



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2022 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 992 593 830
Organisasjonsform: Aksjeselskap
Foretaksnavn: KNUTSEN BALLAST WATER 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: Peter Myklebust Opsal
Dato for fastsettelse av årsregnskapet: 23.05.2023

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, 11.07.2024



Resultatregnskap

Beløp i: NOK	Note	2022	2021
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	1	98 130 231	72 675 285
Sum inntekter		98 130 231	72 675 285
Kostnader			
Avskrivning på varige driftsmidler og immaterielle eiendeler	5	17 667	
Annen driftskostnad	2	54 062 137	52 495 793
Annen driftskostnad	3,4	17 231 147	14 717 055
Sum kostnader		71 310 951	67 212 848
Driftsresultat		26 819 280	5 462 437
Finansinntekter og finanskostnader			
Annen finansinntekt	6	421 466	6 113
Annen finansinntekt		826 295	0
Sum finansinntekter		1 247 761	6 113
Annen finanskostnad		0	793 895
Annen finanskostnad	6	479 632	561 524
Sum finanskostnader		479 632	1 355 419
Netto finans		768 129	-1 349 306
Ordinært resultat før skattekostnad		27 587 409	4 113 131
Skattekostnad på ordinært resultat	7	12 334 299	-6 400 171
Ordinært resultat etter skattekostnad		15 253 110	10 513 302
Årsresultat		15 253 110	10 513 302
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital		1 203 517	197 007
Overføringer til/fra annen egenkapital		14 049 593	10 316 295
Sum overføringer og disponeringer		15 253 110	10 513 302



Balanse

Beløp i: NOK	Note	2022	2021
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	7	5 163 881	17 498 181
Sum immaterielle eiendeler		5 163 881	17 498 181
Varige driftsmidler			
Maskiner og anlegg	5	247 333	
Sum varige driftsmidler		247 333	
Sum anleggsmidler		5 411 214	17 498 181
Omløpsmidler			
Varer			
Varer	8	6 833 237	1 967 483
Sum varer		6 833 237	1 967 483
Fordringer			
Kundefordringer		3 016 785	3 551 054
Andre fordringer		7 560 643	17 598 819
Konsernfordringer		431 169	3 657 044
Sum fordringer		11 008 597	24 806 917
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		63 615 434	17 554 085
Sum bankinnskudd, kontanter og lignende		63 615 434	17 554 085
Sum omløpsmidler		81 457 268	44 328 485
SUM EIENDELER		86 868 482	61 826 666

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital



Balanse

Beløp i: NOK	Note	2022	2021
Selskapskapital		200 000	200 000
Overkurs		2 900 000	2 900 000
Annen innskutt egenkapital		65 000 000	65 000 000
Sum innskutt egenkapital		68 100 000	68 100 000
Opptjent egenkapital			
Annen egenkapital		-5 964 680	-7 168 197
Annen egenkapital		-7 555 780	-21 605 373
Sum opptjent egenkapital		-13 520 460	-28 773 570
Sum egenkapital	10,11, 12	54 579 540	39 326 430
Gjeld			
Langsiktig gjeld			
Andre avsetninger for forpliktelser		6 831 730	3 687 036
Sum avsetninger for forpliktelser		6 831 730	3 687 036
Annen langsiktig gjeld			
Langsiktig konserngjeld		6 057 068	5 678 911
Sum annen langsiktig gjeld		6 057 068	5 678 911
Sum langsiktig gjeld		12 888 798	9 365 947
Kortsiktig gjeld			
Leverandørgjeld		2 411 092	4 811 882
Annen kortsiktig gjeld		0	339 075
Annen kortsiktig gjeld		16 989 053	7 983 333
Sum kortsiktig gjeld		19 400 145	13 134 290
Sum gjeld		32 288 943	22 500 237
SUM EGENKAPITAL OG GJELD		86 868 483	61 826 667



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 11.05.2011	Vår dato 19.05.2011
Telefon 22077325	Deres referanse Jørn Knutsen	Vår referanse 2011/327976

Ernst & Young AS
Postboks 6163, Postterminalen
5892 BERGEN

Dispensasjon fra kravet om utarbeidelse av årsregnskap og årsberetning på norsk

Det vises til deres brev av 11. mai 2011. Skattedirektoratet innvilget i vedtak 09/867030 av 2. juni 2010, TS Shipping Invest AS samt en rekke navngitte datterselskap, dispensasjon fra kravet om å utarbeide årsregnskap og -beretning på norsk språk. Konsernet ønsker nå å søke om samme dispensasjon for ytterligere et antall selskap som inngår i konsernet. Dette gjelder:

- | | |
|---------------------------------------|----------------------|
| • Knutsen Ballastvann AS | org. nr: 992 593 830 |
| • Knutsen Ballastvann IS* | reg. nr: 90 064 606 |
| • Knutsen Kjemikalie Tanker AS | org. nr: 953 058 707 |
| • Knutsen Kjemikalie Tanker II AS | org. nr: 955 298 195 |
| • Knutsen Kjemikalie Tanker III AS | org. nr: 976 747 712 |
| • Knutsen Kjemikalie Tanker IV AS | org. nr: 982 741 041 |
| • Knutsen Kjemikalie Tankers V AS | org. nr: 983 452 949 |
| • Knutsen Kyst LNG AS | org. nr: 984 616 813 |
| • Knutsen Marine Services AS | org. nr: 988 902 365 |
| • Knutsen OAS Management AS | org. nr: 990 689 113 |
| • Knutsen OAS Crewing AS | org. nr: 896 116 452 |
| • Knutsen OAS Offshore AS | org. nr: 981 532 406 |
| • Knutsen Pressurized Natural Gas AS | org. nr: 883 989 252 |
| • Knutsen Pressurized Natural Gas KS* | org. nr: 983 989 292 |
| • Knutsen Product Tankers AS | org. nr: 883 453 042 |
| • Knutsen VOC AS | org. nr: 983 521 878 |
| • Knutsen VOC KS** | org. nr: 983 521 932 |
| • Seglem Shipping | org. nr: 892 078 122 |
| • TS Shipping Invest LNG Holding AS | org. nr: 985 772 444 |

Alle selskapene er eid 100 % med unntak av selskapene merket med * som er eid 89 %, og ** som er eid 77 %. Øvrige eierandeler i disse selskapene er eid av enkelte ansatte i TS Shipping Invest konsernet.

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

**Søknad:**

Fra deres brev 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 2010. Alle selskapene i konsernet er norske selskaper som driver virksomhet innen internasjonal shipping. Selskapene og konsernet har engelsk som arbeidsspråk inklusive datterselskaper. Denne søknad omfatter en rekke komplementarer, management selskaper og selskaper som driver teknologiutvikling i tilknytning til shippingvirksomheten.

Brukerne av regnskapene hovedsakelig aksjonærer, banker samt interessegrupper tilknyttet driften (ansatte, kunder, leverandører etc.). Kunder og leverandører og andre brukere har engelsk som sitt naturlige språk/forretningsspråk. Aksjonærstrukturen er begrenset, og for de fleste selskapene kontrollerer TS Shipping Invest 100 % av aksjene, mens for noen selskaper er ansatte i TS Shipping Invest konsernet representert med beskjedne eierposter.”

Skattedirektoratets vurdering og konklusjon

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

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

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

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

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

De samme fakta og argument for dispensasjon foreligger i denne søknaden som ble vurdert ved innvilgelse av dispensasjon for konsernspissen og enkelte søsterselskap. Selskapenes aktivitet er knyttet til en internasjonal bransje hvor engelsk språk benyttes både internt i selskapene samt mot aksjonærer, og i kommunikasjon med eksterne forretningspartnere.




Skattedirektoratet gir på bakgrunn av en helhetsvurdering de ovenfor nevnte selskapene 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.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad



KNUTSEN BALLAST WATER AS REPORT OF THE BOARD OF DIRECTORS 2022

Knutsen Ballast Water AS was founded in June 2009 and aims to own, operate and develop patents and enterprises for technological solutions for management and treatment of ballast water.

The company's activities are part of the commitment that TS Shipping Invest Group has under implementation to meet the environmental challenges and international rules with respect to discharge of ballast water.

There are no employees in the company and the daily operations are handled by its sister company, Knutsen OAS Shipping AS in Haugesund, according to a separate agreement.

The company's activity

Knutsen Ballast water (KBAL[®]) is a technology company that develops solutions for the management and treatment of ballast water. The technology is based on experiences from other projects that the Knutsen Group has developed and patented, and is now offering a technical solution for treatment of ballast water.

KBAL have completed installation and commissioning of the following systems:

- 1 x KBAL1200 for Gotland Carolina (Gotland Tankers)
- 1 x KBAL1200 for Gotland Sofia (Gotland Tankers)
- 1 x KBAL3000 for Jo Provel (Nyhill Shipping)
- 1 x KBAL3000 for Jasmine Knutsen (Can Ship)
- 1 x KBAL3000 for Sestao (KOAS)
- 1 x KBAL3000 for Carmen Knutsen retrofit (KOAS)
- 2 x KBAL3000 for H3243 "Lech Kaczynski" (KOAS)

and supported the operation, service and maintenance and aftermarket requirements of a growing fleet of vessels with KBAL installed (currently 26 vessels).

KBAL has entered into the following new contracts:

- H8179s – 3 x (2 x KBAL3000) systems for completion in 2025 (KOAS/HSHI)

KBAL has continued to work on development projects throughout 2022 to enhance the KBAL range to improve competitiveness within the market, with these projects currently ongoing:

- One-Pass Treatment mode
 - o Approval of a new and improved treatment mode allowing for de-ballasting without treatment is completed with classification society
- Ex Zone 1 UV Chamber
 - o To enable installation in zone 1 hazardous areas reducing installation costs and allowing for a more flexible installation arrangement
- KBAL1500
 - o A natural new system size to fit with a typical 1500 m³/hr ballast pump
- Online Portal – "KBAL Port Planner"
 - o A sales and aftermarket support tool for both KBAL and our customers enabling better operational overview and support



Result of the Year

The company had an operating result in 2022 of NOK 26 819 280, compared to NOK 5 462 437 the previous year. The company's net financial expenses were a net income of NOK 768 129, compared to net expense of NOK 1 349 306 the year before. The result after tax for the year shows a profit of NOK 15 253 109, compared to a result of NOK 10 513 302 in 2021.

The Board of Directors recommends that result for the year is transferred to other equity.

The financial accounts are settled on the assumption of a going concern. The board confirms the assumption of a going concern. In the Board's opinion, the presented annual accounts give a true and fair view of the financial position of the Company 31.12.2022.

The environment safety and quality control

The Board is not aware of circumstances indicating that the company pollutes the environment significantly. On the contrary, the company is working actively to improve the environment through their new Ballast water technology.

Future Prospects

The retrofit market is a narrowing segment, however KBAL may have an advantage over competitors with shorter delivery times, some equipment is now in stock at KBAL.

The newbuild market will be critical for the longer term future of KBAL, so working with yards and potential customers conducting new build activities will be important.

Norwegian Transparency Act (Norw. "Åpenhetsloven")

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.

Insurance for board members and general manager

There have not been taken out any board of directors' liability insurance.



28.02.2023

[Handwritten signatures]

id 1
/ 2 1



KNUTSEN BALLAST WATER AS

Profit and Loss Account

	Note	2022	2021
Operating Income			
Operating income	1	<u>98 130 231</u>	<u>72 675 285</u>
Operating Expenses			
Other operating expenses	2	54 062 137	52 495 793
Administration expenses	3, 4	<u>17 231 147</u>	<u>14 717 055</u>
Operating Expenses		<u>71 293 284</u>	<u>67 212 848</u>
Ordinary depreciation	5	17 667	-
Operating Result		<u>26 819 280</u>	<u>5 462 437</u>
Financial Income and Expenses			
Financial income	6	421 466	6 113
Foreign exchange profit/loss		826 295	-793 895
Financial expenses	6	<u>-479 632</u>	<u>-561 524</u>
Net Financial Items		<u>768 129</u>	<u>-1 349 306</u>
Profit before Tax		<u>27 587 409</u>	<u>4 113 131</u>
Tax	7	12 334 299	-6 400 171
Result for the Year		<u>15 253 109</u>	<u>10 513 302</u>
Disposal of the result			
Silent partner's share		1 203 517	197 007
Transferred to/ (-) from other equity		<u>14 049 593</u>	<u>10 316 295</u>
Total disposal of the result		<u>15 253 109</u>	<u>10 513 302</u>



KNUTSEN BALLAST WATER AS

BALANCE PR. 31. DESEMBER

Assets		2022	2021
Fixed Assets			
Machinery and equipment	5	247 333	-
Deferred tax	7	5 163 881	17 498 181
Total Fixed Assets		5 411 214	17 498 181
Current Assets			
Accounts receivable		3 016 785	3 551 054
Inventory	8	6 833 237	1 967 483
Other short-term receivables		7 560 643	17 598 819
Receivables group companies		431 169	3 657 044
Bank deposits	9	63 615 434	17 554 085
Total Current Assets		81 457 268	44 328 486
TOTAL ASSETS		86 868 483	61 826 667



KNUTSEN BALLAST WATER AS

BALANCE PR. 31. DESEMBER

SHAREHOLDERS EQUITY AND LIABILITIES	2022	2021
Equity		
Share capital (100 shares of NOK 2 000,-)	200 000	200 000
Share premium	2 900 000	2 900 000
Other paid in equity	<u>65 000 000</u>	<u>65 000 000</u>
Total equity paid-in	<u>68 100 000</u>	<u>68 100 000</u>
Uncovered losses silent partner	-5 964 680	-7 168 197
Uncovered losses	<u>-7 555 780</u>	<u>-21 605 373</u>
Total other equity	<u>-13 520 460</u>	<u>-28 773 570</u>
Total Shareholders' Equity	10, 11, 12 <u>54 579 540</u>	<u>39 326 430</u>
Long Term Liabilities		
Other provisions	6 831 730	3 687 036
Long term debt to group companies	<u>6 057 068</u>	<u>5 678 911</u>
Total Long Term Liabilities	<u>12 888 798</u>	<u>9 365 947</u>
Current Liabilities		
Accounts Payable	2 411 092	4 811 882
Current liabilities associated companies	-	339 075
Other current liabilities	<u>16 989 053</u>	<u>7 983 333</u>
Total Current Liabilities	<u>19 400 145</u>	<u>13 134 290</u>
SHAREHOLDERS EQUITY AND LIABILITIES	<u>86 868 483</u>	<u>61 826 667</u>

28.02,
Haugesund, 2023

Trygve Seglem
Chairman of the Board

Jorunn Seglem
Member of the Board

Kjell Jacobsen
Member of the Board

Per Lothe
Member of the Board

Nils Spidsøe
Member of the Board



KNUTSEN BALLAST WATER AS Notes to the Financial Statement 31.12.2022

1 Accounting Principles

The financial statement is prepared in accordance with the fundamental accounting principles and generally accepted accounting standards, NGAAP.

Company Structure

The company is partner (principal) of the internal partnership Knutsen Ballastvann IPS. The company has no other activities than those performed by being a partner of the internal partnership. All activities take place in the internal partnership from the time of establishment, June 22st 2009. It is thus the internal partnership who is the owner of the principal's assets from that time. In line with generally accepted accounting principles the activity is displayed on a gross basis. The principal is entitled to 95,6667% of the profit of the internal partnership.

Current Assets/Current Liabilities

Short-term assets/liabilities are due within one year. Other posts 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 are valued at cost, but written down to fair value unless an impairment is expected to be temporary. Long-term liabilities are stated at nominal value at the time of entering.

Tax

The tax expense in the income statement includes both tax payable and changes in deferred tax. Deferred tax is calculated at 22 % rate on the basis of temporary differences between accounting and tax values and tax losses carried forward at the year end. Deferred tax assets are only recorded if it is likely that the company can utilize them at a later point of time.

Transactions in Foreign Currency

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.

Realised and unrealised foreign exchange loss are recorded under financial items. Foreign exchange gain is recorded as a financial income when actually realised.

Construction contracts

For construction contracts, revenue is recognised continually based on the stage of completion of the project (the percentage of completion method). For construction contracts expected to yield a loss, an accrual is made for the net costs of the remaining contractual production.

Cash flow statement

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

2 Income and Governants grant

Income is relating to construction contracts where of MNOK 7,2 is ongoing projects (MNOK 54,3 in 2021). Earned not invoiced income included in receivables is MNOK 0,5 (MNOK 13,5 in 2021)

The company has accrued MNOK 0,7 in connection with the SkatteFUNN scheme for 2022. The total amount is booked as cost reduction and allocated to Other short term receivables. The grant is subject to final approval from the tax authorities. Total eligible projects that have been expensed in 2022 amount to MNOK 3,7.

3 Remuneration

The company have not paid salary or any other remuneration, nor given any loan or guarantees to the managing

	2022	2021
Auditor's fee (excl. VAT):		
Auditing	135 450	89 265
Tax services	0	0
Other consulting services	0	45 625
	<u>135 450</u>	<u>134 890</u>

4 Employees

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



5 Fixed Assets

<u>Fixed assets</u>	<u>Machinery and equipment</u>	<u>Sum fixed assets</u>
Aquisitioncost 01.01.	-	-
Net disposals	265 000	265 000
Aquisitioncost 31.12.	265 000	265 000
Accum. depre. 31.12.	17 667	17 667
Accum. write downs 31.12.	-	-
Booked value pr. 31.12.	247 333	247 333
Ordinary depreciation	17 667	17 667
Useful life	5 year	
Depreciation plan	Linear	

6 Financial Income and -Expenses

	<u>2022</u>	<u>2021</u>
Financial Income:		
Interest from group companies	0	0
Other Interest income	421 466	6 113
Total financial income	421 466	6 113
	<u>2022</u>	<u>2021</u>
Financial Expenses:		
Interest to group companies	382 001	277 494
Other interest expense	0	0
Other financial expenses	97 631	284 030
Total financial expenses	479 632	561 524



7 Tax

A specification of the temporary differences that existed at the end of the year is given below:

	2022	Change	2021
Fixed assets	35 333	35 333	0
Account receivables	-795 988	-795 988	0
Provision for liabilities	-6 831 730	-3 144 694	-3 687 036
Projects	2 315 199	-27 836 371	30 151 570
Temporary differences	-5 277 186	-31 741 720	26 464 534
	0		0
Losses carried forward	-23 472 187	56 065 000	-79 537 187
Basis for deferred tax/deferred tax asset	-28 749 372	24 323 281	-53 072 653
Deferred tax/asset 22 %	-5 163 881	12 334 300	-17 498 181

Below a specification of differences between the profit/loss for the year before tax and the basis for tax calculation is given:

	2022	2021
Profit before tax	27 587 409	4 113 131
Permanent differences	-706 991	-8 036 810
Change in temporary differences	31 741 720	-26 464 534
Silent partner's share of profit/loss before tax	-2 557 135	1 296 525
Change in deficit carried forward	-56 065 000	29 091 688
Tax base	0	0
Tax cost		
Tax Payable	0	0
Adjusted deferred tax/(tax benefit) due to reduced tax rate	0	0
Change in deferred tax asset	12 334 299	-6 400 172
Tax cost	12 334 299	-6 400 172

8 Inventory

	2022	2021
Spareparts and inventory	6 833 237	1 967 483

Spareparts and inventory are valued at purchasing price unless there are indicators that value are lower.

9 Bank deposits

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



10 Equity

Specification of equity pr. 31.12.

	Equity 01.01.	Result for the year	Equity 31.12.
Share capital	200 000	0	200 000
Share premium	2 900 000	0	2 900 000
Other paid in equity	65 000 000	0	65 000 000
Uncovered loss	-21 605 374	14 049 593	-7 555 781
Uncovered loss silent partner	-7 168 196	1 203 517	-5 964 679
Equity 31.12.	<u>39 326 430</u>	<u>15 253 109</u>	<u>54 579 540</u>

11 Share capital

Share capital consists of:

	Number of shares	Face value (NOK)	Balance post
A-shares	100	2 000	200 000

The shareholders of the company per 31.12 are:

	Ordinary shares	Ownership, %	Voting rights, %
TS Shipping Invest AS	100	100 %	100 %

12 Shares Owned by Board Members and Affiliates

Trygve Seglem controls through TS Shipping Invest AS 100 % of the company.

Financial statements for the group can be obtained at company's registered office, Smedasundet 40, 5529



KNUTSEN BALLAST WATER AS

CASHFLOW STATEMENT

	2022	2021
Total generated from operations *)	28 006 426	4 581 558
Change in working capital	18 319 920	12 738 066
Net cashflow from operations	46 326 346	17 319 624
Investments in fixed assets	-265 000	0
Net cashflow from investments	-265 000	0
Net repaid/drawn debt		
Dividend		
Group contribution, net		
Net cashflow from financing	0	0
Net change in cashflow for the year	46 061 346	17 319 624
+ Cash balance per 1.1	17 554 085	234 459
= Cash Balance per 31.12.	63 615 433	17 554 085
*) Generated from operations:		
Result before tax	27 988 760	4 581 558
Total depreciation and write-downs	17 666	
Total generated from operations	28 006 426	4 581 558



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 Knutsen Ballast Water AS

Opinion

We have audited the financial statements of Knutsen Ballast Water 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, 9 May 2023
ERNST & YOUNG AS

The auditor's report is signed electronically

Magnus Hegertun Birkeland
State Authorised Public Accountant (Norway)

Independent auditor's report - Knutsen Ballast Water AS 2022

A member firm of Ernst & Young Global Limited

Penneo document key: TLZPP-8QEJQ-LZEF-ANKXO-SSYYA-X8CTG



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."

Magnus Hegertun Birkeland

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: UN:NO-9578-5990-4-2796687

IP: 51.175.xxx.xxx

2023-05-09 13:31:07 UTC



Penneo Dokumentnøkkel: TLZPP-8QJEIQ-LZEQT-AKDXO-SSYYA-X8CTG

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>