



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 913 018 087
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORSPAN LNG XI AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

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

Grunnlag for avgivelse

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

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

Brønnøysundregistrene, 28.06.2023



Resultatregnskap

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Freight income		25 181 333	24 942 168
Commissions		-238 177	-259 985
Sum inntekter	3	24 943 156	24 682 183
Kostnader			
Crew-hire	9	2 678 209	2 532 680
Ordinary depreciation	4	5 923 200	5 922 900
Other operating expenses	6	2 802 044	2 705 457
Sum kostnader		11 403 452	11 161 037
Driftsresultat		13 539 704	13 521 146
Finansinntekter og finanskostnader			
Financial income	5	55 371	16 452
Sum finansinntekter		55 371	16 452
Foreign exchange gain/loss		8 746	208 462
Financial expenses	5	8 680 669	9 138 711
Sum finanskostnader		8 689 415	9 347 173
Netto finans		-8 634 044	-9 330 721
Ordinært resultat før skattekostnad		4 905 660	4 190 425
Taxes	11		
Ordinært resultat etter skattekostnad		4 905 660	4 190 425
Årsresultat		4 905 660	4 190 425
Årsresultat etter minoritetsinteresser		4 905 660	4 190 425
Totalresultat		4 905 660	4 190 425



Balanse

Beløp i: USD	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	11		
Varige driftsmidler			
Vessel under construction	3, 4		
Vessel	3, 4	199 274 072	205 191 735
Sum varige driftsmidler		199 274 072	205 191 735
Sum anleggsmidler		199 274 072	205 191 735
Omløpsmidler			
Varer			
Inventories	13	488 440	399 467
Sum varer		488 440	399 467
Fordringer			
Accounts receivable		362 563	40 981
Other short-term receivables		165 465	87 966
Intercompany receivables	10	2 277 083	263 535
Konsernfordringer	10, 10		
Sum fordringer		2 805 110	392 482
Bankinnskudd, kontanter og lignende			
Bank deposits	2	2 206 786	2 218 699
Sum bankinnskudd, kontanter og lignende		2 206 786	2 218 699
Sum omløpsmidler		5 500 336	3 010 647
SUM EIENDELER		204 774 408	208 202 382

BALANSE - EGENKAPITAL OG GJELD

Egenkapital



Balanse

Beløp i: USD	Note	2021	2020
Innskutt egenkapital			
Share capital		11 933 969	11 933 969
Overkurs		8 670 385	8 670 385
Annen innskutt egenkapital		11 697 165	11 697 165
Sum innskutt egenkapital		32 301 519	32 301 519
Opptjent egenkapital			
Other equity		6 968 913	4 340 336
Sum opptjent egenkapital		6 968 913	4 340 336
Sum egenkapital	7, 8	39 270 431	36 641 854
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	12	160 054 035	168 250 841
Sum annen langsiktig gjeld		160 054 035	168 250 841
Sum langsiktig gjeld		160 054 035	168 250 841
Kortsiktig gjeld			
Leverandørgjeld		395 010	378 395
Kortsiktig konserngjeld	10	2 277 083	
Accrued interest		642 069	660 450
Debt to associated companies	10	5 720	140 169
Other current liabilities		2 130 061	2 130 672
Sum kortsiktig gjeld		5 449 943	3 309 687
Sum gjeld		165 503 977	171 560 528
SUM EGENKAPITAL OG GJELD		204 774 408	208 202 382



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Journalnummer: 2022 385299

Enheten

Organisasjonsnummer: 913 018 087
Organisasjonsform: Aksjeselskap
Foretaksnavn: NORSPAN LNG XI AS
Forretningsadresse: Smedasundet 40
5529 HAUGESUND

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

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

Grunnlag for avgivelse

År 2021: Årsregnskap er elektronisk innlevert.
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021.

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

Brønnøysundregistrene, 11.06.2022



Organisasjonsnr: 913 018 087
NORSPAN LNG XI AS

RESULTATREGNSKAP

Beløp i: USD	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Freight income		25 181 333	24 942 168
Commissions		-238 177	-259 985
Sum inntekter	3	24 943 156	24 682 183
Kostnader			
Crew-hire	9	2 678 209	2 532 680
Ordinary depreciation	4	5 923 200	5 922 900
Other operating expenses	6	2 802 044	2 705 457
Sum kostnader		11 403 452	11 161 037
Driftsresultat		13 539 704	13 521 146
Finansinntekter og finanskostnader			
Financial income	5	55 371	16 452
Sum finansinntekter		55 371	16 452
Foreign exchange gain/loss		8 746	208 462
Financial expenses	5	8 680 669	9 138 711
Sum finanskostnader		8 689 415	9 347 173
Netto finans		-8 634 044	-9 330 721
Ordinært resultat før skattekostnad			
Taxes	11	4 905 660	4 190 425
Ordinært resultat etter skattekostnad		4 905 660	4 190 425
Årsresultat		4 905 660	4 190 425
Årsresultat etter minoritetsinteresser		4 905 660	4 190 425
Totalresultat		4 905 660	4 190 425



Organisasjonsnr: 913 018 087
NORSPAN LNG XI AS

BALANSE

Beløp i: USD Note 2021 2020

BALANSE - EIENDELER

Anleggsmidler

Immaterielle eiendeler

Utsatt skattefordel 11

Varige driftsmidler

Vessel under construction 3, 4

Vessel 3, 4

Sum varige driftsmidler 199 274 072 205 191 735

Sum anleggsmidler 199 274 072 205 191 735

Omløpsmidler

Varer

Inventories 13 488 440 399 467

Sum varer 488 440 399 467

Fordringer

Accounts receivable 362 563 40 981

Other short-term
receivables 165 465 87 966

Intercompany receivables 10 2 277 083 263 535

Konsernfordringer 10, 10

Sum fordringer 2 805 110 392 482

Bankinnskudd, kontanter og lignende

Bank deposits 2 2 206 786 2 218 699

**Sum bankinnskudd,
kontanter og lignende** 2 206 786 2 218 699

Sum omløpsmidler 5 500 336 3 010 647

SUM EIENDELER 204 774 408 208 202 382

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital 11 933 969 11 933 969

Overkurs 8 670 385 8 670 385

Annen innskutt egenkapital 11 697 165 11 697 165

Sum innskutt egenkapital 32 301 519 32 301 519

Opptjent egenkapital

Other equity 6 968 913 4 340 336

Sum opptjent egenkapital 6 968 913 4 340 336



Sum egenkapital	7, 8	39 270 431	36 641 854
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Gjeld til			
kredittinstitusjoner	12	160 054 035	168 250 841
Sum annen langsiktig gjeld		160 054 035	168 250 841
Sum langsiktig gjeld		160 054 035	168 250 841
Kortsiktig gjeld			
Leverandørgjeld		395 010	378 395
Kortsiktig konserngjeld	10	2 277 083	
Accrued interest		642 069	660 450
Debt to associated companies	10	5 720	140 169
Other current liabilities		2 130 061	2 130 672
Sum kortsiktig gjeld		5 449 943	3 309 687
Sum gjeld		165 503 977	171 560 528
SUM EGENKAPITAL OG GJELD		204 774 408	208 202 382



Organisasjonsnr: 913 018 087
NORSPAN LNG XI AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note

Antall aksjer og aksjeeiere

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

Omløpsmidler Startdato Sluttdato Endring

Skattemessig fremf.undersk. Startdato Sluttdato Endring

Kortsiktig gjeld Startdato Sluttdato Endring



Skattedirektoratet

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

TS SHIPPING INVEST AS
Postboks 2017
5504 HAUGESUND

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

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

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

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

Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Bakgrunn

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

Skattedirektoratets vurdering

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

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



være på et annet språk.”

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

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

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

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

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

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad

seniorrådgiver

Rettsavdelingen, foretaksskatt

Skattedirektoratet

Torstein Kinden Helleland



NORSPAN LNG XI AS

ANNUAL REPORT

2021



NORSPAN LNG XI AS

REPORT OF THE BOARD OF DIRECTORS 2021

Norspan LNG XI AS was established in 2015 and in 2017 the company entered into a shipbuilding contract with HHI, in Korea for the construction of a 180.000 m³ MEGI LNG-vessel, shipbuilding number 2764. The vessel Rias Baixas Knutsen was delivered on 2th September 2019.

The vessel is chartered on a long term time charter to the Spanish energy company Iberdrola SA from delivery, and the vessel was from January 2020 permanently subchartered to Pavillion Gas, Singapore.

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

The vessel has operated without any off-hire in 2021. Rias Baixas Knutsen suffered a major breakdown on the fuel gas supply high pressure compressor in October, and has been able to perform operations with some limitations on operational flexibility since then. The compressor has to be replaced and new compressor is scheduled delivered end of May 2022.

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

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

Profit for the year

The company had operating income of USD 24 943 156 in 2021 (24 682 183 in 2020). The operating result for the year was a result of USD 13 539 704 (USD 13 521 146 in 2020). The net financial result was USD -8 634 044 (net financial result of USD -9 330 721 in 2020), and the result of the year was a profit of USD 4 905 660 compared to USD 4 190 425 in 2020.

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

Net cash flow from operational activities in the company was USD 8 398 036, compared to USD 3 933 578 in 2020. The liquidity balance was USD 2 206 786 (USD 2 218 699 in 2020).



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

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

High operational standards

The requirements for safe and environmentally friendly operation of the vessel are increasing, and both the Company and the manager Knutsen OAS Shipping emphasize operational quality. The manager is ISO 9001, ISO 14001 and ISO 45001 certified and establishes each year Key Performance Indicators (KPIs) for improved safety and environmental operation.

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

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

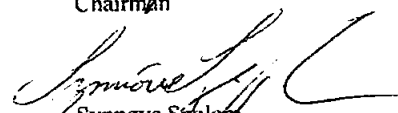
Future prospects

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

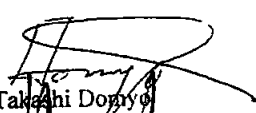
Haugesund, 4 February 2022



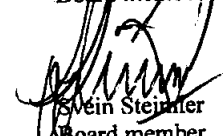
Trygve Seglem
Chairman



Synnøve Seglem
Board member



Takashi Doi
Board member



Svein Steiner
Board member



NORSPAN LNG XI AS

Profit & Loss Account

Numbers in USD

	<u>Note</u>	2021	2020
<u>Operating Income</u>			
Freight income		25 181 333	24 942 168
Commissions		-238 177	-259 985
<i>Total Operating income</i>	3	<u>24 943 156</u>	<u>24 682 183</u>
<u>Operating Expenses</u>			
Crew-hire	9	2 678 209	2 532 680
Other operating expenses	6	2 802 044	2 705 457
<i>Total Operating Expenses</i>		<u>5 480 252</u>	<u>5 238 137</u>
Ordinary depreciation	4	5 923 200	5 922 900
<i>Total depreciation and write-downs</i>		<u>5 923 200</u>	<u>5 922 900</u>
<i>Operating Result</i>		<u>13 539 704</u>	<u>13 521 146</u>
<u>Financial Income and Expenses</u>			
Financial income	5	55 371	16 452
Foreign exchange gain/loss		-8 746	-208 462
Financial expenses	5	-8 680 669	-9 138 711
<i>Net Financial Items</i>		<u>-8 634 044</u>	<u>-9 330 721</u>
<i>Result before taxes</i>		<u>4 905 660</u>	<u>4 190 425</u>
Taxes	11	0	0
<i>Result for the year</i>		<u>4 905 660</u>	<u>4 190 425</u>



NORSPAN LNG XI AS

Balance Sheet as of 31. December

Numbers in USD

<u>ASSETS</u>	<u>Note</u>	2021	2020
Vessel	3, 4	199 274 072	205 191 735
<i>Total Fixed Assets</i>		<u>199 274 072</u>	<u>205 191 735</u>
<u>Current Assets</u>			
Inventories	13	488 440	399 467
Accounts receivable		362 563	40 981
Other short-term receivables		165 465	87 966
Intercompany receivables	10	2 277 083	263 535
Bank deposits	2	2 206 786	2 218 699
<i>Total Current Assets</i>		<u>5 500 336</u>	<u>3 010 647</u>
TOTAL ASSETS		<u>204 774 408</u>	<u>208 202 382</u>

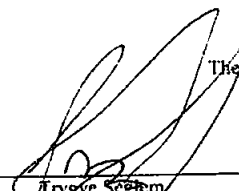


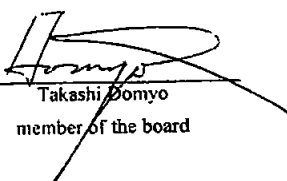
NORSPAN LNG XI AS
Balance Sheet as of 31. December

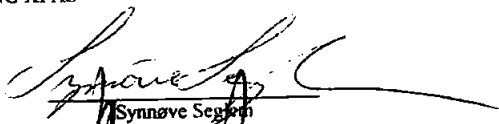
<u>Shareholders Equity and Liabilities</u>	<u>Note</u>	2021	2020
Equity			
Share capital		11 933 969	11 933 969
Share premium		8 670 385	8 670 385
Other paid-up equity		11 697 165	11 697 165
<i>Total capital paid-in</i>		<u>32 301 519</u>	<u>32 301 519</u>
Other equity		6 968 913	4 340 336
<i>Total Shareholders' Equity</i>	7, 8	<u>39 270 431</u>	<u>36 641 854</u>
Mortgage debt	12	160 054 035	168 250 841
<i>Total Long Term Debt</i>		<u>160 054 035</u>	<u>168 250 841</u>
Current Liabilities			
Accounts payable		395 010	378 395
Accrued interest		642 069	660 450
Group Contribution		2 277 083	0
Debt to associated companies	10	5 720	140 169
Other current liabilities		2 130 061	2 130 672
<i>Total Current Liabilities</i>		<u>5 449 943</u>	<u>3 309 687</u>
SHAREHOLDERS' EQUITY AND LIABILITIES		<u>204 774 408</u>	<u>208 202 382</u>

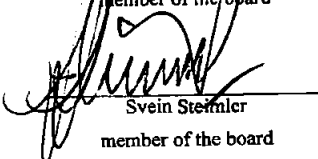
Haugesund, 4 February 2022

The board of NORSPAN LNG XI AS


Trygve Segtem
chairman of the board


Takashi Domyo
member of the board


Synnøve Segtem
member of the board


Svein Steiner
member of the board



NORSPAN LNG XI AS

CASHFLOW STATEMENT

	2021	2020
Total generated from operations 1)	11 036 466	10 325 249
Change in working capital	<u>-2 638 430</u>	<u>-6 391 671</u>
Net cashflow from operations	<u>8 398 036</u>	<u>3 933 578</u>
Invested in vessel	<u>5 537</u>	<u>28 111</u>
Net cashflow from investments	<u>-5 537</u>	<u>-28 111</u>
Paid-in share capital, incl. share premium	0	0
Draw down mortgage debt		
Repayment mortgage debt	-8 404 412	-8 040 249
Group distribution		3 700 000
Net cashflow from financing	<u>-8 404 412</u>	<u>-4 340 249</u>
Net cashflow for the year	-11 913	-434 782
+ Cash balance per 01.01.	<u>2 218 699</u>	<u>2 653 481</u>
= Cash Balance per 31.12.	<u>2 206 786</u>	<u>2 218 699</u>

1) Generated from operations:

Result before tax	4 905 660	4 190 425
+ Amortization of debt issuance cost	207 606	211 924
+ Ordinary depreciation	<u>5 923 200</u>	<u>5 922 900</u>
= Total generated from operations	<u>11 036 466</u>	<u>10 325 249</u>



NORSPAN LNG XI AS

Notes to the Financial Statement 31.12.2021

1 Accounting Principles

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

Current Assets/Current Liabilities

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

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

Tax

Profit / loss for tax calculation is based on the profit / loss and the permanent and temporary differences that exist between accounting values and tax values at the end of the year.

Deferred tax is estimated on basis of the temporary differences in which exists between accounting related value and tax related value at year end, and additionally tax related losses will be carried forward. Deferred tax assets are only recorded if it is likely that the company can utilize them at a later

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 deposits.

2 Bank deposits

The company doesn't have locked-up bank funds per 31.12.

3 Contracts

The company entered into a shipbuilding contract with HHI, in Korea for the construction of a 180.000 m³ LNG-vessel, shipbuilding number 2964. The vessel was delivered in September 2019, and entered from delivery a 10 year time charter contract with the Spanish energy company Iberdrola SA.

Knutsen OAS Shipping AS operates as manager on behalf of the company in accordance with management agreement.

The company executed in March 2018 a sale and leaseback agreement of Hull 2964 with Hai Feng 1717 Limited, a company incorporated in Ireland. The transaction is considered a financial lease and the company has bareboat obligation for the vessel until 10 years after delivery. At the end of the bareboat agreement the company must purchase back the vessel.



4 Fixed Assets

<u>Vessel</u>	<u>2021</u>	<u>2020</u>
Historical value 1.1.	209 694 535	209 666 424
Acc. Depreciation 1.1	6 995 600	1 753 100
Book Value 1.1	202 698 935	207 913 324
Additions/ diposal	5 537	28 111
Ordinary annual depreciation	5 242 800	5 242 500
Book value 31.12.	197 461 672	202 698 935

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

<u>Dry-Docking</u>	<u>2021</u>	<u>2020</u>
Historical value 1.1.	3 400 000	3 400 000
Acc. Depreciation 1.1	907 200	226 800
Book Value 1.1	2 492 800	3 173 200
Additions	0	0
Ordinary annual depreciation	680 400	680 400
Book value 31.12.	1 812 400	2 492 800

Book value vessel 31.12. 199 274 072 205 191 735

5 Financial Income and -Expenses

	<u>2021</u>	<u>2020</u>
Financial Income:		
Distribution from DNK	2 632	
Interest income fra group companies	52 738	15 078
Interest income	2	1 374
Total financial income	55 371	16 452

Financial expenses:		
Interest expenses to group	0	46 684
Interest expenses	8 315 985	8 725 592
Other financial expenses	364 684	366 434
Total financial expenses	8 680 669	9 138 711

6 Remuneration

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

Auditors remuneration (excl.	<u>2021</u>	<u>2020</u>
Audit	8 508	5 970
Tax advice		
Other services besides audit		
	<u>8 508</u>	<u>5 970</u>



7 Equity

Specification of the equity per 31.12.

	Share capital	Share premium	Other paid-inn equity	Other equity	Total equity
Equity 01.01.	11 933 969	8 670 385	11 697 165	4 340 336	36 641 854
Group contribution				-2 277 083	-2 277 083
Result for the year				4 905 660	4 905 660
Equity 31.12.	11 933 969	8 670 385	11 697 165	6 968 913	39 270 431

Share capital consist of 2000 shares à NOK 50.000

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

8 Shares Owned by Board Members and Affiliates

Trygve Seglem controls through Seglem Holding AS 50 % of the company.

9 Employees

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

	2021	2020
Salary	1 906 788	2 036 875
Other benefits	771 421	495 805
Sum	2 678 209	2 532 680

10 Balances with related companies

	2021	2020
<u>Short-term liabilities associated company</u>		
Knutsen O.A.S Shipping AS	0	0
<u>Short-term liabilities group company</u>		
Knutsen NYK LNG Holding AS	0	0
	0	0
<u>Group contribution</u>		
Knutsen NYK LNG Holding AS	2 277 083	0
	2 277 083	0
<u>Short-term receivables group company</u>		
Knutsen NYK LNG Holding AS	2 277 083	263 535
	2 277 083	263 535
<u>Short-term liabilities associated company</u>		
Knutsen O.A.S Shipping AS	5 720	140 102
KNOT Management Denmark AS		67
	5 720	140 169



11 Tax

The company is taxed based on the shipping tax regime. This means that companies are not taxed on the basis of its operating income. However it is calculated an annual tax of 22% on the company's net financial income. At the same time companies within the tonnage tax scheme will have to pay a tonnage tax based on the size of the company's operated vessels, which in 2021 amounted to NOK 154.395 (50.760 in 2020). Tonnage tax is classified as an operating expense.

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

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

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

	2021	Change	2020
Loss carried forward	-1 283 039	-208 925	-1 074 114
Basis for deferred tax (benefit)	-1 283 039	-208 925	-1 074 114
Deferred tax (benefit)	-282 269	-45 964	-236 305
Deferred tax (benefit) booked	0	0	0

Taxable result tonnage tax scheme:

	2021	2020
Net financial items	-8 634 044	-9 330 721
Currency effect on profit/loss before tax	468 232	-1 701 813
Non-taxable currency gain	-237 368	1 013 399
Non- deductible interest	8 160 530	9 610 767
Non-taxable distribution from DNK	-2 596	0
Taxable income before loss carried forward	-245 246	-408 368
Currency effect loss carried forward	-36 321	21 148
Change in loss carried forward	208 925	429 516
Taxable income	0	0
Tax payable	0	0
Currency effect on tax payable	0	0
Change in deferred tax	0	0
Tax expense	0	0



12 Mortgage debt and financial instruments

	<u>2021</u>	<u>2020</u>
USD Loan 31.12.	161 646 630	170 051 043
Deferred debt issuance costs 31.12.	-1 592 595	-1 800 202
Book Value 31.12	<u>160 054 035</u>	<u>168 250 841</u>

The company has in March 2018 signed a sale and leaseback agreement of Hull 2964 with Hai Feng 1716 Limited, a company incorporated in Ireland. The transaction is considered a financial lease and the company has bareboat obligation for the vessel until 10 years after delivery. At the end of the bareboat agreement the company must purchase back the vessel.

The current portion of the mortgage debt is USD 8 837 557 (USD 8 406 698 in 2020).

Estimated outstanding debt per 31.12.2026 is USD 112,7 million.

The lease has a fixed interest for the 10 year period and thus the company has reduced the uncertainty of the floating interest rates. Interests are capitalized during the building period.

Security for the loan is made through a first priority mortgage in the vessel, assignment of income accounts are pledged.

Book value of mortgaged assets is USD 199 million.

The company has aimed to reduce the market risk by entering financial contracts. The company has entered long term freight contracts in USD, with the intention of having income, vessel investment and loans in the same currency in order to minimize the effects of exchange rate fluctuations.

13 Inventories

Inventories amounting to USD 488 440 refer to lube oil and stores as per 31.12, and the corresponding figures were USD 399 467 in 2020. Due to the fact that the vessel is contracted on a time charter, bunkers and bunkers stock are for charterers' account.



Statsautoriserte revisorer
Ernst & Young AS

Thormøhlens gate 53 D, 5006 Bergen
Postboks 6163, 5892 Bergen

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 Norspan LNG XI AS

Opinion

We have audited the financial statements of Norspan LNG XI AS (the Company), which comprise the balance sheet as of 31 December 2021, the profit & loss accounts 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 of 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

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

Other information

Other information consists of the information included in the annual report other than the financial statements and our auditor's report thereon. Management (the board of directors) 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 other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

Responsibilities of management for the financial statements

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

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

A member firm of Ernst & Young Global Limited

Penneo Dokumentnr: BW6CY-FEK3F-4FWAY-8EZUJ-XGIFB-5HIJ3



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.

Bergen, 11 May 2022
ERNST & YOUNG AS

The auditor's report is signed electronically

Trine H. Bjerkvik
State Authorised Public Accountant (Norway)

Independent auditor's report – Norspan LNG XI AS

A member firm of Ernst & Young Global Limited

Penneo Dokumentnøkkel: BW6CY-FEK8F-4FVAY-8ZUU-XGIFB-SHJUS



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."

TRINE HANSEN BJERKVIK

Statsautorisert revisor

På vegne av: EY

Serienummer: 9578-5990-4-2269617

IP: 213.52.xxx.xxx

2022-05-11 12:00:42 UTC



Penneo Dokumentnøkkel: BW6CY-FEK8F-4FWAY-8EZUU-XGIFB-5HJU3

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 last 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/validate>