



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 978 644 384
Organisasjonsform: Aksjeselskap
Foretaksnavn: SIEM SHIPPING NORWAY AS
Forretningsadresse: Nodeviga 14
4610 KRISTIANSAND S

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Mørselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Glenn Pettersen
Dato for fastsettelse av årsregnskapet: 30.06.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 11.08.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad		263 000	51 000
Sum kostnader		263 000	51 000
Driftsresultat		-263 000	-51 000
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		8 884 000	11 194 000
Sum finansinntekter		8 884 000	11 194 000
Rentekostnad til foretak i samme konsern		14 883 000	11 260 000
annen finans post		11 000	11 000
valuta		-3 753 000	366 000
Sum finanskostnader		11 141 000	11 637 000
Netto finans		-2 257 000	-443 000
Ordinært resultat før skattekostnad		-2 520 000	-494 000
Skattekostnad på ordinært resultat			-1 055 000
Ordinært resultat etter skattekostnad		-2 520 000	561 000
Årsresultat		-2 520 000	561 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-2 520 000	561 000
Sum overføringer og disponeringer		-2 520 000	561 000



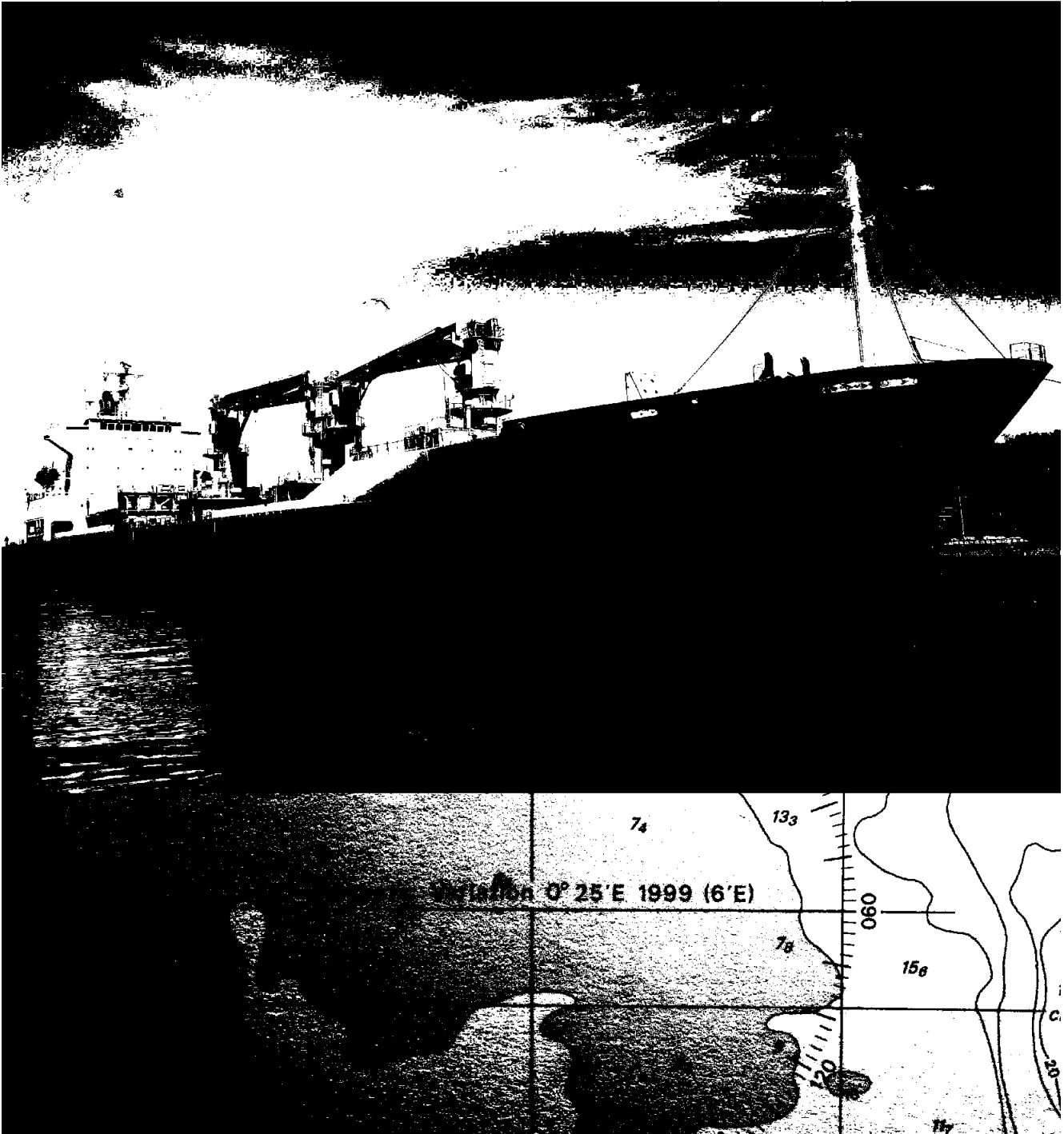
Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		80 556 000	80 556 000
Sum immaterielle eiendeler		80 556 000	80 556 000
Finansielle anleggsmidler			
Investering i datterselskap		388 647 000	300 693 000
Lån til foretak i samme konsern		210 167 000	208 740 000
Sum finansielle anleggsmidler		598 814 000	509 433 000
Sum anleggsmidler		679 370 000	589 989 000
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		4 000	218 000
Sum fordringer		4 000	218 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		1 345 000	757 000
Sum bankinnskudd, kontanter og lignende		1 345 000	757 000
Sum omløpsmidler		1 349 000	975 000
SUM EIENDELER		680 719 000	590 964 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		44 456 000	44 456 000
Overkurs		371 497 000	371 497 000
Annen innskutt egenkapital		657 000	657 000



Balanse

Beløp i: NOK	Note	2020	2019
Sum innskutt egenkapital		416 610 000	416 610 000
Opptjent egenkapital			
Annen egenkapital		-75 012 000	-72 492 000
Sum opptjent egenkapital		-75 012 000	-72 492 000
Sum egenkapital		341 598 000	344 118 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		338 977 000	246 845 000
Sum annen langsiktig gjeld		338 977 000	246 845 000
Sum langsiktig gjeld		338 977 000	246 845 000
Kortsiktig gjeld			
Annen kortsiktig gjeld		144 000	
Sum kortsiktig gjeld		144 000	
Sum gjeld		339 121 000	246 845 000
SUM EGENKAPITAL OG GJELD		680 719 000	590 963 000



Annual Report 2020



Siem Shipowning Inc. Annual Report 2020

Contents	
	Page
Key Figures	2
Board of Directors' Report	3
Consolidated Statements of Comprehensive Income	7
Consolidated Statements of Financial Position	8
Consolidated Statements of Cash Flows	10
Consolidated Statements of Changes in Equity	11
Notes to the Accounts	12
Responsibility Statement	31
Auditors' Report	32
Corporate Governance Policy for Siem Shipowning Inc.	34
Fleet Overview December 2020	37

Registered Office
Siem Shipowning Inc.
PO Box 309,
George Town,
Grand Cayman,
Cayman Islands

UK Office
Siem Shipowning Inc.
40 Brighton Road,
Sutton,
SM2 5BN
United Kingdom



Key Figures

	2020	2019
Statements of Comprehensive Income (USD 1,000)		
Gross revenue	98,613	62,850
EBITDA	28,963	30,458
Operating profit	14,351	19,899
Net profit	5,623	14,857
Net cash flow from operations	28,696	32,629
Statements of Financial Position (USD 1,000)		
Working capital	25,034	26,372
Total assets	310,086	262,579
Total liabilities	172,496	132,364
Total shareholders' equity	137,590	131,971
Equity ratio	44%	50%
Key Figures per Share		
EBITDA per share	\$3.27	\$3.44
Cash flow from operations per share	\$3.24	\$3.68
Shareholders' equity per share 31 December	\$15.53	\$14.89
Number of shares 31 December	8,860,726	8,860,726
Weighted average number of shares	8,860,726	8,860,726

Definitions

EBITDA	Earnings before interest, tax, depreciation and amortisation
Working capital	Total current assets - total current liabilities, excluding current portion of lease liability
Equity ratio	Shareholders' equity / total assets
EBITDA per share	EBITDA / weighted average number of shares
Shareholders' equity per share	Shareholders' equity / number of shares



Board of Directors' Report

Description of the Business

Siem Shipowning Inc. ("Siem Shipowning" or the "Company") is an owner and operator of vessels engaged in international shipping.

The Company operates within four sectors of the shipping industry;

- The specialised reefer industry where it is an owner and operator of refrigerated vessels directly controlling ten vessels with a total capacity of five million cbft per 31 December 2020. Siem Shipowning aims to fulfil the marine transportation requirements of its customers in the global perishable produce sector by providing a high-quality, flexible and cost-effective service. Siem Shipowning activity is focused on the banana transportation segment.
- The vehicle transportation industry where it is owner of five pure car-and-truck carriers ("PCTC"), all of which are time chartered out.
- The bulk transportation segment where it operated seven chartered-in handymax bulk vessels per 31 December 2020 which trade in the spot market.
- the trailer transportation market where it operates a bare-boat chartered ro-ro vessel which is time chartered out.

Main Events in 2020

- The Company acquired *Dunedin Star* in March 2020 from Star Reefers Inc. The acquisition was based on arm's length terms.
- In March 2020, Siem Shipowning I Norway AS was acquired on arm's length terms whereby the buyer took over all the outstanding debt and paid USD10.0 million for the equity to a company indirectly owned by Siem Industries SA, 83.9% shareholder of Siem Shipowning Inc. This transaction supports the diversification of the Company's activities and will complement the Company's existing presence in the PCTC market. Siem Shipowning I Norway AS is the owner of the following PCTC vessels: *Siem Plato*, 2009 Chinese-built with 4,900 CEU. The vessel is chartered to Siem Car Carriers until October 2024. Siem Car Carriers is 100% owned indirectly by Siem Industries SA. *Siem Curie*, 2009 Japanese-built with 3,930 CEU. The vessel is chartered to Siem Car Carriers until October 2024. *Mosel Ace*, 2000 Croatian-built with 4,200 CEU. The vessel is on a charter to a third party until December 2022.
- In April 2020 the Company took delivery of four additional Handymax vessels under charters; *Action Trader*, *Hamburg Pearl*, *Hamburg Way* and *Hamburg Team*. Following the delivery of the additional four vessels the total number of

Handymax vessels were eight. In September the Company redelivered to owners *Interlink Eternity* and during Q1-2021 *Western London* and *Action Trader* were redelivered to owners. The majority of the vessels were chartered-in based on an index charter rate. All bulk vessels are trading in the spot market.

- In May 2020, the Company refinanced the remaining USD15.2 million of the original USD100 million reefer facility from 2014 with a new facility of USD 10 million. The new facility expires 31 December 2021.
- In December 2020, the contract to charter out the reefer vessels *Dunedin Star* and *Wellington Star*, was renegotiated and extended for one additional year.
- In December 2020, the contract to charter out the RoRo vessel *Leevsten* was renegotiated and extended for one additional year.
- In December 2020 the Board of Siem Shipowning Inc resolved that the principal establishment and central administration of the Siem Shipowning Inc was to be, and has in fact been, transferred to the UK. The registered office of the Company is unchanged and remains at PO Box 309, Uglund House, George Town, Grand Cayman KY1-1104, Cayman Islands.

At 31 December 2020, the majority of the Company's fleet capacity for specialised reefers is fixed for 2021 and 100% of the Company's car carrier fleet capacity is fixed for 2021.

The contract backlog for the specialised reefers at 31 December 2020 was USD59.8 million (2019: USD69.3 million).

The contract backlog for the PCTC vessels at 31 December 2020 was USD84 million (2019: USD57.6 million).

The contract backlog for the RoRo vessel at 31 December 2020 was USD6.3 million (2019: USD6.5 million).

Financial Performance

The financial statements for the Company are prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In 2020, the Company reported a net profit of USD5.6 million (2019: USD14.9 million), or a net profit of USD0.63 per share (2019: USD1.68 per share)

Gross revenues were USD98.6 million (2019: USD62.9 million) and net operating revenue after voyage expenses and other operating revenues was USD90.4 million (2019: USD67.8 million). The reefer capacity employed for 2020 was 60.7 million cbft (2019: 57.0 million cbft.), whilst the car carrier capacity employed was 9.1 million CEU as five vessels are employed (2019: 4.3 million CEU).



Board of Directors' Report

Ship operating and administrative expenses were USD42.2 million (2019: USD33.6 million).

Time-charter expenses were USD19.2 million (2019: USD3.8 million).

EBITDA was USD29.0 million (2019: USD30.5 million). Depreciation and amortisation expenses were USD14.6 million (2019: USD10.6 million).

Interest income was USD0.2 million (2019: USD0.2 million). Interest expense was USD4.1 million (2019: USD3.8 million).

Other financial items amounted to USD-5.0 million (2019: USD-1.4 million) The Company holds interest rate swaps to cover part of the floating interest rate exposure on the ships' mortgage loans. The mark-to-market of the hedging instruments resulted in a loss of USD0.6 million (2019: USD0.9 million). See note 6 for further information.

Statement of Financial Position, Financing and Cash Flow

Shareholders' equity was USD137.60 million at 31 December 2020 (31 December 2019: USD132.0 million). Cash flow from operating activities in 2020 was USD28.7 million (2019: USD32.6 million). Right-of-use assets was valued at USD67.0 million (2019: USD63.3 million). The cash position at year end 2019 increased from USD25.4 million to USD31.1 million at year end 2020.

Interest-bearing debt increased from USD57.8 million at 31 December 2019 to USD89.1 million at 31 December 2020. Scheduled loan repayments are outlined in note 17. The finance lease liability was USD66.4 million (2019: USD62.9 million).

An accrual in the prior year Statement of Financial Position was overstated and has been adjusted by revising the 2019 figures. The effect was that total liabilities were overstated and equity understated; there was no impact on the statements of comprehensive income.

Market Conditions

Reefer Vessels

In 2020, the average spot market rate was 38 cents per cubic foot per 30 days ("cents"), an increase of 23% compared to 2019 (31 cents).

During 2020, the majority of the Company's capacity operated under fixed time and voyage charters, with the remaining amount subject to spot charter activities. This is consistent with the pattern for the global international banana trade, a large part of which is now transported under contracts of affreightment, time charter or third-party liner services, with spot activity now making up only a small part.

A total of 2 ships over 400,000 c/ft from the global reefer fleet

have been reported as recycled in 2020 (2019: 13 vessels). The Company did not scrap any vessels in 2020.

Car Carrier Vessels

Charter rates were weak in 2020 due to the oversupply of PCTC vessels; however, a rate increase has been experienced in Q1-2021. All owned PCTC vessels are deployed on long-term contracts, which insulated the Company from the fluctuations in the PCTC market.

Bulk Carriers

The Company had chartered in seven handymax-size vessels where six were based on an index rate and one vessel was on a fixed time charter rate per 31 December 2020. In Q1 2021, two vessels were redelivered to owners and the remaining five handymax vessels were extended for one additional year.

Basis for Presentation of the Annual Accounts and Appropriations

The Board has taken into account its estimate of the future earnings, operating expenses and cash flow, and the present financing arrangements, and has concluded that the financial statements should be prepared under the going-concern assumption in accordance with IFRS.

The Board has decided that the net profit of USD5.6 million for 2020 should be carried forward in retained earnings. Based on the capital expenditures in 2020 and the substantial ongoing charter commitments, no dividends were declared for 2020. At 31 December 2020, retained earnings were USD20.5 million (31 December 2019: USD14.9 million).

Operational Issues

At the end of 2020, our in-house ship management company, Siem Ship Management, which is based in Poland, managed the total fleet of ten owned reefer vessels as well as seven car carriers (whereof five directly owned and two vessels for Siem Car Carriers AS) and two RoRo carrier indirectly owned. The performance statistics of Siem Ship Management demonstrate continued improvement and superior results compared to previous third-party managers. It has built on its success with certification to ISO9001, ISO14001 and OHSAS18001 standards, and has implemented integrated management tools to enhance the management and monitoring processes of the fleet. The Company continues to promote good health and safety practices in an effort to ensure that all officers, crew and employees return home safely in good health. No major health, safety, environmental and quality (HSEQ) issues were reported during 2020.

For the whole of 2020, the Company recorded unplanned operational off-hire of 4.20% for reefers (2019: 4.97%) and 0.8% for car carriers (2019: 0%).



Board of Directors' Report

The Company focuses on delivering the highest-quality standards in its field of operations, within the reefer sector, PCTC sector and RoRo sector.

Safety and Environmental Issues

It is Siem Shipowning's policy to operate fully in compliance with all flag and international regulations concerning safety and environmental protection, and in accordance with relevant safety management systems to achieve accident and pollution-free operations.

The Safety Management System has been comprehensively reviewed and revised to ensure it is as effective as possible. In-depth safety training was provided at Officers' conferences through practical workshops. The Company employs a Training Master to teach best practice for safety and environmental matters to the fleet. Rigorous internal and external safety audits are carried out.

The Company takes its environmental responsibilities seriously and regularly reviews existing MARPOL procedures. A detailed revision to the MARPOL Compliance Programme was carried out during 2020 with external auditors, ships' superintendents and leading ships' staff present during the revision. Both internal and external audits will continue to be carried out to ensure compliance.

The Company continues to actively raise awareness of the Company's policies through crew conferences and publications to ensure compliance with best practices.

Management and Organisation

The number of shore-based employees in the Company at the end of 2020 was 48. During 2020, the Company had employee contracts with a total of 720 crew members serving on board our vessels. Siem Shipowning believes that the Company's selection, recruitment, training, motivation and retention of employees, both shore-side and sea-side, are success factors for the Company.

Siem Shipowning offers its employees a safe working environment in which all employees are treated equally and without discrimination. The Company encourages work-related learning and offers the possibility of training and professional development.

Shareholder Information

At 31 December 2020, Siem Shipowning had 84 shareholders holding a total of 8,860,726 issued and outstanding shares. The largest shareholder, Siem Industries, held 83.9% of the shares, and approximately 86.6% of the Company's shares are held by

non-Norwegian shareholders.

Corporate Governance

As a Company incorporated in the Cayman Islands, Siem Shipowning is subject to Cayman Islands' laws and regulations. Cayman Islands' corporate law is to a great extent based on English law. The Company endeavours to maintain the highest standards of corporate governance and is committed to ensuring that all shareholders of the Company are treated equally. The Board monitors the performance of Management through regular meetings and reporting.

The Annual General Meeting of the Company will be held at the Company's UK establishment at 40 Brighton Road, Sutton, United Kingdom on 7 May 2021, where shareholders can attend or be represented by proxy.

For more details on Corporate Governance, please see page 34.

Financial Risks

Siem Shipowning's policy is to fix the majority of its vessels on long-term charters at profitable rates. The contract backlog at 31 December 2020 was USD150.4 million (reefers: USD59.8 million, car carriers: USD84.2 million, RoRo USD6.3million).

For reefer vessels, the average rate in the spot market was below break-even operating expenses in 2020. For the capacity, which is fixed long-term, there is always the risk of non-performance by the charterers. This could result in vessels being redelivered to the Company, forcing the Company to deploy the vessels in the spot market with the additional uncertainty that such action entails. With regards to the PCTC vessels, there has been an oversupply of PCTC vessels, which has resulted in a weak charter rate environment; however, a rate increase has been experienced in Q1-2021. All owned PCTC vessels are deployed on long-term contracts, which insulated the Company from market fluctuations.

The majority of the transactions, assets and liabilities of the Company are denominated in USD, but the Company is also exposed to other currencies. Additionally, the Company is exposed to changes in interest rates and bunker prices. Management monitors these risks and enters into hedging contracts from time to time to reduce the exposure (see note 21).

The Board currently believes other principal risks and uncertainties for the Company include the general prospects for the specialised reefer industry, which are affected by the demand for fresh fruit, the threat to the global economy from financial instability, possible protectionism and competition from reefer container vessels, volatile fuel prices, trade sanctions, adverse



Board of Directors' Report

climatic changes, diseases and crop harvests. The Company's business is exposed to political risks although such risks do not always affect the import of bananas or other food products. The Company is also exposed to the performance of customers, service providers and suppliers.

Additionally, there is an inherent risk with the operation of ships and the possible negative outcome of any pollution-based violation of the MARPOL convention.

Covid-19

At present, the Company and its operations are affected by the worldwide spread of the COVID-19 virus. This pandemic spread affects all international shipping. Conducting crew changes within the agreed timeframes has been difficult due to worldwide travel restrictions; a lack of workers has affected the company's ability to carry out repair and refurbishment work at shipyards; cargo operations have been hampered. The PCTC sector has been significantly affected by car manufacturers shutting down production plants for a period during Q2-2020. The reefer and bulk sector have also been affected, but to a lesser extent. The final effect that the COVID-19 pandemic will have on international shipping and consequently on the Company, cannot be fully assessed at this point in time.

The Company has assessed, and are continually assessing, the current and future risks associated with Covid-19 on its business operations and have put plans in place to mitigate, as far as practicable, any potential impact to the business. The review of the impact on the business included an assessment of customers, suppliers, impact on cashflows and working capital, daily operations and longer-term plans.

For our shore-based staff our IT infrastructure is ideally suited to enabling staff to work remotely with all members of staff having the required equipment to be able to carry out their work from home. Thorough testing of our systems was undertaken, and communication channels put in place to ensure work could continue as effectively and efficiently as possible.

Subsequent Events

In Q1-2021 the Company has redelivered two handymax vessels; *Western London* and *Action Trader* to the owners and extended the charter-in of five handymax vessels for one additional year.

Outlook

Many shipping markets are experiencing a strong rebound after a challenging 2020, driven by consumer demand, stimulus measures including infrastructure spending and supply chain disruption.

Specialised reefers are enjoying improved demand primarily because of supply chain disruption in the container markets, with the movement of fish cargoes to the Far east being of particular note. Whether this is a lasting trend remains to be seen, although perishables shippers will have taken note of the need to maintain alternative routes to market. The Company maintains its focus on providing its clients with a predictable and flexible transportation solution for time sensitive perishable products.

The market for handy-size bulkers has recovered from the lows of 2020 at an extraordinary pace, with infrastructure spending the largest contributor to the pick-up in demand. It seems likely that demand in 2021 will remain firmer than it has been for many years.

Demand for vehicle transportation is not predicted to exceed 2019 levels in 2021, but the pace of the recovery has been brisk and rates for all sizes have recovered strongly. Covid related port inefficiency and market discipline should be supportive towards a long-awaited recovery.

The Company continues to evaluate other opportunities in the industrial shipping market and will remain flexible to the needs of its customers.

31 March 2021

The Board of Directors of Siem Shipowning Inc.

Kristian Siem

(Chairman of the Board)

Carsten Plougmann Andersen

Harald Kuznik

Sasha Siem

Statements of Comprehensive Income
For the Year Ended 31 December 2020

(USD 1,000)	Note	2020	2019
Gross revenue	3	98,613	62,850
Voyage expenses	3	-8,230	-2,807
Net revenue		90,384	60,042
Other operating revenue	3	-	7,799
Net operating revenue	3	90,384	67,841
Ship operating expenses	4	-36,089	-26,916
Time-charter hire		-19,229	-3,771
Administrative expenses	5	-6,103	-6,696
Earnings before interest, tax, depr. and amort.		28,963	30,458
Depreciation and amortisation	8/9/10/18	-14,611	-10,560
Operating profit		14,351	19,899
Interest income		236	187
Interest expense	17	-4,089	-3,797
Other financial items	6	-4,973	-1,417
Net financial items		-8,826	-5,027
Net profit before tax		5,525	14,872
Taxes	7	98	-15
Net profit		5,623	14,857
Other comprehensive income		-	-
Total comprehensive income		5,623	14,857



Statements of Financial Position at 31 December 2020

(USD 1,000)	Note	2020	2019 - Revised
ASSETS			
Intangible assets:			
Deferred tax asset	7	9,299	9,175
Total intangible assets		9,299	9,175
Tangible non-current assets:			
Vessels	8/9	188,948	149,065
Right-of-use asset	10	67,049	63,311
Capitalised project costs	8	56	2,701
Other non-current assets	8	59	88
Total tangible non-current assets		256,112	215,165
Other non-current financial assets:			
Long-term loan receivables	22	2,905	141
Total non-current financial assets		2,905	141
Total non-current assets		268,315	224,481
Current assets:			
Inventory		2,549	1,939
Trade and other short-term receivables	13	2,282	2,173
Short term receivables - related party		342	2,681
Prepayments and other current assets	14	5,445	5,909
Cash and cash equivalents	15	31,153	25,396
Total current assets		41,771	38,099
Total Assets		310,086	262,579

Statements of Financial Position
at 31 December 2020

(USD 1,000)	Note	2020	2019 - Revised
SHAREHOLDERS' EQUITY AND LIABILITIES			
Paid-in capital:			
Share capital	16	89	89
Additional paid-in capital		117,021	117,026
Total paid-in capital		117,110	117,114
Retained earnings		20,480	14,857
Total retained earnings		20,480	14,857
Total shareholders' equity		137,590	131,971
Long-term liabilities:			
Mortgage debt - long-term portion	17	53,452	38,102
Lease liability - long-term portion	18	63,703	61,226
Long-term interest bearing debt - related party	17	20,456	-
Total long-term liabilities		137,611	99,328
Short-term liabilities:			
Mortgage debt - current portion	17	15,201	19,655
Lease liability - current portion	18	2,661	1,654
Short-term interest bearing debt - related party		285	-
Trade and other payables	19	3,788	1,847
Accrued expenses and other current liabilities	20/21	12,949	8,123
Short-term liabilities		34,885	31,279
Total liabilities		172,496	130,607
Total Equity and Liabilities		310,086	262,578

31 March 2021

The Board of Directors of Siem Shipowning Inc.

Kristian Siem

(Chairman of the Board)

Carsten Plougmann Andersen

Harald Kuznik

Sasha Siem



Statements of Cash Flows For the year ended 31 December 2020

(USD 1,000)	Note	2020	2019
CASH FLOW FROM OPERATIONS			
Net profit		5,525	14,872
Depreciation and amortisation	8/9/10	14,611	10,560
Net changes in finance and other fees		621	8,173
Changes in inventory		48	-1,939
Changes in short-term receivables and liabilities		7,889	964
Net cash flow from operations		28,696	32,629
CASH FLOW FROM INVESTMENTS			
Cash acquired through dividend-in-kind transaction		-	20,216
Cash acquired through purchase of new subsidiary		6,376	-
Purchase of vessels	8	-4,000	-
Dry-dock investment	9	-3,171	-
Net cash from investment activities		-795	20,216
CASH FLOW FROM FINANCE			
Paid scheduled instalments of mortgage debt and interest	17	-29,050	-23,537
Interest-bearing debt provided	17	9,473	-3,912
Lease payments	18	-2,566	-
Net cash from financing activities		-22,143	-27,449
Net change in cash and cash equivalents	15	5,757	25,396
Cash and cash equivalents 1 January		25,396	-
Cash and Cash Equivalents 31 December	15	31,153	25,396



Statements of Changes in Equity For the year ended 31 December 2020

(USD 1,000)	No. of shares	Share capital	Additional paid-in capital	Retained earnings	Total equity
Total 1 January 2019		-	-	-	-
Dividend in-kind contribution	8,860,726	89	117,026	-	117,114
Net profit 2019				14,857	14,857
Total 31 December 2019	8,860,726	89	117,026	14,857	131,972
Net profit 2020				5,623	5,623
Other			-5		-5
Total 31 December 2020	8,860,726	89	117,021	20,480	137,591

Notes to the Accounts

Note 1—Accounting principles and critical accounting estimates

General

The consolidated financial statements of Siem Shipowning (or the “Group”) are prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the EU.

The consolidated financial statements have been prepared under the historic cost convention except for certain financial instruments that are measured at fair value.

All figures are in USD thousands unless otherwise clearly stated.

Additional disclosures relating to the risk management of capital are provided in note 21.

Siem Shipowning is registered in the Cayman Islands. The Company was established following a restructuring of Star Reefers Inc which was approved by the Annual General Meeting 10 May 2019.

Going Concern

As noted on page 4 in the Board of Directors’ Report, the financial statements have been prepared under the going-concern assumption. The future earnings, operating expenses and cash flows have been considered for at least 12 months from the signing of the financial statements.

Comparative Information

According to IAS 1, information shall be disclosed in respect of the previous period for all amounts reported in the financial statements. The Company was established on 1 January 2019 and the year ending 31 December 2019 is presented as the comparative period in the Annual Report.

Consolidation Principles

The consolidated financial statements include the Parent Company, Siem Shipowning, and its subsidiaries. All subsidiaries are controlled by Siem Shipowning

and are 100% owned, either directly or indirectly. The financial statements are prepared as if the Group were one economic entity. In the consolidated statements, all intercompany balances and transactions have been eliminated. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and deconsolidated from the date on which control ceases. The financial statements for the subsidiaries of the Group, presented in this Annual Report, are prepared for the same accounting period as those of Siem Shipowning using consistent accounting policies.

The purchase method is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. The excess of the cost of acquisition over the fair value of the Group’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Lease liabilities and right-of-use assets

The Group applies IFRS 16 ‘Leases’ and assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease, which is the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straightline basis over the shorter of the lease term and the estimated useful lives of the underlying assets

The cost of a right-of-use asset includes an estimate of costs expected to be incurred by the Group on termination of the lease to reinstate the underlying asset to the condition required by the terms and conditions of the lease. The Group incurs the obligation for those costs either at the commencement date or as a consequence of having utilised the underlying asset during the period. Right-of-use assets are subject to a review for indicators of impairment at least annually.

Lease liabilities

The Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of purchase options reasonably certain to be exercised by the Group. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to



Notes to the Accounts

produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses an incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. The Group applies the short-term lease recognition exemption to its short-term leases, which are those leases which have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the low-value assets recognition exemption to assets which are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expenses in the Consolidated Income Statement on a straight-line basis over the lease term.

Reporting Currency and Foreign Exchange

The consolidated financial statements are presented in USD, which is the functional and reporting currency of the Company. The vessels, interest-bearing debt and most of the operating revenue and expenses are denominated in USD.

When converting assets and liabilities denominated in currencies other than the USD, historical currency rates are used for non-monetary items and the currency rate at the balance sheet date is used for monetary items. Income and expenses denominated in currencies other than the USD are converted to USD at the rate of exchange effective on the transaction date. Depreciation, impairment and gain

or losses on sales of fixed assets are converted at historical rates. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Classification of Items in the Financial Statements

Assets designated for long-term ownership or use and receivables falling due later than one year after the end of the accounting year have been recorded as non-current assets. Other assets are classified as current assets. Receivables are stated at par value less provision for doubtful debt. Liabilities that fall due later than one year after the end of the accounting year have been recorded as long-term liabilities. Other liabilities are classified as short-term liabilities.

Cash and Cash Equivalents

Cash and cash equivalents include deposits with banks with maturities of three months or less and bank overdrafts. Cash and cash equivalents are recorded at their nominal values on the balance sheet. Restricted cash is included as cash and cash equivalents.

Revenue Recognition

Revenue from operations mainly comprises chartering freight and time-charter hire income. Freight income from voyage charter is accrued over the period from the date of loading of the charterer's cargo to the date of discharging the cargo and is recognised on percentage of completion basis measured by time proportion of each voyage charter contract. Time-charter hire income is recognised over the period during which the vessel is on hire and prorated by days accordingly.

The existing practice reflects the perfor-

mance obligation to provide transportation services which are satisfied over time from when transport of the goods begins from loading port through delivery to discharging port, and freight income is recognised over the period of performance as required by IFRS 15.

Losses from time charters or voyage charters are provided for in full when they become probable in accordance with the provisions for onerous contracts in IAS 37. A portion of the tonnage is deployed directly on time-charter terms.

Payroll Expenses

Payroll costs relating to office personnel are included in administrative expenses. Crew wages are included in ship operating expenses.

Pension Costs and Funds

Siem Shipowning has a defined contribution plan for its employees in the UK. Yearly contributions to the plan are expensed as incurred.

Dry-Docking

Dry-docking costs are capitalised and amortised over the period until the next scheduled dry-dock, ranging from three to five years.

When ships are acquired, the unamortised value of the previous dry-docking is decomposed from the purchase price and amortised as described above.

Maintenance Costs

Day-to-day maintenance costs are expensed during the financial period in which they are incurred.

Provisions

The Company recognises provisions for any environmental improvements and legal requirements when there is a legal or self-imposed obligation to do so as a result of earlier events, there is a preponderance of evidence that the obligation will be settled by a transfer of economic resources and the size of the obligation can be estimated with an adequate degree of reliability.



Notes to the Accounts

Provisions are made for onerous contracts based on the best estimate of any loss relating to the contracts.

Sales of Vessels

Sales of vessels are not regarded as an integral part of the activities but is considered to be part of operations. Any gain/loss from a resulting sale is reflected in the operating result.

Taxation

Tax expense/income includes current taxes and the change in deferred taxes. Deferred income tax is provided for all temporary differences between the book value and the tax basis of assets and liabilities and any tax losses carried forward. Deferred tax assets made probable through prospective earnings that can be utilised against the tax-reducing temporary differences are recognised as non-current assets. Deferred taxes and deferred tax assets are included net.

Inventory

Lubricating oil and bunker inventories are valued at the lower of historical cost and net realisable value, and are expensed applying the FIFO (first in, first out) principle. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and applicable selling expenses.

Financing Fees

Financing fees are accounted for using the effective interest method. The amortisation is included in interest expense and the unamortised balance of capitalised financing fees is classified as a reduction of mortgage debt or interest-bearing debt to the related party.

Financial Instruments

Siem Shipowning enters into derivative instruments, primarily interest rate swaps, foreign currency contracts and bunker instruments to hedge the interest rates, foreign currency rates and bunker prices, respectively. The Company holds four outstanding interest rate swaps at 31 December 2020.

Some of the Group's administrative expenses are denominated in GBP, PLN, EUR and NOK. In the past, the Company has entered into forward currency rate contracts to hedge the Group's administrative expenses that are denominated in GBP and NOK. These contracts have been accounted for as cash flow hedges. Siem Shipowning had no such contracts as per 31 December 2020.

Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Use of Estimates

The preparation of financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, and are accounted for when estimates are changed. Actual results could differ from such estimates.

Management has to make estimates for income and expenses relating to voyages that have not been completed or for which the final disbursements have not yet been received. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fixed Assets

Vessels are valued in the consolidated statement of financial position at cost less accumulated depreciation and impairment. Ordinary depreciation is on a straight-line basis and determined by an estimate of the remaining useful economic life of the asset. Other fixed assets are depreciated on a straight-line basis over the anticipated useful economic life, ranging from three to five years.

In accordance with IAS 16 and the cost model, dry-docking is considered a sepa-

rate component of the ships' costs at acquisition, with a different pattern of benefits, and therefore needs to be amortised separately.

Economic Useful Life

The level of depreciation expense is dependent, in part, upon the estimated useful life of the vessel. The useful life is estimated based on historical data, experience related to the vessel and similar vessels. The estimate is reviewed and updated annually. A change in the estimate will affect depreciation prospectively in current and future reporting periods. The vessels presently owned by Siem Shipowning are considered to have a useful economic life of 30 years.

Residual Value

The level of depreciation expense is dependent, in part, upon the estimated residual value. Management estimates a vessel's residual value using its knowledge of the scrap value of vessels. The scrap value estimates are dependent on the price of steel. The scrap value estimate is based on the expected value at the end of the useful life of the vessel.

Management performs an annual review and assessment of the vessel scrap value estimates. Residual value is subject to an annual reassessment.

Impairment of Vessels and Right-of-Use Assets

On the reporting date, the Company assessed whether there are any indications that it may be necessary to write down a vessel or right-of-use asset. Indicators include external broker estimates, significant changes in charter hire contracts, day rates, operating costs or adverse market conditions. When such indications exist, an impairment test is performed in accordance with Company policy.

The recoverable value of the vessel is estimated, and if the recoverable amount is less than the current carrying value, an impairment loss is recognised in the amount of the difference between



Notes to the Accounts

carrying value and net realisable value. The recoverable amount for vessels is estimated by means of broker estimates and value-in-use calculations based on projected discounted cash flows for the remaining charter hire period or over the next four years if no charter contract exists, together with an assumption of a terminal value of the vessel.

The value-in-use calculations are based on a Discounted Cash Flow model (DCF model), using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. The cash flows are derived from the budget for the next four years. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows and the principles used for calculating the terminal value. These estimates are most relevant for value-in-use calculations for vessels. Options included in charter hire agreements are not considered in the value-in-use calculations. The key assumptions used to determine the recoverable amount for the different CGUs (Cash Generating Units) including a sensitivity analysis, are disclosed and further explained in note 8. A CGU is the smallest group of assets that independently generates cash flow and whose cash flow is

largely independent of the cash flows generated by other assets.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount.

Reversal of previously recognised impairment is limited to the amount the carrying value of the asset would have been had the initial impairment charge not taken place. Such reversals are recognised in the profit and loss account.

Statement of Cash Flows

Siem Shipowning uses the indirect method when presenting the statement of cash flows. Cash balances consist of both cash on hand and in banks, including restricted funds.

Amortisation of dry-docking is considered as part of the operating activities and is included in the line item depreciation and amortisation. Dry-docking costs incurred are classified as investment activities.

Loan fees paid in connection with new financing and the interest expense on the loans are considered as part of the operating activities.

Business combinations under common control

The company applies predecessor accounting for business combinations under common control. Assets and liabilities of the acquired entity are stated at predecessor carrying values. Fair value measurement is not required. When using predecessor accounting, no new goodwill arises.

Any difference between the consideration given and the aggregate carrying value of the assets and liabilities of the acquired entity at the date of the transaction is included in retained earnings.

Subsequent Events

New information concerning affairs existing at year-end regarding the financial year is included in the Statement of Comprehensive Income and the Statement of Financial Position in accordance with regular principles. Material events arising after year-end are disclosed in the notes.

Note 2—Standards and interpretations applicable to the accounts

Effective New Accounting Standards

a) New and amended standards adopted by the group

The group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020 which did not have any significant impact on the financial reporting:

- Definition of Material – Amendments to IAS 1 and IAS 8

- Definition of a Business – Amendments to IFRS 3

- Revised Conceptual Framework for Financial Reporting, and

- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7.

b) New standards and interpretations not yet adopted

Certain new accounting standards and

interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current reporting period.



Notes to the Accounts

Note 3—Revenue from contracts with customers

Revenue consists of time charters and voyage charters. Revenue from contracts with customers is recognised over time as defined by IFRS 15. A time charter is where the charterer hires the vessel for a stated period of time. A voyage charter is the hiring of a vessel and crew for a voyage between a load port and a discharge port. The charterer pays an agreed freight rate and the owner pays the port costs (excluding stevedoring), fuel costs and crew costs. Voyage expenses include bunkers, port cost and commissions. Other operating revenue consists of management fees.

	2020	2019
Gross revenue - time charters	83,701	60,785
Gross revenue - voyage charters	14,912	2,065
Total gross revenue	98,613	62,850
Voyage expenses	-8,230	-2,807
Other operating revenue	-	7,799
Net operating revenue	90,384	67,841

Note 4—Ship operating expenses

	2020	2019
Lube oil and consumables	4,124	3,222
Spare parts, maintenance and repair	8,712	6,290
Insurance	2,464	1,336
Crew payroll	17,955	13,111
Other operating expenses	2,834	2,958
Total	36,089	26,916
Ship operating expenses per vessel per day (USD)	6,100	6,700

Note 5—Administrative expenses

Salaries and other benefits are included in administrative expenses as follows:

	2020	2019
Total salaries, wages and remuneration to the Board	3,147	3,745
Social security costs	432	459
Pension costs	188	169
Other employee-related costs	182	95
Other administrative expenses incl. provision for trade receivables	1,934	1,898
Corporate and legal fees - related party	220	220
Total administrative expenses	6,103	6,696

The number of shore-based employees in the Company at the end of 2020 was 48 of which 24 were employed in Poland. The total absence due to illness of 30 days was recorded for shore-based employees. The average number of shore-based employees in the Company in 2020 was 49. There were no serious accidents involving shore-based employees in 2020. During the year, the number of seagoing crew directly employed through Siem Shipowning was 720. The total absence due to illness on board was 258 days. Six crew members were signed off due to illness and eight due to accidents on board. The Company takes its responsibility for safe operation of its vessels very seriously and continues to carry out in-depth reviews of safety with its Technical Manager and external safety advisors.



Notes to the Accounts

	CEO	Other Executive Management
Salaries, including bonus, fees and related expenses	384	360
Pension scheme	-	49
Total salaries, fees and related expenses 2020	384	409
Total salaries, fees and related expenses 2019	358	487
Board of Directors Fees:	2020	2019
Kristian Siem (Chairman)	18	17
Michael Delouche	-	11
Harald Kuznik	12	11
Sasha Siem	12	11
Carsten Plougmann Andersen	12	11
Total fees	56	33
Remuneration to Auditors	2020	2019
Audit fee	96	80
Other services provided by auditors	5	22
Total	101	102

Note 6—Other financial items

	2020	2019
Net exchange loss	-22	-125
Revaluation of interest SWAPS (see note 20)	-569	-903
Finance lease interest (<i>Leevsten</i>)	-3,506	-280
Guarantees	-710	-
Cancellation of capitalised project	-	-23
Bank charges and other financial items	-167	-86
Total	-4,973	-1,417



Notes to the Accounts

Note 7—Taxation

Deferred tax income (expense)	2020	2019
Taxes payable	-26	-15
Changes in deferred tax	1,079	-2,049
Valuation allowance	-955	2,049
Total taxes for the year	98	-15
Deferred tax assets and liabilities	31/12/20	31/12/19
Fixed assets	11,355	5,268
Deferred capital gains	-	-
Dry-dock and other assets	-	-
Provisions and accruals	-431	-524
Tax deduction in interest expenses carried forward	-1,317	-1,722
Temporary differences	9,606	3,022
Loss carried forward Norwegian taxation	-95,459	-91,552
Loss carried forward UK taxation	-2,045	-769
Deferred tax (deferred tax asset)	-21,390	-20,311
Valuation allowance	12,091	11,136
Recognised tax asset	-9,299	-9,175
Statutory income tax rate in Norway	22%	22%
Statutory income tax rate in UK	19%	19%
Statutory income tax rate in Poland	19%	19%

The Company is incorporated in the Cayman Islands but became taxable to the UK in 2020. As long as less than 50% of the shareholders of these companies are subject to tax in Norway, the Norwegian shareholders of the Company will not be subject to tax in Norway on their pro-rata assessed income from the Company under the NOKUS rules (Norwegian CFC taxation).

At year-end 2020, the Company also had nine Norwegian-registered companies, which are taxable to Norway, three UK-registered companies, which are taxable to the UK, as well as one Polish-registered company, which is taxable to Poland. Some of these companies are shipowning companies or companies engaged in the activity of chartering ships. In addition, subsidiaries based in Norway, UK and Poland act as managers for and on behalf of the Cayman Islands registered and other companies in accordance with authority based on decisions taken by the Boards of the Cayman Islands registered and other companies.

Deferred tax asset on loss carried forward is capitalized when it is probable that the Company can offset the loss carried forward against future taxable profit. The basis for capitalization of the tax asset is prognosis over taxable profits in the entities that have loss carried forward. Where it is possible, group contribution is considered in this calculation. At 31 December 2020 the Company recognised a deferred tax asset of USD 9.3 million related to loss carried forward and other temporary differences.



Notes to the Accounts

Note 8—Tangible non-current assets

(USD 1,000)	2020		2019	
	Vessels	Fixtures and fittings	Vessels	Fixtures and fittings
Cost 1 January	154,010	128	-	-
Transfers from capitalised projects	2,701	-	-	-
Effect of dividend-in-kind contribution	-	-	154,010	114
Additions	44,909	-	-	14
Cost 31 December	201,620	128	154,010	128
Acc. depreciation and impairment 1 January	-8,752	-40	-	-
Depreciation for the year	-10,396	-29	-8,752	-40
Acc. depreciation and impairment 31 December	-19,148	-69	-8,752	-40
Book value 31 December	182,472	59	145,258	88
Capitalised dry-dock 31 December (see note 9)	6,475	-	3,806	-
Vessels 31 December	188,948		149,065	

Total tangible non-current assets include non-cash additions of USD40.9 million relating to *Siem Curie*, *Siem Plato* and *Mosel Ace* in 2020.

Vessels presently owned by the Group are considered to have an economic life of 30 years and are depreciated on a straight-line basis after reduction of an estimated salvage value and sales costs. Other fixed assets are depreciated on a straight-line basis over the anticipated useful economic life, ranging from three to five years.

Tangible and intangible assets with finite lives are tested for impairment if indicators are identified that would suggest that the carrying amount of the assets exceeds the recoverable amount. The Group performs an assessment to determine any indicators of impairment. An impairment loss is recognized if the carrying amount exceeds recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal (FVLCD) and value-in-use (VIU) and each vessel is considered a separate Cash Generating Unit (CGU). As of 31 December 2020, our testing showed no further impairment indicators are present resulting in no additional impairments in 2020.

VIU is based on the present value of discounted cash flows for each separate CGU for the expected remaining economic life of each vessel.

The expected future cash flows include the net cash inflows from the continued operation of each vessel for the remainder of its useful economic life and the expected net disposal proceeds from its sale at the end of that useful economic life.

Operational expenses that are directly attributable to the CGU are based on budget with an annual escalation as applicable. Dry-docking costs are included as scheduled. Fair value less cost of disposal FVLCD (level 3) is determined as the amount that would be obtained from sale of the asset in a regular market, less cost of sales, based on an average of third party valuation reports from two independent ship brokers.

The key economic assumptions used in determining the value in use of the vessels are:

- pre-tax discount rate 8.2%
- inflation rate 2.0%

The sensitivity of the recoverable amount to these assumptions, expressed as impairment losses additional to those recognised in 2020, is as follows:

- 1% adverse movement in the discount rate: USD16.7 million
- 1% adverse movement in the inflation rate: USD15.3million

The carrying amounts for property, plant and equipment are considered to be a reasonable approximation of their fair values.



Notes to the Accounts

Vessel acquisitions 2020

In March 2020, Siem Shipowning I Norway AS was acquired on arm's length terms whereby the buyer took over all the outstanding debt and paid USD10.0 million for the equity. The consideration paid for the acquisition was financed by providing a sellers credit in lieu of cash, to a company indirectly owned by Siem Industries SA, 83.9% shareholder of Siem Shipowning Inc. This transaction supports the diversification of the Company's activities and will complement the Company's existing presence in the PCTC market. As part of the acquisition, the Company acquired Siem Shipowning I Norway AS vessels at book value being USD 40.1 million. Siem Shipowning I Norway AS is the owner of the following PCTC vessels: *Siem Plato*, 2009 Chinese-built with 4,900 CEU. The vessel is chartered to Siem Car Carriers until October 2024. Siem Car Carriers is 100% owned indirectly by Siem Industries SA. *Siem Curie*, 2009 Japanese-built with 3,930 CEU. The vessel is chartered to Siem Car Carriers until October 2024. *Mosel Ace*, 2000 Croatian-built with 4,200 CEU. The vessel is on a charter to a third party until December 2022.

The Company also acquired the reefer vessel *Dunedin Star* in March 2020 from Star Reefers Inc. The acquisition was based on arm's length terms.

Acquisitions of vessels in 2020

Vessel name	Vessel type	Built	Capacity	Acquisition price
Dunedin Star	Reefer	1994	486,761 cbft	2,938
Siem Curie	PCTC	2009	3,930 CEU	17,288
Siem Plato	PCTC	2009	4,900 CEU	17,298
Mosel Ace	PCTC	2000	4,200 CEU	7,282
Total				44,806

Capitalised projects costs

(USD 1,000)	2020	2019
Cost 1 January: Capitalised projects	2,701	-
Additions	56	-
Effect of dividend-in-kind contribution	-	4,415
Disposals	-	-1,714
Transfer to fixed assets	-2,701	-
Capitalised projects 31 December	56	2,701

Capitalised projects which have been transferred to fixed assets related to capitalised scrubber costs and other similar items which have now been activated on the vessels.

Note 9—Deferred dry-docking costs

(USD 1,000)	2020	2019
Cost 1 January: Dry-docking	3,806	-
Additions	4,887	-
Effect of dividend-in-kind contribution	-	5,412
Amortisation	-2,218	-1,606
Dry-docking 31 December	6,475	3,806



Notes to the Accounts

Note 10—Right-of-use asset

Right-of-use asset	2020	2019
Balance at 1 January: Vessel	63,311	-
Additions during the year	-	63,472
Revaluations	5,706	-
Depreciation charge for the year - right-of-use asset	-1,969	-161
Balance at 31 December: Vessel	67,049	63,311

As at 1 January 2019, the Company was required to implement the *IFRS 16 Leases* standard whereby the lease liabilities are measured at the present value of remaining lease payments, discounted using the incremental borrowing rate at that date. The right-of-use asset is measured at the present value equal to the lease liability.

On 30 August 2019, Siem Shipowning took delivery of RoRo ferry *Leevsten* on a five-year bare boat charter from a related company within Siem Industries Group. The Company has an obligation to purchase the vessel at the end of the charter period. The purchase obligation is supported by a guarantee by Siem Europe Sarl which is 100% owned by Siem Industries SA.

An impairment test was performed on the balance at 31 December 2020 and no impairment charges were considered necessary for the right-of-use asset.

Note 11—Shares in subsidiaries

	Registered office	Company's share of votes / capital
Directly owned		
Siem Shipping Norway AS	Oslo, Norway	100%
Siem Shipping UK Ltd.	London, England	100%
STAR Reefers Trading Ltd.	London, England	100%
STAR Reefers Pool Inc.	Cayman Islands	100%
SSI Shipowning I Inc.	Cayman Islands	100%
Siem Bulk Inc.	Cayman Islands	100%
Siem Shipowning RoRo Inc.	Cayman Islands	100%
Indirectly owned		
Siem Ship Management Sp. z o.o.	Gdynia, Poland	100%
Auto Marine Transport Inc.	Cayman Islands	100%
Siem Shipowning I Norway AS	Oslo, Norway	100%
Siem Ashanti AS	Oslo, Norway	100%
Siem Shipowning RoRo AS	Oslo, Norway	100%

Siem Shipowning I Norway AS was acquired in Q1 2020 by Siem Shipping Norway AS from a related party. The consideration for the purchase of Siem Shipowning I Norway AS was equal to the equity value at 31 December 2019.



Notes to the Accounts

Note 12—Pensions**Siem Shipping UK Ltd.**

Siem Shipping UK Ltd. has a defined contribution Group pension plan with 24 members. Under this defined contribution plan, Siem Shipping UK Ltd. contributes a fixed percentage of the employees' base salaries. The percentage varies with the level of position in the Company. Contributions from Siem Shipping UK Ltd. are expensed as incurred. Total premiums recorded in Siem Shipping UK Ltd. in 2020 were USD188 (2019: USD169).

Note 13—Trade and other short-term receivables

	2020	2019
Trade receivables	2,282	2,170
Other short-term receivables	-	3
Total	2,282	2,173
Aging analysis of trade and other short-term receivables	2020	2019
Up to 1 month	2,091	1,786
1-3 months	127	51
More than 3 months	64	336
Total	2,282	2,173
Concentration analysis of trade and other short-term receivables	2020	2019
1 to 5 largest	1,891	2,028
6 to 10 largest	137	25
Others	254	120
Total	2,282	2,173

The carrying amounts of trade and other short-term receivables are considered to be a reasonable approximation of their fair values. At 31 December 2020, there was a provision for bad debts of USD0 (2019: USD23).

Note 14—Prepayments and other current assets

	2020	2019
Prepayments	5,116	5,757
Other current assets	329	152
Total	5,445	5,909

The carrying amount of prepayments and other current assets are considered to be a reasonable approximation of their fair values.



Notes to the Accounts

Note 15—Cash and cash equivalents

Bank facility A (see note 17—mortgage debt) requires free cash at no less than USD0.5 million (USD0.25 million per mortgaged vessel). In addition to this, Bank facility A requires a consolidated minimum cash balance of USD5.0 million. There are three facilities with Bank B with an aggregated minimum cash balance of USD2.0 million (0.5 million per mortgaged vessel).

	2020	2019
NOK	195	66
USD	28,793	24,492
EUR	1,858	362
GBP	39	269
Other	268	207
Total in USD	31,153	25,396

Note 16—Share capital

All shares in the Company carry the same rights and there are no restrictions on voting.

	31 December 2020		31 December 2019	
	No. of shares	%	No. of shares	%
Shareholders holding more than 1% of the shares				
Siem Industries SA.	7,436,498	83.9 %	7,436,498	83.9 %
Caiano Ship AS	876,768	9.9 %	876,768	9.9 %
Marnix James Van Overklift	222,325	2.5 %	222,325	2.5 %
Caiano Invest AS	171,696	1.9 %	171,696	1.9 %
Shareholders holding more than 1%	8,707,287	98.3 %	8,707,287	98.3 %
Other	153,439	1.7 %	153,439	1.7 %
Total number of shares at year-end	8,860,726	100.0 %	8,860,726	100.0 %

	Note	31 December 2020		31 December 2019	
		No. of shares	%	No. of shares	%
Shares in Siem Shipowning Inc. held by Board members					
Kristian Siem	1	-	-	-	-

Kristian Siem is the majority shareholder of Siem Industries S.A. Kristian Siem is also the Chairman of Siem Industries S.A.



Notes to the Accounts

Note 17—Mortgage debt and related party debt

	Related Parties	Bank Syndicate	Unamortised financing fees	Total
Balance 31 December 2019	-	58,382	-626	57,757
New debt	20,456	35,902	-564	55,795
Repaid debt	-	-24,961	-	-24,961
Financing fees	-	-	520	520
Balance 31 December 2020	20,456	69,323	-670	89,111
Long-term portion	20,456	53,741	-289	73,908
Current portion	-	15,583	-381	15,201

The weighted average interest rate in 2020 was 3.8% (2019: 4.4%)

New debt this year includes USD 46.3 million of non-cash transactions relating to the acquisition of a new subsidiary from a related party (see “Related party debt” below). The subsidiary acquired had USD 36.3 million of outstanding loans provided by external parties at the time of purchase. The consideration paid to the related party for the acquisition of the subsidiary was settled via a sellers credit to the value of USD 10.0 million in lieu of cash.

The Company has four facilities, one with Bank A and three with Bank B.

In May 2020, the Company refinanced the reefer facility with Bank A whereby the remaining USD15.2 million of the original USD100 million facility was replaced with a new facility of USD 10 million. The new facility expires 31 December 2021.

The loan facility with Bank A contains restrictive covenants which limit the payment of dividends and capital expenditures, financial covenants on the market value of vessels, and minimum liquidity and working capital requirements. Change of control provisions in the Term Loan Facility Agreement and restrictions on the use of proceeds from the sale of certain vessels are included. The facility carries an interest rate of Libor plus a margin of 2.8%, an arrangement fee of 1% .

The Company has three facilities with Bank B. The first loan relates to *Siem Cicero*, the original loan amount was USD41.5 million. The outstanding amount per 31 December 2020 was USD29.4 million. The facility carries an interest rate of Libor plus a margin of 2.0% , an arrangement fee of 0.7% and a commitment fee of 1.0%.

The second facility with Bank B amounts to USD9.0 million and carries an interest rate of LIBOR plus a margin of 2.325% and an arrangement fee of 0.7%.

The third facility with Bank B amounts to USD23.4 million and carries an interest rate of LIBOR plus a margin of 2.4% and an arrangement fee of 0.85%.

The book value of the mortgaged assets was USD118.3 million at 31 December 2020 (2019: USD147.7 million).

Related party debt

In exchange for being the guarantor of a USD25.9 million loan facility provided to Siem Shipowning I Norway AS in connection with the acquisition of Siem Curie and the refinancing of Siem Plato, Siem Shipowning Inc. was granted an option to acquire the borrower. The bank required that Siem Shipowning Inc. acquire Siem Shipowning I Norway AS on or before 31 March 2020. On 24 March 2020, Siem Shipowning I Norway AS was acquired on arm’s length terms whereby it took over all the outstanding debt and paid USD10.0 million for the equity. The purchase price of the equity is financed through a seller’s credit. Total outstanding related parties debt per 31 December 2020 was USD20.5 million.



Notes to the Accounts

Scheduled maturities of interest-bearing mortgage debt at 31.12.2020	Related Party Loans	Bank A Facility Loan	Bank B Facility Loan	Total Loans	Total Interest
2021	-	7,500	8,083	15,583	2,775
2022	-	-	36,988	36,988	2,024
2023	-	-	3,325	3,325	1,467
2024	-	-	13,428	13,428	1,268
2025+	20,456	-	-	20,456	1,198
Total instalments	20,456	7,500	61,823	89,780	7,533

The Bank A facility loan will be fully repaid in 2021 by a USD2.5 million repayment in June and December, with a balloon repayment of USD 2.5 million in December. The repayments relating to the first Bank B facility loan commenced three months after the post-delivery finance had been drawn down. This is subsequently followed by quarterly repayments of USD0.9 million until 31 May 2022, when there will be a final balloon of USD24.2 million. The second Bank B facility has quarterly repayments of USD0.3 million and there will be a final balloon payment of USD7.1 million in May 2022. The third Bank B facility has quarterly repayments of USD0.8 million and there will be a final balloon payment of USD 10.1 million in October 2024. The related party loan is due for repayment in 2025 onwards.

Reconciliation of Net Debt

	2020	2019
Cash and cash equivalents	31,153	25,396
Borrowings - repayable within one year	-15,201	-19,655
Borrowings - repayable after one year	-73,908	-38,102
Net debt	-57,957	-32,361
Cash and cash equivalents	31,153	25,396
Gross debt - fixed and variable interest rates	-89,110	-57,757
Net debt	-57,957	-32,361

	Other assets	Liabilities from financing activities				Total
	Cash/bank overdraft	Leases due within 1 year	Leases due after 1 year	Borrowing due within 1 year	Borrowing due after 1 year	
Net debt as at 31 December 2019:	25,396	-1,654	-61,226	-19,655	-38,102	-95,241
Cash flows	5,757	-1,007	-2,477	4,454	-35,806	-29,079
Net debt as at 31 December 2020:	31,153	-2,661	-63,703	-15,201	-73,908	-124,320



Notes to the Accounts

Note 18—Lease liability

Lease liabilities included in the statement of financial position at 31 December	2020	2019
Balance at 1 January: Lease liability	-62,880	-
Additions	-3,945	-62,180
Revaluations	-5,610	-701
Lease repayments including interest	6,072	-
Total lease liability at 31 December	-66,364	-62,880
Lease liabilities included in the statement of financial position at 31 December	2020	2019
Current portion - lease liability	2,661	1,654
Non-current portion - lease liability	63,703	61,226
Total lease liability at 31 December	66,364	62,880
Maturity analysis - contractual undiscounted cash flows	2020	2019
Less than one year	5,533	5,081
One to five years	74,155	73,424
More than five years	-	-
Total lease liability at 31 December	79,688	78,505
Amounts recognised in the statement of profit or loss	2020	2019
Interest on lease liabilities	-3,506	-280
Amounts recognised in the statement of cash flows	2020	2019
Total cash outflow for leases	-6,072	-

On 30 August 2019, Siem Shipowning took delivery of RoRo ferry *Leevsten* on a five-year bare boat charter from a related company within Siem Industries Group. The Company has an obligation to purchase the vessel at the end of the charter period. The purchase obligation is supported by a guarantee by Siem Europe Sarl which is 100% owned by Siem Industries SA.

Totals recognised within the statement of comprehensive income related to short term leases and low value leases amounts to USD19.1 million (2019: USD3.8 million).



Notes to the Accounts

Note 19—Trade and other payables

	2020	2019
Trade payables	3,283	1,654
Other payables	505	193
Total	3,788	1,847

The carrying amounts of trade and other payables are considered to be a reasonable approximation of their fair values.

Note 20—Accrued expenses and other current liabilities

	2020	2019
Accrued voyage expenses	5,010	3,337
Financial derivatives (see note 21)	732	163
Other accrued expenses	7,207	4,623
Total	12,949	8,123

The carrying amounts of accrued expenses and other liabilities are considered to be a reasonable approximation of their fair values.

Note 21—Financial risk management**General**

As a global international shipping company, Siem Shipowning is exposed to a number of financial risks. The fluctuations in foreign exchange rates, interest rates, bunker prices and credit risks all have an effect on Siem Shipowning's assets, liabilities, creditworthiness, liquidity, profit and loss, and cash flow. Management continuously monitors these risks and from time to time enters into currency exchange contracts, interest rate swaps and bunker hedging, within the authorisation given by the Board. Management reports the status of hedging activities to the Board on a regular basis. Siem Shipowning uses derivatives only for the purposes of managing risks associated with interest rates and currency. Siem Shipowning does not trade or use instruments with the primary objective of earning financial gains in interest rate fluctuations.

Currency Exchange Risks

The majority of the transactions, assets and liabilities of the Group are denominated in USD, which is also defined as the functional currency. All revenue is denominated in USD. All companies

within the Group have USD as their functional currency. The majority of ship operating expenses are denominated in USD, but in 2020, approximately 25% were denominated in other currencies (2019: 26%). The effect on the profit and loss of a 10% variation in the rate of exchange between USD and other currencies would have been USD0.5 million in 2020 (2019: USD0.7 million).

Overhead expenses are in GBP, PLN, EUR and NOK. No currency forward contracts were active at year end.

Interest Rate Risks

The Group's interest-bearing loans are based on a floating interest rate (LIBOR). At 31 December 2020, Siem Shipowning had four five-year interest rate swap agreements covering a total of USD35.0 million (2019: USD35.0 million). See the table on the next page for interest rates and expiry dates relating to the derivative financial instruments.

A 1% change in the interest rate level on floating rate interest-bearing debt financing at 31 December 2020 of USD69.3 million implies a change in Siem Shipowning interest expense of approximately USD0.3 million.

Bunker Prices Risks

For 2021, 100% of Siem Shipowning fixed business is either covered by a BAF (Bunkers Adjustment Factor) or is time-charter business where there is no exposure to bunker prices. The exposure to fluctuations in bunker prices is limited to the voyage charters, where the bunker expenses are for the account of Siem Shipowning. The price level of bunkers is known when the vessels are fixed and the price level is reflected in the rates obtained. The exposure to price fluctuations on voyage charters is, however, a risk factor when the price volatility in the bunkers market is high. At the end of 2020, Siem Shipowning had no bunker hedges.

Liquidity Risk

Siem Shipowning monitors its cash flow from operations closely and optimises the working capital level of the individual companies and for the Group as a whole. The priorities for the use of Company funds are firstly the scheduled repayments and prepayments of debt, and secondly the investment opportunities in the business. The cash generated from operations in 2020 enabled the Company



Notes to the Accounts

to repay debt and finance working capital and capital expenditures.

Siem Shipowning has set out to fix the majority of its tonnage on long-term charters at profitable rates and, at year-end 2020, had a contract backlog of USD150.4 million (2019: USD122.9 million).

For the capacity that is fixed long-term, there is however a risk of non-performance of the charterers, which could result in vessels being redelivered and then having to be deployed in the spot market. An increased exposure to the spot market could have a negative liquidity effect on the Company. Unexpected and exceptionally high ship operating expenses and claims that are not covered by insurance could also have a negative effect on the liquidity on the Company. The reefers, RoRo and car carriers owned by the Company have limited spot exposure.

Contract Risk

Siem Shipowning is exposed to the risk that other parties to an agreement will not honour the contract.

Credit Risks

The Group's credit risk is primarily attributable to its trade and other short-term receivables. The amounts presented in the balance sheet are net of provisions for doubtful receivables, estimated by Group Management based on its prior experience and its assessment of the current economic environment. The turmoil in the global financial markets has increased the credit risks as some banks are less willing to finance certain companies and this, combined with significant currency fluctuations, could lead to challenges with collecting receivables. The exposure to credit risk is measured on an ongoing basis and credit evaluations are performed in accordance with

the Group's guidelines. See note 13 for an aging analysis and concentration analysis of outstanding trade and other short-term receivables.

Capital Risk Management

The primary objective of Siem Shipowning's Management is to ensure it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

Siem Shipowning manages its capital structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, Siem Shipowning may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Derivative Financial Instruments	Interest	2020	2019
Interest rate swap - USD10 million - maturity 30.11.2021	1.89%	-172	-43
Interest rate swap - USD10 million - maturity 30.11.2021	1.84%	-170	-64
Interest rate swap - USD10 million - maturity 06.06.2022	1.91%	-264	-34
Interest rate swap - USD5 million - maturity 06.06.2022	1.84%	-126	-23
Forward currency contracts		-	-
Total derivative financial instruments		-732	-163



Notes to the Accounts

Note 22—Related parties

Kristian Siem is Chairman of the Board of Siem Industries SA. Siem Industries is controlled by Mr. Kristian Siem.

For 2020, Siem Shipowning expensed a fee of USD220 to Siem Industries, excluding Directors' fees for Kristian Siem and Michael Delouche (2019: USD220). The fee relates to compensation for directorships of the subsidiaries, provision of an office and presence in the Cayman Islands, and other services.

Siem Car Carriers is indirectly wholly owned by Siem Industries. Siem Shipowning has provided management services to Siem Car Carriers on an arm's-length basis. The total amount charged by the Company to Siem Car Carriers is USD960 (2019: USD1,020)

In addition, Siem Shipowning is chartering out *Siem Cicero*, *Siem Socrates*, *Siem Curie* and *Siem Plato* to Siem Car Carriers AS on a five-year time-charter agreement. The hire revenue earned in 2020 was USD19.8 million (2019: USD13.2 million).

In 2019, the Company entered into an agreement with Star Reefers Inc. for a USD4.0 million secured loan, against a vessel named *MV Dunedin Star*, for a period of 3 years, upon the expiry of which it will be repayable plus interest to be charged at LIBOR plus 3%. This loan was repaid and discharged during 2020.

Siem Shipowning Inc. also provided a USD5.0 million working capital facility to Star Reefers Inc. in 2019. At year end, the balance was USD2.9 million.

In March 2020, Siem Shipowning I Norway AS was acquired on arm's length terms whereby the buyer took over all the outstanding debt and paid USD10.0 million for the equity to a company indirectly owned by Siem Industries SA, 83.9% shareholder of Siem Shipowning Inc. This transaction supports the diversification of the Company's activities and will complement the Company's existing presence in the PCTC market. Siem Shipowning I Norway AS is the

owner of the following PCTC vessels: *Siem Plato*, 2009 Chinese-built with 4,900 CEU. The vessel is chartered to Siem Car Carriers until October 2024. Siem Car Carriers is 100% owned indirectly by Siem Industries SA. *Siem Curie*, 2009 Japanese-built with 3,930 CEU. The vessel is chartered to Siem Car Carriers until October 2024. *Mosel Ace*, 2000 Croatian-built with 4,200 CEU. The vessel is on a charter to a third party until December 2022. The purchase price of the equity is financed through a seller's credit. Total outstanding related parties debt per 31 December 2020 was USD20.5 million.

In August 2019, Siem Shipowning took delivery of RoRo vessel *Leevsten* on a five-year bare boat charter from a related company within Siem Industries Group. The Company has an obligation to purchase the vessel at the end of the charter period. The purchase obligation is supported by a guarantee by Siem Europe Sarl which is a 100% owned by Siem Industries SA.

Note 23—Short-term charter commitments

	2021	2022	2023-2024	Total
Short-term charters	25,312	6,332	-	31,643

All the bulk vessels except one are on index charter.

At 31 December 2020, Siem Shipowning had seven vessels on short-term time charter recognised as operating leases. *Western London* and *Action Trader* were redelivered to the owners in Q1 2021. Five vessels were due to expire in 2021 and were extended for a further year.

Note 24—Contract backlog

Contract backlog as at 31 December 2020

Contractually agreed future gross revenue	2021	2022	2023-2024	Total
Reefers revenue backlog	37,455	19,619	2,772	59,845
Car Carriers revenue backlog	23,068	21,968	39,171	84,207
RoRo revenue backlog	6,132	168		6,300
	66,655	41,755	41,943	150,353

At 31 December 2020, 100% of the Company's fleet capacity for specialised reefers is fixed for 2021 (2020: 100%)

100% of the Company's car carrier fleet capacity is fixed for 2021 (2020: 100%)



Notes to the Accounts

Note 25—Subsequent events

In Q1 2021 the Company redelivered two handymax vessels to owners; *Western London* and *Action Trader*. Simultaneously, the Company extended the charter period for the remaining five handymax vessels which were due to expire for an additional year.

Note 26—Safety and environmental issues

It is Siem Shipowning's policy to operate fully in compliance with all flag and international regulations concerning safety and environmental protection, and in accordance with relevant safety management systems to achieve accident and pollution-free operations.

The Safety Management System has been comprehensively reviewed and revised to ensure it is as effective as possible. In-depth safety training was provided at Officers' conferences

through practical workshops. The Company employs a Training Master to teach best practice for safety and environmental matters to the fleet. Rigorous internal and external safety audits are carried out.

The Company takes its environmental responsibilities seriously and regularly reviews existing MARPOL procedures. A detailed revision to the MARPOL Compliance Programme was carried out during 2020 with external auditors,

ships' superintendents and leading ships' staff present during the revision. Both internal and external audits will continue to be carried out to ensure compliance.

The Company continues to actively raise awareness of the Company's policies through crew conferences and publications to ensure compliance with best practices.

Note 27—Prior year revision

An accrual in the prior year Statement of Financial Position was overstated and has been adjusted by restating the 2019 figures. The effect was that total liabilities were overstated and equity understated. An adjustment has been made by restating each of the affected financial statement line items in the prior period. The table below summarises the impact on the Statement of Financial Position; there was no impact on the statements of comprehensive income.

(USD 1,000)	Impact of prior period adjustment		
	As previously reported	Adjustments	As restated
Total assets	262,578	-	262,578
Total shareholders' equity	130,214	1,757	131,970
Accrued expenses and other current liabilities	9,880	-1,757	8,123
Other	122,484	-	122,484
Total liabilities	132,364	-1,757	130,607
Total shareholders' equity and liabilities	262,578	-1,757	262,578



Responsibility Statement

We confirm that, to the best of our knowledge, the financial statements for the period from 1 January to 31 December 2020 have been prepared in accordance with approved accounting standards and give a true and fair view of the Group and the Company's consolidated assets, liabilities, financial position and results of operations. We also consider that the Report of the Board of Directors provides a true and fair view of the development and performance of the business and the position of the Group and the Company, together with a description of the key risks and uncertainty factors that the Company is facing.

31 March 2021

The Board of Directors of Siem Shipowning Inc.

Harald Kuznik

Kristian Siem

(Chairman of the Board)

Carsten Plougmann Andersen

Kenneth Ross

(Chief Executive Officer)

Sasha Siem



To the General Meeting of Siem Shipowning Inc

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Siem Shipowning Inc and its subsidiaries (the Group), which comprise the statements of financial position as at 31 December 2020, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the accounts, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view in all material respects of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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authorised accounting firm*



Independent Auditor's Report - Siem Shipowning Inc



Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

Oslo, 31 March 2021
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant

(This document is signed electronically)

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Corporate Governance

Corporate Governance Policy of Siem Shipowning Inc.

The Company's principles for corporate governance were based on the Norwegian Code of Practice for Corporate Governance ("the Code"), as published on 30 October 2014. The Company has decided to follow the requirements of the Norwegian Code of Practice for Corporate Governance ("the Code") as of 30 October 2014.

As a Company incorporated in the Cayman Islands, Siem Shipowning Inc. is subject to Cayman Islands' laws and regulations with respect to corporate governance. Cayman Islands' corporate law is, to a great extent, based on English law.

The Company endeavours to maintain high standards of corporate governance and is committed to ensuring that all shareholders of the Company are treated equally and that the same information is communicated to all shareholders at the same time.

It is the opinion of the Board of Directors that the Company complies with the Norwegian Code of Practice for Corporate Governance, but the Board would like to comment on the following:

Business

As stated, Siem Shipowning Inc. is subject to Cayman Islands' laws and regulations, which do not require the objects clause of the Company's Memorandum and Articles of Association to be clearly defined. The Company has clear objectives and strategies for its business.

Siem Shipowning Inc. is an owner and operator of vessels engaged in international shipping. The Company operates in the specialised reefer industry and it is a global owner and operator of refrigerated vessels, directly controlling 10 vessels with a total capacity of 5 million cbft per 31.12.2020. Siem Shipowning aims to fulfil the marine transportation requirements of its customers in the global perishable produce sector by

providing a high-quality, flexible and cost-effective service. Siem Shipowning activity is focused on the banana transportation segment. The Company also operates in the car carrier industry with five pure car-and-truck carrier ("PCTC") vessels in operation. As part of its strategy to further diversify, the Company has entered the bulk segment where it had seven vessels where six were on index charter-in and one on fixed charter-rate. All bulk vessels are being traded in the spot market. Subsequent to year-end 2020, the Company has redelivered vessels and extended the charter of five handysize bulk vessels for an additional year. The Company also operated one RoRo vessel which was on a one-year charter to an external party.

The Company's core values include operating safely, reliability, quality, honesty, predictability, providing our customers with the service they need through long-term relationships, caring about the environment, flexibility and profitability. The safety of our crew, and the cargo our vessels transport, is paramount, and the Company always endeavours to act in an environmentally responsible manner. We understand that long-term growth for our business goes hand in hand with ensuring a sustainable future for the environment. It is therefore our strict policy to operate fully in compliance with the highest standards we set ourselves as well as with all international regulations concerning environmental protection. In this respect, we carry out rigorous procedures and checks to ensure that we meet these targets and thereby minimise the environmental impact of our operations. At all levels of the organisation, we expect the highest standards of professionalism and performance from our staff. To this end, we invest in training and support for our crew, and we stress the importance of our core commitments to Safety, Quality, Preserving the Environment, Staff

and Social Responsibility.

Equity and Dividends

The Company is of the opinion that it should maintain equity capital which is at an appropriate level taking into consideration the Company's objectives, strategies and risk profile.

The priorities for the use of Company excess funds are firstly to cover the investment opportunities in the business, secondly the repayment of debt and thirdly the return of capital to the shareholders in the form of dividends or share buy-backs.

Cayman Islands' company law and the Articles of Association of the Company draw a distinction between authorised and issued share capital. The Company's authorised share capital, which sets out the maximum number of shares the Company is authorised to issue, is determined at the General Meeting by an ordinary resolution. Within the limits of the authorised share capital, the Board has full powers to issue new shares, subject to pre-emption rights for existing shareholders. The board of a Norwegian limited liability company does not have equivalent powers when it comes to issuing new shares.

The Code sets out that Board authorisation to issue new shares should be divided into separate mandates, each to be considered and voted upon at the General Meeting. It is the Company's opinion that these guidelines must be seen in connection with the division of powers between the general meeting and the board of directors of Norwegian companies. Complying with such guidelines would require an amendment to the Company's Articles of Association, and would also be a clear deviation from Cayman Islands' company law and tradition. The Company will therefore maintain its current practice whereby the Board has a greater flexibility to issue



Corporate Governance

new shares than is the case for the boards of Norwegian companies.

Equal Treatment of Shareholders, Transactions with Related Parties

The Company is committed to ensuring that all shareholders of the Company are treated equally and all the issued shares in Siem Shipowning are freely tradable and carry the same rights with no restrictions on voting.

Siem Industries, which owns 83.9% of Siem Shipowning, is represented by its Chairman, Kristian Siem on the Board of Siem Shipowning. The Company pays an annual fee to Siem Industries as compensation for provision of an office and presence in the Cayman Islands, and other services. The fee is adopted at the Annual General Meeting based on a recommendation from the independent Board members. Related party transactions are disclosed in the notes to the accounts.

Freely Negotiable Shares

The Company's shares are, in accordance with the Articles, freely transferrable. There is no form of restriction on negotiation included in the Company's Articles of Association.

General Meetings

The Annual General Meeting of the Company is held at the Company's registered office in George Town and shareholders can be represented in person or by proxy. Shareholders may present proposals for consideration at the next Annual General Meeting and for inclusion in the Company's proxy statement by submitting their proposals to the Company in a proper form and in a timely manner as set out in the Articles.

Nomination Committee

The Code of Practice recommends that a listed company should have a nomination committee, whose duties are to propose candidates for the corporate assembly and the board of directors, and to

propose fees to be paid to members of these bodies. There is no legal requirement under Cayman Islands law to have a nomination committee. The responsibility for proposing Board members at the Annual General Meeting rests with the Board, which consults widely to ensure that the Board is constituted by directors with the necessary expertise. All shareholders are free to propose candidates in accordance with the Articles. On this basis, it is the view of the Board of Directors that the Company does not require a nomination committee.

Corporate Assembly and the Board of Directors

There is no requirement under Cayman Islands' law for the Company to establish a corporate assembly.

Siem Industries SA, is the controlling shareholder of Siem Shipowning and represented on the Board through its Chairman, Kristian Siem. Sasha Siem (daughter of Kristian Siem) was appointed as a Director of the Company in May 2015. Harald Kuznik and Carsten Plougmann Andersen are Directors deemed to be independent of Siem Industries. All Directors are independent of the Company's Management and material business contacts.

The Board of Directors as a group has extensive experience in areas that are important to Siem Shipowning, including international shipping, ship broking, financing and corporate restructuring.

The Board of Directors consists of:

Kristian Siem (Chairman) brings an extensive knowledge of the offshore oil and gas service industry worldwide from previous senior executive and non-executive roles combined with long-standing experience as chairman of public companies listed in the USA, UK and Norway. Mr. Siem is the founder of the Siem Industries Group and has been Director and Chairman of Siem Indus-

tries since 1982. He is also Chairman of Star Reefers Inc. and Subsea 7 S.A. Mr. Siem has held positions at Kvaerner ASA as CEO and director, Transocean Inc. as Chairman and director, and Norwegian Cruise Line as Chairman. He holds a degree in Business Economics. Mr. Siem is a Norwegian citizen.

Mr. Harald Kuznik (Member), an economist and lawyer by education, is a consultant for shipping companies on financing and other banking matters. Mr. Kuznik retired as Global Head of Shipping at HSH Nordbank AG in Germany in 2010. Harald Kuznik is a citizen of Germany.

Ms. Sasha Siem (Member) is a daughter of Kristian Siem. Her educational background includes a MA and MPhil from Cambridge University, a PhD from Harvard University, and she is also an Academic Fellow of Columbia University. Ms. Sasha Siem is a British citizen.

Mr. Carsten Plougmann Andersen (Member) has over 40 years' experience working for Maersk, and was the CEO from 2004 for Maersk Supply Service until he retired in June 2015. Mr. Andersen is a citizen of Denmark.

Mr. Michael Delouche retired as a Director at the Annual General Meeting 8 May 2020.

Attendance Record of Directors in 2020

During 2020, a total of eight Board meetings took place. Mr. Kristian Siem (Chairman), Mr. Harald Kuznik, Mr. and Mr. Carsten Plougmann Andersen attended all eight meetings. Mrs. Sasha Siem attended seven and Mr. Michael Delouche attended two meeting prior to retiring as a Director at the Annual General Meeting May 2020.

Corporate Governance

Work of the Board of Directors

The Board monitors the performance of Management through regular meetings and reporting. The Board has constituted a Compensation Committee and an Audit Committee.

In cases where a Board member has a personal or other direct interest, such Board member will abstain from deliberation and voting on the issues. The Company has no permanent Deputy Chairman, but if the Chairman is an interested party, another Director will be elected by the other Board members to chair the meeting.

Risk Management and Internal Controls

The Board has responsibility for the internal control systems and reviewing their effectiveness. The Company's internal control systems are designed to manage risks within the areas of chartering, operations, insurance, compliance with legislation and regulations, and financing. On a monthly basis, a report containing sections on financial performance, chartering activity, operational performance, risk management and financial forecasts is prepared. The Company has procedures to ensure compliance with its core values of Safety, Quality, Preserving the Environment, Staff and Social Responsibility.

The Company has financial internal controls documented in handbooks which cover the procurement processes, including requisition, order approval, invoice approval and payment approvals. Analysis and follow-up of budget variances, management meetings and separation of duties are also part of the controls that are in place.

The Board is kept advised of the developments in the Company at least every quarter and the Board or the Audit Committee is updated regularly on the status of the control environment in the Company.

Remuneration of Board of Directors

The remuneration of the Board members reflects their experience and is approved at the Annual General Meeting (AGM) based on the recommendation from the Board. The Board members do not have options or profit-based remuneration.

Remuneration of the Executive Management

The Company has a Compensation Committee which reviews and approves the compensation of the CEO and the bonuses to all leading employees. The bonuses are based on achievement of specific goals for the individuals and the overall performance of the Company. The Board does not see a need for an absolute limit for performance-related remuneration, as the final decision on the amount is at the discretion of the Board. There currently are no option programmes in force.

The Articles of Association of the Company permit the Board to approve the granting of share options to employees. The remuneration and pension scheme of the CEO and the Executive Management as a group are disclosed in the notes to the accounts.

Information and Communication

The Company treats all its interested parties equally (shareholders, investors, analysts and the general public) and keeps them properly updated of significant developments that could impact on the Company. It does this through notices which are published on the Company's web page www.siemshipping.com.

Takeover Situations

The shares in the Company are freely tradable and the Articles of Association of the Company do not hold specific defence mechanisms against takeover situations. The Board is of the opinion that shareholders should seek their own professional advice to guide them on whether or not to accept a takeover bid. The Board will however consider if it is appropriate to make a recommendation

as to whether shareholders should or should not accept an offer and will also consider if it is appropriate to arrange for a valuation from an independent expert. The Board will not hinder or obstruct takeover bids and will always act in the common interest of the Company and its shareholders, and furthermore has the intention to comply with all recommendations of the Code.

Auditor

The Auditor of the Company is elected at the Annual General Meeting, which also approves its remuneration. The Audit Committee is responsible for ensuring that the Group has an independent and effective external audit process. The Auditor meets with the Audit Committee annually to present and discuss the plans for the preparation of the Annual Report and the approval, by the Audit Committee, of the scope of work and levels of fees proposed by the Auditor. The Auditor also reports on the internal controls, risk areas and any potential for improvement in the control systems once a year to the Audit Committee. The audit process is planned in detail and the findings of the auditors are discussed with management, and potential bigger issues are brought to the attention of the Audit Committee.

Fleet Overview
31 December 2020

	Year Built	Age	Capacity (cbft)
Owned reefer vessels			
Costa Rican Star	1998	22	564,404
Caribbean Star	1997	23	564,833
Wellington Star	1992	28	424,307
Solent Star	2000	20	506,228
Southampton Star	1999	21	506,228
Colombian Star	1998	22	565,325
Cote D'Ivoirian Star	1998	22	565,469
Star First	2006	14	616,157
Star Prima	2006	14	617,184
Dunedin Star	1994	26	486,761
Total capacity owned - reefer vessels			5,416,896
	Year Built	Age	Capacity (CEU)
Owned car carriers			
Siem Cicero	2017	3	7,000
Siem Socrates	2010	10	4,900
Siem Plato	2009	11	4,900
Siem Curie	2009	11	3,930
Mosel Ace	2000	20	4,200
Total capacity owned - car carriers			24,930
	Year Built	Age	Lane Metre
Chartered RoRo cargo vessels			
Leevsten	2019	2	4,076
Total capacity time-chartered - RoRo vessels			4,076
	Year Built	Age	Capacity (dwt)
Chartered bulk vessels			
Interlink Ability	2015	5	38,500
Western London	2015	5	39,000
Action Trader	2017	3	39,000
Interlink Fidelity	2015	5	39,000
Hamburg Team	2019	2	39,000
Hamburg Pearl	2016	9	36,000
Hamburg Way	2016	4	39,000
Total capacity time-chartered - bulk vessels			269,500





Siem Shipping Norway AS

ÅRSREGNSKAP 2020

ORGANISASJONS NUMMER: 978 644 384



Siem Shipping Norway AS Årsberetning

Virksomheten

Siem Shipping Norway AS er en del av Siem Shipowning gruppen med Siem Shipowning Inc. som konsernspiss. Selskapet kjøpte alle aksjene i selskapet Siem Shipowning I Norway AS som er eier av bilbefraktningskipene *Siem Plato*, *Siem Curie* og *Mosel Ace* i første kvartal 2020 fra Siem Kapital AS.

Gruppen opererer med kjøleskip, bilbefraktningskip, RoRo og bulk skip. Ved årsslutt 2020 kontrollerte konsernet en flåte på 10 kjøleskip, 1 RoRo, 5 bilbefraktningskip og 7 bulk skip. Skipene er enten direkte eid eller tatt inn på certepartier.

Siem Shipping Norway AS er et holding selskap med ingen ansatte.

Forutsetning om fortsatt drift

Selskapets egenkapital var pr. utgangen av 2020 NOK 341.6 millioner. Siem Shipping Norway AS er finansiert gjennom egenkapital og lån fra konsernselskaper. De konserninterne lån er subordinerte. Styret er av den oppfatning at forutsetningen for fortsatt drift er tilstede i henhold til regnskapslovens § 3-3 og årsregnskapet er således utarbeidet under forutsetning av fortsatt drift.

Resultat, balanse og likviditet

Selskapet hadde i 2020 driftsinntekter på NOK 0 (2019: NOK 0). Driftsresultatet var NOK 0 (2019: NOK 0). Totalt var netto finansposter, NOK -2.3 millioner.

Resultatregnskapet i Siem Shipping Norway viser et underskudd NOK 2,520,000 (2019: overskudd på NOK 561,000) som styret foreslår overført annen egenkapital.

Selskapets likviditet i 2020 har vært tilfredstillende.

Organisasjon og ledelse

Det er ingen ansatte i selskapet i 2020. (2019: 0).

Likestilling

Selskapets personalpolitikk anses å være kjønnsnøytral og selskapet er av den oppfatning at likestillings spørsmål er tilfredsstillende ivaretatt. Pr. årsskiftet 2020 består styret av tre menn. Det er ikke iverksatt eller planlagt konkrete tiltak innenfor dette området.

Aksjonærforhold

Siem Shipping Inc. eier 100% av aksjene i Siem Shipowning Inc. Ved utløpet av 2020, hadde selskapet totalt 2.168.588 utstedte og utestående aksjer, hver pålydende NOK 20.50.

Ytre miljø

Som et holdingselskap påvirker ikke selskapet det ytre miljø i nevneverdig grad.

Finansiell risiko

Selskapet har begrenset finansiell risiko, da fordringer og gjeld i det alt vesentlige er konserninterne og hovedsakelig nominert i USD. Selskapets konserninterne gjeld er knyttet til



Siem Shipping Norway AS Årsberetning

flytende rente og Siem Shipping Norway AS vil således være eksponert for fluktasjoner i rentemarkedet.

Selskapets likviditet er tilfredstillende.

Etterfølgende hendelser

Konsekvensene av COVID-19 coronavirus-utbruddet har forårsaket en forverring av økonomiske forhold for selskapet og en økning i økonomisk usikkerhet. Siem Shipping Norway AS er et holding selskap med eierskap i Auto Marine Transport Inc og Siem Shipowing I Norway AS. Effektene av COVID-19 pandemi har hatt en betydelig effekt på den globale bilproduksjonen der mange bilprodusenter stengte ned produksjonsanlegget i første halvdel av 2020. Styret har gjennomgått oppdaterte prognoser og følsomheter ved å ta hensyn til risikofaktorene som er identifisert og med de ulike mulige utfallene og overvåker situasjonen kontinuerlig.

Fremtidsutsikter

Selskapet er et rent holdingselskap, og per 31.12.20 var det ingen ansatte. I 2020 har det ikke vært noen ansatte og selskapet kjøper tjenester eksternt som vil ivareta selskapets interesser.

Styret i Siem Shipping Norway AS
30 juni 2021

Glenn Pettersen
(Styrets leder)

Arne Andersen
(Styremedlem og
daglig leder)

Svein Andresen
(Styremedlem)



Siem Shipping Norway AS
Resultatregnskap

(NOK 1000)	Note	2020	2019
Fraktinntekter		-	-
Sum driftsinntekter		-	-
Administrasjonskostnader	2	-263	-51
Driftsresultat		-263	-51
Renteinntekter konsern	4/8	8,884	11,194
Rentekostnader konsern	4/8	-14,883	-11,260
Andre finansposter		-11	-11
Netto valutagevinst (tap)		3,753	-366
Netto finansposter		-2,258	-443
Resultat før skatt		-2,520	-494
Skatt	3	-	1,055
Resultat for året		-2,520	561
<i>Disponering av årsresultatet:</i>			
Overført til / fra annen egenkapital	6	2,520	-561



Siem Shipping Norway AS
Balanse pr. 31. desember

(NOK 1000)	Note	2020	2019
Eiendeler			
Immaterielle eiendeler:			
Utsatt skattefordel	3	80,556	80,556
Sum immaterielle eiendeler		80,556	80,556
Finansielle anleggsmidler:			
Investering i datterselskap	7	388,647	300,693
Langsiktige fordringer på konsernselskaper	4/8	210,167	208,739
Sum finansielle anleggsmidler		598,814	509,432
Sum anleggsmidler		679,371	589,988
Omløpsmidler:			
Fordringer og andre omløpsmidler		14	218
Bankinnskudd	5	1,345	757
Sum omløpsmidler		1,348	975
Sum eiendeler		680,719	590,964



Siem Shipping Norway AS
Balanse pr. 31. desember

(NOK 1000)	Note	2020	2019
Egenkapital og gjeld			
Innskutt egenkapital:			
Aksjekapital	6	44,456	44,456
Overkursfond	6	371,497	371,497
Annen innskutt egenkapital	6	657	657
Sum innskutt egenkapital		416,611	416,611
Annen egenkapital	6	-75,012	-72,492
Sum opptjent egenkapital		-75,012	-72,492
Sum egenkapital	6	341,598	344,119
Langsiktig gjeld:			
Langsiktig gjeld til konsernselskaper	4/8	338,977	246,845
Sum langsiktig gjeld		338,977	246,845
Annen kortsiktig gjeld		144	-
Sum kortsiktig gjeld		144	-
Sum gjeld		339,121	246,845
Sum egenkapital og gjeld		680,719	590,964

Styret i Siem Shipping Norway AS
30 juni 2021

Glenn Pettersen
(Styrets leder)

Arne Andersen
(Styremedlem og daglig leder)

Svein Andresen
(Styremedlem)



Siem Shipping Norway AS
Noter

Kontantstrømsanalyse:

(NOK 1000)	2020	2019
KONTANTSTRØM FRA OPERASJONELLE AKTIVITETER		
Resultat før skattekostnad	-2,520	-494
Endring kortsiktig fordring / kortsiktig gjeld	358	-244
Endring utsatt skattefordel	-	-
Netto kontantstrøm fra operasjonelle aktiviteter	-2,162	-738
KONTANTSTRØM FRA INVESTERINGSAKTIVITETER		
Kjøp av aksjer	-87,954	-
Netto kontantstrøm fra investeringsaktiviteter	-87,954	-
KONTANTSTRØM FRA FINANSIERINGSAKTIVITETER		
Endring mellomværende konsernselskaper	90,704	436
Netto kontantstrøm fra finansieringsaktiviteter	90,704	436
Netto endring i kontanter og kontantekvivalenter	588	-302
Kontanter og kontantekvivalenter 01.01	757	1,059
Kontanter og kontantekvivalenter 31.12	1,345	757



Siem Shipping Norway AS Noter

Note 1 : Regnskapsprinsipper

Generelt

Hvis ikke særskilt angitt er alle beløp i NOK 1.000.

Selskapsregnskapet er utarbeidet i overensstemmelse med regnskapslovens bestemmelser og god regnskapsskikk (GRS) og reglene for øvrige selskaper.

Selskapet er unntatt plikten å presentere konsernregnskap etter regnskapsloven §3-7. Selskapet innarbeides i konsernregnskapet til morselskapet, Siem Shipowning Inc. Morselskapets konsernregnskap kan anskaffes fra Siem Shipping UK Ltd, 40 Brighton Road, Sutton, SM2 5BN, United Kingdom.

Klassifisering av poster i regnskapet

Eiendeler bestemt for varig eie eller bruk og fordringer med forfall senere enn ett år fra regnskapsårets utløp er oppført som anleggsmidler. Øvrige eiendeler er klassifisert som omløpsmidler. Gjeld som forfaller senere enn ett år etter regnskapsårets utløp er oppført som langsiktig gjeld. Fordringer er oppført til pålydende med fradrag for forventede tap.

Varige driftsmidler

Andre varige driftsmidler blir avskrevet lineært over antatt økonomisk levetid, vanligvis tre til fem år.

Bruk av estimater

Utarbeidelse av regnskap i samsvar med regnskapsloven krever bruk av estimater. Anvendelsen av selskapets regnskapsprinsipper krever også at ledelsen anvender vurderinger. Områder som i stor grad inneholder slike vurderinger, høy grad av kompleksitet, eller områder hvor forutsetninger og estimater er viktige for årsregnskapet, er beskrevet i notene.

Investeringer i andre selskaper

Bortsett fra kortsiktige investeringer i børsnoterte aksjer, brukes kostmetoden på investeringer i andre selskaper. Kostpris økes når midler legges til gjennom

kapitalforhøyelser eller når konsernbidrag gis til datterselskaper. Mottatt utbytte inntektsføres først. Utbytte som overstiger delen av egenkapitalen etter kjøpet reflekteres som en reduksjon i kjøpskostnaden. Utbytte / konsernbidrag fra datterselskaper gjenspeiles i samme år som datterselskapet foretar en avsetning for beløpet. Utbytte fra andre selskaper reflekteres som finansielle inntekter når det er godkjent.

Nedskrivning av eiendeler

Test for verdifall utføres hvis det er indikasjon på at balanseført verdi av en eiendel overstiger estimert gjenvinnbart beløp. Testen utføres på det laveste nivået av anleggsmidler der uavhengige kontantstrømmer kan identifiseres. Hvis balanseført verdi er høyere enn både virkelig verdi fratrukket salgskostnad og gjenvinnbart beløp (netto nåverdi av fremtidig bruk / eierskap), blir eiendelen nedskrevet til det høyeste av virkelig verdi fratrukket salgskostnad og gjenvinnbart beløp.

Tidligere nedskrivning, unntatt nedskrivning av goodwill, reverseres i senere perioder dersom forholdene som forårsaker nedskrivningen ikke lenger er til stede.

Utsatt skatt og skattekostnad

Årets skattekostnad består av årets betalbare skatt og endringen i utsatt skatt. Utsatt skatteforpliktelse og utsatt skattefordel er beregnet i henhold til GRS. Utsatt skatt beregnes på grunnlag av midlertidige forskjeller mellom regnskapsmessige og skattemessige balanseverdier, samt underskudd til fremføring. Utsatt skattefordel på skattereduserende midlertidige forskjeller og underskudd til fremføring som ikke inngår i utligningen balanseføres dersom det er sannsynliggjort at denne kan realiseres gjennom fremtidig inntjening. Utsatt skatt beregnes på nettogrunnlaget etter utligningen.



Siem Shipping Norway AS
Noter

Kontantstrømoppstilling

Kontantstrømoppstillingen er utarbeidet etter den indirekte metoden. Kontanter og kontantekvivalenter inkluderer kontanter, bankinnskudd og andre kortsiktige investeringer som umiddelbart og med minimal valutarisiko kan konverteres til kjente kontantbeløp, med forfallsdato mindre enn tre måneder fra kjøpsdatoen.

Valuta

Pengeposter i utenlandsk valuta omregnes til balansedagens kurs.

Sluttkurs NOK/USD pr. 31.12.2020 var 8,5326 (31.12.2020: 8,78030).

Valutagevinster og -tap presenteres netto i resultatregnskapet.

Hendelser etter balansedagens slutt

Ny informasjon vedrørende forhold som eksisterte ved årsslutt er hensyntatt i resultatregnskapet og balansen i henhold til vanlige vurderingsprinsipper.

Vesentlige hendelser etter årets slutt er det opplyst om i note.



Siem Shipping Norway AS Noter

Note 2 – Lønnskostnader

Det var ingen ansatte i Siem Shipping Norway AS i 2020 (2019: 0), og følgelig er det ikke utbetalt noen godtgjørelse til administrerende direktør i 2020 (2019:0).

Det er ikke gitt lån til eller sikkerhetsstillelser for ansatte eller styremedlemmer pr. 31/12-2020 eller pr. 31/12-2019. Selskapet har ikke utbetalt styrehonorar til styremedlemmene i 2020 eller i 2019.

Revisjon	2020	2019
Revisjonshonorar (ekskl. mva)	40	29
Annen bistand	39	11
Sum	79	40

Note 3 – Skatt

Grunnlag årets skatt	31/12/20	31/12/19
Anleggsmidler	-56	-83
Fordringer	1,865	-
Gevinst- og tapskonto	-2,943	-3,679
Avskåret rentefradrag	-11,240	-11,240
Sum midlertidige forskjeller	-12,374	-15,002
Underskudd til fremføring	-559,785	-560,663
Permanente forskjeller	-69,006	-69,006
Sum grunnlag utsatt skatt (skattefordel)	-641,165	-644,670
Sum utsatt skatt (skattefordel)	-141,056	-141,827
Begrensning i balanseføring av utsatt skattefordel	60,500	61,271
Balanseført utsatt skatt (skattefordel)	-80,556	-80,556
Skattesats benyttet	22%	22%
Årets skattekostnad	2020	2019
Betalbar skatt	-	-
Endring utsatt skatt	-	-1,055
Sum betalbar skatt	-	-1,055

Note 4 – Fordringer og gjeld konsernselskaper

	31/12/20	31/12/19
Siem Shipping UK	95,122	95,358
Siem Shipowning Inc	115,045	113,381
Siem Shipping Inc.	-	222
Sum fordringer	210,167	208,961
Auto Marine Transport Inc.	-248,843	-246,845
Siem Kapital AS	-90,133	-
Sum gjeld	-338,976	-246,845
Netto konsernmellomværende	-128,809	-37,884

Selskapets konserninterne mellomværender er nominert i USD. Svingninger i kursen NOK/USD vil således påvirke selskapets resultat og balanse. Det er ikke foretatt noen sikringsforretninger. Selskapet belaster renter på mellomværende, LIBOR + margin.



Siem Shipping Norway AS Noter

Forfall etter 5 år	31/12/20
Siem Shipping UK	95,122
Siem Shipowning Inc	115,045
Sum fordringer	210,167
Auto Marine Transport Inc.	-248,843
Siem Kapital AS	-72,106
Sum gjeld	-320,949

Note 5 – Bankinnskudd

	31/12/20	31/12/19
NOK	952	574
USD	393	182
Sum	1,345	757

Note 6 – Egenkapital

	Antall aksjer	Pål.	Aksje-kapital	Overkurs-fond	Annen innskutt egenkapital	Annen egenkapital	Sum egenkapital
Egenkapital 31/12/2018	2,168,588	20.5	44,456	371,497	657	-73,053	343,557
- Resultat 2019						561	561
Egenkapital 31/12/2019	2,168,588	20.5	44,456	371,497	657	-72,492	344,119
- Resultat 2020						-2,520	-2,520
Egenkapital 31/12/2020	2,168,588	20.5	44,456	371,497	657	-75,012	341,599

Per 31 desember 2020 var alle aksjer er eiet av Siem Shipowning Inc. Siem Industries Inc. er majoritetseier i Siem Shipowning Inc. (se note 8).

Forutsetning om fortsatt drift

Selskapets egenkapital var pr. utgangen av 2020 NOK 341.6 millioner. Siem Shipping Norway AS er finansiert gjennom egenkapital og lån fra konsernselskaper og styret vurderer fortløpende en mer hensiktsmessig kapitalstruktur for selskapet fremover. De konserninterne lån er subordinerte. Styret er av den oppfatning at forutsetningen for fortsatt drift er tilstede i henhold til regnskapslovens § 3-3 og årsregnskapet er således utarbeidet under forutsetning av fortsatt drift.



Siem Shipping Norway AS Noter

Note 7 – Aksjer i datterselskap

Selskap	Sted	Antall aksjer	Eierandel	Stemme rett	Anskaffelses kost	Resultat 2020	Egenkapital 2020	Verdi 2020	Verdi 2019
Auto Marine Transport Inc	Cayman	1	100%	100%	369,699	\$5,081	\$56,237	300,693	300,693
Siem Shipowing I Norway AS	Norge	1000	100%	100%	87,894	\$2,101	\$12,108	87,894	-
Siem Ashanti Norway AS	Norge	30	100%	100%	30	0	24	30	-
Siem Shipowning RoRo AS	Norge	30	100%	100%	30	0	24	30	-
Total					457,653			388,647	300,693

Investeringer i datterselskaper regnskapsføres til kostpris med fradrag for eventuell nedskrivning fra den enkeltes side regnskap.

Aksjene i Siem Shipowning I Norway AS ble kjøpt fra Siem Kapital AS, se note 8.

Selskapene Siem Ashanti Norway AS og Siem Shipowning RoRo AS ble stiftet 25 september 2020.

Det ble ikke regnskapsført noen nedskrivning i 2020 eller i 2019.

Note 8 – Nærstående parter

Per 31. desember 2020 var det inntektsført renter på NOK 2,552,464 mottatt fra morselskapet, Siem Shipowning Inc.

Per 31. desember 2020 var det inntektsført renter NOK 6,331,541 mottatt fra Siem Shipping UK Ltd, som er et søster selskap.

Per 31. desember 2020 var det kostnadsført renter NOK 12,641,900 betalt til Auto Marine Transport Inc. som et heleid datterselskap av selskapet, se note 7.

Per 31. desember 2020 var det kostnadsført NOK 2,239,283 vedrørende lån fra Siem Kapital AS som er et datterselskap av Siem Industries SA. Lånet er en selger kreditt og ble etablert da selskapet kjøpte alle aksjene i Siem Shipowning I Norway AS for 87, 894,210 kroner fra Siem Kapital AS. Siem Shipowning I Norway er eier av bilbefraktning skipene *Siem Plato*, *Siem Curie* og *Mosel Ace*. Lånet har en løpetid på 10 år og de første 5 år er avdragsfritt. I året ble 2,239,283 kroner kostnadsført i forhold til dette lånet. Lånet er belastet med Libor +3% margin. Gjennomsnitt rente var 3.5% i 2020.

Ultimat eier

Siem Shipping Norway AS er 100% eiet datterselskap av Siem Shipowning Inc. Siem Shipowning Inc er igjen eiet 83.9% av Siem Industries SA. Siem Industries SA. kontrolleres av selskaper hvor Kristian Siem og hans nærmeste familie er potensielt begunstiget.

Note 9 - Etterfølgende hendelser

Konsekvensene av COVID-19 coronavirus-utbruddet har forårsaket en forverring av økonomiske forhold for selskapet og en økning i økonomisk usikkerhet. Siem Shipping Norway AS er et holding selskap med eierskap i Auto Marine Transport Inc og Siem Shipowning I Norway AS. Effektene av COVID-19 pandemi har hatt en betydelig effekt på den globale bilproduksjonen der mange bilprodusenter stengte ned produksjonsanlegget i første halvdel av 2020. Styret har gjennomgått oppdaterte prognoser og følsomheter ved å ta hensyn til risikofaktorene som er identifisert og med de ulike mulige utfallene og overvåker situasjonen kontinuerlig.



Til generalforsamlingen i Siem Shipping Norway AS

Uavhengig revisors beretning

Uttalelse om revisjonen av årsregnskapet

Konklusjon

Vi har revidert Siem Shipping Norway AS' årsregnskap som består av balanse per 31. desember 2020, resultatregnskap og kontantstrømpoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2020, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

Styrets og daglig leders ansvar for årsregnskapet

Styret og daglig leder (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Uavhengig revisors beretning - Siem Shipping Norway AS



Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:
<https://revisorforeningen.no/revisjonsberetninger>

Uttalelse om andre lovmessige krav

Konklusjon om årsberetningen

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet og forutsetningen om fortsatt drift er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

Konklusjon om registrering og dokumentasjon

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringsskikk i Norge.

Oslo, 30. juni 2021
PricewaterhouseCoopers AS

Bjørn Lund
Statsautorisert revisor
(elektronisk signert)

(2)



 Securely signed with Brevio

Siem Shipping Norway AS - Revisors beretning 2020

Signers:

Name	Method	Date
Lund, Bjørn	BANKID_MOBILE	2021-06-30 20:55

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