



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 992 593 830
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNUTSEN BALLAST WATER AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

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: Kristine Helgeland
Dato for fastsettelse av årsregnskapet: 23.02.2024

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, 01.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	56 114 524	98 130 231
Sum inntekter		56 114 524	98 130 231
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	344 650	17 667
Annen driftskostnad	2	28 243 829	54 062 137
Annen driftskostnad	3,4	15 203 185	17 231 147
Sum kostnader		43 791 664	71 310 951
Driftsresultat		12 322 860	26 819 280
Finansinntekter og finanskostnader			
Annen finansinntekt	6	1 637 463	421 466
Annen finansinntekt		2 872 990	826 295
Sum finansinntekter		4 510 453	1 247 761
Annen finanskostnad	6	622 438	479 632
Sum finanskostnader		622 438	479 632
Netto finans		3 888 015	768 129
Ordinært resultat før skattekostnad		16 210 875	27 587 409
Skattekostnad på ordinært resultat	7	137 958	12 334 299
Ordinært resultat etter skattekostnad		16 072 917	15 253 110
Årsresultat		16 072 917	15 253 110
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		723 795	1 203 517
Overføringer til/fra annen egenkapital		15 349 122	14 049 593
Sum overføringer og disponeringer		16 072 917	15 253 110



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	5 026 045	5 163 881
Sum immaterielle eiendeler		5 026 045	5 163 881
Varige driftsmidler			
Maskiner og anlegg	5	1 363 529	247 333
Sum varige driftsmidler		1 363 529	247 333
Sum anleggsmidler		6 389 574	5 411 214
Omløpsmidler			
Varer			
Varer	8	12 216 590	6 833 237
Sum varer		12 216 590	6 833 237
Fordringer			
Kundefordringer		1 683 650	3 016 785
Andre fordringer		9 614 717	7 560 643
Konsernfordringer		1 956 894	431 169
Sum fordringer		13 255 261	11 008 597
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	57 894 937	63 615 434
Sum bankinnskudd, kontanter og lignende		57 894 937	63 615 434
Sum omløpsmidler		83 366 788	81 457 268
SUM EIENDELER		89 756 362	86 868 482

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



Balanse

Beløp i: NOK	Note	2023	2022
Selskapskapital		200 000	200 000
Overkurs		2 900 000	2 900 000
Annen innskutt egenkapital		65 000 000	65 000 000
Sum innskutt egenkapital		68 100 000	68 100 000
Opptjent egenkapital			
Annen egenkapital		-5 240 885	-5 964 680
Annen egenkapital		7 793 463	-7 555 780
Sum opptjent egenkapital		2 552 578	-13 520 460
Sum egenkapital	10,11, 12	70 652 578	54 579 540
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser		4 549 562	6 831 730
Sum avsetninger for forpliktelser		4 549 562	6 831 730
Annen langsiktig gjeld			
Langsiktig konserngjeld		6 673 796	6 057 068
Sum annen langsiktig gjeld		6 673 796	6 057 068
Sum langsiktig gjeld		11 223 358	12 888 798
Kortsiktig gjeld			
Leverandørgjeld		4 935 048	2 411 092
Annen kortsiktig gjeld		2 945 377	16 989 053
Sum kortsiktig gjeld		7 880 425	19 400 145
Sum gjeld		19 103 783	32 288 943
SUM EGENKAPITAL OG GJELD		89 756 361	86 868 483



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 11.05.2011	Vår dato 19.05.2011
Telefon 22077325	Deres referanse Jørn Knutsen	Vår referanse 2011/327976

Ernst & Young AS
Postboks 6163, Postterminalen
5892 BERGEN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk

Det vises til deres brev av 11. mai 2011. Skattedirektoratet innvilget i vedtak 09/867030 av 2. juni 2010, TS Shipping Invest AS samt en rekke navngitte datterselskap, dispensasjon fra kravet om å utarbeide årsregnskap og -beretning på norsk språk. Konsernet ønsker nå å søke om samme dispensasjon for ytterligere et antall selskap som inngår i konsernet. Dette gjelder:

- | | |
|---------------------------------------|----------------------|
| • Knutsen Ballastvann AS | org. nr: 992 593 830 |
| • Knutsen Ballastvann IS* | reg. nr: 90 064 606 |
| • Knutsen Kjemikalie Tanker AS | org. nr: 953 058 707 |
| • Knutsen Kjemikalie Tanker II AS | org. nr: 955 298 195 |
| • Knutsen Kjemikalie Tanker III AS | org. nr: 976 747 712 |
| • Knutsen Kjemikalie Tanker IV AS | org. nr: 982 741 041 |
| • Knutsen Kjemikalie Tankers V AS | org. nr: 983 452 949 |
| • Knutsen Kyst LNG AS | org. nr: 984 616 813 |
| • Knutsen Marine Services AS | org. nr: 988 902 365 |
| • Knutsen OAS Management AS | org. nr: 990 689 113 |
| • Knutsen OAS Crewing AS | org. nr: 896 116 452 |
| • Knutsen OAS Offshore AS | org. nr: 981 532 406 |
| • Knutsen Pressurized Natural Gas AS | org. nr: 883 989 252 |
| • Knutsen Pressurized Natural Gas KS* | org. nr: 983 989 292 |
| • Knutsen Product Tankers AS | org. nr: 883 453 042 |
| • Knutsen VOC AS | org. nr: 983 521 878 |
| • Knutsen VOC KS** | org. nr: 983 521 932 |
| • Seglem Shipping | org. nr: 892 078 122 |
| • TS Shipping Invest LNG Holding AS | org. nr: 985 772 444 |

Alle selskapene er eid 100 % med unntak av selskapene merket med * som er eid 89 %, og ** som er eid 77 %. Øvrige eierandeler i disse selskapene er eid av enkelte ansatte i TS Shipping Invest konsernet.

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

**Søknad:**

Fra deres brev 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 2010. Alle selskapene i konsernet er norske selskaper som driver virksomhet innen internasjonal shipping. Selskapene og konsernet har engelsk som arbeidsspråk inklusive datterselskaper. Denne søknad omfatter en rekke komplementarer, management selskaper og selskaper som driver teknologiutvikling i tilknytning til shippingvirksomheten.

Brukerne av regnskapene hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften (ansatte, kunder, leverandører etc.). Kunder og leverandører og andre brukere har engelsk som sitt naturlige språk/forretningsspråk. Aksjonærstrukturen er begrenset, og for de fleste selskapene kontrollerer TS Shipping Invest 100 % av aksjene, mens for noen selskaper er ansatte i TS Shipping Invest konsernet representert med beskjedne eierposter.”

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 skjævt fordelt informasjon.”

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

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

De samme fakta og argument for dispensasjon foreligger i denne søknaden som ble vurdert ved innvilgelse av dispensasjon for konsernspissen og enkelte søsterselskap. Selskapenes aktivitet er knyttet til en internasjonal bransje hvor engelsk språk benyttes både internt i selskapene samt mot aksjonærer, og i kommunikasjon med eksterne forretningspartnere.

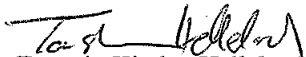


Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

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

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad



 Admincontrol

List of Signatures Page 1/1

Annual consolidated accounts 2023 Knutsen Ballast Water AS.pdf

Name	Method	Signed at
Jacobsen, Kjell Erik	BANKID	2024-02-23 14:16 GMT+01
Seglem, Trygve	BANKID	2024-02-23 11:32 GMT+01
Lothe, Per	BANKID	2024-02-23 11:14 GMT+01
Spidsøe, Nils	BANKID	2024-02-23 11:12 GMT+01
Seglem, Jorunn	BANKID	2024-02-23 11:08 GMT+01



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.
External reference: 233B995E5CD44A86B26D04F3E91F9252



**KNUTSEN BALLAST WATER AS
REPORT OF THE BOARD OF DIRECTORS 2023**

Knutsen Ballast Water AS was founded in June 2009 and aims to own, operate and develop patents and enterprises for technological solutions for management and treatment of ballast water.

The company's activities are part of the commitment that TS Shipping Invest Group has under implementation to meet the environmental challenges and international rules with respect to discharge of ballast water.

There are no employees in the company and the daily operations are handled by its sister company, Knutsen OAS Shipping AS in Haugesund, according to a separate agreement.

The company's activity

Knutsen Ballast Water (KBAL[®]) is a technology company that develops solutions for the management and treatment of ballast water. The technology is based on experiences from other projects that the Knutsen Group has developed and patented, and is now offering a technical solution for treatment of ballast water.

KBAL has completed installation and commissioning of the following systems:

- 2 x KBAL3000 for H3244 Grazyna Gesicka (KOAS)
- 2 x KBAL3000 for H8139 Gordon Waters Knutsen (KOAS)
- 2 x KBAL3000 for H8148 Saint Barbara (KOAS)
- 2 x KBAL3000 for H8149 Ignacy Lukasiewicz (KOAS)
- 1 x KBAL3000 upgrade for Torill Knutsen (KNOT)

and supported the operation, service and maintenance and aftermarket requirements of a growing fleet of vessels with KBAL installed (currently 33 vessels).

KBAL has the following systems in the pipeline for installation and commissioning:

- 2 x KBAL3000 for H8179 (HSHI/KOAS)
- 2 x KBAL3000 for H8180 (HSHI/KOAS)
- 2 x KBAL3000 for H8181 (HSHI/KOAS)

KBAL has continued to work on development projects throughout 2023 to enhance the KBAL range to improve competitiveness within the market, with these projects completed in 2023 and currently ongoing:

- One-Pass Treatment mode (completed)
 - o Approval of a new and improved treatment mode allowing for de-ballasting without treatment is approved by IMO
- Ex Zone 1 UV Chamber
 - o To enable installation in zone 1 hazardous areas reducing installation costs and allowing for a more flexible installation arrangement
- KBAL1500 (completed)
 - o A natural new system size to fit with a typical 1500 m³/hr ballast pump



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



Result of the Year

The company had an operating result in 2023 of NOK 12 322 860, compared to NOK 26 819 280 the previous year. The company's net financial expenses were a net income of NOK 3 888 015, compared to net income of NOK 768 129 the year before. The result for the year shows a profit of NOK 16 210 875, compared to a result of NOK 15 253 109 in 2022. Total net cash flow from operations was negative NOK 4 259 652, compared to NOK 46 326 347 in 2022. The difference is due to less completed projects in 2023. The Board of Directors consider the company's cash balance at year end 2023 of NOK 57 894 937 to be satisfactory.

The Board of Directors recommends that result for the year is transferred to other equity.

The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern. In the Board's opinion, the presented annual accounts give a true and fair view of the financial position of the Company 31.12.2023.

The environment safety and quality control

The Board is not aware of circumstances indicating that the company pollutes the environment significantly. On the contrary, the company is working actively to improve the environment through their ballast water technology and new approved treatment mode One-Pass.

Future Prospects

The retrofit market is narrowing in and nearing completion. The newbuild market is critical for the longer-term future of KBAL, so working with yards and potential customers conducting newbuild activities will be important.

KBAL is included as supplier of ballast water treatment systems for 3 newbuild contracts for KNOT. KBAL is set to fit each of the newbuilds with 2 x KBAL3000.

Norwegian Transparency Act (Norw. "Åpenhetsloven")

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.knutsenballastwater.com and the report is updated minimum one time per year.

Insurance for board members and general manager

There have not been taken out any board of directors' liability insurance.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



Haugesund, _____, 2024

Trygve Seglem
Chairman of the Board

Jorunn Seglem
Member of the Board

Kjell Erik Jacobsen
Member of the Board

Per Lothe
Member of the Board

Nils Spidsøe
Member of the Board



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



KNUTSEN BALLAST WATER AS

Profit and Loss Account

	Note	2023	2022
Operating Income			
Operating income	1	<u>56 114 524</u>	<u>98 130 231</u>
Operating Expenses			
Other operating expenses	2	28 243 829	54 062 137
Administration expenses	3, 4	<u>15 203 185</u>	<u>17 231 147</u>
Operating Expenses		<u>43 447 014</u>	<u>71 293 284</u>
Ordinary depreciation	5	344 650	17 667
Operating Result		<u>12 322 860</u>	<u>26 819 280</u>
Financial Income and Expenses			
Financial income	6	1 637 463	421 466
Foreign exchange profit/loss		2 872 990	826 295
Financial expenses	6	<u>-622 438</u>	<u>-479 632</u>
Net Financial Items		<u>3 888 015</u>	<u>768 129</u>
Profit before Tax		<u>16 210 875</u>	<u>27 587 409</u>
Tax	7	137 958	12 334 299
Result for the Year		<u>16 072 917</u>	<u>15 253 109</u>
Disposal of the result			
Silent partner's share		723 795	1 203 517
Transferred to/ (-) from other equity		<u>15 349 122</u>	<u>14 049 593</u>
Total disposal of the result		<u>16 072 917</u>	<u>15 253 109</u>



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



KNUTSEN BALLAST WATER AS

BALANCE PR. 31. DESEMBER

<u>Assets</u>		2023	2022
Fixed Assets			
Machinery and equipment	5	1 363 529	247 333
Deferred tax	7	5 026 045	5 164 002
Total Fixed Assets		<u>6 389 573</u>	<u>5 411 214</u>
Current Assets			
Accounts receivable		1 683 650	3 016 785
Inventory	8	12 216 590	6 833 237
Other short-term receivables		9 614 717	7 560 643
Receivables group companies		1 956 894	431 169
Bank deposits	9	57 894 937	63 615 434
Total Current Assets		<u>83 366 789</u>	<u>81 457 268</u>
TOTAL ASSETS		<u>89 756 363</u>	<u>86 868 483</u>



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



KNUTSEN BALLAST WATER AS

BALANCE PR. 31. DESEMBER

<u>SHAREHOLDERS EQUITY AND LIABILITIES</u>	2023	2022
Equity		
Share capital (100 shares of NOK 2 000,-)	200 000	200 000
Share premium	2 900 000	2 900 000
Other paid inn equity	65 000 000	65 000 000
Total equity paid-in	<u>68 100 000</u>	<u>68 100 000</u>
Uncovered losses silent partner	-5 240 885	-5 964 680
Uncovered losses	7 793 463	-7 555 901
Total other equity	2 552 578	-13 520 460
Total Shareholders' Equity	10, 11, 12 <u>70 652 578</u>	<u>54 579 540</u>
Long Term Liabilities		
Other provisions	4 549 562	6 831 730
Long term debt to group companies	6 673 796	6 057 068
Total Long Term Liabilities	<u>11 223 359</u>	<u>12 888 798</u>
Current Liabilities		
Accounts Payable	4 935 048	2 411 092
Current liabilities associated companies	-	-
Other current liabilities	2 945 377	16 989 053
Total Current Liabilities	<u>7 880 425</u>	<u>19 400 145</u>
SHAREHOLDERS' EQUITY AND LIABILITIES	<u>89 756 363</u>	<u>86 868 483</u>

Haugesund, 2024

Trygve Seglem
Chairman of the Board

Jorunn Seglem
Member of the Board

Kjell Erik Jacobsen
Member of the Board

Per Lothe
Member of the Board

Nils Spidsøe
Member of the Board



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



KNUTSEN BALLAST WATER AS Notes to the Financial Statement 31.12.2023

Accounting Principles

The financial statements have been prepared in accordance with the fundamental accounting principles and generally accepted accounting standards, NGAAP.

Company Structure

The company is partner (principal) of the internal partnership Knutsen Ballastvann IPS. The company has no other activities than those performed by being a partner of the internal partnership. All activities take place in the internal partnership from the time of establishment, June 22st 2009. It is thus the internal partnership who is the owner of the principal's assets from that time. In line with generally accepted accounting principles the activity is displayed on a gross basis. The principal is entitled to 95,66667% of the profit of the internal partnership.

Current Assets/Current Liabilities

Short-term assets/liabilities are due within one year. Other posts are classified as long-term liabilities.

Current assets are valued at the lower of cost and fair value. Short-term liabilities are recorded at nominal value at the time of the entering.

Fixed assets are valued at cost, but written down to fair value unless an impairment is expected to be temporary. Long-term liabilities are stated at nominal value at the time of entering.

Tax

The tax expense in the income statement includes both tax payable and changes in deferred tax. Deferred tax is calculated at 22 % rate on the basis of temporary differences between accounting and tax values and tax losses carried forward at the year end. Deferred tax assets are only recorded if it is likely that the company can utilize them at a later point of time.

Transactions in Foreign Currency

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

Realised and unrealised foreign exchange loss are recorded under financial items. Foreign exchange gain is recorded as a financial income when actually realised.

Construction contracts

For construction contracts, revenue is recognised continually based on the stage of completion of the project (the percentage of completion method). For construction contracts expected to yield a loss, an accrual is made for the net costs of the remaining contractual production.

1 Operating income

Income is related to construction contracts whereof MNOK 30,5 is ongoing projects (MNOK 7,2 in 2022). Net earned not invoiced income included in receivables is MNOK 0,9 (MNOK 0,5 in 2022).

2 Public subsidies

The company has allocated public subsidies in connection with the SkatteFUNN scheme of NOK 1 140,000 for 2023. The subsidy is processed in accordance with NRS 4 Public subsidies. The total amount is booked as cost reduction and allocated to Other short term receivables.

The grant is subject to final approval from the tax authorities. Total eligible projects that have been expensed in 2023 amount to MNOK 6,0 (MNOK 3,7 in 2022).

3 Remuneration

The company have not paid salary or any other remuneration, nor given any loan or guarantees to the managing

Auditor's fee (excl. VAT):	2023	2022
Auditing	128 100	135 450
Tax services	0	0
Other consulting services	0	0
	<u>128 100</u>	<u>135 450</u>



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



4 Employees

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

5 Fixed Assets

<u>Fixed assets</u>	<u>Office equipment</u>	<u>Machinery and equipment</u>	<u>Sum fixed assets</u>
Aquisitioncost 01.01.	0	265 000	265 000
Net additions	1 460 845	-	1 460 845
Aquisitioncost 31.12.	1 460 845	265 000	1 725 845
Accum. depre. 31.12.	291 650	70 667	70 667
Accum. write downs 31.12.			
Booked value pr. 31.12.	1 169 195	194 333	1 363 529
Ordinary depreciation	291 650	53 000	344 650
Useful life	3 year	5 year	
Depreciation plan	Linear	Linear	

6 Financial Income and -Expenses

	<u>2023</u>	<u>2022</u>
Financial Income:		
Other Interest income	1 637 463	421 466
Total financial income	1 637 463	421 466
	<u>2023</u>	<u>2022</u>
Financial Expenses:		
Interest to group companies	621 566	382 001
Other financial expenses	872	97 631
Total financial expenses	622 438	479 632



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



7 Tax

A specification of the temporary differences that existed at the end of the year is given below:

	2023	Change	2022
Fixed assets	171 337	136 004	35 333
Account receivables	0	795 988	-795 988
Provision for liabilities	-4 549 562	2 282 168	-6 831 730
Inventory	-67 762	-67 762	0
Projects	13 412 034	11 096 835	2 315 199
Temporary differences	8 966 047	14 243 233	-5 277 186
Losses carried forward	-22 845 658	627 076	-23 472 734
Basis for deferred tax/deferred tax asset	-4 913 564	29 113 541	-34 026 558
Deferred tax/asset 22 %	-5 026 045	137 957	-5 164 002

Below a specification of differences between the profit/loss for the year before tax and the basis for tax calculation is

	2023	2022
Profit before tax	16 210 875	27 587 409
Permanent differences	-1 284 008	-706 991
Change in temporary differences	-14 243 233	31 741 720
Silent partner's share of profit/loss before tax	-56 559	-2 557 135
Change in deficit carried forward	-627 076	-56 065 000
Tax base	0	0
Tax cost		
Tax Payable	0	0
Adjusted deferred tax/(tax benefit) due to reduced tax rate	0	0
Change in deferred tax asset	137 958	12 334 299
Tax cost	137 958	12 334 299

8 Inventory

	2023	2022
Spareparts and inventory	12 216 590	6 833 237

Spareparts and inventory are valued at purchasing price unless there are indicators that value are lower.

9 Bank deposits

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



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



10 Equity

Specification of equity pr. 31.12.

	Equity 01.01.	Result for the year	Equity 31.12.
Share capital	200 000	0	200 000
Share premium	2 900 000	0	2 900 000
Other paid in equity	65 000 000	0	65 000 000
Uncovered loss	-7 555 781	15 349 122	7 793 341
Uncovered loss silent partner	-5 964 679	723 795	-5 240 884
Equity 31.12.	54 579 539	16 073 039	70 652 578

11 Share capital

Share capital consists of:

	Number of shares	Face value (NOK)	Balance post
A-shares	100	2 000	200 000

The shareholders of the company per 31.12 are:

	Ordinary shares	Ownership, %	Voting rights, %
TS Shipping Invest AS	100	100 %	100 %

12 Shares Owned by Board Members and Affiliates

Trygve Seglem controls through TS Shipping Invest AS 100 % of the company.

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



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



KNUTSEN BALLAST WATER AS

CASHFLOW STATEMENT

	2023	2022
Total generated from operations *)	16 499 128	28 006 426
Change in working capital	-20 758 780	18 319 921
Net cashflow from operations	-4 259 652	46 326 347
Investments in fixed assets	-1 460 845	-265 000
Net cashflow from investments	-1 460 845	-265 000
Net repaid/drawn debt		
Dividend		
Group contribution, net		
Net cashflow from financing	0	0
Net change in cashflow for the year	-5 720 497	46 061 347
+ Cash balance per 1.1	63 615 433	17 554 085
= Cash Balance per 31.12.	57 894 937	63 615 433
*) Generated from operations:		
Result before tax	16 154 478	27 988 760
Total depreciation and write-downs	344 650	17 666
Total generated from operations	16 499 128	28 006 426



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
233B995E5CD44A86B26D04F3E91F9252



Building a better
working world

Statsautoriserte revisorer
Ernst & Young AS

Stortorvet 7, 0155 Oslo
Postboks 1156 Sentrum, 0107 Oslo

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

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Knutsen Ballast Water AS

Opinion

We have audited the financial statements of Knutsen Ballast Water AS (the Company), which comprise the balance sheet as at 31 December 2023, 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 2023 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

A member firm of Ernst & Young Global Limited

Penneo document key: WAHU7-A6PW3-1AFD2-KSFMP-H56H1-G4ZE7



Building a better
working world

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, 23 February 2024
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus Hegertun Birkeland
State Authorised Public Accountant (Norway)

Independent auditor's report - Knutsen Ballast Water AS 2023

A member firm of Ernst & Young Global Limited

Penneo document key: WAHU7-A6PW3-1AFD2-KSFMP-H56H1-G4ZE7



PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

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

Magnus Hegertun Birkeland

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: UN:NO-9578-5990-4-2796687

IP: 147.161.xxx.xxx

2024-02-23 18:56:56 UTC



Penneo document key: WAHU7-A6PW3-1AFD2-KSFMP-H56H1-G4ZE7

This document is digitally signed using **Penneo.com**. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service** <penneo@penneo.com>. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>