will be binding upon all Bondholders.

Bondholders' meetings are convened by the Bond Trustee upon a written request from the Issuer, Bondholders representing at least 1/10 of the voting Bonds, the Exchange (if entitled to do so pursuant to the general rules and regulations of the Exchange), or the Bond Trustee, specifying the matters to be discussed and resolved. The Bond Trustee shall convene bondholders' meetings within ten Business Days of receiving a valid request. Summons to a Bondholders' Meeting must be sent no later than ten Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform). Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to the Bond Terms, a description of the proposed amendments must be set out in the Summons. Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.

By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or disposing of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (Redemption and Repurchase of Bonds).

The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' meeting, regardless of who has convened the meeting, including any reasonable costs and fees incurred by the Bond Trustee.

At least 50% of the voting Bonds must be represented at a Bondholders' meeting for a quorum to be present. Each Bondholder, the Bond Trustee and representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder shall have the right to attend the Bondholders' meeting. The chairperson (the Bond Trustee or such other representative) elected by the Bondholders' meeting may grant access to the meeting to other persons, unless the Bondholders' meeting decides otherwise. In addition, each person entitled to attend the meeting has the right to be accompanied by an advisor.

Even if the necessary quorum is not achieved, the Bondholders' meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' meeting. The Bond Trustee or the person

who convened the initial Bondholders' meeting may, within ten Business Days of the initial Bondholder meeting, convene a repeated meeting with the same agenda as the first meeting, in accordance with the same procedures as the initial Bondholder's meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (Authority of the Bondholders' Meeting) shall not apply to a repeated Bondholders' meeting. A Summons for a repeated Bondholders' meeting shall also contain the voting results obtained in the initial Bondholders' meeting. Such a repeated Bondholders' meeting may only be convened once for each original Bondholders' meeting.

#### 5.2.2 *Voting rights*

Each Voting Bond carries one vote. In order to exercise voting rights, the Bondholder must be the registered owner of the Bonds at the relevant record date, being the Business Day immediately preceding the date of the respective Bondholders' decision, or another date accepted by the Bond Trustee. If a beneficial owner of a Bond is not registered as a bondholder in the CSD and wishes to exercise his or her rights as a bondholder, he or she must obtain proof of ownership of the Bonds acceptable to the Bond Trustee.

Ordinary resolutions are passed by a simple majority of the voting Bonds represented at the Bondholders' meeting. Any amendments or waivers of the Bond Terms require a majority of at least two-thirds of the voting Bonds represented at the Bondholders' meeting for approval, save for such amendments or waivers which can be made without resolution pursuant to section (i) and (ii) of clause 17.1 (*Procedure for amendments and waivers*) of the Bond Terms.

#### 5.2.3 *Written bondholders' resolutions*

Subject to the Bond Terms, matters that may be resolved by the Bondholders' meeting may also be resolved by way of a written resolution if passed with the relevant majority. The person requesting a Bondholders' meeting may instead request that the relevant matters are to be resolved by written resolution only, unless the Bond Trustee decides otherwise.

Summons for written resolutions shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release. The Summons for written resolutions shall include instructions on how to vote to each separate item, and the time limit within which the Bond Trustee must have received all votes necessary in order for the written resolution to be passed with the requisite majority, which shall be at least ten but not more than 15 Business Days from the date of the Summons. Otherwise, unless conflicting, written resolutions are subject to the same procedures as Bondholders' meetings in respect of Bondholders' authority, voting rules, and repeated resolutions.

Only Bondholders of voting Bonds registered with the CSD on the relevant record date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee, will be counted in the written resolution.

### **5.3 Reasons for the Listing and the use of proceeds**

This Prospectus is being produced in connection with the Issuer's application for the admission to trading of the Bonds on the Oslo Stock Exchange.

Pursuant to section 4 of the Bond Terms (*Admission to listing*), the Issuer shall ensure that the Bonds are listed on an Exchange (as defined in the Bond Terms) within nine (9) months of the Issue Date (*i.e.* 2 April 2025) and thereafter remain listed on an Exchange until the Bonds have been redeemed in full.

The application for admission to trading is put forward by the Issuer to satisfy the conditions of the Bond Terms.

The Issuer will apply for the Bonds to be listed on the Oslo Stock Exchange on 31 October 2024 as soon as possible after this Prospectus has been approved by the Norwegian FSA. Approval of the application and commencement of trading in the Bonds is expected to take place on or about 4 November 2024, subject to fulfillment of any criteria set by the Oslo Stock Exchange.

Following the Listing the Bonds will be admitted to trading on the Oslo Stock Exchange under the ticker code "DIASH".

The total costs of the Issuer in connection with the listing of the Bonds on Oslo Stock Exchange are estimated by the Issuer to be approximately NOK 130,387.

The Issuer will use the proceeds from the issuance of the Bonds (net of fees and legal costs of the Managers and, if required by the Bond Trustee, the Bond Trustee Fee, and any other cost and expenses incurred in connection with the issuance of the Bonds) for prepayment in full of the Existing Bonds (as defined in the Bond Terms) and general corporate purposes including prepayment, in full or in part, or refinancing of other debts of the Group.

#### **5.4 Tax warning**

Potential investors should be aware that changes in the tax legislation of the investors' and of the Issuer's country of incorporation may have an impact on the income received from the Bonds. There can be changes in the applicable tax legislation, increased taxation by national, local or foreign authorities, new or modified taxation rules and requirements, including requirements relating to the timing of any tax payments, which may have an impact on the on the income received from the Bonds.

#### **5.5 No credit ratings**

There are no credit ratings assigned to the Issuer at the request or with the cooperation of the Issuer in the rating process.

## 6 BUSINESS OF THE GROUP

### 6.1 Overview

#### 6.1.1 Introduction

The Issuer specializes in the ownership and bareboat charter-in of dry bulk vessels. The Issuer's vessels are employed primarily on short to medium-term time charters and transport a range of dry bulk cargoes, including such commodities as iron ore, coal, grain and other raw materials along worldwide shipping routes.

As of the date of this Prospectus, the Issuer's fleet consists of 38 dry bulk vessels excluding the two methanol dual fuel new-building Kamsarmax dry bulk vessels, not yet delivered: 4 Newcastlemax, 8 Capesize, 5 Post-Panamax, 6 Kamsarmax, 6 Panamax and 9 Ultramax. Each of the Issuer's vessels is owned/chartered-in through a separate wholly-owned subsidiary.

The Issuer expects to take delivery of the aforementioned two 81,200 dead weight tons ("**dwt**") methanol dual fuel new-building Kamsarmax dry bulk vessels, by the second half of 2027 and the first half of 2028, respectively. As of the same date, the combined carrying capacity of the Issuer's fleet is approximately 4.2 million dwt with a weighted average age of 10.99 years.

During 2023 and 2022 the Issuer had a fleet utilization of 99.7% and 98.9%, respectively, the Issuer's vessels achieved daily time charter equivalent rates of USD 16,713 and USD 22,735, respectively, and the Issuer generated revenues of USD 262.1 million and USD 290.0 million, respectively.

The commercial and technical management of the Issuer's fleet, owned and bareboat chartered-in, as well as the provision of administrative services relating to the fleet's operations, are carried out by the Issuer's wholly owned subsidiary, Diana Shipping Services S.A. (the "**DSS**"), and Diana Wilhelmsen Management Limited (the "**DWM**"), a 50/50 joint venture with Wilhelmsen Ship Management. In exchange for providing with commercial and technical services, personnel and office space, the Group pays DSS a commission, which is a percentage of the managed vessels' gross revenues, a fixed monthly fee per managed vessel and an additional monthly fee for the administrative services provided to the Issuer.

#### 6.1.2 Strategy and objectives

The Issuer's main objective is to manage and expand its fleet in a manner that will enable it to enhance shareholder value.

To accomplish this objective, the Group intends to pursue highly focused business strategies, including:

- maintaining a high quality fleet;
- strategically expanding the size of its fleet;
- pursuing an appropriate balance of short-term and long-term time charters;
- maintaining a strong balance sheet; and
- maintaining low cost, highly efficient operations.

In addition, the Issuer intends to capitalize on, in the Issuer's opinion, its reputation for high standards of performance, reliability and safety to establish and maintain relationships with major international charterers and financial institutions.

### 6.1.3 *Customer base*

The Group's customer base includes regional and international companies mainly with concentrations below 10% of the Group's gross revenues.

## 6.2 **The principal market of the Group**

### 6.2.1 *Introduction*

The Issuer is the holding company of the Group, with the principal activities being carried out by the subsidiaries of the Issuer. The Issuer operates in the global market of dry bulk sea freight.

The global dry bulk carrier fleet could be divided into seven categories based on a vessel's carrying capacity. These categories consist of:

- Very Large Ore Carriers
- Capesize
- Post-Panamax
- Panamax
- Ultramax
- Handymax/Supramax
- Handysize

The demand for dry bulk carrier capacity is determined by the underlying demand for commodities transported in dry bulk carriers, which in turn is influenced by trends in the global economy. Demand for dry bulk carrier capacity is also affected by the operating efficiency of the global fleet, along with port congestion, which has been a feature of the market since 2004, absorbing tonnage and therefore leading to a tighter balance between supply and demand. In evaluating demand factors for dry bulk carrier capacity, the Issuer believes that dry bulk carriers can be the most versatile element of the global shipping fleets in terms of employment alternatives.

### 6.2.2 *Very Large Ore Carriers*

Very large ore carriers ("**VLOCs**"), have a carrying capacity of more than 200,000 dwt and are a comparatively new sector of the dry bulk carrier fleet. VLOCs are built to exploit economies of scale on long-haul iron ore routes.

### 6.2.3 *Capesize*

Capesize vessels have a carrying capacity of 110,000-199,999 dwt. Only the largest ports around the world possess the infrastructure to accommodate vessels of this size. Capesize vessels are primarily used to transport iron ore or coal and, to a much lesser extent, grains, primarily on long-haul routes.

### 6.2.4 *Post-Panamax*

Post-Panamax vessels have a carrying capacity of 80,000-109,999 dwt. These vessels tend to have a shallower draft and larger beam than a standard Panamax vessel with a higher cargo capacity. These vessels have been designed specifically for loading high cubic cargoes from draught restricted ports, although they cannot transit the Panama Canal.

### 6.2.5 *Panamax*

Panamax vessels have a carrying capacity of 60,000-79,999 dwt. These vessels carry coal, iron ore, grains, and, to a lesser extent, minor bulks, including steel products, cement and fertilizers. Panamax vessels are able to pass through the Panama Canal, making them more versatile than larger vessels with regard to accessing different trade routes. Most Panamax and Post-Panamax vessels are "gearless", and therefore must be served by shore-based

cargo handling equipment. However, there are a small number of geared vessels with onboard cranes, a feature that enhances trading flexibility and enables operation in ports which have poor infrastructure in terms of loading and unloading facilities.

#### 6.2.6 *Ultramax*

Ultramax is the largest class before Panamax and is the newer form of the smaller Supramax with a maximum length of 200 meters and capacity that ranges from 60,000 dwt and 66,000 dwt. This class is considered an upgrade to Supramax class as it offers a better all-around investment for Charterers and Shipowners due to its higher cargo carrying capacity and better bunker efficiency. Ultramax class bulk carriers have 5 cargo holds, are fitted with 4 cranes and usually are equipped with grabs allowing them to call more ports with no such facilities giving them more versatility.

#### 6.2.7 *Handymax/Supramax*

Handymax vessels have a carrying capacity of 40,000-59,999 dwt. These vessels operate in a large number of geographically dispersed global trade routes, carrying primarily grains and minor bulks. Within the Handymax category there is also a sub-sector known as Supramax. Supramax bulk carriers are ships between 50,000 to 59,999 dwt, normally offering cargo loading and unloading flexibility with on-board cranes, or "gear," while at the same time possessing the cargo carrying capability approaching conventional Panamax bulk carriers.

#### 6.2.8 *Handysize*

Handysize vessels have a carrying capacity of up to 39,999 dwt. These vessels are primarily involved in carrying minor bulk cargoes. Increasingly, ships of this type operate within regional trading routes, and may serve as trans-shipment feeders for larger vessels. Handysize vessels are well suited for small ports with length and draft restrictions. Their cargo gear enables them to service ports lacking the infrastructure for cargo loading and unloading.

#### 6.2.9 *Other categories*

Other size categories occur in regional trade, such as Kamsarmax, with a maximum length of 229 meters, the maximum length that can load in the port of Kamsar in the Republic of Guinea. Other terms such as Seawaymax, Setouchmax, Dunkirkmax, and Newcastlemax also appear in regional trade. The supply of dry bulk carriers is dependent on the delivery of new vessels and the removal of vessels from the global fleet, either through scrapping or loss. The level of scrapping activity is generally a function of scrapping prices in relation to current and prospective charter market conditions, as well as operating, repair and survey costs. The average age at which a vessel is scrapped was 29 years in 2022 and 28 years in 2021

#### 6.2.10 *Competitive environment for dry bulk shipping*

The Group's business fluctuates in line with the main patterns of trade of the major dry bulk cargoes and varies according to changes in the supply and demand for these items. The Group operates in markets that are highly competitive and based primarily on supply and demand. The Group competes for charters on the basis of price, vessel location, size, age and condition of the vessel, as well as on its reputation as an owner and operator. The Group competes with other owners of dry bulk carriers in the Panamax, Post-Panamax and smaller class sectors and with owners of Capesize and Newcastlemax dry bulk carriers. Ownership of dry bulk carriers is highly fragmented.

### 6.3 Competitive strengths

The Group believe that it possesses a number of strengths that provides it with a competitive advantage in the dry bulk shipping industry:

- *The Group owns a modern, high quality fleet of dry bulk carriers.* The Group believes that owning a modern, high quality fleet reduces operating costs, improves safety and provides it with a competitive advantage in securing favorable time charters. The Group maintains the quality of its vessels by carrying out regular inspections, both while in port and at sea, and adopting a comprehensive maintenance program for each vessel.
- *The Group's fleet includes groups of sister ships.* The Group believes that maintaining a fleet that includes sister ships enhances the revenue generating potential of its fleet by providing it with operational and scheduling flexibility. The uniform nature of sister ships also improves its operating efficiency by allowing fleet managers to apply the technical knowledge of one vessel to all vessels of the same series and create economies of scale that enable the Group to realize cost savings when maintaining, supplying and crewing its vessels.
- *The Group has an experienced management team.* The management team consists of experienced executives who have, on average, more than 30 years of operating experience in the shipping industry and has demonstrated ability in managing the commercial, technical and financial areas of its business.
- The Group benefits from the experience and reputation of DSS and the relationship with Wilhelmsen Ship Management through the DWM joint venture.
- *The Group benefits from strong relationships with members of the shipping and financial industries.* The Group has developed strong relationships with major international charterers, shipbuilders and financial institutions that the Group believes are the result of the quality of its operations, the strength of its management team and its reputation for dependability.
- *The Group has a strong balance sheet and a relatively low level of indebtedness.* The Group believes that its strong balance sheet and relatively low level of indebtedness provide it with the flexibility to increase the amount of funds that the Group may draw under its available loan facilities in connection with any future acquisitions or otherwise and enable the Group to use cash flow that would otherwise be dedicated to debt service for other purposes.

Unless otherwise indicated in the Prospectus, the basis for any statements regarding the Issuer's competitive position in the future is based on the Issuer's own assessment and knowledge of the potential market in which it may operate.

### 6.4 History and important events

The table below provides an overview of key events in the history of the Group:

Year	Main events
1999	The Issuer, under the name Diana Shipping Investments Corp. was incorporated and existing under the laws of Liberia
2005	The Issuer's Articles of Incorporation were amended and the Issuer changed its legal name to Diana Shipping Inc. and was re-domiciled to the Republic of the Marshall Islands with company registration number 13671 in the Marshall Islands' Registrar of Corporations
2005	Initial public offering and follow-on equity issue raising USD 278 million in total
2006 -2009	Series of follow-on equity issuances raising USD 632 million in total
2014	Issued Series B Cumulative Redeemable Perpetual Preferred Shares in the U.S. market with proceeds of USD 65 million
2015	Issued 8.50% Senior Notes in the U.S. market with proceeds of USD 63 million and established a JV with Wilhelmsen Ship Management

Year	Main events
2017	USD 81 million issuance of common shares
2018	Issued a USD 100 million senior unsecured bond in the Nordic market to refinance its 8.50% Senior Notes
2021	Issued a USD 125 million senior unsecured bond in the Nordic market to refinance the 2018 USD 100 million bond issue
2023	Warrants program for all shareholders to raise equity without dilution. Raised USD 25.3 million under the on-going warrant program as of 24 July 2024. A further USD 65.1 million could be raised under the scope of the program.
2024	Issued a USD 150 million senior unsecured bond in the Nordic market to refinance the 2021 USD 125 million bond issue
2024	Admission to trading of the Bonds on Oslo Stock Exchange's main board

## 6.5 Overview of the Group's business

The Issuer's fleet comprise, at the date of the Prospectus, 38 vessels. The following table sets out an overview of the Group's current fleet owned and bareboat chartered-in.

Diana Shipping Inc. Fleet List					
Ultramax Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
DSI Phoenix	60,456	2017	Jabwot Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
DSI Pollux	60,446	2015	Tamana Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
DSI Pyxis	60,362	2018	Beru Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
DSI Polaris	60,404	2018	Ejite Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
DSI Pegasus	60,508	2015	Manra Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
DSI Aquarius	60,309	2016	Arorae Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
DSI Aquila	60,309	2015	Bonriki Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
DSI Altair	60,309	2016	Taongi Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
DSI Andromeda	60,309	2016	Namorik Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
Panamax Gearless Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
Leto	81,297	2010	Jemo Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Selina	75,700	2010	Kaben Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Maera	75,403	2013	Wake Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Ismene	77,901	2013	Taroa Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Crystalia	77,525	2014	Erikub Shipping Company Inc.	Greek	Diana Shipping Services S.A.
Atalandi	77,529	2024	Wotho Shipping Company Inc.	Greek	Diana Shipping Services S.A.



Kamsarmax Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
Maia	82,193	2009	Jabat Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Myrsini	82,117	2010	Makur Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Medusa	82,194	2010	Rairok Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Myrto	82,131	2013	Tuvalu Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Astarte	81,513	2013	Ebadon Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Leonidas P. C.	82,165	2011	Kiribati Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Post-Panamax Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
Alcmene	93,193	2010	Majuro Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
Amphitrite	98,697	2012	Guam Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Polymnia	98,704	2012	Palau Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Electra	87,150	2013	Rakaru Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Phaidra	87,146	2013	Mejato Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Capesize Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
Semirio	174,261	2007	Kili Shipping Company Inc.	Marshall Islands	Diana Wilhelmsen Management Ltd.
New York	177,773	2010	Bikini Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Seattle	179,362	2011	Toku Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
P. S. Palios	179,134	2013	Pulap Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
G. P. Zafirakis	179,492	2014	Weno Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Santa Barbara	179,426	2015	Lelu Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
New Orleans	180,960	2015	Ujae Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Florida	182,063	2022	Bikati Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Newcastlemax Bulk Carriers					
Name of vessel	Size (dwt)	Year built	Company	Flag	Management Company
Los Angeles	206,104	2012	Lae Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Philadelphia	206,040	2012	Namu Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
San Francisco	208,006	2017	Aster Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.
Newport News	208,021	2017	Aerik Shipping Company Inc.	Marshall Islands	Diana Shipping Services S.A.

## 6.6 Research and development

The Issuer has identified opportunities emerging on environmental related projects and investments and is actively engaged in green and research and development investments. For example, the Group acquired two methanol dual-fuel Kamsarmax vessels, to be delivered by the second half of 2027 and the first half of 2028, and the Group participates in a joint venture investing in the offshore sector by building battery-powered hybrid propulsion vessels for wind farm support. The Issuer also fosters its employees' environmental consciousness through various policies, seminars and activities.

## 6.7 Material agreements outside the ordinary course of business

Other than as set out below, no company within the Group has entered into any material contracts or other agreements containing rights or obligations of material importance to such company or the Group outside the ordinary course of business during the two years preceding the date of this Prospectus. Considering the current state of development of the Group, it is the Issuer's opinion that the Group's existing business and profitability are not dependent upon any single contracts.

### i. **DWM**

DWM is a joint venture between Diana Ship Management Inc., a wholly owned subsidiary of the Issuer, and Wilhelmsen Ship Management Holding AS, an unaffiliated third party, each holding 50% of DWM. DWM provides commercial and technical management to six of the Issuer's vessels for a fixed monthly fee and a percentage of their gross revenues.

### ii. **Bergen Ultra LP ("Bergen")**

Bergen is a limited partnership which was established for the purpose of acquiring, owning, chartering and/or operating a vessel. Bergen was a wholly owned subsidiary of the Issuer, which on 14 February 2023 signed a Memorandum of Agreement to acquire for USDt 27,900, from an unrelated third-party, an Ultramax dry bulk vessel, delivered on 10 April 2023. On 30 March 2023, Bergen entered into a loan agreement with Nordea for a USDt 15,400 loan to finance part of the purchase price of the vessel. On the same date, the Group entered into a corporate guarantee with Nordea to secure Bergen's obligations under the loan. On 18 April 2023, the Group entered into (i) an investment agreement with an unrelated third party to acquire 75% of the limited partnership interests, for USDt 11,025; (ii) an amended limited partnership agreement under which the Group acts as the general partner of the partnership through its wholly owned subsidiary Diana General Partner Inc.; (iii) an administrative service agreement under which DSS provides administrative services to Bergen for an annual fee of USDt 15; (iv) a commission agreement under which the Group is paid a commission of 0.8% per annum, on the outstanding balance of the loan, as compensation for the guarantee it provided to Nordea and (v) a convertible loan agreement for USDt 27,900 plus other expenses, with Bergen under which Bergen would have to repay all expenditures made by the Group for the acquisition of the vessel. Pursuant to the terms of the convertible loan, on 28 April 2023, the Group received from Bergen USDt 25,189 in cash while an amount of USDt 3,675 was converted into partnership interests in Bergen, representing 25% of the total partnership interests.

Upon the provisions of the amended partnership agreement, the general partner irrevocably delegated the authority to Bergen's board of directors to have the power to oversee and direct the operations, management and policies of Bergen. The Group evaluated its variable interests in Bergen under the Financial Accounting Standards Board's Accounting Standards Codification ("**ASC**") 810 and concluded that Bergen is a variable interest entity ("**VIE**") and that the Group does not individually have the power to direct the activities of the VIE that most significantly affect the partnership's performance. From 28 April 2023 the Group no longer retains the power to control the board of directors. As of the same date, Bergen has been considered as an affiliate entity and not as a controlled subsidiary of the Group. The Group accounted for the deconsolidation of Bergen in accordance with ASC 610 and the retained noncontrolling interest of 25% was accounted for under the equity method due to the Group's significant influence over Bergen.

### iii. **Windward Offshore GmbH ("Windward")**

On 7 November 2023, the Group through its wholly owned subsidiary Diana Energize Inc. ("**Diana Energize**"), entered into a joint venture agreement, with two unrelated companies to form Windward Offshore GmbH & Co. KG or Windward, based in Germany, for the purpose of establishing and operating an offshore wind vessel company with the aim of becoming a leading provider of service vessels to the growing offshore wind industry and acquire certain vessels. Diana Energize agreed to contribute EUR 50,000,000, being 45.87% of the limited partnership's capital.

### iv. **Cohen Global Maritime Inc. ("Cohen")**

On 12 September 2023, the Group through its wholly owned subsidiary Cebu Shipping Company Inc. ("**Cebu**"), acquired 24% of Cohen, a company organized in the Republic of the Philippines for the purpose of engaging in the manning agency business.

**v. OceanPal Inc. ("OceanPal")**

Since November 2021, the Group has owned 500,000 of OceanPal's Series B Preferred Shares. As of 17 October 2023, the Group has owned 207 shares of OceanPal's Series C Convertible Preferred Shares issued to the Group in the OceanPal spin-off. Series B Preferred Shares entitle the holder to 2,000 votes on all matters submitted to vote of the stockholders of the OceanPal, provided however, that the total number of votes shall not exceed 34% of the total number of votes, provided further, that the total number of votes entitled to vote, including common stock or any other voting security, would not exceed 49% of the total number of votes.

Series C Preferred Shares do not have voting rights unless related to amendments of the articles of incorporation that adversely alter the preference, powers or rights of the Series C Preferred Shares or to issue Parity Stock or create or issue Senior Stock. Series C Preferred Shares have become convertible into common stock at OceanPal's option since the first anniversary of the issue date, at a conversion price equal to the lesser of USD 6.5 and the 10-trading day trailing volume weighted average price of OceanPal's common shares, subject to adjustments. Additionally, Series C Preferred Shares have a cumulative preferred dividend accruing at the rate of 8% per annum, payable in cash or, at OceanPal's election, in kind and has a liquidation preference equal to the stated value of USD 10,000.

On 20 September 2022, the Group acquired 25,000 Series D Preferred Shares, par value USD 0.01 per share, as part of the consideration provided to the Group for the acquisition of Baltimore, which was sold to OceanPal, pursuant to a memorandum of agreement dated 13 June 2022, for USD 22.0 million. On 15 December 2022, the Issuer distributed the Series D Preferred Shares as non-cash dividend to its shareholders of record on 28 November 2022.

On 8 February 2023, the Group acquired 13,157 of OceanPal's Series D Preferred Shares as part of the consideration provided to the Group for the acquisition of Melia, which was sold to OceanPal, pursuant to a memorandum of agreement dated 1 February 2023, for USD 14.0 million. On 9 June 2023, the Issuer distributed the Series D Preferred Shares as a non-cash dividend to its shareholders of record on 24 April 2023.

**vi. Acquisitions of property**

On 6 July 2023, the Group purchased the remaining 1/3 interest in a parcel of land that the Group did not already own from Alpha Sigma Shipping Corp, a related party company, for the purchase price of USD 1.2 million and became the sole owner of the parcel.

In 2024, the Group purchased two additional plots of land from unrelated third parties for an aggregate amount of approximately USD 1.9 million. All plots of land are in the same area as the Group's principal offices. Other than this interest in real property, the Group's only material properties are the vessels in its fleet, owned and bareboat chartered-in.

**6.8 Governmental, legal and arbitration proceedings**

From time to time, the Issuer and other companies in the Group may become involved in litigation, arbitration, disputes and other legal or governmental proceedings arising in the normal course of business. Neither the Issuer, nor any other company in the Group has been part of any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Issuer or the Group's financial position or profitability.

## 7 SELECTED HISTORICAL FINANCIAL INFORMATION AND OTHER INFORMATION

### 7.1 Introduction, basis of preparation

The selected financial information referenced in this Section has been extracted from the Financial Information, as defined in Section 4.2.1 "Financial information".

### 7.2 Selected historical financial information

The table below references pages in the Financial Information, including selected historical financial information. The Financial Information is incorporated by reference in this Prospectus, see Section 12.4 below.

	Interim financial statements for the six months period ended 30 June 2024 ( <i>unaudited</i> )	Annual report for the year ended 31 December 2023	Annual report for the year ended 31 December 2022
Consolidated statements of income	-	Page F6	Page F6
Consolidated statement of comprehensive income	Page F3	Page F6	Page F7
Consolidated balance sheets	Page F2	Page F5	Page F5
Consolidated statement of cash flow	Page F5-F6	Page F9-F10	Page F9
Notes	Page F7-F21	Page F11-F38	Page F10-F29
Audit report	-	Page F2-F4	Page F2-F4

### 7.3 Independent auditor

The Issuer's independent auditor, since the beginning of 2024, is Deloitte Certified Public Accountants S.A., with general commercial registration number 0001223601000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address at 3a Fragoklissias & Granikou St, Maroussi, Athens, GR 15125, Greece ("**Deloitte**"). Before that, and since 2004, the Issuer's independent auditor was Ernst & Young (Hellas) Certified Auditors Accountants S.A. ("**EY**"), with general commercial registry number 000710901000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address Chimarras 8B, 15125 Maroussi, Greece.

EY has audited the Annual Financial Statements, and the audit reports are included in the Annual Financial Statements, incorporated by reference in this Prospectus. EY has not audited, reviewed or produced any report on any other information provided in this Prospectus.

## 8 FINANCIAL OVERVIEW AND RECENT DEVELOPMENTS

*This Section on financial overview should be read together with the Financial Information and related notes included therein. The Financial Information has been incorporated by reference into this Prospectus. This Section on financial overview should be read together with Section 4 "General information", Section 6 "Business of the Group" and Section 7 "Selected historical financial information and other information".*

*This Section on financial overview contains forward-looking statements. These forward-looking statements are not historical facts, but are rather based on the Group's current expectations, estimates, assumptions and projections about the Group's industry, business, strategy and future financial results. Actual results could differ materially from the results contemplated by these forward-looking statements because of a number of factors, including those discussed in Section 2 "Risk factors" of this Prospectus, as well as other Sections of this Prospectus.*

### 8.1 General overview and recent developments

The Group has not experienced, nor has it any information on, any significant trends in production, sales and costs and selling prices, uncertainties, demands, commitments or events that are reasonably likely to have a material adverse effect or result in any material adverse change on the Group's prospects for the current financial year.

### 8.2 Significant changes in the financial position of the Group

There have been no significant changes in the financial position of the Group since 30 June 2024 (being the end of the last financial period for which financial information has been published).

### 8.3 Significant changes in the financial performance of the Group

There have been no significant changes in the financial performance of the Group since 30 June 2024 (being the end of the last financial period for which financial information has been published).

### 8.4 Recent events relevant to the evaluation of the solvency of the Issuer

There have been no recent events particular to the Group that to a material extent are relevant for the evaluation of the solvency of the Issuer.

### 8.5 Material changes in the borrowing and funding structures

On 27 June 2024, the Issuer entered into the Bond Terms (as defined herein) for the 8.75% Senior Unsecured USD 175,000,000 Bond Issue 2024/2029. The Bonds were issued to the Bondholders on 2 July 2024 and has ISIN NO 0013265835. The Initial Bond Issue (as defined in the Bond Terms) was in the amount of USD 150,000,000. As of the date of this Prospectus, the outstanding amount under the Bonds is USD 150,000,000.

On 25 July 2024, the Issuer entered into a USD 167.3 million six-year secured term loan facility with Nordea Bank Abp, filial i Norge (the "**Nordea Loan Facility**"), under which the full amount was drawn down immediately. The Nordea Loan Facility matures in July 2030 and is secured by ten vessels. The proceeds were utilized to refinance two of the Issuer's former loan facilities with Nordea Bank Abp, filial i Norge: one for USD 149.3 million and the other for USD 18.0 million, originally maturing in October 2027 and June 2028, respectively (together, the "**Original Nordea Loan Facilities**") (the "**Nordea Loan Refinancing**"). The Original Nordea Loan Facilities were secured by twelve vessels. As part of the Nordea Loan Refinancing, two of the Issuer's mortgaged vessels were released. As of the date of this Prospectus, the outstanding amount under the Nordea Loan Facility is USD 167,263,025.

On 18 October 2024, the Issuer entered into a USD 80.2 million seven-year secured term loan facility with Danish Ship Finance A/S (the "**DSF Loan Facility**"), under which the full amount was drawn down immediately. The DSF Loan Facility matures in April 2031 and is secured by seven vessels. The proceeds were utilized to refinance the Issuer's existing loan facility with Danish Ship Finance A/S of the same balance, originally maturing in April 2028 (the "**Original DSF Loan Facility**"). The original DSF Loan Facility was previously secured by nine vessels. As part of this refinancing, two of the Company's mortgaged vessels have been released. As of the date of this Prospectus, the outstanding amount under the DSF Loan Facility is USD 80.2 million.

Apart from the above, there have been no material changes in the borrowing and funding structures of the Group since 31 December 2023.

## 9 THE BOARD OF DIRECTORS AND MANAGEMENT

### 9.1 The Board of Directors

#### 9.1.1 Introduction

The Issuer's board of directors (the "**Board of Directors**") is responsible for the overall management of the Issuer and may exercise all of the powers of the Issuer not reserved to the Issuer's Shareholders by the Articles of incorporation of the Issuer (the "**Articles of Incorporation**") or Marshall Islands law.

The Board of Directors consists of 11 Directors, as listed in the table in Section 9.1.2 below.

#### 9.1.2 Composition of the Board of Directors

The current Board of Directors consists of eleven (11) Directors.

The names and positions of the Directors as of the date of this Prospectus are set out in the table below.

Name	Position
Simeon Palios	Class I Director and Chairman of the Board of Directors
Semiramis Paliou	Class III Director and Chief Executive Officer (" <b>CEO</b> ")
Anastasios Margaronis	Class I Director and President
Ioannis Zafirakis	Class I Director, Chief Financial Officer (" <b>CFO</b> "), Chief Strategy Officer (" <b>CSO</b> "), Treasurer and Secretary
Konstantinos Psaltis	Class II Director (Non-Executive)
Kyriacos Riris	Class II Director (Non-Executive)
Apostolos Kontoyannis	Class III Director (Non-Executive)
Konstantinos Fotiadis	Class III Director (Non-Executive)
Eleftherios Papatrifon	Class II Director
Simon Frank Peter Morecroft	Class II Director (Non-Executive)
Jane Sih Ho Chao	Class I Director (Non-Executive)

The term of the Issuer's Class I directors expires in 2027, the term of Class II directors expires in 2025, and the term of Class III directors expires in 2026.

Mr. Eleftherios Papatrifon served as Chief Operating Officer of the Issuer until February 2023, when he was appointed as Class II Director and member of the Executive Committee on 22 February 2023 to serve until the next scheduled election for Class II directors. Ms. Jane Chao was appointed as a Class I Director on 22 February 2023 to serve until the next scheduled election for Class I directors.

The business address of each officer and director is the address of the Issuer's principal executive offices, which are located at Pendelis 16, 175 64 Palaio Faliro, Athens, Greece.

#### 9.1.3 Brief biographies of the Board of Directors

Set out below are brief biographies of the Directors, as well as indications of each of the Director's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a Director is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

#### **Simeon Palios, Class I Director and Chairman of the Board of Directors**

Simeon P. Palios has served as the Chairman of the Board of Directors of the Issuer since February 2005 and as a Director of the Issuer since March 1999. He served as the Issuer's Chief Executive Officer from February 2005





*Hellenic Marine Environment Protection Association (HELMEPA) (Director and Chairperson of the board of directors)*

*INTERMEPA (Chairperson)*

*UK P&I Club (member of the board of directors)*

*Union of Greek Shipowners (member of the board of directors)*

*Global Maritime Forum (member of the board of directors)*

*The Greek National Committee of the Det Norske Veritas (member)*

*The Greek National Committee of the Nippon Kaiji Kyokai (member)*

*The Greek National Committee of the Bureau Veritas (member)*

*The Greek National Committee of the American Bureau of Shipping (member)*

*The Greek National Committee of the Hellenic War Risks (member)*

#### **Anastasios Margaronis, Class I Director and President**

Anastasios Margaronis has served as President and a Director of the Issuer. since February 2005. He is also member of the Executive Committee of the Issuer. Mr. Margaronis is the Deputy President of Diana Shipping Services S.A., where he also serves as a Director and Secretary. Mr. Margaronis has experience in the shipping industry, including in ship finance and insurance, since 1980. Prior to February 21, 2005, Mr. Margaronis was employed by Diana Shipping Agencies S.A. in 1979 and performed on the Issuer's behalf the services he now performs as President. He joined Diana Shipping Agencies S.A. in 1979 and has been responsible for overseeing the Issuer's vessels' insurance matters, including hull and machinery, protection and indemnity and war risks insurances. From January 2010 to February 2020, he served as Director and President of Performance Shipping Inc. (ex. Diana Containerships Inc.).

In addition, Mr. Margaronis is a member of the Greek National Committee of the American Bureau of Shipping. He has also been on the Members' Committee of the Britannia Steam Ship Insurance Association Limited since October 2022. From October 2005 to October 2019, he was a member of the board of directors of the United Kingdom Mutual Steam Ship Assurance Association (Europe) Limited. He holds a bachelor's degree in Economics from the University of Warwick and a master's of science degree in Maritime Law from the Wales Institute of Science and Technology.

*Current directorships and management positions:.....*

*The Greek National Committee of the American Bureau of Shipping (member)*

*The Members' Committee of the Britannia Steam Ship Insurance Association Limited (member)*

*The United Kingdom Mutual Steam Ship Assurance Association (Europe) Limited (member of the board of directors)*

#### **Ioannis Zafirakis, Class I Director, CFO, CSO, Treasurer and Secretary**

Ioannis Zafirakis has served as a Director and Secretary of the Issuer since February 2005 and Chief Financial Officer (Interim Chief Financial Officer until February 2021) and Treasurer since February 2020 and he is also the Chief Strategy Officer of the Issuer. Mr. Zafirakis is also member of the Executive Committee of the Issuer. Mr.

Zafirakis has held various executive positions such as Chief Operating Officer, Executive Vice-President and Vice-President. In addition, Mr. Zafirakis is the Chief Financial Officer of Diana Shipping Services S.A., where he also serves as Director and Treasurer. Also, he has served as a Director of OceanPal Inc. since April 2021. He has also served as the President, Secretary and Interim Chief Financial Officer of OceanPal Inc. from November 2021 to April 2023. He is also member of the Executive Committee of OceanPal Inc. From June 1997 to February 2005, Mr. Zafirakis was employed by Diana Shipping Agencies S.A., where he held a number of positions in finance and accounting. From January 2010 to February 2020, he also served as Director and Secretary of Performance Shipping Inc. (ex. Diana Containerships Inc.), where he held various executive positions such as Chief Operating Officer and Chief Strategy Officer.

Mr. Zafirakis is a member of the Business Advisory Committee of the Shipping Programs of ALBA Graduate Business School at The American College of Greece. In 2024, Mr. Zafirakis attended and completed the Advanced Management Programme at INSEAD Business School in Singapore. Mr. Zafirakis has also obtained a certificate in "Blockchain Economics: An Introduction to Cryptocurrencies" from Panteion University of Social and Political Sciences in Greece. He holds a bachelor's degree in Business Studies from City University Business School in London and a master's degree in International Transport from the University of Wales in Cardiff.

*Current directorships and management positions:.....* *OceanPal Inc. (Director and member of the Executive Committee)*

#### **Konstantinos Psaltis, Class II Director**

Konstantinos Psaltis has served as a Director of the Issuer since March 2005, the Chairman of its Nominating Committee since May 2015 and a member of its Compensation Committee since May 2017. Mr. Psaltis serves also as President of Ormos Compania Naviera S.A., a company that specializes in operating and managing multipurpose container vessels, where from 1981 to 2006, he held the position of Managing Director. Prior to joining Ormos Compania Naviera S.A., Mr. Psaltis simultaneously served as a technical manager in the textile manufacturing industry and as a shareholder of shipping companies managed by M.J. Lemos. From 1961 to 1964, he served as ensign in the Royal Hellenic Navy. He holds a degree in Mechanical Engineering from Technische Hochschule Reutlingen & Wuppertal and a bachelor's degree in Business Administration from Tübingen University in Germany.

*Current directorships and management positions:.....* *Ormos Compania Naviera S.A. (President)*

#### **Kyriacos Riris, Class II Director**

Kyriacos Riris has served as a Director of the Issuer since March 2015 and a member of its Nominating Committee since May 2015. From May 2022, he is also the Chairman of the Audit Committee of the Issuer. Commencing in 1998, Mr. Riris served in a series of positions in PricewaterhouseCoopers (PwC), Greece, including as Senior Partner, Managing Partner of the Audit and the Advisory/Consulting Lines of Service. From 2009 to 2014, Mr. Riris served as Chairman of the Board of Directors of PricewaterhouseCoopers (PwC), Greece. Prior to its merger with PwC, Mr. Riris was employed at Grant Thornton, Greece, where in 1984 he became a Partner. From 1976 to 1982, Mr. Riris was employed at Arthur Young, Greece. Since November 2018, Mr. Riris has served as Chairman of Titan Cement International S.A., a Belgian corporation, while he is currently the Vice Chairman of the Board and the Chairman of the Audit and the Risk Committee of the Group.

Mr. Riris holds a degree from Birmingham Polytechnic (presently Birmingham City University) and completed his professional qualifications with the Association of Certified Chartered Accountants (ACCA) in the UK in 1975, becoming a Fellow of the Association of Certified Accountants in 1985.

*Current directorships and management positions:.....* *Titan Cement International S.A. (Vice Chairman of the board of directors and Chairman of the Audit and the Risk Committee)*

**Apostolos Kontoyannis, Class III Director**

Apostolos Kontoyannis is a Director, the Chairperson of the Compensation Committee and a member of the Audit Committee of the Issuer, positions he has held since March 2005. Since March 2021, Mr. Kontoyannis also serves as the Chairperson of the Sustainability Committee of the Issuer. Mr. Kontoyannis has over 40 years of experience in shipping finance and currently serves as financial consultant to various shipping companies. He was employed by Chase Manhattan Bank N.A. in Frankfurt (Corporate Bank), London (Head of Shipping Finance South Western European Region) and Piraeus (Manager, Ship Finance Group) from 1975 to 1987. Mr. Kontoyannis holds a bachelor's degree in Finance and Marketing and a master's degree in Business Administration and Finance from Boston University.

*Current directorships and management positions:.....* *N/A*

**Konstantinos Fotiadis, Class III Director**

Konstantinos Fotiadis has served as a Director since 2017. Mr. Fotiadis served as an independent Director and as the Chairman of the Audit Committee of Performance Shipping Inc. (ex. Diana Containerships Inc.) from the completion of Performance Shipping Inc.'s (ex. Diana Containerships Inc.) private offering until February 2011. From 1990 until 1994, Mr. Fotiadis served as the President and Managing Director of Reckitt & Colman (Greece), part of the British multinational Reckitt & Colman plc, manufacturers of household, cosmetics and health care products. From 1981 until its acquisition in 1989 by Reckitt & Colman plc, Mr. Fotiadis was a General Manager at Dr. Michalis S.A., a Greek company manufacturing and marketing cosmetics and health care products. From 1978 until 1981, Mr. Fotiadis held positions with Esso Chemicals Ltd. and Avrassoglou S.A. Mr. Fotiadis has also been active as a business consultant and real estate developer. Mr. Fotiadis holds a degree in Economics from Technische Universitaet Berlin and in Business Administration from Freie Universitaet Berlin.

*Current directorships and management positions:.....* *N/A*

**Eleftherios Papatrifon, Class II Director**

Eleftherios (Lefteris) A. Papatrifon has served as a Director and a member of the Executive Committee of the Issuer since February 2023. Prior to this appointment, he served as Chief Operating Officer of the Issuer from March 2021 to February 2023. Mr. Papatrifon also serves as a Director of OceanPal Inc. and a member of its Executive Committee, positions he has held since November 2021. From November 2021 to January 2023, he served as Chief Executive Officer of OceanPal Inc.

Prior to joining the Issuer, he was Chief Executive Officer, Co-Founder and Director of Quintana Shipping Ltd, a provider of dry bulk shipping services, from 2010 until the company's successful sale of assets and consequent liquidation in 2017. Previously, for a period of approximately six years, he served as the Chief Financial Officer and Director of Excel Maritime Carriers Ltd. Prior to that, Mr. Papatrifon served for approximately 15 years in a number of corporate finance and asset management positions, both in the USA and in Greece.

Mr. Papatrifon holds undergraduate (BBA) and graduate (MBA) degrees from Baruch College (CUNY). He is also a member of the CFA Institute and a CFA charterholder.

*Current directorships and management positions:.....* *OceanPal Inc. (Director and member of the Executive Committee)*

### Simon Frank Peter Morecroft, Class II Director

Simon Morecroft has served as a Director of the Issuer since May 2022. He also serves as a Director of Enarxis Ltd, a shipping consultancy company. Mr. Morecroft spent his career in the shipbroking industry as a Sale and Purchase broker. He joined Braemar Shipbrokers Ltd (now Braemar ACM Shipbroking) in 1983 becoming a director in 1986 and remained on the board until his retirement in August 2021. During this time Braemar grew from a boutique broking operation into one of the world's most successful fully integrated shipbroking companies with a listing on the London Stock Exchange. Mr. Morecroft graduated from Oxford University in 1980 with a Masters in PPE.

Current directorships and management positions: ..... Enarxis Ltd (Director)

### Jane Sih Ho Chao, Class I Director

Jane Chao has served as a Director of the Issuer since February 2023. She also serves as a director of Wah Kwong Shipping Holdings Limited, a position she has held since 2008. Ms. Chao is the managing director of Wah Kwong China Investment which includes residential and commercial properties as well as hospitality businesses in Shanghai and Wuxi. Ms. Chao has founded her own art consultancy company Galerie Huit and lifestyle gallery Maison Huit in 2009 and recently, the non-profit Chao-Lee Art Foundation in 2022. Ms. Chao has also served as a Council Member for Changing Young Lives Foundation helping underprivileged children in Hong Kong and China from 2014 to 2020.

Current directorships and management positions: ..... Wah Kwong Shipping Holdings Limited (Director)  
 Galerie Huit (Founder)  
 Maison Huit (Founder)  
 Chao-Lee Art Foundation (Founder)

## 9.2 Management

### 9.2.1 Overview

The Issuer's senior management team (the "**Management**") currently consists of seven (7) individuals.

The names of the members of the Management and their respective positions are presented in the table below.

Name	Position
Semiramis Paliou	Class III Director and Chief Executive Officer
Anastasios Margaronis	Class I Director and President
Ioannis Zafirakis	Class I Director, Chief Financial Officer, Chief Strategy Officer, Treasurer and Secretary
Maria Dede	Chief Accounting Officer
Margarita Veniou	Chief Corporate Development, Governance & Communications Officer
Maria-Christina Tsemani	Chief People Officer

The business address of each officer is the address of the Issuer's principal executive offices, which are located at Pendelis 16, 175 64 Palaio Faliro, Athens, Greece.

### 9.2.2 Brief biographies of the members of the Issuer's Management

Set out below are the brief biographies of each member of the Management, as well as indications of each member's significant principal activities performed outside the Issuer where relevant for the business of the Group, including the names of companies and partnerships of which a member of the Management is a member of the administrative management or supervisory bodies or partner (not including directorships and management positions in subsidiaries of the Issuer).

**Semiramis Paliou, Class III Director and CEO**

Please refer to section 9.1.3 above.

**Anastasios Margaronis, Class I Director and President**

Please refer to section 9.1.3 above.

**Ioannis Zafirakis, Class I Director, Chief Financial Officer, Chief Strategy Officer, Treasurer and Secretary**

Please refer to section 9.1.3 above.

**Maria Dede, Chief Accounting Officer**

Maria Dede is the Chief Accounting Officer of the Issuer, a position she has held since September 2005. Since March 2020, she also serves as the Finance Manager and Chief Accounting Officer of Diana Shipping Services S.A. In 2000, Ms. Dede joined the Athens branch of Arthur Andersen, which merged with Ernst and Young (Hellas) in 2002, where she served as an external auditor of shipping companies until 2005. From 1996 to 2000 Ms. Dede was employed by Venus Enterprises S.A., a ship-management company, where she held a number of positions primarily in accounting and supplies.

Ms. Dede holds a Bachelor's degree in Maritime Studies from the University of Piraeus, a Master's degree in Business Administration from the ALBA Graduate Business School and a Master's degree in Auditing and Accounting from the Greek Institute of Chartered Accountants.

*Current directorships and management positions:.....* N/A

**Margarita Veniou, Chief Corporate Development, Governance & Communications Officer**

Margarita Veniou has served as the Chief Corporate Development, Governance & Communications Officer of the Issuer since July 2022. From September 2004 until June 2022, she served in the Corporate Planning & Governance Department of the Issuer, holding various positions as Associate, Officer and Manager. Ms. Veniou is also the Corporate Development, Governance & Communications Manager of Diana Shipping Services S.A., a position she has held since 2022, and from 2004 to 2022 she held various other positions at Diana Shipping Services S.A. In addition, since November 2021, Ms. Veniou has served as the Chief Corporate Development & Governance Officer of OceanPal Inc. and she has also served as the company's Board Secretary since April 2023. She is the General Manager of Steamship Shipbroking Enterprises Inc., a position she has held since April 2014.

From January 2010 to February 2020, Ms. Veniou also held the position of Corporate Planning & Governance Officer of Performance Shipping Inc. (ex. Diana Containerships Inc.).

Ms. Veniou holds a bachelor's degree in Maritime Studies and a master's degree in Maritime Economics & Policy from the University of Piraeus, Greece. She completed the Sustainability Leadership and Corporate Responsibility course at the London Business School and has obtained the Certification in Shipping Derivatives from the Athens University of Economics and Business. Ms. Veniou is also a member of WISTA Hellas and ISO 14001 certified by Lloyd's Register.

*Current directorships and management positions:.....* OceanPal Inc. (Chief Corporate Development & Governance Officer and Board Secretary)  
Steamship Shipbroking Enterprises Inc. (General manager)

**Maria-Christina Tsemani, Chief People Officer**

Maria-Christina Tsemani has served as the Issuer's Chief People Officer since July 2022. Ms. Tsemani also serves as HR Manager of Diana Shipping Services S.A., a position she has held since October 2020.

Ms. Tsemani has over 20 years of experience in HR positions with multinational companies and institutional bodies. Before joining Diana Shipping, Ms. Tsemani was People Acquisition and Development Manager of Vodafone Greece. During her career in Vodafone from 2008 to 2020, she held various other positions, including Senior HR Business Partner and Organizational Effectiveness and Reward Manager. From 2004 to 2008, Ms. Tsemani worked as a Senior HR Consultant in PricewaterhouseCoopers (PwC). From 2001 to 2004, she served as Project Manager in the European Commission, based in Luxembourg.

Ms. Tsemani holds a bachelor's degree in Mathematical Sciences and a master's of science degree in Applied Statistics from the University of Oxford, UK.

*Current directorships and management positions:* ..... N/A

### **9.3 Conflicts of interests etc.**

As set out in Sections 9.1 and 9.2 above, certain Directors and members of the Management are officers and directors of OceanPal Inc. Directors and members of the Management may be members of the board of directors or the management in other companies, and hold shares in these companies, and in the event any such company enters into business relationships with the Issuer or otherwise, the Directors or the members of Management may have a conflict of interest. The Issuer has procedures in place in order to handle any such potential conflict of interest.

Except as specified above, and the related party transactions described in the Financial Information, and to the best of the Issuer's knowledge, there are currently no other actual or potential conflicts of interests between the Issuer and the private interests or other duties of any of the members of the Management or the Board of Directors.



## 10 CORPORATE INFORMATION

The following is a summary of certain corporate information and material information relating to the Issuer, including summaries of certain provisions of the Articles of Incorporation. The summary does not purport to be complete and is qualified in its entirety by the Articles of Incorporation and applicable law.

### 10.1 Issuer corporate information

The Issuer's registered and commercial name is Diana Shipping Inc. The Issuer is a corporation with limited liability, validly incorporated on 8 March 1999 under the laws of Liberia as Diana Shipping Investments Corp. and currently existing under the laws of the Republic of the Marshall Islands after it re-domiciled and changed name to Diana Shipping Inc. in February 2005. The Issuer is registered with the Marshall Islands' Registrar of Corporations with registration number 13671, in accordance with the Marshall Islands' Business Corporations Act. The Issuer's LEI-code is 549300XD7FHNJ0THIV12. The Issuer's registered business address is Trust Company Complex, Ajeltake Road, P.O. Box 1405, Majuro, Marshall Islands MH 96960, and its executive offices are located at Pendelis 16, 175 64 Palaio Faliro, Athens, Greece. The Issuer's website is [www.dianashippinginc.com](http://www.dianashippinginc.com). Other than set out in Section 12.4 "Incorporation by reference", the content of the Issuer's website is not incorporated by reference into this Prospectus, nor does it in any other manner constitute a part of this Prospectus.

Pursuant to its Articles of Incorporation section B, the Issuer's purpose is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the Marshall Islands' Business Corporations Act.

### 10.2 Legal structure

The Issuer is the parent company of the Group. The Group's operations are carried out through the Issuer's operating subsidiaries, and the main portion of the Group's cash balance is held at subsidiary level to cover the daily liquidity requirements of the operating subsidiaries. As such, and as described in Section 2 "Risk Factors" above, the Issuer is dependent on the upstreaming of cash and dividends from its subsidiaries in order to service its debt and operational expenditures.

The table below sets out brief information about the Issuer's direct subsidiaries, including country of incorporation.

Company name	Country of incorporation	Holding (%)
Aerik Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Arorae Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Aster Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Beru Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Bikati Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Bikini Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Bonriki Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Bulk Carriers (USA) LLC	State Of Delaware	100%
Cebu Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Cerada International S.A.	Republic Of Panama	100%
Diana Energize Inc.	The Republic Of The Marshall Islands	100%
Diana General Partner Inc.	The Republic Of The Marshall Islands	100%
Diana Ship Management Inc.	The Republic Of The Marshall Islands	100%

Company name	Country of incorporation	Holding (%)
Diana Shipping Services S.A.	Republic of Panama	100%
Ebadon Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Ejite Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Erikub Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Fayo Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Gala Properties Inc.	The Republic Of The Marshall Islands	100%
Guam Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Jabat Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Jabwot Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Jemo Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Kaben Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Kili Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Kiribati Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Knox Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Komi Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Lae Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Lakeba Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Lelu Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Lib Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Majuro Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Makur Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Manra Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Mejato Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Monu Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Namorik Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Namu Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Palau Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Pulap Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Rairok Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Rakaru Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Silver Chandra Shipping Company Limited	Republic Of Cyprus	100%
Tamana Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Taongi Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Taroa Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Toku Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Tuvalu Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Ujae Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Wake Shipping Company Inc.	The Republic Of The Marshall Islands	100%

Company name	Country of incorporation	Holding (%)
Weno Shipping Company Inc.	The Republic Of The Marshall Islands	100%
Wotho Shipping Company Inc.	The Republic Of The Marshall Islands	100%

### 10.3 Authorized and issued capital stock

The Issuer's capital stock is divided into two stock classes, comprising (i) common stocks and (ii) preferred stocks.

The Issuer's issued common stock is listed on the New York Stock Exchange under ticker symbol "DSX". In addition, the Issuer's Series B Preferred Stock is listed on the New York Stock Exchange under the ticker symbol "DSXPRB". On 14 December 2023, the Issuer issued warrants to purchase common stock (the "**Warrants**"). The Warrants are listed on the New York Stock Exchange under the ticker symbol "DSX WS".

As of the date of this Prospectus, the Issuer's authorized capital stock consists of 1,000,000,000 shares of common stock, par value USD 0.01 per share, of which 125,179,038 shares are issued and outstanding, and 50,000,000 shares of preferred stock, par value USD 0.01 per share, of which (i) 1,000,000 shares are designated Series A Participating Preferred Stock, none of which are issued and outstanding, (ii) 5,000,000 shares are designated Series B Preferred Stock, 2,600,000 shares of which are issued and outstanding, (iii) 10,675 are designated as Series C Preferred Shares, all issued and outstanding and (iv) 400 are designated as Series D Preferred Shares, all issued and outstanding. All of the Issuer's shares of stock are in registered form.

Each outstanding share of common stock entitles the holder to one vote on all matters submitted to a vote of stockholders. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of shares of common stock are entitled to receive ratably all dividends, if any, declared by the Board of Directors out of funds legally available for dividends. Upon the Issuer's dissolution or liquidation or the sale of all or substantially all of the Issuer's assets, after payment in full of all amounts required to be paid to creditors and to the holders of preferred stock having liquidation preferences, if any, the holders of the Issuer's common stock will be entitled to receive pro rata the Issuer's remaining assets available for distribution. Holders of common stock do not have conversion, redemption or preemptive rights to subscribe to any of the Issuer's securities. The rights, preferences and privileges of holders of common stock are subject to the rights of the holders of the Issuer's preferred stock.

The Board of Directors is authorized to provide for the issuance of preferred stock in one or more series with designations as may be stated in the resolution or resolutions providing for the issue of such preferred stock. At the time that any series of the Issuer's preferred stock is authorized, the Board of Directors will fix the dividend rights, any conversion rights, any voting rights, redemption provisions, liquidation preferences and any other rights, preferences, privileges and restrictions of that series, as well as the number of shares constituting that series and their designation.

#### 10.4 Ownership structure

As of the date of this Prospectus, the following shareholders hold more than 5% of the Issuer's share capital:

Shareholder	No. of common stock shares	Holding (%)
Semiramis Paliou	24,061,117	18.4%*
Anastasios Margaronis	12,272,608	9.6%*
Sea Trade Holdings Inc.	19,165,545	15.3%
F. Laeisz GmbH	6,305,426	5.0%

\*Calculated in accordance with Section 13d-3 of the U.S. Securities Exchange Act of 1934.

Except for the shareholders included in the table above, the Issuer is not aware of any persons or entities who, directly or indirectly, jointly or severally, will exercise or could exercise control over the Issuer.

The Issuer has established practices in the area of corporate governance in line with the spirit of practises followed by U.S. companies listed on the NYSE. The Issuer has voluntarily adopted NYSE required practices, such as (a) having a majority of independent directors, (b) establishing audit, executive, compensation, sustainability and nominating committees and (c) adopting a Code of Ethics, such practises being *inter alia* aimed at ensuring protection of minority shareholders. Minority shareholders are also protected against abuse by relevant regulations in inter alia the Marshall Islands' Business Corporations Act and the Norwegian Securities Trading Act.

Other than as set out above, no particular measures have been put in place to ensure that control is not abused by large shareholders.

#### 10.5 Change of control

The Issuer is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Issuer.

## 11 SELLING AND TRANSFER RESTRICTIONS

*As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the securities described herein. The Issuer is not taking any action to permit a public offering of the Bonds in any jurisdiction. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if an investor receives a copy of this Prospectus in any jurisdiction other than Norway, the investor may not treat this Prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the Bonds (or any other securities described herein), unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the Bonds (or any other securities described herein) could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this Prospectus, the investor should not distribute or send the same, or transfer Bonds, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.*

### 11.1 Selling and transfer restrictions

#### 11.1.1 United States

The Bonds have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States.

#### 11.1.2 Other jurisdictions

The Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any other jurisdiction in which it would not be permissible to offer the Bonds.

## 12 ADDITIONAL INFORMATION

### 12.1 Independent auditor

The Issuer's independent auditor is Deloitte Certified Public Accountants S.A., with general commercial registration number 0001223601000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address at 3a Fragoklissias & Granikou St, Maroussi, Athens, GR 15125, Greece. Before that, and since 2004, the Issuer's independent auditor was EY.

### 12.2 Advisors

Fearnley Securities AS, with registration number 945 757 647 and registered address Dronning Eufemias gate 8, N-0191, Oslo, Norway, and Nordea Bank Abp, filial i Norge, with registration number 920 058 817 and registered address Essendrops gate 7, N-0368 Oslo, Norway, acted as Joint Bookrunners and Managers in connection with the Bond Issue.

Wikborg Rein Advokatfirma AS, with registration number 916 782 195 and registered address Dronning Mauds gate 11, N-0250 Oslo, Norway, has acted as Norwegian legal counsel to the Issuer in connection with the Listing.

### 12.3 Documents on display

Copies of the following documents will be available for inspection at the Issuer's offices during normal business hours from Monday to Friday each week (except public holidays) for a period of twelve months from the date of this Prospectus:

- the Issuer's Articles of Incorporation;
- all reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request, any part of which is included or referred to in this Prospectus; and
- this Prospectus.

The documents are also available at the Issuer's website <https://www.dianashippinginc.com/>. The content of the website is not incorporated by reference into, or otherwise form part of, this Prospectus.

### 12.4 Incorporation by reference

The information incorporated by reference in this Prospectus should be read in connection with the cross-reference table set out below. Except from this Section 12.4, no other information is incorporated by reference in this Prospectus.

Reference in Prospectus:	Refers to:
Summary, Sections 4.2.1 and 7.2	The Interim Financial Statements, available at <a href="https://www.sec.gov/Archives/edgar/data/1318885/000156276224000224/0001562762-24-000224-index.htm">https://www.sec.gov/Archives/edgar/data/1318885/000156276224000224/0001562762-24-000224-index.htm</a>
Summary, Sections 4.2.1 and 7.2	The Annual Financial Statements, available at <a href="https://www.dianashippinginc.com/annual-and-quarterly-reports/">https://www.dianashippinginc.com/annual-and-quarterly-reports/</a>

## 13 DEFINITIONS AND GLOSSARY OF TERMS

<b>Annual Financial Statements</b>	Audited consolidated financial statements for the Issuer as of and for the financial years ended 31 December 2023 and 31 December 2022
<b>Articles of Incorporation</b>	The Articles of Incorporation of the Issuer, last amended on 15 November 2023, attached hereto as Appendix 1
<b>ASC</b>	The Financial Accounting Standards Board's Accounting Standards Codification
<b>Bergen</b>	Bergen Ultra LP, a limited partnership which was established for the purpose of acquiring, owning, chartering and/or operating a vessel
<b>Board of Directors or Director(s)</b>	The members of the board of directors of the Issuer, or any one of them
<b>Bond Issue</b>	The USD 150,000,000 (but up to USD 175,000,000) bond issue of the 5-year 8.75% senior unsecured USD 175,000,000 Bond Issue 2024/2029 with ISIN NO 001 3265835
<b>Bond Terms</b>	The bond terms entered into on 27 June 2024 between the Issuer as issuer and Nordic Trustee AS as bond trustee on behalf of the bondholders
<b>Bond Trustee</b>	Nordic Trustee AS, a company existing under the laws of Norway with business registration number 963 342 624 and registered address Kronprinsesse Märthas plass 1, N-0116 Vika, Norway
<b>Bond Trustee Fee Agreement</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Bondholder or Bondholders</b>	Each bondholder, and collectively the bondholders of the Diana Shipping Inc.'s 8.75% senior unsecured USD 175,000,000 Bond Issue 2024/2029
<b>Bondholders' Meeting</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Business Day</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Call Option</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Call Option Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Cebu</b>	Cebu Shipping Company Inc.
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>Change of Control Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Cohen</b>	Cohen Global Maritime Inc.
<b>Compliance Certificate</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>CSD</b>	The Norwegian central securities depository, Euronext Securities Oslo (Nw.: <i>Verdipapirsentralen</i> )
<b>CSO</b>	Chief Strategy Officer
<b>Decisive Influence</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 Appendix 2
<b>Deloitte</b>	Deloitte Certified Public Accountants S.A., with general commercial registration number 0001223601000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address at 3a Fragoklissias & Granikou St, Maroussi, Athens, GR 15125, Greece
<b>Diana Energize</b>	Diana Energize Inc.
<b>Disposal</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>DSF Loan Facility</b>	The Issuer's USD 80.2 million seven-year secured term loan facility with Danish Ship Finance A/S entered into on 18 October 2024
<b>DSS</b>	Diana Shipping Services S.A.
<b>DWM</b>	Diana Wilhelmsen Management Limited
<b>dwt</b>	Dead weight tons
<b>Equity Clawback</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Equity Offering</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>ESMA</b>	The European Securities and Markets Authority
<b>EU</b>	The European Union
<b>EU Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended, as implemented in Norwegian law
<b>EUR</b>	Euro, the lawful currency of the European Union
<b>Exchange</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2



<b>EY</b>	Ernst & Young (Hellas) Certified Auditors Accountants S.A., with general commercial registry number 000710901000, registered in the Body of Certified-Auditors-Accountants of Greece and with registered address Chimarras 8B, 15125 Maroussi, Greece
<b>FCPA</b>	The U.S. Foreign Corrupt Practices Act of 1977, as amended
<b>FFAs</b>	Forward freight agreements
<b>Finance Documents</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Financial Report</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>First Call Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Group</b>	The Issuer and its consolidated subsidiaries
<b>Group Company</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Initial Bond Issue</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Intercreditor Agreement</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Interest Payment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Interest Period</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Interest Rate</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Interim Financial Statements</b>	Unaudited interim financial statements, as filed with the SEC on Form 6-K on 12 September 2024, prepared in accordance with U.S. GAAP for the Issuer as of and for the six months ended 30 June 2024 and 30 June 2023. The Interim Financial Statements are presented in USD.
<b>IRS</b>	The U.S. Internal Revenue Service
<b>Issue Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Issuer or Diana Shipping</b>	Diana Shipping Inc. a limited liability corporation registered with registration number 13671 with the Registrar of Corporation of the Republic of the Marshall Islands, incorporated and existing under the laws of the Republic of the Marshall Islands, with LEI-code 549300XD7FHNJ0THIV12
<b>Issuer Financial Information</b>	The Annual Financial Statements and the Interim Financial Statements
<b>Issuer Information</b>	Any statements regarding the Group's competitive position based on the Issuer's own assessment and knowledge of the market in which it operates
<b>LEI</b>	Legal Entity Identifier
<b>Listing</b>	The listing of the Bonds on the Oslo Stock Exchange
<b>Make Whole Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Management</b>	The members of the Issuer's executive management
<b>Managers</b>	Fearnley Securities AS and Nordea Bank Abp, filial i Norge,
<b>MARPOL 73/78 or MARPOL</b>	The International Convention on Civil Liability for Oil Pollution Damage of 1969, the International Convention for the Prevention of Pollution from Ships of 1973, as modified by the Protocol of 1978
<b>Maturity Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Maximum Issue Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>MiFID II</b>	The Markets in Financial Instruments Directive 2014/65/EU
<b>MiFIR</b>	Regulation (EU) No. 600/2014 on markets in financial instruments
<b>Net Proceeds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>NOK</b>	Norwegian kroner, the lawful currency of Norway
<b>Nominal Amount</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Nordea</b>	Nordea Bank Abp, filial i Norge
<b>Nordea Loan Facility</b>	The USD 167.3 million six-year secured term loan facility with Nordea Bank Abp, filial i Norge entered into on 25 July 2024
<b>Nordea Loan Refinancing</b>	The refinancing of the Original Nordea Loan Facilities with the proceeds from the Nordea Loan Facility
<b>Norwegian FSA</b>	The Financial Supervisory Authority of Norway (Nw.: <i>Finanstilsynet</i> )
<b>Norwegian Securities Trading Act</b>	The Norwegian Securities Trading Act of 29 June 2007 no. 75, as amended (Nw.: <i>verdipapirhandelloven</i> )
<b>NYSE</b>	The New York Stock Exchange
<b>OceanPal</b>	OceanPal Inc.
<b>Original DSF Loan Facility</b>	The USD 80.2 million loan facility with Danish Ship Finance A/S, originally maturing in April 2028

<b>Original Nordea Loan Facilities</b>	The USD 149.3 million and the USD 18.0 million loan facilities with Nordea Bank Abp., filial i Norge, originally maturing in October 2027 and June 2028, respectively.
<b>Oslo Stock Exchange</b>	Euronext Oslo Børs, a Norwegian regulated market being part of Euronext and operated by Oslo Børs ASA
<b>Outstanding Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Paying Agent</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>PFIC</b>	Companies treated as a "passive foreign investment company" for U.S. federal income tax purposes
<b>Prospectus</b>	This prospectus dated 31 October 2024
<b>Put Option</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Put Option Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Put Option Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>SEC</b>	The U.S. Securities and Exchange Commission
<b>Share De-Listing Event</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Subsidiary</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Tap Issues</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Tax Event Repayment Date</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Temporary Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>U.S. GAAP</b>	Generally Accepted Accounting Principles in the United States
<b>U.S. Securities Act</b>	The U.S. Securities Act of 1933, as amended
<b>U.S., USA or the United States</b>	The United States of America
<b>USD</b>	United States Dollars, the lawful currency of the United States of America
<b>USDt</b>	USD thousands
<b>VIE</b>	Variable interest entity
<b>Voting Bonds</b>	Has the meaning ascribed to it in the Bond Terms, see Section 5.1 and Appendix 2
<b>Windward</b>	Windward Offshore GmbH



**DIANA SHIPPING INC.**

**Diana Shipping Inc.**

Pendelis 16  
175 64 Palaio Faliro,  
Athens  
Greece

**Managers to the Issuer**

**Fearnley Securities AS**  
Dronning Eufemias gate 8  
N-0191 Oslo  
Norway

**Nordea Bank Apb, filial i Norge**  
Essendrops gate 7  
N-0368 Oslo  
Norway

**Norwegian legal advisor to the Issuer**

**Wikborg Rein Advokatfirma AS**  
Dronning Mauds gate 11  
N-0250 Oslo  
Norway



**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION**

**OF**

**DIANA SHIPPING INC.  
Reg. No. 13671**

**REPUBLIC OF THE MARSHALL ISLANDS**

**REGISTRAR OF CORPORATIONS**

**DUPLICATE COPY**

The original of this Document was filed in  
accordance with Section 5 of the  
Business Corporations Act on

**NON RESIDENT**

**November 15, 2023**

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A handwritten signature in cursive script, appearing to read "Bridget Jividen".

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Bridget Jividen  
Deputy Registrar



**STATEMENT TO AMEND AND RESTATE  
ARTICLES OF INCORPORATION OF  
DIANA SHIPPING INC.  
UNDER SECTION 93 OF THE  
BUSINESS CORPORATIONS ACT**

The undersigned, Ioannis Zafirakis, Chief Financial Officer of Diana Shipping Inc., a corporation incorporated under the laws of the Republic of the Marshall Islands, for the purpose of amending and restating the Articles of Incorporation of said Corporation pursuant to section 93 of the Business Corporations Act, hereby certifies that:

1. The name of the Corporation is: Diana Shipping Inc.
2. The Articles of Incorporation were filed with the Registrar of Corporations as of the 8<sup>th</sup> day of March 1999.
3. The following sections of the Articles of Incorporation are hereby amended as follows:

D. (a) The aggregate number of shares of common stock that the Corporation is authorized to issue is 1 billion registered shares with a par value of one cent (US\$.01).

(b) The Corporation is authorized to issue 50 million registered preferred shares with a par value of one cent (US\$.01). The Board of Directors shall have the authority to establish such series of preferred shares and with such designations, preferences and relative, participating, optional or special rights and qualifications, limitations or restrictions as shall be stated in the resolutions providing for the issue of such preferred shares.

I. (c) Directors shall be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares entitled to vote in the election. Cumulative voting, as defined in Division 7, Section 71(2) of the BCA, shall not be used to elect directors.

J. The Board of Directors of the Corporation is expressly authorized to make, alter or repeal bylaws of the Corporation by a vote of not less than a majority of the entire Board of Directors. Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), the affirmative vote of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal this Article J.

K. (a) Except as provided in this Article K, special meetings of the shareholders may be called by the Board of Directors who shall state the purpose or purposes of the proposed special meeting. The business transacted at any special meeting shall be limited to the purposes stated in the notice of such meeting. If there is a failure to hold the annual meeting within a period of ninety (90) days after the date designated therefor, or if no date has been designated for a period of thirteen (13) months after the organization of the Corporation or after its last annual meeting, holders of not less than one-fifth of the shares entitled to vote in an election of directors may, in writing, demand the call of a special meeting in lieu of the annual meeting specifying the time thereof, which shall not be less than two (2) nor more than three (3) months from the date of such call. The Chairman, Chief Executive Officer or Secretary of the Corporation upon receiving the written demand shall promptly give notice of such meeting, or if the Chairman, Chief Executive Officer or Secretary fails to do so within five (5) business days thereafter, any shareholder signing such demand may give such notice. Such notice shall state the purpose or purposes of the proposed special meeting. The business transacted at any special meeting shall be limited to the purposes stated in the notice of such meeting.

M. Under Article D, the Corporation has the authority to issue 1 billion (1,000,000,000) shares of common stock with a par value of one cent (U.S. \$0.01). Prior to the amendment of these articles of incorporation dated November 15, 2023, the Corporation was authorized to issue two hundred million (200,000,000) shares of common stock of par value of ten (\$0.01) United States dollars per share.

4. The Articles of Incorporation are hereby replaced by the Amended and Restated Articles of Incorporation attached hereto.

5. These Amended and Restated Articles of incorporation were authorized by actions of the Board of Directors and Shareholders of the Corporation as required by the Business Corporations Act.

IN WITNESS WHEREOF, the undersigned has executed these Amended and Restated Articles of Incorporation on this 15<sup>th</sup> day of November 2023.

/s/ Ioannis Zafirakis  
Authorized Person  
Chief Financial Officer



AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
DIANA SHIPPING INC.  
PURSUANT TO  
THE MARSHALL ISLANDS BUSINESS CORPORATIONS ACT

A. The name of the Corporation shall be:

DIANA SHIPPING INC.

B. The purpose of the Corporation is to engage in any lawful act or activity for which corporations may now or hereafter be organized under the Marshall Islands Business Corporations Act (the "BCA").

C. The registered address of the Corporation in the Marshall Islands is Trust Company Complex, Ajeltake Island, P.O. Box 1405, Majuro, Marshall Islands MH96960. The name of the Corporation's registered agent at such address is The Trust Company of the Marshall Islands, Inc.

D. (a) The aggregate number of shares of common stock that the Corporation is authorized to issue is 1 billion registered shares with a par value of one cent (US\$.01).

(b) The Corporation is authorized to issue 50 million registered preferred shares with a par value of one cent (US\$.01). The Board of Directors shall have the authority to establish such series of preferred shares and with such designations, preferences and relative, participating, optional or special rights and qualifications, limitations or restrictions as shall be stated in the resolutions providing for the issue of such preferred shares.

E. The Corporation shall have every power which a corporation now or hereafter organized under the Marshall Islands Business Corporation Act may have.

F. No holder of shares of the Corporation of any class, now or hereafter authorized, shall have any preferential or preemptive rights to subscribe for, purchase or receive any shares of the Corporation of any class, now or hereafter authorized or any options or warrants for such shares, or any rights to subscribe to or purchase such shares, or any securities convertible into or exchangeable for such shares, which may at any time be issued, sold or offered for sale by the Corporation.

G. The Shareholders and Board of Directors shall have the authority to adopt, amend or repeal the bylaws of the Corporation.

- H. Corporate existence commenced on March 8, 1999 and shall continue upon filing the Articles of Domestication and these Amended and Restated Articles of Incorporation with the Registrar of Corporations.
- I. (a) The Board of Directors shall be divided into three classes, as nearly equal in number as the then total number of directors constituting the entire Board of Directors permits, with the term of office of one or another of the three classes expiring each year. As soon as practicable after the filing of these Amended and Restated Articles of Incorporation with the Registrar of Corporations responsible for non-resident corporations, the shareholders of the Corporation shall hold an organization meeting to divide the Board of Directors into three classes, with the term of office of the first class to expire at the 2006 Annual Meeting of Shareholders, the term of office of the second class to expire at the 2007 Annual Meeting of Shareholders and the term of office of the third class to expire at the 2008 Annual Meeting of Shareholders. Commencing with the 2005 Annual Meeting of Shareholders, the directors elected at an annual meeting of shareholders to succeed those whose terms then expire shall be identified as being directors of the same class as the directors whom they succeed, and each of them shall hold office until the third succeeding annual meeting of shareholders and until such director's successor is elected and has qualified. Any vacancies in the Board of Directors for any reason, and any created directorships resulting from any increase in the number of directors, may be filled by the vote of not less than a majority of the members of the Board of Directors then in office, although less than a quorum, and any directors so chosen shall hold office until the next election of the class for which such directors shall have been chosen and until their successors shall be elected and qualified. No decrease in the number of directors shall shorten the term of any incumbent director. Notwithstanding the foregoing, and except as otherwise required by law, whenever the holders of any one or more series of preferred stock shall have the right, voting separately as a class, to elect one or more directors of the Corporation, the then authorized number of directors shall be increased by the number of directors so to be elected, and the terms of the director or directors elected by such holders shall expire at the next succeeding annual meeting of shareholders.
- (b) Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), any director or the entire Board of Directors of the Corporation may be removed at any time, but only for cause and only by the affirmative vote of the holders of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) cast at a meeting of the shareholders called for that purpose. Notwithstanding the foregoing, and except as otherwise required by law, whenever the holders of any one or more series of preferred stock shall have the right, voting separately as a class, to elect one or more directors of the Corporation, the provisions of this Section (b) of this Article I shall not apply with respect to the director or directors elected by such holders of preferred stock.
- (c) Directors shall be elected by a plurality of the votes cast at a meeting of shareholders by the holders of shares entitled to vote in the election. Cumulative voting, as defined in Division 7, Section 71(2) of the BCA, shall not be used to elect directors.
- (d) Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), the affirmative vote of the holders of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal this Article I.
- J. The Board of Directors of the Corporation is expressly authorized to make, alter or repeal bylaws of the Corporation by a vote of not less than a majority of the entire Board of Directors. Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), the affirmative vote of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal this Article J.
- K. (a) Except as provided in this Article K, special meetings of the shareholders may be called by the Board of Directors who shall state the purpose or purposes of the proposed special meeting. The business transacted at any special meeting shall be limited to the purposes stated in the notice of such meeting. If there is a failure to hold the annual meeting within a period of ninety (90) days after the date designated therefor, or if no date has been designated for a period of thirteen (13) months after the organization of the Corporation or after its last annual meeting, holders of not less than one-fifth of the shares entitled to vote in an election of directors may, in writing, demand the call of a special meeting in lieu of the annual meeting specifying the time thereof, which shall not be less than two (2) nor more than three (3) months from the date of such call. The Chairman, Chief Executive Officer or Secretary of

the Corporation upon receiving the written demand shall promptly give notice of such meeting, or if the Chairman, Chief Executive Officer or Secretary fails to do so within five (5) business days thereafter, any shareholder signing such demand may give such notice. Such notice shall state the purpose or purposes of the proposed special meeting. The business transacted at any special meeting shall be limited to the purposes stated in the notice of such meeting.

- (b) Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), the affirmative vote of the holders of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal this Article K.

- L. (a) The Corporation may not engage in any Business Combination with any Interested Shareholder for a period of three years following the time of the transaction in which the person became an Interested Shareholder, unless:

- 1. prior to such time, the Board of Directors of the Corporation approved either the Business Combination or the transaction which resulted in the shareholder becoming an Interested Shareholder;

- 2. upon consummation of the transaction which resulted in the shareholder becoming an Interested Shareholder, the Interested Shareholder owned at least 85% of the voting stock of the Corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned (i) by persons who are directors and also officers and (ii) employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- 3. at or subsequent to such time, the Business Combination is approved by the Board of Directors and authorized at an annual or special meeting of shareholders, and not by written consent, by the affirmative vote of at least a majority of the outstanding voting stock that is not owned by the interested shareholder; or

- 4. the shareholder became an Interested Shareholder prior to the consummation of the initial public offering of the Corporation's common stock under the United States Securities Act of 1933.

- (b) The restrictions contained in this section shall not apply if:

- 1. A shareholder becomes an Interested Shareholder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient shares so that the shareholder ceases to be an Interested Shareholder; and (ii) would not, at any time within the three-year period immediately prior to a Business Combination between the Corporation and such shareholder, have been an Interested Shareholder but for the inadvertent acquisition of ownership; or

2. The Business Combination is proposed prior to the consummation or abandonment of and subsequent to the earlier of the public announcement or the notice required hereunder of a proposed transaction which (i) constitutes one of the transactions described in the following sentence; (ii) is with or by a person who either was not an Interested Shareholder during the previous three years or who became an Interested Shareholder with the approval of the Board; and (iii) is approved or not opposed by a majority of the members of the Board then in office (but not less than one) who were Directors prior to any person becoming an Interested Shareholder during the previous three years or were recommended for election or elected to succeed such Directors by a majority of such Directors. The proposed transactions referred to in the preceding sentence are limited to:

(i) a merger or consolidation of the Corporation (except for a merger in respect of which, pursuant to the BCA, no vote of the shareholders of the Corporation is required);

(ii) a sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation (other than to any direct or indirect wholly-owned subsidiary or to the Corporation) having an aggregate market value equal to 50% or more of either that aggregate market value of all of the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding shares; or

(iii) a proposed tender or exchange offer for 50% or more of the outstanding voting shares of the Corporation.

The Corporation shall give not less than 20 days notice to all Interested Shareholders prior to the consummation of any of the transactions described in clause (i) or (ii) of the second sentence of this paragraph.

(c) For the purpose of this Article L only, the term:

1. "Affiliate" means a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, another person.

2. "Associate," when used to indicate a relationship with any person, means: (i) Any corporation, partnership, unincorporated association or other entity of which such person is a director, officer or partner or is, directly or indirectly, the owner of 20% or more of any class of voting shares; (ii) any trust or other estate in which such person has at least a 20% beneficial interest or as to which such person serves as trustee or in a similar fiduciary capacity; and (iii) any relative or spouse of such person, or any relative of such spouse, who has the same residence as such person.

3. "Business Combination," when used in reference to the Corporation and any Interested Shareholder of the Corporation, means:

(i) Any merger or consolidation of the Corporation or any direct or indirect majority-owned subsidiary of the Corporation with (A) the Interested Shareholder or any of its affiliates, or (B) with any other corporation, partnership, unincorporated association or other entity if the merger or consolidation is caused by the Interested Shareholder.

(ii) Any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a shareholder of the Corporation, to or with the Interested Shareholder, whether as part of a dissolution or otherwise, of assets of the Corporation or of any direct or indirect majority-owned subsidiary of the Corporation which assets have an aggregate market value equal to 10% or more of either the aggregate market value of all the assets of the Corporation determined on a consolidated basis or the aggregate market value of all the outstanding shares;

(iii) Any transaction which results in the issuance or transfer by the Corporation or by any direct or indirect majority-owned subsidiary of the Corporation of any shares, or any share of such subsidiary, to the Interested Shareholder, except: (A) pursuant to the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into shares, or shares of any such subsidiary, which securities were outstanding prior to the time that the Interested Shareholder became such; (B) pursuant to a merger with a direct or indirect wholly-owned subsidiary of the Corporation solely for purposes of forming a holding company; (C) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible into shares, or shares of any such subsidiary, which security is distributed, pro rata to all holders of a class or series of shares subsequent to the time the Interested Shareholder became such; (D) pursuant to an exchange offer by the Corporation to purchase shares made on the same terms to all holders of said shares; or (E) any issuance or transfer of shares by the Corporation; provided however, that in no case under items (C)-(E) of this subparagraph shall there be an increase in the Interested Shareholder's proportionate share of the any class or series of shares;

(iv) Any transaction involving the Corporation or any direct or indirect majority-owned subsidiary of the Corporation which has the effect, directly or indirectly, of increasing the proportionate share of any class or series of shares, or securities convertible into any class or series of shares, or shares of any such subsidiary, or securities convertible into such shares, which is owned by the Interested Shareholder, except as a result of immaterial changes due to fractional share adjustments or as a result of any purchase or redemption of any shares not caused, directly or indirectly, by the Interested Shareholder; or

(v) Any receipt by the Interested Shareholder of the benefit, directly or indirectly (except proportionately as a shareholder of the Corporation), of any loans, advances, guarantees, pledges or other financial benefits (other than those expressly permitted in subparagraphs (i)-(iv) of this paragraph) provided by or through the Corporation or any direct or indirect majority-owned subsidiary.

4. "Control," including the terms "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract or otherwise. A person who is the owner of 20 percent or more of the outstanding voting shares of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where such person holds voting shares, in good faith and not for the purpose of circumventing this provision, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group have control of such entity.

5. "Interested Shareholder" means any person (other than the Corporation and any direct or indirect majority-owned subsidiary of the Corporation) that (i) is the owner of 15% or more of the outstanding voting shares of the Corporation, or (ii) is an affiliate or associate of the Corporation and was the owner of 15% or more of the outstanding voting shares of the Corporation at any time within the three-year period immediately prior to the date on which it is sought to be determined whether such person is an Interested Shareholder; and the affiliates and associates of such person; provided, however, that the term "Interested Shareholder" shall not include any person whose ownership of shares in excess of the 15% limitation set forth herein is the result of action taken solely by the Corporation; provided that such person shall be an Interested Shareholder if thereafter such person acquires additional shares of voting shares of the Corporation, except as a result of further Company action not caused, directly or indirectly, by such person. For the purpose of determining whether a person is an Interested Shareholder, the voting shares of the Corporation deemed to be outstanding shall include voting shares deemed to be owned by the person through application of paragraph (8) below, but shall not include any other unissued shares which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

6. "Person" means any individual, corporation, partnership, unincorporated association or other entity.

7. "Voting stock" means, with respect to any corporation, shares of any class or series entitled to vote generally in the election of directors and, with respect to any entity that is not a corporation, any equity interest entitled to vote generally in the election of the governing body of such entity.

8. "Owner," including the terms "own" and "owned," when used with respect to any shares, means a person that individually or with or through any of its affiliates or associates:

(i) Beneficially owns such shares, directly or indirectly; or

(ii) Has (A) the right to acquire such shares (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the owner of shares tendered pursuant to a tender or exchange offer made by such person or any of such person's affiliates or associates until such tendered shares is accepted for purchase or exchange; or (B) the right to vote such shares pursuant to any agreement, arrangement or understanding; provided, however, that a person shall not be deemed the owner of any shares because of such person's right to vote such shares if the agreement, arrangement or understanding to vote such shares arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to 10 or more persons; or

(iii) Has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in item (B) of subparagraph (ii) of this paragraph), or disposing of such shares with any other person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such shares.

(d) Any amendment of this Article L shall not be effective until 12 months after the approval of such amendment at a meeting of the shareholders of the Corporation and shall not apply to any Business Combination between the Corporation and any person who became an Interested Shareholder of the Corporation at or prior to the time of such approval.

(e) Notwithstanding any other provisions of these Amended and Restated Articles of Incorporation or the bylaws of the Corporation (and notwithstanding the fact that some lesser percentage may be specified by law, these Amended and Restated Articles of Incorporation or the bylaws of the Corporation), the affirmative vote of the holders of a majority of the outstanding shares of common stock of the Corporation entitled to vote generally in the election of directors (considered for this purpose as one class) shall be required to amend, alter, change or repeal this Article L.

M. Under Article D, the Corporation has the authority to issue 1 billion (1,000,000,000) shares of common stock with a par value of one cent (U.S. \$0.01). Prior to the amendment of these articles of incorporation dated November 15, 2023, the Corporation was authorized to issue two hundred million (200,000,000) shares of common stock of par value of ten (\$0.01) United States dollars per share.

N. At all meetings of Shareholder of the Corporation, except as otherwise expressly provided by law, there must be present either in person or by proxy Shareholders of record holding at least 33⅓ % of the shares issued and outstanding and entitled to vote at such meetings in order to constitute a quorum, but if less than a quorum is present, a majority of those shares present either in person or by proxy shall have power to adjourn any meeting until a quorum shall be present.

*Execution version*

**BOND TERMS**

**FOR**

**Diana Shipping Inc. 8.75% senior unsecured USD 175,000,000 bonds  
2024/2029**

**ISIN NO0013265835**

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ATTACHMENT 1 COMPLIANCE CERTIFICATE



<b>BOND TERMS between</b>	
ISSUER:	<b>Diana Shipping Inc.</b> , a corporation existing under the laws of the Republic of the Marshall Islands with registration number 13671 and LEI-code 549300XD7FHNJ0THIV12; and
BOND TRUSTEE:	<b>Nordic Trustee AS</b> , a company existing under the laws of Norway with registration number 963 342 624 and LEI-code 549300XAKTM2BMKIPT85.
DATED:	<u>27</u> June 2024
These Bond Terms shall remain in effect for so long as any Bonds remain outstanding.	

## 1. INTERPRETATION

### 1.1 Definitions

The following terms will have the following meanings:

“**Acceptable Bank**” means a commercial bank, savings bank or trust company which has a rating of BBB or higher from Standard & Poor’s Ratings Service or Baa2 or higher from Moody’s Investor Service Limited or a comparable rating from a nationally recognized credit rating agency for its long term debt obligations.

“**Accounting Standard**” means GAAP.

“**Additional Bonds**” means the debt instruments issued under a Tap Issue, including any Temporary Bonds.

“**Affiliate**” means, in relation to any person:

- (a) any person which is a Subsidiary of that person;
- (b) any person with Decisive Influence over that person (directly or indirectly); and
- (c) any person which is a Subsidiary of an entity with Decisive Influence over that person (directly or indirectly).

“**Annual Financial Statements**” means the audited consolidated annual financial statements of the Issuer for any financial year, prepared in accordance with the Accounting Standard, such financial statements to include a profit and loss account, balance sheet, cash flow statement, managements summary and report of the board of directors in the form in which the Issuer is required to file them with the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

“**Attachment**” means any schedule, appendix or other attachment to these Bond Terms.

“**Bond Currency**” means the currency in which the Bonds are denominated, as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Bond Terms**” means these terms and conditions, including all Attachments which form an integrated part of these Bond Terms, in each case as amended and/or supplemented from time to time.

“**Bond Trustee**” means the company designated as such in the preamble to these Bond Terms, or any successor, acting for and on behalf of the Bondholders in accordance with these Bond Terms.

“**Bond Trustee Fee Agreement**” means the agreement entered into between the Issuer and the Bond Trustee relating, among other things, to the fees to be paid by the Issuer to the Bond Trustee for the services provided by the Bond Trustee relating to the Bonds.

“**Bondholder**” means a person who is registered in the CSD as directly registered owner or nominee holder of a Bond, subject however to Clause 3.3 (*Bondholders’ rights*).

“**Bondholders’ Meeting**” means a meeting of Bondholders as set out in Clause 15 (*Bondholders’ Decisions*).

“**Bonds**” means (i) the debt instruments issued by the Issuer pursuant to these Bond Terms, including any Additional Bonds, and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

“**Business Day**” means a day on which both the relevant CSD settlement system and the relevant settlement system for the Bond Currency are open.

“**Business Day Convention**” means that if the last day of any Interest Period originally falls on a day that is not a Business Day, no adjustment will be made to the Interest Period.

“**Call Option**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**Call Option Repayment Date**” means the settlement date for the Call Option determined by the Issuer pursuant to Clause 10.2 (*Voluntary early redemption – Call Option*), paragraph (d) of Clause 10.3 (*Mandatory repurchase due to a Put Option Event*) or a date agreed upon between the Bond Trustee and the Issuer in connection with such redemption of Bonds.

“**Cash and Cash Equivalents**” means at any time:

- (a) cash in hand or amounts standing to the credit of any current and/or on deposit accounts with an Acceptable Bank; and
- (b) time deposits with Acceptable Banks and certificates of deposit issued, and bills of exchange accepted, by an Acceptable Bank,

in each case to which any Group Company is beneficially entitled at the time and to which any Group Company has free and unrestricted access and which is not subject to any Security.

“**Change of Control Event**” means a person or group of persons acting in concert gaining Decisive Influence over the Issuer.

“**Compliance Certificate**” means a statement substantially in the form as set out in Attachment 1 hereto.

“**CSD**” means the central securities depository in which the Bonds are registered, being Verdipapirsentralen ASA (VPS) (Euronext Securities Oslo).

“**Decisive Influence**” means a person having, as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly):

- (a) a majority of the voting rights in that other person; or
- (b) a right to elect or remove a majority of the members of the board of directors of that other person.

“**Default Notice**” has the meaning ascribed to such term in Clause 14.2 (*Acceleration of the Bonds*).

“**Default Repayment Date**” means the settlement date set out by the Bond Trustee in a Default Notice requesting early redemption of the Bonds.

“**Distribution**” means:

- (a) dividend payments or distributions, whether in cash or kind;
- (b) repurchasing of shares or undertaking other similar transactions (including, but not limited to total return swaps related to shares in the Issuer or transactions with a similar effect); or
- (c) repayment of any loans to its (or the Issuer’s) shareholders that are subordinated in right of payment to the Bonds.

“**Event of Default**” means any of the events or circumstances specified in Clause 14.1 (*Events of Default*).

“**Exchange**” means:

- (a) Oslo Børs (the Oslo Stock Exchange); or
- (b) any regulated market as such term is understood in accordance with the Markets in Financial Instruments Directive 2014/65/EU (MiFID II) and Regulation (EU) No. 600/2014 on markets in financial instruments (MiFIR).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended and, as applicable, the rules and regulations promulgated thereunder.

“**Existing Bonds**” means the senior unsecured bonds due 22 June 2026 with ISIN NO0011021974 with a total outstanding amount of USD 125,000,000 and issued by the Issuer.

“**Finance Documents**” means these Bond Terms, the Bond Trustee Fee Agreement and any other document designated by the Issuer and the Bond Trustee as a Finance Document.

**“Financial Indebtedness”** means any indebtedness for or in respect of:

- (a) moneys borrowed (and debit balances at banks or other financial institutions);
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including the Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Standard, be capitalised as an asset and booked as a corresponding liability in the balance sheet;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis provided that the requirements for de-recognition under the Accounting Standard are met);
- (f) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of a person which is not a Group Company which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the Issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Standard;
- (i) any amount of any liability under an advance or deferred purchase agreement, if (a) the primary reason behind entering into the agreement is to raise finance or (b) the agreement is in respect of the supply of assets or services and payment is due more than 120 calendar days after the date of supply;
- (j) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing or otherwise being classified as a borrowing under the Accounting Standard; and
- (k) without double counting, the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

**“Financial Reports”** means the Annual Financial Statements and the Interim Accounts.

**“First Call Date”** means the Interest Payment Date falling in July 2027.

“**First Call Price**” has the meaning ascribed to such term in Clause 10.2 (*Voluntary early redemption – Call Option*).

“**GAAP**” means generally accepted accounting practices and principles in the United States.

“**Group**” means the Issuer and its Subsidiaries from time to time.

“**Group Company**” means any person which is a member of the Group.

“**Initial Bond Issue**” means the amount to be issued on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Initial Nominal Amount**” means the Nominal Amount of each Bond on the Issue Date as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Insolvent**” means that a person:

- (a) is unable or admits inability to pay its debts as they fall due;
- (b) suspends making payments on any of its debts generally; or
- (c) is otherwise considered insolvent or bankrupt within the meaning of the relevant bankruptcy legislation of the jurisdiction which can be regarded as its centre of main interest as such term is understood pursuant to Regulation (EU) 2015/848 on insolvency proceedings (as amended from time to time).

“**Interest Payment Date**” means the last day of each Interest Period, the first Interest Payment Date being 2 January 2025 and the last Interest Payment Date being the Maturity Date.

“**Interest Period**” means, subject to adjustment in accordance with the Business Day Convention, the period between 2 January and 2 July each year, provided however that an Interest Period shall not extend beyond the Maturity Date.

“**Interest Rate**” means 8.75 per cent. per annum.

“**Interim Accounts**” means the unaudited consolidated quarterly financial statements of the Issuer for any quarter ending on 31 March, 30 June or 30 September, prepared in accordance with the Accounting Standard and including a profit and loss account, balance sheet, cash flow statement and management commentary or report from the board of directors in the form in which the Issuer is required to file them with the SEC pursuant to Section 13 or 15(d) of the Exchange Act.

“**ISIN**” means International Securities Identification Number.

“**Issue Date**” means 2 July 2024.

“**Issuer**” means the company designated as such in the preamble to these Bond Terms.

“**Issuer’s Bonds**” means any Bonds which are owned by the Issuer or any Affiliate of the Issuer.

“**Liquidity**” means, at any date, the aggregate amount of Cash and Cash Equivalents of the Group in each case reported in accordance with the Accounting Standard.

“**Listing Failure Event**” means:

- (a) that the Bonds (save for any Temporary Bonds) have not been admitted to listing on an Exchange within 9 months following the Issue Date;
- (b) in the case of a successful admission to listing, that a period of 6 months has elapsed since the Bonds ceased to be admitted to listing on an Exchange; or
- (c) that the Temporary Bonds have not been admitted to listing on the Exchange where the other Bonds are listed within the later of (i) 6 months following the issue date for such Temporary Bonds and (ii) 9 months of the Issue Date.

“**Make Whole Amount**” means an amount equal to the sum of the present value on the Repayment Date of:

- (a) the Nominal Amount of the redeemed Bonds at the First Call Price as if such payment originally had taken place on the First Call Date; and
- (b) the remaining interest payments of the redeemed Bonds (less any accrued and unpaid interest on the redeemed Bonds as at the Repayment Date) up to the First Call Date,

where the present value shall be calculated by using a discount rate of 4.941 per cent. per annum.

“**Manager**” means Fearnley Securities AS and Nordea Bank Abp, filial i Norge.

“**Material Adverse Effect**” means a material adverse effect on:

- (a) the ability of the Issuer to perform and comply with its obligations under any Finance Document; or
- (b) the validity or enforceability of any Finance Document.

“**Maturity Date**” means 2 July 2029, adjusted according to the Business Day Convention.

“**Maximum Issue Amount**” means the maximum amount that may be issued under these Bond Terms as set out in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Net Borrowings**” means Total Financial Indebtedness *less* Cash and Cash Equivalents.

“**Net Proceeds**” means the proceeds from the issuance of the Bonds (net of fees and legal cost of the Managers and, if required by the Bond Trustee, the Bond Trustee fee, and any other cost and expenses incurred in connection with the issuance of the Bonds).

“**Nominal Amount**” means the nominal value of each Bond at any time. The Nominal Amount may be amended pursuant to paragraph (j) of Clause 16.2 (*The duties and authority of the Bond Trustee*).

**“Outstanding Bonds”** means any Bonds not redeemed or otherwise discharged.

**“Overdue Amount”** means any amount required to be paid by the Issuer under the Finance Documents but not made available to the Bondholders on the relevant Payment Date or otherwise not paid on its applicable due date.

**“Partial Payment”** means a payment that is insufficient to discharge all amounts then due and payable under the Finance Documents.

**“Paying Agent”** means the legal entity appointed by the Issuer to act as its paying agent with respect to the Bonds in the CSD.

**“Payment Date”** means any Interest Payment Date or any Repayment Date.

**“Permitted Financial Indebtedness”** means any Financial Indebtedness:

- (a) arising under the Finance Documents;
- (b) up to the release of funds from the Initial Bond Issue, the Existing Bonds;
- (c) arising under any unsecured bonds issued by the Issuer with (i) no amortization and with maturity after the Maturity Date, (ii) terms not materially more favourable than the Bonds, and (iii) without any guarantee, indemnity or other financial support from any other Group Company;
- (d) arising under the Senior Bank Facilities;
- (e) arising under future senior secured or unsecured Financial Indebtedness provided by commercial banks, Export Credit Agencies or other financial institutions of similar nature incurred by the Issuer or any Group Company on marketable terms and conditions with the purpose of financing the acquisition of new vessels or assets (including newbuildings and/or second-hand vessels) (or acquisition of shares in entities owning one or more newbuildings or second-hand vessels or assets);
- (f) arising under future senior secured bonds, notes or similar debt instruments issued by the Issuer or any Group Company on marketable terms and conditions with the purpose of financing the acquisition of new vessels (newbuildings and/or second-hand vessels) with first priority security in such vessels;
- (g) incurred by any Group Company in the ordinary course of business for working capital purposes and as part of the daily operations of such Group Company;
- (h) arising under existing and future bid-, payment- and performance bonds, guarantees and letters of credit incurred by any Group Company in the ordinary course of business;
- (i) incurred by any Group Company under any interest rate and currency hedging agreements relating to any Permitted Financial Indebtedness;
- (j) arising under any unsecured intra-group loans granted by any Group Company to another Group Company provided that intra-group loans to the Issuer shall be subordinated to the Bonds;

- (k) arising under any unsecured Subordinated Loans to the Issuer;
- (l) arising under any intra-group accounting balances relating to the provision of services between the Issuer and other Group Companies;
- (m) any refinancing, extension, amendment or replacement of any of (b)-(m) above from time to time; and
- (n) not permitted by the preceding paragraphs incurred in the ordinary course of business and the outstanding amount of which does not exceed USD 20,000,000 (or its equivalent) in aggregate for the Group at any time.

**“Permitted Security”** means any Security:

- (a) in respect of Permitted Financial Indebtedness referred to in paragraph (d), (e), (f), (g), (h), (i), and (m) above and any refinancing, extension, amendment or replacement thereof from time to time;
- (b) under any netting or set-off arrangement entered into by the Issuer or any other Group Company (as the case may be) in the ordinary course of its banking arrangements for the purpose of netting debt and credit balances of the Issuer (if applicable); and
- (c) arising by operation of law.

**“Preferred Share Distribution”** means a distribution under a class of preferred share capital issued by the Issuer, provided that the conditions set out in paragraphs (a) and (c) of Clause 13.13 (*Distribution restrictions*) are met.

**“Put Option”** has the meaning ascribed to such term in Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**“Put Option Event”** means a Change of Control Event.

**“Put Option Repayment Date”** means the settlement date for the Put Option pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

**“Quarter Date”** means each 31 March, 30 June, 30 September and 31 December.

**“Remaining Cash Requirement”** means that the aggregate amount of restricted cash and Cash and Cash Equivalents equals at least USD 500,000 per vessel plus USD 45,000,000.

**“Relevant Jurisdiction”** means the country in which the Bonds are issued, being Norway.

**“Relevant Record Date”** means the date on which a Bondholder’s ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Bond Terms, the date designated as the Relevant Record Date in accordance with the rules of the CSD from time to time; or



- (b) for the purpose of casting a vote with regard to Clause 15 (*Bondholders' Decisions*), the date falling on the immediate preceding Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Bond Trustee.

**"Repayment Date"** means any Call Option Repayment Date, the Default Repayment Date, any Put Option Repayment Date, the Tax Event Repayment Date or the Maturity Date.

**"Securities Trading Act"** means the Securities Trading Act of 2007 no. 75 of the Relevant Jurisdiction.

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

**"Senior Bank Facilities"** means:

- (c) the loan agreement dated 12 April 2023 with Danish Ship Finance A/S;
- (d) the loan agreement dated 26 June 2023 with DNB Bank ASA;
- (e) the loan agreement dated 7 January 2016 with the Export-Import Bank of China, as amended on 19 July 2023;
- (f) the loan agreement dated 20 June 2023 with Nordea Bank Abp; and
- (g) the loan agreement dated 30 September 2022 with Nordea Bank Abp.

**"Subordinated Loans"** means debt financing provided to the Issuer that is:

- (a) subordinated in right of payment to the Bonds;
- (b) does not mature or require any amortisation prior to the date on which all amounts under the Bond Terms and any other Finance Documents have been paid in full; and
- (c) does not provide for its acceleration or confer any right to declare any event of default prior to the date on which all amounts under the Bond Terms and any other Finance Documents have been paid in full. For the avoidance of doubt, payment of cash interest of any such loans is permitted only as long as no Event of Default has occurred and is continuing and subject to compliance with Clause 13.13 (*Distribution restrictions*).

**"Subsidiary"** means a person over which another person has Decisive Influence.

**"Summons"** means the call for a Bondholders' Meeting or a Written Resolution as the case may be.

**"Tangible Net Worth"** means the consolidated total shareholders' equity (including retained earnings) of the Group, less goodwill and other intangible items (other than favourable charter agreements recorded in connection with purchase accounting under the Accounting Standard and, for the avoidance of doubt, vessel acquisition or construction agreements).

“**Tap Issue**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tap Issue Addendum**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Tax Event Repayment Date**” means the date set out in a notice from the Issuer to the Bondholders pursuant to Clause 10.4 (*Early redemption option due to a tax event*).

“**Temporary Bonds**” has the meaning ascribed to such term in Clause 2.1 (*Amount, denomination and ISIN of the Bonds*).

“**Total Assets**” means the amount of the total assets of the Issuer determined on a consolidated basis in accordance with the Accounting Standard and as shown in the balance sheet in the Issuer’s latest Financial Report.

“**Total Financial Indebtedness**” means the amount of long-term Financial Indebtedness (including finance leases, bank loans and other long-term debt) and short-term Financial Indebtedness of the Issuer, both determined on a consolidated basis in accordance with the Accounting Standard and as shown in the balance sheet in the Issuer’s latest Financial Report.

“**Voting Bonds**” means the Outstanding Bonds less the Issuer’s Bonds.

“**Written Resolution**” means a written (or electronic) solution for a decision making among the Bondholders, as set out in Clause 15.5 (*Written Resolutions*).

## 1.2 Construction

In these Bond Terms, unless the context otherwise requires:

- (a) headings are for ease of reference only;
- (b) words denoting the singular number will include the plural and vice versa;
- (c) references to Clauses are references to the Clauses of these Bond Terms;
- (d) references to a time are references to Central European Time unless otherwise stated;
- (e) references to a provision of “**law**” are references to that provision as amended or re-enacted, and to any regulations made by the appropriate authority pursuant to such law;
- (f) references to a “**regulation**” includes any regulation, rule, official directive, request or guideline by any official body;
- (g) references to a “**person**” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality;
- (h) references to Bonds being “**redeemed**” means that such Bonds are cancelled and discharged in the CSD in a corresponding amount, and that any amounts so redeemed may not be subsequently re-issued under these Bond Terms;

- (i) references to Bonds being “**purchased**” or “**repurchased**” by the Issuer means that such Bonds may be dealt with by the Issuer as set out in Clause 11.1 (*Issuer’s purchase of Bonds*);
- (j) references to persons “**acting in concert**” shall be interpreted pursuant to the relevant provisions of the Securities Trading Act; and
- (k) an Event of Default is “**continuing**” if it has not been remedied or waived.

## 2. THE BONDS

### 2.1 Amount, denomination and ISIN of the Bonds

- (a) The Issuer has resolved to issue a series of Bonds up to USD 175,000,000 (the “**Maximum Issue Amount**”). The Bonds may be issued on different issue dates and the Initial Bond Issue will be in the amount of USD 150,000,000. The Issuer may, provided that the conditions set out in Clause 6.3 (*Tap Issues*) are met, at one or more occasions issue Additional Bonds (each a “**Tap Issue**”) until the Nominal Amount of all Additional Bonds equals in aggregate the Maximum Issue Amount less the Initial Bond Issue. Each Tap Issue will be subject to identical terms as the Bonds issued pursuant to the Initial Bond Issue in all respects as set out in these Bond Terms, except that Additional Bonds may be issued at a different price than for the Initial Bond Issue and which may be at par, below or above the Nominal Amount. The Bond Trustee shall prepare an addendum to these Bond Terms evidencing the terms of each Tap Issue (a “**Tap Issue Addendum**”).

If the Bonds are listed on an Exchange and there is a requirement for a new prospectus in order for the Additional Bonds to be listed together with the Bonds, the Additional Bonds may be issued under a separate ISIN (such Bonds referred to as the “**Temporary Bonds**”). Upon the approval of the prospectus, the Issuer shall (i) notify the Bond Trustee, the Exchange and the Paying Agent and (ii) ensure that the Temporary Bonds are converted into the ISIN for the Bonds.

- (b) The Bonds are denominated in US Dollars (USD), being the legal currency of the United States of America.
- (c) The Initial Nominal Amount of each Bond is USD 50,000.
- (d) The ISIN of the Bonds is set out on the front page. These Bond Terms apply with identical terms and conditions to (i) all Bonds issued under this ISIN, (ii) any Temporary Bonds and (iii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time.
- (e) Holders of Overdue Amounts related to interest claims will not have any other rights under these Bond Terms than their claim for payment of such interest claim which claim shall be subject to paragraph (b) of Clause 15.1 (*Authority of the Bondholders’ Meeting*).

### 2.2 Tenor of the Bonds

The tenor of the Bonds is from and including the Issue Date to but excluding the Maturity Date.

## **2.3 Use of proceeds**

- (a) The Issuer will use the Net Proceeds from the Initial Bond Issue for:
  - (i) prepayment in full of the Existing Bonds; and
  - (ii) general corporate purposes including prepayment, in full or in part, or refinancing of other debts of the Group.
- (b) The Issuer will, unless otherwise specified, use the Net Proceeds from the issuance of any Additional Bonds for general corporate purposes of the Group.

## **2.4 Status of the Bonds**

The Bonds will constitute senior debt obligations of the Issuer. The Bonds will rank at least *pari passu* between themselves and with all other senior unsecured obligations of the Issuer (save for such claims which are preferred by bankruptcy, insolvency, liquidation or other similar laws of general application).

## **2.5 Transaction Security**

The Bonds are unsecured.

## **3. THE BONDHOLDERS**

### **3.1 Bond Terms binding on all Bondholders**

- (a) By virtue of being registered as a Bondholder (directly or indirectly) with the CSD, the Bondholders are bound by these Bond Terms and any other Finance Document, without any further action required to be taken or formalities to be complied with by the Bond Trustee, the Bondholders, the Issuer or any other party.
- (b) The Bond Trustee is always acting with binding effect on behalf of all the Bondholders.

### **3.2 Limitation of rights of action**

- (a) No Bondholder is entitled to take any enforcement action, instigate any insolvency procedures or take other legal action against the Issuer or any other party in relation to any of the liabilities of the Issuer or any other party under or in connection with the Finance Documents, other than through the Bond Trustee and in accordance with these Bond Terms, provided, however, that the Bondholders shall not be restricted from exercising any of their individual rights derived from these Bond Terms, including the right to exercise the Put Option.
- (b) Each Bondholder shall immediately upon request by the Bond Trustee provide the Bond Trustee with any such documents, including a written power of attorney (in form and substance satisfactory to the Bond Trustee), as the Bond Trustee deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Bond Trustee is under no obligation to represent a Bondholder which does not comply with such request.

### **3.3 Bondholders' rights**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Bond Trustee.
- (b) A Bondholder (whether registered as such or proven to the Bond Trustee's satisfaction to be the beneficial owner of the Bond as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Bond Trustee shall only have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 3.3 and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Bond Trustee has actual knowledge to the contrary.

## **4. ADMISSION TO LISTING**

The Issuer shall use its reasonable endeavours to ensure that the Bonds are listed on an Exchange within 9 months of the Issue Date and thereafter remain listed on an Exchange until the Bonds have been redeemed in full. The Issuer shall use its reasonable endeavours to ensure that any Temporary Bonds are listed on an Exchange within the later of (i) 6 months of the issue date for such Temporary Bonds and (ii) 9 months of the Issue Date.

## **5. REGISTRATION OF THE BONDS**

### **5.1 Registration in the CSD**

The Bonds shall be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD.

### **5.2 Obligation to ensure correct registration**

The Issuer will at all times ensure that the registration of the Bonds in the CSD is correct and shall immediately upon any amendment or variation of these Bond Terms give notice to the CSD of any such amendment or variation.

### **5.3 Country of issuance**

The Bonds have not been issued under any other country's legislation than that of the Relevant Jurisdiction. Save for the registration of the Bonds in the CSD, the Issuer is under no obligation to register, or cause the registration of, the Bonds in any other registry or under any other legislation than that of the Relevant Jurisdiction.

## **6. CONDITIONS FOR DISBURSEMENT**

### **6.1 Conditions precedent for disbursement to the Issuer**

- (a) Payment of the Net Proceeds from the issuance of the Bonds to the Issuer shall be conditional on the Bond Trustee having received in due time (as determined by the Bond Trustee) prior to the Issue Date each of the following documents, in form and substance satisfactory to the Bond Trustee:
  - (i) these Bond Terms duly executed by all parties hereto;

- (ii) copies of all necessary corporate resolutions of the Issuer to issue the Bonds and execute the Finance Documents to which it is a party;
  - (iii) a copy of a power of attorney (unless included in the corporate resolutions) from the Issuer to relevant individuals for their execution of the Finance Documents to which it is a party;
  - (iv) copies of the Issuer's articles of association and of a full extract from the relevant company register in respect of the Issuer evidencing that the Issuer is validly existing;
  - (v) copies of the Issuer's latest Financial Reports (if any);
  - (vi) confirmation that the applicable prospectus requirements (ref. the EU prospectus regulation ((EU) 2017/1129)) concerning the issuance of the Bonds have been fulfilled;
  - (vii) copies of any necessary governmental approval, consent or waiver (as the case may be) required at such time to issue the Bonds;
  - (viii) confirmation that the Bonds are registered in the CSD (by obtaining an ISIN for the Bonds);
  - (ix) confirmation of acceptance from any process agent;
  - (x) copies of any written documentation used in marketing the Bonds or made public by the Issuer or any Manager in connection with the issuance of the Bonds;
  - (xi) the Bond Trustee Fee Agreement duly executed by all parties thereto; and
  - (xii) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of these Bond Terms and the Finance Documents).
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.1, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

## **6.2 Disbursement of the proceeds**

Disbursement of the proceeds from the issuance of the Bonds is conditional on the Bond Trustee's confirmation to the Paying Agent that the conditions in Clause 6.1 (*Conditions precedent for disbursement to the Issuer*) have been either satisfied in the Bond Trustee's discretion or waived by the Bond Trustee pursuant to paragraph (b) of Clause 6.1 (*Conditions precedent for disbursement to the Issuer*).

## **6.3 Tap Issues**

- (a) The Issuer may issue Additional Bonds if:
  - (i) a Tap Issue Addendum has been duly executed by all parties thereto;

- (ii) the representations and warranties contained in Clause 7 (*Representations and Warranties*) of these Bond Terms are true and correct in all material respects and repeated by the Issuer as at the date of issuance of such Additional Bonds;
  - (iii) no Event of Default is continuing;
  - (iv) copies of corporate resolutions required for the Tap Issue and any power of attorney or other authorisation required for execution of the Tap Issue Addendum and any other Finance Documents; and
  - (v) legal opinions or other statements as may be required by the Bond Trustee (including in respect of corporate matters relating to the Issuer and the legality, validity and enforceability of the Tap Issue Addendum and any other Finance Documents (if applicable)).
- (b) The Bond Trustee, acting in its sole discretion, may, regarding this Clause 6.3, waive the requirements for documentation or decide that delivery of certain documents shall be made subject to an agreed closing procedure between the Bond Trustee and the Issuer.

## **7. REPRESENTATIONS AND WARRANTIES**

The Issuer makes the representations and warranties set out in this Clause 7, in respect of itself and in respect of each Group Company to the Bond Trustee (on behalf of the Bondholders) at the following times and with reference to the facts and circumstances then existing:

- (a) on the date of these Bond Terms;
- (b) on the Issue Date; and
- (c) on the date of issuance of any Additional Bonds.

### **7.1 Status**

It is a corporation, duly incorporated and validly existing and registered under the laws of its jurisdiction of incorporation, and has the power to own its assets and carry on its business as it is being conducted.

### **7.2 Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated by those Finance Documents.

### **7.3 Valid, binding and enforceable obligations**

These Bond Terms and each other Finance Document to which it is a party constitutes (or will constitute, when executed by the respective parties thereto) its legal, valid and binding obligations, enforceable in accordance with their respective terms, and (save as provided for therein) no further registration, filing, payment of tax or fees or other formalities are necessary or desirable to render the said documents enforceable against it.

**7.4 Non-conflict with other obligations**

The entry into and performance by it of these Bond Terms and any other Finance Document to which it is a party and the transactions contemplated thereby do not and will not conflict with (i) any law or regulation or judicial or official order; (ii) its constitutional documents; or (iii) any agreement or instrument which is binding upon it or any of its assets.

**7.5 No Event of Default**

- (a) No Event of Default exists or is likely to result from the making of any disbursement of proceeds or the entry into, the performance of, or any transaction contemplated by, any Finance Document.
- (b) No other event or circumstance has occurred which constitutes (or with the expiry of any grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (howsoever described) under any other agreement or instrument which is binding on it or any of its Subsidiaries or to which its (or any of its Subsidiaries') assets are subject which has or is likely to have a Material Adverse Effect.

**7.6 Authorisations and consents**

All authorisations, consents, approvals, resolutions, licences, exemptions, filings, notarisations or registrations required:

- (a) to enable it to enter into, exercise its rights and comply with its obligations under these Bond Terms or any other Finance Document to which it is a party; and
- (b) to carry on its business as presently conducted and as contemplated by these Bond Terms,

have been obtained or effected and are in full force and effect.

**7.7 Litigation**

No litigation, arbitration or administrative proceedings or investigations of or before any court, arbitral body or agency which, if adversely determined, is likely to have a Material Adverse Effect have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

**7.8 Financial Reports**

Its most recent Financial Reports fairly and accurately represent the assets and liabilities and financial condition as at their respective dates, and have been prepared in accordance with the Accounting Standard, consistently applied.

**7.9 No Material Adverse Effect**

Since the date of the most recent Financial Reports, there has been no change in its business, assets or financial condition that is likely to have a Material Adverse Effect.



**7.10 No misleading information**

Any factual information provided by it to the Bondholders or the Bond Trustee for the purposes of the issuance of the Bonds was true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated.

**7.11 No withholdings**

The Issuer is not required to make any deduction or withholding from any payment which it may become obliged to make to the Bond Trustee or the Bondholders under the Finance Documents.

**7.12 Pari passu ranking**

Its payment obligations under these Bond Terms or any other Finance Document to which it is a party ranks as set out in Clause 2.4 (*Status of the Bonds*).

**7.13 Security**

No Security exists over any of the present assets of any Group Company in conflict with these Bond Terms.

**8. PAYMENTS IN RESPECT OF THE BONDS**

**8.1 Covenant to pay**

- (a) The Issuer will unconditionally make available to or to the order of the Bond Trustee and/or the Paying Agent all amounts due on each Payment Date pursuant to the terms of these Bond Terms at such times and to such accounts as specified by the Bond Trustee and/or the Paying Agent in advance of each Payment Date or when other payments are due and payable pursuant to these Bond Terms.
- (b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD on the Relevant Record Date, by, if no specific order is made by the Bond Trustee, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.
- (c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Bond Terms will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.
- (d) If a Payment Date or a date for other payments to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary has been set out for such payment in the relevant Finance Document.

## **8.2 Default interest**

- (a) Default interest will accrue on any Overdue Amount from and including the Payment Date on which it was first due to and excluding the date on which the payment is made at the Interest Rate plus 3 percentage points per annum.
- (b) Default interest accrued on any Overdue Amount pursuant to this Clause 8.2 will be added to the Overdue Amount on each Interest Payment Date until the Overdue Amount and default interest accrued thereon have been repaid in full.
- (c) Upon the occurrence of a Listing Failure Event and for as long as such Listing Failure Event is continuing, the interest on any principal amount outstanding under these Bonds Terms will accrue at the Interest Rate plus 1 percentage point per annum. In the event the Listing Failure Event relates to Temporary Bonds, the Interest Rate will only be increased in respect of such Temporary Bonds.

## **8.3 Partial Payments**

- (a) If the Paying Agent or the Bond Trustee receives a Partial Payment, such Partial Payment shall, in respect of the Issuer's debt under the Finance Documents be considered made for discharge of the debt of the Issuer in the following order of priority:
  - (i) firstly, towards any outstanding fees, liabilities and expenses of the Bond Trustee;
  - (ii) secondly, towards accrued interest due but unpaid; and
  - (iii) thirdly, towards any other outstanding amounts due but unpaid under the Finance Documents.
- (b) Notwithstanding paragraph (a) above, any Partial Payment which is distributed to the Bondholders, shall, after the above mentioned deduction of outstanding fees, liabilities and expenses, be applied (i) firstly towards any principal amount due but unpaid and (ii) secondly, towards accrued interest due but unpaid, in the following situations:
  - (i) if the Bond Trustee has served a Default Notice in accordance with Clause 14.2 (*Acceleration of the Bonds*); or
  - (ii) if a resolution according to Clause 15 (*Bondholders' Decisions*) has been made.

## **8.4 Taxation**

- (a) The Issuer is responsible for withholding any withholding tax imposed by applicable law on any payments to be made by it in relation to the Finance Documents.
- (b) The Issuer shall, if any tax is withheld in respect of the Bonds under the Finance Documents:
  - (i) gross up the amount of the payment due from it up to such amount which is necessary to ensure that the Bondholders or the Bond Trustee, as the case may be, receive a net amount which is (after making the required withholding) equal to the payment which would have been received if no withholding had been required; and

- (ii) at the request of the Bond Trustee, deliver to the Bond Trustee evidence that the required tax deduction or withholding has been made.
- (c) Any public fees levied on the trade of Bonds in the secondary market shall be paid by the Bondholders, unless otherwise provided by law or regulation, and the Issuer shall not be responsible for reimbursing any such fees.
- (d) The Bond Trustee shall not have any responsibility to obtain information about the Bondholders relevant for the tax obligations pursuant to these Bond Terms.

## **8.5 Currency**

- (a) All amounts payable under the Finance Documents shall be payable in the Bond Currency. If, however, the Bond Currency differs from the currency of the bank account connected to the Bondholder's account in the CSD, any cash settlement may be exchanged and credited to this bank account.
- (b) Any specific payment instructions, including foreign exchange bank account details, to be connected to the Bondholder's account in the CSD must be provided by the relevant Bondholder to the Paying Agent (either directly or through its account manager in the CSD) within 5 Business Days prior to a Payment Date. Depending on any currency exchange settlement agreements between each Bondholder's bank and the Paying Agent, and opening hours of the receiving bank, cash settlement may be delayed, and payment shall be deemed to have been made once the cash settlement has taken place, provided, however, that no default interest or other penalty shall accrue for the account of the Issuer for such delay.

## **8.6 Set-off and counterclaims**

The Issuer may not apply or perform any counterclaims or set-off against any payment obligations pursuant to these Bond Terms or any other Finance Document.

## **9. INTEREST**

### **9.1 Calculation of interest**

- (a) Each Outstanding Bond will accrue interest at the Interest Rate on the Nominal Amount for each Interest Period, commencing on and including the first date of the Interest Period, and ending on but excluding the last date of the Interest Period.
- (b) Any Additional Bond will accrue interest at the Interest Rate on the Nominal Amount commencing on the first date of the Interest Period in which the Additional Bonds are issued and thereafter in accordance with paragraph (a) above.
- (c) Interest shall be calculated on the basis of a 360-day year comprised of twelve months of 30 days each (30/360-days basis), unless:
  - (i) the last day in the relevant Interest Period is the 31<sup>st</sup> calendar day but the first day of that Interest Period is a day other than the 30<sup>th</sup> or the 31<sup>st</sup> day of a month, in which case the month that includes that last day shall not be shortened to a 30-day month; or

- (ii) the last day of the relevant Interest Period is the last calendar day in February, in which case February shall not be lengthened to a 30-day month.

## 9.2 Payment of interest

Interest shall fall due on each Interest Payment Date for the corresponding preceding Interest Period and, with respect to accrued interest on the principal amount then due and payable, on each Repayment Date.

## 10. REDEMPTION AND REPURCHASE OF BONDS

### 10.1 Redemption of Bonds

The Outstanding Bonds will mature in full on the Maturity Date and shall be redeemed by the Issuer on the Maturity Date at a price equal to 100 per cent. of the Nominal Amount.

### 10.2 Voluntary early redemption - Call Option

- (a) The Issuer may redeem all or part of the Outstanding Bonds (the “**Call Option**”) on any Business Day from and including:
  - (i) the Issue Date to, but not including, the First Call Date at a price equal to the Make Whole Amount;
  - (ii) the First Call Date to, but not including, the Interest Payment Date in January 2028 at a price equal to 103.500 per cent. of the Nominal Amount for each redeemed Bond (the “**First Call Price**”);
  - (iii) the Interest Payment Date in January 2028 to, but not including, the Interest Payment Date in July 2028 at a price equal to 102.625 per cent. of the Nominal Amount for each redeemed Bond;
  - (iv) the Interest Payment Date in July 2028 to, but not including, the Interest Payment Date in January 2029 at a price equal to 101.750 per cent. of the Nominal Amount for each redeemed Bond; and
  - (v) the Interest Payment Date in January 2029 to, but not including, the Maturity Date at a price equal to 100.00 per cent. of the Nominal Amount for each redeemed Bond.
- (b) Any redemption of Bonds pursuant to paragraph (a) above shall be determined based upon the redemption prices applicable on the Call Option Repayment Date.
- (c) The Call Option may be exercised by the Issuer by written notice to the Bond Trustee at least 10 Business Days prior to the proposed Call Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date. Unless the Make Whole Amount is set out in the written notice where the Issuer exercises the Call Option, the Issuer shall calculate the Make Whole Amount and provide such calculation by written notice to the Bond Trustee as soon as possible and at the latest within 3 Business Days from the date of the notice.
- (d) Any redemption notice given in respect of the Call Option may, at the Issuer’s discretion, be subject to the satisfaction of one or more conditions precedent, in which case the

exercise of the Call Option will be automatically cancelled unless such conditions precedent have been satisfied or waived no later than 3 Business Days prior to such Call Option Repayment Date.

- (e) Any Call Option exercised in part will be used for pro rata payment to the Bondholders in accordance with the applicable regulations of the CSD.

### **10.3 Mandatory repurchase due to a Put Option Event**

- (a) Upon the occurrence of a Put Option Event, each Bondholder will have the right (the “**Put Option**”) to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101 per cent. of the Nominal Amount.
- (b) The Put Option must be exercised within 15 Business Days after the Issuer has given notice to the Bond Trustee and the Bondholders that a Put Option Event has occurred pursuant to Clause 12.3 (*Put Option Event*). Once notified, the Bondholders’ right to exercise the Put Option is irrevocable.
- (c) Each Bondholder may exercise its Put Option by written notice to its account manager for the CSD, who will notify the Paying Agent of the exercise of the Put Option. The Put Option Repayment Date will be the 5<sup>th</sup> Business Day after the end of 15 Business Days exercise period referred to in paragraph (b) above. However, the settlement of the Put Option will be based on each Bondholders holding of Bonds at the Put Option Repayment Date.
- (d) If Bonds representing more than 90 per cent. of the Outstanding Bonds have been repurchased pursuant to this Clause 10.3, the Issuer is entitled to repurchase all the remaining Outstanding Bonds at the price stated in paragraph (a) above by notifying the remaining Bondholders of its intention to do so no later than 10 Business Days after the Put Option Repayment Date. Such notice sent by the Issuer is irrevocable and shall specify the Call Option Repayment Date.

### **10.4 Early redemption option due to a tax event**

If the Issuer is or will be required to gross up any withheld tax imposed by law from any payment in respect of the Bonds under the Finance Documents pursuant to Clause 8.4 (*Taxation*) as a result of a change in applicable law implemented after the date of these Bond Terms, the Issuer will have the right to redeem all, but not only some, of the Outstanding Bonds at a price equal to 100 per cent. of the Nominal Amount. The Issuer shall give written notice of such redemption to the Bond Trustee and the Bondholders at least 20 Business Days prior to the Tax Event Repayment Date, provided that no such notice shall be given earlier than 40 Business Days prior to the earliest date on which the Issuer would be obliged to withhold such tax were a payment in respect of the Bonds then due.

## **11. PURCHASE AND TRANSFER OF BONDS**

### **11.1 Issuer’s purchase of Bonds**

The Issuer may purchase and hold Bonds and such Bonds may be retained, sold or cancelled in the Issuer’s sole discretion, including with respect to Bonds purchased pursuant to Clause 10.3 (*Mandatory repurchase due to a Put Option Event*).

## 11.2 Restrictions

- (a) Certain purchase or selling restrictions may apply to Bondholders under applicable local laws and regulations from time to time. Neither the Issuer nor the Bond Trustee shall be responsible for ensuring compliance with such laws and regulations and each Bondholder is responsible for ensuring compliance with the relevant laws and regulations at its own cost and expense.
- (b) A Bondholder who has purchased Bonds in breach of applicable restrictions may, notwithstanding such breach, benefit from the rights attached to the Bonds pursuant to these Bond Terms (including, but not limited to, voting rights), provided that the Issuer shall not incur any additional liability by complying with its obligations to such Bondholder.

## 12. INFORMATION UNDERTAKINGS

### 12.1 Financial Reports

- (a) The Issuer shall prepare Annual Financial Statements in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 120 days after the end of the financial year.
- (b) The Issuer shall prepare Interim Accounts in the English language and make them available on its website (alternatively on another relevant information platform) as soon as they become available, and not later than 60 days after the end of the relevant interim period.

### 12.2 Requirements as to Financial Reports

- (a) The Issuer shall supply to the Bond Trustee, in connection with the publication of its Financial Reports pursuant to Clause 12.1 (*Financial Reports*), a Compliance Certificate with a copy of the Financial Reports attached thereto. The Compliance Certificate shall be duly signed by the chief executive officer or the chief financial officer of the Issuer, certifying inter alia that the Financial Reports fairly represent its financial condition as at the date of the relevant Financial Report and setting out (in reasonable detail) computations evidencing compliance with Clause 13.19 (*Financial covenants*) as at such date.
- (b) The Issuer shall procure that the Financial Reports delivered pursuant to Clause 12.1 (*Financial Reports*) are prepared using the Accounting Standard consistently applied.

### 12.3 Put Option Event

The Issuer shall promptly inform the Bond Trustee in writing after becoming aware that a Put Option Event has occurred.

### 12.4 Listing Failure Event

The Issuer shall promptly inform the Bond Trustee in writing if a Listing Failure Event has occurred. However, no Event of Default shall occur if the Issuer fails (i) to list the Bonds in accordance with Clause 4 (*Admission to listing*) or (ii) to inform of such Listing Failure Event, and such failure shall result in the accrual of default interest in accordance with paragraph (c) of Clause 8.2 (*Default interest*) for as long as such Listing Failure Event is continuing.

## **12.5 Information: Miscellaneous**

The Issuer shall:

- (a) promptly inform the Bond Trustee in writing of any Event of Default or any event or circumstance which the Issuer understands or could reasonably be expected to understand may lead to an Event of Default and the steps, if any, being taken to remedy it;
- (b) at the request of the Bond Trustee, report the balance of the Issuer's Bonds (to the best of its knowledge, having made due and appropriate enquiries);
- (c) send the Bond Trustee copies of any statutory notifications of the Issuer, including but not limited to in connection with mergers, de-mergers and reduction of the Issuer's share capital or equity;
- (d) if the Bonds are listed on an Exchange, send a copy to the Bond Trustee of its notices to the Exchange;
- (e) if the Issuer and/or the Bonds are rated, inform the Bond Trustee of its and/or the rating of the Bonds, and any changes to such rating;
- (f) inform the Bond Trustee of changes in the registration of the Bonds in the CSD; and
- (g) within a reasonable time, provide such information about the Issuer's and the Group's business, assets and financial condition as the Bond Trustee may reasonably request.

## **13. GENERAL AND FINANCIAL UNDERTAKINGS**

The Issuer undertakes to (and shall, where applicable, procure that the other Group Companies will) comply with the undertakings set forth in this Clause 13.

### **13.1 Authorisations**

The Issuer shall, and shall procure that each other Group Company will, in all material respects obtain, maintain and comply with the terms of any authorisation, approval, license and consent required for the conduct of its business as carried out from time to time.

### **13.2 Compliance with laws**

The Issuer shall, and shall procure that each other Group Company will, carry on its business in accordance with acknowledged, careful and sound practices in all aspects and comply in all respects with all laws and regulations it or they may be subject to from time to time. Breach of these obligations shall be regarded as non-compliance only if such breach would have a Material Adverse Effect.

### **13.3 Continuation of business**

The Issuer shall procure that no material change is made to the general nature of the business from that carried on by the Group at the Issue Date.

### **13.4 Corporate status**

The Issuer shall not change its type of organisation or jurisdiction of incorporation.

**13.5 Listing**

The Issuer shall ensure that its ordinary shares remain listed on the New York Stock Exchange or another recognized stock exchange.

**13.6 Mergers**

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any merger or other business combination or corporate reorganization involving a consolidation of the assets and obligations of the Issuer or any other Group Company with any other companies or entities if such transaction would have a Material Adverse Effect.

**13.7 De-mergers**

The Issuer shall not, and shall ensure that no other Group Company shall, carry out any de-merger or other corporate reorganization involving a split of the Issuer or any other Group Company into two or more separate companies or entities, if such transaction would have a Material Adverse Effect.

**13.8 Financial Indebtedness**

The Issuer shall not, and shall procure that no Group Company shall, incur or maintain any Financial Indebtedness, other than Permitted Financial Indebtedness.

**13.9 Negative pledge**

The Issuer shall not, and shall procure that no Group Company will, create or allow to subsist, retain, provide, prolong or renew any Security over any of its/their assets (present or future) other than Permitted Security.

**13.10 Loans or credit**

The Issuer shall not, and shall procure that no other Group Company will, be a creditor on respect of any Financial Indebtedness other than in the ordinary course of business.

**13.11 No guarantees or indemnities**

The Issuer shall not, and shall procure that no other Group Company will, incur or allow to remain outstanding any guarantee in respect of any obligation of any person, other than any guarantee granted (i) in connection with any Permitted Financial Indebtedness or (ii) in the ordinary course of business.

**13.12 Disposal of business**

The Issuer shall not, and shall procure that the other Group Companies shall not, sell or otherwise dispose of all or substantially all of the Group's assets or operations to any person not being a member of the Group, unless such sale, transfer or disposal is carried out on arm's length terms and would not have a Material Adverse Effect.

**13.13 Distribution restrictions**

The Issuer shall not, and shall procure that no other Group Company will make any Distributions to the Issuer's direct or indirect shareholders unless:

- (a) the Issuer is in compliance with the Financial Covenants, tested pro forma immediately after the making of such Distribution;



- (b) in respect of any Distribution other than a Preferred Share Distribution, the Remaining Cash Requirement is complied with, tested pro forma immediately after the making of such Distribution; and
- (c) no Event of Default has occurred (which is continuing) or would result from the making of such Distribution.

#### **13.14 Subsidiary distributions**

Save for obligations under any Financial Indebtedness, the Issuer shall not permit any Subsidiary to create or permit to exist any contractual obligation (or encumbrance) restricting the right of any Subsidiary to:

- (a) pay dividends or make other Distributions to its shareholders;
- (b) service any Financial Indebtedness to the Issuer;
- (c) make any loans to the Issuer; or
- (d) transfer any of its assets and properties to the Issuer,

if the creation of such contractual obligation is reasonably likely to prevent the Issuer from complying with its payment obligations under these Bond Terms.

#### **13.15 Insurances**

The Issuer shall, and the Issuer shall procure that each Group Company will, maintain with reputable insurance companies, funds or underwriters adequate insurance or captive arrangements with respect to its assets, equipment and business against such liabilities, casualties and contingencies and of such types and in such amounts as are consistent with prudent business practice in their relevant jurisdiction.

#### **13.16 Sustainability reporting**

The Issuer shall report, on an annual basis, its environmental, social and governance performance in line with the SASB Marine Transportation Industry Standard, which includes greenhouse gas emissions, marine ecological impacts, safety, business ethics and activity metrics on an annual basis, provided that the reporting format and content may be changed at the Issuers sole discretion in accordance with its perceived market standards of ESG reporting. The Issuer shall make such reports available on its website (alternatively on another relevant public information platform) as soon as they become available, after the end of the relevant calendar year.

#### **13.17 Sustainable Vessel Dismantling**

The Issuer will ensure that any ship controlled by the Issuer or sold to an intermediary with the intention of being scrapped, is recycled at a recycling yard which conducts its recycling business in a socially and environmentally responsible manner, in accordance with the provisions of The Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 and/or EU Ship Recycling Regulation.

### **13.18 Related party transactions**

Without limiting Clause 13.2 (*Compliance with laws*), the Issuer shall not, and the Issuer shall procure that no other Group Company will, enter into any transaction with any person except on arm's length terms basis and for fair market value.

### **13.19 Financial covenants**

- (a) The Issuer shall ensure that:
  - (i) Minimum Liquidity shall not be less than USD 10,000,000.
  - (ii) Tangible Net Worth of the Group shall exceed 25 per cent. of Total Assets; and
  - (iii) Net Borrowings to Total Assets shall not exceed 65 per cent.
- (b) The Issuer undertakes to comply with the above Financial Covenants at all times, such compliance to be measured on each Quarter Date, starting 31 December 2024. The Financial Covenants shall be calculated on a consolidated basis for the Group during the lifetime of the Bonds.

## **14. EVENTS OF DEFAULT AND ACCELERATION OF THE BONDS**

### **14.1 Events of Default**

Each of the events or circumstances set out in this Clause 14.1 shall constitute an Event of Default:

#### *(a) Non-payment*

The Issuer fails to pay any amount payable by it under the Finance Documents when such amount is due for payment, unless:

- (i) its failure to pay is caused by administrative or technical error in payment systems or the CSD and payment is made within 5 Business Days following the original due date; or
- (ii) in the discretion of the Bond Trustee, the Issuer has substantiated that it is likely that such payment will be made in full within 5 Business Days following the original due date.

#### *(b) Breach of other obligations*

The Issuer does not comply with any provision of the Finance Documents other than set out under paragraph (a) (*Non-payment*) above, unless such failure is capable of being remedied and is remedied within 20 Business Days after the earlier of the Issuer's actual knowledge thereof, or notice thereof is given to the Issuer by the Bond Trustee.

#### *(c) Misrepresentation*

Any representation, warranty or statement (including statements in Compliance Certificates) made by any Group Company under or in connection with any Finance

Documents is or proves to have been incorrect, inaccurate or misleading in any material respect when made.

*(d) Cross default*

If for any Group Company:

- (i) any Financial Indebtedness is not paid when due nor within any applicable grace period; or
- (ii) any Financial Indebtedness is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (however described); or
- (iii) any commitment for any Financial Indebtedness is cancelled or suspended by a creditor as a result of an event of default (however described), or
- (iv) any creditor becomes entitled to declare any Financial Indebtedness due and payable prior to its specified maturity as a result of an event of default (however described),

provided however that the amount of such Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (i) to (iv) above individually exceeds USD 20,000,000 (or the equivalent thereof in any other currency).

*(e) Insolvency and insolvency proceedings*

Any Group Company, provided that in respect of any Group Company other than the Issuer, only if such event has a Material Adverse Effect:

- (i) is Insolvent; or
- (ii) is object of any corporate action or any legal proceedings is taken in relation to:
  - (A) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) other than a solvent liquidation or reorganisation; or
  - (B) a composition, compromise, assignment or arrangement with any creditor which may materially impair its ability to perform its obligations under these Bond Terms; or
  - (C) the appointment of a liquidator (other than in respect of a solvent liquidation), receiver, administrative receiver, administrator, compulsory manager or other similar officer of any of its assets; or
  - (D) enforcement of any Security over any of its or their assets having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above; or

- (E) for paragraphs (A) - (D) above, any analogous procedure or step is taken in any jurisdiction in respect of any such company.

However, this shall not apply to any petition which is frivolous or vexatious and is discharged, stayed or dismissed within 20 Business Days of commencement.

(f) *Creditor's process*

Any expropriation, attachment, sequestration, distress or execution affects any asset or assets of any Group Company having an aggregate value exceeding the threshold amount set out in paragraph (d) (*Cross default*) above and is not discharged within 20 Business Days, provided that for any Group Company other than the Issuer, such event has Material Adverse Effect.

(g) *Unlawfulness*

It is or becomes unlawful for the Issuer to perform or comply with any of its obligations under the Finance Documents to the extent this may materially impair:

- (i) the ability of the Issuer to perform its obligations under these Bond Terms; or
- (ii) the ability of the Bond Trustee to exercise any material right or power vested to it under the Finance Documents.

#### **14.2 Acceleration of the Bonds**

If an Event of Default has occurred and is continuing, the Bond Trustee may, in its discretion in order to protect the interests of the Bondholders, or upon instruction received from the Bondholders pursuant to Clause 14.3 (*Bondholders' instructions*) below, by serving a Default Notice to the Issuer:

- (a) declare that the Outstanding Bonds, together with accrued interest and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, at which time they shall become immediately due and payable; and/or
- (b) exercise any or all of its rights, remedies, powers or discretions under the Finance Documents or take such further measures as are necessary to recover the amounts outstanding under the Finance Documents.

#### **14.3 Bondholders' instructions**

The Bond Trustee shall serve a Default Notice pursuant to Clause 14.2 (*Acceleration of the Bonds*) if:

- (a) the Bond Trustee receives a demand in writing from Bondholders representing a simple majority of the Voting Bonds, that an Event of Default shall be declared, and a Bondholders' Meeting has not made a resolution to the contrary; or
- (b) the Bondholders' Meeting, by a simple majority decision, has approved the declaration of an Event of Default.

**14.4 Calculation of claim**

The claim derived from the Outstanding Bonds due for payment as a result of the serving of a Default Notice will be calculated at the call prices set out in Clause 10.2 (*Voluntary early redemption – Call Option*), as applicable at the following dates (and regardless of the Default Repayment Date):

- (a) for any Event of Default arising out of a breach of paragraph (a) (*Non-payment*) of Clause 14.1 (*Events of Default*), the claim will be calculated at the call price applicable at the date when such Event of Default occurred; and
- (b) for any other Event of Default, the claim will be calculated at the call price applicable at the date when the Default Notice was served by the Bond Trustee.

However, if the situations described in paragraph (a) or (b) above takes place prior to the First Call Date, the calculation shall be based on the call price applicable on the First Call Date.

**15. BONDHOLDERS' DECISIONS****15.1 Authority of the Bondholders' Meeting**

- (a) A Bondholders' Meeting may, on behalf of the Bondholders, resolve to alter any of these Bond Terms, including, but not limited to, any reduction of principal or interest and any conversion of the Bonds into other capital classes.
- (b) The Bondholders' Meeting cannot resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (c) The Bondholders' Meeting may not adopt resolutions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders.
- (d) Subject to the power of the Bond Trustee to take certain action as set out in Clause 16.1 (*Power to represent the Bondholders*), if a resolution by, or an approval of, the Bondholders is required, such resolution may be passed at a Bondholders' Meeting. Resolutions passed at any Bondholders' Meeting will be binding upon all Bondholders.
- (e) At least 50 per cent. of the Voting Bonds must be represented at a Bondholders' Meeting for a quorum to be present.
- (f) Resolutions will be passed by simple majority of the Voting Bonds represented at the Bondholders' Meeting, unless otherwise set out in paragraph (g) below.
- (g) Save for any amendments or waivers which can be made without resolution pursuant to section (i) and (ii) of Clause 17.1 (*Procedure for amendments and waivers*), a majority of at least 2/3 of the Voting Bonds represented at the Bondholders' Meeting is required for approval of any waiver or amendment of these Bond Terms.

**15.2 Procedure for arranging a Bondholders' Meeting**

- (a) A Bondholders' Meeting shall be convened by the Bond Trustee upon the request in writing of:

- (i) the Issuer;
- (ii) Bondholders representing at least 1/10 of the Voting Bonds;
- (iii) the Exchange, if the Bonds are listed and the Exchange is entitled to do so pursuant to the general rules and regulations of the Exchange; or
- (iv) the Bond Trustee.

The request shall clearly state the matters to be discussed and resolved.

- (b) If the Bond Trustee has not convened a Bondholders' Meeting within 10 Business Days after having received a valid request for calling a Bondholders' Meeting pursuant to paragraph (a) above, then the requesting party may call the Bondholders' Meeting itself.
- (c) Summons to a Bondholders' Meeting must be sent no later than 10 Business Days prior to the proposed date of the Bondholders' Meeting. The Summons shall be sent to all Bondholders registered in the CSD at the time the Summons is sent from the CSD. If the Bonds are listed, the Issuer shall ensure that the Summons is published in accordance with the applicable regulations of the Exchange. The Summons shall also be published on the website of the Bond Trustee (alternatively by press release or other relevant information platform).
- (d) Any Summons for a Bondholders' Meeting must clearly state the agenda for the Bondholders' Meeting and the matters to be resolved. The Bond Trustee may include additional agenda items to those requested by the person calling for the Bondholders' Meeting in the Summons. If the Summons contains proposed amendments to these Bond Terms, a description of the proposed amendments must be set out in the Summons.
- (e) Items which have not been included in the Summons may not be put to a vote at the Bondholders' Meeting.
- (f) By written notice to the Issuer, the Bond Trustee may prohibit the Issuer from acquiring or dispose of Bonds during the period from the date of the Summons until the date of the Bondholders' Meeting, unless the acquisition of Bonds is made by the Issuer pursuant to Clause 10 (*Redemption and Repurchase of Bonds*).
- (g) A Bondholders' Meeting may be held on premises selected by the Bond Trustee, or if paragraph (b) above applies, by the person convening the Bondholders' Meeting (however to be held in the capital of the Relevant Jurisdiction). The Bondholders' Meeting will be opened and, unless otherwise decided by the Bondholders' Meeting, chaired by the Bond Trustee. If the Bond Trustee is not present, the Bondholders' Meeting will be opened by a Bondholder and be chaired by a representative elected by the Bondholders' Meeting (the Bond Trustee or such other representative, the "**Chairperson**").
- (h) Each Bondholder, the Bond Trustee and, if the Bonds are listed, representatives of the Exchange, or any person or persons acting under a power of attorney for a Bondholder, shall have the right to attend the Bondholders' Meeting (each a "**Representative**"). The Chairperson may grant access to the meeting to other persons not being Representatives,

unless the Bondholders' Meeting decides otherwise. In addition, each Representative has the right to be accompanied by an advisor. In case of dispute or doubt regarding whether a person is a Representative or entitled to vote, the Chairperson will decide who may attend the Bondholders' Meeting and exercise voting rights.

- (i) Representatives of the Issuer have the right to attend the Bondholders' Meeting. The Bondholders Meeting may resolve to exclude the Issuer's representatives and/or any person holding only Issuer's Bonds (or any representative of such person) from participating in the meeting at certain times, however, the Issuer's representative and any such other person shall have the right to be present during the voting.
- (j) Minutes of the Bondholders' Meeting must be recorded by, or by someone acting at the instruction of, the Chairperson. The minutes must state the number of Voting Bonds represented at the Bondholders' Meeting, the resolutions passed at the meeting, and the results of the vote on the matters to be decided at the Bondholders' Meeting. The minutes shall be signed by the Chairperson and at least one other person. The minutes will be deposited with the Bond Trustee who shall make available a copy to the Bondholders and the Issuer upon request.
- (k) The Bond Trustee will ensure that the Issuer, the Bondholders and the Exchange are notified of resolutions passed at the Bondholders' Meeting and that the resolutions are published on the website of the Bond Trustee (or other relevant electronically platform or press release).
- (l) The Issuer shall bear the costs and expenses incurred in connection with convening a Bondholders' Meeting regardless of who has convened the Bondholders' Meeting, including any reasonable costs and fees incurred by the Bond Trustee.

### **15.3 Voting rules**

- (a) Each Bondholder (or person acting for a Bondholder under a power of attorney) may cast one vote for each Voting Bond owned on the Relevant Record Date, ref. Clause 3.3 (*Bondholders' rights*). The Chairperson may, in its sole discretion, decide on accepted evidence of ownership of Voting Bonds.
- (b) Issuer's Bonds shall not carry any voting rights. The Chairperson shall determine any question concerning whether any Bonds will be considered Issuer's Bonds.
- (c) For the purposes of this Clause 15, a Bondholder that has a Bond registered in the name of a nominee will, in accordance with Clause 3.3 (*Bondholders' rights*), be deemed to be the owner of the Bond rather than the nominee. No vote may be cast by any nominee if the Bondholder has presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders' rights*) stating that it is the owner of the Bonds voted for. If the Bondholder has voted directly for any of its nominee registered Bonds, the Bondholder's votes shall take precedence over votes submitted by the nominee for the same Bonds.
- (d) Any of the Issuer, the Bond Trustee and any Bondholder has the right to demand a vote by ballot. In case of parity of votes, the Chairperson will have the deciding vote.

#### 15.4 Repeated Bondholders' Meeting

- (a) Even if the necessary quorum set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) is not achieved, the Bondholders' Meeting shall be held and voting completed for the purpose of recording the voting results in the minutes of the Bondholders' Meeting. The Bond Trustee or the person who convened the initial Bondholders' Meeting may, within 10 Business Days of that Bondholders' Meeting, convene a repeated meeting with the same agenda as the first meeting.
- (b) The provisions and procedures regarding Bondholders' Meetings as set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and Clause 15.3 (*Voting rules*) shall apply *mutatis mutandis* to a repeated Bondholders' Meeting, with the exception that the quorum requirements set out in paragraph (e) of Clause 15.1 (*Authority of the Bondholders' Meeting*) shall not apply to a repeated Bondholders' Meeting. A Summons for a repeated Bondholders' Meeting shall also contain the voting results obtained in the initial Bondholders' Meeting.
- (c) A repeated Bondholders' Meeting may only be convened once for each original Bondholders' Meeting. A repeated Bondholders' Meeting may be convened pursuant to the procedures of a Written Resolution in accordance with Clause 15.5 (*Written Resolutions*), even if the initial meeting was held pursuant to the procedures of a Bondholders' Meeting in accordance with Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*) and vice versa.

#### 15.5 Written Resolutions

- (a) Subject to these Bond Terms, anything which may be resolved by the Bondholders in a Bondholders' Meeting pursuant to Clause 15.1 (*Authority of the Bondholders' Meeting*) may also be resolved by way of a Written Resolution. A Written Resolution passed with the relevant majority is as valid as if it had been passed by the Bondholders in a Bondholders' Meeting, and any reference in any Finance Document to a Bondholders' Meeting shall be construed accordingly.
- (b) The person requesting a Bondholders' Meeting may instead request that the relevant matters are to be resolved by Written Resolution only, unless the Bond Trustee decides otherwise.
- (c) The Summons for the Written Resolution shall be sent to the Bondholders registered in the CSD at the time the Summons is sent from the CSD and published at the Bond Trustee's web site, or other relevant electronic platform or via press release.
- (d) The provisions set out in Clause 15.1 (*Authority of the Bondholders' Meeting*), 15.2 (*Procedure for arranging a Bondholders' Meeting*), Clause 15.3 (*Voting rules*) and Clause 15.4 (*Repeated Bondholders' Meeting*) shall apply *mutatis mutandis* to a Written Resolution, except that:
  - (i) the provisions set out in paragraphs (g), (h) and (i) of Clause 15.2 (*Procedure for arranging Bondholders Meetings*); or
  - (ii) provisions which are otherwise in conflict with the requirements of this Clause 15.5,



shall not apply to a Written Resolution.

- (e) The Summons for a Written Resolution shall include:
  - (i) instructions as to how to vote to each separate item in the Summons (including instructions as to how voting can be done electronically if relevant); and
  - (ii) the time limit within which the Bond Trustee must have received all votes necessary in order for the Written Resolution to be passed with the requisite majority, which shall be at least 10 Business Days but not more than 15 Business Days from the date of the Summons (the “**Voting Period**”).
- (f) Only Bondholders of Voting Bonds registered with the CSD on the Relevant Record Date, or the beneficial owner thereof having presented relevant evidence to the Bond Trustee pursuant to Clause 3.3 (*Bondholders’ rights*), will be counted in the Written Resolution.
- (g) A Written Resolution is passed when the requisite majority set out in paragraph (e) or (f) of Clause 15.1 (*Authority of Bondholders’ Meeting*) has been obtained, based on a quorum of the total number of Voting Bonds, even if the Voting Period has not yet expired. A Written Resolution will also be resolved if the sufficient numbers of negative votes are received prior to the expiry of the Voting Period.
- (h) The effective date of a Written Resolution passed prior to the expiry of the Voting Period is the date when the resolution is approved by the last Bondholder that results in the necessary voting majority being obtained.
- (i) If no resolution is passed prior to the expiry of the Voting Period, the number of votes shall be calculated at the time specified in the summons on the last day of the Voting Period, and a decision will be made based on the quorum and majority requirements set out in paragraphs (e) to (g) of Clause 15.1 (*Authority of Bondholders’ Meeting*).

## **16. THE BOND TRUSTEE**

### **16.1 Power to represent the Bondholders**

- (a) The Bond Trustee has power and authority to act on behalf of, and/or represent, the Bondholders in all matters, including but not limited to taking any legal or other action, including enforcement of these Bond Terms, and the commencement of bankruptcy or other insolvency proceedings against the Issuer, or others.
- (b) The Issuer shall promptly upon request provide the Bond Trustee with any such documents, information and other assistance (in form and substance satisfactory to the Bond Trustee), that the Bond Trustee deems necessary for the purpose of exercising its and the Bondholders’ rights and/or carrying out its duties under the Finance Documents.

### **16.2 The duties and authority of the Bond Trustee**

- (a) The Bond Trustee shall represent the Bondholders in accordance with the Finance Documents, including, inter alia, by following up on the delivery of any Compliance Certificates and such other documents which the Issuer is obliged to disclose or deliver

to the Bond Trustee pursuant to the Finance Documents and, when relevant, in relation to accelerating and enforcing the Bonds on behalf of the Bondholders.

- (b) The Bond Trustee is not obligated to assess or monitor the financial condition of the Issuer unless to the extent expressly set out in these Bond Terms, or to take any steps to ascertain whether any Event of Default has occurred. Until it has actual knowledge to the contrary, the Bond Trustee is entitled to assume that no Event of Default has occurred. The Bond Trustee is not responsible for the valid execution or enforceability of the Finance Documents, or for any discrepancy between the indicative terms and conditions described in any marketing material presented to the Bondholders prior to issuance of the Bonds and the provisions of these Bond Terms.
- (c) The Bond Trustee is entitled to take such steps that it, in its sole discretion, considers necessary or advisable to protect the rights of the Bondholders in all matters pursuant to the terms of the Finance Documents. The Bond Trustee may submit any instructions received by it from the Bondholders to a Bondholders' Meeting before the Bond Trustee takes any action pursuant to the instruction.
- (d) The Bond Trustee is entitled to engage external experts when carrying out its duties under the Finance Documents.
- (e) The Bond Trustee shall hold all amounts recovered on behalf of the Bondholders on separated accounts.
- (f) The Bond Trustee shall facilitate that resolutions passed at the Bondholders' Meeting are properly implemented, provided, however, that the Bond Trustee may refuse to implement resolutions that may be in conflict with these Bond Terms, any other Finance Document, or any applicable law.
- (g) Notwithstanding any other provision of the Finance Documents to the contrary, the Bond Trustee is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.
- (h) If the cost, loss or liability which the Bond Trustee may incur (including reasonable fees payable to the Bond Trustee itself) in:
  - (i) complying with instructions of the Bondholders; or
  - (ii) taking any action at its own initiative,

will not, in the reasonable opinion of the Bond Trustee, be covered by the Issuer or the relevant Bondholders pursuant to paragraphs (e) and (g) of Clause 16.4 (*Expenses, liability and indemnity*), the Bond Trustee may refrain from acting in accordance with such instructions, or refrain from taking such action, until it has received such funding or indemnities (or adequate security has been provided therefore) as it may reasonably require.

- (i) The Bond Trustee shall give a notice to the Bondholders before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Bond Trustee under the Finance Documents.

- (j) The Bond Trustee may instruct the CSD to split the Bonds to a lower nominal value in order to facilitate partial redemptions, write-downs or restructurings of the Bonds or in other situations where such split is deemed necessary.

### **16.3 Equality and conflicts of interest**

- (a) The Bond Trustee shall not make decisions which will give certain Bondholders an unreasonable advantage at the expense of other Bondholders. The Bond Trustee shall, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other person, other than as explicitly stated in the Finance Documents.
- (b) The Bond Trustee may act as agent, trustee, representative and/or security agent for several bond issues relating to the Issuer notwithstanding potential conflicts of interest. The Bond Trustee is entitled to delegate its duties to other professional parties.

### **16.4 Expenses, liability and indemnity**

- (a) The Bond Trustee will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss. Irrespective of the foregoing, the Bond Trustee shall have no liability to the Bondholders for damage caused by the Bond Trustee acting in accordance with instructions given by the Bondholders in accordance with these Bond Terms.
- (b) The Bond Trustee will not be liable to the Issuer for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless caused by its gross negligence or wilful misconduct. The Bond Trustee shall not be responsible for any indirect or consequential loss.
- (c) Any liability for the Bond Trustee for damage or loss is limited to the amount of the Outstanding Bonds. The Bond Trustee is not liable for the content of information provided to the Bondholders by or on behalf of the Issuer or any other person.
- (d) The Bond Trustee shall not be considered to have acted negligently in:
  - (i) acting in accordance with advice from or opinions of reputable external experts;  
or
  - (ii) taking, delaying or omitting any action if acting with reasonable care and provided the Bond Trustee considers that such action is in the interests of the Bondholders.
- (e) The Issuer is liable for, and will indemnify the Bond Trustee fully in respect of, all losses, expenses and liabilities incurred by the Bond Trustee as a result of negligence by the Issuer (including its directors, management, officers, employees and agents) in connection with the performance of the Bond Trustee's obligations under the Finance Documents, including losses incurred by the Bond Trustee as a result of the Bond Trustee's actions based on misrepresentations made by the Issuer in connection with the issuance of the Bonds, the entering into or performance under the Finance Documents,

and for as long as any amounts are outstanding under or pursuant to the Finance Documents.

- (f) The Issuer shall cover all costs and expenses incurred by the Bond Trustee in connection with it fulfilling its obligations under the Finance Documents. The Bond Trustee is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents. The Bond Trustee's obligations under the Finance Documents are conditioned upon the due payment of such fees and indemnifications. The fees of the Bond Trustee will be further set out in the Bond Trustee Fee Agreement.
- (g) The Issuer shall on demand by the Bond Trustee pay all costs incurred for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstance which the Bond Trustee reasonably believes is or may lead to an Event of Default or (ii) a matter relating to the Issuer or any Finance Document which the Bond Trustee reasonably believes may constitute or lead to a breach of any Finance Document or otherwise be detrimental to the interests of the Bondholders under the Finance Documents.
- (h) Fees, costs and expenses payable to the Bond Trustee which are not reimbursed in any other way due to an Event of Default, the Issuer being Insolvent or similar circumstances pertaining to the Issuer, may be covered by making an equal reduction in the proceeds to the Bondholders hereunder of any costs and expenses incurred by the Bond Trustee in connection therewith. The Bond Trustee may withhold funds from any escrow account (or similar arrangement) or from other funds received from the Issuer or any other person, and to set-off and cover any such costs and expenses from those funds.
- (i) As a condition to effecting any instruction from the Bondholders (including, but not limited to, instructions set out in Clause 14.3 (*Bondholders' instructions*) or Clause 15.2 (*Procedure for arranging a Bondholders' Meeting*)), the Bond Trustee may require satisfactory Security, guarantees and/or indemnities for any possible liability and anticipated costs and expenses from those Bondholders who have given that instruction and/or who voted in favour of the decision to instruct the Bond Trustee.

#### **16.5 Replacement of the Bond Trustee**

- (a) The Bond Trustee may be replaced by a majority of 2/3 of Voting Bonds in accordance with the procedures set out in Clause 15 (*Bondholders' Decisions*), and the Bondholders may resolve to replace the Bond Trustee without the Issuer's approval.
- (b) The Bond Trustee may resign by giving notice to the Issuer and the Bondholders, in which case a successor Bond Trustee shall be elected pursuant to this Clause 16.5, initiated by the retiring Bond Trustee.
- (c) If the Bond Trustee is Insolvent, or otherwise is permanently unable to fulfil its obligations under these Bond Terms, the Bond Trustee shall be deemed to have resigned and a successor Bond Trustee shall be appointed in accordance with this Clause 16.5. The Issuer may appoint a temporary Bond Trustee until a new Bond Trustee is elected in accordance with paragraph (a) above.

- (d) The change of Bond Trustee shall only take effect upon execution of all necessary actions to effectively substitute the retiring Bond Trustee, and the retiring Bond Trustee undertakes to co-operate in all reasonable manners without delay to such effect. The retiring Bond Trustee shall be discharged from any further obligation in respect of the Finance Documents from the change takes effect, but shall remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Bond Trustee. The retiring Bond Trustee remains entitled to any benefits and any unpaid fees or expenses under the Finance Documents before the change has taken place.
- (e) Upon change of Bond Trustee, the Issuer shall co-operate in all reasonable manners without delay to replace the retiring Bond Trustee with the successor Bond Trustee and release the retiring Bond Trustee from any future obligations under the Finance Documents and any other documents.

## **17. AMENDMENTS AND WAIVERS**

### **17.1 Procedure for amendments and waivers**

The Issuer and the Bond Trustee (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive a past default or anticipated failure to comply with any provision in a Finance Document, provided that:

- (i) such amendment or waiver is not detrimental to the rights and benefits of the Bondholders in any material respect, or is made solely for the purpose of rectifying obvious errors and mistakes;
- (ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or
- (iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Bondholders' Decisions*).

### **17.2 Authority with respect to documentation**

If the Bondholders have resolved the substance of an amendment to any Finance Document, without resolving on the specific or final form of such amendment, the Bond Trustee shall be considered authorised to draft, approve and/or finalise (as applicable) any required documentation or any outstanding matters in such documentation without any further approvals or involvement from the Bondholders being required.

### **17.3 Notification of amendments or waivers**

- (a) The Bond Trustee shall as soon as possible notify the Bondholders of any amendments or waivers made in accordance with this Clause 17, setting out the date from which the amendment or waiver will be effective, unless such notice according to the Bond Trustee's sole discretion is unnecessary. The Issuer shall ensure that any amendment to these Bond Terms is duly registered with the CSD.
- (b) Prior to agreeing to an amendment or granting a waiver in accordance with paragraph (a) section (i) of Clause 17.1 (*Procedure for amendments and waivers*), the Bond Trustee may inform the Bondholders of such waiver or amendment at a relevant information platform.

## **18. MISCELLANEOUS**

### **18.1 Limitation of claims**

All claims under the Finance Documents for payment, including interest and principal, will be subject to the legislation regarding time-bar provisions of the Relevant Jurisdiction.

### **18.2 Access to information**

- (a) These Bond Terms will be made available to the public and copies may be obtained from the Bond Trustee or the Issuer. The Bond Trustee will not have any obligation to distribute any other information to the Bondholders or any other person, and the Bondholders have no right to obtain information from the Bond Trustee, other than as explicitly stated in these Bond Terms or pursuant to statutory provisions of law.
- (b) In order to carry out its functions and obligations under these Bond Terms, the Bond Trustee will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD.
- (c) The information referred to in paragraph (b) above may only be used for the purposes of carrying out their duties and exercising their rights in accordance with the Finance Documents and shall not disclose such information to any Bondholder or third party unless necessary for such purposes.

### **18.3 Notices, contact information**

- (a) Written notices to the Bondholders made by the Bond Trustee will be sent to the Bondholders via the CSD with a copy to the Issuer and the Exchange (if the Bonds are listed). Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.
- (b) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Bond Trustee or through the CSD with a copy to the Bond Trustee and the Exchange (if the Bonds are listed).
- (c) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Bond Trustee on a relevant information platform only.
- (d) Unless otherwise specifically provided, all notices or other communications under or in connection with these Bond Terms between the Bond Trustee and the Issuer will be given or made in writing, by letter or e-mail. Any such notice or communication will be deemed to be given or made as follows:
  - (i) if by letter, when delivered at the address of the relevant party;
  - (ii) if by e-mail, when received; and
  - (iii) if by publication on a relevant information platform, when published.
- (e) The Issuer and the Bond Trustee shall each ensure that the other party is kept informed of changes in postal address, e-mail address, telephone number and contact persons.

- (f) When determining deadlines set out in these Bond Terms, the following will apply (unless otherwise stated):
- (i) if the deadline is set out in days, the first day of the relevant period will not be included and the last day of the relevant period will be included;
  - (ii) if the deadline is set out in weeks, months or years, the deadline will end on the day in the last week or the last month which, according to its name or number, corresponds to the first day the deadline is in force. If such day is not a part of an actual month, the deadline will be the last day of such month; and
  - (iii) if a deadline ends on a day which is not a Business Day, the deadline is postponed to the next Business Day.

#### 18.4 Defeasance

- (a) Subject to paragraph (b) below and provided that:
- (i) an amount sufficient for the payment of principal and interest on the Outstanding Bonds to the relevant Repayment Date (including, to the extent applicable, any premium payable upon exercise of a Call Option), and always subject to paragraph (c) below (the “**Defeasance Amount**”) is credited by the Issuer to an account in a financial institution acceptable to the Bond Trustee (the “**Defeasance Account**”);
  - (ii) the Defeasance Account is irrevocably pledged and blocked in favour of the Bond Trustee on such terms as the Bond Trustee shall request (the “**Defeasance Pledge**”); and
  - (iii) the Bond Trustee has received such legal opinions and statements reasonably required by it, including (but not necessarily limited to) with respect to the validity and enforceability of the Defeasance Pledge, then the Issuer will be relieved from its obligations under paragraph (a) of Clause 12.2 (*Requirements as to Financial Reports*), Clause 12.3 (*Put Option Event*), Clause 12.5 (*Information: Miscellaneous*) and Clause 13 (*General and financial undertakings*).
- (b) The Bond Trustee shall be authorised to apply any amount credited to the Defeasance Account towards any amount payable by the Issuer under any Finance Document on the due date for the relevant payment until all obligations of the Issuer and all amounts outstanding under the Finance Documents are repaid and discharged in full.
- (c) The Bond Trustee may, if the Defeasance Amount cannot be finally and conclusively determined, decide the amount to be deposited to the Defeasance Account in its discretion, applying such buffer amount as it deems necessary.

A defeasance established according to this Clause 18.4 may not be reversed.

## 19. GOVERNING LAW AND JURISDICTION

### 19.1 Governing law

These Bond Terms are governed by the laws of the Relevant Jurisdiction, without regard to its conflict of law provisions.

**19.2 Main jurisdiction**

The Bond Trustee and the Issuer agree for the benefit of the Bond Trustee and the Bondholders that the City Court of the capital of the Relevant Jurisdiction shall have jurisdiction with respect to any dispute arising out of or in connection with these Bond Terms. The Issuer agrees for the benefit of the Bond Trustee and the Bondholders that any legal action or proceedings arising out of or in connection with these Bond Terms against the Issuer or any of its assets may be brought in such court.

**19.3 Alternative jurisdiction**

Clause 19 (*Governing law and jurisdiction*) is for the exclusive benefit of the Bond Trustee and the Bondholders and the Bond Trustee have the right:

- (a) to commence proceedings against the Issuer or any of its assets in any court in any jurisdiction; and
- (b) to commence such proceedings, including enforcement proceedings, in any competent jurisdiction concurrently.

**19.4 Service of process**


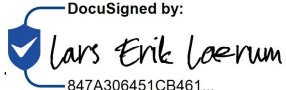
- (a) Without prejudice to any other mode of service allowed under any relevant law, the Issuer:
  - (i) irrevocably appoints Marinelaw AS as its agent for service of process in relation to any proceedings in connection with these Bond Terms; and
  - (ii) agrees that failure by an agent for service of process to notify the Issuer of the process will not invalidate the proceedings concerned.
- (b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Issuer must immediately (and in any event within 10 Business Days of such event taking place) appoint another agent on terms acceptable to the Bond Trustee. Failing this, the Bond Trustee may appoint another agent for this purpose.

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These Bond Terms have been executed by way of electronic signatures.

**SIGNATURES:**

<p><b>The Issuer:</b> DIANA SHIPPING INC.</p> <p> ..... 21326F7F87F9402.....</p> <p>By: Semiramis Paliou</p> <p>Position: CEO Diana Shipping Inc</p>	<p><b>As Bond Trustee:</b> NORDIC TRUSTEE AS</p> <p> ..... 847A306451CB461.....</p> <p>By: Lars Erik Lærum</p> <p>Position: Authorised signatory</p>
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**ATTACHMENT 1  
COMPLIANCE CERTIFICATE**

[date]

**Diana Shipping Inc. 8.75% bonds 2024/2029 ISIN NO0013265835**

We refer to the Bond Terms for the above captioned Bonds made between Nordic Trustee AS as Bond Trustee on behalf of the Bondholders and the undersigned as Issuer. Pursuant to Clause 12.2 (*Requirements as to Financial Reports*) of the Bond Terms a Compliance Certificate shall be issued in connection with each delivery of Financial Reports to the Bond Trustee.

This letter constitutes the Compliance Certificate for the period [•].

Capitalised terms used herein will have the same meaning as in the Bond Terms.

With reference to Clause 12.2 (*Requirements as to Financial Reports*), we hereby certify that all information delivered under cover of this Compliance Certificate is true and accurate. Copies of our latest consolidated [Annual Financial Statements] / [Interim Accounts] are enclosed.

[The financial covenants set out in Clause 13.19 (*Financial covenants*) are met, please see the calculations and figures in respect of the ratios attached hereto.]

We confirm that, to the best of our knowledge, no Event of Default has occurred or is likely to occur.

Yours faithfully,  
**Diana Shipping Inc.**

\_\_\_\_\_

Name of authorised person

Enclosure: Annual Financial Statements / Interim Accounts; [and any other written documentation]