



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 952 969 560  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: KGJS TANK AS  
Forretningsadresse: Zander Kaaes gate 7  
5015 BERGEN

### Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

Regler for små foretak benyttet: Ja  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Forenklet IFRS

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Nils Per Hellesund  
Dato for fastsettelse av årsregnskapet: 17.06.2021

### Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert  
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

*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, 30.06.2022



## Resultatregnskap

Beløp i: USD	Note	2020	2019
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating income	3,4	16 545 000	13 018 000
<b>Sum inntekter</b>		<b>16 545 000</b>	<b>13 018 000</b>
<b>Kostnader</b>			
Time charter expenses	3,5	22 849 000	12 250 000
General and administrative expenses	3,6,7	17 000	17 000
<b>Sum kostnader</b>		<b>22 866 000</b>	<b>12 267 000</b>
<b>Driftsresultat</b>		<b>-6 321 000</b>	<b>751 000</b>
<b>Netto finans</b>			
<b>Ordinært resultat før skattekostnad</b>		<b>-6 321 000</b>	<b>751 000</b>
<b>Ordinært resultat etter skattekostnad</b>		<b>-6 321 000</b>	<b>751 000</b>
<b>Årsresultat</b>		<b>-6 321 000</b>	<b>751 000</b>
<b>Overføringer og disponeringer</b>			
Overføringer til/fra annen egenkapital		-6 321 000	751 000
<b>Sum overføringer og disponeringer</b>		<b>-6 321 000</b>	<b>751 000</b>



### Balanse

Beløp i: USD	Note	2020	2019
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Finansielle anleggsmidler</b>			
Investeringer i tilknyttet selskap	9	44 000	44 000
<b>Sum finansielle anleggsmidler</b>		<b>44 000</b>	<b>44 000</b>
<b>Sum anleggsmidler</b>		<b>44 000</b>	<b>44 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Other current assets		0	69 000
Konsernfordringer	3	998 000	1 683 000
<b>Sum fordringer</b>		<b>998 000</b>	<b>1 752 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	11	4 000	2 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>4 000</b>	<b>2 000</b>
<b>Sum omløpsmidler</b>		<b>1 002 000</b>	<b>1 754 000</b>
<b>SUM EIENDELER</b>		<b>1 046 000</b>	<b>1 798 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	12	1 652 000	1 652 000
Overkurs		-6 962 000	-641 000
<b>Sum innskutt egenkapital</b>		<b>-5 310 000</b>	<b>1 011 000</b>
<b>Sum egenkapital</b>		<b>-5 310 000</b>	<b>1 011 000</b>



## Balanse

<b>Beløp i: USD</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Kortsiktig konserngjeld	3	6 354 000	785 000
Other current liabilities		2 000	2 000
<b>Sum kortsiktig gjeld</b>		<b>6 356 000</b>	<b>787 000</b>
<b>Sum gjeld</b>		<b>6 356 000</b>	<b>787 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>1 046 000</b>	<b>1 798 000</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Journalnummer: 2021 570698

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Brønnøysundregistrene, 03.08.2021



Organisasjonsnr: 952 969 560  
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## RESULTATREGNSKAP

<b>Beløp i: USD</b>	<b>Note</b>	<b>2020</b>	<b>2019</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating income	3,4	16 545 000	13 018 000
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Organisasjonsnr: 952 969 560  
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## BALANSE

Beløp i: USD Note 2020 2019

### BALANSE - EIENDELER

#### Anleggsmidler

##### Immaterielle eiendeler

##### Finansielle anleggsmidler

Investeringer i tilknyttet selskap	9	44 000	44 000
<b>Sum finansielle anleggsmidler</b>		<b>44 000</b>	<b>44 000</b>
<b>Sum anleggsmidler</b>		<b>44 000</b>	<b>44 000</b>

#### Omløpsmidler

##### Varer

##### Fordringer

Other current assets		0	69 000
Konsernfordringer	3	998 000	1 683 000
<b>Sum fordringer</b>		<b>998 000</b>	<b>1 752 000</b>

##### Bankinnskudd, kontanter og lignende

Cash and cash equivalents	11	4 000	2 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>4 000</b>	<b>2 000</b>

**Sum omløpsmidler** 1 002 000 1 754 000

**SUM EIENDELER** 1 046 000 1 798 000

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	12	1 652 000	1 652 000
Overkurs		-6 962 000	-641 000
<b>Sum innskutt egenkapital</b>		<b>-5 310 000</b>	<b>1 011 000</b>

**Sum egenkapital** -5 310 000 1 011 000

**Sum langsiktig gjeld** 0 0

##### Kortsiktig gjeld

Kortsiktig konserngjeld	3	6 354 000	785 000
Other current liabilities		2 000	2 000
<b>Sum kortsiktig gjeld</b>		<b>6 356 000</b>	<b>787 000</b>



Sum gjeld	6 356 000	787 000
SUM EGENKAPITAL OG GJELD	1 046 000	1 798 000



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NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:  
0.00



KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

### 1. General information

KGJS Tank AS (the "Company") is fully owned by SKS Tankers Holding AS, a subsidiary of Kristian Gerhard Jebsen Skipsrederi AS ("KGJS"). KGJS presents consolidated financial statements, which include the financial statements of the Company. The Company is located in Bergen, Norway.

The Company has one product carrier of 120 000 dwt. (SKS D-class) and one Suezmax tanker of 159 000 dwt. (SKS S-class) on timecharter from the related vessel owning company SKS OBO & Tankers AS. The vessels are commercially operated by the related pool entity SKS Pool AS ("Pool Company"). Administrative services is provided by KGJS.

### 2. Accounting principles

#### a. Basis of preparation

The Company prepares its financial statements according to "Simplified International Financial Reporting Standards" (IFRS) as dealt with in The Norwegian Accounting Act and Regulations dated 18 December 2020. This principally implies that all calculations and measurement methods are carried out in accordance with IFRS, while presentation and notes follows the Norwegian Accounting Act and Norwegian GAAP. The Company employs the simplifying rules relating to dividends and group contributions as regulated in The Norwegian Accounting Act.

The accounting year equals the calendar year and the items of the income statement are classified by their nature.

#### b. Changes in accounting principles and errors

The impact of changes in accounting principles and correction of significant errors in previous annual accounts are reported directly to equity. Comparative figures are revised accordingly.

#### c. Currency

The financial statements are presented in US Dollars (USD) as the Company operates in an international market where the functional currency is USD. Transactions in non-USD currencies are recorded at the exchange rate on the date of the transaction. Monetary items and debt in non-USD currencies are converted to USD at the rate of exchange prevailing at the reporting date. Currency gains and losses are recognised in the income statement classified as financial items.

#### d. Long term shareholding and other shares

Subsidiaries and other long-term shareholdings are recorded in the Company using the cost method. Investments are tested regularly for impairment and written down to fair value.

#### e. Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable. Accounting estimates are employed in the financial statements to determine reported amounts, including the useful life and disposal value of vessels. Actual results could differ from those estimates.

#### f. Classification of assets and liabilities

Assets are classified as current assets when:

- the asset is expected to be disposed of or consumed within 12 months of the reporting date
- the asset is held for trading
- the asset is cash or cash equivalents, except for items having restrictions to be exchanged within 12 months of the reporting date.

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## NOTES TO THE FINANCIAL STATEMENTS

All other assets are classified as non-current assets.

Liabilities are classified as current liabilities when:

- the liability is expected to be settled within 12 months of the reporting date
- the liability is held for trading
- the Company does not have an unconditional right to postpone settlement of the liability until at least 12 months after the reporting date.

All other liabilities are classified as non-current liabilities.

### g. Segments

A business segment provides services that are subject to risks and returns that are different from those of other business segments.

The Company's primary reporting format is based on the Company's internal reporting having the following two main business segments:

- LR2/Aframax
- Suezmax

The Company's management does not evaluate performance by geographical region as the ships sail on a worldwide basis.

### h. Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Operating income consist of the Company's share of the Pool net revenue (PNR) for the corresponding periods from the Pool company. Revenues and voyage expenses of the vessels are pooled and the resulting PNR, calculated on a time-charter equivalent basis, are allocated to pool participants according to an agreed formula. Formulas used to allocate PNR to pool participants are based on the number of days a vessel operates in the Pool with weighting adjustments made to reflect vessels' differing earnings capacities. Any cargo and voyage related loss contingencies are, as soon as expected, recorded in the Pool's net revenue. The distribution of the PNR to the vessel owners are described further in note 3b. Operating income in the Pool consist of freight, charter hire and other operating related income. Freight is recognised based on the "load to discharge" method. Freight and related voyage expenses not completed at the reporting date are recognised based on the basis of the proportion of the voyage completed at the end of the reporting date. Voyage related expenses from discharge to load is considered as cost to fulfil a contract and recognised in the balance sheet if a related contract is signed before the reporting date. If no contract is signed before the reporting date the voyage related expenses are recognised in the income statement. Charter hire is recognised over the term of the contract as the service is provided.

Interest income is recorded in the income statement during the period in which it is earned.

Group contributions are recorded as appropriations in the same year as it is proposed.

### i. Taxes

The current income tax charge is calculated on the basis of the tax laws enacted or principally enacted at the reporting date. Management periodically evaluates the tax positions with respect to situations in which applicable tax regulations are subject to interpretation and on this basis establishes provisions for payable tax amounts.

Deferred income tax is provided for all temporary variances arising between the tax bases of assets and liabilities compared to the carrying amounts in the financial statements. Deferred income tax is

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## NOTES TO THE FINANCIAL STATEMENTS

determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary variances can be utilised.

Both payable tax and deferred tax are recognised directly in equity, to the extent they relate to items recognised directly in equity. In cases where the equity transaction is considered a distribution and the source of the distribution is earlier years' net profit, the tax effect of the distribution should be recognised as tax expense in the year in which the distribution is recognised.

### **j. Leases**

The Company has applied IFRS 16 using the modified retrospective approach. There were no impact of changes in accounting policies for the Company.

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the lease commencement date, the Company recognises a lease liability and corresponding right-of-use asset (vessels) for all lease agreements in which it is the lessee, except for the following exemptions applied:

- Short-term leases (defined as 12 months or less)
- Low value assets

For these leases, the Company recognises the lease payments as other operating expenses in the income statement when they incur.

### **k. Impairment of assets**

Assets that are subject to depreciation are reviewed for impairment at each reporting date, or when events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value reduced by estimated sale costs is made up of an attainable sale price less expenses to an independent third party. The recoverable amount is calculated for each cash-generating unit (CGU).

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. Impairment losses which are reported in previous years' income statement are reversed when succeeding events indicates that the cause of the write down is no longer valid. The reversal is classified in income statement as an impairment reversal. The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

### **l. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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## NOTES TO THE FINANCIAL STATEMENTS

### **Financial assets**

The Company's financial assets are: trade receivables and cash and cash equivalents. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Company initially measures a financial asset at its fair value plus transaction costs.

The Company classifies its financial assets in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income
- Equity instruments at fair value through other comprehensive income
- Derivatives at fair value through income statement

### Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held with the objective to collect contractual cash flows and,
- The contractual terms of the financial asset give rise to cash flows as payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in income statement when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade receivables and other current deposit. Trade receivables that do not contain a significant financing component are measured at the transaction price, ref note 2 m.

### Financial assets at fair value through other comprehensive income

The Company measures debt instruments at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held with the objective of both collecting contractual cash flows and selling, and,
- The contractual terms of the financial asset give rise to cash flows as payments of principal and interest on the principal amount outstanding

For debt instruments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses/reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is reclassified to income statement.

The Company currently holds no investments in quoted instruments which would classify under this category.

### Equity instruments at fair value through other comprehensive income

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never reclassified to income statement. Dividends are recognised as other financial income in the income statement when the right to

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## NOTES TO THE FINANCIAL STATEMENTS

receive payment arise. Dividends representing a recovery of part of the cost of the financial asset are instead recorded as other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

The Company currently holds no non-listed equity investments which would classify under this category.

### Derivatives at fair value through income statement

Derivatives are recognised in the balance sheet at their fair value. Changes in the fair value are currently recorded in the income statement in the period in which the change in fair value occurs. Classification depends on the nature of the derivative.

The company currently holds no derivatives which would classify under this category.

### **Derecognition of financial assets**

A financial asset or a part of a financial asset/group of similar financial assets is derecognised when:

- The right to receive cash flows from the asset have expired, or
- The Company has transferred its rights or has assumed an obligation to pay the received cash flows in full to a third party; and either
  - I. the Company has transferred substantially all the risks and rewards of the asset, or
  - II. the Company has transferred control of the asset

### **Financial liabilities**

Financial liabilities are classified, at initial recognition, as loans and borrowings, payables or as derivatives. Derivatives are recognised initially at fair value. Loans, borrowings and payables are recognised at fair value net of directly attributable transaction costs.

Derivatives are financial liabilities when the fair value is negative, accounted for similarly as derivatives as assets.

Interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method if this is considered to be significant. Gains and losses are recognised in income statement when the liabilities are derecognised. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate method. The effective interest rate amortisation is included as finance costs in the income statement.

### **Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (ECL) for all instruments not held at fair value. If there is no substantial increase in credit risk since initial recognition, the ECLs are provided for credit losses that result from default events that are possible within the next 12-months. For those credit exposures facing a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure. Credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the

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## NOTES TO THE FINANCIAL STATEMENTS

Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. A provision for impairment of trade receivables is established when a loss is expected and indications that the Company will not be able to collect all amounts due in accordance with the original terms of the receivables are identified.

The Company considers a financial asset in default when contractual payments are considerably past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### Measurement of fair value

Fair value of financial instruments actively traded are valued based on quoted prices for identical instruments. Fair value of financial instruments not actively traded are valued based on models or other valuations methodologies observable for similar instruments.

### m. Accounts receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. The interest factor is ignored if insignificant. A provision for impairment of trade receivables is established when a loss is expected and indications that the Company will not be able to collect all amounts due in accordance with the original terms of the receivables are identified, ref note 2 l.

### n. Cash and cash equivalents

Cash and cash equivalents include cash and cash deposits held at banks.

### o. Equity

Ordinary shares are classified as equity. Transaction costs related to equity transactions, including any tax effect of the transaction costs, are charged directly to equity.

### p. Contingent assets, liabilities and provisions

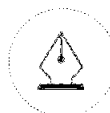
Contingent liabilities are defined as:

- Possible liabilities resulting from past events, but where its existence relies on future events
- Liabilities which are not accounted for as it is not likely that such liabilities will result in a cash outflow
- Liabilities which cannot be measured reliably.

Any major contingent liabilities are disclosed in notes to the accounts. Contingent assets will not be recorded in the accounts, but included as a note if it is likely that the Company will benefit from such assets.

Contingent liabilities and provisions are recognised in the accounts when it is deemed the Company has a lawful obligation that can be measured reliably and it is likely with a more than 50% probability that settlement will take place. Contingent liabilities and provisions are reviewed at each reporting date and adjusted to best estimate. When timing is insignificant, the liability is reported at the estimated cost of release from the liability. Otherwise, when timing is significant for the amount of the liability, the liability is recognised at fair value. Any increase over time in the amount of the liability is reported as interest costs.

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NOTES TO THE FINANCIAL STATEMENTS

**q. Events after the reporting date**

New information about the Company's financial standing at the reporting date is included in the financial statements. Events occurring after the reporting date that have no impact on the Company's financial position at the reporting date, but which have a significant impact on future periods, are presented in notes to the accounts.

**r. Statement of cash flows**

The statement of cash flows presents the total cash flow divided into operational activities, investment activities and financing activities. The statement is prepared using the indirect model and reflects the individual activities' impact on the cash reserve.

**3. Related parties**

In the normal course of its business, the Company has carried out a number of transactions with related parties. Related parties comprise principal owners of the Company and companies controlled by those owners, management of the Company and companies in which the Company can exercise significant influence over their management or operating policies.

**a. Transactions relating to management services:**

KGJS provides the Company with administrative services and charges management fees. These costs amounted to USD 14 000 in 2020 compared to USD 13 000 in 2019, recorded in the income statement as general and administrative expenses.

**b. Transactions relating to commercial services:**

At 31 December 2020 the Company has one product carrier of 120 000 dwt. (SKS D-class) and one Suezmax tanker of 159 000 dwt. (SKS S-class) on timecharter from SKS OBO & Tankers AS. During 2020 the Company paid USD 22.8 mill. in timecharter hire, compared to USD 12.3 mill. in 2019, recorded in income statement as hire.

The vessels are commercially operated by the related pool company SKS Pool AS (Pool company). SKS Pool AS is fully owned by SKS Tankers Holding AS, a subsidiary of KGJS. The Pool company has entered into a Pool agreement with the Company. In accordance with the agreement, the members of the Pool receives by way of hire a share of the Pool's net revenue (PNR). The PNR is arrived at by calculating the gross revenues for the year minus the expenses, including voyage related expenses and administrative expenses. The Company's share of the PNR is calculated based on the number of days the vessel has been on-hire during the year. The Pool company is obliged, by the Pool agreement, to distribute all its surplus cash, after deducting ordinary working capital, to the members of the Pool on a monthly basis.

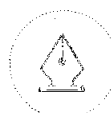
The Company's share of the Pool company's PNR, recorded as operating income in the Company's financial statements, amounts to:

For the year ended 31 December 2020			
(in US Dollar thousands)	LR2/Aframax	Suezmax	Total
The Company's share of PNR .....	8 289	8 256	16 545

For the year ended 31 December 2019			
(in US Dollar thousands)	LR2/Aframax	Suezmax	Total
The Company's share of PNR .....	6 198	6 820	13 018

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KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

### c. Receivables/payables with related parties:

For the years ended 31 December (in US Dollar thousands)	2020	2019
Receivables - current assets - SKS Pool AS.....	997	1 683
Payables - current liabilities - SKS OBO & Tankers AS.....	-6 354	- 785
<b>Total</b>	<b>-5 356</b>	<b>899</b>

The receivables relating to the Pool company is unsecured, interest free and repayable in cash on demand.

### 4. Vessel operating income

Operating income includes operating income from Pool company.

For the year ended 31 December 2020 (in US Dollar thousands)	LR2/Aframax	Suezmax	Total
The Company's share of PNR .....	8 289	8 256	16 545

For the year ended 31 December 2019 (in US Dollar thousands)	LR2/Aframax	Suezmax	Total
The Company's share of PNR .....	6 198	6 820	13 018

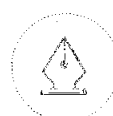
A geographical split of operating income is not presented as the ships sail on a worldwide basis.

### 5. Hire

For the year ended 31 December 2020 (in US Dollar thousands)	LR2/Aframax	Suezmax	Total
Hire.....	9 397	13 453	22 849
<b>Total</b>	<b>9 397</b>	<b>13 453</b>	<b>22 849</b>

For the year ended 31 December 2019 (in US Dollar thousands)	LR2/Aframax	Suezmax	Total
Hire.....	5 080	7 170	12 250
<b>Total</b>	<b>5 080</b>	<b>7 170</b>	<b>12 250</b>

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KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

### 6. General and administrative expenses

General and administrative expenses consist of expenses for administrative services delivered by KGJS, lawyers, auditors and others.

For the years ended 31 December (in US Dollar thousands)	2020	2019
Administrative services.....	14	13
Statutory audit fees.....	3	3
<b>Total</b>	<b>17</b>	<b>16</b>

### 7. Salaries, benefits and number of employees

The Company purchases all of its services from KGJS or its subsidiaries. Such services are covering all administrative services. As a consequence, the Company has no employees. There is no remuneration to the Company's board members.

### 8. Right-of-use assets and liabilities

The Company has entered into time charter agreements of hiring vessels up to 12 months. The Company has consequently applied the practical expedient in IFRS 16 to not recognise lease liabilities and right-of-use assets for this short-term lease.

### 9. Investments in associates

For the year ended 31 December 2020 (in US Dollar thousands)	Registered office	Equity USD 000	Net result USD 000	Share/ voting rights	Book value USD 000
KGJS Kysttank AS.....	Bergen	211	6	9%	44
<b>Total</b>					<b>44</b>

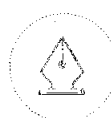
The Company has evaluated its investments for potential impairment losses. If the book value of shares is higher than the adjusted shareholders equity in the corresponding company, impairment occurs. Adjusted shareholder equity is calculated based on excess or less value in the company.

Based on the review, the Company concluded that there is no impairment, or reversal of impairment, on its investments in 2020.

### 10. Taxes

For the years ended 31 December (in US Dollar thousands)	2020	2019
Changes in deferred tax.....	-1 425	177
Changes in deferred tax - effect of changes in tax rate.....	0	0
Deferred tax assets expensed.....	1 425	- 177
<b>Total tax expense/ (income)</b>	<b>0</b>	<b>0</b>

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KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

### Reconciliation of nominal and effective tax rate:

For the years ended 31 December (in US Dollar thousands)	2020	2019
Net income/(loss) before tax.....	-6 321	751
Estimated tax expense (22%).....	-1 391	165
Difference between estimated and actual tax expense.....	1 391	- 165
Total tax expense/(income)	0	0

### Specification of differences between estimated and actual tax expense:

For the years ended 31 December (in US Dollar thousands)	2020	2019
Deferred tax assets expensed.....	1 425	- 177
Currency transaction and other permanent differences.....	- 35	12
Total difference between estimated and actual tax expense	1 391	- 165

Tax calculations are based on financial statements in US Dollars converted to Norwegian Kroner using varying rates of exchange for both balance sheet and income statement. The currency transaction differences arise when converting the Norwegian kroner tax calculation to US dollars in the specification.

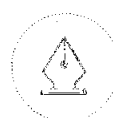
### Summary of temporary differences:

For the years ended 31 December (in US Dollar thousands)	2020	2019
Taxable deficit.....	-10 926	-4 448
Total basis for deferred tax(+)/tax assets(-)	-10 926	-4 448

For the years ended 31 December (in US Dollar thousands)	2020	2019
Changes in deferred tax(+)/ assets (-).....	-1 425	177
Non-recorded deferred tax(?) tax assets (-) - ordinary taxation.....	-2 404	- 978

### Payable tax:

For the years ended 31 December (in US Dollar thousands)	2020	2019
Payable tax - ordinary taxation.....	0	0
Total	0	0



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KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

### 11. Cash and cash equivalents

For the years ended 31 December (in US Dollar thousands)	2020	2019
Cash in bank.....	4	2
Total	4	2

### 12. Share capital and shareholder information

At 31 December 2020 the share capital of the Company consists of one class of 1 000 ordinary shares at NOK 9 400 each.

Ownership structure	Number of shares	Share of ownership	Voting Rights
SKS Tankers Holding AS.....	1 000	100.0%	100.0%

### 13. Risk management and other hedging activities

#### Risk management

#### a. Credit risk

The Company is exposed to credit risk in the event of failure of counter-parties to meet their obligations under a trading transaction. The Company's theoretical risk is the cost of replacement at current market prices of such transactions in the event of default by counter-parties. However, counter-parties are established with high credit ratings, and management believes that the possibility of non-performance by the counter-parties is remote. The Company therefore regards its maximum exposure to credit risk as being the carrying amount of receivables and other current assets. No collateral is held as security against receivables, none of which are considered to be impaired. The Company does not believe it is exposed to any material concentrations of credit-risk.

#### b. Liquidity risk

The Company's strategy is to have adequate liquid assets either in form of cash and/or available credit facilities at all times. Despite the negative equity position, it is the Board's opinion that the Company has a solid financial structure due to its long-standing relationship with its main creditor, and that business operations will be maintained in the longer term.

#### c. Market risk

Market risk comprises interest rate- and currency risk, and other price risks. The Company has no financial derivatives of which the fair value would fluctuate because of changes in other prices.

#### d. Interest rate risk

The Company is exposed to interest rate risk for debt to with floating interest rates.

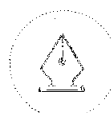
#### e. Currency risk

The Company incurs operating expenses in Norwegian Kroner. At the reporting date the Company has no non-current monetary asset or liabilities in non-USD currencies.

#### f. Other risks

The Company is indirectly exposed to general freight and bunker price fluctuations, as all of the vessels are operated commercially through pools. To reduce such risks the Pool company may enter into bunker

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KGJS TANK AS

## NOTES TO THE FINANCIAL STATEMENTS

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derivatives to hedge against fluctuations in the results for Contracts of Affreightments without World Scale compensation.

### **Financial derivatives and hedging**

At 31 December, 2020 and 2019 the Company has neither financial derivatives nor hedging contracts.

### **14. Contingencies**

In the course of 2020 the Company has not been involved in any incidents which have resulted in material loss or liability to the Company.

### **15. Covid-19**

The Covid-19 pandemic developed rapidly in 2020 and the measures taken by various governments to contain the virus has had a negative effect on the global economy, including the international shipping industry. Travel restrictions imposed by governments around the world have created hurdles to crew changes and repatriation of seafarers, which has led to significant concerns for the safety of seafarers. Supply chain disruptions, shortage of workforce, port restrictions and implementation of social distancing measures in ports and shipyards have caused delays.

Overall, the impact on the Company's results has not been significant. Although the tanker market volatility in 2020 can be linked to the development of the global pandemic, the increase in rates and activity in the first half of the year was offset by the downturn in the second half.

Depending on the duration of the Covid-19 pandemic and any corresponding impact on the global tanker market, the Company might experience negative impact on business and results. However, the exact impact is uncertain and cannot be predicted.

### **16. Subsequent events**

There has not been any events that would materially impact the financial statements for 2020 after 31 December 2020.

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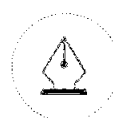
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KGJS TANK AS

STATEMENT OF CHANGES IN EQUITY

	Share capital USD 000	Share premium USD 000	Total equity USD 000
Equity at 31.12.2019.....	1 652	- 641	1 011
Net income/(loss) 2020.....	<u>0</u>	<u>-6 321</u>	<u>-6 321</u>
Equity at 31.12.2020.....	<u>1 652</u>	<u>-6 962</u>	<u>-5 310</u>



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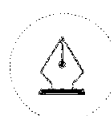
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## KGJS TANK AS

### STATEMENT OF CASH FLOWS

		31 December 2020	31 December 2019
	Notes	USD 000	USD 000
<b>Cash flows from operating activities:</b>			
Net income/(loss) before tax.....		-6 321	751
Changes in trade debtors.....		754	- 21
Changes in trade creditors.....		0	- 14
Changes in related party receivables/payables.....	3	5 569	- 728
Net cash provided by operating activities.....		<u>2</u>	<u>- 12</u>
<b>Cash flows from investing activities:</b>			
Investments in associates.....	9	<u>0</u>	<u>0</u>
Net cash provided by/(used in) investing activities.....		<u>0</u>	<u>0</u>
<b>Cash flow from financing activities:</b>			
Net cash provided by/(used in) financing activities.....		<u>0</u>	<u>0</u>
Net increase/(decrease) in cash and cash equivalents.....		2	- 12
Cash and cash equivalents at beginning of year.....	11	<u>2</u>	<u>14</u>
Cash and cash equivalents at end of year.....	11	<u><u>4</u></u>	<u><u>2</u></u>



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To the General Meeting of KGJS Tank AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of KGJS Tank AS, which comprise the balance sheet as at 31 December 2020, the income statement, statement of comprehensive income, statement of changes in equity 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 accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

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#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 as required by laws and regulations, 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.

---

#### *Responsibilities of the Board of Directors for the Financial Statements*

The Board of Directors (management) is responsible for the preparation and a true and fair view of the financial statements in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, 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 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.

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PricewaterhouseCoopers AS, Sandviksbodene 2A, Postboks 3984 - Sandviken, NO-5835 Bergen  
T: 02316, org. no.: 987 009 713 VAT, www.pwc.no  
State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm



Independent Auditor's Report - KGJS Tank AS



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*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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

*Report on Other Legal and Regulatory Requirements*

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*Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Bergen, 8 March 2021  
**PricewaterhouseCoopers AS**

Fredrik Gabrielsen  
State Authorised Public Accountant

(This document is signed electronically)

(2)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<i>Name</i>	<i>Method</i>	<i>Date</i>
Gabrielsen, Fredrik	BANKID_MOBILE	2021-03-08 11:11

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Skattedirektoratet

Saksbehandler  
Rune Tystad

Dergs.dato  
18.11.2011

Vår dato  
28.11.2011

Telefon  
977 59 464

Deres referanse  
Nicholas Nunn

Vår referanse  
2011/1133256

Kristian Gerhard Jebsen Skipsrederi AS  
Folke Bernadottes vei 38  
5147 FYLLINGSDALEN

### Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk for Kristian Gerhard Jebsen Skipsrederi AS med datter- og datterdatterselskaper

Det vises til deres brev av 18. november 2011 til Finansdepartementet hvor søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskapet:

Kristian Gerhard Jebsen Skipsrederi AS (konsern), org.nr. 914 530 393  
KGJ Cement AS, org.nr. 892 749 132  
Cement Shipinvest AS, org.nr. 987 625 295  
SKS Obo & Tankers AS, org.nr. 930 197661  
KGJS Tank AS, org.nr. 952 969 560  
SKS Tankers Holding AS, org.nr. 993 452 009  
Norship AS, org.nr. 936 101 283

Da Finansdepartementets kompetanse etter regnskapsloven § 3-4 tredje ledd annet punktum er delegert til Skattedirektoratet, er søknaden oversendt oss for behandling.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Kristian Gerhard Jebsen Skipsrederi AS med datter- og datterdatterselskaper 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.

#### Bakgrunn

Kristian Gerhard Jebsen Skipsrederi AS er et internasjonalt konsern som har som hovedbeskjeftigelse å eie og drive skip herunder utføre administrative oppgaver som befraktning, operasjon og teknisk drift. Det er på telefon opplyst at selskapet er eid av Pyne Ltd med 61,2 %, Tom Dahl AS med 30,8 % og Stiftelsen Kristian Gerhard Jebsen med 8 %. Selskapene det søkes om dispensasjon for foruten morselskapet Kristian Gerhard Jebsen Skipsrederi AS, er alle direkte eller indirekte 100 % eid av morselskapet. Det er opplyst at konsernets arbeidsspråk er engelsk. Konsernet utarbeider i dag årsregnskaper både på norsk og engelsk for en rekke av sine datterselskaper. Konsernet er av internasjonal karakter innenfor skipsfart og dette innebærer at selskapet må utarbeide engelsk versjon av konsernregnskapet samt for en rekke tilhørende datterselskaper for å tilfredsstille kravene til sine bankforbindelser, kunder, leverandører etc. De norske versjonene utarbeides kun for å tilfredsstille regnskapsloven.

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0134 Oslo

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Org. nr: 996250318

Sentralbord

800 80 000  
Telefaks

22 17 08 60



### Skattedirektoratets vurdering

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

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

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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at konsernet er av internasjonal karakter innenfor skipsfart og at dette innebærer at selskapet må utarbeide engelsk versjon av konsernregnskapet samt for en rekke tilhørende datterselskaper for å tilfredsstille kravene til sine bankforbindelser, kunder, leverandører etc. Det er videre lagt vekt på at konsernets arbeidsspråk er engelsk.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Torstein Kinden Helleland  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

  
Rune Tystad