



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 997 006 968
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNUTSEN SHUTTLE TANKERS 15 AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: 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: Karl Gerhard Bråstein Dahl
Dato for fastsettelse av årsregnskapet: 10.03.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 30.08.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Freight income	2	176 951 915	192 772 614
Commissions		-1 197 540	-1 331 429
Other Income		696	112 585
Sum inntekter		175 755 071	191 553 770
Kostnader			
Crew-hire	6	24 617 915	21 201 749
Ordinary depreciation	5	38 136 646	38 171 900
Ordinary depreciation - dry docking	5		
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		
Other operating expenses		14 384 192	14 832 213
Administration	9	6 176 723	6 386 960
Sum kostnader		83 315 476	80 592 822
Driftsresultat		92 439 596	110 960 948
Finansinntekter og finanskostnader			
Financial income	7	108 618	86 302
Foreign exchange gain/loss		-118 466	967 812
Sum finansinntekter		-9 848	1 054 114
Financial expenses	7	20 366 744	30 787 791
Sum finanskostnader		20 366 744	30 787 791
Netto finans		-20 376 592	-29 733 677
Ordinært resultat før skattekostnad		72 063 003	81 227 271
Taxes	13		
Ordinært resultat etter skattekostnad		72 063 003	81 227 271
Årsresultat		72 063 003	81 227 271
Årsresultat etter minoritetsinteresser		72 063 003	81 227 271



Resultatregnskap

Beløp i: NOK	Note	2021	2020
Totalresultat		72 063 003	81 227 271



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	13		
Varige driftsmidler			
Vessel	5, 10	565 446 960	603 608 623
Sum varige driftsmidler		565 446 960	603 608 623
Sum anleggsmidler		565 446 960	603 608 623
Omløpsmidler			
Varer			
Inventories	4	1 248 419	963 619
Sum varer		1 248 419	963 619
Fordringer			
Receivables	8	3 504 893	3 835 572
Konsernfordringer	8	3	243 189
Sum fordringer		3 504 896	4 078 760
Bankinnskudd, kontanter og lignende			
Bank deposits	3	27 384 166	24 268 571
Sum bankinnskudd, kontanter og lignende		27 384 166	24 268 571
Sum omløpsmidler		32 137 480	29 310 950
SUM EIENDELER		597 584 440	632 919 573
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	11, 12	200 000	200 000
Overkurs		14 045 913	24 896 683



Balanse

Beløp i: NOK	Note	2021	2020
Sum innskutt egenkapital		14 245 913	25 096 683
Opptjent egenkapital			
Other equity		81 961 245	87 204 101
Sum opptjent egenkapital		81 961 245	87 204 101
Sum egenkapital	11	96 207 158	112 300 784
Gjeld			
Langsiktig gjeld			
Deferred income	2		
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	470 401 628	510 953 696
Sum annen langsiktig gjeld		470 401 628	510 953 696
Sum langsiktig gjeld		470 401 628	510 953 696
Kortsiktig gjeld			
Leverandørgjeld	8	4 808 098	3 754 638
Tax payable	13		
Utbytte		21 761 000	
Kortsiktig konserngjeld		53 135	1 134 580
Accrued interest	10	2 584 686	2 822 515
Other current liabilities	8	1 768 736	1 953 362
Sum kortsiktig gjeld		30 975 655	9 665 093
Sum gjeld		501 377 282	520 618 789
SUM EGENKAPITAL OG GJELD		597 584 440	632 919 573



Knutsen Shuttle Tankers 15 AS

Annual Report 2021



M/T "Torill Knutsen"

KNOT
Offshore Partners LP



KNUTSEN SHUTTLE TANKERS 15 AS

REPORT OF THE BOARD OF DIRECTORS 2021

Knutsen Shuttle Tankers 15 AS owns one 123,000 DWT Suez-max shuttle tanker, M/T Torill Knutsen, delivered from Hyundai Heavy Industries (HHI) Shipyard in South Korea in 2013.

The company operates out of Haugesund, Norway and has no employees and working environment. The daily operations of the company and the vessel are managed by KNOT Management AS in Haugesund in accordance with separate agreement.

The company's activity

M/T Torill Knutsen have been chartered to Eni Trading and Shipping S.p.A., for operation on the Goliat field offshore Norway from delivery at yard on a five-year TC agreement with 5 one-year options. The charterer has exercised their three first options.

Result for the year

The operating result for Knutsen Shuttle Tankers 15 AS was NOK 92 439 596 in 2021 compared to NOK 110 960 948 in 2020. After net financial loss of NOK 20 376 592 in 2021, against a loss of NOK 29 733 677 in 2020, the results of the year were NOK 72 063 003 in 2021 compared to NOK 81 227 271 in 2020.

The Board of Directors suggests the result for the year transferred to other equity. The Company have paid out extraordinary dividends in the total amount of NOK 66 395 630 during 2021. In addition, the company has paid-out dividend in 2022 amounting to NOK 21 761 000.

Total cash flow from operating activities in the company was NOK 126 144 686, NOK 143 121 896 in 2020. The liquidity position was NOK 27 384 166 as per 31.12.2021 compared to NOK 24 268 571 as per 31.12.2020. The company's ability to finance its investments is good. The outstanding mortgage loan is at the end of 2021 USD 75 000 010.

The company's short-term debt per 31.12.2021 was 6.2 % of total debt (1.9 % in 2020).

The company is exposed to fluctuations in foreign exchange rates, especially USD, as the company's income is denominated in USD. Since most the company's operating expenses and financial costs also are denominated in USD, this limits the company's foreign exchange risk. The company has not entered into any forward contracts or other agreements to reduce the company's foreign exchange risk, and thereby operating related market risk.

The company is also exposed to changes in the interest rate level, as its long-term debt carrying floating interest rate.

Total capital was by the end of the year NOK 597 584 440, NOK 632 919 573 at the end of 2020. The equity-share as of 31.12.2021 was 16 %, compared to 18 % as of 31.12.2020.

The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern. The Board of Directors confirms that the Financial Statements give a true picture of the company's assets and liabilities, financial position, and results.



The environment safety and quality control

The requirements for a safety operation of ships are increasing, and both the company and the manager KNOT Management AS are concerned with an operational excellence. KNOT Offshore Partners Group's fleet consists of modern ships which are designed and engineered for safe, environmentally sound, and efficient operations. The ships are maintained and upgraded continuously to meet the demands and expectations from stakeholders. The company and the manager put significant resources to the quality assurance and there are strict requirements for safety systems and an operation of the ships.

The company is not aware of any significant pollution to the external environment, and the Board of Directors considers the working conditions onboard the ships as satisfactory. All the vessels are certified in accordance with both ISM code and the ISPS code.

The company have no employees and thus no working environment. The company aims to be workplace where there is no discrimination related to gender, ethnicity, religion, or disability. The company aims to avoid gender discrimination regarding salary, promotion and recruiting. The members of the Board of Directors are all men. There have not been taken out any board of directors liability insurance.

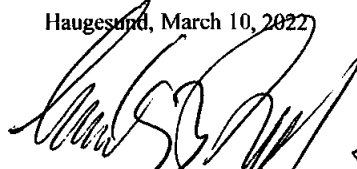
Prospects

M/T Torill Knutsen is operated on a long-term charter with Eni Trading and Shipping S.p.A. where the fixed period ends in the 4th quarter of 2022. The charterer and trading area is well known for the manager and the Board of Directors. Based on the operation of the vessel in 2021, the long-term financing of the vessel and the Board of Directors expectation that the charterer will extend the charter-party of the vessel, the Board of Directors of Knutsen Shuttle Tankers 15 AS expects 2022 to be a satisfactory year for the vessel and the company.



Trygve Seglem
Chairman of the Board

Haugesund, March 10, 2022



Karl Gerhard Bråstein Dahl
Member of the Board



Takashi Dorjyo
Member of the Board



Knutsen Shuttle Tankers 15 AS

Profit & Loss Account

	<u>Note</u>	2021	2020
<u>Operating Income</u>			
Freight income	2	176 951 915	192 772 614
Commissions		-1 197 540	-1 331 429
Other Income		696	112 585
<i>Total Operating income</i>		<u>175 755 071</u>	<u>191 553 770</u>
<u>Operating Expenses</u>			
Crew-hire	6	24 617 915	21 201 749
Other operating expenses		14 384 192	14 832 213
Administration	9	6 176 723	6 386 960
<i>Total Operating Expenses</i>		<u>45 178 830</u>	<u>42 420 922</u>
Ordinary depreciation	5	38 136 646	38 171 900
<i>Operating Result</i>		<u>92 439 596</u>	<u>110 960 948</u>
<u>Financial Income and Expenses</u>			
Financial income	7	108 618	86 302
Foreign exchange gain/loss		-118 466	967 812
Financial expenses	7	-20 366 744	-30 787 791
<i>Net Financial Items</i>		<u>-20 376 592</u>	<u>-29 733 677</u>
<i>Result before taxes</i>		<u>72 063 003</u>	<u>81 227 271</u>
Taxes	13	0	0
<i>Result for the year</i>		<u>72 063 003</u>	<u>81 227 271</u>



Knutsen Shuttle Tankers 15 AS
Balance Sheet as of 31. December

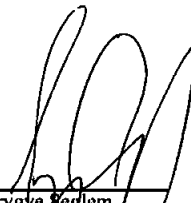
<u>Assets</u>	<u>Note</u>	2021	2020
<u>Fixed assets</u>			
Vessel	5, 10	565 446 960	603 608 623
<i>Total Fixed Assets</i>		<u>565 446 960</u>	<u>603 608 623</u>
<u>Current Assets</u>			
Inventories	4	1 248 419	963 619
Receivables	8	3 504 893	3 835 572
Current receivables group		3	243 189
Bank deposits	3	27 384 166	24 268 571
<i>Total Current Assets</i>		<u>32 137 480</u>	<u>29 310 950</u>
<i>TOTAL ASSETS</i>		<u>597 584 440</u>	<u>632 919 573</u>



Knutsen Shuttle Tankers 15 AS

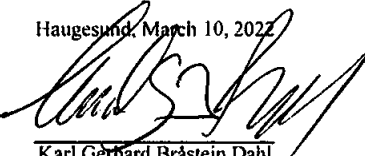
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2021	2020
Equity			
Share capital	11, 12	200 000	200 000
Share premium		14 045 913	24 896 683
<i>Total capital paid-in</i>		<u>14 245 913</u>	<u>25 096 683</u>
Other equity		81 961 245	87 204 101
<i>Total Shareholders' Equity</i>	11	<u>96 207 158</u>	<u>112 300 784</u>
Long Term Debt			
Mortgage debt	10	470 401 628	510 953 696
<i>Total Long Term Debt</i>		<u>470 401 628</u>	<u>510 953 696</u>
Current Liabilities			
Accounts payable	8	4 808 098	3 754 638
Accrued interest	10	2 584 686	2 822 515
Current liabilities group		53 135	1 134 580
Dividends		21 761 000	0
Other current liabilities	8	1 768 736	1 953 362
<i>Total Current Liabilities</i>		<u>30 975 655</u>	<u>9 665 093</u>
<i>Total liabilities</i>		<u>501 377 282</u>	<u>520 618 789</u>
<i>SHAREHOLDERS' EQUITY AND LIABILITIES</i>		<u>597 584 440</u>	<u>632 919 573</u>

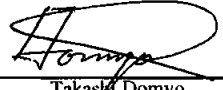


Trygve Seglem
chairman of the board

Haugesund, March 10, 2022



Karl Gerhard Bråstein Dahl
member of the board



Takashi Domyo
member of the board



KNUTSEN SHUTTLE TANKERS 15 AS

CASHFLOW STATEMENT

	2021	2020
Total generated from operations 1)	126 306 058	142 506 288
Change in working capital	<u>-161 372</u>	<u>615 608</u>
Net cashflow from operations	<u>126 144 686</u>	<u>143 121 896</u>
Additions/disposals	<u>25 017</u>	<u>-2 704 215</u>
Net cashflow from investments	<u>25 017</u>	<u>-2 704 215</u>
Paid installments on mortgage debt	-56 658 478	-63 572 307
Net group contribution/dividend paid-out	<u>-66 395 630</u>	<u>-79 756 988</u>
Net cashflow from financing	<u>-123 054 108</u>	<u>-143 329 295</u>
Net cashflow for the year	3 115 595	-2 911 614
+ Cash balance per 01.01.	<u>24 268 571</u>	<u>27 180 185</u>
= Cash Balance per 31.12.	<u>27 384 166</u>	<u>24 268 571</u>

1) Generated from operations:

Result before tax	72 063 003	81 227 271
+Allocation of deferred debt issuance costs	1 509 248	1 596 126
+Realized profit/loss on foreign exchange	14 597 161	21 510 991
+Ordinary depreciation	<u>38 136 646</u>	<u>38 171 900</u>
= Total generated from operations	<u>126 306 058</u>	<u>142 506 288</u>



KNUTSEN SHUTTLE TANKERS 15 AS

Notes to the Financial Statement 31.12.2021

1 Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Income

The income from charter party is in USD, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

Fixed Assets and Dry-Docking

The total cost of the vessel is capitalised at delivery and depreciated linearly to estimated net sales price at the end of estimated economic life. Normal economic life of shuttle tankers is estimated to 23 years from delivery as newbuilding. We use extended life or reduced life if there are commercial or technical indications that the 23 year profile for that specific entity is not correct, i.e. fixed charter contracts above 23 year age, commercial restrictions or technical conditions or requirements. Equipment or part of the vessels with a material cost or specific use that have another estimated life is evaluated separately.

Dry-docking expenses are capitalised and expensed over the period till the next dry-docking. This is in line with the depreciation plan of the vessel, and takes into account that the vessel is classified to operate for an additional period. Dry-docking is carried out every 5th year for vessels less than 15 years, and every 2.5 year for vessels more than 15 years. In the case of a newbuilding, a portion of the total cost of the vessel equal to the dry-docking cost is capitalised. Actual expenses related to repair and maintenance of the vessel are expensed when the work is executed.

The fixed assets are valued according to the lowest of the depreciated value and the market value unless the fall in value is assumed to be temporary.

Transactions in Foreign Currency

Income and expenditure in foreign currency are converted with the exchange rate at the time of the transaction.

We use hedge accounting for long term debt in foreign currencies. The expected net future nominal cash-flow in the same currency from chartering out vessel is the hedging instruments. The realized foreign exchange gain and -losses are booked together with the hedging instrument. We book realized- and unrealized foreign exchange gain/-loss for any ineffective part of the debt in foreign currencies over financial items.



Interest-bearing loan and borrowings

All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method; any difference between proceeds (net of transaction costs) and the redemption value is recorded in the profit and loss over the period of the interest-bearing liabilities. Amortized cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognized in the net profit and loss statement when the liabilities are devalued or depreciated, as well as through the amortization process.

Tax

The company have elected to be taxed based on the Norwegian tonnage tax regime. In the tonnage tax regime the company pay a tonnage tax based on the weight of the owned vessels and taxable result is based on a taxable financial result. This means that the company's operating results is not taxable. The taxable financial result is based on the net financial items in the profit and loss account where only a portion of the foreign exchange gain is taxable and a portion of the foreign exchange loss and interest expenses is deductible. The portion is based on the amount of financial assets compared to total assets in the balance sheet. The company will also have to pay a calculated tax on the equity if the equity exceed 70% of total capital.

Tonnage tax is classified as an operating expense in the profit and loss statement.

The calculated tax expenses in the profit and loss statement includes both the payable tax for the period in addition to the change in deferred tax. Deferred tax is calculated based on the temporary differences between the balance sheet values in the accounts and the tax values in addition to the tax loss carried forward at the end of the financial year. Tax increasing and decreasing changes in temporary differences that can be reversed in the same period are offset and the net value is taken into the accounts.

Cash flow statement

The cash flow statement is presented using the indirect method of NRS. The liquidity balance is defined as the sum of cash, bank deposits and other short term deposits.

Related party transactions

The Company has undertaken several agreements and transactions with related parties in the Knutsen NYK Offshore Tankers Group and KNOT Offshore Partners Group. The level of fees are based on market terms and are in accordance with the arm's length principle. KNOT Management AS delivers ship management services for the Company's vessel. Ship management fee includes services like technical management, crewing management, IT and energy management.



2 Contracts

The company has secured employment of the vessel, M/T Torill Knutsen, with a 5 year fix time charter contract with 5 one year options to Eni Trading and Shipping S.p.A. (the 100% owned shipping and trading subsidiary of Eni) from delivery November, 2013. Eni exercised two of its one-year options to extend the time charter until November 2022. Eni now has the option to extend the time charter by two one-year periods until November 2024.

KNOT Management AS operates as a manager on behalf of the company and the vessel in accordance with management agreements.

3 Bank deposits

The company doesn't have locked-up bank funds per 31.12.

4 Inventories

Inventories refer to lube oil as per 31.12.

5 Fixed Assets

<u>Vessel</u>	<u>2021</u>	<u>2020</u>
Historical value 1.1.	824 247 069	821 542 854
Accumulated depreciation 1.1.	235 368 250	202 395 104
Book value 1.1.	588 878 819	619 147 750
Additions/Disposals	-25 017	2 704 215
Annual depreciation	32 937 892	32 973 146
Book value 31.12.	555 915 911	588 878 819

The economic life of the vessels is estimated to 23 years, and is depreciated accordingly.

<u>Dry-docking</u>	<u>2021</u>	<u>2020</u>
Capitalised dry-docking	26 495 370	26 495 370
Accumulated depreciation dry-docking 1.1.	11 765 567	6 566 813
Capitalised dry-docking 1.1.	14 729 804	19 928 558
Annual depreciation	5 198 754	5 198 754
Book value 31.12.	9 531 050	14 729 804
Total vessel	565 446 960	603 608 623

The company changed in third quarter 2021 the useful life estimate for M/T Torill Knutsen from 25 years to 23 years due to prevailing longer-term market trends. The company updated at the same time the estimated net sales price at the end of estimated life from NOK 0 at 25 years to estimated net sales price at end of the new estimated end of life.

6 Salary and social costs

The company has no employees and thereby no pension liabilities (under the new OTP regulation). The company hires the crew from Knutsen OAS Shipping AS.

<u>Specification:</u>	<u>2021</u>	<u>2020</u>
Grants crew expenses	-4 093 174	-5 980 550



7 Financial Income and -Expenses

	<u>2021</u>	<u>2020</u>
Financial Income:		
Dividend	108 530	0
Other interest income	88	86 302
Total financial income	<u>108 618</u>	<u>86 302</u>
Financial expenses:		
Interest expenses	16 873 298	26 715 129
Guarantee expenses group companies/related parties	3 228 468	3 857 503
Other financial expenses	264 977	215 158
Total financial expenses	<u>20 366 744</u>	<u>30 787 791</u>

8 Related party balances

	<u>2021</u>	<u>2020</u>
<u>Current receivables</u>		
Knutsen OAS Shipping AS	74 955	0
KNOT FSO 1 AS	2 310	0
	<u>77 265</u>	<u>0</u>
<u>Accounts payable</u>		
Knutsen OAS Shipping AS	2 551 613	2 321 451
KNOT Shuttle Tankers 27 AS	492	0
KNOT Shuttle Tankers 3 AS	196 521	0
Knutsen OAS Crewing AS	2 524	1 105
Knutsen OAS Management AS	12 870	0
KNOT Shuttle Tankers 33 AS	8 500	0
KNOT Management AS	618 024	216 699
	<u>3 390 544</u>	<u>2 539 255</u>

9 Remuneration

The company have not paid salary or any other remuneration, nor given any loan or guarantees to any leading person or board members during the year.

Auditors remuneration (excl. VAT):	<u>2021</u>	<u>2020</u>
Audit	18 819	37 638
Other services besides audit	0	0
	<u>18 819</u>	<u>37 638</u>

10 Mortgage Debt and Financial Instruments

31-12-21	<u>USD</u>	<u>Historical rate</u>	<u>Rate per 31.12</u>	<u>NOK</u>
USD-loan	75 000 010	7,7101	6,3092	473 188 965
Deferred debt issuance costs				<u>-2 787 338</u>
				<u>470 401 628</u>
Current portion:				
USD-loan	6 666 664			42 061 219
Deferred debt issuance costs				<u>-1 423 909</u>
				<u>40 637 310</u>



31-12-20	USD	Historical rate	Rate per 31.12	NOK
USD-loan	81 666 674	7,7101	6,3092	515 250 282
Deferred debt issuance costs				-4 296 586
				<u>510 953 696</u>
Current portion:				
USD-loan	6 666 664			42 061 227
Deferred debt issuance costs				-1 509 244
				<u>40 551 983</u>

Estimated outstanding debt per year end 2026 is USD 42 million.

The USDNOK exchange rate at the year-end was 8,8363 (8,5375 in 2020).

The company has aimed to reduce the market risk by entering financial contracts. Hedge accounting has been applied for revenue in USD (cash flow hedge). Loans in USD are used as hedging instrument. The profit and loss impact of the hedging instrument (loan in USD) is presented together with the hedged risk. This implies that realized currency gain/losses on the loans are presented as an increase/reduction of operating income.

Future income flows from anticipated fixed contracts in USD exceed debt in USD. Therefore it is not recognized foreign exchange gains/losses on USD debt on the basis of the year-end exchange rate. Per 31.12.2021 the not recorded foreign exchange loss (i.e. off-balance) is NOK 190 million compared to a loss of NOK 182 million as per 31.12.2020.

Security for the loan is made through a first priority mortgage in the vessel, transportation of income and insurances, pledged bank deposits, factoring agreement, and guarantees from the owner.

Book value of mortgaged assets is NOK 598 million (NOK 633 million in 2020).

11 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other equity	Total equity
Equity 01.01.	200 000	24 896 683	87 204 101	112 300 784
Extraordinary dividend paid-out	0	-10 850 770	-55 544 860	-66 395 630
Paid-out dividend in 2022	0	0	-21 761 000	-21 761 000
Result for the year	0	0	72 063 003	72 063 003
Equity 31.12.	<u>200 000</u>	<u>14 045 913</u>	<u>81 961 245</u>	<u>96 207 158</u>

Share capital consist of 100 shares à NOK 2 000, all the shares is owned by KNOT Shuttle Tankers AS.

The company is controlled 100% by KNOT Offshore Partners LP. Accounting for the Group can be obtained from the website, <http://knotoffshorepartners.com/>.

12 Shares Owned by Board Members and Affiliates

Trygve Seglem controls TS Shipping Invest AS, which owns 50 % of the company Knutsen NYK Offshore Tankers AS, which controls 30,47% of KNOT Offshore Partners LP.



13 Tax

The company is taxed based on the shipping tax regime. This means that companies are not taxed on the basis of its operating income. However it is calculated an annual tax of 22% on the company's net financial income. At the same time companies within the tonnage tax scheme will have to pay a tonnage tax based on the size of the company's operated vessels, which amounted to NOK 117 959 (NOK 117 959 last year). Tonnage tax is classified as an operating expense.

The company should meet certain requirements to be within the scheme, such as only ownership of ship/ shares in the shipping companies, and only own certain types of financial assets.

Below is a specification of the temporary differences at the end of the financial year.

	31.12.2021	Change	31.12.2020
Loss carried forward	-63 114 146	-4 258 661	-58 855 485
Basis for deferred tax (benefit)	-63 114 146	-4 258 661	-58 855 485
Deferred tax (benefit)	0	0	0

Deferred tax assets related to losses carried forward are only recognized to the extent that there is convincing evidence that these will be utilized in the future.

Taxable result tonnage tax scheme:

	2021	2020
Net financial result	-20 376 591	-29 733 676
Non deductible currency loss	-140 349	-1 482 096
Other deductible items	-105 274	0
Interest deduction	16 363 552	25 743 983
Taxable income before loss carried forward	-4 258 661	-5 471 790
Change in loss carried forward	4 258 661	5 471 790
Taxable income	0	0
Tax payable	0	0
Change in deferred tax	0	0
Tax expense	0	0



Statsautoriserte revisorer
Ernst & Young AS

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www.ey.no
Medlemmer av Den norske Revisorforening

To the Shareholders' Meeting of Knutsen Shuttle Tankers 15 AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Knutsen Shuttle Tankers 15 AS (the company) which comprise the balance sheet as at December 31, 2021, the statement of income and statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements present fairly in all material respects the financial position of the Company as at December 31, 2021 and (of) 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 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 the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. 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 information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report and for the other information presented with the financial statements 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.

Responsibilities of the management for the Financial Statements

The management is responsible for the preparation of financial statements that give a true and fair view 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.



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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 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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.
- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Oslo, 10 March 2022
Ernst & Young AS

Johan Lid Nordby
State Authorised Public Accountant
(This document is signed electronically)

Independent auditor's report - Knutsen Shuttle Tankers 15 AS

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"By my signature I confirm all dates and content in this document."

Johan Nordby

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5997-4-729076

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Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	17.11.2011	08.12.2011
Telefon	Deres referanse	Vår referanse
22078139	Jørn Knutsen	2009/867030

ERNST & YOUNG AS
Postboks 20 Oslo Atrium
0051 OSLO

Dispensasjon fra kravet om å utarbeidelse av årsregnskap og årsberetning på norsk språk

Det vises til deres brev av 17. november 2011 og telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk på vegne av;

Knutsen NYK Shuttle Tankers 8 AS	org. nr. 997 091 051
Knutsen NYK Offshore Tankers 1 AS	org. nr. 897 099 152
Knutsen Shuttle Tankers 13 AS	org. nr. 996 661 016
Knutsen Shuttle Tankers 14 AS	org. nr. 996 821 374
Knutsen Shuttle Tankers 15 AS	org. nr. 997 006 968
Knutsen NYK Shuttle Tankers 16 AS	org. nr. 997 404 009

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 engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Bakgrunn

De overnevnte selskapene er eid 50 % av TS Shipping Invest AS og 50 % av NYK Logistics Holding (Europe) B.V. som er hjemmehørende i Nederland. TS Shipping Invest AS fikk i vedtak (2010/867030) av 2. juni 2010 dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk. Selskapene driver virksomhet innen shippingbransjen som er en global bransje hvor engelsk primært benyttes ved kommunikasjon med omverden. Selskapene benytter også engelsk som arbeidsspråk internt. Brukerne av regnskapene er hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften. Styrene i selskapene har medlemmer som ikke er norskspråklige. De norske versjonene av årsregnskapet utarbeides kun for å tilfredsstille regnskapsloven.

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	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se www.skatteetaten.no	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se www.skatteetaten.no		22 17 08 60



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.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er 50 % eid av et selskap som er innvilget dispensasjon og 50 % av et nederlandsk selskap. Selskapene opererer i en global bransje hvor engelsk primært benyttes. Arbeidsspråk er også engelsk. Videre er det vektlagt at styrene i selskapene har medlemmer som ikke er norskspråklige.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland