



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 912 745 414
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORSPAN LNG IX AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Peter Myklebust Opsal
Dato for fastsettelse av årsregnskapet: 11.05.2022

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 27.06.2023



Resultatregnskap

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Operating income	2	26 917 932	28 957 228
Commissions		-254 346	-301 836
Sum inntekter		26 663 586	28 655 393
Kostnader			
Crew-hire	11	2 872 335	2 524 510
Ordinary depreciation	5	6 411 200	6 332 400
Other operating expenses		2 876 406	3 060 272
Administration	8		
Sum kostnader		12 159 941	11 917 182
Driftsresultat		14 503 645	16 738 210
Finansinntekter og finanskostnader			
Financial income	6	186 471	241 876
Foreign exchange gain/loss		13 592	370 856
Sum finansinntekter		200 063	612 732
Financial expenses	6	9 771 262	10 546 260
Sum finanskostnader		9 771 262	10 546 260
Netto finans		-9 571 199	-9 933 528
Ordinært resultat før skattekostnad		4 932 446	6 804 683
Taxes	13		
Ordinært resultat etter skattekostnad		4 932 446	6 804 683
Årsresultat		4 932 446	6 804 683
Årsresultat etter minoritetsinteresser		4 932 446	6 804 683
Totalresultat		4 932 446	6 804 683



Balanse

Beløp i: USD	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	5, 12	201 275 201	202 345 746
Sum varige driftsmidler		201 275 201	202 345 746
Sum anleggsmidler		201 275 201	202 345 746
Omløpsmidler			
Varer			
Sum varer	4	433 384	294 272
Fordringer			
Accounts receivable		56 343	14 152
Other short-term receivables		224 112	102 161
Group receivables	7	1 001 764	573 330
Current receivables associates	7	77 123	1 445
Sum fordringer		1 359 342	691 087
Bankinnskudd, kontanter og lignende			
Bank deposits	3	5 542 465	9 213 400
Sum bankinnskudd, kontanter og lignende		5 542 465	9 213 400
Sum omløpsmidler		7 335 191	10 198 760
SUM EIENDELER		208 610 391	212 544 506
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital		17 115 252	17 115 252
Overkurs		1 155 971	1 155 971



Balanse

Beløp i: USD	Note	2021	2020
Sum innskutt egenkapital		18 271 223	18 271 223
Opptjent egenkapital			
Other equity		17 499 523	13 568 841
Sum opptjent egenkapital		17 499 523	13 568 841
Sum egenkapital	9, 10	35 770 746	31 840 065
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	12	167 723 354	176 859 118
Sum annen langsiktig gjeld		167 723 354	176 859 118
Sum langsiktig gjeld		167 723 354	176 859 118
Kortsiktig gjeld			
Leverandørgjeld		833 831	538 938
Tax payable	13		
Kortsiktig konserngjeld	7	1 001 764	
Accrued interest		820 857	836 151
Current payable associates	7		
Other current liabilities	7	2 459 838	2 470 233
Sum kortsiktig gjeld		5 116 291	3 845 323
Sum gjeld		172 839 645	180 704 441
SUM EGENKAPITAL OG GJELD		208 610 391	212 544 506



Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 31.01.2014	Vår dato 11.02.2014
Telefon 22078139	Deres referanse Geir Tore Henriksen	Vår referanse 2014/84494

TS SHIPPING INVEST AS
Postboks 2017
5504 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

— Det vises til deres brev av 31. januar 2014 der det søkes om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk språk på vegne av;

Knutsen LNG AS	org. nr. 913 018 664
Norspan LNG IX AS	org. nr. 912 745 414
Norspan LNG XI AS	org. nr. 913 018 087
Norspan LNG X AS	org. nr. 912 745 449
Umoe LNG AS	org. nr. 913 018 141
KNOT Shuttle Tankers 23 AS	org. nr. 913 154 576
KNOT Shuttle Tankers 22 AS	org. nr. 812 818 252

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 opplysningene som vedtaket baserer seg på 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 med en rekke datterselskaper har i tidligere vedtak fått 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*

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



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 kan gis, 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 saken.

Med hilsen

Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

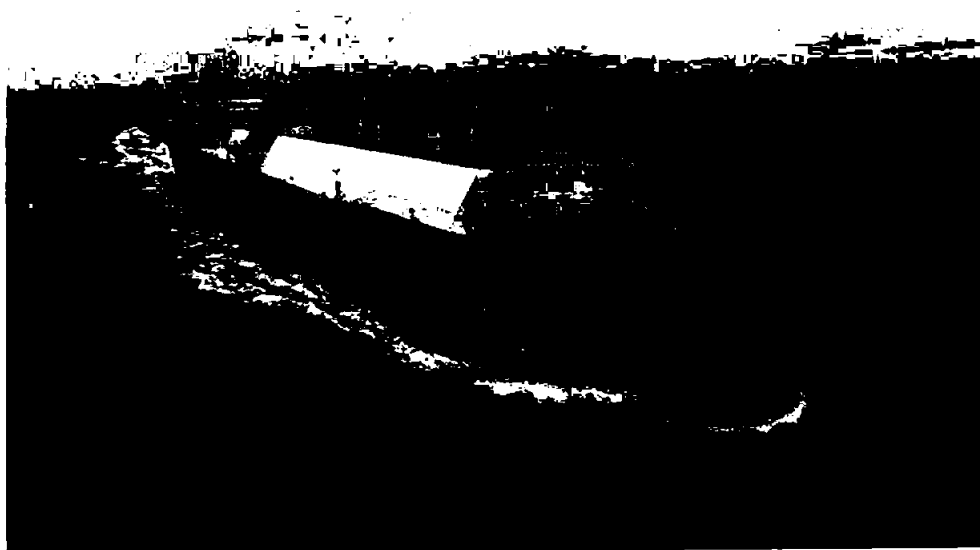
Torstein Kinden Helleland



NORSPAN LNG IX AS

ANNUAL REPORT

2021



LNG/c La Mancha Knutsen



NORSPAN LNG IX AS

REPORT OF THE BOARD OF DIRECTORS 2021

Norspan LNG IX AS was established in November 2013 when the company entered a shipbuilding contract with HHI in Korea for the construction of a 176.000 m³ LNG-vessel, shipbuilding number 2733.

The vessel named La Mancha Knutsen was delivered 21 September 2016. Immediately after delivery she entered a 20 years firm time charter contract with the Spanish energy company Naturgy.

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

The vessel has operated satisfactorily in 2021 without any unscheduled technical off-hire. La Mancha was dry-docked as scheduled in Dubai in June for her 5 years classification survey. The dry-docking was performed within budget and the vessel was off-hire for 24.8 days including deviation.

2021 has been a challenging year operational wise due to the Covid-19 pandemic. The Board of Directors would like to give credit to officers and crew onboard La Mancha Knutsen as well as the staff of the manager and the charterer for establishing efficient guidelines and operational procedures in order to keep the vessel and everyone onboard safe.

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

Profit for the year

The company had an operating income of USD 26 663 586 in 2021 (28 655 393 in 2020). The operating profit for the year was USD 14 503 645 compared to USD 16 738 210 in 2020. Net financial expenses were USD 9 571 199 (USD 9 933 528 in 2020). The profit for the year was USD 4 932 446 compared to USD 6 804 683 in 2020.

The Board of Directors suggests that the result for the year is transferred to other equity. Total cash flow from operating activities in the company was USD 11 521 564 compared to USD 13 531 265 in 2020.

The liquidity balance as at 31.12.21 was USD 5 542 465 (USD 9 213 400 as at 31.12.2020). The total capital was by year end USD 208 610 391, compared to USD 212 544 506, for the previous year. The equity-asset ratio was 17.1 % per 31.12.2021 compared to 15.0% as per 31.12.2020.



The Company has been exposed to fluctuations in exchange rates, with income in USD while a portion of the Company's expenses are in foreign currencies other than USD. However, the risk was reduced since the majority of the Company's expenses related to operating and financing expenses are denominated in USD. The company has reduced the interest rate fluctuation risk through interest rate swaps.

The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern.

High operational standards

The requirements for safe and environmentally friendly operation of the vessel are increasing, and both the Company and the manager Knutsen OAS Shipping emphasize operational quality. The manager is ISO 9001 and ISO 14001 certified and establishes each year Key Performance Indicators (KPIs) for improved safety and environmental operation. The Board of Directors considers the working conditions as satisfactory. All certificates are valid and La Mancha Knutsen is certified in accordance with both the ISM and ISPS codes.

La Mancha Knutsen is designed to the highest technical standard. The Company and the manager allocate considerable resources to quality control, and there are strict requirements to safety and the operational systems of the vessel.

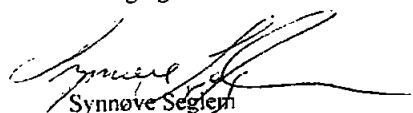
Knutsen OAS Shipping has a policy to minimize pollution to air and sea from the operations and has established a continuous program to improve environmental impact from the operations. The vessel is equipped with ME-GI engines which are among the most fuel efficient LNG engine designs, and has a full reliquefaction plant installed which significantly reduces cargo losses while on long voyages or awaiting cargo operations.

Future prospects

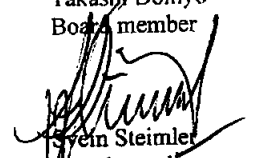
LNG/c La Mancha Knutsen is on a long-term contract with a first-class charterer and the vessel's operational performance since delivery has been excellent. The Board of Directors has every reason to believe that 2022 will be a satisfactory year for the company.

Haugesund, 4 February 2022


Trygve Seglem
Managing Director/Chairman of the Board


Synnøve Seglem
Board member


Takashi Domyo
Board member


Svein Steimler
Board member



Norspan LNG IX AS

Profit & Loss Account

Numbers in USD

	<u>Note</u>	<u>2021</u>	<u>2020</u>
<u>Operating Income</u>			
Operating income	2	26 917 932	28 957 228
Commissions		-254 346	-301 836
<i>Total Operating income</i>		<u>26 663 586</u>	<u>28 655 393</u>
<u>Operating Expenses</u>			
Crew-hire	11	2 872 335	2 524 510
Other operating expenses		2 876 406	3 060 272
<i>Total Operating Expenses</i>		<u>5 748 741</u>	<u>5 584 782</u>
<i>Operating result before depreciation</i>		<u>20 914 845</u>	<u>23 070 610</u>
Ordinary depreciation	5	6 411 200	6 332 400
<i>Total depreciation and write-downs</i>		<u>6 411 200</u>	<u>6 332 400</u>
<i>Operating Result</i>		<u>14 503 645</u>	<u>16 738 210</u>
<u>Financial Income and Expenses</u>			
Financial income	6	186 471	241 876
Foreign exchange gain/loss		13 592	370 856
Financial expenses	6	-9 771 262	-10 546 260
<i>Net Financial Items</i>		<u>-9 571 199</u>	<u>-9 933 528</u>
<i>Result before taxes</i>		<u>4 932 446</u>	<u>6 804 683</u>
Taxes	13	0	0
<i>Result for the year</i>		<u>4 932 446</u>	<u>6 804 683</u>



Norspan LNG IX AS
Balance Sheet as of 31. December

Numbers in USD

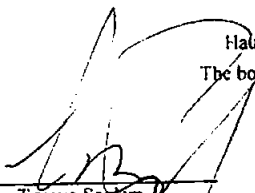
<u>ASSETS</u>	<u>Note</u>	2021	2020
<u>Fixed Assets</u>			
Vessel	5, 12	201 275 201	202 345 746
<i>Total Fixed Assets</i>		<u>201 275 201</u>	<u>202 345 746</u>
<u>Current Assets</u>			
Inventories	4	433 384	294 272
Accounts receivable		56 343	14 152
Other short-term receivables		224 112	102 161
Group receivables	7	1 001 764	573 330
Current receivables associates	7	77 123	1 445
Bank deposits	3	5 542 465	9 213 400
<i>Total Current Assets</i>		<u>7 335 191</u>	<u>10 198 760</u>
TOTAL ASSETS		<u>208 610 391</u>	<u>212 544 506</u>

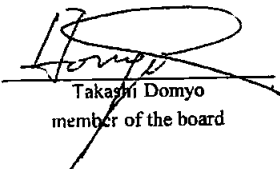


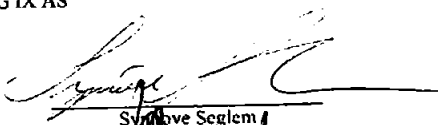
Norspan LNG IX AS
Balance Sheet as of 31. December

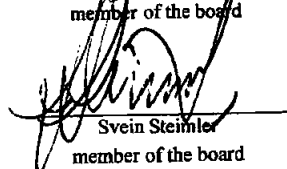
<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	<u>2021</u>	<u>2020</u>
Equity			
Share capital		17 115 252	17 115 252
Share premium		1 155 971	1 155 971
<i>Total capital paid-in</i>		<u>18 271 223</u>	<u>18 271 223</u>
Other equity		17 499 523	13 568 841
<i>Total Shareholders' Equity</i>	<i>9, 10</i>	<u>35 770 746</u>	<u>31 840 065</u>
Long Term Debt			
Mortgage debt	12	167 723 354	176 859 118
<i>Total Long Term Debt</i>		<u>167 723 354</u>	<u>176 859 118</u>
Current Liabilities			
Accounts payable		833 831	538 938
Accrued interest		820 857	836 151
Group contribution	7	1 001 764	0
Other current liabilities	7	2 459 838	2 470 233
<i>Total Current Liabilities</i>		<u>5 116 291</u>	<u>3 845 323</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>208 610 391</u>	<u>212 544 506</u>

Haugesund, 4 February 2022
The board of Norspan LNG IX AS


Trygve Seglem
chairman of the board/General Manager


Takashi Domyo
member of the board


Synnøve Seglem
member of the board


Svein Steimler
member of the board



NORSPAN LNG IX AS

CASHFLOW STATEMENT

	2021	2020
Total generated from operations 1)	11 631 292	13 425 477
Change in working capital	<u>-109 728</u>	<u>105 788</u>
Net cashflow from operations	<u>11 521 564</u>	<u>13 531 265</u>
Invested in vessel	-5 340 655	-16 398
Net cashflow from investments	<u>-5 340 655</u>	<u>-16 398</u>
Net drawn down mortgage debt	-9 423 410	-9 597 048
Group contribution		-7 700 000
Paid-in share capital, incl. share premium	0	0
Paid dividend		-2 100 000
Debt to group companies	<u>-428 434</u>	<u>5 783 915</u>
Net cashflow from financing	<u>-9 851 844</u>	<u>-13 613 133</u>
Net cashflow for the year	-3 670 935	-98 266
+ Cash balance per 01.01.	<u>9 213 400</u>	<u>9 311 666</u>
= Cash Balance per 31.12.	<u>5 542 465</u>	<u>9 213 400</u>

1) Generated from operations:

Result before tax	4 932 446	6 804 683
Amorized debt issuance cost	287 646	288 394
+Ordinary depreciation	<u>6 411 200</u>	<u>6 332 400</u>
= Total generated from operations	<u>11 631 292</u>	<u>13 425 477</u>



NORSPAN LNG IX AS

Notes to the Financial Statement 31.12.2021

1 **Accounting Principles**

The financial statement is prepared in accordance with the fundamental accounting principles as laid out by the Norwegian Accounting Act of 1998 and generally accepted accounting standards.

Current Assets/Current Liabilities

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

Current assets are valued at the lower of cost and fair value. Short-term liabilities are recorded at nominal value at the time of the entering.

Fixed Assets and Dry-Docking

Yard instalments paid on newbuildings are gradually recorded as fixed assets as the instalments are paid. All costs regarding construction supervision, construction financing (including building loan interest and provision of guarantees), purchases beyond the yard contract regarding the individual contract are also registered.

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

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

Dry-docking expenses are capitalised and expensed 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. 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.

Transactions in Foreign Currency

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

All current assets and current liabilities in foreign currency are registered at the rate of exchange as per 31.12. Realized foreign exchange gain and loss are registered as financial items.

Realized and unrealized profit and loss on foreign exchange are recorded as financial income / expenses.



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.

Financial Instruments

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

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

Tax

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

Cash flow statement

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

2 Contracts

The vessel La Mancha Knutsen was delivered in 21 September 2016, and entered into a 20 year time charter contract with the Spanish energy company Naturgy.

3 Bank deposits

The company doesn't have restricted bank funds per 31.12 except for a debt service retention account with a balance of USD 1 110 099 at 31.12.2021.



4 Inventories

Inventories amounting to USD 433 384 refer to lube oil and stores as per 31.12.2021 and the corresponding figures were USD 294 272 in 2020. Due to the fact that the vessel is contracted on a time charter, bunkers and bunkers stock are for charterers' account.

5 Fixed Assets

	<u>2021</u>	<u>2020</u>
Vessel		
Historical value 1.1.	226 017 648	226 017 648
Acc. Depreciation 1.1	24 177 700	18 525 700
Book Value 1.1	<u>201 856 346</u>	<u>207 491 948</u>
Additions/ disposal	1 636 736	16 398
Ordinary annual depreciation	5 675 000	5 652 000
Book value 31.12.	<u>197 818 082</u>	<u>201 856 346</u>

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

	<u>2021</u>	<u>2020</u>
Dry-Docking		
Historical value 1.1.	3 400 000	3 400 000
Acc. Depreciation 1.1	2 910 600	2 230 200
Book Value 1.1	489 400	1 169 800
Additions	3 703 919	0
Ordinary annual depreciation	736 200	680 400
Book value 31.12.	<u>3 457 119</u>	<u>489 400</u>
Book value vessel 31.12.	<u>201 275 201</u>	<u>202 345 746</u>

6 Financial Income and -Expenses

	<u>2021</u>	<u>2020</u>
Financial Income:		
Distribution from DNK	154 848	
Interest income	1	2 513
Interest income group	31 622	239 363
Total financial income	<u>186 471</u>	<u>241 876</u>
Financial expenses:		
Interest expenses	9 352 731	10 139 901
Interest expenses group	5 282	
Other financial expenses	413 249	406 359
Total financial expenses	<u>9 771 262</u>	<u>10 546 260</u>

7 Intercompany balances

	<u>2021</u>	<u>2020</u>
<u>Short-term receivables associated companies</u>		
Knutsen OAS Shipping AS	77 123	1 445
	<u>77 123</u>	<u>1 445</u>
<u>Short-term receivables group companies</u>		
Knutsen NYK LNG Holding AS	1 001 764	573 330
	<u>1 001 764</u>	<u>573 330</u>
<u>Short-term debt to group companies</u>		
Knutsen NYK LNG Holding AS (group contribution)	1 001 764	0
	<u>1 001 764</u>	<u>0</u>



8 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	5 060	4 441
Tax advice	0	0
Other services besides audit	0	0
	<u>5 060</u>	<u>4 441</u>

9 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other equity	Total equity
Equity 1.1.	17 115 252	1 155 971	13 568 842	31 840 065
Group Contribution			-1 001 764	-1 001 764
Result for the year			4 932 446	4 932 446
Equity 31.12.	<u>17 115 252</u>	<u>1 155 971</u>	<u>17 499 524</u>	<u>35 770 746</u>

Share capital consist of 500 000 shares à NOK 250

The shareholders of the company are :

Knutsen NYK LNG Holding AS 100 %

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

10 Shares Owned by Board Members and Affiliates

Trygve Seglem controls through Knutsen LNG AS 50 % of the company.

11 Employees

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

	2021	2020
Salary	2 021 963	2 020 100
Other benefits	850 372	504 410
Sum	<u>2 872 335</u>	<u>2 524 510</u>



12 Mortgage debt and financial instruments

	<u>2021</u>	<u>2020</u>
USD Loan 31.12.	169 047 949	178 471 360
Deferred debt issuance costs 31.12.	-1 324 596	-1 612 242
Book Value 31.12	<u>167 723 354</u>	<u>176 859 118</u>

The company's mortgage debt was secured in 2014. The current portion of the mortgage debt is USD 9 639 110 (USD 9 211 401 in 2020). Deferred debt issuance costs is capitalized with USD 1 324 596 (USD 1 612 242 in 2020). The current portion is USD 288 394 (USD 288 394 in 2020).

Interest on the company's debt is hedged 20 years from delivery of the vessel. Mark to market loss on interest swaps have not been taken into account with USD 21 316 052 (loss of USD 32 207 140 in 2020)

Security for the loan is made through a first priority mortgage in the vessel and assignment of income.

Book value of mortgaged assets is USD 201 million.

Estimated outstanding debt per 31.12.2026 is USD 122 million (balloon). The debt is to be refinanced in 2026

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 interest rate contracts for the entire loan in order to reduce the uncertainty of the floating interest rates. Interests are capitalized during the building period.

13 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 in 2021 amounted to NOK 150 015 (150 015 in 2020). Tonnage tax is classified as an operating expense.

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

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

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

	<u>2021</u>	<u>Change</u>	<u>2020</u>
USD-loan	0	0	0
Loss carried forward	-21 898 929	-4 791 693	-17 107 236
Basis for deferred tax (benefit)	<u>-21 898 929</u>	<u>-4 791 693</u>	<u>-17 107 236</u>
Deferred tax (benefit)	-4 817 764	-1 054 172	-3 763 592
Deferred tax (benefit) booked	<u>0</u>	<u>0</u>	<u>0</u>

Taxable result tonnage tax scheme:

	<u>2021</u>	<u>2020</u>
Net financial items	-9 571 199	-9 933 528
Currency effect on profit/loss before tax	-192 005	-3 018 100
Non-taxable currency gain	401 219	1 777 256
Dividende DNK	-152 723	
Deductable interest	4 144 527	6 196 819
Deductable building loan interest registered on vessel	0	0
Deductable interest rate swaps registered on vessel	0	0
Taxable income before loss carried forward	<u>-5 370 181</u>	<u>-4 977 552</u>
Currency effect on loss carried forward	-578 488	385 312
Change in loss carried forward	<u>-4 791 693</u>	<u>5 362 864</u>
Taxable income	<u>0</u>	<u>0</u>
Tax payable	0	0
Currency effect on tax payable	0	0
Change in deferred tax	0	0
Tax expense	<u>0</u>	<u>0</u>



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INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Norspan LNG IX AS

Opinion

We have audited the financial statements of Norspan LNG IX AS (the Company), which comprise the balance sheet as at 31 December 2021, the profit and loss account and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable legal requirements and give a true and fair view of the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

Responsibilities of management for the financial statements

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Bergen, 11 May 2022
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The auditor's report is signed electronically

Trine H. Bjerkvik
State Authorised Public Accountant (Norway)

Independent auditor's report - Norspan LNG IX AS 2021

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TRINE HANSEN BJERKVIK

Statsautorisert revisor

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