

SIEM SHIPPING INC.

REGISTERED OFFICE ADDRESS: P.O. BOX 309, SOUTH CHURCH STREET
GEORGE TOWN, GRAND CAYMAN KY1-1104, CAYMAN ISLANDS

PROXY STATEMENT

ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD AT 8:30AM, FRIDAY, 6 MAY 2016

Directors:
Ole Martin Siem
Kristian Siem
Harald Kuznik
Michael Delouche
Sasha Siem

Registered Office Address:
P.O. Box 309, Uglan House
South Church Street
George Town
Grand Cayman KY1-1104
CAYMAN ISLANDS

Secretary:
Terje Aschim

GENERAL

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Siem Shipping Inc., a Cayman Islands corporation (the "Company"), for the Annual General Meeting of Shareholders to be held at 8:30am local time, Friday, 6 May 2016 (the "Annual General Meeting"), and at any adjournments thereof at the Company's registered office located at Uglan House, South Church Street, George Town, Grand Cayman, Cayman Islands.

This Proxy Statement and the enclosed form of proxy are first being mailed to shareholders on or about 20 April 2016. Please be advised that you have to indicate your voting preference and the number of shares entitled to vote on the proxy card. In the absence of voting instructions for any resolution, the form of proxies will be voted "FOR" such resolution. At the date of mailing, the Company had 9,006,352 ordinary shares issued and outstanding and each ordinary share is entitled to one vote.

The Company grants the shareholders the following rights in connection with the Annual General Meeting:

- A right to be present at the Meeting either in person or by a proxy;
- A right to speak at the Meeting;
- A right to be accompanied by one advisor at the Meeting and to give this person a right to speak; and
- A right to transact at the Meeting such business as have been properly brought before the Meeting in accordance with the provisions of Article 62 (2) of the Company's Articles of Association, which is available at www.siemshipping.com.

ANNUAL REPORT AND FINANCIAL STATEMENTS

A copy of the Company's annual report and accounts for the financial year ended 31 December 2015 is available at www.siemshipping.com and www.newsweb.no.

BACKGROUND ON THE PROPOSED RESOLUTIONS

Ordinary Business

The ordinary business to be conducted at the Annual General Meeting will be a vote on the following proposed resolutions:

Resolution 1. To approve the Company's financial statements for the financial year ended 31

December 2015.

- Resolution 2. To approve the appointment of PricewaterhouseCoopers AS as the Company's Auditors for fiscal year 2016.
- Resolution 3. To grant authority to the Board of Directors to fix the remuneration payable to the Company's Auditors for 2015. Details of the remuneration are included in the Notes to the Annual Report.
- Resolution 4. To elect Carsten Plougmann Andersen as a Class II Director who shall serve a 2-year term and until a successor has been elected and qualified.
- Mr Andersen has over 40 years' experience from Maersk, and was the CEO from 2004 for Maersk Supply Service until he retired June 2015.
- Resolution 5. To re-elect Kristian Siem as a Class III Director who shall serve a 3-year term and until a successor has been elected and qualified. Kristian Siem has been a Director since 2001.
- Resolution 6. To grant authority to the Board of Directors to fix remuneration to the Company's Directors. Details of the remuneration are included in the Notes to the Annual Report.

Special Business

The special business to be conducted at the Annual General Meeting will be a vote on the following proposed resolution:

- Resolution 7. To approve the granting of a new general authorisation to the Board (or any committee hereof) to issue shares at any time forming part of the authorised but unissued share capital of the Company, warrants or convertible bonds in the Company in one or more tranches and from time to time and in exchange for cash, without regard to the shareholders' pre-emption rights as per Article 15 of the Articles of Association, such general authorisation to be valid only for a period of two years from the date of passing of the Special Resolution and subject to the restriction that the total number of shares that the Board (or any committee thereof) may issue pursuant to such general authorisation shall not exceed that number of shares which equals 50% of shares in issue at the time of passing this Special Resolution.

The reason for requesting that the Shareholders grant the new standing authority is that the new standing authority will give the Board flexibility to finance investments, acquisitions and other business combinations on short notice through the issue of shares or certain other equity instruments in the Company without the delay caused by first having to hold an Extraordinary General Meeting.

- Resolution 8. To approve and ratify the actions of the Company's Directors and Officers during 2015.

This proposal to approve and ratify any and all actions of the Company's Directors and Officers is not required since the Articles of Association provides certain protections to the Directors and Officers for actions taken and decisions made during the course of business. However, this resolution is proposed so that the Company's shareholders can demonstrate their confidence in the actions and efforts of the Directors and Officers that were made in good faith on behalf of all shareholders.

- Resolution 9. To approve the submission of an application to delist the Company from the Oslo Stock Exchange.

Increased competition from the container companies has impacted the traditional specialised reefer markets and the Company is the last remaining publicly-listed reefer company. During 2015, less than 20,000 shares in the Company have been

traded, equivalent to about 75 shares per day on approximately 260 trading days during the year.

Resolution 10. To approve the acquisition of all the shares of Auto Marine Transport Inc. for USD 44.8 million.

Auto Marine Transport is the owner of three PCTC vessels under construction at Uljanik d.d. shipbuilding yard based in Croatia. Auto Marine Transport Inc. has secured both long-term financing and a five-year time charter-out agreement. Auto Marine Transport Inc is 100%-owned by Siem Investments Inc. a company 100%-owned by Siem Industries (82% owner of Siem Shipping Inc.). Please find attached the Siem Shipping Inc. Board of Directors recommendation to the Annual General Meeting and a fairness opinion from Fearnley Securities with respect to the transaction.

VOTING BY PROXY AND THROUGH DEPOSITORIES

Registered shareholders should properly complete, date, sign and deliver the enclosed form of proxy to either of the following: (1) the offices of Star Reefers AS at Jerpefaret 12, 0788 Oslo, Norway, telefax no. +44.207.747.0505 or (2) the Company's offices at P.O. Box 10592, George Town, Grand Cayman KY1-1005, CAYMAN ISLANDS, telefax no. +1.345.946.3342, no less than 24 hours prior to the stated time of the Annual General Meeting. Any shareholder signing and returning a proxy may revoke such proxy at any time prior to its being voted by delivering a written revocation or a duly executed proxy bearing a later date with the Company or by voting in person or duly authorized representative at the meeting. If any assistance is required, please contact the Company Secretary.

Properly completed and signed proxies that are received prior to the Annual General Meeting will be voted in accordance with the instructions of the persons executing the proxies. In the absence of instructions, the proxies will be voted "FOR" each of the proposed resolutions.

The Directors and Officers know of no matters that will be presented to the meeting other than the business set forth in this Proxy Statement. If any other matter properly comes before the meeting (such matters would be presented to shareholders in one or more subsequent Notices and Proxy Statements with Proxy Cards), the persons named as proxies will vote on such matter in their discretion.

RECOMMENDATION

The Company's Directors consider the approval of the proposed resolutions to be voted upon during the course of Ordinary Business and Special Business at the Annual General Meeting to be in the Company's best interests and recommend that you vote in favour of each of the resolutions. Except where required to abstain by law or by the provisions of the Company's Articles of Association, Siem Industries Inc. and the Directors who hold shares in the Company intend to vote in favour of each of the resolutions with respect to their respective shareholdings. Siem Industries Inc. holds 7,409,498 shares in the Company and Ole Martin Siem holds 6,000 shares.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the Memorandum and Articles of Association of the Company are available for inspection at www.star-reefers.com and by appointment only at the offices of Star Reefers AS at Jerpefaret 12, 0788 Oslo, Norway, and the offices of Maples and Calder, Ugland House, South Church Street, Grand Cayman, Cayman Islands during normal business hours until Thursday, 5 May 2016, and at the Annual General Meeting itself.

SHAREHOLDER PROPOSALS FOR ANNUAL GENERAL MEETING

For the financial year ended 31 December 2015, shareholders may present proposals for inclusion in the Company's proxy statement and for consideration at the next Annual General Meeting of Shareholders by submitting their proposals to the Company in a proper form and in a timely manner as set out in Article 62(2) of the Company's Articles of Association which is available at www.siemshipping.com.

Ole Martin Siem
Chairman of the Board of Directors
Siem Shipping Inc
20 April 2016

SIEM SHIPPING INC.

Recommendation from the Board to the Annual General Meeting

Siem Shipping has made a strategic decision to expand in areas of shipping outside of the Company's core reefer business in 2012.

As a consequence of this decision, in the first half of 2015, Siem Shipping entered the car carrier market as a tonnage provider by contracting two 7,000 CEU pure car and truck carriers for delivery in the first half of 2018 at Uljanik d.d., a shipbuilder based in Croatia.

In order to further expand in the car carrier sector the Board recommends to the Annual General Meeting that the Company should acquire all the shares of Auto Marine Transport Inc. ("AMT"), owner of 3 PCTCs under construction at Uljanik, which has secured both long-term financing and a 5-year charter-out agreement.

AMT is 100%-owned by Siem Investments Inc. (the "Seller"), a company 100%-owned by Siem Industries (82% owner of Siem Shipping). The acquisitions therefore constitute a related party transaction. Siem Industries is represented on the Board of the Company through its Chairman, Kristian Siem, and President, Michael Delouche. Messrs Kristian Siem and Delouche, in addition to Sasha Siem (daughter of Kristian Siem), abstained from deliberation and voting on this issue as they are considered to be interested parties with Siem Industries.

Ole Martin Siem (brother of Kristian Siem), Harald Kuznik and Kristian Eidesvik were deemed to be independent of Siem Industries and participated in the deliberations.

The main commercial terms of the transaction to acquire 100% of the shares in AMT for USD44.8 million were identified as follows:

- AMT holds contracts with Uljanik, for the construction of three 7,000 CEU PCTC vessels, with deliveries commencing in the second half of 2016 and into 2017. In addition, AMT has invested in exhaust gas cleaning technology, so-called scrubbers, for the three vessels. The contract price per vessel including scrubbers and installation is EUR48.0 million.
- AMT has secured attractive pre-delivery and post-delivery financing for the vessels from Credit Suisse of USD124.6 million.
- AMT has chartered-out each of the three vessels to Siem Car Carriers AS, a company owned indirectly 100% by Siem Industries, for 5 years at USD25,000- per day based on time charters on hell and high water terms. The contracts will generate a solid EBITDA for the Company going forward.
- The proposed price of the 3 PCTC contracts is USD56.0 million per vessel. Including the costs already incurred by AMT related to the Credit Suisse financing of USD1.6 million, which consists of arrangement fees, commitment fees and legal costs, the gross purchase price is USD169.6 million. AMT's remaining commitment to Uljanik and for the scrubbers at the date of this meeting is USD124.8 million. The difference represents the net purchase price for the shares, of USD44.8 million payable to the Seller. Any payments made by AMT to the shipyard or for the scrubbers subsequent to the date of this meeting will represent an adjustment to the net purchase price.

- The settlement of the USD44.8 million purchase price, as adjusted, is as follows: (1) at signing, a cash payment of USD10.8 million will be made and (2) seller's credit for the remaining amount made available to SSI by Seller with 50% due on or before 31 December 2017 and the remaining 50% due on or before 31 December 2018.
- The transaction is subject to approval by the board of AMT and the Seller

In 2016, the Company will make cash payment of USD10.8 million to the Seller at closing of the transaction and AMT will make capital expenditure payments to Uljanik and other suppliers of approximately USD64.3 million of which USD53.4 million will be financed by Credit Suisse. In 2017, the Company will make cash payment of USD17.0 million to the Seller and AMT will make capital expenditure payments to Uljanik and other suppliers of approximately USD60.5 million of which USD71.3 million will be financed by Credit Suisse. In 2018, the Company will make cash payment of USD17.0 million to the Seller. The EBIDA from AMT is estimated to be USD1.0 million in 2016, USD11.1 million in 2017 and USD20.0 million in 2018.

The independent Board Members, with Kristian Eidesvik voting against, recommend the purchase by the Company of 100% of the shares in Auto Marine Transport Inc. from Siem Investments Inc., on the terms outlined above this being in the best interest of the Company, and subject to approval by the Boards of AMT and Siem Investments Inc.

The transaction as described is hereby put to the Annual General Meeting for approval.

For reference please find attached a fairness opinion from Fearnley Securities to support the terms of the transaction.

Board of Directors
Siem Shipping Inc
20 April 2016

19 April 2016

Siem Shipping Inc.
P.O.Box 309
Ugland House, South Church Street
George Town, Grand Cayman, KY1-1104

Directors:

We understand that Siem Shipping, Inc. (the “Company”) and Siem Industries, Inc. (“Siem”), being the holder of approximately 82% of the Company’s Common Shares, propose to enter into an Agreement, pursuant to which the Company will acquire from Siem all of the outstanding shares (including shares being converted from shareholder loan provided by Siem) of Siem’s indirect subsidiary Auto Marine Transport Inc. (“AMT”) against a consideration of USD 44.8 million (the “Consideration”), being settled in cash to be paid in instalments as follows: Upon consummation of the acquisition, USD 10.8 million; on or about 31 December 2017, USD 17.0 million plus interest; and on or about 31 December 2018, USD 17 million plus interest. The terms and conditions of the Agreement are more fully set forth in a Share Purchase Agreement to be entered into between the Company and Siem.

You have asked for our opinion as to whether the Consideration pursuant to the Agreement is fair, from a financial point of view, to the holders of the Company Common Stock.

In arriving at our opinion, we have, among other things:

- i. reviewed the draft Share Purchase Agreement, board resolution and supporting materials;
- ii. reviewed certain publicly available financial and other information about the Company and AMT;
- iii. reviewed certain information furnished to us by the management of the Company, relating to the business, operations and prospects of the Company and AMT;
- iv. held discussions with members of senior management of the Company concerning the matters described in clauses (i), (ii) and (iii) above;
- v. reviewed appraisals dated 12 April 2016 and 29 January 2016 prepared by Hesnes Shipping AS with regard to the vessels under construction for AMT;

Fearnley Securities

- vi. reviewed agreements for the financing, chartering and management of the vessels under construction for AMT;
- vii. conducted such other financial studies, analyses and investigations as we deemed appropriate.

In our review and analysis and in rendering this opinion, we have assumed and relied upon, but have not assumed any responsibility to independently investigate or verify, the accuracy and completeness of all financial and other information that was supplied or otherwise made available by the Company or that was publicly available, or that was otherwise reviewed by us. We have relied on assurances of the management of the Company that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. In our review, we did not obtain any independent evaluation or appraisal of any of the assets or liabilities of, nor did we conduct a physical inspection of any of the properties or facilities of the Company, nor have we been furnished with any such evaluations or appraisals, nor do we assume any responsibility to obtain any such evaluations or appraisals.

With respect to the future financial information provided to and examined by us, we note that projecting future results of any company is inherently subject to uncertainty. The Company has informed us, however, and we have assumed, that such financial information was reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of the management of the Company as to the future financial performance of the Company. We express no opinion as to the future financial information provided to us by the Company or the assumptions on which it is made.

Our opinion is based on economic, monetary, regulatory, market and other conditions existing and which can be evaluated as of the date hereof. We expressly disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting our opinion of which we become aware after the date hereof.

We have made no independent investigation of any legal or accounting matters affecting the Company, and we have assumed the correctness in all respects material to our analysis of all legal and accounting advice given to the Company and the Board of Directors of the Company, including, without limitation, advice as to the legal, accounting and tax consequences of the terms of, and transactions contemplated by, the Agreement to the Company and its stockholders. In addition, in preparing this opinion, we have not taken into account any tax consequences of the transaction to any holder of Company Common Stock. We have also assumed that in the course of obtaining the necessary regulatory or third party approvals, consents and releases for the Agreement, no delay, limitation, restriction or condition will be imposed that would have an adverse effect on the Company or the contemplated benefits of the Agreement.

We were not authorized to and did not solicit any expressions of interest from any other parties with respect to any other alternative transaction.

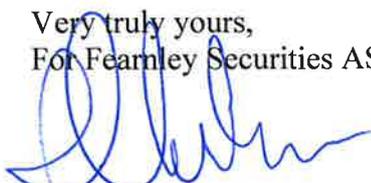
It is understood that our opinion is for the use and benefit of the Board of Directors of the Company in its consideration of the Agreement, and our opinion does not address the relative merits of the transactions contemplated by the Agreement as compared to any alternative transaction or opportunity that might be available to the Company, nor does it address the

underlying business decision by the Company to engage in the Agreement or the terms of the Agreement or the documents referred to therein. Our opinion does not constitute a recommendation as to how any holder of shares of Company Common Stock should vote on the acquisition by the Company of AMT or any matter related thereto, in the event that the Agreement should require such shareholder vote. In addition, you have not asked us to address, and this opinion does not address, the fairness to, or any other consideration of, the holders of any class of securities, creditors or other constituencies of the Company, other than the holders of shares of Company Common Stock. We express no opinion as to the price at which shares of the common stock of the Company will trade at any time. Furthermore, we do not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable or to be received by any of the Company's officers, directors or employees, or any class of such persons, in connection with the Agreement, whether relative to the Consideration or otherwise.

We have been engaged by the Board of Directors of the Company to act as its financial advisor in connection with the Agreement and will receive a fee for our services. We also will be reimbursed for expenses incurred. The Company has agreed to indemnify us against liabilities arising out of or in connection with the services rendered and to be rendered by us under such engagement. In the ordinary course of our business, we and our affiliates may trade or hold securities of the Company and/or its affiliates for our own account and for the accounts of our customers and, accordingly, may at any time hold long or short positions in those securities. In addition, we may seek to, in the future, provide financial advisory and financing services to the Company or entities that are affiliated with the Company, for which we would expect to receive compensation. Except as otherwise expressly provided in our engagement letter with the Board of Directors and the Company, our opinion may not be used or referred to by the Company, or quoted or disclosed to any person in any manner, without our prior written consent.

Based upon and subject to the foregoing, we are of the opinion that, as of the date hereof, the Consideration pursuant to the Agreement is fair, from a financial point of view, to the holders of the Company Common Stock.

Very truly yours,
For Fearnley Securities AS



Rikard Vabo