



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 914 012 902
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNOT SHUTTLE TANKERS 24 AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

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: 07.04.2025

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

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

Brønnøysundregistrene, 27.04.2025



Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Inntekter			
Freight income	1	205 126 441	188 323 182
Other income		10 025	2 366
Sum inntekter		205 136 466	188 325 548
Kostnader			
Crew-hire	2	34 390 692	36 357 230
Ordinary depreciation	3	49 299 036	49 309 502
Other operating expenses		23 528 943	23 422 246
Administration	2	9 089 804	8 293 337
Sum kostnader		116 308 475	117 382 315
Driftsresultat		88 827 991	70 943 233
Finansinntekter og finanskostnader			
Financial income	4	2 126 633	1 780 987
Foreign exchange gain/loss		1 846 699	1 765 831
Sum finansinntekter		3 973 331	3 546 818
Financial expenses	4	27 369 993	38 072 468
Sum finanskostnader		27 369 993	38 072 468
Netto finans		-23 396 661	-34 525 650
Resultat før skattekostnad		65 431 330	36 417 583
Taxes	5		
Årsresultat		65 431 330	36 417 583
Årsresultat etter minoritetsinteresser		65 431 330	36 417 583
Totalresultat		65 431 330	36 417 583



Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	3	756 302 951	805 335 372
Accrued income	1	27 585 273	
Sum varige driftsmidler		783 888 225	805 335 372
Finansielle anleggsmidler			
Financial contracts	10	121 892	777 992
Sum finansielle anleggsmidler		121 892	777 992
Sum anleggsmidler		784 010 117	806 113 364
Omløpsmidler			
Varer			
Inventories	6	2 644 586	1 683 912
Sum varer		2 644 586	1 683 912
Fordringer			
Receivables	11	2 279 183	6 641 700
Konsernfordringer		1 412 982	6 570 908
Sum fordringer		3 692 164	13 212 608
Financial instruments	10		
Bankinnskudd, kontanter og lignende			
Bank deposits	7	31 842 435	19 389 396
Sum bankinnskudd, kontanter og lignende		31 842 435	19 389 396
Sum omløpsmidler		38 179 185	34 285 916
SUM EIENDELER		822 189 301	840 399 280

BALANSE - EGENKAPITAL OG GJELD



Balanse

Beløp i: NOK	Note	2024	2023
Egenkapital			
Innskutt egenkapital			
Share capital		100 000	100 000
Annen innskutt egenkapital		223 337 540	223 337 540
Sum innskutt egenkapital		223 437 540	223 437 540
Opptjent egenkapital			
Other equity		99 107 555	71 312 991
Sum opptjent egenkapital		99 107 555	71 312 991
Sum egenkapital	8, 9	322 545 096	294 750 531
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Obligasjonslån	10		
Gjeld til kredittinstitusjoner	10	492 416 151	536 013 822
Other non-current liabilities	10		
Sum annen langsiktig gjeld		492 416 151	536 013 822
Sum langsiktig gjeld		492 416 151	536 013 822
Kortsiktig gjeld			
Leverandørgjeld	11	4 455 767	6 977 763
Kortsiktig konserngjeld		174 923	
Accrued interest		978 115	713 193
Other current liabilities		1 619 250	1 943 971
Sum kortsiktig gjeld		7 228 054	9 634 927
Sum gjeld		499 644 206	545 648 749
SUM EGENKAPITAL OG GJELD		822 189 301	840 399 280



Statsautoriserte revisorer
Ernst & Young AS
Stororvet 7, 0155 Oslo
Postboks 1156 Sentrum, 0107 Oslo

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Medlemmer av Den norske Revisorforening

To the General Meeting in KNOT Shuttle Tankers 24 AS

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of KNOT Shuttle Tankers 24 AS (the Company), which comprise Balance Sheet as of 31 December 2024, Profit & Loss Account and cash flow statement 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 give a true and fair view of the financial position of the Company as of 31 December 2024 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)* (the 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

The Board of Directors (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the information in the Board of Directors' report. The purpose is to consider if there is material inconsistency between the information in the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or otherwise the information in the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of management for the financial statements

Management is responsible for the preparation of the 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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Per memo Dokumentnøkkel: 8UNM2-3PR7E-LUHTD-M18PS-7GQCX-1J5B7



**Shape the future
with confidence**

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.

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, 7 April 2025
ERNST & YOUNG AS

The auditor's report is signed electronically

Johan Lid Nordby
State Authorised Public Accountant (Norway)

Independent auditor's report - KNOT Shuttle Tankers 24 AS 2024

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Nordby, Johan Lid

Statsautorisert revisor

På vegne av: ERNST & YOUNG AS

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Name	Method	Signed at
Seglem, Trygve	BANKID	2025-04-07 12:06 GMT+02
Omoto, Junya	BANKID	2025-04-07 11:25 GMT+02

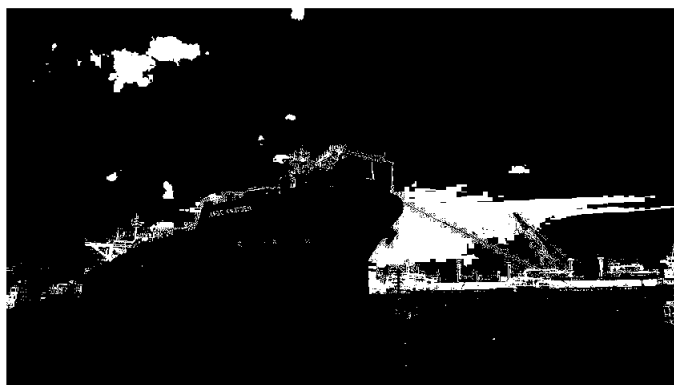


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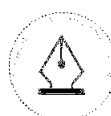


KNOT Shuttle Tankers 24 AS Annual Report 2024



M/T "Tordis Knutsen"

KNOT
Offshore Partners LP



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KNOT SHUTTLE TANKERS 24 AS

REPORT OF THE BOARD OF DIRECTORS 2024

KNOT Shuttle Tankers 24 AS owns one 158 000 dwt suez-max DP2 shuttle tanker, M/T Tordis Knutsen, delivered from Hyundai Heavy Industries (HHI) Shipyard in South Korea in 2016.

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 and the vessel in accordance with separate agreements.

The company's activity

The vessel has been operated on a five-year fixed charter contract with Brazil Shipping I Limited, an entity in Shell, until July 2028 with charterers option to extend three times one-year.

Result for the year

The operating result for KNOT Shuttle Tankers 24 AS was NOK 88 827 991 in 2024 compared to NOK 70 943 233 in 2023. After net financial loss of NOK 23 296 661 in 2023, against a loss of NOK 34 525 650 in 2023, the profit for the year was NOK 65 431 330 in 2024 compared to NOK 36 417 583 in 2023.

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

Total cash flow from operating activities in the company was NOK 107 673 188, NOK 110 552 801 in 2023. The liquidity position was NOK 31 842 435 as per 31.12.2024 compared to NOK 19 389 396 as per 31.12.2023. The company's ability to finance its investments is good. Outstanding mortgage loan is at the end of 2024 USD 58 529 884, USD 63 854 816 in mortgage debt at the end of 2023.

The company is exposed to fluctuations in foreign exchange rates, especially USD, as the company's income is denominated in USD. Since most the company's operating expenses and financial costs 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 to reduce the company's foreign exchange risk, and thereby operating related market risk.

The company is also exposed to changes in the interest rate level, as its long-term debt carrying floating interest rate. The company has three interest rate swaps agreements in the amount of USD 74.3 million to reduce the company's interest rate risk.

Total capital was by the end of the year NOK 822 189 301, NOK 840 399 280 at the end of 2023. The equity-share as of 31.12.2024 was 39 %, compared to 36 % as of 31.12.2023.

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.



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The environment safety and quality control

The requirements for safety and operation of ships are increasing, and the company, the group and the manager KNOT Management AS 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 KNOT Offshore Partners Group emphasize operational quality. There have been no accidents linked to operations that have had serious consequences for crew, the environment, or assets in 2024.

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 are included in a report that could be found here www.knutsenoas.com and the report is updated minimum one time per year.

Prospects

M/T Tordis Knutsen is operated on a long-term charter with Shell. The charterers and trading area is well known for the manager and the Board of Directors. The Board of Directors expect that 2025 will be a stable profitable year for the company and that the company.

Haugesund, April 7, 2025

Trygve Seglem
Chairman of the Board/CEO

Junya Omoto
Member of the Board



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KNOT Shuttle Tankers 24 AS

Profit & Loss Account

	Note	2024	2023
<u>Operating Income</u>			
Freight income	1	205 126 441	188 323 182
Other income		10 025	2 366
<i>Total Operating income</i>		<u>205 136 466</u>	<u>188 325 548</u>
<u>Operating Expenses</u>			
Crew-hire	2	34 390 692	36 357 230
Other operating expenses		23 528 943	23 422 246
Administration	2	9 089 804	8 293 337
<i>Total Operating Expenses</i>		<u>67 009 439</u>	<u>68 072 813</u>
Ordinary depreciation	3	49 299 036	49 309 502
<i>Operating Result</i>		<u>88 827 991</u>	<u>70 943 233</u>
<u>Financial Income and Expenses</u>			
Financial income	4	2 126 633	1 780 987
Foreign exchange gain/loss		1 846 699	1 765 831
Financial expenses	4	-27 369 993	-38 072 468
<i>Net Financial Items</i>		<u>-23 396 661</u>	<u>-34 525 650</u>
<i>Result before taxes</i>		<u>65 431 330</u>	<u>36 417 583</u>
Taxes	5	0	0
<i>Result for the year</i>		<u>65 431 330</u>	<u>36 417 583</u>



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KNOT Shuttle Tankers 24 AS
Balance Sheet as of 31. December

	Note	2024	2023
Assets			
<u>Fixed assets</u>			
Vessel	3	756 302 951	805 335 372
Accrued income	1	27 585 273	0
Financial contracts	10	121 892	777 992
<i>Total Fixed Assets</i>		<u>784 010 117</u>	<u>806 113 364</u>
<u>Current Assets</u>			
Inventories	6	2 644 586	1 683 912
Receivables	11	2 279 183	6 641 700
Current receivables group		1 412 982	6 570 908
Bank deposits	7	31 842 435	19 389 396
<i>Total Current Assets</i>		<u>38 179 185</u>	<u>34 285 916</u>
TOTAL ASSETS		<u>822 189 301</u>	<u>840 399 280</u>



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KNOT Shuttle Tankers 24 AS
Balance Sheet as of 31. December

	Note	2024	2023
<u>Shareholders Equity and Liabilities</u>			
<u>Equity</u>			
Share capital		100 000	100 000
Other paid-up equity		223 337 540	223 337 540
<i>Total capital paid-in</i>		<u>223 437 540</u>	<u>223 437 540</u>
Other equity		99 107 555	71 312 991
<i>Total Shareholders' Equity</i>	8, 9	<u>322 545 096</u>	<u>294 750 531</u>
<u>Long Term Liabilities</u>			
Liabilities to financial institutions	10	492 416 151	536 013 822
<i>Total Long Term Liabilities</i>		<u>492 416 151</u>	<u>536 013 822</u>
<u>Current Liabilities</u>			
Accounts payable	11	4 455 767	6 977 763
Accrued interest		978 115	713 193
Current liabilities group		174 923	0
Other current liabilities		1 619 250	1 943 971
<i>Total Current Liabilities</i>		<u>7 228 054</u>	<u>9 634 927</u>
<i>Total liabilities</i>		<u>499 644 206</u>	<u>545 648 749</u>
<i>SHAREHOLDERS' EQUITY AND LIABILITIES</i>		<u>822 189 301</u>	<u>840 399 280</u>

Haugesund, April 7, 2025,

Trygve Seglem
chairman of the board

Junya Omoto
member of the board



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KNOT Shuttle Tankers 24 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.

	2024	2023
Result before tax	65 431 330	36 417 583
+ Ordinary depreciation	49 299 036	49 309 502
+Accrued income	-27 585 273	0
+Unrealized profit/loss on foreign exchange rate contracts	0	7 015 190
+Amortized financial contracts	656 100	654 307
-/+ Profit/loss on foreign exchange liabilities to fin. institutions	12 322 653	12 357 664
+ Financial expenses - liabilities to financial institutions	1 396 446	1 483 476
= Total generated from operations	101 520 291	107 237 722
+ Net received on current assets	8 559 769	8 975 552
+ Net received on current liabilities	-2 406 872	-5 660 473
Net cashflow from operations	107 673 188	110 552 801
<u>Cashflow from investments</u>		
Upgrading of vessel	0	1 370 274
Performed class renewal with drydocking	-266 615	275 918
Net cashflow from investments	-266 615	1 646 191
<u>Cashflow from financing</u>		
Repayment of liabilities to financial institutions	-57 316 770	-57 351 780
Dividend paid-out	-37 636 765	-40 806 400
Net cashflow from financing	-94 953 535	-98 158 180
Net cashflow for the year	12 453 039	14 040 812
+ Bank deposits per 01.01.	19 389 396	5 348 584
= Bank deposits per 31.12.	31 842 435	19 389 396



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KNOT SHUTTLE TANKERS 24 AS

Notes to the Financial Statement 31.12.2024

Accounting Principles

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

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 company is operated on a five year fixed contract with Brazil Shipping I Limited, a subsidiary of Royal Dutch Shell. The contract is fixed until July 2028 +60 /-30 days, and the charterers have three options to extend the contract with one year.

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. The effect of the straight-lining is accrued on the balance sheet as accrued revenue.

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

2 Employees and remuneration

The company has no employees and thereby no pension liabilities (under the new OTP regulation). The company hires the crew from Knutsen OAS Shipping AS in accordance with a separate management agreement.

	<u>2024</u>	<u>2023</u>
Grants crew expenses	1 298 657	403 340

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):	<u>2024</u>	<u>2023</u>
Audit	68 480	21 284
Other services besides audit	0	0
	<u>68 480</u>	<u>21 284</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.

Vessel	2024	2023
Historical value 1.1.	1 094 495 468	1 095 865 741
Accumulated depreciation 1.1.	305 736 603	262 116 476
Book value 1.1.	788 758 865	833 749 265
Additions/Disposals	0	-1 370 274
Annual depreciation	43 540 680	43 620 127
Book value 31.12.	745 218 185	788 758 865

Dry-docking	2024	2023
Capitalised dry-docking	27 661 394	27 937 312
Accumulated depreciation dry-docking 1.1.	11 084 886	5 395 511
Capitalised dry-docking 1.1.	16 576 508	22 541 801
Additions/Disposals	266 615	-275 918
Annual depreciation	5 758 356	5 689 375
Book value 31.12.	11 084 767	16 576 508
Total book value vessel 31.12.	756 302 951	805 335 372

4 **Financial Income and Expenses**

	2024	2023
Financial Income:		
Other interest income	2 126 633	1 780 987
Total financial income	2 126 633	1 780 987
Financial expenses:		
Inefficient part of interest rate swap	0	7 015 190
Interest expenses	23 896 654	27 344 242
Guarantee cost from related parties	3 195 206	3 398 560
Other financial expenses	278 133	314 475
Total financial expenses	27 369 993	38 072 468



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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.

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

	31.12.2024	Change	31.12.2023
Deductibel interest carried forward	-6 333 146	0	-6 333 146
Loss carried forward	-18 592 743	23 733 193	-42 325 936
Basis for deferred tax (benefit)	-24 925 889	23 733 193	-48 659 074
Deferred tax (benefit)	0	0	0

Deferred tax assets are only recognized to the extent that it is more probable than not that these will be utilized in the future.

Taxable result tonnage tax scheme:

	2024	2023
Net financial Items	-23 396 661	-34 525 650
Non-taxable currency gain	-2 390 775	-2 142 067
Non-deductable interest	49 520 665	53 210 429
Non-taxable interest	-36	-732
Unrealized interest rate swaps	0	7 015 190
Taxable income before loss carried forward	23 733 193	23 557 170
Loss carried forward	23 733 193	23 557 170
Taxable income	0	0
Tax payable	0	0
Change in deferred tax	0	0
Tax expense	0	0
Tonnage tax expenses under operating expenses	142 788	142 788

6 Inventories

Specification of inventories per 31.12.

	2024	2023
Lube oil	2 644 586	1 683 912
Total inventory	2 644 586	1 683 912

7 Bank deposits

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



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8 Equity

Specification of the equity per 31.12.

	Share capital	Additional paid-in capital	Other equity	Total equity
Equity 01.01.	100 000	223 337 540	71 312 991	294 750 531
Extraordinary dividend paid-out	0	0	-37 636 765	-37 636 765
Result for the year	0	0	65 431 330	65 431 330
Equity 31.12.	100 000	223 337 540	99 107 556	322 545 096

Share capital consist of 100 shares à NOK 1,000, 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/>.

9 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.

10 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 freight income. We book realized- and unrealized foreign exchange gain/-loss for any uneffective 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	Hedge accounting rate	Accounting balance 2024	Accounting balance 2023
Mortgage debt	USD	58 529 884	8,4497	494 560 385	539 554 502
Debt issuance cost				-2 144 234	-3 540 680
Liabilities to financial institutions				492 416 151	536 013 822

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.



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	<u>2024</u>	<u>2023</u>
Foreign exchange gain/-loss not taken over profit and loss (i.e. off-balance):	-169 057 293	-111 924 258
<u>Amounts due within 12 months of the balance sheet date:</u>		
Mortgage debt	44 994 117	44 994 117
Debt issuance cost	-1 299 089	-1 396 447
Liabilities to financial institutions	43 695 028	43 597 670
<u>Repayment profile:</u>		
0 - 12 months	5 324 932	5 324 932
13 - 24 months	5 324 932	5 324 932
25 - 36 months	5 324 932	5 324 932
37 - 48 months	5 324 932	5 324 932
49 - 60 months	5 324 932	5 324 932
After 60 months	31 905 224	37 230 156
	58 529 884	63 854 816
The exchange rate at the year-end	USDNOK	11,3381
		10,2025

Security for the loan is made through a first priority mortgage in the vessels, assignment of earnings, assignment of insurances, bank accounts, factoring agreement, pledged shares in the company, guarantees from the owner, and undertakings from the manager.

Book value of mortgaged assets is NOK 822 million.

The company has entered into interest rate swap contracts to reduce the effects of exchange rate fluctuations. Hedge accounting has been applied for revenue in interest rate swap contracts - cash flow hedge. Fixed rate interest rate swaps 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 gains/-losses on the interest rate swaps are presented as an reduction/increase of Interest expenses.

Future interest payments on the floating rate liabilities to financial institutions do not exceed the interest rate swaps notional amounts at the balance sheet date. However, it is not recognized mark to market gains/losses on fixed interest rate swaps on the basis of the year-end market interest rates.

	<u>Currency</u>	<u>2024</u>	<u>2023</u>
Outstanding fixed interest rate swaps	USD	74 342 105	76 973 684
Mark to market valuation	USD	2 475 056	3 976 408
Inefficient part not booked in the balance	NOK	5 968 750	6 914 354
<u>Acquired interest swaps</u>			
		<u>2024</u>	<u>2023</u>
Book value 01.01.		777 992	1 432 299
Amortization		656 100	654 307
Book value 31.12.		121 892	777 992

11 Balances with related parties

	<u>2024</u>	<u>2023</u>
<u>Receivables</u>		
KNOT Management AS	0	15 887
KNOT Shuttle Tankers 42 AS	3 123	0
	3 123	15 887
<u>Accounts payable</u>		
	<u>2024</u>	<u>2023</u>
Knutsen OAS Shipping AS	1 267 713	1 864 339
Knutsen OAS Crewing AS	36 467	37 305
KNOT Management AS	772 064	3 500 698
Knutsen OAS Crewing Eastern Europe AS	43 085	0
	2 119 329	5 402 342

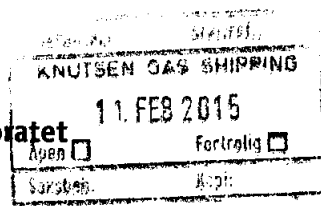


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Skattedirektoratet



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
Org.nr: 996250318
E-post: 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