



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 914 450 055  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: KNOT SHUTTLE TANKERS 29 AS  
Forretningsadresse: Smedasundet 40  
5529 HAUGESUND

### Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

### Konsern

Morselskap i konsern: Nei

### Regnskapsregler

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

### Årsregnskapet fastsatt av kompetent organ

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

### Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 28.03.2023



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Operating Income	1	119 359 919	56 813 969
Other income		22 631 279	2 004 626
<b>Sum inntekter</b>		<b>141 991 198</b>	<b>58 818 595</b>
<b>Kostnader</b>			
Crew-hire	2	34 217 048	31 532 685
Ordinary depreciation	3	62 588 736	70 768 273
Other operating expenses		32 225 928	17 253 906
Administration	2	5 537 316	5 740 561
<b>Sum kostnader</b>		<b>134 569 028</b>	<b>125 295 425</b>
<b>Driftsresultat</b>		<b>7 422 170</b>	<b>-66 476 830</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	4	302 486	557 907
Foreign exchange gain/loss		2 357 594	-73 767
<b>Sum finansinntekter</b>		<b>2 660 080</b>	<b>484 140</b>
Financial expenses	4	12 705 377	9 208 728
<b>Sum finanskostnader</b>		<b>12 705 377</b>	<b>9 208 728</b>
<b>Netto finans</b>		<b>-10 045 297</b>	<b>-8 724 588</b>
<b>Ordinært resultat før skattekostnad</b>		<b>-2 623 127</b>	<b>-75 201 418</b>
Taxes	5		
<b>Ordinært resultat etter skattekostnad</b>		<b>-2 623 127</b>	<b>-75 201 418</b>
<b>Årsresultat</b>		<b>-2 623 127</b>	<b>-75 201 418</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-2 623 127</b>	<b>-75 201 418</b>
<b>Totalresultat</b>		<b>-2 623 127</b>	<b>-75 201 418</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
<b>Varige driftsmidler</b>			
Vessel	3	319 693 067	382 281 803
<b>Sum varige driftsmidler</b>		<b>319 693 067</b>	<b>382 281 803</b>
<b>Sum anleggsmidler</b>		<b>319 693 067</b>	<b>382 281 803</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Receivables			42 832
Other short-term receivables		31 287 812	12 058 922
Konsernfordringer	7	84 586 804	30 204 017
Krav på innbetaling av selskapskapital		456 640	
<b>Sum fordringer</b>		<b>116 331 256</b>	<b>42 305 771</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposits	6	14 646 351	11 042 410
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>14 646 351</b>	<b>11 042 410</b>
<b>Sum omløpsmidler</b>		<b>130 977 607</b>	<b>53 348 181</b>
<b>SUM EIENDELER</b>		<b>450 670 674</b>	<b>435 629 984</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	7	100 000	100 000
Annen innskutt egenkapital		233 592 913	197 360 488
<b>Sum innskutt egenkapital</b>		<b>233 692 913</b>	<b>197 460 488</b>



### Balanse

Beløp i: NOK	Note	2022	2021
Other equity			
<b>Sum egenkapital</b>	7, 8	<b>233 692 913</b>	<b>197 460 488</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	5		
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	163 336 567	228 665 243
<b>Sum annen langsiktig gjeld</b>		<b>163 336 567</b>	<b>228 665 243</b>
<b>Sum langsiktig gjeld</b>		<b>163 336 567</b>	<b>228 665 243</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		8 354 359	8 248 516
Tax payable	5		
Kortsiktig konserngjeld		45 032 768	1 019 567
Accrued interest		114 783	30 947
Payables to related parties			57 381
Other current liabilities		139 284	147 843
<b>Sum kortsiktig gjeld</b>		<b>53 641 194</b>	<b>9 504 253</b>
<b>Sum gjeld</b>		<b>216 977 761</b>	<b>238 169 496</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>450 670 674</b>	<b>435 629 984</b>



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## List of Signatures Page 1/1

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Name	Method	Signed at
Domyo, Takashi	BANKID	2023-02-24 12:37 GMT+01
Seglem, Trygve	BANKID	2023-02-24 11:52 GMT+01
Dahl, Karl Gerhard B	BANKID	2023-02-24 09:32 GMT+01



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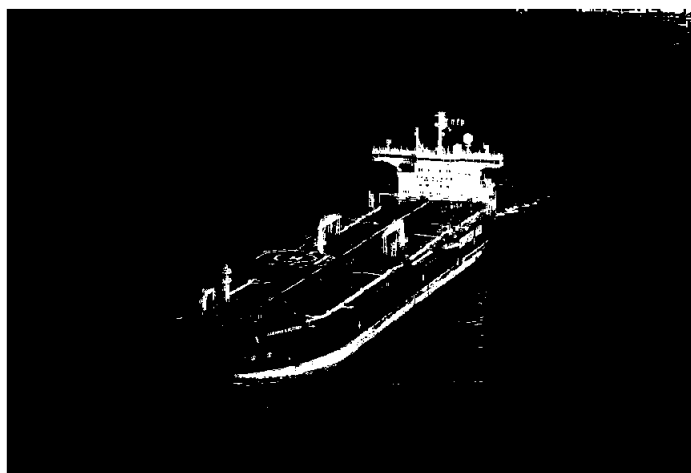
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**KNOT** Knutsen  
NYK Offshore  
Tankers

## KNOT Shuttle Tankers 29 AS

### Annual Report 2022



M/T “ Jasmine Knutsen ”



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## KNOT SHUTTLE TANKERS 29 AS

### REPORT OF THE BOARD OF DIRECTORS 2022

KNOT Shuttle Tankers 29 AS owns one 148 644 DWT DP2 Suez-max shuttle tanker, MT Jasmine Knutsen, delivered from Samsung Heavy Industries in 2005.

The company operates out of Haugesund, Norway and has no employees and working environment. KNOT Management AS in Haugesund manages the daily operations of the company in accordance with a separate agreement. Canship Ugland Ltd. is responsible for the company's vessel operations on behalf of the Company in accordance with a separate management agreement. KNOT Shuttle Tankers 29 AS hires crew from the manager.

#### The company's activities

MT Jasmine Knutsen has been operating in the pool of shuttle tankers in Knutsen Shuttle Tankers Pool AS and has operated in the North Europe shuttle tanker and tanker market.

#### Profit for the year

The operating result for KNOT Shuttle Tankers 29 AS was NOK 7 422 170 compared to minus NOK 66 476 830 in 2021. The net financial loss for the year was NOK 10 045 297, compared to a loss of NOK 8 724 588 the previous year. The result for the year became minus NOK 2 623 127 compared to minus NOK 75 201 418 the year before.

The Board of Directors suggests covering the loss for the year with other paid-in capital.

The liquidity position was NOK 14 646 351 as per 31.12.2022 compared to NOK 11 042 410 as per 31.12.2021.

The company's short term debts per 31.12.2022 was 25 % of total debt, compared to 4.0 % as of 31.12.21.

Total capital was by the end of the year NOK 450 670 674, compared to NOK 435 629 984 the year before.

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

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



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The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern. The Board of Directors confirms that the Financial Statements give a true picture of the company's assets and liabilities, financial position, and results.

## **Environment, safety and quality control**

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

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

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

The company and the other companies in the Norwegian part of the group regularly carries out risk-based due diligence assessments in accordance with the obligations pursuant to the Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (LOV-2021-06-18-99) section 4. The due diligence assessments cover the operations in the company. The account for these due diligence assessments and other obligations pursuant to the Act's section 5 will be included in a report here [www.knutsenoas.com](http://www.knutsenoas.com) within 30 June 2023.



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**Future prospects**

MT Jasmine Knutsen is operated in North Europe through Knutsen Shuttle Tankers Pool AS, lifting the charterers oil on different offshore oil fields. Based on the operation of the vessel in 2022, the long-term financing of the vessel and the employment in Knutsen Shuttle Tankers Pool AS, the Board of Directors of KNOT Shuttle Tankers 29 AS expects 2023 to be another challenging year for the vessel and the company.

Haugesund, February 24, 2023

Trygve Seglem  
*Chairman of the Board*

Takashi Domyo  
*Member of the Board*

Karl Gerhard Bråstein Dahl  
*Member of the Board*



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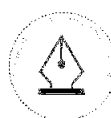
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**KNOT Shuttle Tankers 29 AS**

**Profit & Loss Account**

	Note	2022	2021
<b><u>Operating Income</u></b>			
Operating Income	1	119 359 919	56 813 969
Other income		22 631 279	2 004 626
<i>Total Operating income</i>		<u>141 991 198</u>	<u>58 818 595</u>
<b><u>Operating Expenses</u></b>			
Crew-hire	2	34 217 048	31 532 685
Other operating expenses		32 225 928	17 253 906
Administration	2	5 537 316	5 740 561
<i>Total Operating Expenses</i>		<u>71 980 292</u>	<u>54 527 152</u>
Ordinary depreciation	3	62 588 736	70 768 273
<i>Total depreciation and write-downs</i>		<u>62 588 736</u>	<u>70 768 273</u>
<i>Operating Result</i>		<u>7 422 170</u>	<u>-66 476 830</u>
<b><u>Financial Income and Expenses</u></b>			
Financial income	4	302 486	557 907
Foreign exchange gain/loss		2 357 594	-73 767
Financial expenses	4	-12 705 377	-9 208 728
<i>Net Financial Items</i>		<u>-10 045 297</u>	<u>-8 724 588</u>
<i>Result before taxes</i>		<u>-2 623 127</u>	<u>-75 201 418</u>
Taxes	5	0	0
<i>Result for the year</i>		<u>-2 623 127</u>	<u>-75 201 418</u>



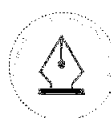
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**KNOT Shuttle Tankers 29 AS**  
**Balance Sheet as of 31. December**

<u>Assets</u>	Note	2022	2021
<b><u>Fixed assets</u></b>			
Vessel	3	319 693 067	382 281 803
<i>Total Fixed Assets</i>		<u>319 693 067</u>	<u>382 281 803</u>
<b><u>Current Assets</u></b>			
Receivables		0	42 832
Other short-term receivables		31 287 812	12 058 922
Current receivables group		84 586 804	30 204 017
Receivables from related parties		456 640	0
Bank deposits	6	14 646 351	11 042 410
<i>Total Current Assets</i>		<u>130 977 607</u>	<u>53 348 181</u>
<b>TOTAL ASSETS</b>		<u><b>450 670 674</b></u>	<u><b>435 629 984</b></u>



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**KNOT Shuttle Tankers 29 AS**  
**Balance Sheet as of 31. December**

<b><u>Shareholders Equity and Liabilities</u></b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b><u>Equity</u></b>			
Share capital	7	100 000	100 000
Other paid-in equity		233 592 913	197 360 488
<i>Total capital paid-in</i>		<b>233 692 913</b>	<b>197 460 488</b>
<b><u>Retained earnings</u></b>			
Other equity		0	0
<i>Total Shareholders' Equity</i>	7, 8	<b>233 692 913</b>	<b>197 460 488</b>
<b><u>Long Term Liabilities</u></b>			
Liabilities to financial institutions	9	163 336 567	228 665 243
<i>Total Long Term Liabilities</i>		<b>163 336 567</b>	<b>228 665 243</b>
<b><u>Current Liabilities</u></b>			
Accounts payable		8 354 359	8 248 516
Accrued interest		114 783	30 947
Current liabilities group		45 032 768	1 019 567
Payables to related parties		0	57 381
Other current liabilities		139 284	147 843
<i>Total Current Liabilities</i>		<b>53 641 194</b>	<b>9 504 253</b>
<i>Total liabilities</i>		<b>216 977 761</b>	<b>238 169 496</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>450 670 674</b>	<b>435 629 984</b>

Haugesund, February 24, 2023,

Trygve Seglem  
chairman of the board

Karl Gerhard Bråstein Dahl  
member of the board

Takashi Domyo  
member of the board



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## KNOT Shuttle Tankers 29 AS

### CASHFLOW STATEMENT

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

	2022	2021
Result before tax	-2 623 127	-75 201 418
+ Ordinary depreciation	62 588 736	70 768 273
-/+Unrealized currency gain/loss - loan to group companies	0	265 432
-/+ Profit/loss on foreign exchange liabilities to fin. institutions	15 417 373	5 304 766
+ Financial expenses - liabilities to financial institutions	831 855	0
+ Interests other non-current liabilities	0	831 855
= Total generated from operations	76 214 837	1 968 908
+ Net received on current assets	-74 025 485	-6 099 455
+ Net received on current liabilities	44 136 941	-11 090 118
<b>Net cashflow from operations</b>	<b>46 326 293</b>	<b>-15 220 665</b>
<u>Cashflow from investments</u>		
Upgrading of vessel	0	-8 418 574
Dry dock additions	0	1 194 766
<b>Net cashflow from investments</b>	<b>0</b>	<b>-7 223 808</b>
<u>Cashflow from financing</u>		
Repayment of liabilities to financial institutions	-81 577 904	-71 465 297
Loan to group companies, net change	0	43 275 818
Equity received - group contribution received	38 855 552	54 476 520
<b>Net cashflow from financing</b>	<b>-42 722 351</b>	<b>26 287 041</b>
<b>Net cashflow for the year</b>	<b>3 603 942</b>	<b>3 842 568</b>
+ Bank deposits per 01.01.	11 042 410	7 199 842
<b>= Bank deposits per 31.12.</b>	<b>14 646 351</b>	<b>11 042 410</b>



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**KNOT Shuttle Tankers 29 AS**

**Notes to the Financial Statement 31.12.2022**

**Accounting Principles**

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

**Going concern**

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

**Transactions in Foreign Currency**

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

**Related party transactions**

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

**1 Contracts**

The vessel MT Jasmine Knutsen has been in the Knutsen Shuttle Tankers Pool AS in 2022. The income from the time charter contract is received in united states dollars, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

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

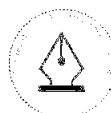
**2 Employees and remuneration**

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

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

Auditors remuneration (excl. VAT):

	2022	2021
Audit	50 213	64 300
Other services besides audit	49 263	0
	<u>99 476</u>	<u>64 300</u>



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### 3 Fixed Assets

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

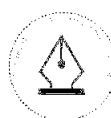
Dry-docking expenses, in connection with certificate renewal and class of the vessel, are capitalised and expensed over the period till the next class renewal with dry-docking. This is in line with the depreciation plan of the vessel, and takes into account that the vessel is classified to operate for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

<u>Vessel</u>	<u>2022</u>	<u>2021</u>
Historical value 01.01.	668 279 820	659 861 246
Accumulated depreciation and impairment 01.01.	308 870 780	263 216 122
Book value 01.01.	359 409 040	396 645 124
Additions	0	8 418 574
Annual depreciation	48 865 080	45 654 658
Book value 31.12.	310 543 960	359 409 040
<u>Dry-Docking</u>	<u>2022</u>	<u>2021</u>
Historical value 01.01.	54 836 740	56 031 506
Accumulated depreciation and impairment 01.01.	31 963 978	6 850 363
Capitalised dry-docking 01.01	22 872 762	49 181 143
Additions - capitalised dry-docking	0	-1 194 766
Annual depreciation	13 723 656	25 113 615
Book value 31.12.	9 149 106	22 872 762
Total book value vessel 31.12.	319 693 067	382 281 803

The company changed in third quarter 2021 the useful life estimate for M/T Jasmine Knutsen from 25 years to 23 years due to prevailing longer-term market trends. The company updated at the same time the estimated net sales price at the end of estimated life from NOK 0 at 23 years to estimated net sales price at end of the new estimated end of life.

### 4 Financial Income and -Expenses

<u>Financial Income:</u>	<u>2022</u>	<u>2021</u>
Interest income from group companies	712	506 693
Other interest income	301 774	2
Dividend	0	51 212
Total financial income	302 486	557 907
<u>Financial Expenses:</u>	<u>2022</u>	<u>2021</u>
Interest expenses	10 328 653	7 210 100
Interest expenses to group companies	847 473	282 087
Other financial expenses	279 199	250 663
Guarantee fee to group companies	1 250 051	1 465 878
Total financial expenses	12 705 377	9 208 728



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## 5 Tax

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

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

We classify the tonnage tax as an operating expense.

### Specification on the temporary differences:

	31.12.2022	Change	31.12.2021
Loss carried forward	-44 137 144	5 890 947	-38 246 197
Temporary differences	-44 137 144	5 890 947	-38 246 197
Calculated deferred tax	9 710 172	-1 296 008	8 414 163
Deferred tax in balance	0	0	0

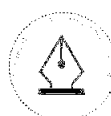
Deferred tax assets related to losses carried forward are only recognized to the extent that there is convincing evidence that these will be utilized in the future.

### Tax cost

	2022	2021
Net financial Items	-10 045 297	-8 724 588
Non-taxable currency gain	-5 073 663	-666 984
Non-deductable interest	9 228 013	6 729 473
Deductable financial items	0	-49 675
Taxable income before loss carried forward	-5 890 947	-2 711 775
Loss carried forward	5 890 947	-2 711 775
Taxable income	0	0
Tax payable	0	0
Change deferred tax/(tax benefit)	0	0
Tax calculated	0	0
Tonnage tax expenses under operating expenses	139 284	140 372

## 6 Bank deposits

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



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## 7 Equity

Specification of the equity per 31.12.

	Share capital	Other paid in equity	Other equity	Total equity
Equity 01.01.	100 000	197 360 488	0	197 460 488
Group contribution received	0	38 855 552	0	38 855 552
Result for the year	0	-2 623 127	0	-2 623 127
Equity 31.12.	100 000	233 592 913	0	233 692 913

Share capital consist of 100 shares à NOK 1,000

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

## 8 Shares Owned by Board Members and Affiliates

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

## 9 Mortgage Debt and Financial Instruments

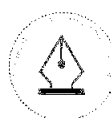
All loans and borrowings are initially recognized at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

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

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

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

	Currency	Outstanding currency amount	Hedge accounting rate 31.12.	Accounting balance	
				2022	2021
Mortgage debt	USD	20 833 338	7,9393	165 401 391	231 561 922
Debt issuance cost				-2 064 824	-2 896 680
Liabilities to financial institutions				163 336 567	228 665 243



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

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

	<u>2022</u>	<u>2021</u>
Foreign exchange gain/-loss not taken over profit and loss (i.e. off-balance):	-40 986 155	-26 163 524
<u>Amounts due within 12 months of the balance sheet date:</u>		
Mortgage debt	66 160 531	66 160 531
Debt issuance cost	-831 855	-831 855
Liabilities to financial institutions	<u>65 328 676</u>	<u>65 328 676</u>
<u>Repayment profile:</u>		
0 - 12 months	8 333 332	8 333 332
13 - 24 months	8 333 332	8 333 332
25 - 36 months	4 166 674	8 333 332
37 - 48 months	0	4 166 674
49 - 60 months	0	0
After 60 months	0	0
	<u>20 833 338</u>	<u>29 166 670</u>
The exchange rate at the year-end	USDNOK	9,9066      8,8363

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

Book value of mortgaged assets is NOK 320 million.



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Statsautoriserte revisorer  
Ernst & Young AS

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Postboks 1156 Sentrum, 0107 Oslo

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Tlf: +47 24 00 24 00

www.ey.no  
Medlemmer av Den norske Revisorforening

## INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of KNOT Shuttle Tankers 29 AS

### Opinion

We have audited the financial statements of KNOT Shuttle Tankers 29 AS (the Company), which comprise the balance sheet as at 31 December 2022, the profit and loss account and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2022 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the requirements of the relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) is responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the board of directors' report contains the information required by legal requirements and whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information or that the information required by legal requirements is not included, we are required to report that fact.

We have nothing to report in this regard, and in our opinion, the board of directors' report is consistent with the financial statements and contains the information required by applicable legal requirements.

### Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



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

## Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Oslo, 24 February 2023  
ERNST & YOUNG AS

*The auditor's report is signed electronically*

Magnus Hegertun Birkeland  
State Authorised Public Accountant (Norway)

Independent auditor's report – KNOT Shuttle Tankers 29 AS 2022

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

## Magnus Hegertun Birkeland

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5990-4-2796687

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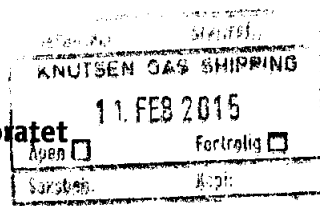
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Skattedirektoratet



Saksbehandler  
Torstein Kinden Helleland

Deres dato  
30.01.2015

Vår dato  
09.02.2015

Telefon  
22078139

Deres referanse  
Geir Tore Henriksen

Vår referanse  
2015/87104

KNUTSEN OAS SHIPPING AS  
Postboks 2017  
5504 HAUGESUND

## Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Det vises til deres brev av 30. januar 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

KNOT Shuttle Tankers 30 AS	org. nr. 914 716 527
KNOT Shuttle Tankers 31 AS	org. nr. 914 750 326
Knutsen Technology AS	org. nr. 991 517 553
KNOT Shuttle Tankers 23 AS	org. nr. 913 154 576
KNOT Shuttle Tankers 28 GP AS	org. nr. 914 450 160
KNOT Shuttle Tankers 28 LP AS	org. nr. 914 450 063
KNOT Shuttle Tankers 27 AS	org. nr. 914 021 456
KNOT Shuttle Tankers 29 AS	org. nr. 914 450 055
KNOT FSO 2 AS	org. nr. 814 450 112
KNOT Shuttle Tankers 24 AS	org. nr. 914 012 902
KNOT Shuttle Tankers 25 AS	org. nr. 914 006 600
KNOT Shuttle Tankers 26 AS	org. nr. 914 021 251

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 forutsetter at 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 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. 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.

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60

**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 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

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*