



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 996 661 016
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNUTSEN SHUTTLE TANKERS 13 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: Karl Gerhard Bråstein Dahl
Dato for fastsettelse av årsregnskapet: 10.03.2022

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, 28.03.2023



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Freight income	2	152 881 823	165 585 707
Commissions		-824 851	-914 688
Sum inntekter		152 056 972	164 671 019
Kostnader			
Crew-hire	13	21 951 966	22 564 148
Ordinary depreciation	4	26 410 620	29 113 378
Ordinary depreciation - dry docking	4		
Nedskrivning av varige driftsmidler og immaterielle eiendeler	6		
Other operating expenses	2	17 011 395	15 700 463
Administration	7	6 172 324	6 300 215
Sum kostnader		71 546 305	73 678 204
Driftsresultat		80 510 667	90 992 815
Finansinntekter og finanskostnader			
Financial income	5	316 237	83 848
Foreign exchange gain/loss		2 102 089	2 865 752
Sum finansinntekter		2 418 326	2 949 601
Financial expenses	5	12 114 680	25 777 815
Sum finanskostnader		12 114 680	25 777 815
Netto finans		-9 696 354	-22 828 214
Ordinært resultat før skattekostnad		70 814 313	68 164 601
Taxes	11		
Ordinært resultat etter skattekostnad		70 814 313	68 164 601
Årsresultat		70 814 313	68 164 601
Årsresultat etter minoritetsinteresser		70 814 313	68 164 601
Totalresultat		70 814 313	68 164 601



Resultatregnskap

Beløp i: NOK	Note	2021	2020
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Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11		
Varige driftsmidler			
Vessel	4, 8	395 348 407	421 759 027
Dry-docking	4, 8		
Vessel under construction	4, 8, 11		
Accrued income	2	6 792 444	12 382 552
Sum varige driftsmidler		402 140 852	434 141 580
Sum anleggsmidler		402 140 852	434 141 580
Omløpsmidler			
Varer			
Inventories	12	1 912 303	1 639 025
Sum varer		1 912 303	1 639 025
Fordringer			
Receivables	6	3 954 449	2 569 969
Konsernfordringer	6	32 697	1 011
Sum fordringer		3 987 146	2 570 980
Other financial instruments	8		
Bankinnskudd, kontanter og lignende			
Bank deposits	3	12 647 947	18 969 503
Sum bankinnskudd, kontanter og lignende		12 647 947	18 969 503
Sum omløpsmidler		18 547 396	23 179 508
SUM EIENDELER		420 688 247	457 321 088

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2021	2020
Egenkapital			
Innskutt egenkapital			
Share capital	9, 10	200 000	200 000
Annen innskutt egenkapital		103 274 229	116 750 232
Sum innskutt egenkapital		103 474 229	116 950 232
Opptjent egenkapital			
Other equity		70 814 313	82 935 427
Sum opptjent egenkapital		70 814 313	82 935 427
Sum egenkapital	9	174 288 542	199 885 659
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	8	224 108 637	251 026 693
Sum annen langsiktig gjeld		224 108 637	251 026 693
Sum langsiktig gjeld		224 108 637	251 026 693
Kortsiktig gjeld			
Leverandørgjeld	6	1 371 656	2 081 111
Tax payable	11		
Utbytte		19 149 680	
Kortsiktig konserngjeld	6	148	2 708 032
Accrued interest	8	298 280	291 851
Other financial instruments	8		
Other current liabilities		1 471 305	1 327 743
Sum kortsiktig gjeld		22 291 068	6 408 736
Sum gjeld		246 399 705	257 435 429
SUM EGENKAPITAL OG GJELD		420 688 247	457 321 088



Knutsen Shuttle Tankers 13 AS Annual Report 2021



M/T "Carmen Knutsen"

KNOT
Offshore Partners LP



KNUTSEN SHUTTLE TANKERS 13 AS

REPORT OF THE BOARD OF DIRECTORS 2021

Knutsen Shuttle Tankers 13 AS owns one 157,000 DWT Suez-max shuttle tanker, M/T Carmen Knutsen, delivered from Hyundai Heavy Industries (HHI) Shipyard, South Korea in 2013.

The company operates out of Haugesund, Norway and has no employees and working environment. The daily operations of the company and the vessel are managed by KNOT Management AS in Haugesund in accordance with separate agreement.

The company's activity

M/T Carmen Knutsen have been chartered to Repsol Sinopec Brazil, for operation in Brazil from 2013 on a ten-year TC agreement with 3 one-year options.

Result for the year

The operating result for Knutsen Shuttle Tankers 13 AS was NOK 80 510 667 in 2021 compared to NOK 90 992 815 in 2020. After net financial loss of NOK 9 696 354 in 2021, against a loss of NOK 22 828 214 in 2020, the results of the year were NOK 70 814 313 in 2021 compared to NOK 68 164 601 in 2020.

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

Total cash flow from operating activities in the company was NOK 111 017 324, NOK 123 189 712 in 2020. The liquidity position was NOK 12 647 947 as per 31.12.2021 compared to NOK 18 969 503 as per 31.12.2020. The company's ability to finance its investments is good. The outstanding mortgage loan is at the end of 2021 USD 36 881 912, USD 41 448 820 at the end of 2020.

The company's short-term debt per 31.12.2021 was 9.0 % of total debt (2.5 % in 2020).

The company is exposed to fluctuations in foreign exchange rates, especially USD, as the company's income is denominated in USD. Since the majority of the company's operating expenses and financial costs also are denominated in USD, this limits the company's foreign exchange risk. The company has entered into two forward contracts or other agreements in order to reduce the company's foreign exchange risk, and thereby operating related market risk.

The company is exposed to changes in the interest rate level, as it has long-term debt carrying floating interest rate. The company has entered into one interest rate swaps to reduce the company's interest rate risk.

Total capital was by the end of the year NOK 420 688 247, NOK 457 321 088 at the end of 2020. The equity-share as of 31.12.2021 was 41 %, compared to 44 % per 31.12.2020. The company have during 2021 paid out NOK 77 261 750 in extraordinary dividends. In addition, the company have paid-out NOK 19 149 680 in dividend in 2022.

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.

The environment safety and quality control

The requirements for a safety operation of ships are increasing, and both the company and the manager KNOT Management AS are concerned with an operational excellence. KNOT Offshore Partners Group's fleet consists of modern ships which are designed and engineered for safe, environmentally sound and efficient operations. The ships are maintained and upgraded continuously to meet the demands and expectations from a government and employers. The company and the manager put significant resources to the quality assurance and there are strict requirements for safety systems and an operation of the ships.

The company is not aware of any significant pollution to the external environment, and the Board of Directors considers the working conditions onboard the ships as satisfactory. All the vessels are certified in accordance with both ISM code and the ISPS code.


The company have no employees and thus no working environment. The company aims to be workplace where there is no discrimination related to gender, ethnicity, religion or disability. 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.

Future prospects

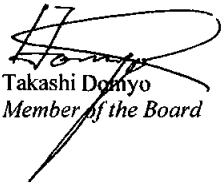
M/T Carmen Knutsen is operated on a long-term charter with Repsol Sinopec Brazil. The charterer and trading area is well known for the manager and the Board of Directors.

Based on the operation of the vessel in 2021 and the secured long-term employment contract of the vessel the Board of Directors of Knutsen Shuttle Tankers 13 AS expects 2022 to be a satisfactory year for the vessel and the company.

Haugesund, March 10, 2022


Trygve Segloff
Chairman of the Board


Karl Gerhard Bråstein Dahl
Member of the Board


Takashi Donryo
Member of the Board



Knutsen Shuttle Tankers 13 AS

Profit & Loss Account

	Note	2021	2020
<u>Operating Income</u>			
Freight income	2	152 881 823	165 585 707
Commissions		-824 851	-914 688
<i>Total Operating income</i>		<u>152 056 972</u>	<u>164 671 019</u>
<u>Operating Expenses</u>			
Crew-hire	13	21 951 966	22 564 148
Other operating expenses	2	17 011 395	15 700 463
Administration	7	6 172 324	6 300 215
<i>Total Operating Expenses</i>		<u>45 135 685</u>	<u>44 564 826</u>
Ordinary depreciation	4	26 410 620	29 113 378
<i>Operating Result</i>		<u>80 510 667</u>	<u>90 992 815</u>
<u>Financial Income and Expenses</u>			
Financial income	5	316 237	83 848
Foreign exchange gain/loss		2 102 089	2 865 752
Financial expenses	5	-12 114 680	-25 777 815
<i>Net Financial Items</i>		<u>-9 696 354</u>	<u>-22 828 214</u>
<i>Result before taxes</i>		<u>70 814 313</u>	<u>68 164 601</u>
Taxes	11	0	0
<i>Result for the year</i>		<u>70 814 313</u>	<u>68 164 601</u>



Knutsen Shuttle Tankers 13 AS
Balance Sheet as of 31. December

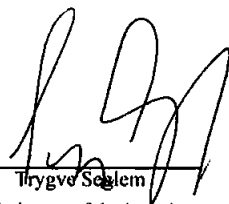
<u>Assets</u>	Note	2021	2020
<u>Non current assets</u>			
Vessel	4, 8	395 348 407	421 759 027
Accrued income	2	6 792 444	12 382 552
<i>Total Non Current Assets</i>		<u>402 140 852</u>	<u>434 141 580</u>
<u>Current Assets</u>			
Inventories	12	1 912 303	1 639 025
Receivables	6	3 954 449	2 569 969
Current receivables group		32 697	1 011
Bank deposits	3	12 647 947	18 969 503
<i>Total Current Assets</i>		<u>18 547 396</u>	<u>23 179 508</u>
<i>TOTAL ASSETS</i>		<u>420 688 247</u>	<u>457 321 088</u>



Knutsen Shuttle Tankers 13 AS

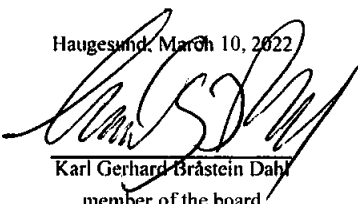
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	Note	2021	2020
<u>Equity</u>			
Share capital	9, 10	200 000	200 000
Other paid-up equity		103 274 229	116 750 232
<i>Total capital paid-in</i>		<u>103 474 229</u>	<u>116 950 232</u>
Other equity		70 814 313	82 935 427
<i>Total Shareholders' Equity</i>	9	<u>174 288 542</u>	<u>199 885 659</u>
<u>Long Term Liabilities</u>			
Liabilities to financial institutions	8	224 108 637	251 026 693
<i>Total Long Term Liabilities</i>		<u>224 108 637</u>	<u>251 026 693</u>
<u>Current Liabilities</u>			
Accounts payable	6	1 371 656	2 081 111
Accrued interest	8	298 280	291 851
Current liabilities group		148	2 708 032
Dividends		19 149 680	0
Other current liabilities		1 471 305	1 327 743
<i>Total Current Liabilities</i>		<u>22 291 068</u>	<u>6 408 736</u>
<i>Total liabilities</i>		<u>246 399 705</u>	<u>257 435 429</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>420 688 247</u>	<u>457 321 088</u>

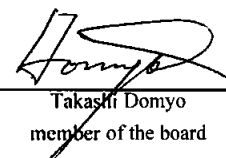


Trygve Seglem
chairman of the board

Haugesund, March 10, 2022



Karl Gerhard Bråstein Dahl
member of the board



Takashi Domyo
member of the board



KNUTSEN SHUTTLE TANKERS 13 AS

CASHFLOW STATEMENT

	2021	2020
Total generated from operations 1)	115 974 115	117 526 374
Change in working capital	<u>-4 956 791</u>	<u>5 663 338</u>
Net cashflow from operations	<u>111 017 324</u>	<u>123 189 712</u>
Invested in vessel	<u>0</u>	<u>-145 198</u>
Net cashflow from investments	<u>0</u>	<u>-145 198</u>
Net paid-out dividend/group contribution	-77 261 750	-68 813 350
Paid installments on mortgage debt	<u>-40 077 129</u>	<u>-43 935 367</u>
Net cashflow from financing	<u>-117 338 879</u>	<u>-112 748 717</u>
Net cashflow for the year	-6 321 556	10 295 797
+ Cash balance per 01.01	<u>18 969 503</u>	<u>8 673 706</u>
= Cash Balance per 31.12.	<u>12 647 947</u>	<u>18 969 503</u>

1) Generated from operations:

Result before tax	70 814 313	68 164 601
+Accrued income	5 590 108	3 151 114
+Ordinary depreciation	26 410 620	29 113 378
+Amortization deferred debt issuance cost	1 020 917	1 100 887
+Realized currency gain mortgage debt	<u>12 138 156</u>	<u>15 996 394</u>
= Total generated from operations	<u>115 974 115</u>	<u>117 526 374</u>



KNUTSEN SHUTTLE TANKERS 13 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.

Fixed Assets and Dry-Docking

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 are capitalised and depreciated over the period till the next 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.

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.

Income

The income from charter party is in USD, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

Inventories

Inventories are valued according to the net realisable value principle.

Transactions in Foreign Currency

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

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 instruments. The realized foreign exchange gain and -losses are booked together with the hedging instrument. We book realized- and unrealized foreign exchange gain/-loss for any uneffective part of the debt in foreign currencies over financial items.



Interest-bearing loan and borrowings

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.

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.

Tax

The company have elected to be taxed based on the Norwegian tonnage tax regime. In the tonnage tax regime the company pay a tonnage tax based on the weight of the owned vessels and taxable result is based on a taxable financial result. This means that the company's operating results is not taxable. The taxable financial result is based on the net financial items in the profit and loss account where only a portion of the foreign exchange gain is taxable and a portion of the foreign exchange loss and interest expenses is deductible. The portion is based on the amount of financial assets compared to total assets in the balance sheet. The company will also have to pay a calculated tax on the equity if the equity exceed 70% of total capital. Tonnage tax is classified as an operating expense in the profit and loss statement.

The calculated tax expenses in the profit and loss statement includes both the payable tax for the period in addition to the change in deferred tax. Deferred tax is calculated based on the temporary differences between the balance sheet values in the accounts and the tax values in addition to the tax loss carried forward at the end of the financial year. Tax increasing and decreasing changes in temporary differences that can be reversed in the same period are offset and the net value is taken into the accounts.

Cash flow 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.

Related party transactions

The Company has undertaken several agreements and transactions with related parties in the Knutsen NYK Offshore Tankers Group and KNOT Offshore Partners Group. The level of fees are based on market terms and are in accordance with the arm's length principle. KNOT Management AS delivers ship management services for the Company's vessel(s). Ship management fee includes services like technical management, crewing management, IT and energy management.

Financial Instruments

The treatment of foreign exchange and interest rate instruments in the accounts 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, then the income and expenses related to the hedging and the corresponding items in the balance sheet are classified in the same manner.



2 Contracts

The company has secured employment of the vessels with a 10 year fix time charter contract with three 1 year options to Repsol Sinopec Brazil from delivery in the beginning of 2013. Accrued income is related to income from charter party due to recording on a straight line basis.

KNOT Management AS operates as a manager on behalf of the company and the vessel in accordance with management agreement.

3 Bank deposits

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

4 Fixed Assets

<u>Vessel</u>	<u>2021</u>	<u>2020</u>
Historical value 01.01	605 582 452	605 582 452
Acc. Depreciation 01.01	193 611 231	169 377 627
Book value 01.01.	411 971 221	436 204 825
Ordinary annual depreciation	21 516 720	24 233 604
Book value 31.12.	390 454 501	411 971 221

<u>Dry docking</u>	<u>2021</u>	<u>2020</u>
Capitalised dry-docking 01.01	25 275 462	25 130 265
Acc. Depreciation dry-docking 1.1	15 487 656	10 607 882
Capitalised dry-docking 01.01.	9 787 806	14 522 383
Additions	0	145 198
Ordinary annual depreciation	4 893 900	4 879 774
Book value 31.12.	4 893 906	9 787 806

Total vessel	395 348 407	421 759 027
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The company changed in third quarter 2021 the useful life estimate for M/T Carmen 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 25 years to estimated net sales price at end of the new estimated end of life.

5 Financial Income and -Expenses

<u>Financial Income:</u>	<u>2021</u>	<u>2020</u>
Dividend	315 886	0
Other interest income	351	83 848
Total financial income	316 237	83 848

<u>Financial expenses:</u>	<u>2021</u>	<u>2020</u>
Interest expenses	10 307 502	15 915 791
Realized currency swaps	0	5 475 000
Unrealized currency swaps	0	2 173 635
Guarantee expenses group	1 638 571	2 012 555
Other financial expenses	168 606	200 833
Total financial expenses	12 114 680	25 777 815



6 Related party balances

	2021	2020
<u>Receivables</u>		
Knutsen OAS Shipping AS	967 524	847 214
Knutsen Shuttle Tankers 3 AS	1 264	0
KNOT Management AS	0	162 794
	<u>968 788</u>	<u>1 010 008</u>
 <u>Accounts payable related parties</u>		
Knutsen OAS Shipping AS	138 202	401 777
Knutsen OAS Management AS	7 520	0
Knutsen OAS Crewing AS	47 596	56 640
KNOT Management AS	226 745	138 338
SUM	<u>420 063</u>	<u>596 755</u>

7 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	18 819	37 638
Tax advice	0	0
Other services besides audit	0	0
	<u>18 819</u>	<u>37 638</u>

8 Mortgage Debt and Financial Instruments

31-12-21

	USD	Historical rate	Rate per 31.12	NOK
USD-loan	36 881 912	8,1556	6,1177	225 632 473
Deferred debt issuance				<u>-1 523 836</u>
				<u>224 108 637</u>
Current portion:				
USD-loan	4 566 908			27 938 973
Deferred debt issuance				<u>-939 192</u>
				<u>26 999 781</u>

31-12-20

	USD	Historical rate	Rate per 31.12	NOK
USD-loan	41 448 820	8,1556	6,1177	253 571 446
Deferred debt issuance				<u>-2 544 754</u>
				<u>251 026 693</u>
Current portion:				
USD-loan	4 566 908			27 938 973
Deferred debt issuance				<u>-1 020 917</u>
				<u>26 918 057</u>

The USDNOK exchange rate at the year-end was 8,8363 (8,5375 in 2020).

Estimated outstanding debt per year end 2026 is USD 14 million.



The company has aimed to reduce the market risk by entering financial contracts. Hedge accounting has been applied for revenue in USD (cash flow hedge). Loans in USD are used as hedging instrument. The profit and loss impact of the hedging instrument (loan in USD) 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 contracts in USD exceed debt in USD. Therefore it is not recognized foreign exchange gains/losses on USD debt on the basis of the year-end exchange rate. Per 31.12.2021 the not recorded foreign exchange loss (i.e. off-balance) is NOK 100 million compared to a loss of NOK 100 million as per 31.12.2020.

Security for the loan is made through a first priority mortgage in the vessel, transportation of income, pledged bank deposit, factoring agreement, pledged shares in the company and guarantees from the owner.

Book value of mortgaged assets is NOK 421 million (NOK 457 million in 2020).

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. The Company has entered agreements on fixed interest rates on USD 25 million. Mark to market gain on the interest rate swaps have not been taken into account with USD 0.4 million (loss of USD 0.4 million in 2020).

9 Equity

Specification of the equity per 31.12.

	Share capital	Other paid in equity	Other equity	Total equity
Equity 01.01.	200 000	116 750 232	82 935 427	199 885 659
Extraordinary paid-out dividend	0	0	-77 261 750	-77 261 750
Paid-out dividend 2022	0	-13 476 003	-5 673 677	-19 149 680
Result for the year	0	0	70 814 313	70 814 313
Equity 31.12.	200 000	103 274 229	70 814 313	174 288 542

Share capital consist of 100 shares à NOK 2,000, all held by KNOT Shuttle Tankers AS.

The company is controlled 100% by KNOT Offshore Partners LP. Accounting for the Group can be obtained from the website, <http://knotoffshorepartners.com/>.

10 Shares Owned by Board Members and Affiliates

Trygve Seglem controls TS Shipping Invest AS, which owns 50 % of the company Knutsen NYK Offshore Tankers AS, which controls 30,47% of KNOT Offshore Partners LP.



11 Tax

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 within the tonnage tax scheme will have to pay a tonnage tax based on the size of the company's operated vessels, which amounted to NOK 160 007 (NOK 160 007 last year). Tonnage tax is classified as an operating expense.

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

	2021	Change	2020
Foreign exchange rate contracts	0	0	0
Loss carried forward	-76 631 945	-3 432 067	-73 199 878
Basis for deferred tax (benefit)	-76 631 945	-3 432 067	-73 199 878
Deferred tax (benefit)	-16 859 028	-755 055	-16 103 973
Deferred tax (benefit) booked	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.

Taxable result tonnage tax scheme:

	2021	2020
Net financial items	-9 696 354	-22 828 214
Non-deductible currency loss	-2 149 419	-3 123 219
Interest swaps/foreign exchange rate contracts	0	7 265 385
Other non-deductible financial expenses	-306 410	0
Non-deductible interest / taxable interest	8 720 115	13 561 263
Taxable income before loss carried forward	-3 432 067	-5 124 785
Change in loss carried forward	3 432 067	5 124 785
Taxable income	0	0
Tax payable	0	0
Change in deferred tax	0	0
Tax expense	0	0

12 Inventories

Inventories refer to lube oil and stores as per 31 December. Due to the fact that the vessel is contracted on a time charter, bunkers and bunkers stock are for charterer's account.

13 Crew Hire

The company has no own employees, but hires all crew from related parties in accordance with a separate management agreement.



Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6a, 0191 Oslo
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www.ey.no
Medlemmer av Den norske Revisorforening

To the Shareholders' Meeting of Knutsen Shuttle Tankers 13 AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Knutsen Shuttle Tankers 13 AS (the company) which comprise the balance sheet as at December 31, 2021, the statement of income 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 statutory requirements, and
- the financial statements present fairly in all material respects the financial position of the Company as at December 31, 2021 and (of) its financial performance and its 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 as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International 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 information in the Board of Directors' report and for the other information presented with the financial statements. The purpose is to consider if there is materially inconsistency between the information in the Board of Directors' report and the other information presented with the financial statements and the financial statements or our knowledge obtained in the audit, or the information in the Board of Directors' report and for the other information presented with the financial statements 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.

Responsibilities of the management for the Financial Statements

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

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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 insofar as it is not likely that the enterprise will cease operations.

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 those charged with governance 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, 10 March 2022
Ernst & Young AS

Johan Lid Nordby
State Authorised Public Accountant
(This document is signed electronically)

Independent auditor's report - Knutsen Shuttle Tankers 13 AS

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

Johan Nordby

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5997-4-729076

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Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	17.11.2011	08.12.2011
Telefon	Deres referanse	Vår referanse
22078139	Jørn Knutsen	2009/867030

ERNST & YOUNG AS
Postboks 20 Oslo Atrium
0051 OSLO

Dispensasjon fra kravet om å utarbeidelse av årsregnskap og årsberetning på norsk språk

Det vises til deres brev av 17. november 2011 og telefonsamtale i sakens anledning. Det søkes om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk på vegne av;

Knutsen NYK Shuttle Tankers 8 AS	org. nr. 997 091 051
Knutsen NYK Offshore Tankers 1 AS	org. nr. 897 099 152
Knutsen Shuttle Tankers 13 AS	org. nr. 996 661 016
Knutsen Shuttle Tankers 14 AS	org. nr. 996 821 374
Knutsen Shuttle Tankers 15 AS	org. nr. 997 006 968
Knutsen NYK Shuttle Tankers 16 AS	org. nr. 997 404 009

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper 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

De overnevnte selskapene er eid 50 % av TS Shipping Invest AS og 50 % av NYK Logistics Holding (Europe) B.V. som er hjemmehørende i Nederland. TS Shipping Invest AS fikk i vedtak (2010/867030) av 2. juni 2010 dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk språk. Selskapene driver virksomhet innen shippingbransjen som er en global bransje hvor engelsk primært benyttes ved kommunikasjon med omverden. Selskapene benytter også engelsk som arbeidsspråk internt. Brukerne av regnskapene er hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften. Styrene i selskapene har medlemmer som ikke er norskspråklige. De norske versjonene av årsregnskapet utarbeides kun for å tilfredsstille regnskapsloven.

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.”

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



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 selskapene er 50 % eid av et selskap som er innvilget dispensasjon og 50 % av et nederlandsk selskap. Selskapene opererer i en global bransje hvor engelsk primært benyttes. Arbeidsspråk er også engelsk. Videre er det vektlagt at styrene i selskapene har medlemmer som ikke er norskspråklige.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland