

0001558370-24-0145286-K Ardmore Shipping Corp 2024110620241106080520080520080520 0 0001558370-24-0145286 6-K 2 20241130 20241106 20241106 Ardmore Shipping Corp 0001577437 4412 0000000000 1T 1231 6-K 34 001-36028 241429312 69 PITTS BAY ROAD HAMILTON DO HM08 6-K 1 asc-20241130x6k.htm 6-K â€œUNITED STATES SECURITIES AND EXCHANGE COMMISSIONWashington, D.C. 20549FORM 6-KREPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13A-16 OR 15D-16 OF THE SECURITIES EXCHANGE ACT OF 1934For the month of November 2024Commission File Number:Â 001-36028â€œArdmore Shipping Corporation(Translation of registrant's name into English)Â Belvedere BuildingGround Floor69 Pitts Bay RoadPembroke HM08Bermuda(Address of principal executive office)â€œIndicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F. Form 20-F [X]Â Â Â Â Â Form 40-F [Â ] Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): [Â ]Â Â Â Â Â INFORMATION CONTAINED IN THIS FORM 6-K REPORTAttached to this Report on Form 6-K as Exhibit 99.1 is a copy of the press release of Ardmore Shipping Corporation titled â€œArdmore Shipping Corporation Announces Financial Results For The Three and Nine Months Ended September 30, 2024â€œSIGNATURESPursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.â€œDate:Â November 6, 2024Â Â Â Â Â ARDMORE SHIPPING CORPORATIONâ€œBy: /s/ Bart B. KelleherÂ Â Â Â Â Bart B. KelleherÂ Â Â Â Â President and Chief Financial Officerâ€œEX-99.1 2 asc-20241130xex99d1.htm EX-99.1 Exhibit 99.1Ardmore Shipping Corporation Announces Financial Results For The Three and Nine Months Ended September 30, 2024HAMILTON, Bermuda, November 6, 2024 - Ardmore Shipping Corporation (NYSE: ASC) (â€œArdmoreâ€œ, the â€œCompanyâ€œ or â€œweâ€œ) today announced results for the three and nine months ended September 30, 2024. Highlights and Recent Activityâ Reported net income and Adjusted earnings of \$23.3 million for the three months ended September 30, 2024, or \$0.55 earnings and Adjusted earnings per basic share and diluted share, compared to net income attributable to common stockholders and Adjusted earnings of \$20.3 million, or \$0.49 earnings and Adjusted earnings per basic share and diluted share for the three months ended September 30, 2023. (See reconciliation of net income to Adjusted earnings in the Non-GAAP Measures section.)â Reported net income of \$123.5 million for the nine months ended September 30, 2024, or \$2.96 earnings per basic share and \$2.93 earnings per diluted share, compared to net income attributable to common stockholders of \$87.3 million, or \$2.12 earnings per basic share and \$2.09 earnings per diluted share, for the nine months ended September 30, 2023. We reported Adjusted earnings of \$109.3 million for the nine months ended September 30, 2024, or \$2.62 Adjusted earnings per basic share and \$2.60 Adjusted earnings per diluted share, compared to Adjusted earnings of \$87.3 million for the nine months ended September 30, 2023, or \$2.12 Adjusted earnings per basic share and \$2.09 Adjusted earnings per diluted share. (See reconciliation of net income to Adjusted earnings in the Non-GAAP Measures section with the main driver of the variance being the gain on the sale of the Ardmore Seafarer of \$12.3 million.)â Consistent with the Companyâ€™s variable dividend policy of paying out dividends on its shares of common stock equal to one-third of Adjusted earnings, the Board of Directors declared a cash dividend on November 6, 2024, of \$0.18 per common share for the quarter ended September 30, 2024. The dividend will be paid on December 13, 2024, to all shareholders of record on November 29, 2024.â MR Eco-Design tankers earned an average spot TCE rate of \$28,481 per day for the three months ended September 30, 2024. Chemical tankers earned an average TCE rate of \$21,604 per day for the three months ended September 30, 2024. Based on approximately 50% of total revenue days currently fixed for the fourth quarter of 2024, the average spot TCE rate is approximately \$25,000 per day for MR Eco-Design tankers; based on approximately 55% of revenue days fixed for the fourth quarter of 2024, the average TCE rate for chemical tankers is approximately \$25,150 per day.â Gernot Ruppelt, the Companyâ€™s Chief Executive Officer, commented: â€œStrong fundamentals combined with geopolitical factors have continued to raise product and chemical tanker charter rates, up on a year-over-year basis, against the backdrop of typical third quarter seasonality. Ardmore is well-positioned to capture further market upside as conditions are beginning to accelerate in the early stages of the winter season.â€œOur focus remains consistent: maximizing our TCE performance, tightly managing our costs, and lowering our breakeven level. Our strong performance has enabled us to sustain our momentum in pursuing all our capital allocation priorities, and in turn, strengthen our earnings capacity for a wide range of market conditions. We continue returning capital to our shareholders through a consistent quarterly dividend, investing in our existing fleet to enhance performance and reduce emissions, while reducing debt to lower our breakeven.â€œWe believe that Ardmoreâ€™s commitment to these priorities positions us strongly to continue building value for our shareholders through operational and financial efficiency across market cycles.â€œSummary of Recent and Third Quarter 2024 EventsFleet Operations and EmploymentAs of September 30, 2024, the Company had 26 vessels in operation (including four chartered-in vessels), consisting of 20 MR tankers ranging from 45,000 deadweight tonnes (â€œdwtâ€œ) to 49,999 dwt (16 Eco-Design and four Eco-Mod) and six Eco-Design IMO 2 product/chemical tankers ranging from 25,000 dwt to 37,800 dwt. MR Tankers (45,000 dwt â€œ 49,999 dwt)At the end of the third quarter of 2024, the Company had 20 MR tankers in operation, all of which were trading in either the spot market or on time charters. The MR tankers earned an average TCE rate of \$28,032 per day in the third quarter of 2024. In the third quarter of 2024, the Companyâ€™s 16 MR Eco-Design tankers earned an average TCE rate of \$28,481 and the Companyâ€™s four MR Eco-Mod tankers earned an average TCE rate of \$25,726 per day. In the fourth quarter of 2024, the Company expects to have 95% of its revenue days for its MR tankers employed in the spot market with the remaining 5% of revenue days subject to time charters. As of November 6, 2024, the Company had fixed approximately 50% of its total spot MR revenue days for the fourth quarter of 2024 at an average spot TCE rate of approximately \$23,100 per day, which includes MR Eco-Design tankers at an average of approximately \$25,000 per day and MR Eco-Mod tankers at an average of approximately \$11,950 per day. Product / Chemical Tankers (IMO 2: 25,000 dwt â€œ 37,800 dwt)At the end of the third quarter of 2024, the Company had six Eco-Design IMO 2 product / chemical tankers in operation, all of which were trading in the spot market. During the third quarter of 2024, the Companyâ€™s six Eco-Design product / chemical vessels earned an average TCE rate of \$21,604 per day. In the fourth quarter of 2024, the Company expects to have all revenue days for its Eco-Design IMO 2 product / chemical tankers employed in the spot market. As of November 6, 2024, the Company had fixed approximately 55% of its Eco-Design IMO 2 product / chemical tankers revenue days for the fourth quarter of 2024 at an average TCE rate of approximately \$25,150 per day. DrydockingThe Company had no drydocking days in the third quarter of 2024. The Company does not currently have any drydocking days scheduled in the fourth quarter of 2024. Dividend on Common SharesConsistent with the Companyâ€™s variable dividend policy of paying out dividends on its shares of common stock equal to one-third of Adjusted earnings, as calculated for dividends (see Adjusted earnings (for purposes of dividend calculations) in the Non-GAAP Measures section), the Board of Directors declared a cash dividend on November 6, 2024 of \$0.18 per common share for the quarter ended September 30, 2024. The dividend will be paid on December 13, 2024, to all shareholders of record on November 29, 2024. Preferred Stock RedemptionOn November 4, 2024, the Company delivered a notice of redemption with respect to 10,000 shares of its Series A Preferred Stock at a redemption value of \$10.3 million, which equates to 103% of the liquidation preference per share, plus any accumulated and unpaid dividends. A The redemption is expected to occur in December 2024.â Leadership TransitionAs previously announced on July 8, 2024, Ardmore Founder and CEO Anthony Gurnee retired from his executive and board positions effective September 16, 2024. The Board of Directors appointed current executive and Chief Commercial Officer Gernot Ruppelt as the Company's new CEO, and expanded current CFO Bart Kelleher's position to take on the additional role of President. A The leadership transition took effect at the Company's quarterly Board meeting on September 16, 2024. Geopolitical ConflictsThe ongoing Russia-Ukraine war has disrupted energy supply chains, caused instability and significant volatility in the global economy and resulted in economic sanctions by several nations. The ongoing conflict has contributed significantly to related increases in spot tanker rates. Geopolitical tensions have increased since commencement of the Israel-Hamas war in October 2023. Since mid-December 2023, Houthi rebels in Yemen have carried out numerous attacks on vessels in the Red Sea area. As a result of these attacks, many shipping companies have routed their vessels away from the Red Sea, which has affected trading patterns, rates and expenses. Further escalation or expansion of hostilities in the Middle East or elsewhere could continue to affect the price of crude oil and the oil industry, the tanker industry and demand for the Companyâ€™s services. Results for the Three Months Ended September 30, 2024 and 2023The Company reported net income of \$23.3 million for the three months ended September 30, 2024, or \$0.55 earnings per basic share and diluted share, as compared to net income attributable to common stockholders of \$20.3 million, or \$0.49 earnings per basic share and diluted share for the three months ended September 30, 2023. Results for the Nine Months Ended September 30, 2024 and 2023The Company reported net income of \$123.5 million for the nine months ended September 30, 2024, or \$2.96 earnings per basic share and \$2.93 earnings per diluted share, as compared to net income attributable to common stockholders of \$87.3 million, or \$2.12 earnings per basic share and \$2.09 earnings per diluted share for the nine months ended September 30, 2023. Managementâ€™s Discussion and Analysis of Financial Results for the Three Months Ended September 30, 2024 and 2023Revenue. Revenue for the three months ended September 30, 2024 was \$96.1 million, an increase of \$9.2 million from \$86.9 million for the three months ended September 30, 2023. The Companyâ€™s average number of operating vessels was 26.0 for the three months ended September 30, 2024, consistent with 26.0 for the three months ended September 30, 2023. A The Company had 2,279 spot revenue days for the three months ended September 30, 2024, as compared to 2,185 for the three months ended September 30, 2023. The Company had 25 vessels employed directly in the spot market as of September 30, 2024 compared with 26 vessels as of September 30, 2023. Increases in spot rates during the three months ended September 30, 2024 resulted in an increase in revenue of \$2.7 million, while the increase in spot revenue days resulted in an increase in revenue of \$3.7 million for the three months ended September 30, 2024, as compared to the three months ended September 30, 2023. The Company had one product tanker employed under time charters as of September 30, 2024 as compared to none as of September 30, 2023. There were 92 revenue days derived from time charters for the three months ended September 30, 2024, as compared to none for the three months ended September 30, 2023. The increase in revenue days for time-chartered vessels resulted in an increase in revenue of \$2.8 million for the three months ended September 30, 2024.â Voyage Expenses. Voyage expenses were \$34.6 million for the three months ended September 30, 2024, an increase of \$4.0 million from \$30.6 million for the three months ended September 30, 2023. The net increase is primarily due to a \$2.3 million increase in port, agency and broker commission costs, and a \$1.7 million increase from higher bunker consumption. TCE Rate. The average TCE rate for the Companyâ€™s fleet was \$26,628 per day for the three months ended September 30, 2024, an increase of \$281 per day from \$26,347 per day for the three months ended September 30, 2023. TCE rates represent net revenues (a non-GAAP measure representing revenue less voyage expenses) divided by revenue days. Net revenue utilized to calculate TCE is determined on a discharge-to-discharge basis, which is different from how the Company records revenue under U.S. GAAP. Vessel Operating Expenses. Vessel operating expenses were \$14.0 million for the three months ended September 30, 2024, a decrease of \$0.4 million from \$14.4 million for the three months ended September 30, 2023. The decrease reflects the timing of vessel operating expenses between quarters. Vessel operating expenses, by their nature, are prone to fluctuations between periods. Charter Hire Costs. Total charter hire expense was \$5.9 million for the three months ended September 30, 2024, an increase of \$1.8 million from \$4.1 million for the three months ended September 30, 2023. A This increase is as a result of higher charter hire rates during the three months ended September 30, 2024 compared to the three months ended September 30, 2023. Total charter hire expense for the three months ended September 30, 2024 was comprised of an operating expense component of \$3.1 million and a vessel lease expense component of \$2.8 million. Depreciation. Depreciation expense for the three months ended September 30, 2024 was \$7.8 million, an increase of \$0.9 million from \$6.9 million for the three months ended September 30, 2023. This increase is primarily attributable to the purchase of the Ardmore Gibraltar in April 2

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assets (i.e., vessel lease expense component), and (ii) \$3.1 million in respect of the costs of operating the vessels (i.e. operating expense component). Under U.S. GAAP, the expense related to the right to use the leased assets (i.e. capital component) is treated as an operating item on our consolidated statement of operations, and is not added back in our calculation of EBITDA. The treatment of operating lease expenses differs under U.S. GAAP as compared to international financial reporting standards (â€œIFRSâ€œ). Under IFRS, the expense of an operating lease is presented in depreciation and interest expense. Many companies in our industry report under IFRS; we therefore use EBITDAR and Adjusted EBITDAR as tools to compare our valuation with the valuation of these other companies in our industry. We do not use EBITDAR and Adjusted EBITDAR as measures of performance or liquidity. We present below reconciliations of net income / (loss) attributable to common stockholders to EBITDAR (which includes an adjustment for vessel lease operating expenses) and Adjusted EBITDAR. EBITDAR and Adjusted EBITDAR, as presented, may not be directly comparable to similarly titled measures presented by other companies. In addition, EBITDAR and Adjusted EBITDAR should not be viewed as measures of overall performance since they exclude vessel rent, which is a normal, recurring cash operating expense related to our chartering of vessels that is necessary to operate our business. Accordingly, you are cautioned not to place undue reliance on this information. EBITDA, Adjusted EBITDA, Adjusted earnings and Adjusted earnings (for purposes of dividend calculations) EBITDA, Adjusted EBITDA and Adjusted earnings are not measures prepared in accordance with U.S. GAAP and are defined and reconciled below. EBITDA is defined as earnings before interest, unrealized gains/(losses) on interest rate derivatives, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before certain items that Ardmore believes are not representative of its operating performance, including gain or loss on sale of vessels, gain on extinguishment and profit/(loss) on equity method investments. Adjusted earnings excludes certain items from net income attributable to common stockholders, including gain or loss on sale of vessels and write-off of deferred finance fees (i.e., loss on extinguishment) because they are considered to not be representative of the Company's operating performance. EBITDA, Adjusted EBITDA and Adjusted earnings are presented in this press release as the Company believes that they provide investors with a means of evaluating and understanding how Ardmore's management evaluates operating performance. EBITDA and Adjusted EBITDA increase the comparability of the Company's fundamental performance from period to period. This increased comparability is achieved by excluding the potentially disparate effects between periods of interest expense, taxes, depreciation or amortization, which items are affected by various and possibly changing financing methods, capital structure and historical cost basis and which items may significantly affect net income between periods. The Company believes that including EBITDA, Adjusted EBITDA and Adjusted earnings as financial and operating measures assists investors in making investment decisions regarding the Company and its common stock. For purposes solely of the quarterly common dividend calculation, Adjusted earnings represents the Company's Adjusted earnings for the quarter ended September 30, 2024, but excluding the impact of unrealized gains / (losses) and certain non-recurring items. These non-GAAP measures should not be considered in isolation from, as substitutes for, or superior to, financial measures prepared in accordance with U.S. GAAP. In addition, these non-GAAP measures may not have a standardized meaning and therefore may not be comparable to similar measures presented by other companies. Reconciliation of net income to EBITDA, Adjusted EBITDA and Adjusted EBITDA: Three Months Ended September 30, 2024 and September 30, 2023 In thousands of U.S. Dollars

	September 30, 2024	September 30, 2023
Net income	24,144	21,203
Interest income	(226)	(418)
Interest expense and finance costs	1,103	2,998
Income tax	74	50
Unrealized losses on derivatives	26	26
Depreciation	7,833	6,928
Amortization of deferred drydock expenditures	997	733
Gain on sale of e1 Marine LLC	2,692	2,635
EBITDA	33,951	31,494
Loss from equity method investments	(120)	120
Gain on vessel sold	12,322	12,322
Gain on extinguishment	1,432	1,432
Gain on sale of e1 Marine LLC	(501)	(501)
Loss from equity method investments	(220)	150
ADJUSTED EBITDA	482	730
Plus: Vessel lease expense component	2,835	1,946
ADJUSTED EBITDAR	37,006	33,590
Adjusted earnings	150,033	128,301
Reconciliation of net income attributable to common stockholders to Adjusted earnings	150,033	128,301
Net income attributable to common stockholders	23,287	20,346
Adjusted earnings	123,519	87,256
Gain on vessel sold	12,322	12,322
Gain on extinguishment	1,432	1,432
Gain on sale of e1 Marine LLC	(501)	(501)
Adjusted earnings	23,287	20,346
Adjusted earnings per share, basic	0.55	0.49
Adjusted earnings per share, diluted	0.55	0.49
Weighted average number of shares outstanding, basic	42,135,165	41,296,128
Weighted average number of shares outstanding, diluted	42,362,193	41,754,259
Adjusted earnings for purposes of dividend calculation	42,362,193	41,754,259
Adjusted earnings for purposes of dividend calculation	23,287	20,346
Unrealized losses	26	26
Adjusted earnings	23,313	20,372
Dividend to be paid	7,771	7,771
Dividend Per Share (DPS)	0.18	0.18

Number of shares outstanding as of November 6, 2024: 42,011,443. Forward-Looking Statements Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, expectations, projections, strategies, beliefs about future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words "believe," "anticipate," "intend," "estimate," "forecast," "project," "plan," "potential," "should," "may," "will," "expect" and similar expressions are among those that identify forward-looking statements. Forward-looking statements in this press release include, among others, statements regarding: future operating or financial results, including future earnings and financial position; global and regional economic conditions and trends; shipping market trends and market fundamentals, including tanker demand and supply and future spot and charter rates; the Company's continued investment in its existing fleet, fleet expansion and vessel and business acquisitions; seasonality; the Company's business strategies, initiatives and sustainability agenda, and related future outcomes; the Company's leadership transition; the potential effect of geopolitical conflicts, including the Russia-Ukraine war, the Israel-Hamas war and attacks against merchant vessels in the Red Sea area on the shipping industry and the Company; expected employment of the Company's vessels and expected drydocking days; trends in the Company's performance as measured by energy efficiency and emission-reduction metrics; the impact of energy transition on the Company and the markets in which the Company operates; expected continuation of refinement by the Company of performance measures for emissions and efficiency; and the timing and payment of quarterly dividends by the Company. The forward-looking statements in this press release are based upon various assumptions, including, among others, the Company's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Company's control, the Company cannot assure you that it will achieve or accomplish these expectations, beliefs or projections. The Company cautions readers of this release not to place undue reliance on these forward-looking statements, which speak only as of their dates. The Company undertakes no obligation to update or revise any forward-looking statements. These forward-looking statements are not guarantees of the Company's future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements. In addition to these important factors, other important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward-looking statements include: the strength of world economies and currencies; general market conditions, including fluctuations in spot and charter rates and vessel values; changes in demand for and the supply of tanker vessel capacity; changes in the Company's operating expenses, including bunker prices, drydocking and insurance costs; changes in the projections of spot and time charter or pool trading of the Company's vessels; geopolitical conflicts, including future developments relating to the Russia-Ukraine war (including related sanctions and import bans) and/or the Israel-Hamas war; changes in the Company's operating expenses, including bunker prices, drydocking and insurance costs; general domestic and international political conditions; potential disruption of shipping routes due to accidents, piracy or other events; fluctuations in oil prices; the market for the Company's vessels; competition in the tanker industry; availability and completion of financing and refinancing; the Company's operating results and capital requirements and the declaration of any future dividends by the Company's board of directors; charter counterparty performance; any unanticipated delays or complications with scheduled drydockings, or with anticipated installations of scrubbers; ability to comply with covenants in the Company's financing arrangements; changes in governmental rules and regulations or actions taken by regulatory authorities; the Company's ability to charter vessels for remaining revenue days during the fourth quarter of 2024 in the spot market; a new or revised accounting pronouncements; general domestic and international political conditions; potential disruption of shipping routes due to accidents, piracy or other events; vessel breakdowns and instances of off-hire; the Company's operating results and capital requirements, and the declaration of any future dividends by the Company's board of directors; and other factors. Please see the Company's filings with the U.S. Securities and Exchange Commission, including the Company's Form 20-F for the year ended December 31, 2023, for a more complete discussion of these and other risks and uncertainties. Investor Relations Enquiries: Mr. Leon Berman Mr. Bryan Degnan The IGB Group 45 Broadway, Suite 115045 Broadway, Suite 1150 New York, NY 10006 New York, NY 10006 Tel: 212-477-8438 Tel: 646-673-9701 Fax: 212-477-8636 Fax: 212-477-8636 Email: lberman@igbir.com Email: bdegnan@igbir.com