



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	975 883 914
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	TS SHIPPING INVEST AS
Forretningsadresse:	Smedasundet 40 5529 HAUGESUND

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Geir Tore Henriksen
Dato for fastsettelse av årsregnskapet:	03.05.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

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, 31.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	18 821 000	8 287 000
Sum inntekter		18 821 000	8 287 000
Kostnader			
Annen driftskostnad	5	2 302 000	1 944 000
Sum kostnader		2 302 000	1 944 000
Driftsresultat		16 519 000	6 343 000
Finansinntekter og finanskostnader			
Annen finansinntekt	7	599 764 000	398 245 000
Sum finansinntekter		599 764 000	398 245 000
Valutatap		48 972 000	48 080 000
Annen finanskostnad	7	100 388 000	35 183 000
Sum finanskostnader		149 360 000	83 263 000
Netto finans		450 404 000	314 982 000
Ordinært resultat før skattekostnad		466 923 000	321 325 000
Skattekostnad på ordinært resultat	8	58 822 000	56 892 000
Ordinært resultat etter skattekostnad		408 101 000	264 433 000
Årsresultat		408 101 000	264 433 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel		16 731 000	75 553 000
Sum immaterielle eiendeler		16 731 000	75 553 000
Finansielle anleggsmidler			
Investering i datterselskap	9	2 571 643 000	2 661 020 000
Lån til foretak i samme konsern	10	95 144 000	74 296 000
Investeringer i tilknyttet selskap	2	868 570 000	868 570 000
Sum finansielle anleggsmidler		3 535 357 000	3 603 886 000
Sum anleggsmidler		3 552 088 000	3 679 439 000
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer		52 000	328 000
Andre fordringer	12	373 000	7 514 000
Andre fordringer	10	34 300 000	18 224 000
Konsernfordringer		276 088 000	653 310 000
Sum fordringer		310 813 000	679 376 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	13	33 796 000	1 006 000
Sum bankinnskudd, kontanter og lignende		33 796 000	1 006 000
Sum omløpsmidler		344 609 000	680 382 000
SUM EIENDELER		3 896 697 000	4 359 821 000

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2023	2022
Innskutt egenkapital			
Selskapskapital	14	29 154 000	29 154 000
Annen innskutt egenkapital		433 935 000	433 935 000
Sum innskutt egenkapital	15	463 089 000	463 089 000
Opptjent egenkapital			
Annen egenkapital		2 547 476 000	2 139 375 000
Sum opptjent egenkapital		2 547 476 000	2 139 375 000
Sum egenkapital		3 010 565 000	2 602 464 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	17	559 658 000	935 264 000
Langsiktig konserngjeld		186 418 000	328 291 000
Øvrig langsiktig gjeld		0	6 901 000
Sum annen langsiktig gjeld		746 076 000	1 270 456 000
Sum langsiktig gjeld		746 076 000	1 270 456 000
Kortsiktig gjeld			
Leverandørgjeld		555 000	1 000
Kortsiktig konserngjeld		132 778 000	485 816 000
Annen kortsiktig gjeld		5 837 000	1 085 000
Annen kortsiktig gjeld		886 000	0
Sum kortsiktig gjeld		140 056 000	486 902 000
Sum gjeld		886 132 000	1 757 358 000
SUM EGENKAPITAL OG GJELD		3 896 697 000	4 359 822 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	2 331 969 000	698 151 000
Annen driftsinntekt	1,2	418 523 000	233 880 000
Annen driftsinntekt	1	573 272 000	562 810 000
Annen driftsinntekt		0	22 589 000
Sum inntekter		3 323 764 000	1 517 430 000
Kostnader			
Lønnskostnad	3,4	533 862 000	289 841 000
Avskrivning på varige driftsmidler og immaterielle eiendeler		607 255 000	222 089 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler		64 050 000	-34 111 000
Annen driftskostnad	5	429 123 000	188 664 000
Annen driftskostnad		11 042 000	8 517 000
Sum kostnader		1 645 332 000	675 000 000
Driftsresultat		1 678 432 000	842 430 000
Finansinntekter og finanskostnader			
Annen finansinntekt	7	736 208 000	303 312 000
Sum finansinntekter		736 208 000	303 312 000
Annen finanskostnad	7	768 340 000	215 424 000
valutatap		25 534 000	37 334 000
Sum finanskostnader		793 874 000	252 758 000
Netto finans		-57 666 000	50 554 000
Ordinært resultat før skattekostnad		1 620 766 000	892 984 000
Skattekostnad på ordinært resultat	8	63 732 000	15 346 000
Ordinært resultat etter skattekostnad		1 557 034 000	877 638 000
Årsresultat		1 557 034 000	877 638 000
Minoritetsinteresser		35 844 000	49 258 000
Årsresultat etter minoritetsinteresser		1 521 190 000	828 380 000



Konsernets resultatregnskap

Beløp i: NOK	Note	2023	2022
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Konsernets balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	8	67 032 000	128 990 000
Sum immaterielle eiendeler		67 032 000	128 990 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	6	7 773 000	7 789 000
Skip, rigger, fly og lignende	6	10 206 172 000	12 541 677 000
Skip, rigger, fly og lignende	6	948 138 000	2 482 223 000
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	6	3 564 000	660 000
Sum varige driftsmidler		11 165 647 000	15 032 349 000
Finansielle anleggsmidler			
Investeringer i tilknyttet selskap	2	4 237 096 000	3 651 782 000
Lån til tilknyttet selskap og felles kontrollert virksomhet	10	88 470 000	0
Andre fordringer		216 647 000	1 093 000
Sum finansielle anleggsmidler		4 542 213 000	3 652 875 000
Sum anleggsmidler		15 774 892 000	18 814 214 000
Omløpsmidler			
Varer			
Varer	11	27 950 000	28 745 000
Sum varer		27 950 000	28 745 000
Fordringer			
Kundefordringer		55 216 000	159 951 000
Andre fordringer	12	209 045 000	98 804 000
Andre fordringer	10	267 613 000	128 484 000
Sum fordringer		531 874 000	387 239 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	13	981 941 000	850 264 000
Sum bankinnskudd, kontanter og lignende		981 941 000	850 264 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Sum omløpsmidler		1 541 765 000	1 266 248 000
SUM EIENDELER		17 316 657 000	20 080 462 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	14	29 154 000	29 154 000
Annen innskutt egenkapital		433 935 000	433 935 000
Sum innskutt egenkapital		463 089 000	463 089 000
Opptjent egenkapital			
Annen egenkapital		6 333 272 000	4 738 746 000
Sum opptjent egenkapital		6 333 272 000	4 738 746 000
Minoritetsinteresser		551 272 000	1 734 872 000
Sum egenkapital		7 347 633 000	6 936 707 000
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser	8	547 000	578 000
Sum avsetninger for forpliktelser		547 000	578 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	17	9 359 021 000	12 507 689 000
Øvrig langsiktig gjeld		0	6 901 000
Sum annen langsiktig gjeld		9 359 021 000	12 514 590 000
Sum langsiktig gjeld		9 359 568 000	12 515 168 000
Kortsiktig gjeld			
Leverandørgjeld		66 311 000	88 353 000
Betalbar skatt		1 656 000	575 000
Skyldige offentlige avgifter		59 771 000	61 714 000
Annen kortsiktig gjeld		141 298 000	118 766 000
Annen kortsiktig gjeld		18 514 000	30 999 000



Konsernets balanse

Beløp i: NOK	Note	2023	2022
Annen kortsiktig gjeld		167 468 000	129 278 000
Annen kortsiktig gjeld		154 438 000	198 902 000
Sum kortsiktig gjeld		609 456 000	628 587 000
Sum gjeld		9 969 024 000	13 143 755 000
SUM EGENKAPITAL OG GJELD		17 316 657 000	20 080 462 000



TS Shipping Invest AS

Annual Report 2023





TS Shipping Invest AS

DIRECTORS' REPORT 2023

GROUP AND COMPANY

TS Shipping Invest AS ("TSSI") is the holding company of the maritime activities of the Trygve Seglem family. The Group is at the forefront in the development of the offshore energy markets by owning and operating vessels of high technical and operational standard, and through pioneering investments into new segments such as offshore wind and carbon capture and transport.

TSSI and its subsidiaries ("the Group / Knutsen") own and operate vessels worldwide with leading market positions in the shuttle tanker segment, through Knutsen NYK Offshore Tankers AS ("KNOT"), a 50/50 joint venture with NYK, and in the LNG Carrier segment, through wholly owned Knutsen LNG AS ("KLNG"). The product tanker segment is no longer considered strategic, and the operations related to the two product tankers in the fleet have been discontinued in 2024 due to sale of the remaining 2 vessels. Knutsen NYK Carbon Carriers ("KNCC") is a joint venture established with NYK set up to enter the prospective high growth marine transportation of CO2 segment. Beyond the shipping activities, the Group is developing projects globally within offshore wind through its ownership in Deep Wind Offshore, capitalizing on a technology focused organization.

The strategy for the shipping segments rests on four pillars: advanced vessels, long term charter contracts, first class charterers and commitment to safety. We are committed to delivering environmentally friendly services and products of the highest quality related to Health, Security and Safety standards to meet international regulations and customer requirements. The entire fleet controlled by the Group is managed in-house by Knutsen OAS Shipping for the entire value-chain, including newbuilding supervision, chartering, vetting, crewing, technical and commercial management, financing, procurement, and general administration.

Our willingness to invest in research and development over time has produced several new independent business segments. The Group is a world leading technology provider in marine transportation of compressed natural gas with our proprietary Knutsen PNG® Technology that the Group now in partnership with NYK will deploy for CO2 transport. The Group has its own proprietary technology for VOC reduction during tanker loading, Knutsen KVOC® Technology. Over the recent years the Group has also proven the commercial success of its technology for ballast water treatment for large tankers, KBAL®, with IMO and USCG approvals.

Our focus on operational excellence and technology leadership enables us to focus on and attract high quality customers. Our key customers are utilities and energy majors which set the highest requirements to safety and reliability standards.



The Group is incorporated in Norway and has its offices in Haugesund in Norway. The Group holds offices in Marseilles, Nantes, Madrid, Aberdeen, London, Riga, Copenhagen and Rio de Janeiro.

Financial Results

The Group's total operating income amounted to NOK 3,323 million in 2023 compared to NOK 1,517 million in 2022. The increase is mainly driven by more fully owned vessels in operation for parts of the year.

The operating result was NOK 2,350 million in 2023 compared to NOK 1,030 million in 2022, and ordinary profit after tax amounted to NOK 1,557 million in 2023 compared to NOK 878 million in 2022.

Total liquidity position (cash and cash equivalents) of the Group was NOK 982 million as per 31.12.23, compared to NOK 850 million per 31.12.22. Total short-term debt amounted to 6.11% of total debt and liabilities, compared to 4.78% in 2022.

Total assets at year-end 2023 for the Group amounted to NOK 17,317 million compared to NOK 20,080 million in 2022. While the number of delivered vessels and capital invested in vessels under construction increased during the year, the net decrease in total assets relates mainly to Knutsen LNG AS having brought in 50% partners in a number of these vessels, thereby no longer consolidating these on the TSSI balance sheet. These vessels are classified as investments associated companies. Equity capital's share of total assets as per 31.12.23 was 42.4% (34.5% as per 31.12.22).

The parent company TS Shipping Invest AS had a net profit of NOK 408 million for 2023 compared to a net profit of NOK 264 million in 2022. The unrestricted equity in TS Shipping Invest AS as of 31.12.23 amounted to NOK 3,011 million. The Board of Directors recommends that the result for the year is transferred to other equity.

Total assets of the parent company amounted to NOK 3,897 million per year-end 2023 compared to NOK 4,360 million in 2022.

The Financial Statements have been prepared under the assumption of going concern, and the Board of Directors confirms that this assumption is in accordance with the Norwegian Accounting Act § 3-3.

Operations

The Group takes an active approach in risk management of its business, with the main exposure categories being market risk, interest rate risk and currency risk. The Group's market risk is mainly related to utilization of optional time charter periods and re-chartering of vessels coming off firm time charter periods. Market risk is to a large extent mitigated through a significant part of the fleet being on long time charter contracts to utilities and energy companies. The operating expense element is typically inflation hedged through an index adjustment of the contractual time charter rates in the fixed contracts.



The Group is subject to currency risk related to operating expenses having a significant proportion of the costs in European currencies. Whereas the Group employs hedging actively, commonly by forward contracts in relation to USD, the vessels are mainly financed in USD which gives a natural hedge against USD fluctuations. The debt financings have variable interest rates, but a substantial part of the debt related to vessels on long-term charters is hedged through interest rates swaps.

The Group is undergoing a period of fleet expansion based on having secured a series of long-term contract awards mainly in the LNG segment. The fleet expansion is made in partnership with leading industrial companies and institutional investors. The philosophy behind this investment strategy is to capitalize on the Group's ability to win, develop and manage high quality shipping projects with a long-term horizon. This permits a project finance style financial strategy and is attractive to investors. A key objective for each of the projects is to ensure that they can support themselves on a stand-alone basis.

By partnering with institutional investors, mainly on a project-to-project basis, the TSSI Group can develop its shipping activities and strengthen its position as a major owner and operator in the Shuttle-tanker and LNG segments while maintaining a prudent financial profile. Our partners are leading industry players and institutional investors that share our long-term focus.

Offshore loading tankers:

TSSI's investments in offshore loading tankers are consolidated into Knutsen NYK Offshore Tankers AS ("KNOT"). KNOT is jointly owned 50/50 with the Japanese shipping group NYK through NYK Holding (Europe) B.V.

The Group ordered its first shuttle tankers in 1984 and has since then been a leader in the technical development of shuttle tankers. As of 31 December 2023, KNOT had technical and commercial management of 27 shuttle tankers and two FSOs in addition to two newbuilding orders. These newbuilds are scheduled for delivery in 2024 and 2025 on the back of respectively 10- and 15-year time charters to Petrobras. Further, during Q1 2024, KNOT signed contracts for three newbuilds with the option of one more newbuild. These vessels will be sister vessels to the two newbuilds currently under construction, and they are all chartered out under 10-years + option contracts with Petrobras. Eighteen of the shuttle tankers are owned by an associated company, KNOT Offshore Partners LP (KNOP), which is listed on the New York Stock Exchange and where KNOT is the Sponsor, General Partner and the largest owner with ownership interest at year-end 2023 of 30.47 per cent.

The KNOT fleet transports oil from offshore oil fields in North Europe, South America, and West Africa. The vessels operate in a demanding trade with frequent offshore loadings and subsequent port calls, requiring high quality and stable operations.

Offshore loading and dynamically positioned oil tanker vessels are KNOT's main strategic focus and the Group is actively involved in the technical development of this type of tankers commonly referred to as shuttle tankers. Despite the reduced investment activity globally related to offshore oil and gas in recent years, the level of activity in fields where offshore loading is required has been stable.



KNOT's ordinary profit after tax amounted to USD 3.3 million in 2023 compared to USD 40 million of ordinary profit after tax in 2022. The decrease in the result is mainly impacted by lower income from associated companies compared to 2022. The decrease is a result of an impairment done on some elderly shuttle tankers. The long-term outlook for shuttle tanker demand is strong where the demand is driven by the increase in the oil production in Brazil.

KNOT owns and operates two floating storage and offloading ("FSO") vessels. Jorunn Knutsen has operated on the Åsgard field offshore Norway without any off-hire since start-up in year 2000. In 2018, KNOT completed the conversion of Hanne Knutsen from shuttle tanker to FSO. The vessel operates on a long-term time-charter contract to Equinor for service on the Martin Linge oil and gas field offshore Norway until October 2026 with charterer's option to extend the contract for up to four years. This project constitutes the largest single vessel investment made by the Group, and we expect that the vessel will remain working on the field far beyond the end of the firm charter period.

In 2023 one shuttle tanker, "Grena Knutsen" was sold.

LNG Carriers:

Group's investments in LNG tankers is made through wholly owned Knutsen LNG AS ("KLNG"). Of the 28 LNG carriers in operation at year-end 2023, six are owned 100%, while nine are jointly owned 50/50 with NYK through Knutsen NYK LNG Holding AS ("KNLH"). Further partnerships are with Klaveness Group (four vessels), Cape Omega (five vessels), OMP, a HitecVision portfolio company (one vessel), Enagas through ScaleGas (one vessel), the Hatteland Group (one vessel) and jointly Klaveness Group and Hatteland Group (one vessel).

The Group's first LNG tanker was delivered in 2004. The Group has allocated significant resources into the LNG segment in recent years. KLNG took delivery of 7 vessels during 2023. All the vessels are large LNG Carriers built at Korean yards delivering onto long term contracts to Shell, Engie and PKN Orlen ("PKN") the Polish state-controlled oil and gas company.

The Group had per year-end 15 large LNG Carriers of 174,000 m³ under construction at Hyundai Heavy Industries in South Korea for delivery in 2024-2026. One of these vessels will be delivered in 2024. Including the vessels on order, the Group's LNG fleet counts 43 vessels.

All vessels have been ordered on the back of long-term charter contracts to first class charterers, and the Group is not subject to the spot market due to the long term nature of the charter contracts. Of the 15 vessels on order, two will enter minimum seven years' time charter contracts with Shell, the oil major. One vessel will enter long term charters with Engie, a leading European energy company. Two vessels will enter 10 years' firm time charter contracts with PKN and 10 vessels are backed by 15 years firm time charters to Qatar Energy.

The first vessel ending firm employment is "Bilbao Knutsen". The vessel reached the end of its 20 years charter contract in Q1 2024. The vessel is currently in dry-dock and will be chartered in the spot market after the docking has been completed.



All the seven vessels delivered in 2023 and all new vessels to be delivered during 2024 to 2026 will be owned through and managed by our wholly owned subsidiary in France, Knutsen LNG France SAS. The subsidiary has established a solid market presence in anticipation of future deliveries and has at year end a total of 79 employees (onshore and offshore). Knutsen expects to continue to draw on the local talent pool in growing the business in France.

Investment grade end-users continue to dominate the seaborne transportation of natural gas (LNG). This fundamental characteristic of the LNG industry suits the Group's strategy of basing its shipping activities on long-term contracts typically with a firm period of minimum 7 years while the vessels themselves typically service off take contracts of 20 years or longer which is reflected in optional periods in the time charter contracts.

LNG demand continues to see growth rates far beyond global GDP growth. A key driver is the requirement to reduce CO2 emissions and improve local air quality by switching from coal to cleaner energy such as natural gas. Additionally, increased focus on security of supply to Europe has been a contributing factor. The rapid demand growth is reflected in a corresponding high tender activity for long-term transportation contracts. The Group continues to grow in the LNG segment through winning awards for long-term contracts to first class charterers. Combined with the Group's strong track record in newbuilding supervision and operations, the solid contract backlog ensures ample access to debt and equity capital to finance the expansion. The Group has a strong preference to expand through equity partnership with strong financial long-term oriented investors instead of increasing its financial leverage.

Product tankers:

Both of the remaining product tankers, Eli- and Liv Knutsen, have been sold during Q1 2024. Their operations have been satisfactory with focus on safe, efficient and cost-effective operations.

Marine Technology:

The Group has developed its proprietary technical solution for marine transportation of compressed natural gas ("CNG"). This Knutsen proprietary solution is named PNG[®] (Pressurised Natural Gas). The Company has previously made progress in commercialising the PNG[®] solution together with its venture partners and potential customers. In 2022 the Group formed of a 50/50 partnership with NYK relating to the PNG business, with a focus of commercialising the business for transport of CO2. The name of this J/V is Knutsen NYK Carbon Carriers AS ("KNCC"). Transport of CO2 will be a key part of the CCUS (Carbon Capture Utilisation and Storage) value chain, which is considered to play an important role in the years to come to reduce carbon emissions across a number of industry sectors.



The Group has also developed a proprietary system for handling emissions (Volatile Organic Compounds) from offshore crude oil loading. This technology is named KVOC[®] and has been installed on more than 45 shuttle and ordinary tankers. KVOC[®] is a passive installation, considerably less expensive both to install and operate than alternative technologies in the market. Knutsen VOC KS is now actively working with the classification companies, international maritime organisations and governments in order to secure international recognition and classification for KVOC[®]. Over the last few years the technology has been improved with a 2nd generation design scheduled for installation on shuttle tankers.

Based on the technology of KVOC[®], the Group has developed a Ballast Water Treatment system. The system holds both IMO G8 approval and USCG approval.

Safety and quality control

Safety and environmental compliance are our top operational priorities. Our vessels are operated in a manner intended to protect the safety and health of our employees, the general public and the environment. We actively manage the risks inherent in our business and are committed to eliminating incidents that threaten the safety and integrity of our vessels, such as groundings, fires, collisions and petroleum spills. We are also committed to reducing emissions and waste generation. We have established key performance indicators to facilitate regular monitoring of our operational performance. We set targets on an annual basis to drive continuous improvement, and we review performance indicators monthly to determine if remedial action is necessary to reach our targets.

The Group has established overall guidelines to ensure that the Group's activities shall be executed professionally and in accordance with national and international rules and regulations as well as internal and external standards and proactive actions shall be taken to avoid injuries, loss of life and material damages. In addition, the Group's operations shall be planned, and attention shall be made on executing activities and operations so that the environmental consequences are minimized.

Environment, Social and Governance (ESG) issues

The Group's HSSE and QA system is in accordance with international requirements and standards, and the Group maintains all necessary certificates for its operation of activities. Knutsen OAS Shipping AS and KNOT Management AS are certified according to the ISO 9001-2015, ISO 14001-2015 and OHSAS 18001 standards. Special attention is placed on preventive activities. Any deviation from implemented procedures is reported and processed in the HSSE and QA system.

The Group has an active approach regarding implementation and development of technology and operational procedures for reducing emissions to water and air. The Group has developed its own system for reducing VOC emissions (oil vapour) in connection with the loading of tankers. The Group has also developed its own Ballast Water Treatment System which it plans to further commercialize in the years to come. The Group is also establishing a comprehensive Energy Efficiency Management System for the vessels and has implemented a system for ECO Care actions in order to reduce fuel consumption and consequential emissions.



Our customers set the highest requirements to safety and reliability. We are therefore pleased that our clients have acknowledged the quality of our management system and operation by confirming our high score in the OCIMF Tanker Management Self-Assessment scheme. Rising concerns about our industry's environmental footprint is increasing demands for low-emitting energy efficient services and technologies, and the regulations related to emissions, pollution, and energy efficiency are tightening. We welcome these ambitions, and we are ready to contribute with solutions and practices that will help our industry reach and exceed its targets. The Group owns a young fleet and invests in modern vessels with improved fuel and emissions efficiency. We believe this strategy will become increasingly important in the years to come, meeting both regulatory and customer requirements.

Knutsen reports on ESG topics in accordance with The Norwegian Shipowner's Association's Guidelines for the shipping and offshore industries as published in February 2020 and updated in November 2021. The ESG topics identified by the Association allow the Group to report on issues that are material to the shipping industry and that are relevant to both internal and external stakeholders.

The Guidelines are based on the following internationally recognized reporting frameworks; The Global Reporting Initiative (GRI), The Sustainability Accounting Standards Board (SASB) and the 17 Sustainable Development Goals (SDGs).

Knutsen endorses the Poseidon Principles and assists banks who request information associated with the initiative. These principles aim to communicate relevant information to lenders, lessors, and financial guarantors allowing them to follow the Poseidon Principles when assessing and disclosing the climate alignment of their portfolios by providing measurement of carbon intensity and an assessment of Group climate alignment, as well as accountable data using the IMO's standard for collecting data on fuel consumption from ships.

The Group has produced ESG reports for both the shuttle tanker and LNG segments, starting for the year 2019.

The Group, the Company and the Norwegian subsidiaries regularly carry out risk-based due diligence assessments in accordance with the obligations pursuant to the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (LOV-2021-06-18-99) section 4. The due diligence assessments cover the operations in the company. The account for these due diligence assessments and other obligations pursuant to the Act's section 5 are included in a report that could be found here www.knutsenoas.com and the report is updated minimum one time per year.

The Group has not taken out any insurance policy for members of the Board of Directors and the President and CEO of the parent company or the subsidiaries for their potential liability towards the Group companies and third parties.



Working environment and gender equality

The Group is an equal opportunity employer and strives to provide a working environment free of discrimination and harassment for employees regardless of location. All applicants will be considered for employment without attention to race, colour, religion, sex, sexual orientation, gender, national origin or disability. When we hire employees, it is based on business needs, job requirements and individual qualifications and not any considerations that are outside the protection of the laws and regulations in the locations in which we operate. In total, the share of women is 3,9% onboard the vessels. For the land-based employees the share of women is 35% in KOAS and 27% in KNOT. The members of the Board of Directors are five men and one woman.

In a traditionally male-dominated business, we strive to progress in all aspects of diversity. This is an ongoing process and focus area for the Group.

Working environment is considered to be good. There have been no reports of injuries or accidents in the workplace.

Sick leave among overall crew was in 2023 at 2.72% for the KOAS operated fleet (4.8% in 2022) and 1.57% for the KNOT operated Shuttle tankers (2% in 2022) and 7.9 % for the two FSO's (10.9 % in 2022). For onshore employees in KOAS and KNOT, the sick leave was 2.5% in 2023 (2.7 % in 2022) and 1.4% (5% in 2022) respectively. The working environment, both on land and aboard ships is considered to be satisfactory. There were no significant accidents or incidents in 2023, and the objectives for the year regarding health and safety were achieved.

The Company aims to provide a workplace where there is full gender equality.

Future prospects

The Board of Directors regards the future prospects of the Group as promising. With the advanced LNG fleet and substantial contract coverage the Group is well positioned to further build its leading market presence in its segments. The Group expects to expand the firm contracted revenue backlog that as of 31.12.23 stood at USD 9.8 billion for the LNG segment, and which, including extension options, is approximately USD 19.2 billion.

The Group actively works on a number of new projects through KNOT for offshore loading tankers, through KOAS for LNG carriers, through KNCC for CO2 carriers, through Deep Wind Offshore for offshore wind, as well as projects for the emission treatment system KVOC® and the new Ballast Water Treatment System. Thus, the Board of Directors has reason to believe that 2024 will be a satisfactory year for the Group.



Haugesund, 10 April 2024

Øyvind Holte
Chairman of the Board

Trygve Seglem
Deputy chairman/
General Manager

Synnøve Seglem
Board member

Kjell Jacobsen
Board member

Georg Scheel
Board member

Jon Christian Syvertsen
Board member



TS SHIPPING INVEST GROUP

INCOME STATEMENT 01.01-31.12

2023	2022		2023	2022
Company			Group	
Amounts in NOK 1.000			Amounts in NOK 1.000	
		OPERATING INCOME		
0	0	Freight income on T/C basis	1	2 331 969
0	0	Share of profit/(loss) in associated companies	1, 2	418 523
18 821	8 287	Other income	1	573 272
0	0	Gain from sale of vessels		0
<u>18 821</u>	<u>8 287</u>	Operating income	<u>3 323 764</u>	<u>1 517 431</u>
		OPERATING EXPENSES		
0	0	Wages, Social expenses and crew hire	3, 4	533 862
2 302	1 944	Operating expenses	5	429 123
0	0	Bareboat hire		11 043
<u>2 302</u>	<u>1 944</u>	Operating expenses	<u>974 028</u>	<u>487 022</u>
16 519	6 343	OPERATING RESULT BEFORE DEPRECIATION AND WRITE DOWN	2 349 736	1 030 408
0	0	Depreciation		607 255
0	0	Write downs/-Reversal write downs		64 050
<u>0</u>	<u>0</u>	Depreciation and write downs	6	<u>671 305</u>
16 519	6 343	OPERATING RESULT	1 678 432	842 430
		FINANCIAL INCOME AND -EXPENSES		
599 764	398 245	Financial income	7	736 208
-48 972	-48 080	Foreign exchange gain/ -loss, net		-25 535
<u>100 388</u>	<u>35 183</u>	Financial expenses	7	<u>768 340</u>
<u>450 404</u>	<u>314 983</u>	Net financial items	<u>-57 666</u>	<u>50 553</u>
466 923	321 326	PROFIT BEFORE TAXES	1 620 766	892 983
58 822	56 892	Taxes	8	63 732
<u>408 101</u>	<u>264 433</u>	PROFIT FOR THE PERIOD	<u>1 557 034</u>	<u>877 637</u>
0	0	Minority's share of the profit for the year		35 844
408 101	264 433	PROFIT FOR THE PERIOD AFTER MINORITIES	1 521 189	828 379



TS SHIPPING INVEST GROUP

BALANCE SHEET

31.12.2023	31.12.2022		31.12.2023	31.12.2022	
Company			Group		
Amounts in NOK 1.000			Amounts in NOK 1.000		
ASSETS					
NON CURRENT ASSETS					
Intangible assets					
16 731	75 553		8	67 032	128 990
<u>16 731</u>	<u>75 553</u>	Deferred tax asset		<u>67 032</u>	<u>128 990</u>
		Total intangible assets			
Tangible assets					
0	0	Property and plant		7 773	7 789
0	0	Vessels		10 206 172	12 541 677
0	0	Vessels under construction		948 138	2 482 223
<u>0</u>	<u>0</u>	Equipment, and other tangible assets		<u>3 564</u>	<u>660</u>
<u>0</u>	<u>0</u>	Total tangible assets		<u>11 165 647</u>	<u>15 032 349</u>
Financial assets					
2 571 643	2 661 020	Investment in group companies	9	0	0
0	0	Loans to related parties	10	88 470	0
95 144	74 296	Loans to group companies	10	0	0
868 570	868 570	Investments in associates		4 237 096	3 651 782
0	0	Other long term receivables		216 645	1 093
<u>3 535 357</u>	<u>3 603 886</u>	Total financial assets		<u>4 542 212</u>	<u>3 652 875</u>
<u>3 552 089</u>	<u>3 679 439</u>	Total non current assets		<u>15 774 892</u>	<u>18 814 214</u>
CURRENT ASSETS					
0	0	Inventories	11	27 950	28 745
Receivables					
52	328	Accounts receivable		55 216	159 951
373	7 514	Other receivables	12	209 045	98 804
34 300	18 224	Current receivables associates and related party	10	267 613	128 484
<u>276 088</u>	<u>653 310</u>	Current group receivables	10	0	0
<u>310 813</u>	<u>679 376</u>	Total receivables		<u>531 875</u>	<u>387 239</u>
33 795	1 006	Cash and cash equivalents	13	981 941	850 264
<u>344 608</u>	<u>680 382</u>	Total current assets		<u>1 541 766</u>	<u>1 266 248</u>
<u>3 896 697</u>	<u>4 359 821</u>	TOTAL ASSETS		<u>17 316 657</u>	<u>20 080 463</u>



TS SHIPPING INVEST GROUP

BALANCE SHEET

31.12.2023	31.12.2022		31.12.2023	31.12.2022
Company			Group	
Amounts in NOK 1 000			Amounts in NOK 1 000	
EQUITY AND LIABILITIES				
EQUITY				
Owners equity				
29 154	29 154	Issued capital	14	29 154
433 935	433 935	Other paid-in capital		433 935
<u>463 089</u>	<u>463 089</u>	Total owners equity	15	<u>463 089</u>
Accumulated profits				
2 547 476	2 139 375	Other equity		6 333 272
<u>2 547 476</u>	<u>2 139 375</u>	Total accumulated profits		<u>6 333 272</u>
0	0	Minority interest		551 272
<u>3 010 565</u>	<u>2 602 464</u>	Total equity	14	<u>7 347 634</u>
LIABILITIES				
Other non current liabilities				
559 658	935 264	Long term tax payable		547
186 418	328 291	Mortgage debt	17	9 359 021
0	6 901	Group debt		0
<u>746 076</u>	<u>1 270 456</u>	Other long term debt		0
		Total other non current liabilities		<u>9 359 568</u>
Current liabilities				
555	1	Accounts payable		66 311
5 837	1 085	Accrued interest		141 298
132 778	485 816	Current group payable	10	0
0	0	Public duties payable		59 771
0	0	Current tax payable		1 656
0	0	Current payable associates	10	18 514
0	0	Customers paid in advance		167 468
886	0	Other current liabilities	18	154 438
<u>140 058</u>	<u>486 902</u>	Total current liabilities		<u>609 456</u>
<u>886 133</u>	<u>1 757 358</u>	Total Liabilities		<u>9 969 024</u>
<u>3 896 697</u>	<u>4 359 821</u>	TOTAL EQUITY AND LIABILITIES		<u>17 316 657</u>
				<u>20 080 463</u>



Haugesund, 10th April 2024


Øyvind Holte
Chairman


Triggve Seglem
Deputy Chairman/ Managing Director


Synnøve Seglem
Board member


Kjell Jacobsen
Board Member


Jon Christian Syvertsen
Board Member


Georg Scheel
Board Member



TS SHIPPING INVEST AS

CASHFLOW STATEMENT

01.01- 31.12.2023	01.01-31.12. 2022		01.01-31.12.2023	01.01-31.12. 2022
Company			Group	Group
Amounts in NOK 1.000			Amounts in NOK 1.000	
		Cash flow from operating activities		
466 923	321 326	Profit/ (loss) before income taxes	1 620 766	892 983
0	0	Loss/ (profit) sale of fixed assets	0	8 517
0	0	Loss/ (profit) sale of assets	0	-22 589
0	0	Depreciation and write downs of fixed assets	671 305	187 978
0	0	Change in provisions	0	-2 556
-49 622	-82 476	Net Write-down financial fixed assets	0	0
-158 894	0	Distribution from subsidiaries	0	0
0	0	Gain sale of shares	-645 845	0
0	0	Result from associated companies	-418 523	-233 880
0	0	Change in pension liability	0	0
36 774	29 294	Unrealized foreign exchange profit(s)/gain(s)	52 287	29 294
0	0	Unrealized mark to market FX forward	-371	0
0	0	Income tax payable	-575	-330
858	837	Amortization debt issuance cost	18 864	-1 689
21 718	-170 246	Changes in accounts receivable, accounts payable and other	-169 077	-264 164
317 758	98 735	Net cash flow from operating activities	1 128 830	593 565
		Cash flow from investing activities		
0	0	Invested in property, plant and equipment	-950 184	-5 353 832
0	0	Sale of vessel	0	134 087
0	0	Deconsolidation of business	395 349	204 666
0	0	Aquisition of business	0	-621 923
0	0	Cash from acquisition	0	327 301
0	-4 100	Net invested in associated entities	-248 232	-150 299
138 999	-800 670	Net invested in equities and shares	-80	0
-20 849	105 497	Change in long-term receivables	-87 377	62 690
158 894	0	Distribution from subsidiaries	0	0
0	0	Received distributions associates	232 126	34 642
277 044	-699 273	Net cash flow from investing activities	-658 398	-5 362 670
		Cash flow from financing activities		
0	661 411	Drawdown mortgage debt	782 542	4 780 114
-413 238	-180 649	Repayment of borrowings	-1 323 372	-470 457
-148 774	109 040	Change in other long-term debt	-6 901	-488 581
0	0	Capital paid in minorities	246 629	1 441 436
0	0	Dividends paid to minorities	-37 655	-6 090
-562 013	589 802	Net cash flow from financing activities	-338 757	5 256 421
32 789	-10 736	Net change in cash and cash equivalents	131 675	487 317
1 006	11 742	Cash and cash equivalents at 01.01	850 264	362 948
33 795	1 006	Cash and cash equivalents at 31.12	981 941	850 264



Notes to the Financial Statement 2023

Note Accounting principles

The financial statement is prepared in accordance with the fundamental accounting principles as laid out by the Norwegian Accounting Act of 1998 and generally accepted accounting standards in Norway.

Consolidation principles

The consolidated accounts comprise total financial performance and financial position when the parent company TS Shipping Invest AS and its ownership shares in other companies are presented as one financial unit. Companies where the Group has controlling interest are consolidated 100% according to the purchase method. On certain subsidiaries where part of the shares are preferred shares with special rights, (such as restrictions on voting rights, allocation of dividend etc) and there are shareholder agreements the control assessment is based on these agreements and rights. When such terms is deemed being such that TSSI have control the company is consolidated and the other shareholders share of equity are presented as non-controlling interest.

The consolidated accounts comprise TS Shipping Invest AS and the subsidiaries listed in Note 3. The consolidated accounts are constructed based on the same principles, by securing that the subsidiary follow the same accounting principles as the parent company. Internal transactions, receivables and liabilities are eliminated.

In the case of acquisition of subsidiaries, the purchase price of the shares is eliminated in the parent company against the subsidiary's equity at the time of acquisition. If the purchase price is more or less than the market value of the vessels and there are charter agreements attached to the vessels then the surplus is recorded as an intangible assets and the negative value recorded as a liability. The difference between the cost price assigned to the various assets in the subsidiaries and the book value of those assets at the time of acquisition is added to those assets to which the excess value refers. Any additional amount of the cost price is capitalised as goodwill.

Investment in subsidiaries and associated companies

Shares in subsidiaries and associated companies are valued according to the cost method in the financial statement of the parent company.

In the consolidated Group accounts the equity method is used for investments in companies where the Group has significant influence (normally 20% to 50%). Any surplus value is linearly depreciated over the vessel's life. If the remaining lifetime of the asset is uncertain then the surplus value is depreciated over 5 years in line with goodwill. Depreciation of surplus value and share of the company's result is classified under share of result in limited partnership and recorded as increase (reduction in case of a deficit) of investment in associated companies. Investments in associated companies are recorded as liabilities in case the share of the result and surplus value has reduced the value of the investment to negative, and the Group has a liability to increase the capital, has decided to continue to investment or has a loan to the company which would be written off in case of a windup. The liability will never be recorded higher than the value at stake for the Group. Share of result in associated companies is closely tied in with the ordinary activity of the Group and thus classified under operating income.

Income

The income from the charter parties is in USD, EUR and NOK, and income is recorded to the Profit & Loss account when actually earned. Sales incomes are reported net of VAT and discounts.

Income- and voyage related costs are expensed according to the percentage part of the voyage completed at the time of reporting. A voyage estimate is based on actual figures of completed voyages and estimates for started, not finished voyages. A normal voyage starts and ends with discharging. Unless the vessel is declared off-hire, due to technical or other circumstances related to the owner, the time is always allocated to a voyage.

Income from contracts is calculated linearly over remaining contract period and recorded as freight income or reduction of freight income. In case there is a significant change of a contract then the contract value is revised and the adjustment is recorded as adjustment of other operating costs. If the contract is acquired in connection with an asset transaction and the contract liability is reduced then the adjustment is recorded as other operating income.

Current assets/current liabilities

Current assets are valued at the lower of historical and market value in the balance sheet. Current liabilities are in the same manner valued at nominal value. This principle is not used for current items in foreign currency, which are valued at the rate of exchange at the year-end.

Tax

Tax calculated and reported to the Profit & Loss account includes both tax payable during the period, and the change in deferred tax. Deferred tax is treated as long-term debt provisions in the balance sheet.

Deferred tax is calculated with 22% based on temporary differences existing at the year-end between financial and taxable values, and the taxable deficit carried forward. Tax increasing and -reducing temporary differences, which will or can be reversed in the same period, are netted. Deferred tax on surplus values in relation to acquisition of subsidiaries is not netted.

Deferred tax related to acquisitions is calculated to nominal values according to Norwegian common practice according to "NRS Resultatskatt".



Fixed assets and dry-docking

The total cost of the vessel is capitalised and depreciated over the life expectancy of the vessel. The Group's life expectancy is 23 years for shuttle tankers and 25 years for FSO, product and chemical tankers, while LNG carriers are expected to last for 40 years.

Dry-docking expenses are capitalised and depreciated 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 new building, 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 total cost of property is capitalised and depreciated over the life expectancy of the property. The Group's life expectancy is 50 years from takeover. Inventory, office equipment etc. are capitalised and depreciated over the life expectancy of the assets. The Group's life expectancy is 3 years from takeover.

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.

By actual value is meant recoverable value, i.e. the highest of net sales value and cash flow value. Consequently fixed assets are not capitalised to a value that exceeds the value it can recover, either by sale or by continued use. Net sales value is the value the vessel, inclusive any freight contracts, can be sold at after deducting any sales related expenses. Cash flow value is the present value of the future cash flows the fixed asset will generate, including cash flows related to scrapping/decommissioning.

Write-offs are reversed if the foundation for them are no longer present. The value of the asset will then be the same as if no write-offs had occurred.

Transactions in foreign currency

The income received in USD is recorded at the rate of exchange on the day the transaction is carried out.

All current assets and current liabilities in foreign currencies are registered at the rate of exchange as per 31.12. Realised foreign exchange gain and foreign exchange loss are registered as financial items.

The mortgage debt is valued at the historical rate, to the extent that future net nominal income flow in the same currency exceed the borrowed amount. To the extent that long-term debt exceeds the net nominal income flow, the unrealised foreign exchange loss on the exceeding amount is recorded.

Financial instruments

The treatment of foreign exchange and interest rate instruments in the accounts depends on the intention behind the agreement.

The company aims at reducing the exposure to fluctuations in interest rates and currency exchange rates, and therefore has entered into financial hedging contracts to cover this exposure. Revenues and expenses related to these hedging contracts and the corresponding items in the balance sheet are classified in the same manner.

Forward contracts not classified as hedging instruments are recognised to market value.

Shares

The company's shares in stock listed companies are classified as current assets, and are valued on a portfolio basis to market values at the year-end.

The groups investment in stocks and shares with an owner share below 20%, without a controlling interest, but for long-term ownership, are classified as fixed assets and valued according to the cost method.

Gains or losses from the realisation of shares are included under financial items in the Profit & Loss account. Dividends- and other payouts received from the companies are treated as financial income.

New building contracts

Yard instalments paid on newbuildings and vessels under conversion are gradually recorded as fixed assets as the instalments are paid. All costs regarding construction supervision, construction financing (including building loan interest, arrangement fees, provision of guarantees), additions and upgrading beyond the yard contract regarding the individual contract and other expenses related to the construction or conversion of the vessel are recorded on the fixed asset under construction/conversion.

Research and development

Development costs are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs is amortized linearly over its useful life. Research costs are expensed as incurred.



Pensions

The pension scheme for seafarers was converted into a defined contribution scheme pension (ITP) in 2020 and meets the Norwegian requirements for a Mandatory Company Pension (OTP)

Lease

A lease is classified as a financial or operational lease with reference to the agreement. If the substantial economic risk and control attached to the underlying object is held by the renter, the agreement is considered financial, thus the remaining assets and liability are recognized in the balance sheet. Other agreements are considered operational. Financial leases are recognized in the balance sheet at cost. The cost value are estimated as the present value of the lease payments.

Accounting for business combinations

All business combinations are accounted for by applying the acquisition method

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 currently are 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 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 (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognized in other expenses.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as finder's fees, legal fees, due diligence fees, and other professional and consulting fees are expensed as incurred.

Inventories

Inventories are valued at the lower of cost and market value. Write-downs for expected obsolescence are undertaken.

Cash flow analysis

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term, highly liquid investments with maturities



NOTE 1 Segment information - TS Shipping Invest Group

Figures in NOK 1 000

OPERATING SEGMENT:

The Group's activities are divided into LNG carriers, Shuttle- and Product Tankers, Ship Management, Research and Development. The Shuttle tankers activity is organized in Knutsen NYK Offshore Tankers AS jointly owned with NYK Logistics Holding B.V. LNG activity is at year-end 28 LNG carriers in operation and 15 under construction. Five of the vessels in operation are co-owned with CapeOmega Gas Transportation AS while nine of the vessels are jointly owned with NYK through Knutsen NYK LNG Holding AS ("KNLH"). Klavness Marine Holding AS is the co-owner in one of the vessels under construction and five in operation through various investment companies. The groups share of result from these segments is reported as share of profit in associated companies, it is referred to note 2 for further details. This is consistent with management reporting

GEOGRAPHIC reporting:

The Group's activities are principally distributed geographically in Norway, Europe, and World Wide

Segment	2023			
	Share of total operating income	Freight income and other income	Share of profit in associated companies	Operating income
LNG Carriers, Norway	65 %	1 897 846	277 186	2 175 032
LNG Carriers, France	14 %	339 407	134 874	474 281
Product Tankers, mainly Europe	3 %	110 701	-	110 701
Management, Norway,UK,Spain and France	15 %	499 778	-	499 778
Research & Development, and other income, Norway	1 %	57 509	-10 467	47 042
Offshore Tankers	1 %	-	16 930	16 930
Total	100 %	2 905 241	418 523	3 323 764

Segment	2022			
	Share of total operating income	Freight income and other income	Share of profit in associated companies	Operating income
LNG Carriers, Norway	46 %	589 352	109 571	698 923
LNG Carriers, France	0 %	-	-	-
Product Tankers, mainly Europe	9 %	132 650	-	132 650
Management, Norway,UK,Spain	30 %	462 827	-287	462 540
Research & Development, and other income, Norway	6 %	98 722	-12 146	86 576
Offshore Tankers	9 %	-	136 742	136 742
Total	100 %	1 283 550	233 880	1 517 431



Note 2 Long-term shareholdings

Shares in associated companies, TS Shipping Invest AS

	Ownership and voting share	Number of shares	Equity 31.12. NOK 1.000	Last yrs result NOK 1.000	Book value NOK 1.000
Knutsen NYK Offshore Tankers AS	50,0 %	106 782 956	4 449 567	225 039	855 733
Knutsen Scale Gas S.L.(2022 numbers)	50,0 %	1 003 600	EUR 619	EUR - 160	4 987
Knutsen New Energy AS	50,0 %	314	15 616	-44	7 850
Net booked value TS Shipping Invest AS					868 570

Knutsen NYK Offshore Tankers AS and Knutsen New Energy AS has the same address as the TS Shipping Invest AS, which is Smedasundet 40, Haugesund. Knutsen Scale Gas S.L. Calle Valazque 150 - 4 izquierda 28002 Madrid, Spain.

Stock and shares in associated companies, TS Shipping Invest Group

	Ownership and voting share	Book value 1.1. NOK 1.000	Last years share of result NOK 1.000	Book value 31.12. NOK 1.000
Canship Ugland Limited	49 %	6 863	261	7 498
Knutsen NYK Offshore Tankers AS	50 %	1 825 080	16 668	1 726 824
Knutsen NYK LNG Holding AS	50 %	1 245 814	191 616	1 580 822
Norspan LNG XII AS	50 %	120 321	35 226	157 930
Norspan LNG XIII AS	50,0 %	101 591	23 950	127 752
Norspan LNG 19 AS	50 %	24 721	16 836	41 716
Norspan LNG 14 AS *	100 %	39 961	9 558	0
Norspan LNG 23 AS **	0 %	49 632	0	0
Norfra LNG 14 SAS	50 %	0	-1 336	47 469
Norfra LNG 15 SAS	50 %	29 982	5 526	43 173
Norspan LNG 17 SAS	50 %	31 318	47 160	79 453
Norspan LNG 18 SAS	50 %	32 185	34 707	67 779
Norspan LNG 20 SAS	50 %	24 441	29 800	56 354
Norspan LNG 21 SAS	50 %	24 531	15 958	42 299
Norspan LNG 22 SAS	50 %	15 290	0	24 675
Norfra LNG 23 SAS	50 %	0	3 059	25 152
Norspan LNG 28 SAS	50 %	0	0	37 389
Norspan LNG 29 SAS	50 %	0	0	37 787
Norfra LNG 30 SAS	50 %	0	0	21 523
Norfra LNG 32 SAS	50 %	0	0	7 893
Norfra LNG 33 SAS	50 %	264	0	20 690
Norfra LNG 34 SAS	50 %	0	0	12 802
Norfra LNG 35 SAS	50 %	264	0	283
Norfra LNG 36 SAS	50 %	264	0	282
Norfra LNG 37 SAS	50 %	264	0	283
Norfra LNG 38 SAS	50 %	11 623	0	11 487
Norfra LNG 39 SAS	50 %	11 623	0	11 487
Norfra LNG 40 SAS	50 %	11 623	0	11 487
Norfra LNG 41 SAS	50 %	11 623	0	11 487
Knutsen New Energy	50 %	7 830	-22	7 808
Knutsen NYK Carbon Carriers AS	50 %	19 028	-10 445	9 511
Knutsen Scale Gas S.L	50 %	4 105	0	4 393
Knutsen Philippines INC	25,0 %	1 541	0	1 608
Net booked value associated companies in TS Shipping Invest Group		3 651 782	418 523	4 237 096

* Norspan LNG 14 AS is a subsidiary as of 31.12.2023. The date the company became a subsidiary was 18.04.2023. Hence, the result before that is attributed to result from associated companies.

** Knutsen LNG AS bought the rest of the shares in Norspan LNG 23 AS. The company is merged with Knutsen Kyst LNG AS where the latter is the surviving entity.

Note 3 Crew hire

Knutsen OAS Shipping AS is responsible for the operation of most of the vessels in the Group, thus the manning of the Group vessels. Knutsen OAS Offshore AS is responsible for the crew on the offshore unit - MT Jorunn Knutsen /FSU Åsgard C. Knutsen OAS Crewing AS and Knutsen OAS Crewing Eastern Europe AS is responsible for handling of the Group's Eastern European seafarers and Nordic seafarers who are not members of the social security system in Norway.

Knutsen LNG Crewing France SAS handles the manning for the 11 vessels operating under the French flag.

Knutsen OAS España S.L. handles the manning for the 11 LNG vessels in the Group under Canarian flag, and have their own personnel to take care of the manning for these vessels, in addition to business development in Spain.

Knutsen OAS (UK) Ltd. have hired personnel to operate business development in Britain. Knutsen OAS Management AS handles the manning of Knutsen OAS Shipping AS so that they can focus on management on behalf of all the companies in the Group.

In addition to the above mentioned manning plan, the ship owning companies will hire crew from several external manning companies.



Note that its only the above mentioned companies that employ personnel, thus the only companies with pension scheme, which is in accordance to their respective countries tariff scale. The Norwegian companies Knutsen OAS Shipping AS, Knutsen Kyst LNG KS, Knutsen OAS Offshore AS, Knutsen OAS ML AS and Knutsen OAS Management AS have compulsory pension scheme in accordance with the Norwegian law on required compulsory pension ("Lov om obligatorisk tjenestepensjon").

<u>Specification:</u>	2023	2022
Grants crew expenses	5 598 282	5 054 442

Note 4 Pension scheme, TS Shipping Invest Group

The pension scheme for seafarers was converted into a defined contribution scheme pension (OTP) in 2020 and meets the Norwegian requirements for a Mandatory Company Pension (OTP) The group has a contribution plan for it onshore employees.

Note 5 Remuneration

TS Shipping Invest AS

The group has paid NOK 650 000 to the Board of directors during 2023. Auditors' fee recorded to the Profit & Loss account is specified below:

TS Shipping Invest Group

The group has paid NOK 650 000 to the Board of directors during 2023.

	TS Shipping Invest AS		TS Shipping Invest Group	
	2023	2022	2023	2022
Auditors' fee (VAT not included)				
Audit fees relates to statutory audit of accounts	768 762	420 000	3 147 246	1 405 615
Other certification	0	0	0	195 434
Fee for tax services primarily relates to tax compliance and restructuring services	0	0	13 709	13 856
Other assurance services relates to attestation services and accounting consultations on	139 675	0	377 500	31 500
	<u>908 437</u>	<u>420 000</u>	<u>3 538 455</u>	<u>1 646 404</u>

Note 6 Fixed Assets, TS Shipping Invest Group

Figures in NOK 1.000

Vessels	2023	2022
Historical cost 01.01.	13 759 198	3 663 066
Accumulated depreciation 01.01.	1 282 982	1 126 862
Book Value 01.01.	12 476 216	2 536 204
Translation adjustment	238 859	212 471
Additions/reductions	-2 236	9 883 660
Deconsolidation	2 013 825	0
Ord. depreciation	526 317	190 230
Write downs and - reversal write downs	64 050	-34 111
Book Value 31.12.	<u>10 108 647</u>	<u>12 476 216</u>
Dry-docking vessels		
Historical cost 01.01.	240 232	233 432
Accumulated depreciation 01.01.	174 772	144 150
Book Value 01.01.	65 460	89 282
Translation adjustment	2 349	0
Additions/reductions	170 618	6 800
Ord. depreciation	78 685	30 622
Deconsolidation	62 218	0
Book Value 31.12.	<u>97 525</u>	<u>65 460</u>
Net vessels	<u>10 206 172</u>	<u>12 541 677</u>
Vessels under construction		
Book Value 01.01.	2 482 223	994 028
Additions/reductions	611 675	1 488 195
Deconsolidation	2 145 760	0
Book Value 31.12.	<u>948 138</u>	<u>2 482 223</u>



Property

Historical cost 01.01.	11 480	10 613
Accumulated depreciation 01.01.	3 691	3 450
Book Value 01.01.	7 789	7 162
Translation adjustment	293	0
Additions/reductions	0	868
Ord. depreciation	309	241
Book Value 31.12.	7 773	7 789

Other assets

Historical cost 01.01.	13 790	12 773
-Accumulated depreciation and write-down 01.01.	13 130	12 134
Book Value 01.01.	660	639
Translation adjustment	846	0
Additions/reductions	3 517	1 017
Ord. depreciation	1 459	996
Book Value 31.12.	3 564	660

Note 7 Financial income and -expenses

Figures in NOK 1 000

	TS Shipping Invest AS		TS Shipping Invest Group	
	2023	2022	2023	2022
Financial income:				
Interest from Group companies	18 227	15 811	0	0
Interest from associated companies	2 193	369	13 796	
Other interest income	564	23	21 930	3 003
Group contribution	303 675	266 722	0	0
Share dividend	158 894	0	25	8 505
Profit/ sale of shares/partnership	221	0	645 845	264 768
Guarantee commission income from associated companies	52 134	27 035	52 134	27 035
Guarantee commission group	14 234	5 810	0	0
Reversed write downs	49 622	82 476	0	0
MtM FX forward	0	0	2 107	0
MtM Swap	0	0	371	0
Total financial income	599 764	398 245	736 208	303 312
Financial expenses:				
Interest paid to Group companies	17 634	7 563	0	0
Interest paid to associated companies	0	0	0	4 090
Other interest expenses	79 376	25 203	748 385	208 749
Write-offs and losses	70	0	0	0
Guarantee commission expenses	2 485	2 406	10 208	2 312
Other financial expenses	824	11	9 748	274
Total financial expenses	100 388	35 183	768 340	215 424

Note 8 Tax

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

Figures in NOK 1.000

	TS Shipping Invest AS		TS Shipping Invest Group	
	2023	2022	2023	2022
Profit before tax	472 783	321 326	1 620 766	892 983
Non-deductible items	-205 294	-82 460	-1 581 388	-962 727
Change Temporary differences merger	0	0		0
Change Temporary differences acquired business	0	0		0
Change Temporary differences	-267 373	-258 601	281 627	69 744
Basis for tax calculation before Group contribution	116	-19 736	321 005	0
Received Group contribution	5 744	19 736		0
Basis for tax calculation after Group contribution	5 859	0	321 005	0
Calculation of tax expenses				
Tax payable tonnage tax regime	0	0	1 774	0
Currency effect tax payable	0	0	0	2
Change in deferred tax (22%)	-58 822	-56 892	61 958	15 344
Tax calculated	-58 822	-56 892	63 732	15 346



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

Temporary differences:	TS Shipping Invest AS			TS Shipping Invest Group		
	31.12.2023	Change	31.12.2022	31.12.2023	Change	31.12.2022
Business assets/equipment	0	0	0	-234	222	-456
Limited partnership shares	-15 335	-1 310	-14 026	0	0	0
Current assets	0	0	0	8 862	14 184	-5 322
Long term debt	0	0	0	0	0	0
Gain and loss account	9 386	-2 346	11 732	9 933	-2 483	12 417
Deficit carried forward	-70 103	271 029	-341 131	-323 254	269 704	-592 958
Financial deficit carried forward	0	0	0	0	0	0
Deferred tax basis	-76 052	267 373	-343 425	-304 692	281 627	-586 319
Deferred tax	-16 731	58 822	-75 553	-67 032	61 958	-128 990
	22 %		22 %	22 %		22 %

Entering the tonnage tax in 2017 resulted in an entrance tax for Norspan LNG II AS and Norspan LNG III AS , which is payable with 20% of the balance each year.

Entrance tax	2023	2022
Opening balance gain/loss account	3 055	3 819
Short-term tax payable basis (20%)	611	764
Long-term tax payable basis (80%)	2 444	3 055
Incoming balance long-term	672	840
Tax payable short-term in balance sheet, 22% tax rate	134	168
Tax payable long-term in balance sheet, 22% tax rate	538	672
Tax costs calculated	0	0

Note 9 Shares in subsidiaries, TS Shipping Invest AS

	Direct owner- and voting share	Direct and indirect owner share voting	Equity 31.12. NOK 1.000	Last yrs result NOK 1.000	Book value in TSSI AS NOK 1.000
Global Noges S.L.	100 %	100 %			10 065
Knutsen Ballast water AS	100 %	100 %	70 653	16 073	20 310
Knutsen LNG AS	100 %	100 %	2 649 526	818 223	1 432 826
Knutsen Kyst LNG AS *	0 %	100 %	1 157 875	136 315	0
Knutsen Kyst LNG KS	0 %	100 %	42 126	2 181	0
Norspan LNG AS	0 %	100 %	207 061	-84 392	0
Norspan LNG II AS	0 %	100 %	251 011	42 132	0
Norspan LNG III AS	0 %	74 %	486 942	52 166	0
Norspan LNG V AS	0 %	100 %	424 185	26 644	0
Norspan LNG VI AS	0 %	100 %	452 618	18 043	0
Norspan LNG VII AS	0 %	100 %	464 366	10 766	0
Norspan LNG 14 AS	0 %	100 %	450 421	341 909	0
Norspan LNG 16 AS	0 %	63 %	270 331	47 247	0
Norfra LNG 31 SAS	0 %	100 %	374 985	1 655	0
Norspan Gas Carriers AS	100 %	100 %	560 922	8 690	621 923
Knutsen LNG France SAS	0 %	100 %	238 296	-3 262	0
Knutsen Crewing France SAS	0 %	100 %	7 530	1 879	0
Knutsen Marine Services AS	99 %	100 %	9 447	-11	9 384
Knutsen OAS Crewing AS	0 %	99 %	528	-64	0
Knutsen OAS España S.L.	65 %	65 %	50 864	5 828	3 423
Knutsen OAS Management AS	0 %	99 %	2 844	5 038	0
Knutsen OAS ML AS	100 %	100 %	356	158	356
Knutsen OAS Offshore AS	100 %	100 %	889	90	2 701
Knutsen OAS Shipping AS	99 %	99 %	34 494	140 626	39 345
Knutsen OAS (UK) Limited	100 %	100 %	11 117	1 127	7 349
Knutsen Produkt Tanker XII AS	100 %	100 %	53 630	-3 249	128 841
Knutsen Technology AS	90 %	90 %	346 573	4 480	288 225
Knutsen VOC AS	100 %	100 %	2 684	19	3 971
Knutsen VOC KS	75 %	85 %	20 915	1 764	2 924
					2 571 643

All of the Norwegian subsidiary companies have the same company address as the parent company, which is the same address as the general manager, Smedasundet 40, Haugesund. Knutsen LNG France SAS, Knutsen Crewing France SAS and Norfra LNG 31 SAS has its office in Marseille, France, Global Noges S.L. is managed by Knutsen OAS España S.L. in Madrid, Spain, and Knutsen OAS (UK) Ltd. has its office in Aberdeen, Britain.

* Norspan LNG 23, 26, 27, 28, 29 & 31 AS have all been merged with Knutsen Kyst LNG AS where the latter company is the surviving entity. Hence, the result of the company stems from the accounting gain booked in connection with the novation of the shipbuilding contracts to associated companies in France.



Note 10. Receivables and -liabilities associated companies

Interest is calculated on all intercompany accounts in accordance with the loan agreements TS Shipping Invest AS and the Groups receivables and liabilities are due in 1 year and forward, but settlement is usually within 5 years.

Note 11. Inventories and spare parts, TS Shipping Invest Group

Inventories and spare parts summarize to NOK 27 950 079 (NOK 28 745 000 in 2022) refer to the vessels' lube oil and stores with NOK 13 096 534 and NOK 14 853 545 for spare parts per. 31.12.23. For vessels on T/C contracts, bunkers and bunkers stock are for charterers' account.

Note 12. Other current receivables

Figures in NOK 1.000

	TS Shipping Invest AS		TS Shipping Invest Group	
	2023	2022	2023	2022
Accrued revenue	0	0	7 653	15 009
Other receivables	373	7 514	201 392	83 795
	<u>373</u>	<u>7 514</u>	<u>209 045</u>	<u>98 804</u>

Note 13. Bank deposits

The bank accounts for the vessel owning subsidiaries and associated companies have certain restrictions in terms of how the funds are used due to various loan financing covenants. Restricted cash is NOK 148,87 million of the group's cash deposit per. 31.12.23.

Note 14. Equity

Figures in NOK 1.000

Specification of equity per 31.12.2023

TS Shipping Invest AS

	Share capital	Other paid-in capital	Other equity	Total equity
Equity 01.01.	29 154	433 935	2 139 374	2 602 464
Result for the year	0	0	408 101	408 101
Equity 31.12	<u>29 154</u>	<u>433 935</u>	<u>2 547 476</u>	<u>3 010 565</u>

Share capital consist of 22 600 shares with face value NOK 1 290.

All shares have the same right to vote and is owned by the parent company Seglem Holding AS.

TS Shipping Invest Group

	2023	2022
Majority's equity per 01.01.	5 201 835	3 980 895
Equity share of Group contribution	0	0
Group contribution to Seglem Holding AS	0	0
Purchase of minority interest	-76 505	
Result for the year	1 521 189	828 379
Conversion associated companies to subsidiaries		
Conversion difference, foreign subsidiary and investments	149 842	392 562
Majority's equity per 31.12.	<u>6 796 362</u>	<u>5 201 835</u>
Minority's equity per 01.01.	1 734 872	254 020
Paid in minority interests	246 629	1 668 208
Paid to minority interests	-35 834	-9 842
Subsidiary changed to associated company	-1 430 239	-226 772
Majority paid out minority interests	0	0
Result	35 844	49 258
Minority's equity per 31.12.	<u>551 272</u>	<u>1 734 872</u>
Total equity	<u>7 347 634</u>	<u>6 936 707</u>

Note 15. Shares owned by Board Members and Affiliates

TS Shipping Invest AS

Trygve Seglem owns 70 % through Seglem Holding AS and controls 100 % of the vote giving shares in the Seglem Holding AS
Synnøve Seglem owns 15 % through Seglem Holding AS and controls 0 % of the vote giving shares in the Seglem Holding AS.

TS Shipping Invest AS is a wholly-owned subsidiary of Seglem Holding AS. The parent company is situated at Smedasundet 40, 5529 Haugesund.



Note 16 Contracts provisions, TS Shipping Invest Group

Figures in NOK 1.000

Contract provisions	2023	2022
Historical cost 01.01.	48 470	48 470
-Accumulated amortization 01.01.	48 470	45 916
Book Value 01.01.	0	2 556
Additions/reductions	0	0
Booked reduction in income	0	2 556
Book Value 31.12	0	0

Note 17 Mortgage debt and financial instruments

Figures in USD/NOK 1.000

TS Shipping Invest AS	Foreign currency	NOK
USD Loan	55 044	561 581
Deferred debt issuance costs		-1 923
Net loan		<u>559 658</u>
Current portion of debt:		
USD Loan	6 100	60 430
Deferred debt issuance costs		-1 217
Net current portion		<u>59 213</u>
Figures from 2022	Foreign currency	NOK
USD Loan	94 493	936 100
Deferred debt issuance costs		-837
Net loan		<u>935 264</u>
Current portion of debt:		
USD Loan	73 100	724 172
Deferred debt issuance costs		-837
Net current portion		<u>723 336</u>

The USD facility has in June 2023 been extended to June 2025 with semiannual instalments of USD 3 050 000 and a final repayment of USD 55 893 507 on the maturity date.

The NOK/USD exchange rate at 31.12.2023 was 10,2025 (9,9066 per. 31.12.22)

Foreign exchange gain/loss on the portion of the debt exceeding the income is entered as income/cost. Accumulated unrealised foreign exchange loss per 31.12.2023 is estimated to MNOK 30,9 (loss MNOK 32,7 in 2022).

Mortgage debt is secured in shares and stocks owned directly or indirectly in Knutsen LNG AS, Knutsen Kyst LNG KS/AS and Norspan LNG III AS and Knutsen OAS (UK) Ltd property in Aberdeen, Britain. Book value for these assets were MNOK 3 011 (MNOK 1 440 in 2022).

TS Shipping Invest Group

Figures in USD/NOK 1.000

	Foreign currency	NOK
USD-loan	797 529	8 108 463
EUR-loan	127 522	1 307 284
NOK-loan		27 053
Deferred debt issuance costs		-83 779
Net loan		<u>9 359 021</u>
Current portion:		
USD-loan	69 765	711 778
EUR-loan	50 029	564 902
NOK-loan		12 820
Deferred debt issuance costs		-14 917
Net loan		<u>1 274 583</u>



Figures from 2022	Foreign currency	NOK
USD-loan	1 121 502	11 077 120
EUR-loan	148 114	1 490 893
NOK-loan		35 044
Deferred debt issuance costs		-95 368
Net loan		<u>12 507 689</u>
Current portion:		
USD-loan	140 507	1 391 950
EUR-loan	20 592	217 286
NOK-loan	7 991	880
Deferred debt issuance costs		-4 098
Net loan		<u>1 606 018</u>

The NOK/USD exchange rate at the year-end was 10,2025 (9,9066 per. 31.12.22), the NOK/EUR exchange rate at the year-end was 11,2915 (10,5522 per. 31.12.22)

Mortgage debt is secured through stocks in subsidiaries and associated companies and real estate. The mortgage debt in the vessel owning companies is secured through mortgages in the vessels in addition to assignment of the vessels' earnings. Book value of mortgaged assets is NOK 13 377 million (NOK 12 549 million in 2022). TS Shipping Invest AS has put up security and guaranties related to the debt, interest rate swaps and new building commitments in the associated ship owning companies.

Of the group's outstanding debt 81 % is secured through long-term interest rate swaps or fixed interest debt to hedge future cash flow. The interest swaps is included in the interest expenses and the liabilities is not taken into the balance sheet.

Outstanding debt per 31.12.2028 is estimated to:	Foreign currency	NOK
	USD	293 106 290 2 990 416 923
	EUR	33 278 812 375 767 706
	NOK	0
		<u>3 366 184 629</u>

The company seek to reduce market risk and financial risk by use of long term contracts and financial instruments. Though, since a substantial part of the company's revenues, investments and debt also are denominated in the same currency, this limits the company's foreign exchange risk.

Note 18 Other current liabilities

Figures in NOK 1.000

	TS Shipping Invest AS		TS Shipping Invest Group	
	2023	2022	2023	2022
Other short term liabilities		0	0	0
Dividend	0	0	1 434	2 042
Other payables and accruals	886	0	153 004	196 860
	<u>886</u>	<u>0</u>	<u>154 438</u>	<u>198 902</u>



Note 19 Related party information

Related parties

Knutsen NYK Offshore Tankers AS (KNOT) is owned 50% by TS Shipping Invest AS and 50% by NYK Logistics Holding(Europe) B.V. Norspan LNG IV AS, Norspan LNG VIII - XI AS and Norspan LNG 24 - 27 SAS is owned 50% by TS Shipping Invest group and 50% by Nippon Yusen Kabushiki Kaisha (NYK) through Knutsen NYK LNG Holding AS.

TS Shipping Group performs ship management for associated companies and has also issued guarantees as securities for loan agreements and charter parties. All services between related parties are based on an arm's length principle with pricing based on costs incurred and allowing for a profit margin.

Management agreements

Ship-management services fee from Norspan LNG I-14 AS	Total TNOK 42 381
Hire adm. service to Knutsen companies	Total TNOK 16 493
New building supervision fee from Norspan LNG 16 -41 SAS	Total TUSD 16 187
Hire project personnel to KNOT	Total TUSD 362
New building supervision fee from KNOT	Total TUSD 3 200
Hire crew to KNOT Group	Total TUSD 21 113
Hire administration services to KNOT	Total TUSD 5 917
Hire administration services to KNOP	Total TUSD 631
Guarantee commissions from associates	Total TUSD 4 843
Hire of property from Seglem Eiendom Group	Total TNOK 8 149

A number of the Contracts of Affreightment (CoA) of which are operated with KNOT vessels are formally entered into by either Knutsen OAS Shipping AS and/or Knutsen OAS (UK) Ltd, with end users. The CoA is formally not transferred but the economic effect of the contracts have been transferred to the operating entities in KNOT, and a process has in 2011 started up to agree memorandum to the original agreements that the contracts have been transferred to KNOT group.

Guarantees

TSSI loan Guarantee overview

(numbers per 31.12.23, all amounts in mill.)

Company	Currency	Amount
Knutsen Product Tankers XII AS	USD	18,5

Company	Currency	Amount	Related Vessel	Fix contract end
NORSPAN LNG AS	EUR	20,0	Bilbao Knutsen	2024
NORSPAN LNG II AS	EUR	26,0	Cadiz Knutsen	2029
NORSPAN LNG III AS	USD	20,0	Iberica Knutsen	2029
NORSPAN LNG IV AS	USD	20,0	Sestao Knutsen	2032
NORSPAN LNG V AS	USD	64,6	Barcelona Knutsen	2030
NORSPAN LNG VI AS	NOK	21,3		
NORSPAN LNG VI AS	USD	30,0	Sevilla Knutsen	2030
NORSPAN LNG VII AS	USD	30,0	Valencia Knutsen	2030
NORSPAN LNG XI AS	USD	143,5	Rias Baxias Knutsen	2029
NORSPAN LNG XII AS	USD	142,0	Adriano Knutsen	2026
NORSPAN LNG XIII AS	USD	152,4	Traiano Knutsen	2027
NORSPAN LNG 16 AS	USD	152,0	Santander Knutsen	2029
NORSPAN LNG 19 AS	USD	154,3	Huelva Knutsen	2029
Knutsen Kyst LNG KS	USD	5,84	Pioneer Knutsen	2034
Knutsen Scale GAS, S.L.	EUR	15,0	Haugesund Knutsen	2028
Total	USD	908,8		
Total	EUR	61,0		
Total	NOK	21,3		

TS Shipping Invest has guaranteed that all of the French leases will be fulfilled.

TSSI Guarantee overview Interest rate swaps

(numbers per 31.12.23, all amounts in mill.)

Company	Currency	Amount	Related Vessel	Fix contract end
Norspan LNG AS	EUR	50,0	Bilbao Knutsen	2024
Norspan LNG II AS	EUR	50,0	Cadiz Knutsen	2029
Norspan LNG III AS	USD	2,4	Iberica Knutsen	2029
Norspan LNG V AS	USD	32,0	Barcelona Knutsen	2030
Norspan LNG VI AS	USD	34,0	Sevilla Knutsen	2030
Norspan LNG VII AS	USD	44,0	Valencia Knutsen	2030
Norspan LNG IV AS	USD	9,4	Sestao Knutsen	2042
Total	USD	121,8		
Total	EUR	100,0		



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of TS Shipping Invest AS

Opinion

We have audited the financial statements of TS Shipping Invest 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 balance sheet as at 31 December 2023, the income statement and the cashflow statement 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 2023 and their financial performance and 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 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 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 and the General Manager) 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 other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or 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 or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.



Responsibilities of management for the financial statements

Management is responsible for the preparation of the 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.

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.

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.



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- 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, 19 April 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus Hegertun Birkeland
State Authorised Public Accountant (Norway)

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

Birkeland, Magnus Hegertun

Statsautorisert revisor

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Skattedirektoratet

Saksbehandler
Jan Hoelstad

Deres dato
28.10.2009

Vår dato
02.06.2010

Telefon
22077325

Deres referanse
Jørn Knutsen

Vår referanse
2009/867030

Ernst & Young AS
Postboks 6163 - Postterminalen
5892 Bergen

Søknad om tillatelse til å unnlate å utarbeide årsregnskap og årsberetning på norsk språk

Det vises til Deres søknad av 28. oktober 2009 samt telefonsamtaler 12. desember 2009 og 31. mai 2010 i sakens anledning. De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- TS Shipping Invest AS org. nr: 975 883 914
- samt følgende datterselskap:
 - Knutsen Atlantic Chartering AS org. nr: 984 963 262
 - Knutsen Bøyelaster II KS org. nr: 959 321 752
 - Knutsen Bøyelaster III KS org. nr: 959 505 349
 - Knutsen Bøyelaster VI KS org. nr: 971 585 579
 - Knutsen Bøyelaster VIII KS org. nr: 979 539 649
 - Knutsen Bøyelaster IX KS org. nr: 979 685 521
 - Knutsen Bøyelaster XI KS org. nr: 986 224 610
 - Knutsen Canadian Chartering AS org. nr: 984 963 270
 - Knutsen Kjemikalie Tanker KS org. nr: 953 058 995
 - Knutsen Kjemikalie Tanker II KS org. nr: 955 298 640
 - Knutsen Kjemikalie Tanker III KS org. nr: 876 795 922
 - Knutsen Kjemikalie Tanker IV KS org. nr: 982 741 092
 - Knutsen Kjemikalie Tanker V KS org. nr: 983 452 884
 - Knutsen Kyst LNG KS org. nr: 984 616 848
 - Knutsen Newfoundland Chartering AS org. nr: 990 356 963
 - Knutsen O.A.S Shipping AS org. nr: 832 529 982
 - Knutsen Offshore KS org. nr: 893 435 832
 - Knutsen Product Tankers KS org. nr: 983 453 007
 - Knutsen Produkt Tanker IV KS org. nr: 961 068 355
 - Knutsen Produkt Tanker V AS org. nr: 979 976 445
 - Knutsen Produkt Tanker VI AS org. nr: 965 870 105
 - Knutsen Produkt Tanker IX AS org. nr: 983 857 191
 - Knutsen Produkt Tanker X AS org. nr: 985 990 921
 - Knutsen Produkt Tanker XI AS org. nr: 990 149 941
 - Knutsen Produkt Tanker XII AS org. nr: 890 149 952
 - Knutsen Produkt Tanker XIII AS org. nr: 891 028 342
 - Knutsen Produkt Tanker XIV AS org. nr: 991 133 518

Postadresse

Postboks 9200 Grønland
0134 Oslo

Besøksadresse

Fredrik Selmers vei 4
Org. nr: 974761076

Sentralbord

800 80 000
Telefaks
22 17 08 60

skattedirektoratet@skatteetaten.no



- Knutsen Shuttle Tankers 2 AS org. nr: 992 593 903
- Knutsen Shuttle Tankers XII KS org. nr: 991 959 610
- Knutsen Shuttle Tankers 13 AS org. nr: 868 286 962
- Knutsen Shuttle Tankers Pool AS org. nr: 982 302 536
- Knutsen Terminal Tanker AS org. nr: 945 404 191
- TS Shipping Invest 2 AS org. nr: 992 826 762
- TS Shipping Invest 3 AS org. nr: 993 010 650

Bakgrunn:

TS Shipping Invest AS med datterselskap er gjennom selskapet Seglem Holding AS 100 % eid av Trygve Seglem og hans familie. Alle selskapene driver virksomhet innen internasjonal shipping. Konsernet omfatter også flere utenlandske datterselskap, og engelsk er arbeids- og rapporteringsspråk for hele konsernet. Selskapenes virksomhet er finansiert gjennom flere norske og internasjonale banker. Ettersom finansieringen i all hovedsak gjøres via syndikerte banklån, er det et krav fra bankene at regnskapet oversettes til engelsk språk.

Konsernet må derfor i dag utarbeide alle regnskaper både på norsk og engelsk. Denne praksisen innebærer en vesentlig kostnad uten at man ser noen synlig nytte av den norske versjonen. Det søkes derfor om dispensasjon.

Skattedirektoratets vurdering og konklusjon

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 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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

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 negativt berørt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at alle selskapene eies av samme familie, og denne ønsker at årsregnskapet utarbeides på engelsk språk. Selskapene opererer innen en bransje med sterk internasjonal



karakter og arbeidsspråket er engelsk. Finansieringen hentes fra profesjonelle institusjoner som etterspør engelsk versjon av årsregnskapet og årsberetning. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske og benytte engelsk språk.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de overnevnte navngitte selskapene i TS Shipping Invest konsernet 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.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Inger Johanne Stolt-Nielsen
underdirektør
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Jan Hoelstad



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 28.10.2009	Vår dato 02.06.2010
Telefon 22077325	Deres referanse Jørn Knutsen	Vår referanse 2009/867030

Ernst & Young AS
Postboks 6163 Postterminalen
5892 Bergen

Søknad om tillatelse til å unnlate å utarbeide årsregnskap og årsberetning på norsk språk

Det vises til Deres søknad av 28. oktober 2009 samt telefonsamtaler 12. desember 2009 og 31. mai 2010 i sakens anledning. De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- Norspan LNG AS org. nr: 981 146 131
- Norspan LNG II AS org. nr: 982 786 126
- Norspan LNG III AS org. nr: 986 860 045
- Norspan LNG IV AS org. nr: 987 755 628
- Norspan LNG V AS org. nr: 989 970 690
- Norspan LNG VI AS org. nr: 990 224 366
- Norspan LNG VII AS org. nr: 990 911 053
- Norspan LNG VIII AS org. nr: 991 817 603

Bakgrunn:

Selskapene er eid av de tre norske selskapene TS Shipping Invest AS, Umoe Shipping & Energy AS og Gas Maroil AS. Bak sistnevnte selskap står det spanske eierinteresser. Eierandelen mellom de tre aksjonærene er noe forskjellig for de ulike Norspan selskapene. Både eierne og selskapene det søkes dispensasjon for, driver alle innen internasjonal shipping. Selskapene har engelsk som arbeids og rapporteringsspråk. Selskapenes virksomhet er finansiert gjennom flere norske og internasjonale banker. Ettersom finansieringen i all hovedsak gjøres via syndikerte banklån, er det et krav fra bankene at regnskapet oversettes til engelsk språk.

Selskapene må derfor i dag utarbeide alle regnskaper både på norsk og engelsk. Denne praksisen innebærer en vesentlig kostnad uten at man ser noen synlig nytte av den norske versjonen. Det søkes derfor om dispensasjon.

Skattedirektoratets vurdering og konklusjon

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."

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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. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

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Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at selskapenes aksjer eies av et begrenset antall aksjonærer som foretrekker årsregnskap og årsberetning på engelsk. Selskapene opererer innen en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Finansieringen hentes fra profesjonelle institusjoner som etterspør engelsk versjon av årsregnskapet og årsberetning. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske og benytte engelsk språk.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering de overnevnte navngitte søkere 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. Dette inkluderer blant annet en forutsetning om at alle aksjonærer også i fortsettelsen er enig i at årsregnskap og årsberetning ikke ønskes utarbeidet på norsk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

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underdirektør
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Skattedirektoratet

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