

# Annual General Meeting

American Shipping Company ASA

27 April 2020

Oslo, Norway

# Agenda

1. Opening of the annual general meeting of American Shipping Company ASA, including approval of the notice and agenda.
2. Election of a person to co-sign the meeting minutes along with the meeting chair.
3. Presentation of business activities (non-voting).
4. Approval of the 2019 annual accounts of American Shipping Company ASA, group consolidated accounts and the Board of Directors' report.
5. Statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company.
  - a. Advisory guidelines
  - b. Binding guidelines
6. Consideration of the statement of corporate governance (no voting).
7. Determination of the board members' remuneration.
8. Determination of the remuneration to the members of the Nomination Committee.
9. Approval of remuneration to the auditor for 2019.
10. Election of members to the Board of Directors.
11. Election of members to the Nomination Committee.
12. Authorization to the Board of Directors for payment of dividends.
13. Authorization to the Board of Directors to acquire treasury shares in connection with incentive scheme for employees.
14. Authorization to the Board of Directors to acquire treasury shares for investment purposes or subsequent sale or deletion of such shares.
15. Authorization to the Board of Directors to acquire treasury shares in connection with acquisitions, mergers, de-mergers or other transactions.
16. Authorization to the Board of Directors to increase the share capital in connection with future investments etc.

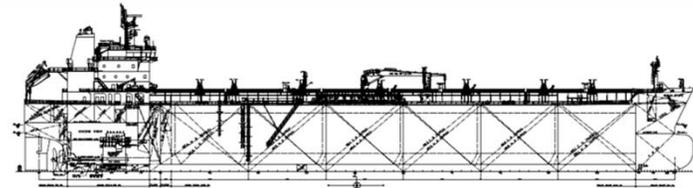
### 3. Presentation of Business Activities

#### About AMSC

- Established in 2005
- Oslo listed with mcap. of USD ~100m
  - OSE ticker: AMSC
  - U.S. OTC ticker: ASCJF
  - Bond ticker: AMTI01
- Pure play Jones Act tanker owner with a modern tanker fleet
- Long-term bareboat leases generate stable, predictable cash flow
- Solid balance sheet with no debt maturities before Q2 2025
- Exploring growth and diversification opportunities in the U.S. Jones Act market
- Admitted to OTCQX International to increase awareness and public profile among U.S. investors

#### Fleet overview

#	Vessel	Design	Type	Built
1	Overseas Houston	Veteran Class MT 46	MR	2007
2	Overseas Long Beach	Veteran Class MT 46	MR	2007
3	Overseas Los Angeles	Veteran Class MT 46	MR	2007
4	Overseas New York	Veteran Class MT 46	MR	2008
5	Overseas Texas City	Veteran Class MT 46	MR	2008
6	Overseas Boston	Veteran Class MT 46	MR	2009
7	Overseas Nikiski	Veteran Class MT 46	MR	2009
8	Overseas Martinez	Veteran Class MT 46	MR	2010
9	Overseas Anacortes	Veteran Class MT 46	MR	2010
10	Overseas Tampa	Veteran Class MT 46 Shuttle tanker		2011



\* Market cap. based on closing share price of NOK 17.40 per April 27<sup>th</sup>, 2020

# Long Term Contracts Returning Stable Cash Flow

## American Shipping Company



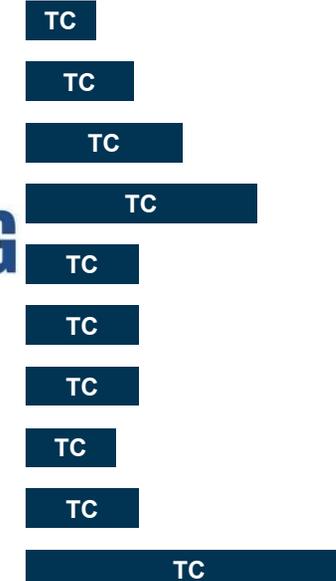
## Bareboat charter to OSG

### Firm BBC with Evergreen Extensions



## OSG Time Charters to blue chip end users

### Variety of TC Durations



Charters include	S&P rating
	A+
	A-
	AA-
	BBB+
	BBB-

<p> <i>Bareboat Charter (fixed rate of USD ~88m/year)</i>            +  <i>DPO (fixed deferred charter hire, USD ~4m/year)</i>            +  <i>Profit Split (variable 50/50 sharing of profits)</i>            =  <b>Stable annual cash flows</b> </p>
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## 2019 Highlights

- OSG extension of four tankers up for renewal
- Improved U.S. Jones Act market
- Continued dividends with USD 0.32 per share paid for the financial year

## 4. Approval of the 2019 annual accounts of American Shipping Company ASA, group consolidated accounts, and Board of Directors' Report



# Consolidated Statement of Financial Position

## – Assets

<i>Amounts in USD thousands</i>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Property, plant and equipment	678,850	711,780
Interest-bearing long-term receivables	25,278	26,736
Derivative financial assets	-	2,395
Other non-current assets	-	16,405
<b>Total non-current assets</b>	<b>704,128</b>	<b>757,316</b>
Other receivables	380	221
Cash held for specified uses	1,606	2,766
Cash and cash equivalents	46,244	51,034
<b>Total current assets</b>	<b>48,230</b>	<b>54,020</b>
<b>Total assets</b>	<b>752,358</b>	<b>811,336</b>

## Consolidated Statement of Financial Position – Equity and Liabilities

<i>Amounts in USD thousands</i>	<b>2019</b>	<b>2018</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital and share premium	205,627	225,025
(Accumulated deficit)	(40,656)	(48,958)
<b>Total equity</b>	<b>164,971</b>	<b>176,066</b>
Interest-bearing loans	522,643	572,269
Deferred tax liabilities	11,385	13,022
Derivative financial liabilities	840	-
<b>Total non-current liabilities</b>	<b>534,868</b>	<b>585,291</b>
Interest-bearing loans	44,333	29,667
Deferred revenues and other payables	8,068	20,139
Tax payable	117	174
<b>Total current liabilities</b>	<b>52,519</b>	<b>49,979</b>
<b>Total liabilities</b>	<b>587,387</b>	<b>635,270</b>
<b>Total equity and liabilities</b>	<b>752,358</b>	<b>811,336</b>

# Consolidated Income Statement

<i>Amounts in USD thousands (except per share amounts)</i>	<b>2019</b>	<b>2018</b>
Operating revenues	87,804	87,801
Wages and other personnel expenses	(1,146)	(1,847)
Other operating expenses	(1,979)	(1,734)
<b>Operating profit before depreciation</b>	<b>84,679</b>	<b>84,221</b>
Depreciation	(33,860)	(33,856)
<b>Operating profit</b>	<b>50,820</b>	<b>50,365</b>
Net income from equity accounted investees	(113)	-
Financial income	(1,045)	3,113
Financial expenses	(42,864)	(43,567)
<b>Income before income tax</b>	<b>6,798</b>	<b>9,911</b>
Income tax (expense) / benefit	1,505	(1,320)
<b>Net income for the year</b>	<b>8,302</b>	<b>8,591</b>
Earnings per share	0.14	0.14

# American Shipping Company ASA

## – Statement of Financial Position

<i>Amounts in USD thousands</i>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Investment in associates	-	16,405
Shares in subsidiaries	35,947	35,938
Deferred tax asset	-	198
Long-term receivable group companies	86,938	85,663
<b>Total non-current assets</b>	<b>122,885</b>	<b>138,204</b>
Tax receivable	30	389
Other short-term receivables	114	2,004
Cash and cash equivalents	20,486	23,548
<b>Total current assets</b>	<b>20,630</b>	<b>25,941</b>
<b>Total assets</b>	<b>143,516</b>	<b>164,146</b>

<i>Amounts in USD thousands</i>	<b>2019</b>	<b>2018</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	96,366	96,366
Share premium reserve	104,412	123,810
<b>Total paid in capital</b>	<b>200,778</b>	<b>220,176</b>
Other equity	(62,533)	(72,756)
<b>Total retained earnings</b>	<b>(62,533)</b>	<b>(72,756)</b>
<b>Total equity</b>	<b>138,246</b>	<b>147,420</b>
Other interest-bearing debt	-	6,844
<b>Total long-term liabilities</b>	<b>-</b>	<b>6,844</b>
Tax payable	-	-
Dividend payable	4,849	4,849
Other short-term debt	421	5,033
<b>Total short-term liabilities</b>	<b>5,270</b>	<b>9,882</b>
<b>Total equity and liabilities</b>	<b>143,516</b>	<b>164,146</b>

# American Shipping Company ASA

## – Income Statement

<i>Amounts in USD thousands</i>	<b>2019</b>	<b>2018</b>
Operating revenues	1,016	1,858
Other operating expenses	(1,835)	(2,392)
<b>Operating loss</b>	<b>(819)</b>	<b>(534)</b>
Interest income from group companies	8,523	8,455
Net income from equity accounted investees	(113)	-
Other interest and financial income	2,931	3,148
Other interest and financial expenses	(38)	(765)
<b>Profit / (loss) after financial items</b>	<b>10,485</b>	<b>10,304</b>
Deferred income tax benefit	(198)	-
Income tax benefit	(63)	-
<b>Profit / (loss) for the period</b>	<b>10,223</b>	<b>10,304</b>
<b>Allocation of net profit / (loss):</b>		
Profit / (loss)	10,223	10,304
Other equity	(10,223)	(10,304)
Total	-	-

## **5. Statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company**

The statement from the Board of Directors regarding determination of salary and other remuneration to the Management of the Company is made available on the Company's website and is also included in note 17 to the consolidated accounts on page 47 of the 2019 Annual Report.

### (a) Advisory Guidelines

*The General Meeting endorses the advisory guidelines in the declaration from the Board of Directors pursuant to the Norwegian Public Limited Liability Companies Act section 6-16a.*

### (b) Binding Guidelines

*The General Meeting approves the binding guidelines in the declaration from the Board of Directors pursuant to the Norwegian Public Limited Liability Companies Act section 6-16a.*

## **6. Statement of Corporate Governance 2019**

American Shipping Company ASA's corporate governance report is included on pages 73-78 of the 2019 Annual Report

## 7. Determination of Board Members' remuneration

- The recommendation from the Nomination Committee is available on the Company's website
- Guidelines for remuneration to Board members are included in the Company's Corporate Governance report on page 77 of the 2019 Annual Report
- Remuneration for the Board also includes work on the Audit Committee.
- The Nomination Committee proposes that the General Meeting passes the following resolution:

*“In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rates for members of the Board of Directors for the period from the 2019 Annual General Meeting up to the 2020 Annual General Meeting shall be as follows:*

- *NOK 475,000 to the Chairperson of the board*
- *NOK 375,000 to each of the other board members*

The above fees include remuneration for audit committee-related work.”

## 8. Determination of remuneration to members of the Nomination Committee

The Nomination Committee proposes that the General Meeting passes the following resolution

*"In accordance with the proposal from the Nomination Committee, the General Meeting approves that the remuneration rate for members of the Nomination Committee for the period from the 2019 Annual General Meeting up to the 2020 Annual General Meeting shall be NOK 25,000 for each member."*

## 9. Approval of Auditor Fees

*"The remuneration to the auditor of NOK 677,000 ex. VAT for the audit of the Company's 2019 annual accounts is approved. In addition, the Group has paid fees to KPMG of NOK 67,790 ex. VAT for services other than audit."*

## 10. Election of Board members

The Nomination Committee proposes that the General Meeting passes the following resolution:

*"In accordance with the proposal from the Nomination Committee, Kristian Røkke and Peter Ditlef Knudsen are re-elected as members of the Board of Directors for a period of two years.*

*The Board of Directors of American Shipping Company ASA will then consist of the following members:*

*Annette Malm Justad (Chairperson)*

*Peter Ditlef Knudsen*

*Kristian Røkke"*

## 11. Election of member to the Nomination Committee

The Nomination Committee proposes that the General Meeting passes the following resolution:

*" In accordance with the proposal from the Nomination Committee, Ingebret G. Hisdal is elected as member of the Nomination Committee and Ove A. Taklo is elected as member and chair of the Nomination Committee, both for a period of two years.*

*The Nomination Committee of American Shipping Company ASA will then consist of the following members:*

*Ove A. Taklo (Chair)*

*Ingebret G. Hisdal"*

## Authorizations to the Board of Directors

12. Authorization to the Board of Directors for payment of dividends.
13. Authorization to the Board of Directors to acquire treasury shares in connection with incentive scheme for employees.
14. Authorization to the Board of Directors to acquire treasury shares for investment purposes or subsequent sale or deletion of such shares.
15. Authorization to the Board of Directors to acquire treasury shares in connection with acquisitions, mergers, de-mergers or other transactions.
16. Authorization to the Board of Directors to increase the share capital in connection with future investments etc.

**THANK YOU FOR YOUR CONTINUED SUPPORT!**



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