



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 897 099 152  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: KNOT SHUTTLE TANKERS 20 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: 17.03.2023

### 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, 01.06.2024



### Resultatregnskap

Beløp i: NOK	Note	2022	2021
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Freight income	1	70 812 750	70 819 511
<b>Sum inntekter</b>		<b>70 812 750</b>	<b>70 819 511</b>
<b>Kostnader</b>			
Ordinary depreciation	3	22 855 140	23 548 485
Commissions		1 227 952	1 080 252
Other operating expenses		133 149	126 713
Administration expenses	2	742 536	643 979
<b>Sum kostnader</b>		<b>24 958 777</b>	<b>25 399 429</b>
<b>Driftsresultat</b>		<b>45 853 973</b>	<b>45 420 083</b>
<b>Finansinntekter og finanskostnader</b>			
Financial income	4	289 463	6
Foreign exchange profit/loss		4 366 853	97 342
<b>Sum finansinntekter</b>		<b>4 656 315</b>	<b>97 348</b>
Financial expenses	4	9 726 262	10 167 963
<b>Sum finanskostnader</b>		<b>9 726 262</b>	<b>10 167 963</b>
<b>Netto finans</b>		<b>-5 069 947</b>	<b>-10 070 615</b>
<b>Ordinært resultat før skattekostnad</b>		<b>40 784 027</b>	<b>35 349 468</b>
Taxes	5		
<b>Ordinært resultat etter skattekostnad</b>		<b>40 784 027</b>	<b>35 349 468</b>
<b>Årsresultat</b>		<b>40 784 027</b>	<b>35 349 468</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>40 784 027</b>	<b>35 349 468</b>
<b>Totalresultat</b>		<b>40 784 027</b>	<b>35 349 468</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	5		
<b>Varige driftsmidler</b>			
Vessel	3	335 405 198	358 260 338
<b>Sum varige driftsmidler</b>		<b>335 405 198</b>	<b>358 260 338</b>
<b>Sum anleggsmidler</b>		<b>335 405 198</b>	<b>358 260 338</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Receivables	10	51 201	57 919
<b>Sum fordringer</b>		<b>51 201</b>	<b>57 919</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank deposits	6	20 640 186	21 851 936
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>20 640 186</b>	<b>21 851 936</b>
<b>Sum omløpsmidler</b>		<b>20 691 388</b>	<b>21 909 855</b>
<b>SUM EIENDELER</b>		<b>356 096 585</b>	<b>380 170 192</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital		10 000 000	10 000 000
Overkurs		10 411 424	10 411 424
Annen innskutt egenkapital		132 363 728	132 363 728
<b>Sum innskutt egenkapital</b>		<b>152 775 152</b>	<b>152 775 152</b>



## Balanse

Beløp i: NOK	Note	2022	2021
<b>Opptjent egenkapital</b>			
Other equity		115 131 813	85 060 136
<b>Sum opptjent egenkapital</b>		<b>115 131 813</b>	<b>85 060 136</b>
<b>Sum egenkapital</b>	7, 8	<b>267 906 965</b>	<b>237 835 288</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Gjeld til kredittinstitusjoner	9	85 501 520	126 585 703
<b>Sum annen langsiktig gjeld</b>		<b>85 501 520</b>	<b>126 585 703</b>
<b>Sum langsiktig gjeld</b>		<b>85 501 520</b>	<b>126 585 703</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	10	255 962	132 889
Tax payable	5		
Utbytte			6 093 080
Kortsiktig konserngjeld		595 670	209 424
Other current liabilities		1 836 468	9 313 808
<b>Sum kortsiktig gjeld</b>		<b>2 688 100</b>	<b>15 749 201</b>
<b>Sum gjeld</b>		<b>88 189 620</b>	<b>142 334 904</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>356 096 585</b>	<b>380 170 192</b>



## Skattedirektoratet

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

ERNST & YOUNG AS  
Postboks 20 Oslo Atrium  
0051 OSLO

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

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

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

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

### Bakgrunn

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

### Skattedirektoratets vurdering

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

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>	800 80 000
0134 Oslo	Org. nr: 996250318	Telefaks
For elektronisk henvendelse se <a href="http://www.skatteetaten.no">www.skatteetaten.no</a>		22 17 08 60



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

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

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

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

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapene er 50 % eid av et selskap som er innvilget dispensasjon og 50 % av et nederlandsk selskap. Selskapene opererer i en global bransje hvor engelsk primært benyttes. Arbeidsspråk er også engelsk. Videre er det vektlagt at styrene i selskapene har medlemmer som ikke er norskspråklige.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland



 Admincontrol

## List of Signatures Page 1/1

### 7101 - KNOT Shuttle Tankers 20 AS.pdf

Name	Method	Signed at
Domyo, Takashi	BANKID	2023-03-13 10:12 GMT+01
Seglem, Trygve	BANKID	2023-03-13 09:40 GMT+01
Dahl, Karl Gerhard B	BANKID	2023-03-13 08:03 GMT+01



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

External reference: 55EDB0748DBE4B9DACD84D5FFC8D53CA



## KNOT Shuttle Tankers 20 AS Annual Report 2022



M/T "Dan Cisne"

**KNOT**  
Offshore Partners LP



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

Document ID:  
55EDB0749DBE4B9DACD84D5FFC8D53CA



## KNOT SHUTTLE TANKERS 20 AS

### REPORT OF THE BOARD OF DIRECTORS 2022

KNOT Shuttle Tankers 20 AS owns one 59,336 DWT MR shuttle tanker, M/T Dan Cisne, delivered from COSCO Nantong Shipyard in China in 2011.

The company operates out of Haugesund, Norway and has no employees and working environment. The daily operations of the company are managed by KNOT Management AS in Haugesund in accordance with separate agreement. The daily operations of the vessel are managed by KNOT Management Denmark A/S in Copenhagen, Denmark on behalf of the charterer in accordance with a separate agreement.

#### The company's activity

M/T Dan Cisne with bare-boat charter was purchased from the J. Lauritzen group in Copenhagen, Denmark in 2014. The vessel has been chartered out to Transpetro International Company B.V., a Transpetro Group company for operation offshore Brazil on a 12-year bareboat charter party agreement from delivery at yard.

#### Result for the year

The operating result for KNOT Shuttle Tankers 20 AS was NOK 45 853 973 in 2022 compared to NOK 45 420 083 in 2021. After net financial loss of NOK 5 069 947 in 2022, against a loss of NOK 10 070 615 in 2021, the results of the year were NOK 40 784 027 in 2022 compared to NOK 35 349 468 in 2021.

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

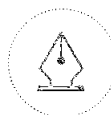
Total cash flow from operating activities in the company was NOK 82 245 242, compared to NOK 75 011 170 in 2021. The liquidity position was NOK 20 640 186 as per 31.12.2022 compared to NOK 21 851 936 as per 31.12.2021. The outstanding mortgage loan is at the end of 2022 USD 13 969 555 compared to USD 20 769 555 at end of 2021. The company's ability to finance its investments is good.

The company is exposed to fluctuations in foreign exchange rates, especially USD, as the company's income is denominated in USD. Since most of the company's operating expenses and financial costs also are denominated in USD, this limits the company's foreign exchange risk. The company has 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. 55 % of the long-term debt, is secured with long-term interest rate swaps at the end of the year.

Total capital was by the end of the year NOK 356 096 585, NOK 380 170 192 at the end of 2021. The equity-share as of 31.12.2022 was 75 %, compared to 63 % per 31.12.2021.

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



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



Statements give a true picture of the company's assets and liabilities, financial position and results.

## The environment safety and quality control

The requirements for 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 to the quality assurance and there are strict requirements for safety systems and an operation of the ship.

The operation of the vessel can affect the external environment through emissions to air and water and the company and the manager therefor 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 minimize the energy consumption and reduce 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 2022.

The company have no employees and thus no working environment. The company aims to be workplace where there is no discrimination related to gender, ethnicity, religion, or disability. The board of directors considers the working conditions as 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 are working with the implementation and statement required in the Norwegian Transparency Act (Norw. "Åpenhetsloven") and plan to publish the statement of the work on the group web page before the reporting deadline 30 June 2023.

## Future prospects

M/T Dan Cisne is operated on a long-term charter with Transpetro International Company B.V., a Transpetro Group company in Brazil. The charterer and trading area is well known for the manager and the Board of Directors. The company expect to get new contract for the vessel within the end of the charterparty in second half of 2023.

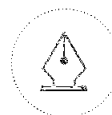
Based on the operation of the vessel, and the secured long-term employment contract of the vessel the Board of Directors of KNOT Shuttle Tankers 20 AS expects 2023 to be a satisfactory year for the vessel and the company.

Haugesund, March 13, 2022

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.

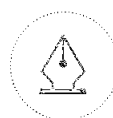
Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



**KNOT Shuttle Tankers 20 AS**

**Profit & Loss Account**

	Note	2022	2021
<b><u>Operating Income</u></b>			
Freight income	1	70 812 750	70 819 511
<i>Total Operating Income</i>		<u>70 812 750</u>	<u>70 819 511</u>
<b><u>Operating Expenses</u></b>			
Commissions		1 227 952	1 080 252
Other operating expenses		133 149	126 713
Administration expenses	2	742 536	643 979
<i>Total Operating Expenses</i>		<u>2 103 637</u>	<u>1 850 944</u>
<i>Operating result before depreciation</i>		<u>68 709 113</u>	<u>68 968 568</u>
Ordinary depreciation	3	22 855 140	23 548 485
<i>Total depreciation</i>		<u>22 855 140</u>	<u>23 548 485</u>
<i>Operating Result</i>		<u>45 853 973</u>	<u>45 420 083</u>
<b><u>Financial Income and Expenses</u></b>			
Financial income	4	289 463	6
Foreign exchange profit/loss		4 366 853	97 342
Financial expenses	4	-9 726 262	-10 167 963
<i>Net Financial Items</i>		<u>-5 069 947</u>	<u>-10 070 615</u>
<i>Net profit before tax</i>		<u>40 784 027</u>	<u>35 349 468</u>
Taxes	5	0	0
<i>Result for the year</i>		<u>40 784 027</u>	<u>35 349 468</u>



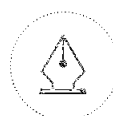
This file is sealed with a digital signature.  
The seal is a guarantee for the authenticity  
of the document.

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



**KNOT Shuttle Tankers 20 AS**  
**Balance Sheet as of 31. December**

<b><u>ASSETS</u></b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b><u>Fixed Assets</u></b>			
Vessel	3	335 405 198	358 260 338
<i>Total Fixed Assets</i>		<u>335 405 198</u>	<u>358 260 338</u>
<b><u>Current Assets</u></b>			
Receivables	10	51 201	57 919
Bank deposits	6	20 640 186	21 851 936
<i>Total Current Assets</i>		<u>20 691 388</u>	<u>21 909 855</u>
<i>ASSETS</i>		<u>356 096 585</u>	<u>380 170 192</u>



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



**KNOT Shuttle Tankers 20 AS**

**Balance Sheet as of 31. December**

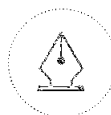
<b><u>Shareholders Equity and Liabilities</u></b>	<b>Note</b>	<b>2022</b>	<b>2021</b>
<b><u>Equity</u></b>			
Share capital		10 000 000	10 000 000
Share premium		10 411 424	10 411 424
Other paid-in equity		132 363 728	132 363 728
<i>Total paid in capital</i>		<u>152 775 152</u>	<u>152 775 152</u>
Other equity		115 131 813	85 060 136
<i>Total Equity</i>	<i>7, 8</i>	<u>267 906 965</u>	<u>237 835 288</u>
<b><u>Other non-current liabilities</u></b>			
Liabilities to financial institutions	<i>9</i>	85 501 520	126 585 703
<i>Total Long Term Debt</i>		<u>85 501 520</u>	<u>126 585 703</u>
<b><u>Current Liabilities</u></b>			
Accounts payable	<i>10</i>	255 962	132 889
Current liabilities group		595 670	209 424
Dividends		0	6 093 080
Other current liabilities		1 836 468	9 313 808
<i>Total Current Liabilities</i>		<u>2 688 100</u>	<u>15 749 201</u>
<i>Total liabilities</i>		<u>88 189 620</u>	<u>142 334 904</u>
<i>SHAREHOLDERS' EQUITY AND LIABILITIES</i>		<u>356 096 585</u>	<u>380 170 192</u>

Haugesund, March 13, 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:  
55EDB0748DBE4B9DACD84D5FFC8D53CA

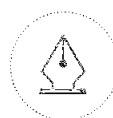


## KNOT SHUTTLE TANKERS 20 AS

### CASHFLOW STATEMENT

The cash flow statement is presented using the indirect method of NRS. The liquidity balance is defined as the sum of cash,

	2022	2021
Result before tax	40,784,027	35,349,468
+ Ordinary depreciation	22,855,140	23,548,485
-/+ Profit/loss on foreign exchange liabilities to fin. institutions	24,655,440	15,691,190
+ Financial expenses - liabilities to financial institutions	911,937	911,937
= Total generated from operations	89,206,544	75,501,080
+ Net received on current assets	6,718	28,295
+ Net received on current liabilities	-6,968,020	-518,205
<b>Net cashflow from operations</b>	<b>82,245,242</b>	<b>75,011,170</b>
<u>Cashflow from investments</u>		
<b>Net cashflow from investments</b>	<b>0</b>	<b>0</b>
<u>Cashflow from financing</u>		
Repayment of liabilities to financial institutions	-66,651,560	-55,834,540
Dividend paid-out	-16,805,432	-19,337,250
<b>Net cashflow from financing</b>	<b>-83,456,992</b>	<b>-75,171,790</b>
<b>Net cashflow for the year</b>	<b>-1,211,750</b>	<b>-160,620</b>
+ Bank deposits per 01.01.	21,851,936	22,012,556
<b>= Bank deposits per 31.12.</b>	<b>20,640,186</b>	<b>21,851,936</b>



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



## KNOT SHUTTLE TANKERS 20 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.

#### Transactions in Foreign Currency

The income received in USD is recorded at the rate of exchange on the day the transaction is carried out. 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. Realised foreign exchange gain and loss are registered as financial items.

The debt is valued at the historical rate, to the extent that the future net nominal income flow exceed the borrowed amount. To the extent that long-term debt exceeds the net nominal income flow, the unrealised foreign exchange loss on the exceeding amount is recorded.

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

#### 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 has secured employment of the vessel with a long-term fix bareboat contract which expires in September 2023.

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

KNOT Management Denmark A/S has been appointed by the charterer as ship manager for the vessel and by the company as agent towards the ship registry in Denmark. KNOT Management AS has been appointed by the company as manager for the company.

#### 2 Employees and remuneration

The company has no employees and thereby no pension liabilities (under the new OTP regulation).

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.

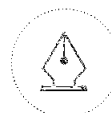
Auditors remuneration (not including VAT):

Auditor's fee

Auditing

Other consultancy

	2022	2021
Auditor's fee	40,103	18,818
Auditing	0	0
Other consultancy	40,103	18,818



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



### 3 Fixed Assets

The total cost of the vessel is capitalised at delivery and depreciated linearly over the expected life time. 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. Actual expenses related to repair and maintenance of the vessel are expensed when the work is executed. Dry-docking is covered by the charterer in accordance with the bareboat charterparties.

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.

<u>Vessel</u>	<u>2022</u>	<u>2021</u>
Historical value 01.01	536,377,203	536,377,203
Acc. Depreciation 01.01	178,116,866	154,568,381
Book value 01.01	358,260,338	381,808,823
Ordinary annual depreciation	22,855,140	23,548,485
Book value 31.12.	<u>335,405,198</u>	<u>358,260,338</u>

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

### 4 Financial Income and -Expenses

	<u>2022</u>	<u>2021</u>
<b>Financial Income:</b>		
Interest income from group companies/related parties		
Other interest income	289,463	6
Total financial income	<u>289,463</u>	<u>6</u>
<b>Financial expenses:</b>		
Interest expenses	8,682,391	8,938,006
Guarantee expenses group companies/related parties	801,855	998,764
Other financial expenses	242,015	231,193
Total financial expenses	<u>9,726,262</u>	<u>10,167,963</u>

### 5 Tax

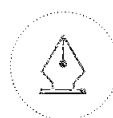
The company qualify for and have elected to be taxed based on the Norwegian tonnage tax regime.

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.

	<u>2022</u>	<u>Change</u>	<u>2021</u>
Loss carried forward	-44,209,002	-2,859,436	-41,349,566
Basis for deferred tax (benefit)	-44,209,002	-2,859,436	-41,349,544
Deferred tax (benefit) (22 %)	-9,725,980	-629,081	-9,096,900
Deferred tax (benefit) booked	<u>0</u>	<u>0</u>	<u>0</u>

Deferred tax assets related to losses carried forward are only recognized to the extent that it is more probable than not 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:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



Taxable result tonnage tax scheme:

	2022	2021
Net financial items	-5,069,947	-10,070,615
Non-deductable currency loss	-5,540,774	-972,592
Interest deduction	7,751,284	6,269,927
Taxable income before loss carried forward	-2,859,436	-4,773,279
Change in loss carried forward	-2,859,436	-4,773,279
Taxable income	0	0
Tax payable	0	0
Change in deferred tax	0	0
Tax expense	0	0

## 6 **Bank deposits**

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

## 7 **Equity**

Specification of the equity per 31.12.

	Share capital	Share premium	Additional paid-in capital	Other equity	Total equity
Equity 01.01	10,000,000	10,411,424	132,363,728	85,060,136	237,835,288
Dividends	0	0	0	-10,712,350	-10,712,350
Result for the year	0	0	0	40,784,027	40,784,027
Equity 31.12.	10,000,000	10,411,424	132,363,728	115,131,813	267,906,965

Share capital consists of 100 shares NOK 100,000 each, all held by KNOT Shuttle Tankers AS.

KNOT Shuttle Tankers 20 AS is controlled 100% by KNOT Offshore Partners LP. Accounting for the Group can be obtained from the website, <http://knotoffshorepartners.com/>.

## 8 **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.

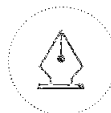
## 9 **Mortgage Debt and Financial Instruments**

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

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

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

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



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



	Currency	Outstanding currency	Hedge accounting rate	Accounting balance 2022	2021
Mortgage debt	USD	13,969,555	6.1759	86,274,575	128,270,695
Debt issuance cost				-773,055	-1,684,992
Liabilities to financial institutions				85,501,520	126,585,703

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):	-52,116,219	-55,255,324

Amounts due within 12 months of the balance sheet date:

Mortgage debt	86,274,575	41,996,120
Debt issuance cost	-773,055	-911,936
Liabilities to financial institutions	85,501,520	41,084,184

Repayment profile:

based on expected refinancing

0 - 12 months	6,800,000	6,800,000
13 - 24 months	6,800,000	6,800,000
25 - 36 months	369,555	6,800,000
37 - 48 months	0	369,555
49 - 60 months	0	0
After 60 months	0	0
	13,969,555	20,769,555

The exchange rate at the year-end	USD/NOK	9.9066	8.8363
-----------------------------------	---------	--------	--------

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

Book value of mortgaged assets is NOK 356 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 a reduction/increase of Interest expenses.

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

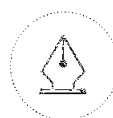
	Currency	2022	2021
Outstanding fixed interest rate swaps	USD	7,671,053	11,405,113
Mark to market valuation	USD	138,181	-298,209

## 10 Balances with related parties

	2022	2021
<u>Accounts payable</u>		
KNOT Management AS	123,406	132,889
	123,406	132,889

Receivables

Knutsen OAS Shipping AS	0	520
KNOT Management Denmark A/S	21,315	0
	21,315	520



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

Document ID:  
55EDB0748DBE4B9DACD84D5FFC8D53CA



Building a better  
working world

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 20 AS

### Opinion

We have audited the financial statements of KNOT Shuttle Tankers 20 AS (the Company), which comprise the balance sheet as at 31 December 2022, the income statement 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



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, 13 March 2023  
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 20 AS 2022

A member firm of Ernst & Young Global Limited

Penneo document key: LMOI.3-OLKKG-X6OYU-E3D4G-I4PES-VGOXA



# PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo"™ - sikker digital signatur.  
De signerende parter sin identitet er registrert, og er listet nedenfor.

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

## Johan Nordby

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5997-4-729076

IP: 161.12.xxx.xxx

2023-03-13 15:40:08 UTC



Penneo Dokumentnøkkel: LMOL3-OLKKG-X6OYU-E3D4G-4PES-VG0XA

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

### Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validator>