



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 919 981 245
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORSPAN LNG XIII AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

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: 18.02.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

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, 27.07.2023



Resultatregnskap

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Operating income	3	26 681 500	13 450 400
Commissions		-255 485	-145 835
Sum inntekter		26 426 016	13 304 566
Kostnader			
Crew-hire	9	2 624 773	1 331 397
Ordinary depreciation	4	5 748 000	2 888 307
Other operating expenses	6	2 785 423	1 275 041
Sum kostnader		11 158 196	5 494 745
Driftsresultat		15 267 820	7 809 821
Finansinntekter og finanskostnader			
Financial income	5	218 676	13 271
Sum finansinntekter		218 676	13 271
Foreign exchange gain/loss		509	57 960
Financial expenses	5	10 227 420	5 285 695
Sum finanskostnader		10 227 928	5 343 655
Netto finans		-10 009 252	-5 330 385
Ordinært resultat før skattekostnad		5 258 567	2 479 436
Taxes	11		
Ordinært resultat etter skattekostnad		5 258 567	2 479 436
Årsresultat		5 258 567	2 479 436
Årsresultat etter minoritetsinteresser		5 258 567	2 479 436
Totalresultat		5 258 567	2 479 436



Balanse

Beløp i: USD	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11		
Varige driftsmidler			
Vessel	3, 4	197 469 721	203 214 632
Sum varige driftsmidler		197 469 721	203 214 632
Sum anleggsmidler		197 469 721	203 214 632
Omløpsmidler			
Varer			
Inventories	13	512 477	406 898
Sum varer		512 477	406 898
Fordringer			
Other short-term receivables		326 422	483 319
Intercompany receivables	10		
Konsernfordringer	10	108 421	20 944
Sum fordringer		434 843	504 263
Bankinnskudd, kontanter og lignende			
Bank deposits	2	2 403 016	414 326
Sum bankinnskudd, kontanter og lignende		2 403 016	414 326
Sum omløpsmidler		3 350 336	1 325 487
SUM EIENDELER		200 820 057	204 540 119
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		351 574	351 574



Balanse

Beløp i: USD	Note	2021	2020
Overkurs		23 036 689	25 436 689
Sum innskutt egenkapital		23 388 263	25 788 263
Opptjent egenkapital			
Other equity		6 511 004	2 452 436
Sum opptjent egenkapital		6 511 004	2 452 436
Sum egenkapital	7, 8	29 899 267	28 240 700
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	12	167 737 262	175 363 697
Sum annen langsiktig gjeld		167 737 262	175 363 697
Sum langsiktig gjeld		167 737 262	175 363 697
Kortsiktig gjeld			
Leverandørgjeld		293 240	277 406
Tax payable	11		
Kortsiktig konserngjeld	10	549 680	575 318
Payable to related parties	10		
Other current liabilities		2 340 608	82 998
Sum kortsiktig gjeld		3 183 528	935 722
Sum gjeld		170 920 790	176 299 420
SUM EGENKAPITAL OG GJELD		200 820 057	204 540 119



Skattedirektoratet

Referanse	Kopi
KNUTSEN DALS SHIPPING	
22. FEB 2018	
Åpen <input type="checkbox"/>	Fertrlig <input type="checkbox"/>
Saksbeh	Kopi

Saksbehandler
Torstein Kinden Helleland
Telefon
22078139

Deres dato
30.01.2018
Deres referanse
Peter Myklebust Opsal
Vår dato
20.02.2018
Vår referanse
2018/336915

TS SHIPPING INVEST 2 AS
Postboks 2017
5504 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 30. januar 2018 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

KNOT Shuttle Tankers 32 AS	org.nr. 918 447 954
Norspan LNG XIII AS	org.nr. 919 981 245

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskap 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

Skattedirektoratet innvilget dispensasjon fra kravet om å utarbeide årsregnskap og -beretning på norsk språk til TS Shipping Invest AS med datterselskaper. Konsernet ønsker nå å søke om samme dispensasjon for ytterligere et antall selskap som inngår i konsernet. Alle selskapene inngår i konsernregnskapet til TS Shipping Invest AS. Selskapene det søkes om dispensasjon for er enten eid 100 % av TS Shipping Invest AS, eller 50 % av TS Shipping Invest AS og 50 % av det nederlandske selskapet NYK Logistics Holding (Europe) B.V. Alle selskapene i konsernet er norske selskaper som driver virksomhet innen internasjonal shipping. Selskapene og konsernet har engelsk som arbeidsspråk inklusive datterselskaper.

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:

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



”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, 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. Videre er eierkretsen begrenset.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Jeanette Munkvold Skovholt
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



NORSPAN LNG XIII AS

ANNUAL REPORT

2021



NORSPAN LNG XIII AS

REPORT OF THE BOARD OF DIRECTORS 2021

Norspan LNG XIII AS was established in 2017 and in 2018 the company entered into a shipbuilding contract with Hyundai Heavy Industries co. Ltd, in Korea for the construction of a 180.000 m3 LNG-vessel, shipbuilding number 3086.

The vessel Traiano Knutsen was delivered 30. June 2020, and entered a 7+7+6 years time charter contract with the Italian energy company Enel SpA.

The company has no employees. Knutsen OAS Shipping AS in Haugesund is responsible for the management and operation of the vessel in accordance with a separate management agreement.

The vessel has operated satisfactorily in 2021 without any unscheduled technical off-hire.

2021 has been a challenging year operational wise due to the Covid-19 pandemic.

The Board of Directors would like to give credit to officers and crew onboard Traiano Knutsen as well as the staff of the manager and the charterer for establishing efficient guidelines and operational procedures to keep the vessel and everyone onboard safe.

Traiano has not had any Covid-19 incidents in 2021. The pandemic has however influenced the operation of the vessel by way of additional operating cost related to travel-, testing-, quarantine-, stand-by and accommodation cost, and wage expenses due to extended days onboard. Forwarding cost and service personnel costs have also increased due to Covid-19.

Profit for the year

The company had operating income of USD 26 426 016 in 2021 compared to 13 304 566 in 2020. The operating result for the year 2021 was USD 15 267 820 compared to USD 7 809 821 in 2020. The net financial income of 2021 was negative USD 10 009 252 (negative USD 5 330 385 in 2020), and the result of the year was USD 5 258 567 (USD 2 479 436 in 2020).

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

Total cash flow from operational activities in the company was USD 13 414 391 (USD 4 896 536 in 2020). The liquidity balance was USD 2 403 016 (414 326 in 2020)

The financial accounts are settled on 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 operational. The Board of Directors considers the working conditions as satisfactory. All certificates are valid and Traiano Knutsen is certified in accordance with both the ISM and ISPS codes.

Traiano Knutsen is designed to the highest 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 vessel is equipped with ME-GI engines which are among the most fuel-efficient LNG engine designs and has a full reliquefaction plant installed which significantly reduces cargo losses while on long voyages or awaiting cargo operations.

Future prospects

The Board of Directors has every reason to believe that 2022 will be a satisfying year for the company.

Haugesund, 4 February 2022



Trygve Seglem
Chairman of the Board



Jørgen Solem
Member of the board



NORSPAN LNG XIII AS

Profit & Loss Account

Numbers in USD

	<u>Note</u>	2021	2020
<u>Operating Income</u>			
Operating income	3	26 681 500	13 450 400
Commissions		-255 485	-145 835
<i>Total Operating Income</i>		<u>26 426 016</u>	<u>13 304 566</u>
<u>Operating Expenses</u>			
Crew-hire	9	2 624 773	1 331 397
Other operating expenses	6	2 785 423	1 275 041
<i>Total Operating Expenses</i>		<u>5 410 196</u>	<u>2 606 438</u>
Ordinary depreciation	4	5 748 000	2 888 307
<i>Total depreciation and write-downs</i>		<u>5 748 000</u>	<u>2 888 307</u>
<i>Operating Result</i>		<u>15 267 820</u>	<u>7 809 821</u>
<u>Financial Income and Expenses</u>			
Financial income	5	218 676	13 271
Foreign exchange gain/loss		-509	-57 960
Financial expenses	5	-10 227 420	-5 285 695
<i>Net Financial Items</i>		<u>-10 009 252</u>	<u>-5 330 385</u>
<i>Result before taxes</i>		<u>5 258 567</u>	<u>2 479 436</u>
Taxes	11	0	0
<i>Result for the year</i>		<u>5 258 567</u>	<u>2 479 436</u>



NORSPAN LNG XIII AS
Balance Sheet as of 31. December


Numbers in USD

<u>Assets</u>	<u>Note</u>	2021	2020
Fixed Assets			
Vessel	3, 4	197 469 721	203 214 632
<i>Total Fixed Assets</i>		<u>197 469 721</u>	<u>203 214 632</u>
Current Assets			
Inventories	13	512 477	406 898
Other short-term receivables		326 422	483 319
Receivable from related parties	10	108 421	20 944
Bank deposits	2	2 403 016	414 326
<i>Total Current Assets</i>		<u>3 350 336</u>	<u>1 325 487</u>
TOTAL ASSETS		<u>200 820 057</u>	<u>204 540 119</u>



NORSPAN LNG XIII AS
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2021	2020
Equity			
Share capital		351 574	351 574
Share premium		23 036 689	25 436 689
<i>Total capital paid-in</i>		<u>23 388 263</u>	<u>25 788 263</u>
Other equity		6 511 004	2 452 436
<i>Total Shareholders' Equity</i>	7, 8	<u>29 899 267</u>	<u>28 240 700</u>
Long Term Debt			
Mortgage debt	12	167 737 262	175 363 697
<i>Total Long Term Debt</i>		<u>167 737 262</u>	<u>175 363 697</u>
Current Liabilities			
Accounts payable		293 240	277 406
Accrued interest		549 680	575 318
Other current liabilities		2 340 608	82 998
<i>Total Current Liabilities</i>		<u>3 183 528</u>	<u>935 722</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>200 820 057</u>	<u>204 540 119</u>


Trygve Seglein
Chairman of the board

Haugesund, 4 February 2022
The board of NORSPAN LNG XIII AS


Jørgen Soler
Member of the board



NORSPAN LNG XIII AS

CASHFLOW STATEMENT

	2021	2020
Total generated from operations 1)	11 202 744	5 367 743
Change in working capital	<u>2 211 647</u>	<u>-471 207</u>
Net cashflow from operations	<u>13 414 391</u>	<u>4 896 536</u>
Invested in vessel	<u>-3 089</u>	<u>-118 188 029</u>
Net cashflow from investments	<u>-3 089</u>	<u>-118 188 029</u>
Paid-in share capital, incl. share premium	0	12 313 000
Mortgage debt	-7 822 612	117 172 536
Debt to related parties	0	-12 300 000
Paid dividend to preference shares	<u>-3 600 000</u>	<u>-8 850 000</u>
Net cashflow from financing	<u>-11 422 612</u>	<u>108 335 536</u>
Net cashflow for the year	1 988 690	-4 955 957
+ Cash balance per 01.11.	<u>414 326</u>	<u>5 370 283</u>
= Cash Balance per 31.12.	<u>2 403 016</u>	<u>414 326</u>

1) Generated from operations:

Result before tax	5 258 567	2 479 436
Tax payable	0	0
+Amortization of debt issuance cost	196 177	0
+Ordinary depreciation	<u>5 748 000</u>	<u>2 888 307</u>
- Total generated from operations	<u>11 202 744</u>	<u>5 367 743</u>



NORSPAN LNG XIII AS

Notes to the Financial Statement 31.12.2021

1 Accounting Principles

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

Current Assets/Current Liabilities

Fixed assets are intended for long-term ownership and use. Other assets are classified as current assets. Short-term liabilities are due within one year or tied to the operation of the vessel. Other liabilities 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 and Dry-Docking

Yard instalments paid on newbuildings 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), purchases beyond the yard contract regarding the individual contract are also registered.

Newbuilding contracts are valued in accordance with the lower value of capitalized value and fair value (including TC contracts entered by the newbuilding), if the loss is not considered as temporary.

The total cost of the vessel is capitalised at delivery and depreciated linearly over the expected life time.

The fixed assets are valued according to the lowest of the depreciated value and the market value unless the fall in value is assumed to be temporary.

Transactions in Foreign Currency

Income and expenditure in foreign currency are converted with the exchange rate at the time of the transaction.

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.

Realized and un-realized profit and loss on foreign exchange are recorded as financial income / expenses.

Financial Instruments

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

If the intention of the contracts is to hedge the company's exposure against fluctuations in interest rates and foreign exchange rates, thus the income and expenses related to the hedging and the corresponding items in the balance sheet are classified in the same manner.

Tax

The tax expense in the income statement includes both tax payable and changes in deferred tax. Deferred tax is calculated at 22% on the basis of temporary differences between accounting and tax values and tax loss carried forward at the year end. Tax increasing and tax reducing temporary differences which reverse or may be reversed in the same period are assessed and netted. The company is taxed based on the shipping tax regime. This means that companies are not taxed on the basis of its operating income. However it is calculated an annual tax of 22% on the company's net financial income. At the same time companies are within the tonnage tax scheme. Tonnage tax is classified as an operating expense. To be within the scheme the company should meet certain requirements, such as only ownership of ship/ shares in the shipping companies, and only own certain types of financial assets.

Cash flow statement

The cash flow statement is presented using the indirect method of NASB (The Norwegian Accounting Standards Board). The liquidity balance is defined as the sum of cash, bank deposits and other short-term liquid deposits.



2 Bank deposits

The company doesn't have locked-up bank funds per 31.12.

3 Contracts

The vessel Trajano Knutsen was delivered 30 June 2020, and entered into a 7+7+6 years' time charter contract with the Italian energy company Enel SpA.

The company has signed a contract regarding construction supervision of the new building with Knutsen OAS Shipping AS. Knutsen OAS Shipping AS operates as manager on behalf of the company in accordance with management agreement.

The company has in February 2019 signed a sale and leaseback agreement of then Hull 3986 with Hui Kuo Shipping 1901 G Limited, a company incorporated in Ireland. The transaction is considered a financial lease and the company has bareboat obligation for the vessel until 10 years after delivery. At the end of the bareboat agreement the company must purchase back the vessel.

4 Fixed Assets

Vessel under construction

	2021	2020
Historical value 1.1.	202 702 939	87 914 910
Acc. Depreciation 1.1	2 548 107	0
Book value 01.01.	200 154 832	87 914 910
Additions	3 089	114 788 029
Ordinary annual depreciation	5 067 600	2 548 107
Book value 31.12.	195 090 321	200 154 832

The economic life of the vessel is estimated to 40 years, and the vessel is depreciated accordingly.

Dry-Docking

	2021	2020
Historical value 1.1.	3 400 000	0
Acc. Depreciation 1.1	340 200	0
Book Value 1.1	3 059 800	0
Additions	0	3 400 000
Ordinary annual depreciation	680 400	340 200
Book value 31.12.	2 379 400	3 059 800

Book value vessel 31.12.

197 469 721 203 214 632

5 Financial Income and -Expenses

	2021	2020
Financial Income:		
Interest income fra group companies		
Interest income	4	(3 271)
Distribution from DNK	218 672	
Total financial income	218 676	(3 271)
Financial expenses:		
Interest expenses	9 854 250	5 094 260
Other financial expenses	373 170	191 436
Total financial expenses	10 227 420	5 285 695



6 Remuneration

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

Auditors remuneration (excl. VAT):

	2021	2020
Audit	3 841	2 861
Tax advice	0	0
Other services besides audit	0	1 653
	<u>3 841</u>	<u>4 514</u>

7 Equity

Specification of the equity per 31.12

	Share capital Ordinary shares	Share capital Preference shares	Share premiunt	Other equity	Total equity
Equity 01.01.	124 074	227 500	25 436 689	2 452 436	28 240 699
Dividend 27.01			-600 000		-600 000
Dividend 15.04.				-1 200 000	-1 200 000
Dividend 03.09			-900 000		-900 000
Dividend 03.11			-900 000		-900 000
Result for the year				5 258 567	5 258 567
Equity 31.12.	<u>124 074</u>	<u>227 500</u>	<u>23 036 689</u>	<u>6 511 004</u>	<u>29 899 267</u>

Share capital consist of 3 000 000 shares à NOK 1, 2 000 000 ordinary shares and 1 000 000 preference shares.

Preference shares is without voting rights and have first rights to dividend

	Ordinary shares	Preferred shares
Knutsen LNG AS	1 000 000	0
AY LNG Limited	1 000 000	1 000 000
Total	<u>2 000 000</u>	<u>1 000 000</u>

8 Shares Owned by Board Members and Affiliates

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

9 Employees

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

10 Balances with related companies

	2021	2020
Short-term receivables group companies		
Knutsen O.A.S. Shipping AS	113 821	20 944
	<u>113 821</u>	<u>20 944</u>



11 Tax

The company has entered into the Norwegian Tonnage Tax regime with effect from 1.1.2018.

The company is taxed based on the shipping tax regime. This means that companies are not taxed on the basis of its operating results. There are however ordinary tax of 22% on the company's net financial income. At the same time the company is within the tonnage tax scheme, the tonnage tax is calculated, which in 2021 amounted to NOK 154 395 and in 2020 amounted to NOK 77 832. Tonnage tax is classified as an operating expense

Temporary differences relating to financial items are assessed when calculating deferred tax / benefit, which is 22% of net temporary differences. The accounting treatment follows the general valuation rules for capitalization.

The company should meet certain requirements to be within the scheme, such as only ownership of ship/ shares in the shipping companies, and only own certain types of financial assets.

Below is a specification of the temporary differences at the end of the financial year.

Deferred tax asset is not recognised due to uncertainty of future sufficient taxable income with in the tonnage tax regime to utilize the deferred tax asset

	2021	Change	2020
Loss carried forward	-868 581	-203 018	-665 563
Basis for deferred tax (benefit)	-868 581	-203 018	-665 563
Deferred tax (benefit)	0	0	0
Deferred tax (benefit) booked	0	0	0

Taxable result (tonnage tax scheme):

	2021	2020
Net financial items	-10 009 252	-5 330 385
Currency effect on profit/loss before tax	899 221	-1 149 543
Foreign exchange gain/loss, not taxable	-605 219	910 975
Deductible building loan interest registered on vessel	0	-70 328
Deductible building loan debt issuance cost registered on vessel	-215 672	-53 455
Non-deductible interest	9 705 419	5 364 090
Taxable income before loss carried forward	-225 503	-328 646
Currency effect loss carried forward	22 485	-10 684
Change in loss carried forward	203 018	-339 330
Taxable income	0	0
Tax payable	0	0
Currency effect on tax payable	0	0
Tax expense	0	0



12 Mortgage debt and financial instruments

	<u>2021</u>	<u>2020</u>
USD Loan 31.12.	169 405 035	177 227 647
Deferred debt issuance costs 31.12.	1 667 773	-1 863 949
Book Value 31.12.	<u>167 737 262</u>	<u>175 363 698</u>

The company has in February 2019 signed a sale and leaseback agreement of Traiano Knutsen with Uai Kuo Shipping 1991 G Limited, a company incorporated in Ireland. The transaction is considered a financial lease and the company has bareboat obligation for the vessel until 10 years after delivery. At the end of the bareboat agreement the company must purchase back the vessel.

The current portion of the mortgage debt is USD 8 303 008.

The lease has a fixed interest for the 10 year period and thus the company has reduced the uncertainty of the floating interest rates. Interests are capitalized during the building period.

Security for the loan is made through a first priority mortgage in the vessel. Assignment of income and bank accounts are pledged. Book value of mortgaged assets is USD 197,5 million.

Estimated outstanding debt per 31.12.2026 is USD 122,7 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.

13 Inventories

Inventories amounting to USD 512 477 refer to lube oil and stores as per 31.12, and the corresponding figures were USD 406 898 in 2020. Due to the fact that the vessel is contracted on a time charter, bunkers and bunkers stock are for charterers' account.



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Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Norspan LNG XIII AS

Opinion

We have audited the financial statements of Norspan LNG XIII AS (the Company), which comprise the balance sheet as at 31 December 2021, 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 2021 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 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, 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.

Bergen, 18th February 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Trine H. Bjerkvik
State Authorised Public Accountant (Norway)

Independent auditor's report - Norspan LNG XIII AS 2021

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TRINE HANSEN BJERKVIK

Statsautorisert revisor

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