



American Shipping Company ASA

Company Presentation

7th September 2022



Important information

This Company Presentation is current as of 7th September 2022. Nothing herein shall create any implication that there has been no change in the affairs of American Shipping Company ASA ("AMSC" or the "Company") since such date. This Company Presentation contains forward-looking statements relating to the Company's business, the Company's prospects, potential future performance and demand for the Company's assets, the Jones Act tanker market and other forward-looking statements. Forward-looking statements concern future circumstances and results and other statements that are not historical facts, sometimes identified by the words "believes", "expects", "predicts", "intends", "projects", "plans", "estimates", "aims", "foresees", "anticipates", "targets", and similar expressions. The forward-looking statements contained in this Company Presentation, including assumptions, opinions and views of the Company or cited from third party sources, are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development.

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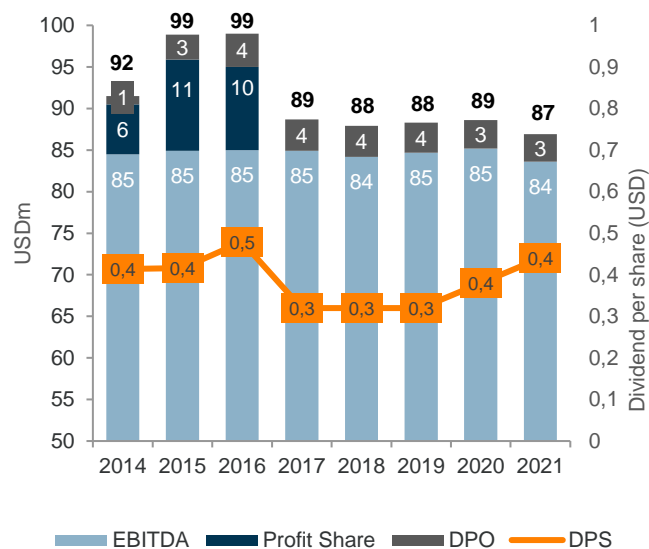


American Shipping Company (“AMSC”)

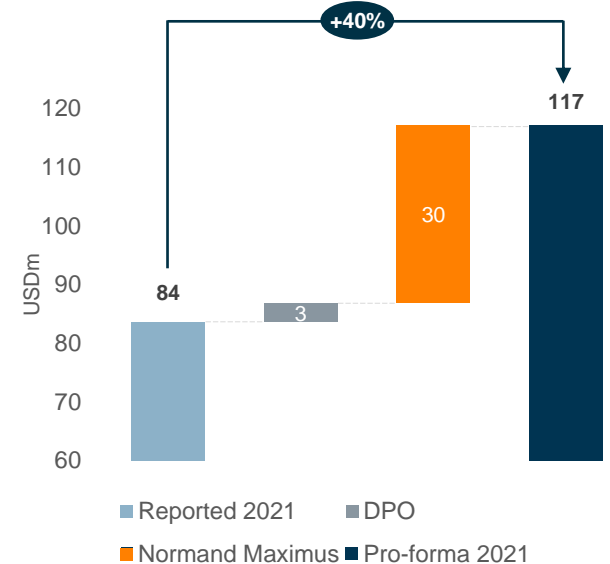
Leading U.S. Jones Act yield company

- ✓ Listed on Oslo Stock Exchange
- ✓ Market cap of ~USD 233m⁽¹⁾
- ✓ Aker Capital AS (“Aker”) is the largest shareholder
- ✓ 9 modern MR product tankers and 1 modern shuttle tanker on bareboat charters to OSG and Keystone, all operating in the well protected Jones Act Market
- ✓ New bareboat charters to Keystone at higher rates than existing
- ✓ Solid balance sheet with no major debt maturities before 2025
- ✓ Strong cash flow supporting dividends and solid debt service coverage

Stable and predictable EBITDA and dividends



Highly accretive acquisition⁽²⁾



Strategic shift to diversify and grow fleet and contract portfolio

- Since 2005, AMSC have exclusively operated as an **owner and bareboat charterer** in the US Jones Act market
- The investment in Normand Maximus marks AMSC's first step in a new direction – **investing outside Jones Act**
- AMSC is now actively pursuing a **global and asset agnostic** approach, targeting maritime assets that offers **attractive risk/reward**
- The new strategy opens for a **broader target market** and a more **diversified cash flow**

Note: (1): Based on share price as of 06/09/2022 of NOK 38.5 and FX rate USD/NOK 10.02 (2): 2021 Pro-forma EBITDA including DPO (deferred principal obligation from OSG – see company annual presentation for further details) of USD 3.2m and NM contribution of ~USD 30m

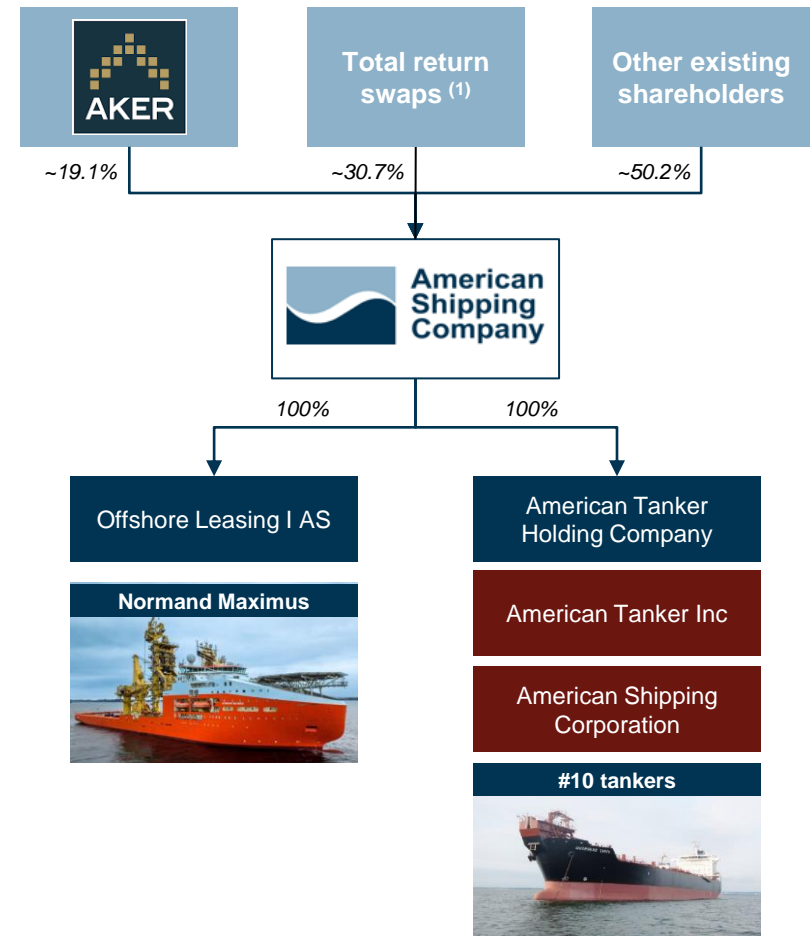
Source: Company, Refinitiv

Normand Maximus acquisition overview

Acquisition overview

- In May 2022, AMSC announced its first investment outside the protected Jones Act market, by agreeing to acquire Normand Maximus for USD 157m
- AMSC intends to finance the acquisition through 70% debt and the remaining amount through a combination of cash on hand and new equity
- From delivery in Q4 2022, the vessel will commence on a bareboat charter to a subsidiary of Solstad Offshore for up to 15 years, adding USD 150m of contracted backlog, and up to USD 450m in total backlog if extension options are exercised
- Solstad Offshore holds two pre-determined purchase options during the bareboat charter period, USD 100m in year 5 and USD 50m in year 10. If any of the options are exercised, AMSC will be entitled to retain 50% ownership in the vessel
- The acquisition of Normand Maximus is accretive on all key financial metrics and is projected to produce more than 30% annual return on equity and contribute ~USD 30m in annual EBITDA

Ownership and organizational structure



Note: (1): Aker has economic exposure through total return swaps with DNB(15,6%) and SEB (15,1%)

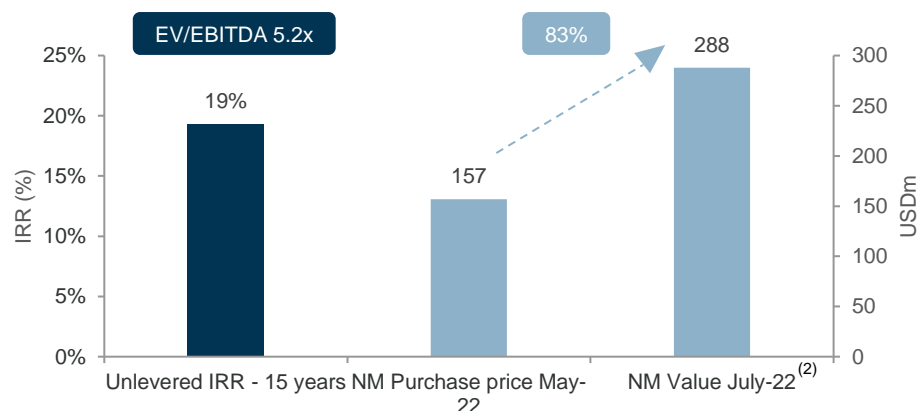
Source: Company

Normand Maximus acquisition highly accretive

Normand Maximus specifications

- A premier offshore construction vessel and one of the most modern heavy duty subsea construction vessels globally
- Built in 2016, 2400m² working deck, accommodation capacity for 180 people and a carousel for flexible products with about 4000t capacity
- Main work scope is laying flexible pipes and umbilicals and installation of subsea equipment
- The vessel will commence on a long-term bareboat agreement with a subsidiary of leading offshore services provider Solstad Offshore ASA
- Aker is the largest shareholder of Solstad Offshore ASA (24.84%)

Estimated key financial metrics ⁽¹⁾



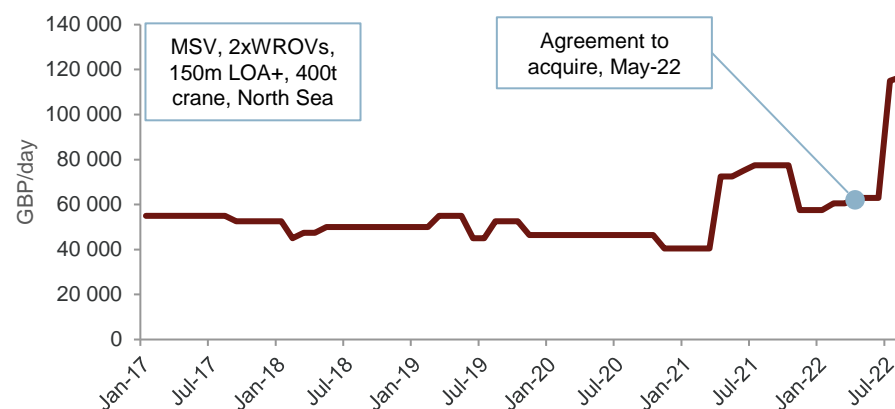
Note: (1): Assumes USD 30m EBITDA p.a., USD 110m loan facility, 9% all-interest rate, 15yr loan profile, 5yr charter terms, USD 62m vessel value in year 15 (25yr straight line depreciation to zero), vessel age 6 years; (2) Average estimates from three brokers

Source: Company, Clarksons Securities AS

Attractive acquisition facility with limited amortization during first 9 months – target to refinance within 6-9 months

	Tranche A	Tranche B	Blended	Long term financing assumptions
Amount (USDm)	75	35	110	110
Margin	4.5%	8.5%	5.8%	-
SOFR	2.8%	2.8%	2.8%	-
All-in interest	7.3%	11.3%	8.6%	9.0%
Quart. installments (USDm)	1.34	3.8	5.1	1.8
Loan profile (yrs)	14.0	9.2	12.0	15.0
Tenor (yrs)	2.75	1		
Comments		No installments first 9 months!		

Construction vessel day rates 2017-2022 YTD



Investment highlights

American
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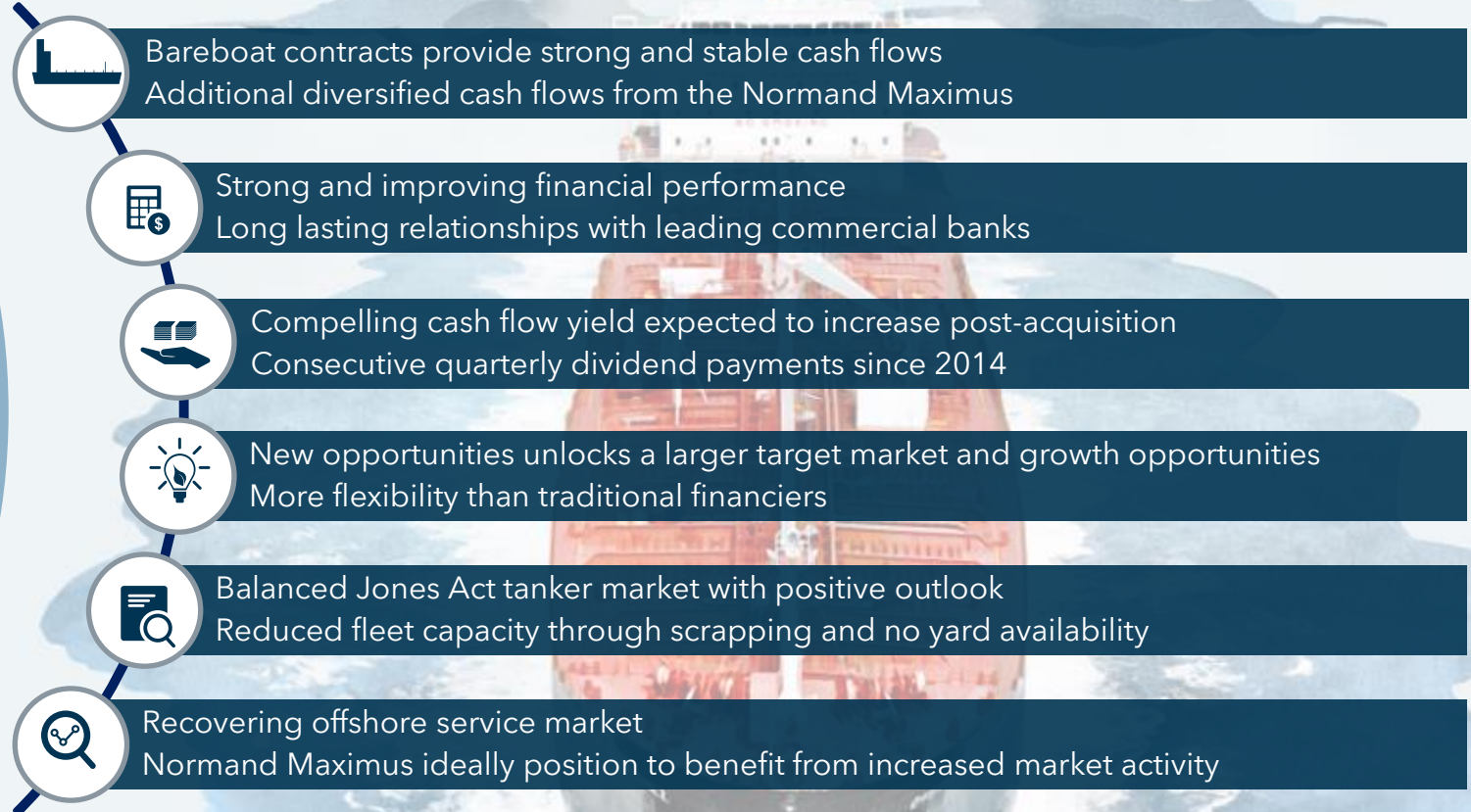


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AMSC Overview

Company overview

- Listed on Oslo Stock Exchange main board – a regulated market
- Market capitalization of ~USD 233m⁽¹⁾
- OSE ticker: AMSC
- U.S. OTC ticker: ASCJF
- Bond ticker: ATI02
- Solid balance sheet with no major debt maturities before 2025
- Strong cash flow supporting quarterly dividends and solid debt service coverage

Fleet list

#	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
11	Normand Maximus		Offshore construction	2016

Notes: (1) Based on share price as of 06/09/2022 of NOK 38.5 and FX rate USD/NOK 10.02; (2) EBITDA/Revenue ; (3) Assumes market value of current fleet of USD 930m excluding Normand Maximus (average from two independent brokers); (4) Pro forma cap table assumes AMSC to finance the acquisition through 70% debt and the remaining amount through a combination of cash on hand and new equity

Source: Company, Clarksons Securities AS

Historical key financials















Adjusted capitalization table

All figures in USDm	2Q22 ⁽⁴⁾
Interest bearing debt, secured	312
Bond, unsecured	220
Remaining capex Normand Maximus	137
Total debt inc. Capex	669
Cash	40
Net debt	630
# of shares (m) ⁽¹⁾	60.6
Current share price (NOK)	38.50
Market capitalization	233
Enterprise value	863

Strong and diversified contract coverage

Fixed rate bareboat charters provides stable cash flow and dividend visibility

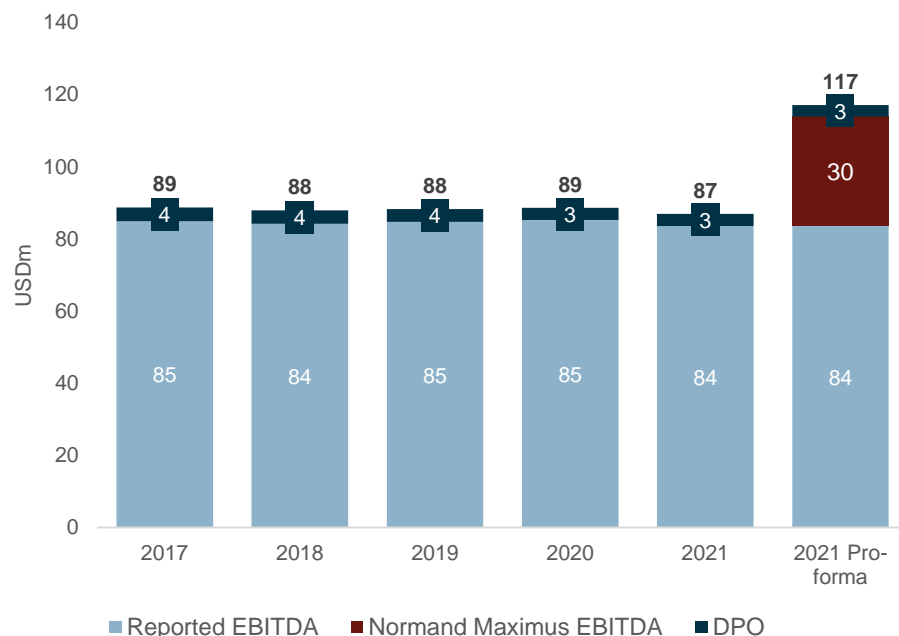
 American Shipping Company	Contract	Charterer	Timeline		Contract	End users	OSG
Los Angeles ^(1,2)	Bareboat	OSG 	BBC exp. Dec 25	Ext. Options	TC	       	<ul style="list-style-type: none"> All of AMSC vessels are currently on bareboat charters to OSG generating annual revenue of ~USD 88 million From Dec-22 7 vessels will remain while 3 vessels will be returned to AMSC
Texas City ^(1,2)	Bareboat	OSG 	BBC exp. Dec 25	Ext. Options	TC		
New York ⁽¹⁾	Bareboat	OSG TBA	BBC exp. Dec 22		TC		
Houston	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Long Beach	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Boston	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Nikiski	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Martinez	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Anacortes	Bareboat	OSG	BBC exp. Dec 23	Ext. Options	TC		
Tampa	Bareboat	OSG	BBC exp. Dec 25	Ext. Options	TC		
Normand Maximus	Bareboat		BBC exp. 4Q27	Ext. Options	TBA		Keystone Shipping <ul style="list-style-type: none"> From Dec-22 2 vessels will start on bareboat charters to Keystone generating annual revenue of ~USD 10 million each Solstad Offshore <ul style="list-style-type: none"> Normand Maximus will commence on a long-term bareboat charter to a subsidiary of Solstad Offshore, generating ~USD 30m EBITDA annually <p>All Jones Act charters have profit shares over a certain threshold</p>

Note: (1) Vessels are currently on bareboat contract to OSG expiring Dec-22; (2) A new bareboat charter to Keystone Shipping commencing thereafter

Source: Company

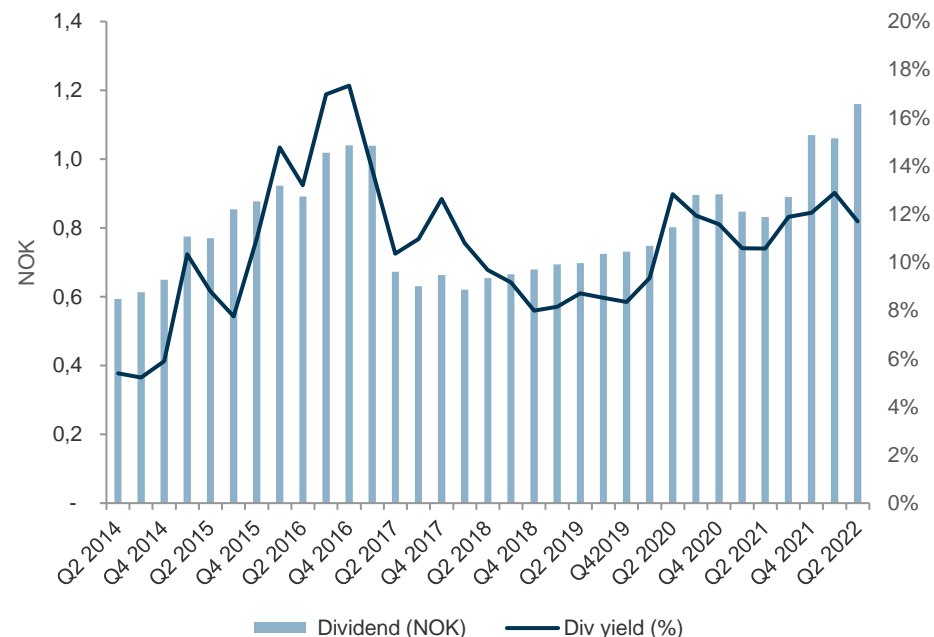
Underlying business has generated stable dividends for shareholders

Historical and pro-forma EBITDA⁽¹⁾



- Bareboat contracts provide strong and stable cash flows
- The modern fleet provides predictable and safe operations, while being the preferred vessels in the Jones Act market
- Upside potential through profit sharing arrangements with charterers

AMSC historical dividend yield



- AMSC has a long history of yielding high dividends for shareholders
- The company has paid consecutive quarterly dividends since 2014
- Currently trading at 12% dividend yield⁽²⁾

Note: (1): 2021 Pro-forma including DPO (deferred principal obligation from OSG – see company annual presentation for further details) of USD 3.2m, and NM contribution of USD ~30m; (2) 2Q22 dividend yield annualized

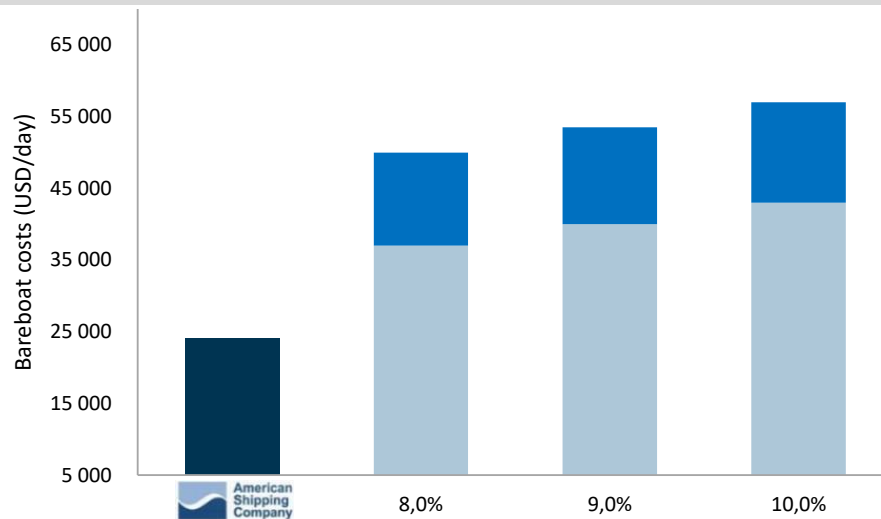
Source: Company, Clarksons Securities AS

Strong competitive position reduces re-chartering risk

AMSC has the most cost-efficient fleet ...

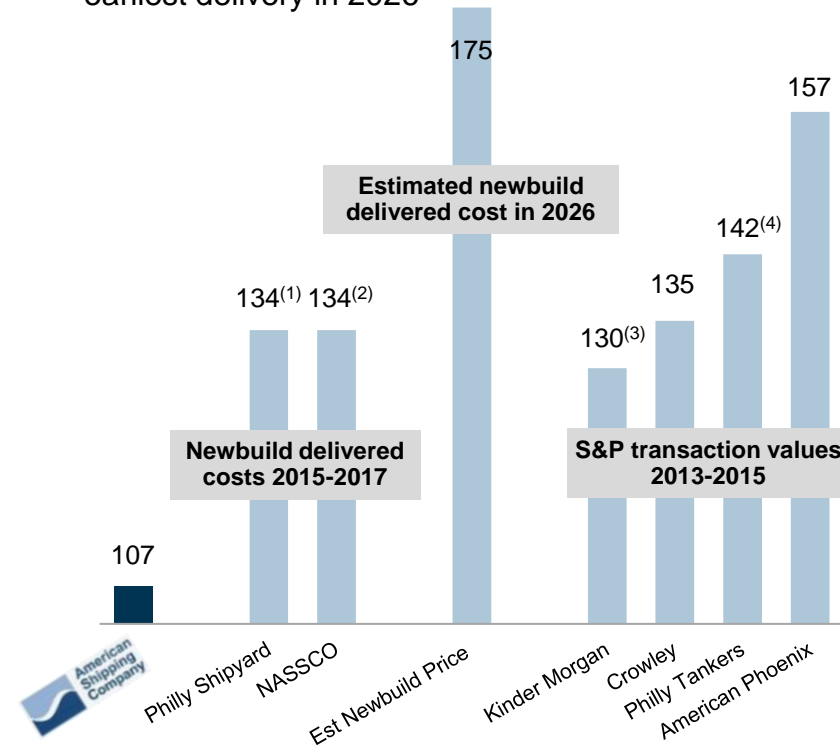
- AMSC's bareboat rate reflects the low delivered cost
- Provides AMSC with the lowest bareboat breakeven levels in the modern Jones Act tanker fleet
- Current average bareboat rate of USD 24,050 per day is at least USD 10,000 per day cost advantage compared to existing competitors and newbuilds would require bareboat rates around 55,000 per day

Daily bareboat rates given various total capital IRRs with newbuild cost @ USD 134m and USD 175m



...due to substantially lower delivered cost

- AMSC has an average delivered cost of USD 107m per vessel
- Considerable lower than its peers which have either built or bought vessel at prices ranging from USD 130-157m
- Current estimated newbuild cost at Philly or NASSCO would be around USD 175m assuming an order for multiple vessels, with earliest delivery in 2026

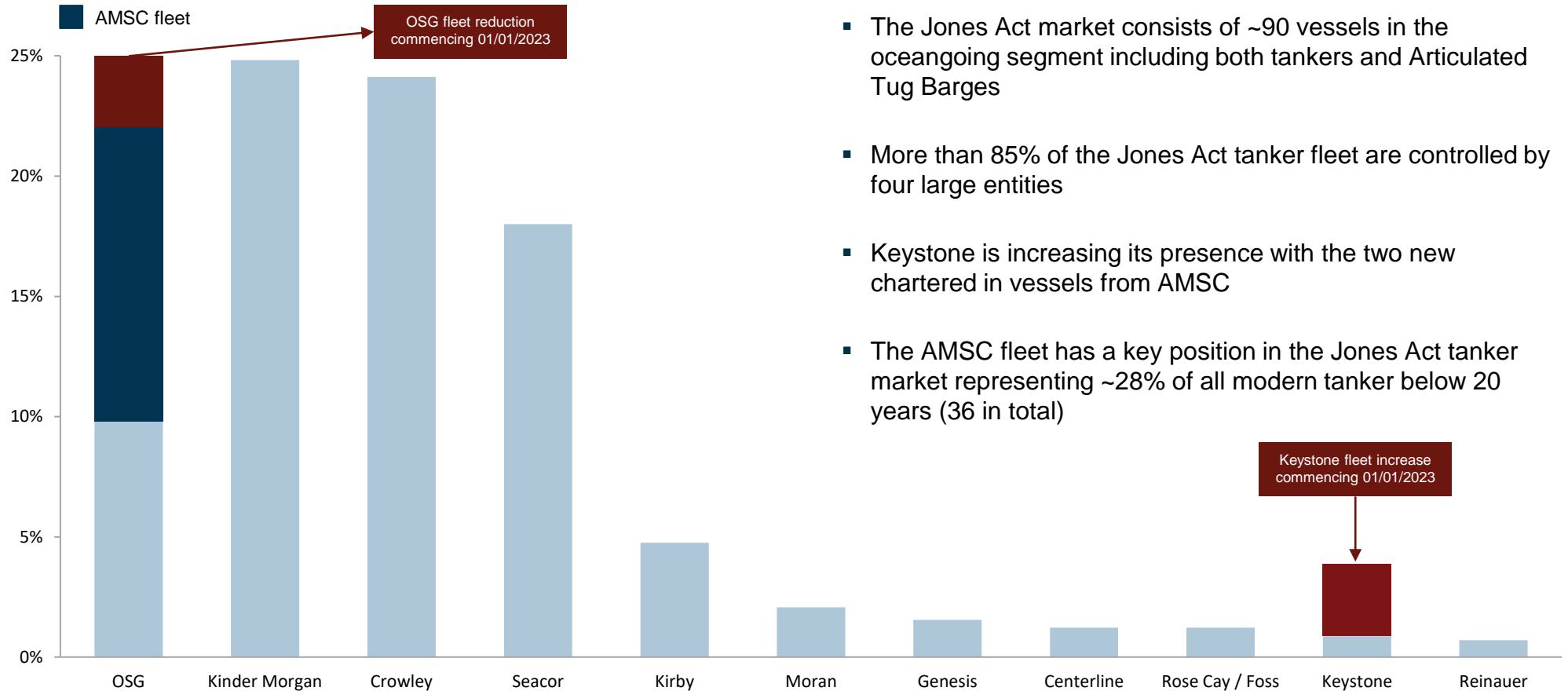


Notes: (1) Based on Philly Tankers; (2) Based on newbuild cost for the tankers delivered to American Petroleum Tankers; (3) Based on total consideration for 9 vessels, including additional expenses incurred by Kinder Morgan for taking delivery of newbuilds; (4) Based on average price for 4 vessels

Source: AMSC analysis

AMSC fleet is a significant part of the Jones Act tanker market

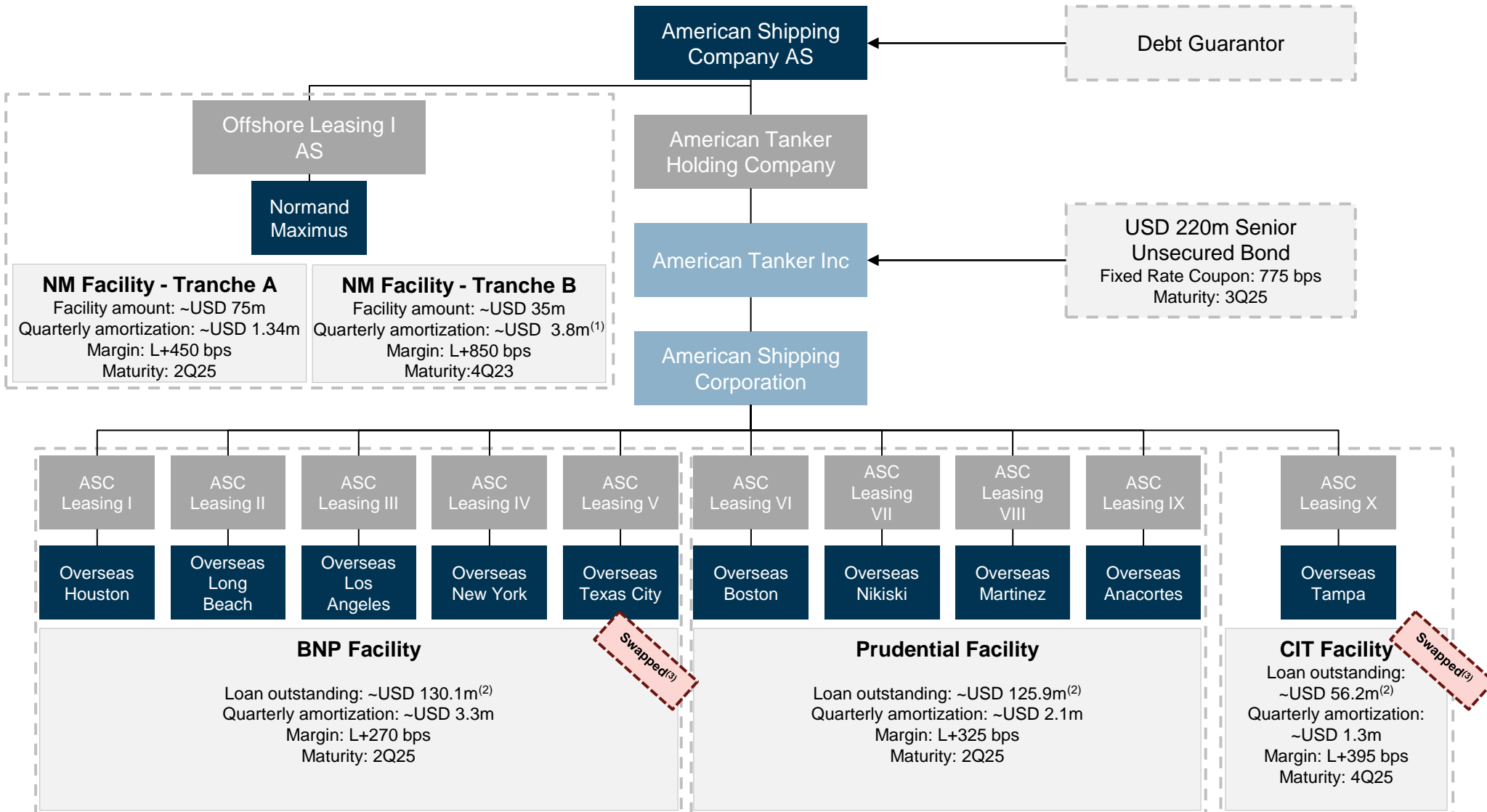
Jones Act tanker & ATB ownership based on carrying capacity



- The Jones Act market consists of ~90 vessels in the oceangoing segment including both tankers and Articulated Tug Barges
- More than 85% of the Jones Act tanker fleet are controlled by four large entities
- Keystone is increasing its presence with the two new chartered in vessels from AMSC
- The AMSC fleet has a key position in the Jones Act tanker market representing ~28% of all modern tanker below 20 years (36 in total)

Note: Measured as carrying capacity by barrels and excludes 11 large Alaska Crude Tankers
Source: Company

Organizational structure and credit facilities



Notes: (1): First installment commencing in 9 months; (2): Debt balance for facilities as of 2021YE adjusted for two quarters of amortization; (3): LIBOR in the BNP facility and the CIT facility have been swapped at an average fixed rate of 49bps

Source: Company

AMSC offers a differentiated long term lease solution

Flexible solution for charterer:

- Up to 100% financing
- Long term operational control of asset with medium term financial commitment
- Optionality at the end of each bareboat period, through extension options and/or purchase options – no purchase obligation
- Limited impact on balance sheet

Attractive risk/reward for AMSC:

- Higher risk/reward as AMSC remains commercially exposed towards the markets through profit share mechanisms on purchase options and/or as an embedded element in the bareboat hire
- Limited competition as most alternative capital providers are more risk averse and tend to focus on plain-vanilla financing without profit-sharing element

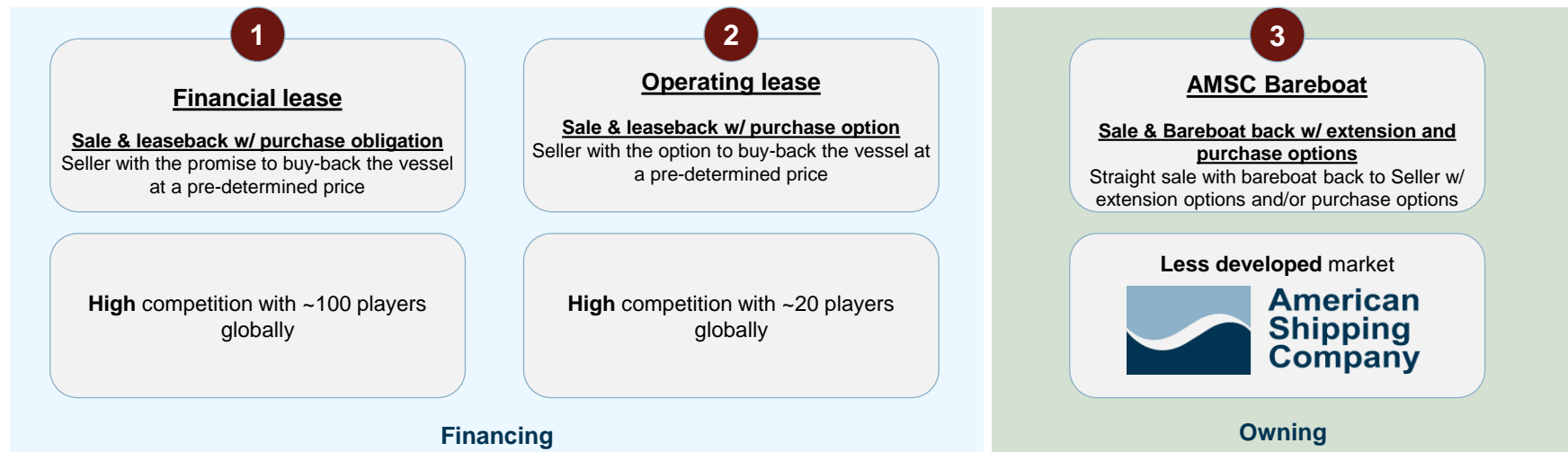


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Jones Act Market

Jones Act – a vital part of the US economy

The Jones Act has been in place since 1920...

- The Jones Act generally restricts the marine transportation of cargo and passengers between points in the United States to vessels that meet the following criteria:
 - Built in the United States
 - Registered under the U.S. flag
 - Manned predominately by U.S. crews
 - At least 75% owned and controlled by U.S. citizens
 - AMSC's presence in the Jones Act market is made possible by the lease finance exception of the Jones Act

- The Jones Act is an essential feature in U.S. national security
 - Ensuring non- dependency of ships controlled by foreign nations
 - Maintaining critical domestic shipbuilding capacity
 - Supporting a domestic pool of highly skilled mariners

- The Jones Act is a significant contributor to the US economy
 - Large U.S. employer
 - Substantial amounts of capital invested

... and is a vital part of the US economy

100,000,000,000

30,000,000,000

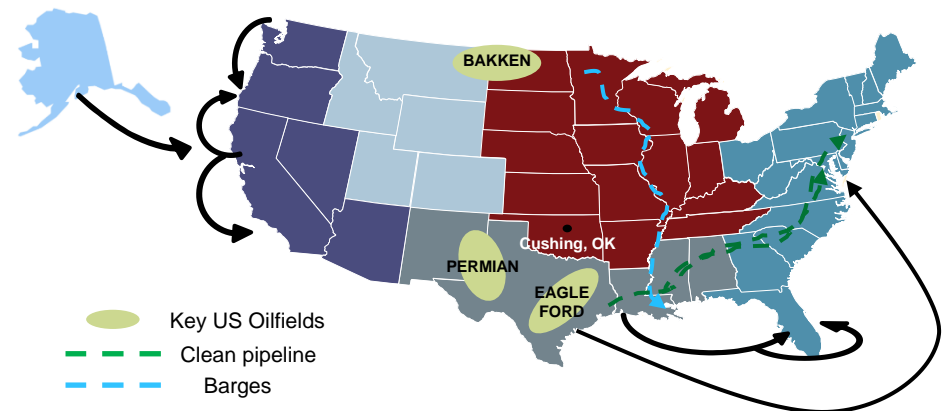
*USD 30bn total investment in
over 40,000 vessels*

400,000

*Number of jobs directly and indirectly
impacted by the US maritime industry*

Jones Act tankers primary trade routes

*USD 100bn contribution to the US
domestic economy*



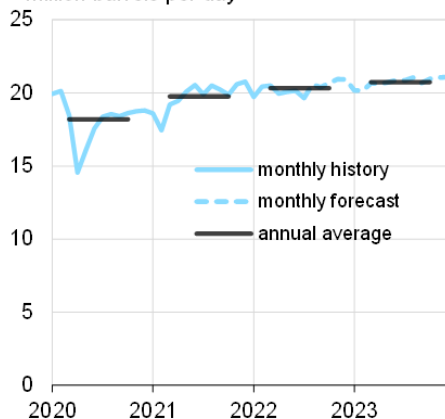
Jones Act Market

Fully recovered U.S. refinery utilisation and clean products demand has returned to historical levels

EIA is forecasting continued growth going forward

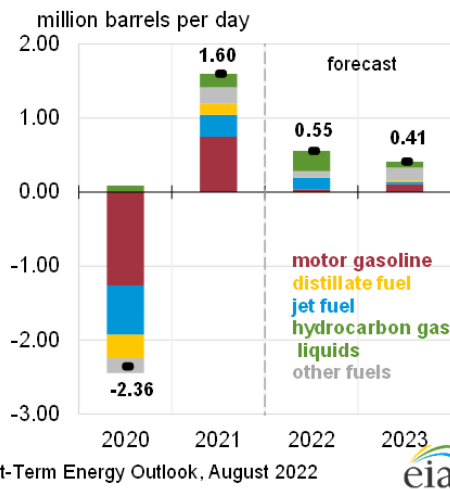
- Demand for clean products in the USA decreased by ~30% in Q2 2020 compared to same period previous years
- Demand recovery since then has been significant, and is now back to pre-covid levels
- EIA is forecasting continued growth in 2023

U.S. liquid fuels product supplied (consumption)



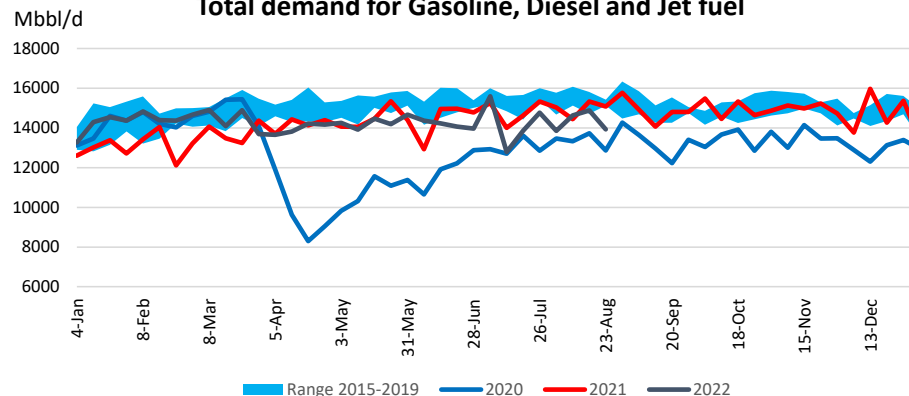
Source: U.S. Energy Information Administration, Short-Term Energy Outlook, August 2022

Components of annual change

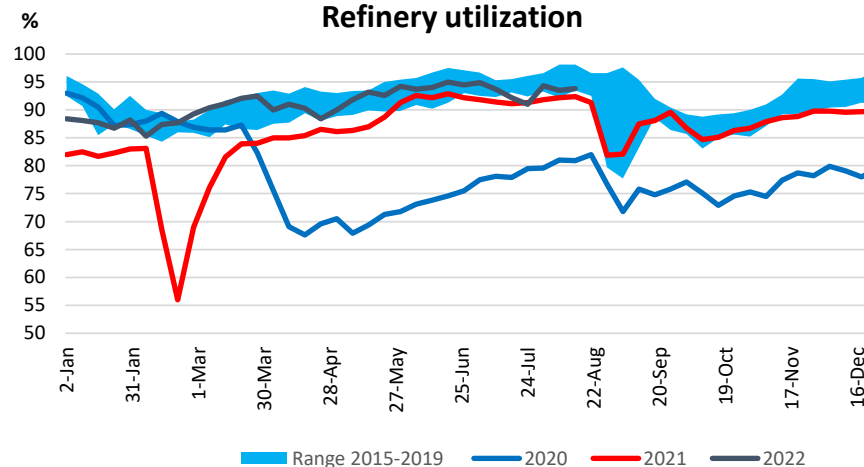


Drop in clean products demand almost fully recovered

Total demand for Gasoline, Diesel and Jet fuel



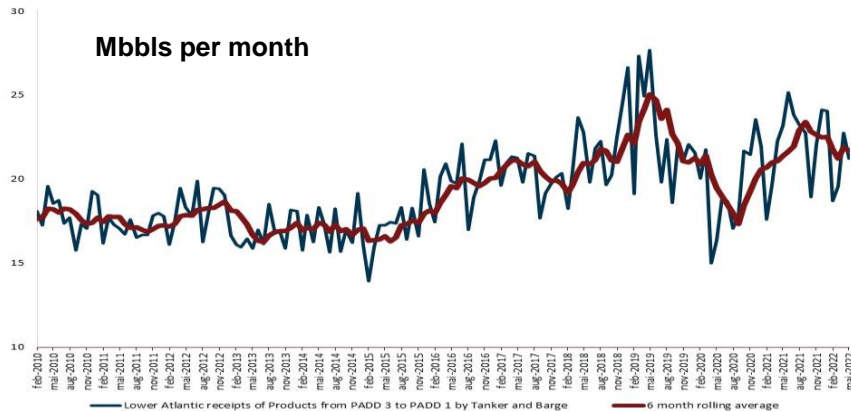
Refinery utilization



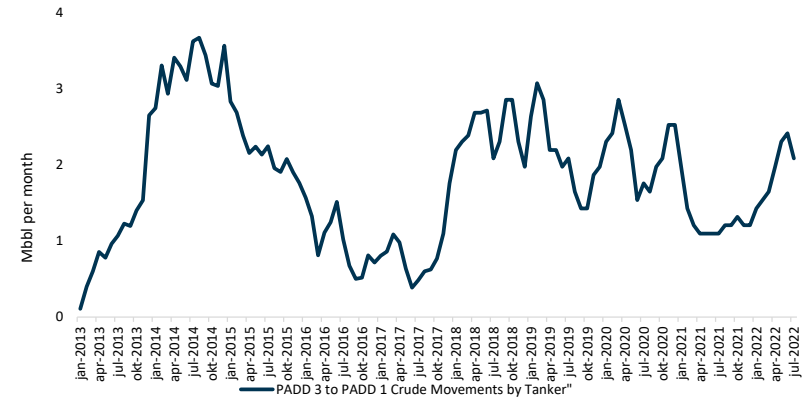
Jones Act Market

Increased Demand in Key Trades

Clean Products to Florida grows by ~3% per year



Crude to North East driven by oil spreads



Emerging Bio-fuel trade with strong growth prospects

- US West Coast is the strongest market based on Low Carbon Fuel Standard credits
- US Gulf is currently where bio diesel is produced, although new refining projects are also planned for the West Coast
- A roundtrip from US Gulf to West Coast is 30-36 days through Panama Canal
- Previously only one Jones Act tanker served this trade which have now grown to four tankers

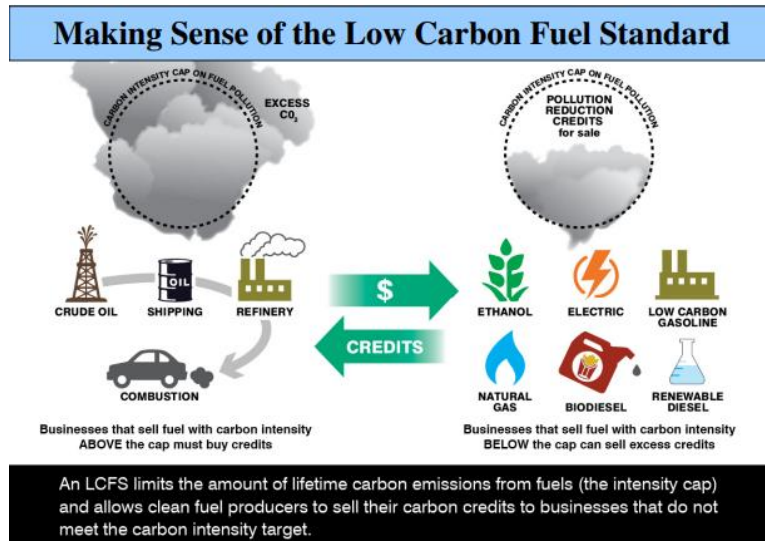
Demand Summary

- The steady clean to Florida trade represents over 40% of demand and grows ~3% per year
- Refiners in U.S. Northeast incentivized to purchase more domestic shale oil from USG when crude spreads widen
- Emerging Bio Fuel trade expected to continue to grow into 2023 and beyond

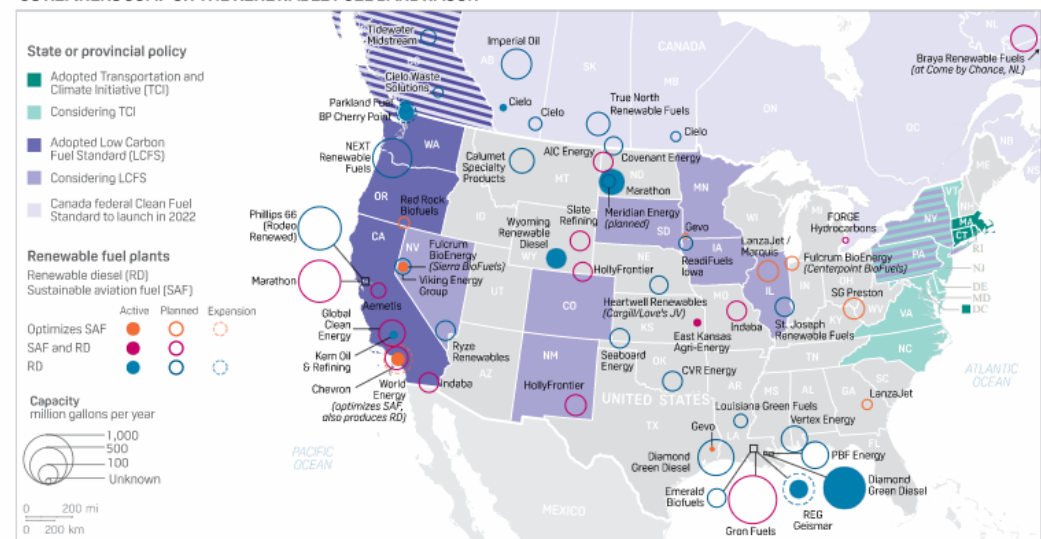
Jones Act Market

Renewable diesel - a promising segment for Jones Act tankers

- Production of renewable diesel in the USA is growing at a rapid pace creating a transportation demand partly covered by Jones Act tankers
 - US West Coast is the strongest market based on Low Carbon Fuel Standard credits
 - US Gulf is currently where renewable diesel is produced, although new refining projects are also planned for the West Coast
 - A roundtrip from US Gulf to West Coast is 30-36 days through Panama Canal
 - Previously only one Jones Act tanker has been involved in this trade
 - This year four tankers are now tied up for this trade
- Growth in production of renewable diesel will continue in 2022 and 2023 potentially increasing demand for Jones Act tankers



US REFINERS JUMP ON THE RENEWABLE FUEL BANDWAGON

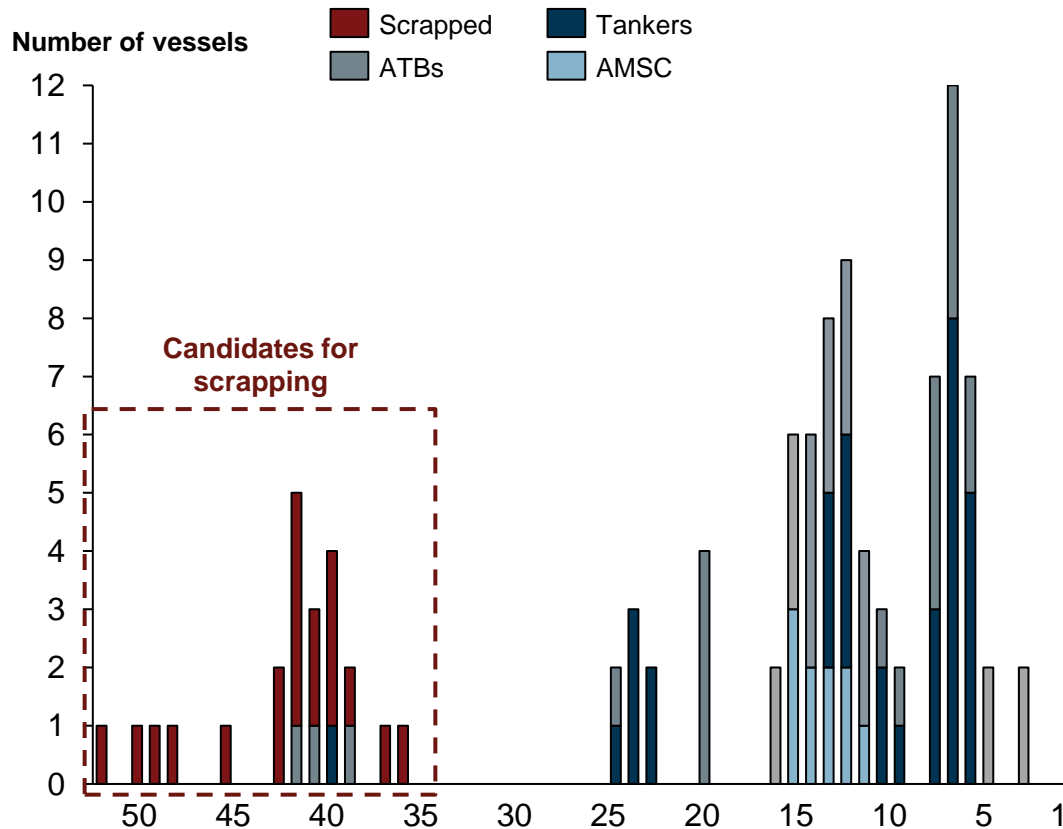


Jones Act Market

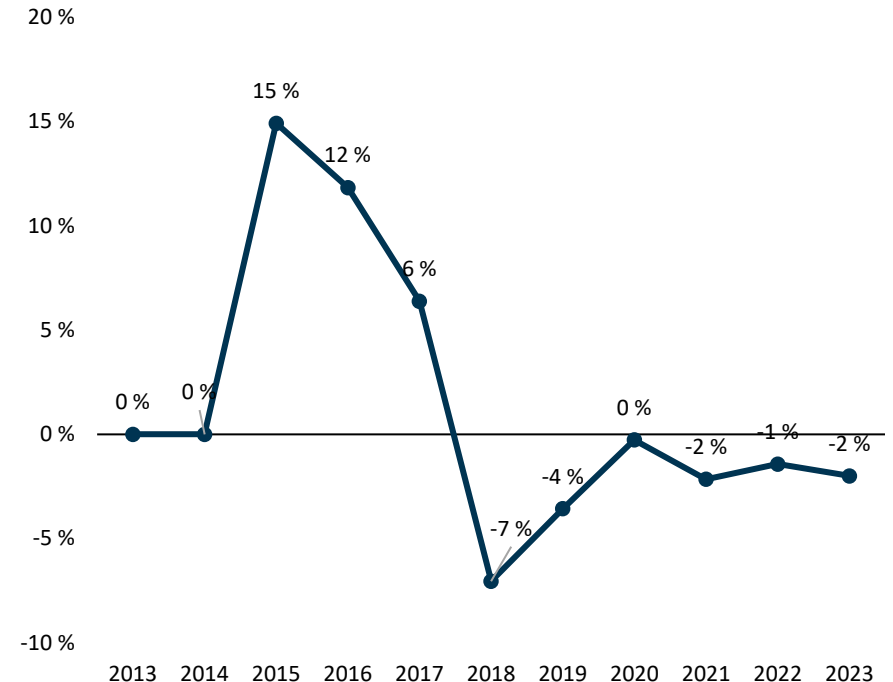
No tankers on order leading to additional fleet contraction

Considerable scrapping since 2016.....

Leading to negative fleet growth



Percentage change in Kbbbls capacity



No Yard Capacity and High Replacement Cost

Yard capacity

- Only two yards have sufficiently large dry docks to build Jones Act MR tankers:
 - Philly Shipyard
 - General Dynamics NASSCO
- Both yards build vessels for commercial Jones Act trading as well as government/naval contracts
- Both yards have won large government contracts in 2019/2020, which will occupy its capacity to build additional merchant vessels for several years going forward
- Likely delivered cost for a newbuild is now above USD160m with first available delivery slot in 2026
- Sustainable multi-year TC rates above ~USD70,000 per day required to justify newbuilds

Philly Shipyard

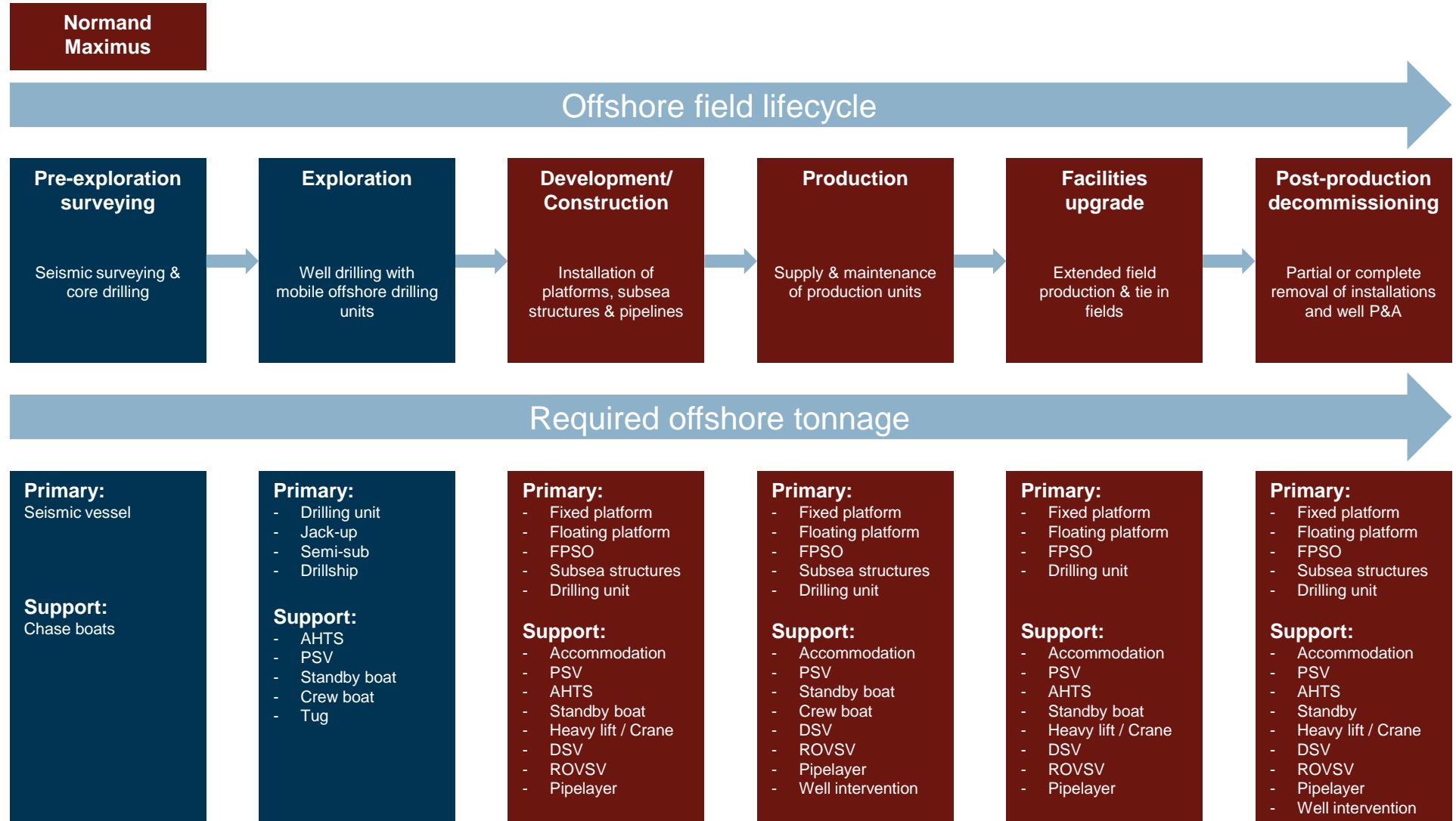
- Philly Shipyard is listed on Euronext Expand (ticker: PHLI)
- Awarded contract for up to 5 training ships in April 2020
- Awarded 1+1 Subsea Rock Installation Vessel from Great Lakes Dredge & Dock Company in Nov 2021
- ***Likely no capacity for newbuild JA MRs until 2026***

GENERAL DYNAMICS NASSCO

- Significant backlog to build multiple vessels through 2026
- Awarded a USD 22.2bn naval contract in 2019, largest shipbuilding contract in US Navy history
- ***Likely no capacity for newbuild JA MRs until 2026***

Offshore market

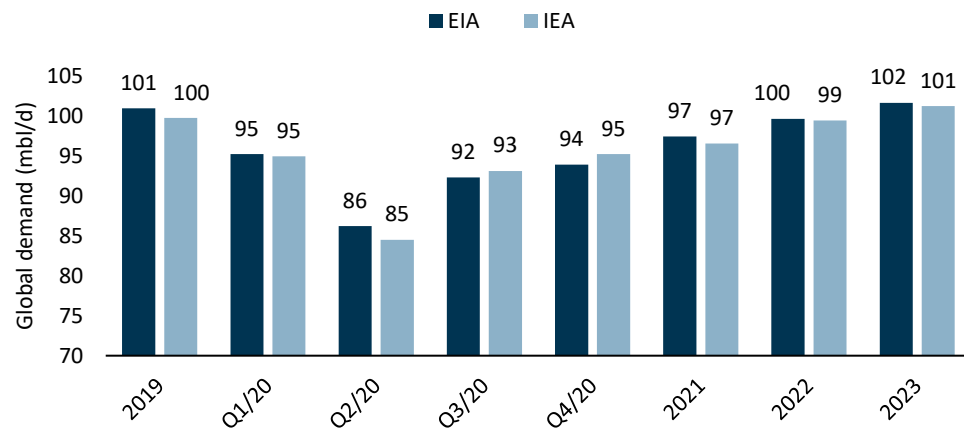
Required tonnage throughout the lifecycle of an offshore field



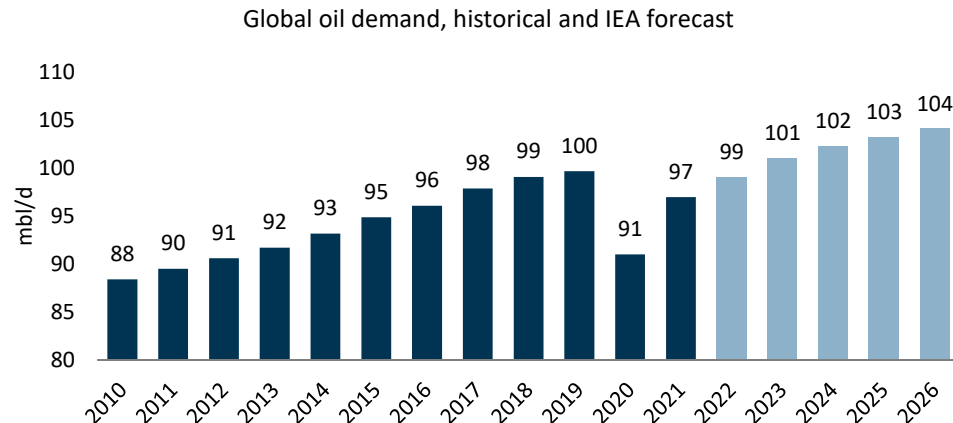
Offshore market

Strong demand growth, structural undersupply, and low spare capacity

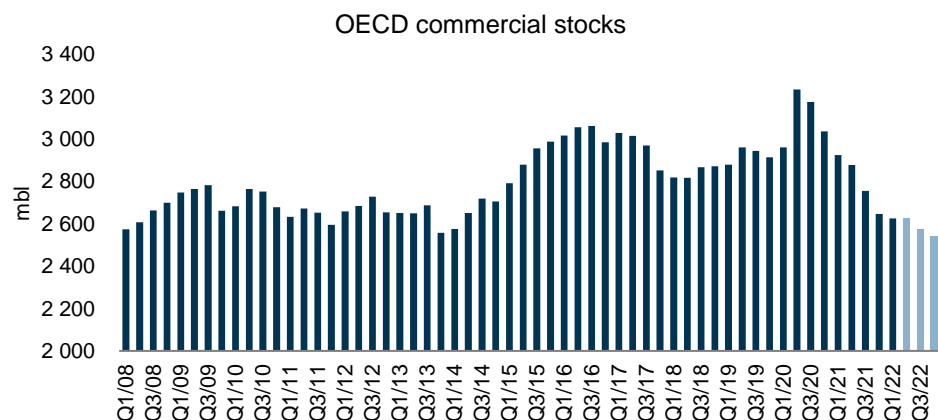
Strong demand recovery post Covid-19



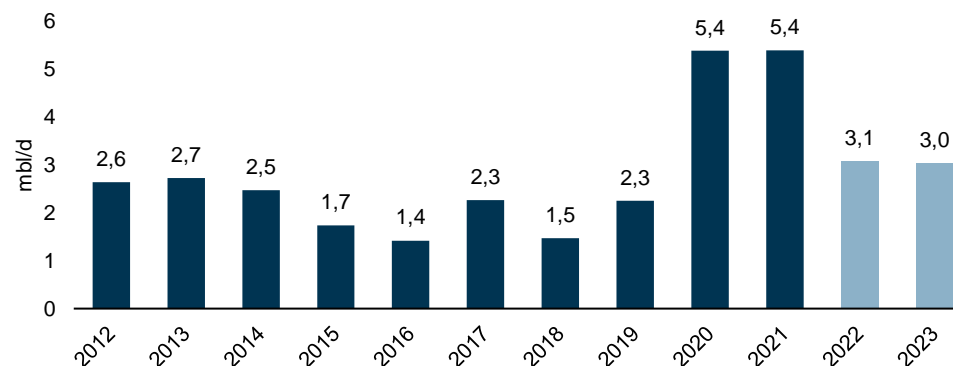
Continued demand growth in the foreseeable future



Deep structural undersupply evident through inventory draws



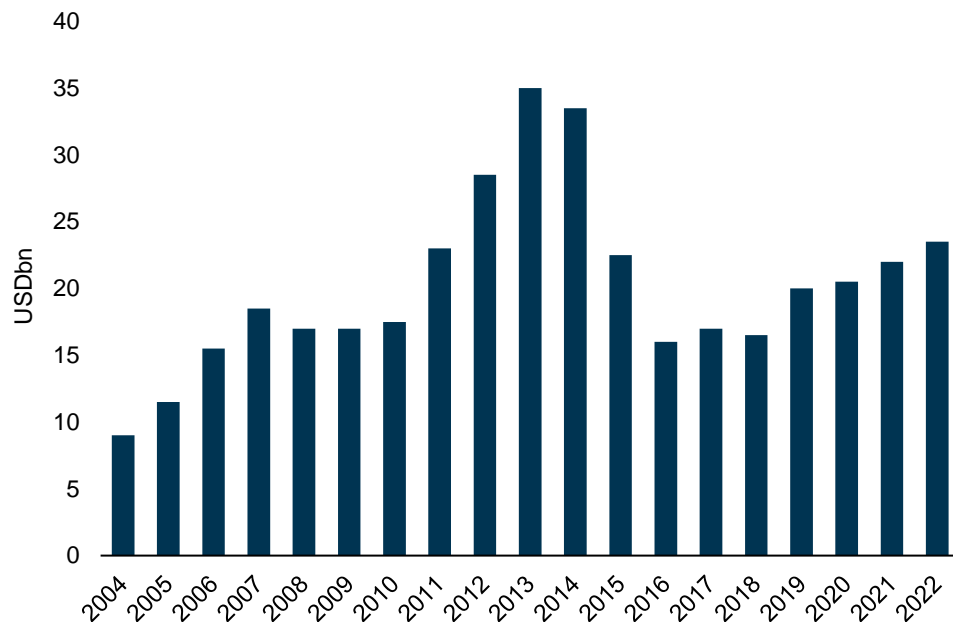
OPEC (global) spare capacity limited and under pressure



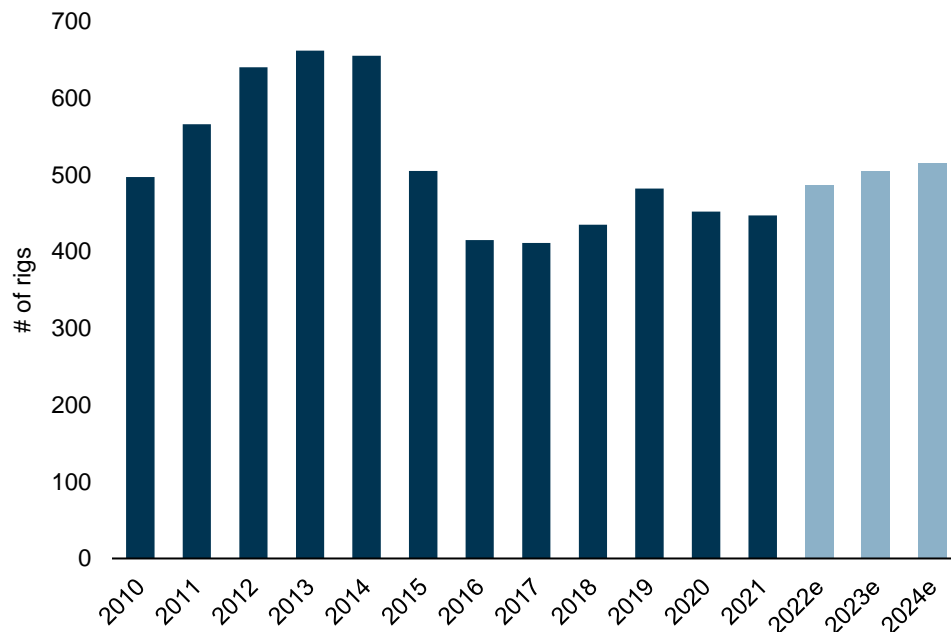
Offshore market

Offshore rigs and subsea field development recovering strongly

Subsea EPC backlog (SUBC + TEC Subsea + SPM E&C offshore)



Offshore rigs working, global



- Order backlog for the world's three largest Subsea field development EPC contractors has been growing for ~4 years
- Implies solid forward visibility and offshore activities for these contractors will increase strongly from 2023
- Will increasingly subcontract scopes and require more vessels

- There has been a significant pick-up in chartering activity both for floaters and jackups
- Tendering activity remains high, particularly in the jackup segment, and active rigcount is forecasted to increase further



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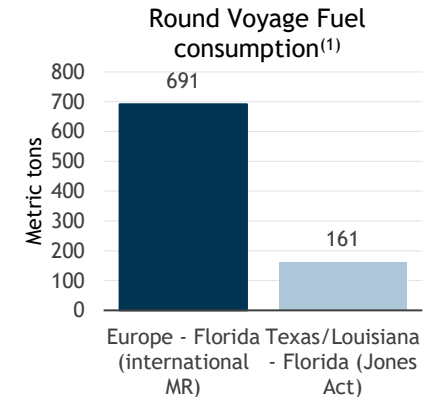
4 Appendix



AMSC commitment to ESG

ENVIRONMENT

- The fleet is a part of the North American Emissions Control Area and runs on ultra low sulphur (0.1%) compliant fuel which is well below the new international 0.5% IMO requirement
- Local movement of crude and clean products has material environmental savings vs international sourcing of cargoes
 - Voyage from Europe to Florida is 12-13 days steaming
 - Voyage from Texas/Louisiana to Florida 1-3 days steaming
 - Shorter distances means less pollution per barrel transported
 - Lower fuel consumption and stricter fuel regulations result in a significant reduction in SOx, NOx, PM and CO emissions for Jones Act tankers
- Jones Act vessels have a longer economic life and are typically not scrapped until after its 35th anniversary – compared to 25 years expected useful economic life for international MR tankers
- AMSC will install Ballast Water Treatment Systems (BWTS) across the fleet⁽²⁾
- BIMCO 2001 Bareboat contracts with clear requirements for how counterparties operating their vessels comply with international environmental regulations



SOCIAL

- Crews on Jones Act tankers are typically unionised U.S. Citizens which are paid and have benefits according to U.S. tariffs which are considerably better than international crew compensation
- Diverse management team consisting of one woman and two men and the Chair of the Board of Directors is a woman

GOVERNANCE

- As an Oslo Stock Exchange listed company AMSC complies with stringent governance rules in accordance with the Norwegian Corporate Governance Code (NUES)
- Equal treatment of shareholders
- 2 of 3 Board Members are independent including the Chair

Notes: (1): Compares fuel consumption for a round voyage Europe to Florida (29 days of which 4 days in port) with Texas/Louisiana to Florida (8 days of which 4 days in port) for 10 year old MR tankers

(2) BWTS Capex is recovered by adjusting the bareboat rate. AMSC budgets total BWTS Capex of USD 20-25m which will be recovered through upward adjustments to the bareboat rates. The bareboat rate is adjusted by dividing the BWTS Capex for a vessel by the number of days until it reaches 25 years of age (ie: for a 10-year-old vessel with USD2m in Capex the bareboat rate is adjusted by ~USD 365 per day) – The BWTS reimbursement applies to OSG charters only

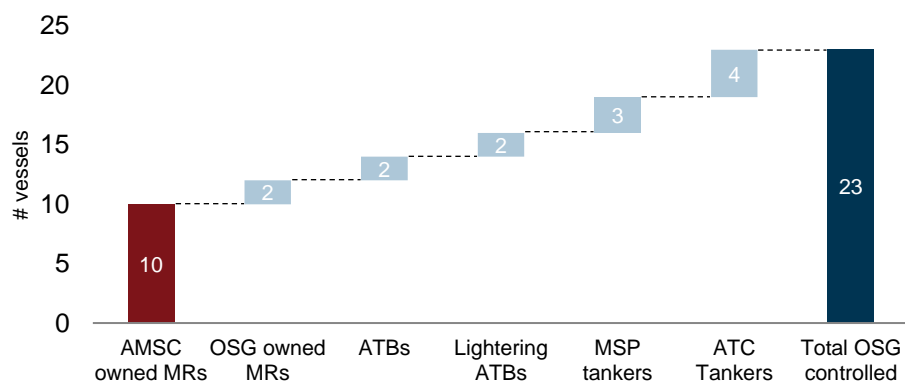
Jones Act Market

Strong counterparties in the shipping and offshore market

Overseas Shipholding Group

- OSG's business spans across multiple Jones Act tanker and ATB segments as well as US Flag and Alaska crude tankers
- AMSC's vessels are a vital part of OSG's operations and earnings potential
- 2021 financial results heavily impacted by the covid pandemic
- 2022 demonstrates strong financial performance as the Jones Act tanker market has fully recovered
- OSG guides on high contract cover for the remainder of 2022 and 2023

Breakdown of OSG's fleet



Keystone Shipping Co.

- For more than 100 years, Keystone has transported crude oil and petroleum products to deep water ports throughout the United States.
- Keystone Shipping manages a fleet of more than 20 owned and operated oceangoing vessels worldwide – including tankers, dry bulk vessels, tugs, tank barges, and roll-on/roll-off vessels
- The Company also has extensive experience operating chemical tankers, liquid and dry bulk marine terminals, and power generating facilities

Solstad Offshore

- With 87 modern ships and 3 500 highly skilled employees worldwide, Solstad is one of the largest and most capable offshore shipping companies in the World
- The company's vessels and expertise provide the partners in the offshore energy industry, both renewable and petroleum based, with the operational power, safety and reliability they need to grow everything but their environmental impact

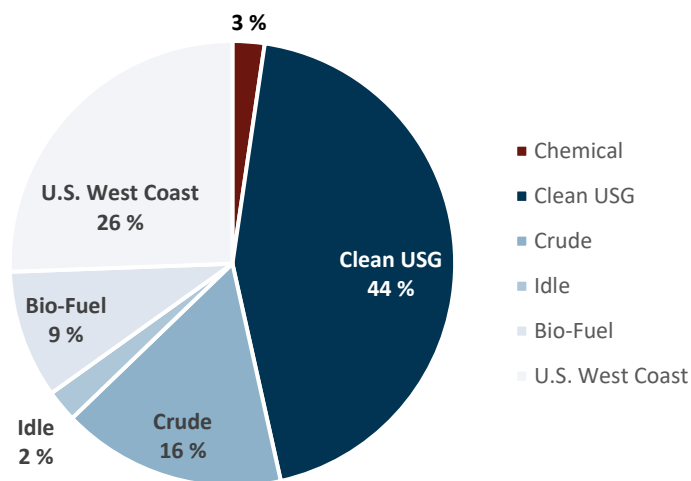
Jones Act Market

Majority of fleet carry clean products - highly stable trade over time

Fleet deployment by main trades (Tankers)

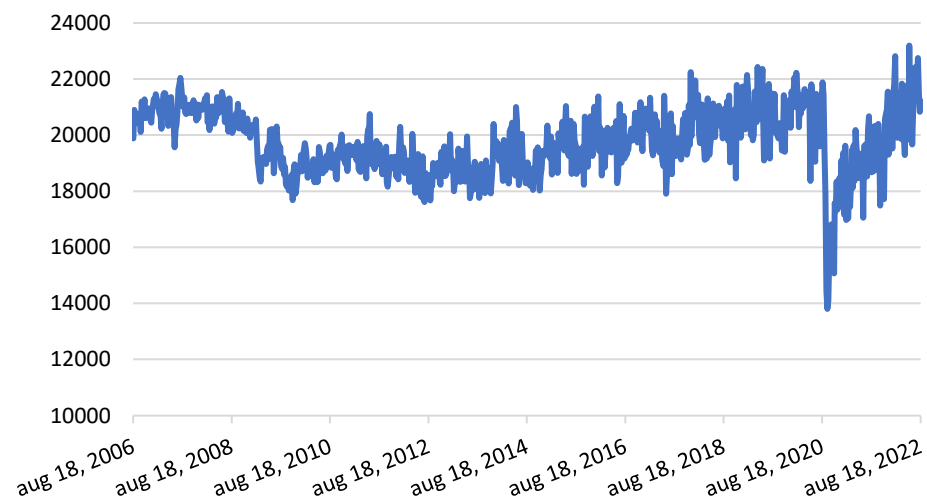
2022

Total capacity: ~14.3 mbbls



US Clean Product Demand typically stable over time

Demand for Clean Products (mbbls per day)



Income Statement (unaudited)

Figures in USD million (except share and per share information)

	2Q2022	2Q2021
Operating revenues	22.0	21.9
Operating expenses	(1.9)	(1.3)
Operating profit before depreciation - EBITDA	20.1	20.6
Depreciation	(8.6)	(8.5)
Operating profit - EBIT	11.5	12.1
Net financial expense	(7.7)	(7.6)
Unrealized gain/(loss) on interest swaps	1.7	0.4
Net foreign exchange gain / (loss)	(1.4)	-
Profit/(loss) before income tax	4.1	4.9
Income tax expense	-	(0.3)
Non-cash income tax benefit/(expense)	(0.8)	(1.0)
Net profit / (loss) for the period *	3.3	3.6
Average number of common shares	60,616,505	60,616,505
Earnings/(loss) per share (USD)	0.05	0.06

Balance Sheet (unaudited)

Figures in USD million

	2Q2022	2Q2021
Vessels	600.0	632.7
Deferred tax assets	9.4	13.7
Interest-bearing long-term receivables (DPO)	6.9	20.5
Derivative financial assets	11.8	-
Deposit for ship	20.0	-
Trade and other receivables	14.3	2.8
Cash held for specified uses	6.5	5.9
Cash and cash equivalents	33.0	53.9
TOTAL ASSETS	701.8	729.6
Total equity	146.8	156.7
Deferred tax liabilities	18.8	10.3
Interest-bearing long-term debt	505.3	532.1
Derivative financial liabilities	-	1.3
Capitalized Fees	(5.8)	(8.0)
Interest-bearing short-term debt	26.8	26.8
Trade and other payables	9.9	10.4
TOTAL EQUITY AND LIABILITIES	701.8	729.6

Source: Company

Cash flow waterfall (unaudited)

Cash development in 2Q 22 (USD millions)

