



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 992 876 387
Organisasjonsform: Aksjeselskap
Foretaksnavn: SIEM CAR CARRIERS AS
Forretningsadresse: Nodeviga 14
4610 KRISTIANSAND S

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Nei

Regnskapsregler

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

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, 09.08.2022



Resultatregnskap

Beløp i: USD	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt		98 720 000	146 105 000
Sum inntekter		98 720 000	146 105 000
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler		1 890 000	
voyage exp		57 596 000	86 860 000
charter hire		38 774 000	57 216 000
other opex		3 176 000	5 318 000
Sum kostnader		101 436 000	149 394 000
Driftsresultat		-2 716 000	-3 289 000
Finansinntekter og finanskostnader			
Annen renteinntekt		13 000	86 000
Annen finansinntekt		20 000	72 000
Sum finansinntekter		33 000	158 000
Rentekostnad til foretak i samme konsern		417 000	429 000
Annen finanskostnad		383 000	186 000
interest on lease		3 362 000	
Sum finanskostnader		4 162 000	615 000
Netto finans		-4 129 000	-457 000
Ordinært resultat før skattekostnad		-6 845 000	-3 746 000
Skattekostnad på ordinært resultat			197 000
Ordinært resultat etter skattekostnad		-6 845 000	-3 943 000
Årsresultat		-6 845 000	-3 943 000
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		-6 845 000	-3 943 000
Sum overføringer og disponeringer		-6 845 000	-3 943 000



Balanse

Beløp i: USD	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		2 588 000	2 588 000
Sum immaterielle eiendeler		2 588 000	2 588 000
Varige driftsmidler			
Maskiner og anlegg		44 000	11 000
Skip, rigger, fly og lignende		111 947 000	
Sum varige driftsmidler		111 991 000	11 000
Finansielle anleggsmidler			
Investering i datterselskap		1 827 000	807 000
Andre fordringer		1 882 000	
Sum finansielle anleggsmidler		3 709 000	807 000
Sum anleggsmidler		118 288 000	3 406 000
Omløpsmidler			
Varer			
Varer		4 530 000	5 478 000
Sum varer		4 530 000	5 478 000
Fordringer			
Kundefordringer		23 810 000	21 048 000
Andre fordringer		64 000	39 000
short term receivable		193 000	0
Konsernfordringer			5 412 000
Sum fordringer		24 067 000	26 499 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		2 003 000	5 144 000
Sum bankinnskudd, kontanter og lignende		2 003 000	5 144 000
Sum omløpsmidler		30 600 000	37 121 000



Balanse

Beløp i: USD	Note	2020	2019
SUM EIENDELER		148 888 000	40 527 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital		173 000	173 000
Overkurs		5 327 000	5 327 000
Annen innskutt egenkapital		9 882 000	9 882 000
Sum innskutt egenkapital		15 382 000	15 382 000
Opptjent egenkapital			
Annen egenkapital		-4 917 000	1 928 000
Sum opptjent egenkapital		-4 917 000	1 928 000
Sum egenkapital		10 465 000	17 310 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Langsiktig konserngjeld		7 677 000	9 601 000
Øvrig langsiktig gjeld		100 573 000	
Sum annen langsiktig gjeld		108 250 000	9 601 000
Sum langsiktig gjeld		108 250 000	9 601 000
Kortsiktig gjeld			
Leverandørgjeld		5 652 000	4 318 000
Kortsiktig konserngjeld		2 161 000	
Annen kortsiktig gjeld		11 252 000	9 298 000
Annen kortsiktig gjeld		4 000	
Annen kortsiktig gjeld		11 106 000	
Sum kortsiktig gjeld		30 175 000	13 616 000
Sum gjeld		138 425 000	23 217 000
SUM EGENKAPITAL OG GJELD		148 890 000	40 527 000



Balanse

Beløp i: USD	Note	2020	2019
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Siem Car Carriers AS
Directors' Report and Financial Statements
Year ended 31 December 2020

Registration Number: NO 992 876 387

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Siem Car Carriers AS
Directors' Report and Financial Statements
Year ended 31 December 2020

DIRECTORS: Arne Johannes Andersen
Glenn Pettersen
Svein Alfinn Andresen

REGISTERED OFFICE Nodeviga 14
4610 Kristiansand
Norway

AUDITORS PricewaterhouseCoopers AS

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Siem Car Carriers AS Board of Directors' Report 2020

THE COMPANY

Siem Car Carriers AS ("Siem Car Carriers" or "Company") operates a trans-Pacific liner service for transportation of cars and RoRo. The Company also transports vehicles for a large German manufacturer over the Atlantic from Germany to USA & Mexico. The Company does not conduct any research and development activities.

The Company has offices in Kristiansand, but has a management agreement with Siem Shipping UK Ltd., for day-to-day operations. The Company has also got offices in New York and Shanghai. The financial statements are prepared in USD, which is the Company's functional currency.

In March 2020 and October 2020 the Company took delivery of two new LNG powered 7,800 CEU PCTC vessels from a shipyard in China. The vessels are on a 12 year-charter with a purchase option after 6.75 years.

GOING CONCERN ASSUMPTION

At the end of 2020, the Company's Equity was USD 10.5 million. The impacts of the COVID-19 coronavirus outbreak have caused a deterioration in economic conditions for the Company and an increase in economic uncertainty. 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 paragraph 3-3 of the Norwegian Accounting Act. The Board is of the opinion that the financial statements, including notes, provide a true and fair picture of the Company's operations and financial position.

STATEMENT OF FINANCIAL POSITION, FINANCING AND CASH FLOW

In 2020, the Company reported freight revenue of USD 98.7 million (2019: USD 146.1 million). Operating loss was USD 2.7 million (2019: loss USD 3.3 million). Net financial expense was USD 4.1 million (2019: USD -0.5). The income statement in Siem Car Carriers showed a loss of USD 6,845,196 (2019: loss of USD 3,746,384) which the Board proposes to transfer to other equity. The Company's equity 31 December 2020 was USD 10,465,071. The cash flow from operations was USD -5,576,998 (2019: USD 286,421). The cash balance at the end of the year was USD 2,003,287.

The Company's liquidity in 2020 has been satisfactory.

MANAGEMENT AND ORGANISATION

During 2020, the Company did not have any employees. The Company has adopted a policy of non-discrimination on grounds of gender. The Board consists of three men.

DIRECTORS

The directors of the Company during the year and up to the date of this report were:

- Glenn Pettersen
- Svein Alfinn Andresen
- Arne Johannes Andersen



Siem Car Carriers AS Board of Directors' Report 2020

SHAREHOLDER INFORMATION

Siem Kapital AS owns 100% of the shares in Siem Car Carriers. By the end of 2020, the Company had a total of 105,390 issued and outstanding shares, each with par value NOK 10.00.

SAFETY AND ENVIRONMENTAL ISSUES

Siem Car Carriers' policy to operate in compliance with all flag and international regulations concerning safety and environment protection with the objective of achieving accident and pollution-free operations. Significant efforts have been made to operate the ships in safe and environmentally responsible manner. The Company charters-in vessels, which are subject to strict local and international rules and regulations. The fleet consists of environmentally friendly and energy efficient vessels.

CONSOLIDATION

The Company has been granted a waiver by Norwegian authorities from the requirement of preparing consolidated financial statements, as the sub-group Siem Kapital is consolidated into the accounts of Siem Europe S. a r. l., Luxembourg and further into the ultimate parent company, Siem Industries Inc.

FINANCIAL RISK AND OUTLOOK

As an international shipping company, Siem Car Carriers 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 the Company's assets, liabilities, credit worthiness, liquidity, profit and loss and cash flow.

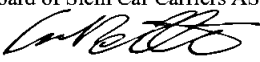
The Company's interest bearing loan is based on a floating interest rate (LIBOR). During 2020, the Company did not use swaps or other financial instruments to hedge interest rate fluctuations.

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

Siem Car Carriers is exposed to bunker price risk, however, some major contracts are partially covered by a BAF (Bunker Adjustment Factor). The Company'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 the management based on their prior experience and their assessment of the current economic environment.

The final effects the COVID-19 pandemic will have on international shipping and consequently on the Company, cannot be fairly assessed at this point in time.


Arne Johannes Andersen

29 June 2021
The Board of Siem Car Carriers AS

Glenn Pettersen
Chairman of the Board


Svein Alfinn Andresen


Arne Johannes Andersen
CEO



Siem Car Carriers AS
Income Statement for the Year Ended 31 December 2020
Amounts in USD

	Note	2020	2019
Gross revenue	2	98,720,107	146,104,958
Voyage expenses		<u>-57,595,664</u>	<u>-86,859,924</u>
Net revenue		41,124,444	59,245,036
Net operating revenue		41,124,444	59,245,036
Charter hire and other Ships operating Expenses	3	-38,773,887	-57,216,380
Other operating expenses	4	-3,176,228	-5,317,612
Total operating expenses		-41,950,116	-62,533,993
Depreciation	8/15	<u>-1,890,436</u>	<u>-</u>
Operating loss		-2,716,107	-3,288,957
Other interest received	5	12,970	85,715
Other financial income	5	20,507	72,165
Net group interest	5	-417,273	-428,880
Interest on lease liability	15	-3,362,355	-
Other financial expense	5	<u>-382,938</u>	<u>-186,427</u>
Net financial items	5	-4,129,089	-457,428
Net loss before taxes		-6,845,196	-3,746,384
Taxes	6	<u>-</u>	<u>-197,295</u>
Net loss		-6,845,196	-3,943,679
<i>Disclosures:</i>			
Transferred to other equity		6,845,196	3,943,679



Siem Car Carriers AS
Balance Sheet as at 31 December 2020
Amounts in USD

	Note	2020	2019
ASSETS			
Intangible fixed assets			
Deferred tax asset	6	2,588,216	2,588,216
Total intangible fixed assets		2,588,216	2,588,216
Tangible fixed assets			
Vessels	8	111,947,336	
Fixtures and fittings, tools, office machinery etc.	8	44,839	11,411
Total tangible fixed assets		111,992,175	11,411
Financial fixed assets			
Shares in subsidiary	12	1,827,003	807,003
Long term receivable		1,882,278	
Total financial fixed assets		3,709,281	807,003
Total non-current assets		118,289,672	3,406,630
Current assets			
Inventories		4,529,616	5,477,719
Debtors			
Trade debtors	9	23,810,127	21,047,739
Other debtors		63,766	39,330
Short term receivable		192,965	
Receivables group companies	13	-	5,412,465
Total debtors		24,066,859	26,499,535
Bank, deposits, cash in hand etc.		2,003,287	5,143,650
Total current assets		30,599,762	37,120,903
Total assets		148,889,434	40,527,533



Siem Car Carriers AS
Balance Sheet as at 31 December 2020
Amounts in USD

	Note	2020	2019
EQUITY AND LIABILITIES			
Paid-in capital			
Share capital	10/11	172,964	172,964
Other paid in capital	11	9,881,934	9,881,934
Share premium	11	5,327,201	5,327,201
Total paid-in equity		15,382,100	15,382,100
Retained earnings			
Other equity	10/11	-4,917,028	1,928,168
Total retained earnings		-4,917,028	1,928,168
Total equity		10,465,071	17,310,267
LIABILITIES			
Long-term liabilities			
Liabilities to group companies	13/14	7,677,384	9,601,364
Finance lease - long-term portion	15	100,572,523	
Total long-term liabilities		108,249,908	9,601,364
Current liabilities			
Trade creditors		5,651,736	4,318,413
Liabilities to group companies	13	2,160,812	-
Public duties payable		3,764	713
Other short-term liabilities		11,252,127	9,296,776
Finance lease - short-term portion	15	11,106,016	
Total current liabilities		30,174,455	13,615,902
Total liabilities		138,424,363	23,217,266
Total equity and liabilities		148,889,434	40,527,533

29 June 2021
The Board of Siem Car Carriers AS

Arne Johannes Andersen
Glenn Pettersen
Chairman of the Board
Arne Johannes Andersen
CEO

Sven Alfinn Andresen



Siem Car Carriers AS
Statement of Cash Flows as at 31 December 2020
Amounts in USD

	2020	2019
Cash flow from operations		
Profit before income taxes	-6,845,196	-3,746,384
Depreciation	1,890,436	-
Change in inventories	948,103	2,008,633
Change in trade debtors	-2,979,789	520,067
Change in trade creditors	1,333,323	840,241
Change in other items	76,126	663,865
Net cash flow from operations	-5,576,998	286,422
Cash flow from investments		
Purchase of fixed assets	-34,533	-
Capital increase in subsidiaries	-1,020,000	-807,000
Net cash flow from investments	-1,054,533	-807,000
Cash flow from financing		
Changes in group company balances	2,257,808	2,422,733
Lease payments	-2,158,129	-
Group Contribution	3,391,489	16,479
Net cash flow from financing activities	3,491,168	2,439,212
Net change in cash and cash equivalents	-3,140,363	1,918,634
Cash and cash equivalents 1 January	5,143,650	3,225,016
Cash and cash equivalents at the end of the period	2,003,287	5,143,650



Notes to the Accounts

Note 1—Accounting policies

The annual accounts have been prepared in compliance with the Accounting Act and accounting principles generally accepted in Norway. The functional and reporting currency of the company is USD.

Use of estimates

The preparation of financial statements in compliance with the Accounting Act requires the use of estimates. The application of the Company's accounting principles also requires management to apply assessments. Areas which to a great extent contain such assessments, a high degree of complexity, or areas in which assumptions and estimates are significant for the financial statements, are described in the notes.

Currency

Transactions in foreign currency are converted based on the exchange rate on the transaction date. Current entries in foreign currency are converted to USD based on the exchange rate on the balance sheet date. Non current entries are measured based on historical cost, expressed in foreign currency. Non current entries, which are measured based on fair value in foreign currency, are translated based on the exchange rate on the balance sheet date. Changes in currency are recognized in the profit and loss account.

Revenues

Revenues regarding freight are recognized concurrently with the degree of completion regarding the freight contract, when the outcome of the transaction can be estimated on a reliable matter. The progress is measured based on accrued days in proportion to estimated days. When the outcome of the transaction is not possible to estimate, only revenue corresponding to cost are taken in to the accounts.

Other sales are taken to income when the company has delivered its services to the customer.

Taxes

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carry forward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which can be reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

Tax payable and deferred tax is recognized directly against equity if the tax position relates to equity transactions.



Notes to the Accounts

Classification of balance sheet items

Assets intended for long term ownership or use have been classified as fixed assets. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. Borrowings are recognised initially at nominal value.

Borrowing costs are recorded initially as fixed assets, and charged as interest costs on a straight-line basis within the terms of the loans.

Current assets are recognised at the lower of cost and fair value. Short term debt is recognised at nominal amount. Fixed assets are recognised at cost.

Fixed assets

Fixed assets, which deteriorate in value, are depreciated on a straight-line basis over its expected useful economic life. The fixed assets are written down when decreased in value, if the accounting standards require it.

Inventories

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.

Debtors

Trade debtors and other debtors are recognised in the balance sheet at nominal value after provision for bad debts. The bad debts provision is made on basis of an individual assessment of each debtor and an additional provision is made for other debtors to cover expected losses. Significant financial problems with customers, the likelihood that the customer will go bankrupt or experience financial restructuring, postponements and insufficient payments, are considered indicators that the debtors should be written down.

Other debtors, both current and long term, are recognised at the lower of nominal and net realisable value. Net realisable value is the present value of estimated future payments. Any material write-downs are recognized and reported in the accounts, any provisions for bad debts are valued the same way as for trade debtors.

Liabilities

Liabilities, with the exception of certain liability provisions, are recognised in the balance sheet at nominal amount.

Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term liquid investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Subsidiaries

With the exception of the subsidiaries noted below, profit/loss from investments in subsidiaries is recorded in accordance with the equity method in the accounts. The equity method is used for the subsidiaries due to consolidation waiver in place mentioned in the board of Director's report on page 4. The accounts include a share of the profit/loss relating to the subsidiaries when it controls more than 50% of the entities issued and outstanding voting shares and has the ability to control its operating and financial policies. Details of the subsidiary's financial statements are included within the financial statements from the date that control is established.

Seven Yield 7500 PCTC 1 AS and Seven Yield 7500 PCTC 2 AS are included in the accounts using historic cost.



Notes to the Accounts

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.

Lease liabilities and right-of-use assets

The Company applies NRS 14 '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 Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company 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 Company 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 Company on termination of the lease to reinstate the underlying asset to the condition required by the terms and conditions of the lease. The Company 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.

Leased assets are reflected in the balance sheet as assets if the leasing contract is considered a financial lease.



Notes to the Accounts

Lease liabilities

The Company 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 Company. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to 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 Company 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 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.



Notes to the Accounts

Note 2—Revenues

The Company only operates within one segment within the carriage of cars and RoRo cargo.

	2020	2019
Freight income	92,186,262	142,074,097
Gross revenue T/C	6,533,846	4,030,861
Gross revenue	98,720,108	146,104,958

The 2020 revenue was earned in the following geographical regions :

	2020	2019
Pacific	44,225,000	79,582,000
Atlantic	47,015,000	66,191,000
Other	7,480,108	331,958
Total	98,720,108	146,104,958

Note 3—Charter Hire and other operating expenses

	2020	2019
Time charter hire	36,772,163	56,862,814
Other ships operating expenses	2,001,724	-
Total	38,773,887	56,862,814

Note 4—Other operating expenses

Audit Fees	2020	2019
Audit Remuneration	27,763	34,717
Total	27,763	34,717

The audit remuneration above includes fees on technical assistance provided on the financial statements.

The Company has no employees and no fees were paid to the CEO and the Board in 2020.

	2020	2019
Internal fees to SCC Administration Services LLC USA	1,273,508	1,600,234
Internal fees to SIEM Technical and Trading (Shanghai) Ltd	1,510	679,428
Internal fees to Siem Car Carriers (Shanghai) Ltd	538,812	734,716
Managment fee to Siem Shipping UK Ltd	960,000	1,020,000
Total	2,773,830	4,034,378

For further information , see note 12



Notes to the Accounts

Note 5—Financial items

Specification of financial income and expenses:

Financial items	2020	2019
Net currency loss	-328,961	-86,051
Bank charges	-33,470	-28,210
Net interest Group Companies	-417,273	-428,880
Intrest expense on lease liability	-3,362,355	-
Other	12,970	85,715
Net income/(expense)	-4,129,088	-457,427

Note 6—Taxes

Calculation of deferred tax/deferred tax benefit	2020	2019
Temporary differences		
Fixed assets	10,419	-22
Leasing debt	268,797	-
Accounts receivable		-96,555
Net temporary differences	279,216	-96,577
Adjustment Interest between related parties	-443,991	-
Tax losses carried forward	-19,596,936	-11,668,041
Basis for deferred tax	-19,761,711	-11,764,617
22% deferred tax	-4,347,576	-2,588,216
Deferred tax benefit not shown in the balance sheet	1,759,361	-
Deferred tax benefit in the balance sheet	-2,588,216	-2,588,216
Result before taxes	-6,845,196	-3,746,384
Currency translation adjustments	-272,779	568,752
Permanent differences	-537,594	344,171
Adjustment interest between related parties	443,991	-
Basis for the tax expense for the year	-7,211,578	-2,833,461
Change in temporary differences	-378,596	-336
Basis for payable taxes in the income statement	- 7,590,174	-2,833,797
Group contribution	-	3,438,982
Use of tax losses carried forward	-	-605,186
Taxable income (basis for payable taxes in the balance sheet)	-	-1



Notes to the Accounts

	2020	2019
Reconciliation of the tax expense		
Result before taxes	-6,845,196	-3,746,384
Calculated tax 22%	-1,505,943	-824,204
Tax expenses		197,295
Deferref tax benefit not shown in the balance sheet	1,759,361	-
Difference	253,418	-1,021,499
The difference consist of		
22% of permanent differences	-118,271	75,718
Effect of group contribution	-	756,576
Effect of currency translation adjustments	-135,147	189,205
Change in deferred tax due to change in tax rate	-	-
Adjustments from previous years	-	-
Changes in deferred tax benefit not shown in the balance sheet	-	-
Sum explained differences	-253,418	1,021,499

Note 7—Financial risk management

As an international shipping company, Siem Car Carriers 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 Car Carriers' assets, liabilities, credit worthiness, liquidity, profit and loss and cash flow. Management continuously monitors these risks.

Interest rate risks

The Company's interest bearing loans are based on a floating interest rate (LIBOR). During 2020 and 2019, the Company did not use swaps or other financial instruments to hedge interest rate fluctuations.

Currency exchange risks

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

No currency exchange contracts or other instruments were outstanding at year-end 2020 or 2019.

Bunker prices risks

Siem Car Carriers is exposed to bunker price risk; however, some major contracts are covered by a BAF (Bunker Adjustment Factor).

Credit risks

The Company'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 the management based on their prior experience and their assessment of the current economic environment.



Notes to the Accounts

Note 8—Fixed Assets

Fixed Assets	Buildings and Land	Machines	Vessels (leased)	Total Fixed Assets
Purchase Cost				
01.01.20	-	209,027	-	209,027
Additions	-	34,533	113,836,667	113,871,200
Disposals	0	0	0	0
Purchase Cost				
31.12.20	-	243,560	113,836,667	114,080,227
Accumulated Depreciation 31 .12.20	-	-198,721	-1,889,331	-2,088,052
Net book value				
31.12.2020	-	44,839	111,947,336	111,992,175
Depreciation in the year		-1,105	-1,889,331	-1,890,436
Expected Useful Life		5 years	6 years	
Depreciation Plan		Straight Line	Straight Line	
Annual rental of non- financial assets				
<i>Non-financial assets</i>		Rental Period	Annual Rent	
Siem Confucius			6	5,500,000.00
Siem Aristotle			6	5,500,000.00

Note 9—Trade debtors

	2020	2019
Trade receivables	21,506,660	20,744,127
Accrued income	142,655	303,612
Total	21,649,315	21,047,738

The trade receivables balance above includes intercompany balances with parties within the SCC Group set out in

Note 10—Share Capital and shareholder information

The parent company Siem Kapital AS is located at Jerpefaret 12, 0788 Oslo Norway and is a 100% owner of Siem Car Carriers.

At year end share capital of NOK 1,053,900 was comprised of 105,390 shares with nominal value of NOK 10.

The Company has been granted a waiver by Norwegian authorities from the requirement of preparing consolidated financial statements, as the Company is consolidated into the accounts of Siem Europe S.a.r.l., Luxembourg and further into the ultimate parent company, Siem Industries Inc., Cayman Islands.

	Number of Shares	Nominal Value, NOK	Share Capital, NOK	Share Capital, USD
Shares 01.01	105,390	10	1,053,900	172,964
Shares 31.12	105,390		1,053,900	172,964



Notes to the Accounts

Note 11—Shareholders' equity

Equity changes in the year

	Share Capital	Share Premium	Other paid in capital	Other Equity	Total
Equity 01.01.2019	172,964	5,327,201	6,426,475	5,871,847	17,798,488
Group Contribution 2018 adjustment			16,479		16,479
Group Contribution 2019			3,438,982		3,438,982
Loss for the year	-	-	-	-3,943,679	-3,943,679
Equity 31.12.2019	172,964	5,327,201	9,881,936	1,928,168	17,310,267
Loss for the year				-6,845,196	-6,845,196
Equity 31.12.2020	172,964	5,327,201	9,881,936	-4,917,028	10,465,071

Note 12—Subsidiaries

Subsidiaries using equity method	Historical Cost	Value 31.12.20	Established	Location	Ownership	Voting Rights
SCC Administration Services LLC	1	1	21/01/2021	USA	100 %	100 %
SIEM Technical and Trading (Shanghai) Ltd	1	1	01/08/2018	China	100 %	100 %
Siem Car Carriers (Shanghai) Limited	1	1	02/11/2015	China	100 %	100 %
Subsidiaries at historic cost	Historical Cost	Value 31.12.20	Established	Location	Ownership	Voting Rights
Seven Yield 7500 PCTC 1 AS	988,000	988,000	15/11/2019	Kristiansand	100 %	100 %
Seven Yield 7500 PCTC 2 AS	839,000	839,000	15/11/2019	Kristiansand	100 %	100 %
Total	1,827,000	1,827,000				

The company has made an additional purchase price for the shares of \$510,000 for Seven Yield 7500 PCTC 1 & 2 respectively during the year .

Siem Car Carriers purchases extended agency services from the Companies, see note 4.



Notes to the Accounts

Note 13—Intercompany transactions within Siem Car Carriers	2020	2019
Short term receivables		
Seven Yield 7500 PCTC 1	-	1,098,382
Seven Yield 7500 PCTC 2	-	875,101
Siem Kapital AS	-	3,438,982
Total	-	5,412,465
Included in Trade debtors		
SCC Administration Services LLC	5,641	5,631
Siem Car Carriers (Shanghai) Limited	51,594	33,768
Total	57,234	39,399
Included in Short term liabilities		
Seven Yield 7500 PCTC 1	1,357,434	-
Seven Yield 7500 PCTC 2	803,378	-
Total	2,160,812	-
Note 14—Related Parties		
	2020	2019
Related Party Balances		
Siem Shipping UK Ltd	19,615	35,613
Auto Marine Transport Inc	75,760	39,829
Siem Europe S.a.r.l	-	-815,202
Siem Shipowning I Norway AS	-788,581	-974,374
Transactions with related party		
Siem Shipping UK Ltd (management services)	960,000	1,020,000
Siem Shipowning I Norway AS	8,080,763	-
Auto Marine Transport Inc (Hire costs)	12,270,462	13,225,886
Siem Europe S.a.r.l	10,459	8,202
Loan with related parties		
Siem Industries Inc	-	-9,601,364
Siem Kapital As	7,677,381	0
Interest incurred on loans with related parties		
Siem Industries Inc	338,631	465,319
Siem Shipowning I Norway AS	36,061	0
Siem Kapital As	32,122	0

The Loan between Siem Industries and Siem Car Carriers AS was novated to Siem Kapital November 2020. All intercompany loans carry interest rate of LIBOR + 3% margin.



Notes to the Accounts

Note 15 - Lease liabilities

Finance Lease Creditor	2020	2019
Gross Finance Lease Obligation	146,199,948	-
Within 1 Year	11,106,016	-
After 1 Year but before 5 Years	44,454,490	-
After 5 years	90,639,442	-
Deferred Finance Expense	34,521,409	-
Present Value of Future Minimum Lease payments (capital)	111,678,538	-
Within 1 Year	4,527,005	-
After 1 Year but before 5 Years	21,111,725	-
After 5 years	86,039,808	-
Depreciation Charge Full Period	22,450,413	-
Within 1 Year	3,794,556	-
After 1 Year but before 5 Years	15,178,222	-
After 5 years	3,477,635	-



Notes to the Accounts

Note 16—Charter commitments

Charter Commitments as at 31 December 2020	2021	2022	2023-2025	2026+
Long term charters	40,131,801	29,037,801	55,734,602	6,432,987
Total	40,131,801	29,037,801	55,734,602	6,432,987



To the General Meeting of Siem Car Carriers AS

Independent Auditor's Report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Siem Car Carriers AS, which comprise the balance sheet as at 31 December 2020, the income statement and statement 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 financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 Company as required by laws and regulations, 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.

*PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and
authorised accounting firm*



Independent Auditor's Report - Siem Car Carriers AS



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 the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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>

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

(2)



Independent Auditor's Report - Siem Car Carriers AS



Oslo, 29 June 2021
PricewaterhouseCoopers AS

Bjørn Lund
State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Auditor's report

Signers:

Name	Method	Date
Lund, Bjørn	BANKID_MOBILE	2021-06-29 16:05

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- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



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The seal is a guarantee for the authenticity
of the document.



Skattedirektoratet

Saksbehandler Rune Tystad	Deres dato 04.03.2013	Vår dato 04.04.2013
Telefon 977 59 464	Deres referanse Svein Andresen	Vår referanse 2011/561049

PricewaterhouseCoopers as
Postboks 447
4664 KRISTIANSAND S


Krav til å utarbeide konsernregnskap for underkonsernet Siem Car Carriers AS, org.nr. 992 876 387

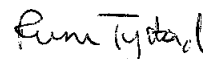
- Vi viser til deres brev av 4. mars 2013 der dere på vegne av Siem Car Carriers AS forespør om fritaket til å utarbeide konsernregnskap, som ble gitt Siem Kapital AS i brev av 6. juni 2011, også gjelder for underkonsernet Siem Car Carriers AS.

Vi kan med dette bekrefte at det fritaket som ble gitt Siem Kapital AS også gjelder eventuelle underkonsern til dette morselskapet så fremt konsernregnskapet som utarbeides av Siem Industries Inc også omfatter disse underkonsernene.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Rune Tystad

Postadresse
Postboks 9200 Grønland
0134 Oslo
For elektronisk henvendelse se www.skatteetaten.no

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318

Sentralbord
800 80 000
Telefaks
22 17 08 60



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 17.08.2012	Vår dato 24.08.2012
Telefon 22078139	Deres referanse Svein A. Andresen	Vår referanse 2012/588107

PRICEWATERHOUSECOOPERS AS
Postboks 447
4664 KRISTIANSAND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 17. august 2012 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Siem Car Carriers AS	org. nr. 992 876 387
SCC Shipowning I AS	org. nr. 997 090 500
SCC Shipowning II DA	org. nr. 987 466 392

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

Samtlige selskaper inngår i konsernstrukturen til konsernet Siem Industries Inc. som er et industrikonsern med datterselskaper og tilknyttede selskaper. Konsernspissen Siem Industries Inc. er hjemmehørende på Cayman Islands. Selskapene opererer innen shipping bransjen der engelsk er det klart dominerende språket. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Det interne arbeidsspråket i selskapene er også engelsk og all intern rapportering skjer på dette språket. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal *”årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk.”*

Postadresse Postboks 9200 Grønland 0134 Oslo For elektronisk henvendelse se www.skatteetaten.no	Besøksadresse Se www.skatteetaten.no Org. nr: 996250318	Sentralbord 800 80 000 Telefaks 22 17 08 60
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I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

”Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *”informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at morselskapet er utenlandsk. Eierkretsen er således begrenset. Konsernets arbeidsspråk er engelsk og all kommunikasjon skjer på engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland