



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	827 900 842
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	KNUTSEN NYK CARBON CARRIERS AS
Forretningsadresse:	Smedasundet 40 5529 HAUGESUND

Regnskapsår

Årsregnskapets periode:	01.01.2022 - 31.12.2022
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Ja
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Forenklet IFRS
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Trygve Seglem
Dato for fastsettelse av årsregnskapet:	09.06.2023

Grunnlag for avgivelse

År 2022: Årsregnskapet er elektronisk innlevert
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022

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, 18.06.2024



Resultatregnskap

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Other income	1	100 698	0
Sum inntekter		100 698	
Kostnader			
Labour expenses	2	145 161	0
Other operating expenses	2	380 076	9 266
Project expenses		2 104 704	0
Sum kostnader		2 629 941	9 266
Driftsresultat		-2 529 243	-9 266
Finansinntekter og finanskostnader			
Financial income	3	80 874	0
Sum finansinntekter		80 874	0
Financial expenses	3	437	0
Foreign exchange loss		3 358	
Sum finanskostnader		3 795	0
Netto finans		77 079	0
Ordinært resultat før skattekostnad		-2 452 164	-9 266
Ordinært resultat etter skattekostnad		-2 452 164	-9 266
Årsresultat		-2 452 164	-9 266



Balanse

Beløp i: USD	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Office equipment		512	0
Sum varige driftsmidler		512	0
Finansielle anleggsmidler			
Investering i datterselskap	5	46 000 000	0
Sum finansielle anleggsmidler		46 000 000	0
Sum anleggsmidler		46 000 512	0
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable		126 179	0
Other current receivables		429 518	2 323
Receivables from related parties		3 816	0
Konsernfordringer		21 210	0
Sum fordringer		580 723	2 323
Bankinnskudd, kontanter og lignende			
Bank deposits	6	4 295 307	4 599
Sum bankinnskudd, kontanter og lignende		4 295 307	4 599
Sum omløpsmidler		4 876 030	6 922
SUM EIENDELER		50 876 542	6 922

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: USD	Note	2022	2021
Innskutt egenkapital			
Share capital		5 387 440	3 460
Overkurs		47 617 165	1 145
Sum innskutt egenkapital		53 004 605	4 605
Opptjent egenkapital			
Other equity		-2 461 436	-9 266
Sum opptjent egenkapital		-2 461 436	-9 266
Sum egenkapital	7, 8	50 543 169	-4 661
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		110 387	11 583
Kortsiktig konserngjeld		120 041	0
Other current liabilities		102 945	0
Sum kortsiktig gjeld		333 373	11 583
Sum gjeld		333 373	11 583
SUM EGENKAPITAL OG GJELD		50 876 542	6 922



Konsernets resultatregnskap

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Other income	1	100 698	0
Sum inntekter		100 698	
Kostnader			
Labour expenses	2	145 161	0
Other operating expenses	2	380 108	9 266
Project expenses		2 169 502	0
Sum kostnader		2 694 771	9 266
Driftsresultat		-2 594 073	-9 266
Finansinntekter og finanskostnader			
Financial income	3	80 918	0
Sum finansinntekter		80 918	0
Financial expenses	3	437	0
Foreign exchange loss		480	0
Sum finanskostnader		917	0
Netto finans		80 001	0
Ordinært resultat før skattekostnad		-2 514 072	-9 266
Ordinært resultat etter skattekostnad		-2 514 072	-9 266
Årsresultat		-2 514 072	-9 266



Konsernets balanse

Beløp i: USD	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	5, 6	45 958 559	0
Sum immaterielle eiendeler		45 958 559	0
Varige driftsmidler			
Office equipment		512	0
Sum varige driftsmidler		512	0
Sum anleggsmidler		45 959 071	0
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable		126 179	0
Other current receivables		429 617	2 323
Receivables from related parties		3 816	0
Konsernfordringer		644	0
Sum fordringer		560 256	2 323
Bankinnskudd, kontanter og lignende			
Bank deposits	7	4 295 307	4 599
Sum bankinnskudd, kontanter og lignende		4 295 307	4 599
Sum omløpsmidler		4 855 563	6 922
SUM EIENDELER		50 814 634	6 922
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		5 387 440	3 460



Konsernets balanse

Beløp i: USD	Note	2022	2021
Overkurs		47 617 165	1 145
Sum innskutt egenkapital		53 004 605	4 605
Opptjent egenkapital			
Other equity		-2 523 344	-9 266
Sum opptjent egenkapital		-2 523 344	-9 266
Sum egenkapital	8, 9	50 481 261	-4 661
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		110 387	11 583
Kortsiktig konserngjeld		120 041	0
Other current liabilities		102 945	0
Sum kortsiktig gjeld		333 373	11 583
Sum gjeld		333 373	11 583
SUM EGENKAPITAL OG GJELD		50 814 634	6 922



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 552196

Enheten

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Organisasjonsform: Aksjeselskap
Foretaksnavn: KNUTSEN NYK CARBON CARRIERS AS
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årsregnskapet til selskapet: Forenklet IFRS
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: Forenklet IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Trygve Seglem
Dato for fastsettelse av årsregnskapet: 09.06.2023

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Brønnøysundregistrene, 06.07.2023



Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

RESULTATREGNSKAP

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Other income	1	100 698	0
Sum inntekter		100 698	
Kostnader			
Labour expenses	2	145 161	0
Other operating expenses	2	380 076	9 266
Project expenses		2 104 704	0
Sum kostnader		2 629 941	9 266
Driftsresultat		-2 529 243	-9 266
Finansinntekter og finanskostnader			
Financial income	3	80 874	0
Sum finansinntekter		80 874	0
Financial expenses	3	437	0
Foreign exchange loss		3 358	0
Sum finanskostnader		3 795	0
Netto finans		77 079	0
Ordinært resultat før skattekostnad		-2 452 164	-9 266
Ordinært resultat etter skattekostnad		-2 452 164	-9 266
Årsresultat		-2 452 164	-9 266



Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

BALANSE

Beløp i: USD Note 2022 2021

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Varige driftsmidler

Office equipment 512 0
Sum varige driftsmidler 512 0

Finansielle anleggsmidler

Investering i datterselskap 5 46 000 000 0
Sum finansielle
anleggsmidler 46 000 000 0

Sum anleggsmidler 46 000 512 0

Omløpsmidler

Varer

Fordringer

Accounts receivable 126 179 0
Other current receivables 429 518 2 323
Receivables from related
parties 3 816 0
Konsernfordringer 21 210 0
Sum fordringer 580 723 2 323

Bankinnskudd, kontanter og lignende

Bank deposits 4 295 307 4 599
Sum bankinnskudd,
kontanter og lignende 4 295 307 4 599

Sum omløpsmidler 4 876 030 6 922

SUM EIENDELER 50 876 542 6 922

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital 5 387 440 3 460
Overkurs 47 617 165 1 145
Sum innskutt egenkapital 53 004 605 4 605

Opptjent egenkapital

Other equity -2 461 436 -9 266
Sum opptjent egenkapital -2 461 436 -9 266



Sum egenkapital	7, 8	50 543 169	-4 661
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Leverandørgjeld		110 387	11 583
Kortsiktig konserngjeld		120 041	0
Other current liabilities		102 945	0
Sum kortsiktig gjeld		333 373	11 583
Sum gjeld		333 373	11 583
SUM EGENKAPITAL OG GJELD		50 876 542	6 922



Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

KONSERNRESULTATREGNSKAP

Beløp i: USD	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Other income	1	100 698	0
Sum inntekter		100 698	
Kostnader			
Labour expenses	2	145 161	0
Other operating expenses	2	380 108	9 266
Project expenses		2 169 502	0
Sum kostnader		2 694 771	9 266
Driftsresultat		-2 594 073	-9 266
Finansinntekter og finanskostnader			
Financial income	3	80 918	0
Sum finansinntekter		80 918	0
Financial expenses	3	437	0
Foreign exchange loss		480	0
Sum finanskostnader		917	0
Netto finans		80 001	0
Ordinært resultat før skattekostnad		-2 514 072	-9 266
Ordinært resultat etter skattekostnad		-2 514 072	-9 266
Årsresultat		-2 514 072	-9 266



Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

KONSERNBALANSE

Beløp i: USD	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	5, 6	45 958 559	0
Sum immaterielle eiendeler		45 958 559	0
Varige driftsmidler			
Office equipment		512	0
Sum varige driftsmidler		512	0
Sum anleggsmidler		45 959 071	0
Omløpsmidler			
Varer			
Fordringer			
Accounts receivable		126 179	0
Other current receivables		429 617	2 323
Receivables from related parties		3 816	0
Konsernfordringer		644	0
Sum fordringer		560 256	2 323
Bankinnskudd, kontanter og lignende			
Bank deposits	7	4 295 307	4 599
Sum bankinnskudd, kontanter og lignende		4 295 307	4 599
Sum omløpsmidler		4 855 563	6 922
SUM EIENDELER		50 814 634	6 922
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		5 387 440	3 460
Overkurs		47 617 165	1 145
Sum innskutt egenkapital		53 004 605	4 605
Opptjent egenkapital			
Other equity		-2 523 344	-9 266
Sum opptjent egenkapital		-2 523 344	-9 266
Sum egenkapital	8, 9	50 481 261	-4 661



Sum langsiktig gjeld	0	0
Kortsiktig gjeld		
Leverandørgjeld	110 387	11 583
Kortsiktig konserngjeld	120 041	0
Other current liabilities	102 945	0
Sum kortsiktig gjeld	333 373	11 583
Sum gjeld	333 373	11 583
SUM EGENKAPITAL OG GJELD	50 814 634	6 922



Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
1.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Organisasjonsnr: 827 900 842
KNUTSEN NYK CARBON CARRIERS AS

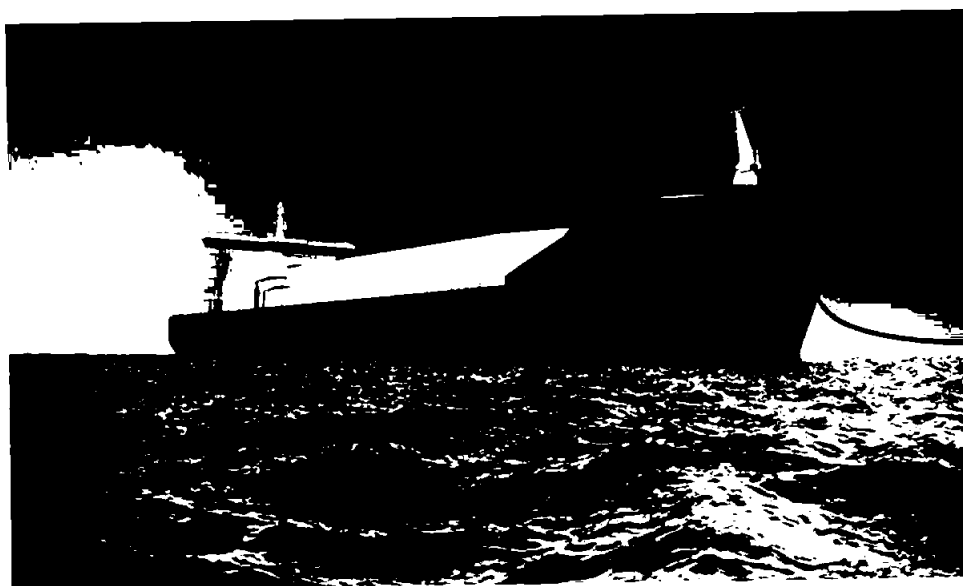
NOTEOPPLYSNINGER - KONSERN

- alle poster oppgitt i hele tall



KNUTSEN NYK CARBON CARRIERS AS GROUP

ANNUAL REPORT 2022





Statements of Total Comprehensive Income

Knutsen NYK Carbon Carriers AS Group

	Note	2022	2021
Numbers in USD			
Operating Income			
Other income	1	100 698	0
Total Operating income		100 698	0
Operating Expenses			
Labour expenses	2	145 161	0
Other operating expenses	2	380 108	9 266
Project expenses		2 169 502	0
Total Operating Expenses		2 694 771	9 266
Operating Result		-2 594 073	-9 266
Financial Income and Expenses			
Financial income	3	80 918	0
Foreign exchange gain/loss		-480	0
Financial expenses	3	437	0
Net Financial Items		80 002	0
Taxes	4	0	0
Result for the year		-2 514 072	-9 266
Other comprehensive income		0	0
Total comprehensive income		-2 514 072	-9 266




Statements of Financial Position

Knutsen NYK Carbon Carriers AS Group


	Note	2022	2021
Numbers in USD			
ASSETS			
Fixed Assets			
Goodwill	5, 6	45 958 559	0
Office equipment		512	0
Investments in subsidiaries		0	0
Total Fixed Assets		<u>45 959 071</u>	<u>0</u>
Current Assets			
Accounts receivable		126 179	0
Other current receivables		429 617	2 323
Receivable group companies		644	0
Receivables from related parties		3 816	0
Bank deposits	7	<u>4 295 307</u>	<u>4 599</u>
Total Current Assets		<u>4 855 563</u>	<u>6 922</u>
TOTAL ASSETS		<u>50 814 634</u>	<u>6 922</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Share capital		5 387 440	3 460
Share premium		<u>47 617 165</u>	<u>1 145</u>
Total capital paid-in		<u>53 004 605</u>	<u>4 605</u>
Other equity		<u>-2 523 344</u>	<u>-9 266</u>
Total Shareholders' Equity	8, 9	<u>50 481 261</u>	<u>-4 661</u>
Current Liabilities			
Accounts payable		110 387	11 583
Intercompany liabilities		120 041	0
Other current liabilities		<u>102 945</u>	<u>0</u>
Total Current Liabilities		<u>333 373</u>	<u>11 583</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>50 814 634</u>	<u>6 922</u>




Haugesund, May 9, 2023



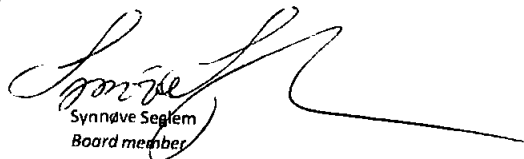
Stein Stelmien
Chairman of the board



Anders Norge Leisøe
CEO



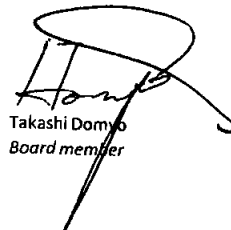
Trygve Seglem
Board member



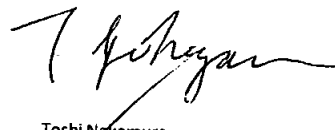
Synnøve Seglem
Board member



Jarle Østenstad
Board member



Takashi Domyo
Board member



Toshi Nakamura
Board member

Tsutomu Yokoyama



Knutsen NYK Carbon Carriers AS Group

CASHFLOW 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 liquid deposits.

Numbers in USD:

	2022	2021
Result before tax	-2 514 072	-9 266
= Total generated from operations	-2 514 072	-9 266
+ Net received on current assets	-557 933	-2 323
+ Net received on current liabilities	321 784	11 583
Net cashflow from operations	-2 750 221	-6
<u>Cashflow from investments</u>		
Investment in new business	-22 958 559	0
Net change in other fixed assets	-512	0
Net cashflow from investments	-22 959 071	0
<u>Cashflow from financing</u>		
Equity received - capital increase	30 000 000	0
Equity received - founding of the company	0	4 605
Net cashflow from financing	30 000 000	4 605
Net cashflow for the year	4 290 708	4 599
+ Bank deposits per 01.01.	4 599	0
= Bank deposits per 31.12.	4 295 307	4 599



Knutsen NYK Carbon Carriers AS Group

Notes to the Financial Statement 31.12.2022

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act § 3-9 and regulations on simplified IFRS (2022) established by the Ministry of Finance on 7 February 2022. This mainly means that measurement and recognition follow international accounting standards (IFRS) and presentation and note information are in accordance with Norwegian accounting law and good accounting practice. The accounts are based on the principles of historical cost accounting.

The group has in 2022 changed the functional accounting currency from NOK to USD. The reason for this is expected revenue and financing and equity is in USD. This transition was done by calculating all short term monetary assets and liabilities with the currency rate from NOK/USD at the balance date. For all non-monetary assets and liabilities the historical rates have been used. The figures for 2021 have been converted to USD with the same method. The exchange rate was 9,9066 as of 31.12.2022, and 8,8363 as of 31.12.2021.

Basis of consolidation

The consolidated financial statements comprise of the financial statements of Knutsen NYK Carbon Carriers AS and its subsidiary. The subsidiary is controlled by the Group. Any deviating accounting principles are adjusted for in the consolidation. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another. The Group accounts state the total profit and loss and financial position of Knutsen NYK Carbon Carriers AS and its subsidiary as a whole. The consolidated accounts include the subsidiary Knutsen PNG Technology AS. Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. All inter-company transactions, receivables, liabilities, and unrealized profits, as well as intra-group profit distributions, are eliminated in preparing the consolidated financial statements.

Going concern

The financial accounts are made on a going concern basis. The Board of Directors confirms the conditions for continued operation. The Board of Directors is of the opinion that the financial statements give a true and fair reflection of the group's assets and liabilities as well as financial strength and profitability.

Transactions in Foreign Currency

Transactions in foreign currency is recorded at the rate of exchange on the day the transaction is carried out. Assets and liabilities in foreign currencies are valued at the exchange rate on the date of the balance.

Related party transactions

The Group has undertaken several agreements and transactions with group companies and/or related parties. The level of fees are based on market terms and are in accordance with the arm's length principle.

1 Other income

Other income is income other than income from the company's main business and not generated from contracts with customers.



2 Employees and remuneration

The company have hired a chief executive officer (CEO) to run the daily operations of Knutsen NYK Carbon Carriers AS. He was hired in September 2022. Prior to this he was employed in Knutsen OAS Shipping AS, which invoiced the company for the work he performed. No loans or guarantees have been given to the CEO. Below is an overview of the remuneration paid to the CEO from date of hire. Further, the company have not paid salary or any other remuneration, nor given any loan or guarantees to any board member during the year.

2022	Salary	Benefits in kind	Pension cost	Total remuneration
Anders Lepsøe (CEO)	109 246	121	1 581	110 949
Auditors remuneration (excl. VAT):			2022	2021
Audit			0	0
Tax services			0	0
Other services besides audit			2 745	0
			<u>2 745</u>	<u>0</u>

3 Financial Income and -Expenses

Financial Income:	2022	2021
Interest income	80 918	0
Financial expenses:		
Interest expenses	2	0
Other financial expenses	435	0
Total financial expenses	<u>437</u>	<u>0</u>

4 Tax

Deferred tax/ -benefits are calculated based on the temporary differences existing at the year-end between financial and taxable values, and the taxable deficit carried forward. Below a specification of the temporary differences and taxable deficit carried forward are given, as well as a calculation of the deferred tax at the year-end.

<u>Temporary differences</u>	31.12.2022	Change	31.12.2021
Deficit carried forward	-1 898 171	-1 886 217	-11 954
Base for deferred tax calculation	-1 898 171	-1 886 217	-11 954
Deferred tax/(benefit) based on 22 % tax rate	-417 598	-414 371	-3 227
Deferred tax in balance	<u>0</u>	<u>0</u>	<u>0</u>

In the following a specification of the differences between the result before tax, and the basis for tax calculation is given.

	2022	2021
Result for the year	-2 514 072	-9 266
Permanent differences	-82 807	0
Currency effect on profit/loss before tax	701 225	0
Non-deductible items	10 728	0
Currency effect on loss carried forward	-1 291	0
Loss carried forward	1 886 217	9 266
Taxable income	<u>0</u>	<u>0</u>
Calculation of tax expenses		
Tax payable, 22 % of the tax base	0	0
Change deferred tax/(tax benefit)	0	0
Tax calculated	<u>0</u>	<u>0</u>



5 Goodwill

The assets acquired through the acquisition of Knutsen PNG Technology AS have not yet been applied in commercial projects. Hence, the company has not identified assets that qualify for balance sheet entry. Therefore, the group has booked goodwill related to the acquisition of Knutsen PNG Technology AS. The Group measures goodwill as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree less the net recognized amount (fair value) of the identifiable assets acquired and liabilities assumed all measured as of the acquisition date. Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is not subject to amortization but is tested for impairment annually or whenever there is an indication that the asset may be impaired. For the purpose of impairment testing assets are grouped at the lowest levels for which there are separately identifiable cash-flows known as cash generating units.

Balance on December 31.	<u>2022</u>	<u>2021</u>
	45 958 559	0

6 Business combinations

The Group has 27 April 2022 acquired a 100% ownership of Knutsen PNG Technology AS. The consideration was MUSD 46 and there is not any contingent consideration. The acquisition is accounted for by applying the acquisition method. Based on the PPA all excess values have been allocated as specified below.

	Allocation of value
Goodwill	45 958 559
Working capital	41 441
<u>Sum</u>	<u>46 000 000</u>

7 Bank deposits

The group's restricted bank funds per 31.12 amounts to 17 002 USD.

8 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other equity	Total equity
Equity 01.01	3 460	1 145	-9 266	-4 661
Capital increase	5 383 980	47 616 020	0	53 000 000
Result for the year	0	0	-2 514 072	-2 514 072
Other comprehensive income	0	0	0	0
Equity 31.12.	<u>5 387 440</u>	<u>47 617 165</u>	<u>-2 523 344</u>	<u>50 481 261</u>

Share capital in Knutsen NYK Carbon Carriers AS consist of 1 599 000 shares à NOK 30.

Knutsen Technology AS and Nippon Yusen Kabushiki Kaisha owns each 500 of the shares in the parent company. Financial statements for the group can be obtained at company's registered office, Smedasundet 40, 5529 Haugesund.

9 Shares Owned by Board Members and Affiliates

Trygve Seglem controls TS Shipping Invest AS, which owns 90 % of Knutsen Technology AS.

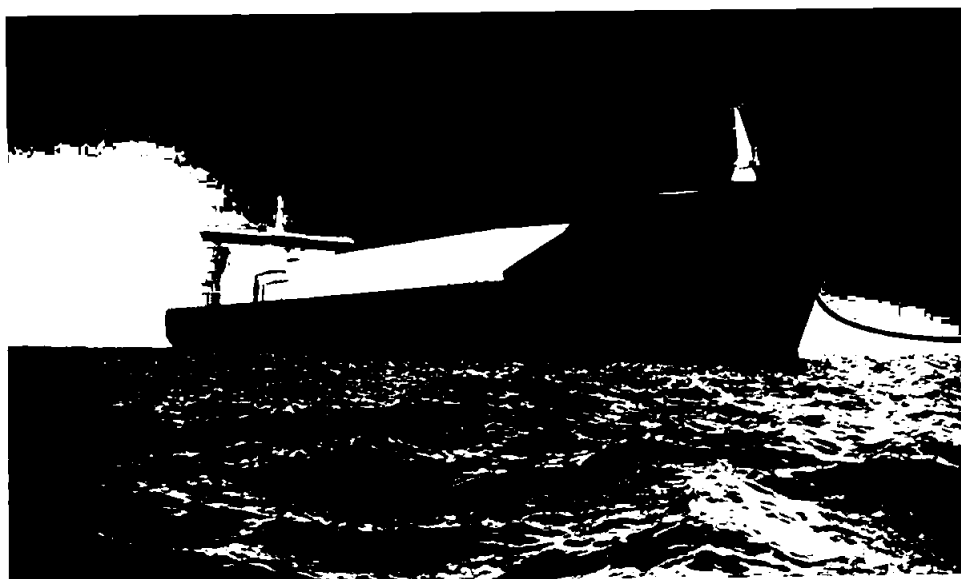
10 Subsequent events

During 2022 it was decided to merge Knutsen PNG Technology AS (subsidiary) with Knutsen NYK Carbon Carriers AS (parent company), where the latter is the surviving company. The merge was put into effect January 10, 2023.



KNUTSEN NYK CARBON CARRIERS AS

ANNUAL REPORT 2022





Statements of Total Comprehensive Income

Knutsen NYK Carbon Carriers AS

	Note	2022	2021
Numbers in USD			
Operating Income			
Other income	1	100 698	0
Total Operating income		100 698	0
Operating Expenses			
Labour expenses	2	145 161	0
Other operating expenses	2	380 076	9 266
Project expenses		2 104 704	0
Total Operating Expenses		2 629 941	9 266
Operating Result		-2 529 243	-9 266
Financial Income and Expenses			
Financial income	3	80 874	0
Foreign exchange gain/loss		-3 358	0
Financial expenses	3	-437	0
Net Financial Items		77 079	0
Taxes	4	0	0
Result for the year		-2 452 164	-9 266
Other comprehensive income		0	0
Total comprehensive income		-2 452 164	-9 266



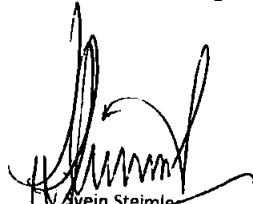
Statements of Financial Position

Knutsen NYK Carbon Carriers AS

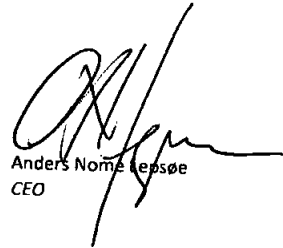
	Note	2022	2021
Numbers in USD			
ASSETS			
Fixed Assets			
Office equipment		512	0
Investments in subsidiaries	5	46 000 000	0
Total Fixed Assets		<u>46 000 512</u>	<u>0</u>
Current Assets			
Accounts receivable		126 179	0
Other current receivables		429 518	2 323
Receivable group companies		21 210	0
Receivables from related parties		3 816	0
Bank deposits	6	4 295 307	4 599
Total Current Assets		<u>4 876 030</u>	<u>6 922</u>
TOTAL ASSETS		<u>50 876 542</u>	<u>6 922</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity			
Share capital		5 387 440	3 460
Share premium		47 617 165	1 145
Total capital paid-in		<u>53 004 605</u>	<u>4 605</u>
Other equity		-2 461 436	-9 266
Total Shareholders' Equity	7, 8	<u>50 543 169</u>	<u>-4 661</u>
Current Liabilities			
Accounts payable		110 387	11 583
Intercompany liabilities		120 041	0
Other current liabilities		102 945	0
Total Current Liabilities		<u>333 373</u>	<u>11 583</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>50 876 542</u>	<u>6 922</u>



Haugesund, May 9, 2023



Svein Steimler
Chairman of the board



Anders Nome Leisøe
CEO



Trygve Seglem
Board member



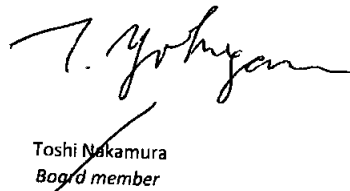
Synnøve Seglem
Board member



Jarle Østenstad
Board member



Takashi Domyo
Board member



Toshi Nakamura
Board member

Tsutomu Yokoyama



Knutsen NYK Carbon Carriers AS

CASHFLOW 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 liquid deposits.

Numbers in USD:

	2022	2021
Result before tax	-2 452 164	-9 266
= Total generated from operations	-2 452 164	-9 266
+ Net received on current assets	-578 406	-2 323
+ Net received on current liabilities	321 790	11 583
Net cashflow from operations	-2 708 780	-6
<u>Cashflow from investments</u>		
Investment in subsidiaries	-23 000 000	0
Net change in other fixed assets	-512	0
Net cashflow from investments	-23 000 512	0
<u>Cashflow from financing</u>		
Equity received - capital increase	30 000 000	0
Equity received - founding of the company	0	4 605
Net cashflow from financing	30 000 000	4 605
Net cashflow for the year	4 290 708	4 599
+ Bank deposits per 01.01.	4 599	0
= Bank deposits per 31.12.	4 295 307	4 599



Knutsen NYK Carbon Carriers AS

Notes to the Financial Statement 31.12.2022

Accounting Principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act § 3-9 and regulations on simplified IFRS (2022) established by the Ministry of Finance on 7 February 2022. This mainly means that measurement and recognition follow international accounting standards (IFRS) and presentation and note information are in accordance with Norwegian accounting law and good accounting practice.

The accounts are based on the principles of historical cost accounting.

The company has in 2022 changed the functional accounting currency from NOK to USD. The reason for this is expected revenue and financing and equity is in USD. This transition was done by calculating all short term monetary assets and liabilities with the currency rate from NOK/USD at the balance date. For all non-monetary assets and liabilities the historical rates have been used. The figures for 2021 have been converted to USD with the same method. The exchange rate was 9,9066 as of 31.12.2022, and 8,8363 as of 31.12.2021.

Investment in subsidiaries

Subsidiaries are valued at cost in the company accounts. The investment is valued as cost of the shares in the subsidiary, less any impairment losses. An impairment loss is recognized if the impairment is not considered temporary. Impairment losses are reversed if the reason for the impairment loss disappears.

Going concern

The financial accounts are made on a going concern basis. The Board of Directors confirms the conditions for continued operation. The Board of Directors is of the opinion that the financial statements give a true and fair reflection of the company's assets and liabilities as well as financial strength and profitability.

Transactions in Foreign Currency

Transactions in foreign currency is recorded at the rate of exchange on the day the transaction is carried out. Assets and liabilities in foreign currencies are valued at the exchange rate on the date of the balance.

Related party transactions

The Company has undertaken several agreements and transactions with group companies and/or related parties. The level of fees are based on market terms and are in accordance with the arm's length principle.

I Other income

Other income is income other than income from the company's main business and not generated from contracts with customers.



2 Employees and remuneration

The company have hired a chief executive officer (CEO) to run the daily operations of the company. He was hired in September 2022. Prior to this he was employed in Knutsen OAS Shipping AS, which invoiced the company for the work he performed. No loans or guarantees have been given to the CEO. Below is an overview of the remuneration paid to the CEO from date of hire. Further, the company have not paid salary or any other remuneration, nor given any loan or guarantees to any board member during the year.

	2022	Salary	Benefits in kind	Pension cost	Total remuneration
Anders Lepsøe (CEO)		109 246	121	1 581	110 949
Auditors remuneration (excl. VAT):				2022	2021
Other services besides audit				2 745	0

3 Financial Income and -Expenses

Financial Income:		2022	2021
Interest income		80 874	0
Financial expenses:			
Interest expenses		2	0
Other financial expenses		435	0
Total financial expenses		437	0

4 Tax

Deferred tax/ -benefits are calculated based on the temporary differences existing at the year-end between financial and taxable values, and the taxable deficit carried forward. Below a specification of the temporary differences and taxable deficit carried forward are given, as well as a calculation of the deferred tax at the year-end.

<u>Temporary differences</u>	31.12.2022	Change	31.12.2021
Deficit carried forward	-1 765 885	-1 753 931	-11 954
Base for deferred tax calculation	-1 765 885	-1 753 931	-11 954
Deferred tax/(benefit) based on 22 % tax rate	-388 495	-385 268	-3 227
Deferred tax in balance	0	0	0

In the following a specification of the differences between the result before tax, and the basis for tax calculation is given.

Result for the year	2022	2021
Currency effect on profit/loss before tax	-2 452 164	-9 266
Non-deductible items	688 796	0
Currency effect on loss carried forward	10 728	0
Loss carried forward	-1 291	0
Taxable income	1 753 931	9 266
	0	0
Calculation of tax expenses		
Tax payable, 22 % of the tax base	0	0
Change deferred tax/(tax benefit)	0	0
Tax calculated	0	0



5 Investments in subsidiaries

Shares in subsidiaries are valued according to the cost method.

<u>Company:</u>	<u>Company's share capital</u>	<u>Owner and voting share</u>	<u>Book value</u>	<u>Equity 31.12</u>	<u>Last year's result</u>
Knutsen PNG Technology AS	11 216	100 %	46 000 000	-20 466	-144 715

Both parent company and subsidiaries have business address Smedasundet 40, 5529 Haugesund

6 Bank deposits

The company's restricted bank funds per 31.12 amounts to 17 002 USD.

7 Equity

Specification of the equity per 31.12.

	<u>Share capital</u>	<u>Share premium</u>	<u>Other equity</u>	<u>Total equity</u>
Equity 01.01	3 460	1 145	-9 266	-4 661
Capital increase	5 383 980	47 616 020	0	53 000 000
Result for the year	0	0	-2 452 164	-2 452 164
Other comprehensive income	0	0	0	0
Equity 31.12.	5 387 440	47 617 165	-2 461 436	50 543 169

Share capital consist of 1 599 000 shares à NOK 30.

Knutsen Technology AS and Nippon Yusen Kabushiki Kaisha owns each 500 of the shares in the company. Financial statements for the group can be obtained at company's registered office, Smedasundet 40, 5529 Haugesund.

8 Shares Owned by Board Members and Affiliates

Trygve Seglem controls TS Shipping Invest AS, which owns 90 % of Knutsen Technology AS.

9 Subsequent events

During 2022 it was decided to merge Knutsen PNG Technology AS with Knutsen NYK Carbon Carriers AS, where the latter is the surviving company. The merge was put into effect January 10, 2023.



Statsautoriserte revisorer
Ernst & Young AS

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Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Knutsen Nyk Carbon Carriers AS

Opinion

We have audited the financial statements of Knutsen Nyk Carbon Carriers AS (the Company), which comprise the financial statements of the Company and the consolidated financial statements of the Company and its subsidiaries (the Group). The financial statements of the Company and the Group comprise the Statements of Financial Position as at 31 December 2022, the Statements of Total Comprehensive 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 legal requirements and give a true and fair view of the financial position of the Company and the Group as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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 and the Group in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of 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 matters

The financial statements for the year ended 31 December 2021 were not audited, nor were the comparative figures. Our opinion is not qualified in respect of this matter.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting 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 and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or the Group, 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 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.

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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 and the Group'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 and the Group'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 and the Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the board of directors 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, 9 May 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus H. Birkeland
State Authorised Public Accountant (Norway)



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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Magnus Hegertun Birkeland

Statsautorisert revisor

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Skatteetaten

Vår dato
02.08.2022

Din/Deres dato
20.06.2022

Saksbehandler
Thor-Petter Sørli

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
41 33 44 77

Org.nr
974761076

Vår referanse
2020/5001106

Postadresse
Postboks 9200 Grønland
0134 OSLO

TS SHIPPING INVEST AS
Postboks 2017
5504 HAUGESUND

Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk

Vi viser til deres søknader om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk for følgende selskap:

925 239 755 – Norspan LNG 23 AS
827 158 712 – Norspan LNG 26 AS
927 158 620 – Norspan LNG 27 AS
927 192 810 – Norspan LNG 28 AS
927 192 837 – Norspan LNG 29 AS
928 825 353 – Norspan LNG 31 AS
827 900 842 – Knutsen Carbon Carriers AS
928 850 684 – Knutsen PNG Technology

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapene 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.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra søknadene siteres:

«Brukerne av regnskapene er hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften (ansatte, kunder, leverandører etc) Aksjonærstrukturen er begrenset. Noen av selskapene eies 50 % av TS Shipping Invest AS og 50 % av NYK Logistics Holding (Europe) B.V.



De aller fleste av selskapenes kunder og leverandører og andre brukere har engelsk som sitt naturlige språk/forretningsspråk. Dette gjelder også konsernets långivere.

Utarbeidelse av årsregnskap på to språk innebærer en vesentlig kostnad for konsernet uten synlig gevinst.»

Skattekontorets 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.”*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., 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, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, 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 dette tilfellet er det opplyst at kommunikasjon med de fleste av kunder og leverandører skjer på engelsk. En vesentlig andel av selskapenes interessenter er engelskspråklige og vil ikke ha mulighet for å forstå årsregnskap og årsberetning på norsk. Skattekontoret finner at disse forholdene samlet tilsier at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.



Med hilsen

Lene Bjørkevoll
underdirektør
Innsats, storbedrift
Skatteetaten

Thor-Petter Sørli

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.