



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 982 786 126
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORSPAN LNG II AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

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: Peter Myklebust Opsal
Dato for fastsettelse av årsregnskapet: 30.05.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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, 28.04.2026



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Freight income		203 323 235	215 700 980
Commissions		-758 476	-735 859
Sum inntekter	1	202 564 759	214 965 120
Kostnader			
Crew hire	2	27 599 370	29 404 884
Ordinary depreciation	3	69 917 146	48 223 964
Other operating expenses	2	35 177 944	27 354 308
Sum kostnader		132 694 459	104 983 155
Driftsresultat		69 870 300	109 981 965
Finansinntekter og finanskostnader			
Financial income	4	2 967 796	151 548
Sum finansinntekter		2 967 796	151 548
Foreign exchange gain/loss		-5 229 570	-8 725 509
Financial expenses	4	69 087 762	76 726 982
Sum finanskostnader		63 858 192	68 001 473
Netto finans		-60 890 396	-67 849 926
Resultat før skattekostnad		8 979 904	42 132 039
Tax	5		
Årsresultat		8 979 904	42 132 039
Årsresultat etter minoritetsinteresser		8 979 904	42 132 039
Totalresultat		8 979 904	42 132 039



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	3	746 669 773	757 523 649
Sum varige driftsmidler		746 669 773	757 523 649
Finansielle anleggsmidler			
Lån til tilknyttet selskap og felles kontrollert virksomhet	8		
Sum anleggsmidler		746 669 773	757 523 649
Omløpsmidler			
Varer			
Inventories	6	1 742 313	1 588 493
Sum varer		1 742 313	1 588 493
Fordringer			
Accounts receivable			202 811
Other receivables		3 958 951	4 108 462
Konsernfordringer	8		16 900 000
Sum fordringer		3 958 951	21 211 273
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	7	179 095 102	194 299 958
Sum bankinnskudd, kontanter og lignende		179 095 102	194 299 958
Sum omløpsmidler		184 796 366	217 099 723
SUM EIENDELER		931 466 139	974 623 372

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: NOK	Note	2024	2023
Innskutt egenkapital			
Skare capital		300 000	300 000
Overkurs		159 133 126	150 725 366
Sum innskutt egenkapital		159 433 126	151 025 366
Opptjent egenkapital			
Other equity		108 965 788	99 985 885
Sum opptjent egenkapital		108 965 788	99 985 885
Sum egenkapital	8, 9	268 398 914	251 011 251
Gjeld			
Langsiktig gjeld			
Deferred tax	5	67 105	83 881
Sum avsetninger for forpliktelser		67 105	83 881
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	601 725 588	674 281 944
Debt to group companies	8		
Sum annen langsiktig gjeld		601 725 588	674 281 944
Sum langsiktig gjeld		601 792 693	674 365 825
Kortsiktig gjeld			
Leverandørgjeld		6 105 055	2 465 116
Tax payable	5	16 776	20 970
Kortsiktig konserngjeld		312 532	206 102
Accrued interest		23 840 366	25 647 452
Other current liabilities		30 999 804	20 906 656
Sum kortsiktig gjeld		61 274 533	49 246 296
Sum gjeld		663 067 225	723 612 121
SUM EGENKAPITAL OG GJELD		931 466 139	974 623 372



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. Eitersom 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."

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

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0134 Oslo

skattedirektoratet@skatteetaten.no

Besøksadresse

Fredrik Selmers vei 4
Org. nr: 974761076

Sentralbord

800 80 000
Telefaks

22 17 08 60



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 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

Inger Johanne Stolt-Nielsen
underdirektør
Rettsavdelingen, foretaksskatt
Skattedirektoratet

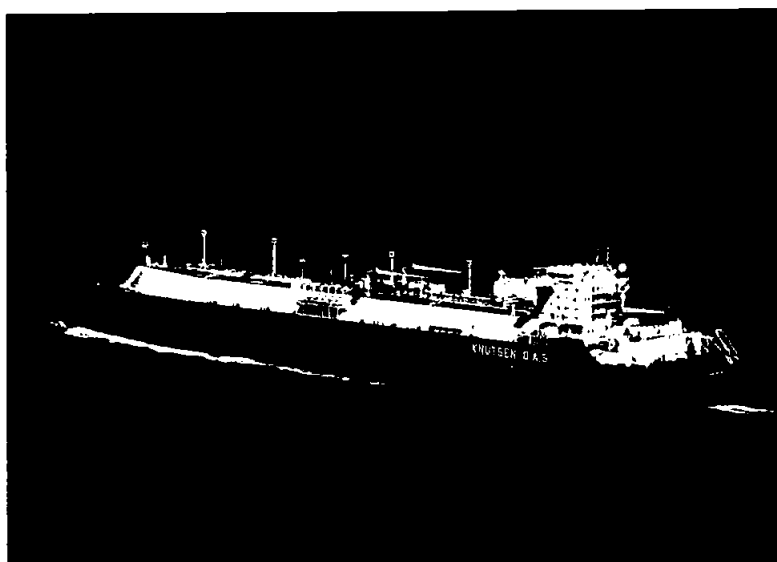
Jan Høelstad



NORSPAN LNG II AS

ANNUAL REPORT

2024



LNG/c "CADIZ KNUTSEN"



NORSPAN LNG II AS

REPORT OF THE BOARD OF DIRECTORS 2024

Norspan LNG II AS owns LNG/c Cadiz Knutsen, a 138.000 m³ LNG carrier, which was built in 2004.

The company has no employees. The manager, Knutsen OAS Shipping AS in Haugesund operates the vessel on behalf of the company, in accordance with a separate management agreement. Norspan LNG II AS hires the crew from Knutsen OAS Espana S.L.

LNG/c Cadiz Knutsen is chartered on a 25-year contract for the transportation of liquefied natural gas (LNG) with the Spanish energy company Union Fenosa Gas S.A. This contract was novated to Naturgy in 2021.

The board of directors and the manager are both satisfied with the operation of the ship in 2024. Cadiz Knutsen has operated satisfactorily in 2024 with no unscheduled technical off-hire except for the 20 year dry docking and class renewal at Navantia shipyard in Cadiz in June 2024.

Profit for the year

The company had an operating profit in 2024 of NOK 69 870 300, compared to a profit of NOK 109 981 965 in 2023. Net financial expenses were NOK 60 890 396 compared to net financial expenses of NOK 67 849 926 the previous year. The result for the year is a profit of NOK 8 979 904, compared to NOK 42 132 039 in 2023. The Board of Directors suggests that the result for the year is transferred to other equity.

Net cash flow from operating activities in the company was NOK 125 067 210 (NOK 110 442 967 in 2023). The company's liquidity position was NOK 179 095 102 as of 31.12.24 (NOK 194 299 958 as of 31.12.23).

The company's short-term debt as of 31.12.24 was 10,7 % of total debt, compared to 6,8 % as of 31.12.23. The financial position is good, and the company can as of 31.12.2024 repay current debt with its most liquid assets (current assets-inventories).

Total assets at year-end amounted to NOK 942 274 971 compared to NOK 974 623 372 in the previous year. The equity ratio was 28,5 % as of 31.12.24, compared to 25,8 % as of 31.12.23.

The company is exposed to fluctuations in foreign exchange rates, especially EUR, as a majority of the company's income is denominated in EUR. Though, since the majority of the company's operating expenses and financial costs also are denominated in EUR, the company's foreign exchange risk is limited. The Company has entered into forward contracts in order to reduce the Company's exchange rate risk. The company has reduced



the interest rate fluctuation risk through long term interest rate swaps for the entire loan balance.

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

High operational standards

The requirements for safe and environmentally friendly operation of the vessel are increasing, and both the Company and the manager Knutsen OAS Shipping emphasize operational quality. The manager is ISO 9001, ISO 14001 and ISO 45001 certified and establishes each year Key Performance Indicators (KPIs) for improved safety and environmental operation.

LNG/c Cadiz Knutsen is a vessel with high technical standard. The Company and the manager allocate considerable resources to quality control, and there are strict requirements to safety and the operational systems of the vessel.

Knutsen OAS Shipping has a policy to minimize pollution to air and sea from the operations and has established a continuous program to improve environmental impact from the operations. The Board of Directors considers the working conditions satisfactory. All certificates are valid, and Cadiz Knutsen is certified in accordance with both the ISM and ISPS codes.

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 are included in a report that could be found here www.knutsenoas.com and the report is updated minimum one time per year.

Future prospects

LNG/c Cadiz Knutsen is fixed on a long-term contract with a first-class charterer and the Board of Directors has every reason to believe that 2025 will be a satisfactory year for the company.



Haugesund, 19 March 2025

Trygve Seglem

Managing Director/Chairman

Synnøve Seglem

Board member

Geir Tore Henriksen

Board member



Norspan LNG II AS
Profit & Loss Account

	<u>Note</u>	2024	2023
<u>Operating Income</u>			
Freight income		203 323 235	215 700 980
Commissions		-758 476	-735 859
<i>Operating income</i>	<i>1</i>	<u>202 564 759</u>	<u>214 965 120</u>
<u>Operating Expenses</u>			
Crew hire	<i>2</i>	27 599 370	29 404 884
Other operating expenses	<i>2</i>	35 177 944	27 354 308
<i>Total Operating Expenses</i>		<u>62 777 314</u>	<u>56 759 191</u>
<i>Operating result before depreciation</i>		<u>139 787 446</u>	<u>158 205 929</u>
Ordinary depreciation	<i>3</i>	69 917 146	48 223 964
<i>Total Depreciation and Write-downs</i>		<u>69 917 146</u>	<u>48 223 964</u>
<i>Operating Result</i>		<u>69 870 300</u>	<u>109 981 965</u>
<u>Financial Income and Expenses</u>			
Financial income	<i>4</i>	2 967 796	151 548
Foreign exchange gain/loss		5 229 570	8 725 509
Financial expenses	<i>4</i>	-69 087 762	-76 726 982
<i>Net Financial Items</i>		<u>-60 890 396</u>	<u>-67 849 926</u>
<i>Profit for the year before tax</i>		<u>8 979 904</u>	<u>42 132 039</u>
Tax	<i>5</i>	0	0
<i>Result for the year</i>		<u>8 979 904</u>	<u>42 132 039</u>



Norspan LNG II AS
Balance Sheet as of 31. December

<u>ASSETS</u>	<u>Note</u>	2024	2023
<u>Fixed Assets</u>			
Vessel	3	746 669 773	757 523 649
<i>Total Fixed Assets</i>		<u>746 669 773</u>	<u>757 523 649</u>
<u>Current Assets</u>			
Inventories	6	1 742 313	1 588 493
Accounts receivable		0	202 811
Other receivables		3 958 951	4 108 462
Group contribution	8	0	16 900 000
Cash and cash equivalents	7	179 095 102	194 299 958
<i>Total Current Assets</i>		<u>184 796 366</u>	<u>217 099 723</u>
TOTAL ASSETS		<u>931 466 139</u>	<u>974 623 372</u>



Norspan LNG II AS
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2024	2023
Equity			
Skare capital		300 000	300 000
Other capital paid-in		159 133 126	150 725 366
<i>Total capital paid-in</i>		<u>159 433 126</u>	<u>151 025 366</u>
Other equity		108 965 788	99 985 885
<i>Total Shareholders' Equity</i>	8, 9	<u>268 398 914</u>	<u>251 011 251</u>
Long Term Debt			
Deferred tax	5	67 105	83 881
Mortgage debt	10	601 725 588	674 281 944
<i>Total Long Term Debt</i>		<u>601 792 693</u>	<u>674 365 825</u>
Current Liabilities			
Accounts payable		6 105 055	2 465 116
Accrued interest		23 840 366	25 647 452
Tax payable	5	16 776	20 970
Intercompany liabilities		312 532	206 102
Other current liabilities		30 999 804	20 906 656
<i>Total Current Liabilities</i>		<u>61 274 533</u>	<u>49 246 296</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>931 466 139</u>	<u>974 623 372</u>

Trygve Seglem
Chairman of the board/General Manager

Haugesund, 19 March 2025
The board of Norspan LNG II AS:

Geir Tofe Henriksen
Member of the board

Synnøve Seglem
Member of the board



NORSPAN LNG II AS

Notes to the Financial Statement 31.12.2024

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 company's LNG carrier Cadiz Knutsen entered at delivery in 2004 into a 25 year fixed contract with the Spanish utility company Union Electrica Fenosa SA, now part of Spanish energy group Gas Natural Fenosa SA. The income from the time charter contract is received in EUR, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

Knutsen OAS Shipping AS is appointed as manager for the company and the vessel.

2 Employees and remuneration

The company has no employees and thereby no pension liabilities (under the new OTP regulation). Knutsen OAS Shipping AS manages the Company in accordance with a separate management agreement. Knutsen OAS Shipping AS is crewing manager for the Company and hires the crew from related crewing companies with separate crewing agreements.

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):	2024	2023
Audit	72 765	66 150
Tax advice	0	0
Other services besides audit	0	0
	<u>72 765</u>	<u>66 150</u>



3 Fixed Assets

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.

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. Due to prevailing longer-term market trends, the normal economic life of LNG steam vessel has, from the 1st of January 2022, been updated from an estimation of 40 years to an estimate of 35 years from delivery as newbuilding and from 1st January 2024 we use 30 years. We use extended life or reduced life if there are commercial or technical indications that the 30 year profile for that specific entity is not correct, i.e. fixed charter contracts above 30 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. 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>	2024	2023
Historical value 01.01.	1 453 810 621	1 453 810 621
Accumulated depreciation and impairment 01.01.	699 091 531	658 183 055
Book value 01.01.	754 719 090	795 627 566
Additions	0	0
Annual depreciation	60 468 115	40 908 476
Book value 31.12.	694 250 974	754 719 089

The company changed in 2022 the useful life estimate for LNG/c Cadiz Knutsen from 40 years to 35 years due to prevailing longer-term market trends, and the company changed in 2024 the useful life estimat from 35 years to 30 years. The company updated at the same time the estimated net sales price at the end of estimated life from NOK 0 at 40 years to estimated net sales price at end of the new estimated end of life.

<u>Dry-docking</u>	2024	2023
Historical value 01.01.	37 165 023	37 011 952
Accumulated depreciation and impairment 01.01.	34 360 463	27 044 975
Capitalised dry-docking 01.01.	2 804 560	9 966 977
Additions - capitalised dry-docking	59 063 270	153 071
Annual depreciation	9 449 031	7 315 488
Book value 31.12.	52 418 799	2 804 560
Total book value vessel 31.12.	746 669 773	757 523 649

4 Financial Income and -Expenses

Financial Income:	2024	2023
Other interest income	2 967 796	151 548
Total financial income	2 967 796	151 548

Financial expenses:	2024	2023
Interest expenses	68 097 438	73 427 375
Guarantee expenses group companies	0	0
Guarantee expenses related parties	0	0
Financial expenses to group companies	0	1 538 800
Financial expenses to related parties	0	0
Other financial expenses	990 324	1 760 807
Total financial expenses	69 087 762	76 726 982



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.

Entering the tonnage tax in 2017 resulted in an entrance tax.

Entrance tax

	2024	2023
Opening balance gain/loss account	381 272	476 590
Short-term tax payable basis (20%)	76 254	95 318
Long-term tax payable basis (80%)	305 018	381 272
Incoming balance long-term	83 880	104 850
Tax payable short-term in balance sheet, 22 tax rate	16 776	20 970
Tax payable long-term in balance sheet, 22% tax rate	67 104	83 880
Tax costs calculated	0	0

Specification on the temporary differences:

	31.12.24	Change	31.12.23
Temporary differences interest swaps	170 611 065	34 122 214	204 733 279
Loss carried forward	-563 100 877	-4 778 401	-567 879 278
Temporary differences	-392 489 812	29 343 813	-782 852 306
Calculated deferred tax	86 347 759	85 879 749	172 227 507
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

	2024	2023
Net financial Items	-93 271 491	-97 345 417
Non-taxable currency gain	21 474 154	16 602 680
Non-deductible interest	42 453 524	42 361 675
Non taxable dividend	0	0
Change interest rate swaps	34 122 213	34 122 213
Taxable income before loss carried forward	4 778 401	-4 258 848
Loss carried forward	-4 778 401	4 258 848
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	132 495	132 496



6 Inventories

Inventories refer to lube oil as per 31.12 are 1 742 313

7 Bank deposits

The company has restricted bank funds per 31.12 for DSRA and Dry-Dock: 85 625 415

8 Equity

Specification of the equity per 31.12.

	Share capital	Other paid-in capital	Share premium	Other equity	Total equity
Equity 01.01.	300 000	146 847 200	3 878 166	99 985 882	251 011 250
Group contribution	0	8 407 760	0	0	8 407 760
Result for the year	0	0	0	8 979 904	8 979 904
Equity 31.12.	300 000	155 254 960	3 878 166	108 965 786	268 398 914

Share capital consists of 2 000 shares at NOK 150 each. Shareholders as at 31.12.24 were:

Share ownership	Ownership	No shares	Nominal value	Share class
Knutsen LNG AS	100 %	2 000	150	Ordinary
Total	100 %	2 000		

9 Shares Owned by Board Members and Affiliates

Trygve Seglem controls through Knutsen LNG AS 100 % of the company.

Financial statements for the group can be obtained at company's registered office, Smedasundet 40, 5529 Haugesund.



10 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 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	
				2024	2023
Mortgage debt	EUR	75 631 337	8,052	608 945 703	683 081 164
Debt issuance cost				-7 220 115	-8 799 220
Liabilities to financial institutions				601 725 588	674 281 944

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 EUR debt on the basis of the year-end exchange rate.

Amounts due within 12 months of the balance sheet date:

Mortgage debt	103 552 831
Debt issuance cost	1 574 790
Liabilities to financial institutions	105 127 621

Estimated outstanding debt per 31.12.2029 (EUR) 27 146 892

The loan matures August, 2029

The exchange rate at the year-end EURNOK 11,8026

Security for the loan is made through a first priority mortgage in the vessel, transportation of income and guarantees from Knutsen OAS Shipping AS.

Book value of mortgaged assets is NOK 749 million.

The company has entered into interest rate swap contracts to reduce the effects of exchange rate fluctuations. Hedge accounting has been applied for interest rate swap contracts - cash flow hedge. Fixed rate interest rate swaps 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 gains/-losses on the interest rate swaps are presented as an reduction/increase of Interest expenses.

Future interest payments on the floating rate liabilities to financial institutions exceed the interest rate swaps notional amounts at the balance sheet date. Therefore it is not recognized mark to market gains/losses on fixed interest rate swaps on the basis of the year-end market interest rates.

	Currency	2024	2023
Outstanding fixed interest rate swaps	EUR	67 045 063	76 269 084
Mark to market valuation	EUR	6 789 666	8 185 105



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Medlemmer av Den norske Revisorforening

To the General Meeting in Norspan LNG II AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Norspan LNG II AS (the Company), which comprise the balance sheet as at 31 December 2024, the profit & loss account 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 statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 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

The Board of Directors (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report that fact if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory 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.



**Shape the future
with confidence**

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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.

Bergen, 20 March 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Trine Hansen Bjerkvik
State Authorised Public Accountant (Norway)

Independent auditor's report - Norspan Lng II AS 2024

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BJERKVIK, TRINE HANSEN

Statsautorisert revisor

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