



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 920 610 455
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNOT SHUTTLE TANKERS 33 AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Karl Gerhard Bråstein Dahl
Dato for fastsettelse av årsregnskapet: 27.02.2023

Grunnlag for avgivelse

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

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 26.05.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Freight income	1	150 809 840	72 809 528
Sum inntekter		150 809 840	72 809 528
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer			407 972
Crew-hire	2	34 712 466	33 430 725
Ordinary depreciation	3	66 355 303	72 768 015
Other operating expenses		25 344 071	19 940 025
Administration	2	5 460 017	5 501 721
Sum kostnader		131 871 857	132 048 458
Driftsresultat		18 937 983	-59 238 930
Finansinntekter og finanskostnader			
Financial income	4	791 821	100 045
Foreign exchange gain/loss		-52 827 055	-194 502
Sum finansinntekter		-52 035 234	-94 457
Financial expenses	4	10 846 899	7 933 439
Sum finanskostnader		10 846 899	7 933 439
Netto finans		-62 882 133	-8 027 896
Ordinært resultat før skattekostnad		-43 944 150	-67 266 826
Taxes	5		
Ordinært resultat etter skattekostnad		-43 944 150	-67 266 826
Årsresultat		-43 944 150	-67 266 826
Årsresultat etter minoritetsinteresser		-43 944 150	-67 266 826
Totalresultat		-43 944 150	-67 266 826



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	3	344 156 436	410 538 758
Sum varige driftsmidler		344 156 436	410 538 758
Sum anleggsmidler		344 156 436	410 538 758
Omløpsmidler			
Varer			
Fordringer			
Receivables		3 077	
Other short-term receivables		13 832 872	12 194 072
Konsernfordringer		98 914 678	30 334 585
Krav på innbetaling av selskapskapital			1 606 154
Sum fordringer		112 750 627	44 134 810
Bankinnskudd, kontanter og lignende			
Bank deposits	6	7 633 621	1 516 990
Sum bankinnskudd, kontanter og lignende		7 633 621	1 516 990
Sum omløpsmidler		120 384 248	45 651 800
SUM EIENDELER		464 540 684	456 190 557
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	7	200 000	200 000
Overkurs		111 652 855	111 652 855
Annen innskutt egenkapital		145 503 586	140 932 790



Balanse

Beløp i: NOK	Note	2022	2021
Sum innskutt egenkapital		257 356 442	252 785 646
Other equity			
Sum egenkapital	7, 8	257 356 442	252 785 646
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	9	181 629 521	191 698 868
Sum annen langsiktig gjeld		181 629 521	191 698 868
Sum langsiktig gjeld		181 629 521	191 698 868
Kortsiktig gjeld			
Leverandørgjeld		6 049 870	9 318 530
Kortsiktig konserngjeld		17 774 289	2 110 695
Accrued interest		1 548 877	21 708
Payables to related parties		42 402	32 093
Other current liabilities		139 284	223 018
Sum kortsiktig gjeld		25 554 722	11 706 044
Sum gjeld		207 184 243	203 404 912
SUM EGENKAPITAL OG GJELD		464 540 684	456 190 557



Skatteetaten

TS SHIPPING INVEST AS
Postboks 2017
5504 HAUGESUND

Vår dato
13.02.2019

Din/Deres dato
11.01.2019

Saksbehandler
Henning Stokke

800 80 000
Skatteetaten.no

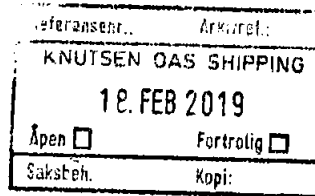
Din/Deres referanse
Petter M Opsal

Telefon
800 80 000

Org.nr
974761076

Vår referanse
2019/5238778

Postadresse
Postboks 9200 Grønland
0134 OSLO



Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk

Vi viser til deres brev av 11. januar 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- | | |
|------------------------------|-------------|
| • KNOT Shuttle Tankers 36 AS | 921 657 595 |
| • KNOT Shuttle Tankers 33 AS | 920 610 455 |
| • KNOT Shuttle Tankers 37 AS | 921 657 633 |
| • KNOT Shuttle Tankers 35 AS | 821 065 852 |
| • KNOT Shuttle Tankers 38 AS | 921 684 789 |
| • KNOT Shuttle Tankers 39 AS | 921 684 762 |
| • KNOT Shuttle Tankers 34 AS | 921 065 698 |
| • Knutsen OAS ML AS | 920 992 153 |
| • Norspan LNG 14 AS | 921 118 546 |
| • Norspan LNG 15 AS | 921 968 450 |

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering selskapene nevnt ovenfor dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

Bakgrunn

Fra søknaden gjengis:

TS Shipping Invest AS ønsker å omfatte flere av selskapene i konsernet til å kunne utarbeide regnskaper og årsberetning på engelsk fra og med regnskapsåret 2018. Alle selskapene i konsernet er norske selskaper som driver virksomhet innen internasjonal shipping. Selskapene og konsernet har engelsk som arbeidsspråk inklusive datterselskaper.

Brukerne av regnskapene er hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften (ansatte, kunder, leverandører etc.). Aksjonærstrukturen er begrenset. Noen av selskapene eies 50 % av TS Shipping Invest AS og 50 % av NYK Logistics Holding (Europe) B.V. De aller fleste av selskapenes kunder og leverandører og andre brukere har engelsk som sitt naturlige språk / forretningspråk. Dette gjelder også konsernets långivere.



Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes eierkrets er begrenset. I tillegg opererer selskapene i en internasjonal bransje, og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Juridisk avdeling, næring
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

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List of Signatures Page 1/1

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Name	Method	Signed at
Domyo, Takashi	BANKID	2023-02-24 12:33 GMT+01
Seglem, Trygve	BANKID	2023-02-24 11:52 GMT+01
Dahl, Karl Gerhard B	BANKID	2023-02-24 09:18 GMT+01



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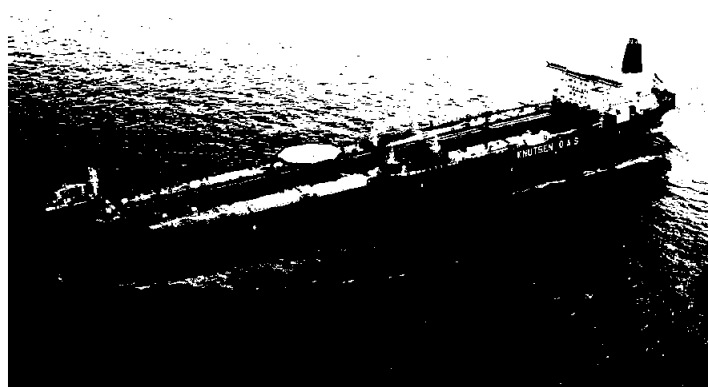
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KNOT Knutsen
NYK Offshore
Tankers

KNOT Shuttle Tankers 33 AS

Annual Report 2022



M/T “Heather Knutsen”



Knutsen
Group



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KNOT SHUTTLE TANKERS 33 AS

REPORT OF THE BOARD OF DIRECTORS 2022

KNOT Shuttle Tankers 33 AS owns one 148 644 DWT Suez-max DP2 shuttle tanker, M/T Heather Knutsen, delivered from Samsung Heavy Industries in 2005.

The company operates out of Haugesund, Norway and has no employees and working environment. KNOT Management AS manages the daily operations of the company and Canship Uglund Limited manage the daily operations of the vessel in accordance with separate agreement.

The company's activities

M/T Heather Knutsen is operated in the pool of shuttle tankers in Knutsen Shuttle Tankers Pool AS and has operated in the North Europe shuttle tanker and tanker market in 2022.

Profit for the year

The operating result for KNOT Shuttle Tankers 33 AS was NOK 18 937 983 in 2022, compared to minus NOK 59 238 930 in 2021. After a net financial loss of NOK 62 882 133 against a net financial loss of NOK 8 027 896 the previous year, the result for the year became minus NOK 43 944 150, compared to minus NOK 67 266 826 in 2021.

The loss is covered by other paid in equity.

Total cash flow from operating activities in the company was NOK 26 922 135 compared to minus NOK 17 570 800 in 2021.

The company's liquidity position was NOK 7 633 621 as of 31.12.22 compared to NOK 1 516 990 per 31.12.21.

The company's short term debts per 31.12.2022 was 12 % of total debt, compared to 6 % as of 2021. The financial position is satisfactory, and the company can as of 31.12.2022 pay short term debt by using its most liquid assets (current assets-inventories).

The total capital was by the end of the year NOK 465 million, compared to NOK 456 million the year before. The equity-share as of 31.12.22 was 55 %, compared to 55 % per 31.12.2021.

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

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

The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern. The Board of Directors confirms that the Financial



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Statements give a true picture of the company's assets and liabilities, financial position and results.

Environment, safety and quality control

The requirements for safety and operation of ships are increasing, and the company, the group and the manager Canship Uglund Ltd. are concerned with operational excellence. The company vessel consists of modern ships which are designed and engineered for safe, environmentally sound, and efficient operations. The ship is maintained and upgraded continuously to meet the demands and expectations from stakeholders. The company and the manager put significant resources into quality assurance and there are strict requirements for safety systems and the operation of the ship.

The operation of the vessel can affect the external environment through emissions of air and water and the company, and the manager therefore has a high focus on health, environment, and safety work. The company and manager are concerned with environmental considerations when implementing projects, and environmental considerations are included in all stages from planning and implementation from operation, maintenance, sorting and recycling. The manager and the crew focus on minimizing energy consumption and reducing the pollution from energy generation on the vessel from the daily operation. The requirements for environment and safety in the operations of vessels are increasing, and both the company, the manager and the Knutsen NYK Offshore Tankers Group emphasize operational quality. There have been no accidents linked to operations that have had serious consequences for crew, the environment, or assets in 2022.

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

The company and the other companies in the Norwegian part of the group regularly carries 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 will be included in a report here www.knutsenoas.com within 30 June 2023.

Future prospects

M/T Heather Knutsen is operated in North Europe through Knutsen Shuttle Tankers Pool AS, lifting the charterers oil on different offshore oil fields. Based on the operation of the vessel in 2022 and the employment in Knutsen Shuttle Tankers Pool AS, the Board of Directors of KNOT Shuttle Tankers 33 AS expects 2023 to be good year for the vessel and the company.



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Haugesund, February 24, 2023

Trygve Seglem
Chairman of the Board

Karl Gerhard Bråstein Dahl
Member of the Board

Takashi Domyo
Member of the Board



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KNOT Shuttle Tankers 33 AS

Profit & Loss Account

	<u>Note</u>	2022	2021
<u>Operating Income</u>			
Freight income	1	150 809 840	72 809 528
<i>Total Operating income</i>		<u>150 809 840</u>	<u>72 809 528</u>
<u>Operating Expenses</u>			
Commissions		0	407 972
Crew-hire	2	34 712 466	33 430 725
Other operating expenses		25 344 071	19 940 025
Administration	2	5 460 017	5 501 721
<i>Total Operating Expenses</i>		<u>65 516 554</u>	<u>59 280 443</u>
Ordinary depreciation	3	66 355 303	72 768 015
<i>Operating Result</i>		<u>18 937 983</u>	<u>-59 238 930</u>
<u>Financial Income and Expenses</u>			
Financial income	4	791 821	100 045
Foreign exchange gain/loss		-52 827 055	-194 502
Financial expenses	4	-10 846 899	-7 933 439
<i>Net Financial Items</i>		<u>-62 882 133</u>	<u>-8 027 896</u>
<i>Result before taxes</i>		<u>-43 944 150</u>	<u>-67 266 826</u>
Taxes	5	0	0
<i>Result for the year</i>		<u>-43 944 150</u>	<u>-67 266 826</u>



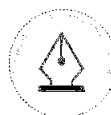
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KNOT Shuttle Tankers 33 AS
Balance Sheet as of 31. December

<u>Assets</u>	<u>Note</u>	<u>2022</u>	<u>2021</u>
<u>Fixed assets</u>			
Vessel	3	344 156 436	410 538 758
<i>Total Fixed Assets</i>		<u>344 156 436</u>	<u>410 538 758</u>
<u>Current Assets</u>			
Receivables		3 077	0
Other short-term receivables		13 832 872	12 194 072
Intercompany receivables		98 914 678	30 334 585
Receivables from related parties		0	1 606 154
Bank deposits	6	7 633 621	1 516 990
<i>Total Current Assets</i>		<u>120 384 248</u>	<u>45 651 800</u>
TOTAL ASSETS		<u>464 540 684</u>	<u>456 190 557</u>



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KNOT Shuttle Tankers 33 AS
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2022	2021
<u>Equity</u>			
Share capital	7	200 000	200 000
Share premium		111 652 855	111 652 855
Other paid-in capital		145 503 586	140 932 790
<i>Total capital paid-in</i>		<u>257 356 442</u>	<u>252 785 646</u>
Other equity		0	0
<i>Total Shareholders' Equity</i>	7, 8	<u>257 356 442</u>	<u>252 785 646</u>
<u>Long Term Debt</u>			
Liabilities to financial institutions	9	181 629 521	191 698 868
<i>Total Long Term Debt</i>		<u>181 629 521</u>	<u>191 698 868</u>
<u>Current Liabilities</u>			
Accounts payable		6 049 870	9 318 530
Accrued interest		1 548 877	21 708
Intercompany liabilities		17 774 289	2 110 695
Payables to related parties		42 402	32 093
Other current liabilities		139 284	223 018
<i>Total Current Liabilities</i>		<u>25 554 722</u>	<u>11 706 044</u>
<i>Total liabilities</i>		<u>207 184 243</u>	<u>203 404 912</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>464 540 684</u>	<u>456 190 557</u>

Haugesund, February 24, 2023,

Trygve Seglem
chairman of the board

Karl Gerhard Bråstein Dahl
member of the board

Takashi Domyo
member of the board



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KNOT Shuttle Tankers 33 AS

CASHFLOW STATEMENT

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

	2022	2021
Result before tax	-43 944 150	-67 266 826
+ Ordinary depreciation	66 355 303	72 768 015
-/+ Profit/loss on foreign exchange liabilities to fin. institutions	57 916 270	4 161 540
-/+Profit/loss on foreign exchange loan to group companies/from group	0	128 497
+ Financial expenses - liabilities to financial institutions	1 361 851	1 639 131
= Total generated from operations	81 689 274	11 430 357
+ Net received on current assets	-68 615 817	-29 836 140
+ Net received on current liabilities	13 848 678	834 983
Net cashflow from operations	26 922 135	-17 570 800
<u>Cashflow from investments</u>		
Upgrading of vessel	0	-8 526 438
Additions to drydock	27 019	261 258
Net cashflow from investments	27 019	-8 265 180
<u>Cashflow from financing</u>		
Proceeds from liabilities to financial institutions	183 773 400	-74 299 700
Paid debt issuance costs	-2 324 658	0
Repayment of liabilities to financial institutions	-250 796 210	0
Net change in debt to group companies	0	-22 347 341
Equity received - group contribution received	48 514 946	103 747 825
Net cashflow from financing	-20 832 522	7 100 784
Net cashflow for the year	6 116 632	-18 735 196
+ Bank deposits per 01.01.	1 516 990	20 252 186
= Bank deposits per 31.12.	7 633 621	1 516 990



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KNOT Shuttle Tankers 33 AS

Notes to the Financial Statement 31.12.2022

Accounting Principles

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

Going concern

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

Transactions in Foreign Currency

Transactions in foreign currency is recorded at the rate of exchange on the day the transaction is carried out. Assets and liabilities in foreign currencies, that are not used for hedging purposes, are valued at the exchange rate on the date of the balance. Time charter hire in foreign currency for a calendar month is recorded at the rate of exchange on the first day with contract revenue of the month.

Related party transactions

The Company has undertaken several agreements and transactions with group companies and/or related parties. The level of fees are based on market terms and are in accordance with the arm's length principle. Ship management fee includes services like technical management, crewing management, IT and energy management.

1 Contracts

The vessel MT Heather Knutsen has been operated in the Knutsen Shuttle Tankers Pool AS in 2022.

The income from the time charter contract is received in united states dollars, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

KNOT Management AS is appointed as manager for the company and the vessel is managed by Canship Uglund Ltd.

2 Employees and remuneration

The company has no employees and thereby no pension liabilities (under the new OTP regulation). KNOT Management AS manages the Company in accordance with a separate management agreement.

	<u>2022</u>	<u>2021</u>
Government grant crew expenses	0	-178 503

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

Auditors remuneration (excl. VAT):	<u>2022</u>	<u>2021</u>
Audit	50 213	84 800
Other services	49 263	0
	<u>99 476</u>	<u>84 800</u>



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3 Fixed Assets

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

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

<u>Vessel</u>	<u>2022</u>	<u>2021</u>
Historical value 01.01.	565 684 923	557 158 485
Accumulated depreciation and impairment 01.01.	170 943 774	119 166 886
Book value 01.01.	394 741 149	437 991 599
Additions	0	8 526 438
Annual depreciation	55 838 112	51 776 888
Book value 31.12.	338 903 038	394 741 149

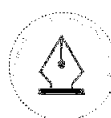
<u>Dry-docking</u>	<u>2022</u>	<u>2021</u>
Capitalised dry-docking 01.01	60 299 062	60 560 319
Accumulated depreciation dry-docking 01.01.	44 501 453	23 510 326
Capitalised dry-docking 01.01.	15 797 609	37 049 993
Disposals cost price	-27 019	-261 258
Annual depreciation	10 517 191	20 991 127
Book value 31.12.	5 253 399	15 797 609

Total book value vessel 31.12. 344 156 436 410 538 758

4 Financial Income and -Expenses

<u>Financial Income:</u>	<u>2022</u>	<u>2021</u>
Interest income	791 821	19
Interest income from group companies	0	48 814
Dividend	0	51 212
Total financial income	791 821	100 045

<u>Financial expenses:</u>	<u>2022</u>	<u>2021</u>
Interest expenses to group companies	2 141 033	318 463
Interest expenses	7 335 472	6 286 577
Financial expenses to group companies	425 984	0
Guarantee fee to group companies	928 722	1 239 882
Other financial expenses	15 688	88 517
Total financial expenses	10 846 899	7 933 439



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5 Tax

The company qualify for and have elected to be taxed based on the Norwegian tonnage tax regime.

In the tonnage tax regime, the company pay no tax on qualifying operational result and part of the net financial related to the ownership of the vessel, but pay an annual tax set annually by the parliament related to the tonnage owned by the company. The limited part of the profit that is taxable are taxed under the standard Norwegian company tax that for the accounting period is 22%. Tonnage taxed companies will also have to pay a calculated tax on the equity if the equity exceed 70% of total capital.

We classify the tonnage tax as an operating expense.

Specification on the temporary differences:

	31.12.2022	Change	31.12.2021
Loss carried forward	-27 315 482	14 277 109	-13 038 373
Temporary differences	-27 315 482	14 277 109	-13 038 373
Calculated deferred tax	6 009 406	-3 140 964	2 868 442
Deferred tax in balance	0	0	0

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

Tax cost

	2022	2021
Net financial Items	-62 882 133	-8 027 896
Non-taxable currency gain	41 410 163	-139 747
Non-deductible interest	7 681 785	6 260 775
Deductable financial items	-486 924	-49 675
Taxable income before loss carried forward	-14 277 109	-1 956 543
Loss carried forward	-14 277 109	-1 956 543
Taxable income	0	0
Tax payable	0	0
Change deferred tax/(tax benefit)	0	0
Tax calculated	0	0
Tonnage tax expenses under operating expenses	139 284	174 105

6 Bank deposits

The company doesn't have restricted bank funds per 31.12.

7 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other paid-in equity	Other equity	Total equity
Equity 01.01	200 000	111 652 855	140 932 790	0	252 785 646
Group contribution received	0	0	48 514 946	0	48 514 946
Result for the year	0	0	-43 944 150	0	-43 944 150
Equity 31.12.	200 000	111 652 855	145 503 586	0	257 356 442

Share capital consist of 2 000 shares à NOK 100

The company is a wholly owned subsidiary of Knutsen NYK Offshore Tankers AS. Financial statements for the group can be obtained at company's registered office, Smedasundet 40, 5529 Haugesund.



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8 Shares Owned by Board Members and Affiliates

Trygve Seglem controls TS Shipping Invest AS, which owns 50 % of the parent company Knutsen NYK Offshore Tankers AS.

9 Mortgage Debt and Financial Instruments

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

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

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

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

	Currency	Outstanding currency amount	Hedge accounting rate 31.12.	Accounting balance	
				2022	2021
Mortgage debt	USD	17 200 000	10,6845	183 773 400	192 879 940
Debt issuance cost				-2 143 879	-1 181 072
Liabilities to financial institutions				181 629 521	191 698 868

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

Future income flows from anticipated fixed revenue contracts in the same currency as the financing exceed the debt at the balance sheet date. Therefore it is not recognized foreign exchange gains/losses on USD debt on the basis of the year-end exchange rate.

	2022	2021
Foreign exchange gain/-loss not taken over profit and loss (i.e. off-balance):	13 379 880	-16 098 555

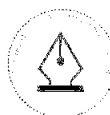
Amounts due within 12 months of the balance sheet date:

Mortgage debt	73 509 360	192 879 940
Debt issuance cost	-929 354	-1 181 072
Liabilities to financial institutions	72 580 006	191 698 868

Repayment profile:

0 - 12 months	6 880 000	8 600 000
13 - 24 months	6 880 000	8 600 000
25 - 36 months	3 440 000	6 450 000
37 - 48 months	0	0
49 - 60 months	0	0
After 60 months	0	0
	17 200 000	23 650 000

The exchange rate at the year-end	USDNOK	9,9066	8,8363
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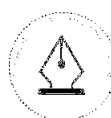
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Security for the loan is made through a first priority mortgage in the vessel, a share pledge in the owners share in the company, transportation of income and insurances, account pledges, factoring agreement, and guarantees from the owner.

Book value of mortgaged assets is NOK 465 million.

The company has aimed to reduce the market risk by entering financial contracts. The company has entered long term freight contracts in USD, with the intention of having income, vessel investment and loans in the same currency in order to minimize the effects of exchange rate fluctuations.



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Ernst & Young AS

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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of KNOT Shuttle Tankers 33 AS

Opinion

We have audited the financial statements of KNOT Shuttle Tankers 33 AS (the Company), which comprise the balance sheet as at 31 December 2022, the profit and loss account and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2022 and its 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 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) 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 and fair presentation of the financial statements 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



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going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with 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, 24 February 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus Hegertun Birkeland
State Authorised Public Accountant (Norway)

Independent auditor's report – KNOT Shuttle Tankers 33 AS 2022

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

Magnus Hegertun Birkeland

Statsautorisert revisor

On behalf of: Ernst & Young AS

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