



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 921 657 633
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNOT SHUTTLE TANKERS 37 AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

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

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 26.05.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Freight income	1	71 047 679	
Sum inntekter		71 047 679	
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer		900 425	
Voyage related expenses		12 432 775	
Crew-hire	2	18 610 857	5 044
Ordinary depreciation	3	20 413 054	
Other operating expenses		10 682 774	4 680
Administration	2	6 854 543	569 374
Sum kostnader		69 894 427	579 099
Driftsresultat		1 153 251	-579 099
Finansinntekter og finanskostnader			
Financial income	4	723 921	175
Foreign exchange gain/loss		2 366 993	-137 590
Sum finansinntekter		3 090 914	-137 415
Financial expenses	4	26 050 253	417 207
Sum finanskostnader		26 050 253	417 207
Netto finans		-22 959 339	-554 622
Ordinært resultat før skattekostnad		-21 806 088	-1 133 720
Taxes	5		
Ordinært resultat etter skattekostnad		-21 806 088	-1 133 720
Årsresultat		-21 806 088	-1 133 720
Årsresultat etter minoritetsinteresser		-21 806 088	-1 133 720
Totalresultat		-21 806 088	-1 133 720



Resultatregnskap

Beløp i: NOK	Note	2022	2021
---------------------	-------------	-------------	-------------



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Varige driftsmidler			
Vessel	3	917 676 993	
Vessel under construction	3		155 857 863
Sum varige driftsmidler		917 676 993	155 857 863
Sum anleggsmidler		917 676 993	155 857 863
Omløpsmidler			
Varer			
Inventories	6	3 975 343	
Sum varer		3 975 343	
Fordringer			
Other short-term receivables		1 887 601	1 202 226
Konsernfordringer			100 426 835
Krav på innbetaling av selskapskapital		24 692 508	
Sum fordringer		26 580 109	101 629 060
Bankinnskudd, kontanter og lignende			
Bank deposits	7	37 874 368	4 007 863
Sum bankinnskudd, kontanter og lignende		37 874 368	4 007 863
Sum omløpsmidler		68 429 821	105 636 923
SUM EIENDELER		986 106 814	261 494 786
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	8	30 000	30 000



Balanse

Beløp i: NOK	Note	2022	2021
Overkurs		9 930	9 930
Annen innskutt egenkapital		175 906 613	197 712 701
Sum innskutt egenkapital		175 946 543	197 752 631
Other equity			
Sum egenkapital	8, 9	175 946 543	197 752 631
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	10	797 585 919	
Sum annen langsiktig gjeld		797 585 919	
Sum langsiktig gjeld		797 585 919	0
Kortsiktig gjeld			
Leverandørgjeld		3 664 025	869 600
Kortsiktig konserngjeld		3 762 164	62 688 852
Accrued interest		2 368 609	
Payables to related parties		485 101	153 704
Other current liabilities		2 294 453	30 000
Sum kortsiktig gjeld		12 574 352	63 742 156
Sum gjeld		810 160 271	63 742 156
SUM EGENKAPITAL OG GJELD		986 106 814	261 494 786



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Journalnummer: 2023 337117

Enheten

Organisasjonsnummer: 921 657 633
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNOT SHUTTLE TANKERS 37 AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2022 - 31.12.2022

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

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

Grunnlag for avgivelse

År 2022: Årsregnskap er elektronisk innlevert.
År 2021: Tall er hentet fra elektronisk innlevert årsregnskap fra 2022.

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

Brønnøysundregistrene, 27.03.2023



Organisasjonsnr: 921 657 633
KNOT SHUTTLE TANKERS 37 AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Freight income	1	71 047 679	
Sum inntekter		71 047 679	
Kostnader			
Endring i beholdning av varer under tilvirkning og ferdig tilvirkede varer		900 425	
Voyage related expenses		12 432 775	
Crew-hire	2	18 610 857	5 044
Ordinary depreciation	3	20 413 054	
Other operating expenses		10 682 774	4 680
Administration	2	6 854 543	569 374
Sum kostnader		69 894 427	579 099
Driftsresultat		1 153 251	-579 099
Finansinntekter og finanskostnader			
Financial income	4	723 921	175
Foreign exchange gain/loss		2 366 993	-137 590
Sum finansinntekter		3 090 914	-137 415
Financial expenses	4	26 050 253	417 207
Sum finanskostnader		26 050 253	417 207
Netto finans		-22 959 339	-554 622
Ordinært resultat før skattekostnad			
Taxes	5	-21 806 088	-1 133 720
Ordinært resultat etter skattekostnad		-21 806 088	-1 133 720
Årsresultat		-21 806 088	-1 133 720
Årsresultat etter minoritetsinteresser		-21 806 088	-1 133 720
Totalresultat		-21 806 088	-1 133 720



Organisasjonsnr: 921 657 633
KNOT SHUTTLE TANKERS 37 AS

BALANSE

Beløp i: NOK **Note** **2022** **2021**

BALANSE - EIENDELER

Anleggsmidler Immaterielle eiendeler

Varige driftsmidler

Vessel	3	917 676 993	
Vessel under construction	3		155 857 863
Sum varige driftsmidler		917 676 993	155 857 863
Sum anleggsmidler		917 676 993	155 857 863

Omløpsmidler

Varer

Inventories	6	3 975 343	
Sum varer		3 975 343	

Fordringer

Other short-term receivables		1 887 601	1 202 226
Konsernfordringer			100 426 835
Krav på innbetaling av selskapskapital		24 692 508	
Sum fordringer		26 580 109	101 629 060

Bankinnskudd, kontanter og lignende

Bank deposits	7	37 874 368	4 007 863
Sum bankinnskudd, kontanter og lignende		37 874 368	4 007 863
Sum omløpsmidler		68 429 821	105 636 923
SUM EIENDELER		986 106 814	261 494 786

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	8	30 000	30 000
Overkurs		9 930	9 930
Annen innskutt egenkapital		175 906 613	197 712 701
Sum innskutt egenkapital		175 946 543	197 752 631

Other equity

Sum egenkapital	8, 9	175 946 543	197 752 631
------------------------	-------------	--------------------	--------------------

Gjeld



Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til			
kredittinstitusjoner	10	797 585 919	
Sum annen langsiktig gjeld		797 585 919	
Sum langsiktig gjeld		797 585 919	0
Kortsiktig gjeld			
Leverandørgjeld		3 664 025	869 600
Kortsiktig konserngjeld		3 762 164	62 688 852
Accrued interest		2 368 609	
Payables to related parties		485 101	153 704
Other current liabilities		2 294 453	30 000
Sum kortsiktig gjeld		12 574 352	63 742 156
Sum gjeld		810 160 271	63 742 156
SUM EGENKAPITAL OG GJELD		986 106 814	261 494 786



Organisasjonsnr: 921 657 633
KNOT SHUTTLE TANKERS 37 AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
--	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
---	--------------	------------------

<u>Pantstillelse</u>	<u>Beløp</u>
----------------------	--------------

<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



Skatteetaten

TS SHIPPING INVEST AS
Postboks 2017
5504 HAUGESUND

Vår dato
13.02.2019

Din/Deres dato
11.01.2019

Saksbehandler
Henning Stokke

800 80 000
Skatteetaten.no

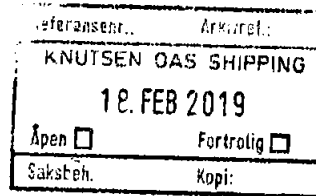
Din/Deres referanse
Petter M Opsal

Telefon
800 80 000

Org.nr
974761076

Vår referanse
2019/5238778

Postadresse
Postboks 9200 Grønland
0134 OSLO



Tillatelse til å utarbeide årsberetning og årsregnskap på engelsk språk

Vi viser til deres brev av 11. januar 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper:

- KNOT Shuttle Tankers 36 AS 921 657 595
- KNOT Shuttle Tankers 33 AS 920 610 455
- KNOT Shuttle Tankers 37 AS 921 657 633
- KNOT Shuttle Tankers 35 AS 821 065 852
- KNOT Shuttle Tankers 38 AS 921 684 789
- KNOT Shuttle Tankers 39 AS 921 684 762
- KNOT Shuttle Tankers 34 AS 921 065 698
- Knutsen OAS ML AS 920 992 153
- Norspan LNG 14 AS 921 118 546
- Norspan LNG 15 AS 921 968 450

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering selskapene nevnt ovenfor dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge 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

Fra søknaden gjengis:

TS Shipping Invest AS ønsker å omfatte flere av selskapene i konsernet til å kunne utarbeide regnskaper og årsberetning på engelsk fra og med regnskapsåret 2018. Alle selskapene i konsernet er norske selskaper som driver virksomhet innen internasjonal shipping. Selskapene og konsernet har engelsk som arbeidsspråk inklusive datterselskaper.

Brukerne av regnskapene er hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften (ansatte, kunder, leverandører etc.). Aksjonærstrukturen er begrenset. Noen av selskapene eies 50 % av TS Shipping Invest AS og 50 % av NYK Logistics Holding (Europe) B.V. De aller fleste av selskapenes kunder og leverandører og andre brukere har engelsk som sitt naturlige språk / forretningspråk. Dette gjelder også konsernets långivere.



Skattedirektoratets vurdering

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

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

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

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

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

Som nevnt ovenfor er det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapenes eierkrets er begrenset. I tillegg opererer selskapene i en internasjonal bransje, og arbeidsspråket er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Inger Helene Iversen
seniorrådgiver
Juridisk avdeling, næring
Skattedirektoratet

Henning Stokke

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.

Side 2 / 2



Admincontrol

List of Signatures Page 1/1

49S7 KNOT Shuttle Tankers 37 AS 2022.pdf

Name	Method	Signed at
Seglem, Trygve	BANKID	2023-02-24 11:52 GMT+01
Domyo, Takashi	BANKID	2023-02-24 11:17 GMT+01
Dahl, Karl Gerhard B	BANKID	2023-02-24 08:51 GMT+01



This file is sealed with a digital signature. The seal is a guarantee for the authenticity of the document.

External reference: E00F484C27E94945A932C56EAC9413FC



KNOT Knutsen
NYK Offshore
Tankers

KNOT Shuttle Tankers 37 AS

Annual Report 2022



M/T “Daqing Knutsen”



Knutsen
Group



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



KNOT SHUTTLE TANKERS 37 AS

REPORT OF THE BOARD OF DIRECTORS 2022

KNOT Shuttle Tankers 37 AS took delivery of M/T Daqing Knutsen, one 154,000 DWT suez-max DP2 shuttle tanker constructed and delivered from COSCO (Zhoushan) Shipyard Co., Ltd. in China June 20, 2022.

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

The company's activity

M/T Daqing Knutsen is chartered to PetroChina International (America) Inc. from July 27 2022, on a five-year time charter agreement with options up to five years. The vessel operates in Brazil.

Result for the year

The operating result for KNOT Shuttle Tankers 37 AS was NOK 1 153 251 in 2022 compared to minus NOK 579 099 in 2021. After net financial loss of NOK 22 959 339 in 2022, against a loss of NOK 554 622 in 2021, the result for the year was minus NOK 21 806 088, compared to a loss of NOK 1 133 720 in 2021.

The Board of Directors propose to cover the loss with other paid-in equity.

The liquidity position was NOK 37 874 368 as per 31.12.2022 compared to NOK 4 007 863 as per 31.12.2021.

The company's short-term debts per 31.12.2022 was 1.6 % of total debt (100 % in 2021).

Total capital was by the end of the year NOK 986 106 814, compared to NOK 261 494 786 the year before. The equity-share as of 31.12.2022 was 18 %, compared to 76 % per 31.12.2021.

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

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

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



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



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 Knutsen NYK Offshore Tankers Group emphasize operational quality. There have been no accidents linked to operations that have had serious consequences for crew, the environment, or assets in 2022.

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

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

Future prospects

The vessel is operated on a long-term charter with PetroChina International (America) Inc. with the charterer's option to extend the contract. Based on the operation of the vessel in 2022, the long-term financing and the long-term employment of the vessel the Board of Directors of KNOT Shuttle Tankers 37 AS expects 2023 to be a satisfactory year for the vessel and the company.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



Haugesund, February 24, 2023

Trygve Seglem
Chairman of the Board

Takashi Domyo
Member of the Board

Karl Gerhard Bråstein Dahl
Member of the Board



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



KNOT Shuttle Tankers 37 AS

Profit & Loss Account

	<u>Note</u>	2022	2021
<u>Operating Income</u>			
Freight income	1	71 047 679	0
<i>Total Operating income</i>		<u>71 047 679</u>	<u>0</u>
<u>Operating Expenses</u>			
Commissions		900 425	0
Voyage related expenses		12 432 775	0
Crew-hire	2	18 610 857	5 044
Other operating expenses		10 682 774	4 680
Administration	2	6 854 543	569 374
<i>Total Operating Expenses</i>		<u>49 481 373</u>	<u>579 099</u>
Ordinary depreciation	3	20 413 054	0
<i>Operating Result</i>		<u>1 153 251</u>	<u>-579 099</u>
<u>Financial Income and Expenses</u>			
Financial income	4	723 921	175
Foreign exchange gain/loss		2 366 993	-137 590
Financial expenses	4	-26 050 253	-417 207
<i>Net Financial Items</i>		<u>-22 959 339</u>	<u>-554 622</u>
<i>Result before taxes</i>		<u>-21 806 088</u>	<u>-1 133 720</u>
Taxes	5	0	0
<i>Result for the year</i>		<u>-21 806 088</u>	<u>-1 133 720</u>



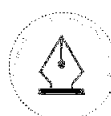
This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



KNOT Shuttle Tankers 37 AS
Balance Sheet as of 31. December

<u>Assets</u>	<u>Note</u>	2022	2021
<u>Fixed assets</u>			
Vessel	3	917 676 993	0
Vessel under construction	3	0	155 857 863
<i>Total Fixed Assets</i>		<u>917 676 993</u>	<u>155 857 863</u>
<u>Current Assets</u>			
Inventories	6	3 975 343	0
Other short-term receivables		1 887 601	1 202 226
Intercompany receivables		0	426 835
Group contribution		0	100 000 000
Receivables from related parties		24 692 508	0
Bank deposits	7	37 874 368	4 007 863
<i>Total Current Assets</i>		<u>68 429 821</u>	<u>105 636 923</u>
TOTAL ASSETS		<u>986 106 814</u>	<u>261 494 786</u>



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



KNOT Shuttle Tankers 37 AS
Balance Sheet as of 31. December

<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2022	2021
<u>Equity</u>			
Share capital	8	30 000	30 000
Share premium		9 930	9 930
Other paid-in capital		175 906 613	197 712 701
<i>Total capital paid-in</i>		<u>175 946 543</u>	<u>197 752 631</u>
Other equity		0	0
<i>Total Shareholders' Equity</i>	8, 9	<u>175 946 543</u>	<u>197 752 631</u>
<u>Long Term Debt</u>			
Liabilities to financial institutions	10	797 585 919	0
<i>Total Long Term Debt</i>		<u>797 585 919</u>	<u>0</u>
<u>Current Liabilities</u>			
Accounts payable		3 664 025	869 600
Accrued interest		2 368 609	0
Intercompany liabilities		3 762 164	62 688 852
Payables to related parties		485 101	153 704
Other current liabilities		2 294 453	30 000
<i>Total Current Liabilities</i>		<u>12 574 352</u>	<u>63 742 156</u>
<i>Total liabilities</i>		<u>810 160 271</u>	<u>63 742 156</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>986 106 814</u>	<u>261 494 786</u>

Haugesund, February 24, 2023,

Trygve Seglem
chairman of the board

Karl Gerhard Bråstein Dahl
member of the board

Takashi Domyo
member of the board



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC

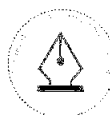


KNOT Shuttle Tankers 37 AS

CASHFLOW STATEMENT

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

	2022	2021
Result before tax	-21 806 088	-1 133 720
+ Ordinary depreciation	20 413 054	0
-/+ Profit/loss on foreign exchange liabilities to fin. institutions	246 912	0
+ Financial expenses - liabilities to financial institutions	448 807	0
= Total generated from operations	-697 315	-1 133 720
+ Net received on current assets	-28 926 393	-451 228
+ Net received on current liabilities	-51 167 804	53 984 167
Net cashflow from operations	-80 791 512	53 301 674
<u>Cashflow from investments</u>		
Payments for vessel under construction and conversion	-782 232 183	-102 176 346
Net cashflow from investments	-782 232 183	-102 176 346
<u>Cashflow from financing</u>		
Proceeds from liabilities to financial institutions	828 302 178	0
Paid debt issuance costs	-8 156 671	0
Repayment of liabilities to financial institutions	-23 255 306	0
Equity received - group contribution received	100 000 000	52 385 108
Net cashflow from financing	896 890 201	52 385 108
Net cashflow for the year	33 866 505	3 510 437
+ Bank deposits per 01.01.	4 007 863	497 427
= Bank deposits per 31.12.	37 874 368	4 007 863



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



KNOT Shuttle Tankers 37 AS

Notes to the Financial Statement 31.12.2022

Accounting Principles

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

Going concern

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

Transactions in Foreign Currency

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

Related party transactions

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

1 Contracts

The vessel, MT Daqing Knutsen with hull number 786 was delivered from the yard 20 June 2022. The vessel commenced operations 27 July 2022 on a five-year time charter agreement with charters option to extend the contract with five years. Charterer is Petro China, and the vessel will operate in Brazil.

The income from the time charter contract is received in united states dollars, and is recorded in profit and loss on a straight line basis over the lease term, net of hedging impact.

KNOT Management AS is appointed as manager for the company and the vessel. The company have agreed an agreement regulating building supervision and management of the construction of the vessel with the related party Knutsen OAS Shipping AS.

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 related crewing companies in accordance with separate crewing agreements.

	2022	2021
Grants crew expenses	75 764	0

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

Auditors remuneration (excl. VAT):	2022	2021
Audit	31 500	0

3 Fixed Assets

Yard instalments paid on newbuildings and vessels under conversion are gradually recorded as fixed assets as the instalments are paid. All costs regarding construction supervision, construction financing (including building loan interest, arrangement fees, provision of guarantees), additions and upgrading beyond the yard contract regarding the individual contract and other expenses related to the construction or conversion of the vessel are recorded on the fixed asset under construction/conversion.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



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.

	2022	2021
<u>Vessel under construction</u>		
Book value 01.01.	155 857 863	53 681 517
Additions	782 232 183	102 176 346
Delivery of vessel for operation	-938 090 046	0
Book value 31.12.	0	155 857 863
<u>Vessel</u>		
Delivery of vessel for operation	907 317 700	0
Annual depreciation	17 179 366	0
Book value 31.12.	890 138 334	0
<u>Dry-docking</u>		
Delivery of vessel for operation - allocation of cost	30 772 347	0
Annual depreciation	3 233 688	0
Book value 31.12.	27 538 659	0
Total book value vessel 31.12.	917 676 993	0

4 **Financial Income and Expenses**

	2022	2021
Financial Income:		
Interest income from group companies	160 164	0
Other interest income	563 757	175
Total financial income	723 921	175
Financial Expenses:		
Interest expenses to group companies	160 260	407 440
Interest expenses	21 446 984	0
Financing fee to group companies	2 094 627	0
Guarantee fee to group companies	2 333 297	0
Other financial expenses	15 085	9 767
Total financial expenses	26 050 253	417 207

5 **Tax**

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

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

We classify the tonnage tax as an operating expense.

	31.12.2022	Change	31.12.2021
Loss carried forward	-12 756 135	9 280 160	-3 475 975
Temporary differences	-12 756 135	9 280 160	-3 475 975
Calculated deferred tax	2 806 350	2 041 635	764 715
Deferred tax in balance	0	0	0

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



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



Tax cost

	2022	2021
Net financial items	-22 959 339	-554 622
Non-taxable currency gain	-2 077 952	88 046
Non-deductible interest	17 462 016	260 727
Deductible financial items	-1 704 885	-3 443 267
Income supplement for high equity ratio	0	173 142
Taxable income before loss carried forward	-9 280 160	-3 475 975
Loss carried forward	-9 280 160	-3 475 975
Taxable income	0	0
Tax payable	0	0
Change deferred tax/(tax benefit)	0	0
Tax calculated	0	0
Tonnage tax expenses under operating expenses	83 346	0

6 Inventories

Specification of inventories per 31.12.

	2022	2021
Lube oil	3 975 343	0

7 Bank deposits

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

8 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other paid-in capital	Other equity	Total equity
Equity 01.01	30 000	9 930	197 712 701	0	197 752 631
Result for the year	0	0	-21 806 088	0	-21 806 088
Equity 31.12.	30 000	9 930	175 906 613	0	175 946 543

Share capital consist of 1 000 shares à NOK 30.

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

9 Shares Owned by Board Members and Affiliates

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

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 the freight income. We book realized- and unrealized foreign exchange gain/-loss for any ineffective part of the hedging over financial items.

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



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



	Currency	Outstanding currency amount	Hedge accounting rate 31.12.	Accounting balance	
				2022	2021
Mortgage debt	USD	82 225 694	9,7937	805 293 784	0
Debt issuance cost				-7 707 864	0
Liabilities to financial institutions				797 585 919	0

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.

	2022	2021
Foreign exchange gain/-loss not taken over profit and loss (i.e. off-balance):	-9 283 281	0

Amounts due within 12 months of the balance sheet date:

Mortgage debt	46 016 788	0
Debt issuance cost	-814 997	0
Liabilities to financial institutions	45 201 791	0

Repayment profile:

0 - 12 months	4 698 611	0
13 - 24 months	4 698 611	0
25 - 36 months	4 698 611	0
37 - 48 months	4 698 611	0
49 - 60 months	4 698 611	0
After 60 months	58 732 638	0
	82 225 694	0

The exchange rate at the year-end	USDNOK	9,9066	8,8363
-----------------------------------	--------	--------	--------

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

Book value of mortgaged assets is NOK 982 million.



This file is sealed with a digital signature.
The seal is a guarantee for the authenticity
of the document.

Document ID:
E00F484C27E94945A932C56EAC9413FC



Statsautoriserte revisorer
Ernst & Young AS

Dronning Eufemias gate 6a, 0191 Oslo
Postboks 1156 Sentrum, 0107 Oslo

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

www.ey.no
Medlemmer av Den norske Revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of KNOT Shuttle Tankers 37 AS

Opinion

We have audited the financial statements of KNOT Shuttle Tankers 37 AS (the Company), which comprise the balance sheet as at 31 December 2022, the profit and loss account and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

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

Basis for opinion

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

Other information

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

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

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

Responsibilities of management for the financial statements

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

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



Building a better
working world

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

Oslo, 24 February 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus Hegertun Birkeland
State Authorised Public Accountant (Norway)

Independent auditor's report – KNOT Shuttle Tankers 37 AS 2022

A member firm of Ernst & Young Global Limited

Penneo document key: EYJMX-QDK8W-OYTEW-M4MNS-0B6KL-YX8GS



PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

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

Magnus Hegertun Birkeland

Statsautorisert revisor

On behalf of: Ernst & Young AS

Serial number: 9578-5990-4-2796687

IP: 51.175.xxx.xxx

2023-02-24 17:22:13 UTC



Penneo document key: EHFJMX-QDK8W-CYTEW-M4MNS-OB6KL-YX8GS

This document is digitally signed using Penneo.com. The digital signature data within the document is secured and validated by the computed hash value of the original document. The document is locked and timestamped with a certificate from a trusted third party. All cryptographic evidence is embedded within this PDF, for future validation if necessary.

How to verify the originality of this document

This document is protected by an Adobe CDS certificate. When you open the

document in Adobe Reader, you should see, that the document is certified by **Penneo e-signature service <penneo@penneo.com>**. This guarantees that the contents of the document have not been changed.

You can verify the cryptographic evidence within this document using the Penneo validator, which can be found at <https://penneo.com/validator>