

KNOT Management Denmark A/S

C/O Danske Rederier
Amaliegade 33B, 4., 1256 Copenhagen K
CVR no. 35 80 86 55

Annual report 2025

Approved at the Company's annual general meeting on 10 March 2026
Chairman of the meeting:

.....
Karl Gerhard Bråstein Dahl

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of KNOT Management Denmark A/S for the financial year 1 January - 31 December 2025.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 January - 31 December 2025.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 10 March 2026

Executive Board:

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Hans Gundestrup
CEO

Board of Directors:

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Karl Gerhard Bråstein Dahl
Chairman

.....
Magnus Gudmundsen

.....
Hans Gundestrup

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Independent auditor's report

To the shareholder of KNOT Management Denmark A/S

Opinion

We have audited the financial statements of KNOT Management Denmark A/S for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 January - 31 December 2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act 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 and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- u Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- u Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- u Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

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Independent auditor's report

- u Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- u Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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 Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 10 March 2026
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Rolan Atl Caballero Pena Espedal
Authorised Public Accountant
mne47789

Management's review

Company details

Name	KNOT Management Denmark A/S
Address, Postal code, City	C/O Danske Rederier Amaliegade 33B, 4., 1256 Copenhagen K
CVR no.	35 80 86 55
Registered office	Copenhagen
Board of Directors	Karl Gerhard Bråstein Dahl, Chairman Magnus Gudmundsen Hans Gundestrup
Executive Board	Hans Gundestrup, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark
Bankers	DNB Bank Arne Jacobsens Allé 15, 2300 København S

Operating review

Principal activities

The Company's objective is to engage in administration, management and support services within the shipping business and other activities related hereto. The Company provides commercial, technical and crew management services for the Danish flagged tankers in the Knutsen Group fleet.

Development in activities and financial matters

The income statement for 2025 shows a profit of DKK 3,158,033 against a profit of DKK 3,359,638 last year, and the balance sheet at 31 December 2025 shows equity of DKK 5,269,873. Management considers the Company's financial performance during the year satisfactory.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 January - 31 December

Income statement

Note	DKK	2025	2024
	Gross profit	11,075,572	10,248,892
2	Staff costs	-6,494,992	-6,237,562
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-23,628	-23,628
	Profit before net financials	4,556,952	3,987,702
3	Financial income	181,747	374,969
4	Financial expenses	-639,935	-47,095
	Profit before tax	4,098,764	4,315,576
	Tax for the year	-940,731	-955,938
	Profit for the year	3,158,033	3,359,638

Recommended appropriation of profit

Proposed dividend recognised under equity	3,000,000	3,000,000
Retained earnings	<u>158,033</u>	<u>359,638</u>
	<u>3,158,033</u>	<u>3,359,638</u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2025</u>	<u>2024</u>
ASSETS			
Fixed assets			
Property, plant and equipment			
	Other fixtures and fittings, tools and equipment	9,724	33,352
		<u>9,724</u>	<u>33,352</u>
Investments			
	Other receivables	98,797	96,859
		<u>98,797</u>	<u>96,859</u>
Total fixed assets		<u>108,521</u>	<u>130,211</u>
Non-fixed assets			
Receivables			
	Receivables from group entities	4,025,020	6,508,920
	Deferred tax assets	6,294	3,907
	Income taxes receivable	81,898	0
	Other receivables	373,371	720,201
	Prepaid expenses	114,792	575,295
		<u>4,601,375</u>	<u>7,808,323</u>
Cash		<u>18,329,372</u>	<u>17,031,416</u>
Total non-fixed assets		<u>22,930,747</u>	<u>24,839,739</u>
TOTAL ASSETS		<u>23,039,268</u>	<u>24,969,950</u>

EQUITY AND LIABILITIES**Equity**

5 Share capital	500,000	500,000
Retained earnings	1,769,873	1,611,840
Dividend proposed for the year	3,000,000	3,000,000
Total equity	<u>5,269,873</u>	<u>5,111,840</u>

Liabilities other than provisions**Current liabilities other than provisions**

Trade payables	396,901	577,310
Payables to group entities	4,692,629	4,158,831
Income taxes payable	0	917,324
Other payables	12,679,865	14,204,645
	<u>17,769,395</u>	<u>19,858,110</u>

Total liabilities other than provisions

	<u>17,769,395</u>	<u>19,858,110</u>
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TOTAL EQUITY AND LIABILITIES

	<u>23,039,268</u>	<u>24,969,950</u>
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- 6 Contractual obligations and contingencies, etc.
- 7 Security and collateral
- 8 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Dividend proposed for the year	Total
Equity at 1 January 2024	500,000	1,252,202	250,000	2,002,202
Transfer through appropriation of profit	0	359,638	3,000,000	3,359,638
Dividend distributed	0	0	-250,000	-250,000
Equity at 1 January 2025	500,000	1,611,840	3,000,000	5,111,840
Transfer through appropriation of profit	0	158,033	3,000,000	3,158,033
Dividend distributed	0	0	-3,000,000	-3,000,000
Equity at 31 December 2025	500,000	1,769,873	3,000,000	5,269,873

Financial statements 1 January - 31 December

Notes to the financial statements

Accounting policies

The annual report of KNOT Management Denmark A/S for 2025 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Revenue comprise management fee where the Company acts as an agent on behalf of the contracting partners of the vessels.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the Company's employees. The item is net of refunds made by public authorities.

Financial statements 1 January - 31 December

Notes to the financial statements

Accounting policies (continued)

Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation is based on the residual value of the asset at the end of its useful life and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Production overheads and borrowing costs are not included in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets, which are as follows:

Other fixtures and fittings, tools and equipment	3-5 years
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Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses and exchange gains and losses.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet**Property, plant and equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

Financial statements 1 January - 31 December

Notes to the financial statements

Accounting policies (continued)

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash comprise of bank accounts in DKK and USD.

Financial statements 1 January - 31 December

Notes to the financial statements

Accounting policies (continued)

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Other payables

Other payables are measured at net realisable value.

Financial statements 1 January - 31 December

Notes to the financial statements

DKK	<u>2025</u>	<u>2024</u>
Staff costs		
Wages/salaries	38,122,549	36,324,345
Pensions	5,218,214	5,266,098
Other social security costs	281,248	322,211
Other staff costs	143,206	164,289
Staff costs paid by third party	<u>-37,270,225</u>	<u>-35,839,381</u>
	<u>6,494,992</u>	<u>6,237,562</u>
Average number of full-time employees	<u>62</u>	<u>63</u>
Financial income		

Interest receivable, group entities	181,747	207,667
Other financial income	<u>0</u>	<u>167,302</u>
	<u>181,747</u>	<u>374,969</u>

Financial expenses

Interest surcharges and tax recognised under net financials	9,565	0
Other financial expenses	<u>630,370</u>	<u>47,095</u>
	<u>639,935</u>	<u>47,095</u>

Share capital

The Company's share capital has remained DKK 500,000 over the past 5 years.

Contractual obligations and contingencies, etc.

Other financial obligations

Other rent liabilities:

DKK	2025	2024
Rent liabilities	<u>221,558</u>	<u>242,497</u>

The Group has, as part of its normal course of business, entered into customary executory contracts.

Financial statements 1 January - 31 December

Notes to the financial statements

Security and collateral

The Company has not placed any assets or other as security for loans at 31 December 2025.

Related parties

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
KNOT Management AS	Smedasundet 40, 5529 Haugesund, Norway	Smedasundet 40, 5529 Haugesund, Norway

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the votes or minimum 5% of the share capital:

<u>Name</u>	<u>Domicile</u>
KNOT Management AS	Smedasundet 40, 5529 Haugesund, Norway