INTERIM RESULTS FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2017

Highlights

- EBITDA[1] of USD 43.0 million, or USD 37.4 million adjusted for non-recurring items
- Net profit of USD 20.0 million, or USD 11.9 million adjusted for non-recurring items
- Dividend of USD 0.125 per share paid in the fourth quarter of 2017
- Closing of the sale of the remaining 49% interest in Höegh Grace to Höegh LNG Partners

Subsequent events

- Dividend of USD 0.025 per share declared in the first quarter of 2018
- Höegh LNG Partners starts "at-the-market" (ATM) equity raising programme
- Höegh Giant commences three-year time charter with Gas Natural Fenosa

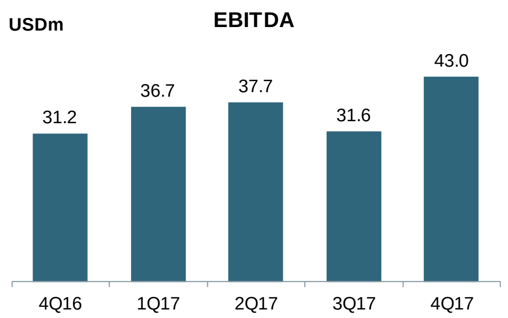
Continued operational excellence, focus on long-term value generation

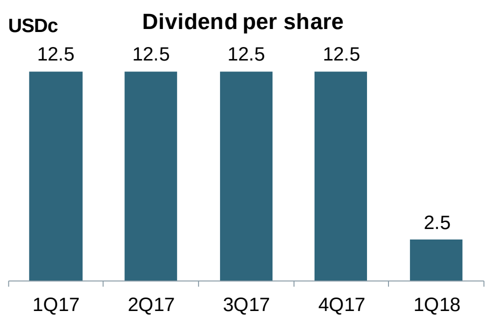
Höegh LNG reports record EBITDA of USD 43.0 million for the fourth quarter of 2017, including USD 5.6 million in higher revenue recognition following the conclusion of a contractual audit of reimbursable amounts under an existing time charter. Höegh LNG's strong results reflect stable commercial operations backed by solid technical availability and safety performance.

While Höegh LNG continues to deliver solid financial results, the board of directors has resolved to reduce the quarterly dividend to USD 0.025 per share in reflection of the project delays experienced during 2017. This will, combined with the recently initiated ATM equity raising programme in Höegh LNG Partners, support Höegh LNG's financial flexibility and preserve its investment capacity in an active tendering market. Once greater clarity regarding the long-term employment of FSRUs under construction has been achieved, the board of directors will reconsider the level of quarterly dividend distribution.

Höegh LNG's primary commercial focus is to secure employment for the newbuildings under construction. With several ongoing tender processes, and with new opportunities emerging at a more frequent rate as new markets seek to access the growing supplies of LNG globally, Höegh LNG remains committed and well-positioned to serve new and current customers with market-leading FSRU services.

Table: Reported EBITDA and declared dividend per share





[1] Please see the list of abbreviations in Appendix 1.

Group financial review[2]

Höegh LNG Holdings Ltd. (Höegh LNG Holdings or the company) and its subsidiaries (together Höegh LNG or the group) reported EBITDA of USD 43.0 million for the fourth quarter of 2017, compared with USD 31.6 million for the previous quarter. The improvement from the third quarter is driven by USD 5.6 million in higher revenue recognition following the conclusion of a contractual audit of reimbursable amounts under an existing time charter, variations in other operating items, and provisions of USD 9.0 million net recorded in the third quarter.

Adjusted for non-recurring items, Höegh LNG recorded EBITDA of USD 37.4 million for the fourth quarter. This was down from USD 40.6 million in the previous quarter, largely owing to planned maintenance on Höegh Gallant.

Depreciation totalled USD 11.3 million in the fourth quarter, which was in line with the third quarter. Net financial expenses decreased by USD 2.8 million to USD 13.3 million in the quarter following the repayment of the HLNG01 bond loan in October 2017. Net profit for the fourth quarter was USD 20.0 million, up from USD 1.1 million in the previous quarter. In addition to the higher revenue recognition in the quarter, the net profit is further supported by USD 2.5 million in income tax income following an amendment to the Indonesian subsidiary's 2016 tax return and application of an exemption allowing increased deductions.

Operating cash flows reached USD 32.2 million in the quarter, down by USD 3.5 million from the third quarter. Other sources comprised USD 110.9 million in net proceeds from the perpetual preferred equity issue in Höegh LNG Partners LP (Höegh LNG Partners) and USD 3.3 million in net other investing and financing items. Uses during the quarter consisted primarily of USD 148.6 million in debt service (including the repayment of USD 104 million under the HLNG01 bond loan), USD 50 million in investments in marketable securities, USD 26.3 million in newbuilding instalments and USD 17.1 million in dividend payments. These comprise dividends of USD 9.5 million paid to shareholders of Höegh LNG Holdings and USD 7.6 million paid to non-controlling interests in Höegh LNG Partners. Net cash flows for the quarter were negative at USD 95.6 million, compared with a positive USD 152.8 million for the third quarter.

At 31 December 2017, Höegh LNG had USD 233.9 million in current cash and marketable securities (30 September 2017: USD 285.0 million) and net interest-bearing debt of USD 908.1 million (30 September 2017: USD 961.9 million). Book equity at 31 December 2017, after adjusting for the mark-to-market of interest rate swaps, was USD 763.1 million (30 September 2017: USD 648.9 million), equivalent to an adjusted book equity ratio of 39.2% (32.7%).

For the 12-month period ending 31 December 2017, Höegh LNG reported EBITDA of USD 148.8 million and net profit of USD 41.1 million. That compares with USD 111.3 million and USD 14.0 million respectively for the preceding 12-month period. This improvement reflects the full-year effect of commencing operations with Höegh Grace in Colombia during December 2016, higher revenue recognition of reimbursed costs, and a reversal of certain sales-tax-related accruals, offset by a provision with regard to performance guarantees on Neptune and GDF Suez Cape Ann for the initial years in which they operated as LNG carriers.

Table: selected financial items

USD'000	4Q 2017	3Q 2017	2Q 2017	1Q 2017	4Q 2016
Total income	76 052	64 049	70 589	68 659	62 275
EBITDA	42 967	31 596	37 658	36 679	31 183
EBIT	31 693	20 357	26 704	27 404	22 067
Profit (loss) after tax	19 961	1 108	8 539	11 445	828
Total assets	1 959 035	1 991 983	2 001 957	1 842 987	1 713 461
Equity adjusted for hedging reserves	763 136	648 873	664 316	672 272	677 110
Net interest-bearing debt	(908 081)	(961 875)	(947 153)	(705 489)	(584 911)
Equity ratio adjusted for hedging	39.2 %	32.7 %	33.3 %	36.6 %	39.7 %

[2] The interim consolidated financial statements for Höegh LNG include HMLP on a consolidated basis and, unless otherwise stated, figures in this section are compared with figures for the third quarter of 2017.

[3] Please see note 3 for further details – Contingent liabilities

Corporate/other activities

Sale of remaining 49% equity interest in Höegh Grace to Höegh LNG Partners

Reference is made to the stock exchange notice of 16 November 2017, in which Höegh LNG Holdings announced the agreement to transfer the remaining 49% ownership interest in Höegh Grace to Höegh LNG Partners for a purchase price of USD 86.7 million, net of debt. The transaction closed on 2 December 2017, and resulted in a net liquidity effect of USD 77 million for Höegh LNG Holdings, net of a USD 8.9 million draw-down under the revolving credit facility granted by Höegh LNG Holdings to Höegh LNG Partners.

Settlement of the Methane Ventures co-investment programme

The Methane Ventures Ltd. (MVL) co-investment scheme expired on 31 December 2017, with Höegh LNG Holdings assuming ownership of all outstanding shares in MVL for zero consideration. The 1,211,738 shares in Höegh LNG Holdings previously held by MVL, are now held by the company as treasury shares, and the number of outstanding shares in Höegh LNG Holdings, net of treasury shares, is consequently 76,033,008.

Höegh LNG Partners launches ATM equity raising programme

On 26 January 2018, Höegh LNG Partners filed a prospectus supplement with the SEC in the USA, in which it announced that it had started an ATM equity raising programme. Under this programme, Höegh LNG Partners may, from time to time, issue new common units or 8.75% series A cumulative redeemable preferred units up to a limit of USD 120 million. Proceeds from this programme may be used for general partnership purposes, including repayment of debt, additional investments or similar.

Distribution from Höegh LNG Partners

Höegh LNG Partners declared a quarterly distribution of USD 0.43 per unit for the fourth quarter on 18 January 2018, corresponding to an annualised distribution of USD 1.72 per unit. Höegh LNG Holdings received USD 6.6 million in distributions and USD 0.3 million in IDRs for the fourth quarter 2017 on 14 February 2018.

Quarterly dividend of USD 0.025 per share

Höegh LNG Holdings paid a cash dividend of USD 0.125 per share in the fourth quarter of 2017, equivalent to USD 9.5 million.

The board of directors of Höegh LNG Holdings declared a cash dividend of USD 0.025 per share on 27 February 2018. The reduction from the previous level of USD 0.125 per share per quarter has been made in order to optimise the company's resources and preserve its financial flexibility following the project delays seen during 2017. Although tendering activity is high and the market outlook remains strong, the timing related to the start-up of future long-term contracts, including the outcome of ongoing tender processes, is uncertain. In line with the company's dividend policy, which states that the timing and amount of any dividends will be dependent on, such considerations as market prospects, investment opportunities and current earnings, the board of directors has decided to reduce the quarterly dividend distribution temporarily, and to reconsider the distribution level pending greater clarity regarding the long-term employment for FSRUs under construction.

Shares will trade ex-dividend on 7 March 2018, and shareholders recorded in the VPS following the close of trading on Oslo Børs on 8 March 2018 will be entitled to the dividend, which will be payable on or around 22 March 2018.

Business review

Overall performance

All seven FSRUs and two LNG carriers in Höegh LNG's fleet operated in accordance with contracts during the quarter, and the group's technical availability remained stable at close to 100%.

The lost-time injury frequency was 0.40 in the 12 months ending 31 December 2017, up from zero in August 2017 following a minor lost-time incident, which was the first one in two years.

In accordance with nominations from the charterers, the FSRUs in operation delivered 21% and 43% more gas in the fourth quarter than in the third quarter of 2017 and fourth quarter of 2016 respectively.

Table: Technical availability of fleet and safety performance

	2017	2016	2015	2014	2013
Technical availability	99.8 %	99.9 %	100.0 %	99.7 %	99.9 %
Lost Time Injury Frequency*	0.40	0.00	0.73	0.44	1.07

*Calculated per million exposure hours for seagoing personel only.

Höegh Giant commences time charter contract with Gas Natural Fenosa

On 7 February 2018, Höegh Giant commenced its time charter contract with Gas Natural SDG, SA (Gas Natural Fenosa). As previously announced, the initial term of the contract is three years, and includes the option for Gas Natural Fenosa to utilise the unit as an FSRU at a pre-defined day rate. Until FSRU employment is established, the unit will trade in Gas Natural Fenosa's fleet and earn an LNG carrier spot-market-linked day rate.

Höegh Giant was delivered to Gas Natural Fenosa on the Pacific coast of Panama on 7 February 2018, and transited the Panama Canal before receiving its first cargo at the Sabine Pass LNG terminal in the USA, reflecting the flexibility and full trading capabilities of Höegh LNG's premier FSRU fleet.

Project execution update

The GNL Penco FSRU project in Chile continues its revised environmental approval process, and the steps undertaken, concluded and documented so far are considered to be in line with the authorities' requirements. While the process continues in line with GNL Penco's plans, the timeline and commencement of the FSRU contract remain subject to final environmental approval.

The Quantum Power/Höegh LNG FSRU project in Ghana remains subject to government approval. As the government selection and approval process remains unclear, no assurance can be given on a positive selection or the timeline of the process.

Business development activity and newbuilding portfolio update

Höegh LNG's main commercial focus is to secure long-term employment for the FSRUs under construction. Since FSRU #8, which is scheduled for delivery in April 2018, is intended to serve the 20-year contract with GNL Penco in Chile, Höegh LNG is currently in discussions for medium-term employment for the unit with planned start-up in the middle of 2018.

As for FSRUs #9 and #10, with scheduled delivery dates in December 2018 and May 2019, Höegh LNG is currently involved in several advanced tendering processes for long-term FSRU contracts. As FSRU projects are complex in nature, no guarantees can be given regarding the outcome of these processes or their timelines.

Business development activity continues to increase, coinciding with LNG trade reaching all time-high levels as well as with a rebound in the volume of sales contracts for LNG. Höegh LNG is evaluating new business opportunities more actively and preparing to bid for new contracts, while ongoing tender processes have picked up momentum lately.

Höegh LNG is continuing to pursue strategic partnerships as an additional channel for growing its contract backlog. Together with Nakilat, it has continued discussions on several FSRU projects which are well suited to be undertaken on a joint and exclusive basis.

Market

Global LNG trade rose by 11% to 297 million tonnes in 2017, following an 8% increase in 2016. Trade exceeded year-ago levels in every month of the year. December 2017 proved particularly impressive, with total trade of almost 28 million tonnes. What is more, global LNG trade has continued to increase into 2018, with total imports in January 2018 reaching 28.6 million tonnes, up 12% from the same period in 2017 and a new all-time-high.

The biggest contributor to LNG trade growth was China, with LNG imports of 38.7 million tonnes in 2017. This represents an increase of 11.8 million tonnes or 44% from 2016, making China second only to Japan in terms of LNG imports. The increase in Chinese gas demand and LNG imports is the result of several factors, including an acceleration in antipollution legislation restricting the use of coal for power production, as well as the addition of seven GW of new gas-fired power capacity.

LNG imports through FSRUs rose 3% to 33.5 million tonnes in 2017. China, Turkey and Pakistan contributed with a combined 3.6 million tonnes increase, while FSRU utilisation fell in the Middle East and North Africa.

At 31 December 2017, no less than 35 countries were importing LNG through regasification plants with a capacity greater than 0.5 million tonnes per annum, including 14 countries through FSRUs. The number of LNG-importing countries has grown from only 11 in 2000, and frontier importers have largely preferred FSRUs over land-based regasification plants since 2010.

Global liquefaction capacity was around 360 million tonnes at 31 December 2017, including around 40 million tonnes of capacity unutilised due to feedstock challenges. Twenty-two million tonnes of liquefaction capacity commenced commercial operation during the year. Another 100 million tonnes of liquefaction capacity are under construction, with commercial start-up expected over the next four years. Plans to increase Qatari production by 30%, or close to 24 million tonnes annually, adds further to future volume growth potential. Assuming full utilisation of export facilities, both existing and under construction, the upside for LNG volumes is as high as roughly 60% compared with the 2017 trade figures.

Overall tendering activity remains high, and new projects continue to come to market with requests for interest in providing FSRUs. Such projects, which have been mentioned in the public domain and find themselves in various stages of development, include projects in markets such as, in alphabetical order, Australia, Brazil, Colombia, Cote d'Ivoire, Croatia, Cyprus, Hong Kong, Lebanon, Mexico, Pakistan, Turkey, the UAE and the UK.

The FSRU fleet consisted of 28 units at 31 December 2017. Of these, five are converted LNG carriers built in the 1970s and 1980s. The FSRU order book stands at 12 units, with delivery dates from April 2018 through 2021. Three units in the existing fleet are considered to be uncommitted, while five to six of the FSRUs under construction appear to be uncommitted. Of these, three units are not due for delivery until 2021.

The short-term LNG carrier market firmed up significantly through 2017 on the back of accelerating volume growth. At 31 December 2017, spot round voyage earnings had increased to USD 80-85,000 per day from a trough of below USD 30,000 per day in the second quarter, driven, among other factors by China's switch from coal to gas. This increased gas demand and LNG prices in the Far East, opening an arbitrage on LNG volumes from the west to the east and consuming a large portion of the available shipping capacity. The activity level on the LNG carrier spot market has subsequently slowed down seasonally, but the underlying balance between supply and demand for LNG shipping should continue to tighten as more liquefaction capacity commences operation.

Outlook

Höegh LNG's attention is focused on establishing long-term employment on binding terms for the three newbuildings still under construction. Tendering activity is high as more LNG comes to the market, and Höegh LNG remains committed to having employment in place for the newbuildings at the time of their delivery, either from the pool of existing projects being executed, or from new contracts pursued in on-going tender processes. Following the dividend reduction determined by the board of directors and new equity raised through Höegh LNG Partners' ATM programme, combined with Höegh LNG's well proven operational platform and technical experience, Höegh LNG remains well positioned to strengthen its position further as the premier supplier of FSRU services world-wide.

INTERIM CONSOLIDATED STATEMENT OF INCOME

USD'000	Note	*Unaudited* 4Q 2017	*Unaudited* 3Q 2017	*Unaudited* 4Q 2016	*Unaudited* FY 2017	*Audited* FY 2016
Freight revenues		71 334	69 977	56 879	271 048	213 889
Management and other income		1 108	1 991	1 738	5 777	5 252
Share of results from investments in joint ventures		3 610	(7 919)	3 658	2 525	13 773
Total income		**76 052**	**64 049**	**62 275**	**279 350**	**232 914**
Charterhire expenses		(8 947)	(8 947)	(8 888)	(35 496)	(35 359)
Bunker and other voyage related expenses		(16)	(68)	(170)	(668)	(424)
Operating expenses		(13 502)	(13 329)	(10 587)	(51 612)	(43 754)
Project administrative expenses		(3 972)	(4 625)	(4 323)	(17 757)	(13 274)
Group administrative expenses		(4 766)	(3 825)	(5 704)	(17 684)	(20 585)
Business development expenses		(1 882)	(1 659)	(1 420)	(7 231)	(8 238)
Operating profit before depreciation and impairment	4	**42 967**	**31 596**	**31 183**	**148 902**	**111 280**
Depreciation		(11 274)	(11 239)	(9 116)	(42 362)	(34 848)
(Impairment) / reversal of impairment		-	-	-	(380)	-
Operating profit after depreciation and impairment		**31 693**	**20 357**	**22 067**	**106 160**	**76 432**
Interest income		606	530	297	2 256	1 457
Interest expenses		(13 929)	(16 606)	(13 335)	(60 656)	(55 180)
Income from other financial items		1 091	562	1 302	3 195	6 214
Expenses from other financial items		(1 062)	(569)	(6 798)	(4 755)	(9 790)
Net financial items		**(13 294)**	**(16 083)**	**(18 534)**	**(59 960)**	**(57 299)**
Ordinary profit before tax		**18 399**	**4 274**	**3 533**	**46 200**	**19 133**
Corporate income tax		1 562	(3 166)	(2 705)	(5 148)	(5 121)
Profit for the period		**19 961**	**1 108**	**828**	**41 052**	**14 012**
Profit for the period attributable to (from):						
Equity holders of the parent		7 965	1 206	(3 412)	18 482	1 298
Non-controlling interests		11 996	(98)	4 240	22 570	12 714
		19 961	**1 108**	**828**	**41 052**	**14 012**
Earnings per share attributable to equity holders of the parent during the period:						
Basic and diluted earnings per share		0.10	0.02	(0.04)	0.24	0.02

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

USD'000	Note	*Unaudited* 4Q 2017	*Unaudited* 3Q 2017	*Unaudited* 4Q 2016	*Unaudited* FY 2017	*Audited* FY 2016
Profit for the period		**19 961**	**1 108**	**828**	**41 052**	**14 012**
Items that will not be reclassified to profit or loss						
Net gain (loss) on other capital reserves		(50)	-	22	(50)	22
Items that may be subsequently reclassified to profit or loss						
Net gain (loss) on hedging reserves		9 887	6 787	29 565	12 303	14 022
Share of other comprehensive income from joint ventures		5 465	2 755	23 702	10 845	11 199
Other comprehensive income (loss) for the period net of tax	7	**15 302**	**9 542**	**53 289**	**23 098**	**25 243**
Total comprehensive income (loss)		**35 263**	**10 650**	**54 117**	**64 150**	**39 255**
Total comprehensive income attributable to (from):						
Equity holders of the parent		19 795	9 152	37 071	35 076	19 590
Non-controlling interests		15 468	1 498	17 046	29 074	19 665
		35 263	**10 650**	**54 117**	**64 150**	**39 255**

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Unaudited	*Unaudited*	*Audited*
		2017	**2017**	**2016**
USD'000	Note	31 Dec	30 Sep	31 Dec
ASSETS				
Non-current assets				
Intangible assets				
Deferred tax assets		528	478	353
Tangible assets				
Investments in FSRUs		1 386 132	1 396 513	1 139 734
Investments in new buildings under construction		232 998	202 046	129 678
Other non-current financial assets	7	25 795	27 867	22 123
Other non-current assets		22 871	20 404	22 120
Shareholder loans		3 263	3 198	943
Restricted cash		13 640	13 923	18 580
Total non-current assets		**1 685 227**	**1 664 429**	**1 333 531**
Current assets				
Bunkers and inventories		783	746	745
Trade and other receivables		37 697	40 995	40 539
Shareholder loans		-	-	6 275
Marketable securities		74 022	23 552	135 751
Other current financial assets	7	1 390	781	-
Restricted cash		6 976	12 927	10 274
Cash and cash equivalents		152 940	248 553	186 346
Total current assets		**273 808**	**327 554**	**379 930**
TOTAL ASSETS		**1 959 035**	**1 991 983**	**1 713 461**
EQUITY AND LIABILITIES				
Equity				
Share capital		772	772	769
Other paid-in capital		552 421	551 896	550 659
Capital reserves		(35 192)	(47 857)	(53 853)
Retained earnings		(39 060)	(53 089)	(51 599)
Equity attributable to equity holders of the parent		**478 941**	**451 722**	**445 976**
Non-controlling interests		226 297	123 898	150 087
Total equity		**705 238**	**575 620**	**596 063**
Non-current liabilities				
Deferred tax liability		8 301	9 288	6 114
Non-current interest-bearing debt	6	1 082 246	1 104 447	786 567
Investments in joint ventures		35 159	44 234	48 530
Other non-current financial liabilities	7	9 165	15 936	16 938
Deferred revenue		3 921	4 381	5 761
Total non-current liabilities		**1 138 792**	**1 178 286**	**863 910**
Current liabilities				
Current interest-bearing debt	6	73 413	156 383	149 295
Income tax payable		1 932	3 292	1 109
Trade and other payables		14 714	11 823	19 023
Other current financial liabilities	7	8 465	42 292	57 890
Other current liabilities		16 481	24 287	26 171
Total current liabilities		**115 005**	**238 077**	**253 488**
TOTAL EQUITY AND LIABILITIES		**1 959 035**	**1 991 983**	**1 713 461**

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

USD'000	*Unaudited* **4Q 2017**	*Unaudited* **3Q 2017**	*Unaudited* **4Q 2016**	*Unaudited* **2017**	*Audited* **2016**
Operating activities:					
Profit (loss) before tax for the period	18 399	4 274	3 533	46 200	19 133
Non-cash adjustment to reconcile profit before tax to net operational cash flow					
Depreciation FSRUs, drydocking and equipment	11 274	11 239	9 116	42 361	34 848
Impairment (reversal of impairment)	-	-	-	380	-
Fair value adjustments on marketable securities	(471)	(614)	(1 141)	(2 940)	(5 697)
Interest income	(462)	(530)	(297)	(2 113)	(1 457)
Interest cost	13 929	16 606	13 335	60 655	55 180
Net loss (income) on interest rate hedges	(510)	51	(161)	(93)	(517)
Currency loss on restricted cash balances	-	-	4 644	-	5 200
Share based payment cost and board remuneration not paid-out	525	541	418	2 352	2 012
Share of profit from investments in joint ventures	(3 610)	7 919	(3 658)	(2 525)	(13 772)
Working capital adjustments					
Changes in inventories, receivables and payables	(6 267)	(3 143)	(3 280)	(13 655)	(19 027)
Dividend received from joint ventures	-	-	-	-	-
Payment of income tax	(633)	(633)	(83)	(1 712)	(423)
i) Net cash flow from operating activities	**32 174**	**35 710**	**22 426**	**128 912**	**75 479**
Investing activities:					
Investments in marketable securities	(50 000)	(110)	(116)	(155 331)	(116)
Proceeds from sale of marketable securities	-	170 000	55 000	220 000	101 269
Investments in FSRUs, drydocking and new buildings	(26 276)	(2 099)	(32 543)	(376 966)	(264 799)
Net proceeds from sale of LNG Libra	-	-	-	-	17 978
Investments in intangibles, equipment and other	(614)	(526)	(189)	(1 928)	(969)
Interest received	462	339	614	1 529	1 387
Repayment of shareholder loans	(65)	1 425	1 512	3 956	6 639
ii) Net cash flow from investing activities	**(76 494)**	**169 029**	**24 279**	**(308 741)**	**(138 611)**
Financing activities:					
Gross proceeds from equity issuance	115 000	-	112 013	115 000	112 013
Transaction cost of equity issuance	(4 076)	-	(484)	(4 076)	(484)
Purchase of own shares	-	-	-	(198)	-
Dividend paid to non-controlling interests (HMLP)	(7 589)	(7 585)	(4 558)	(30 035)	(18 224)
Dividend paid to shareholders of the parent	(9 504)	(9 504)	(7 567)	(38 014)	(30 263)
Proceeds from borrowings	-	-	-	367 559	200 067
Payment of debt issuance cost	(2 758)	-	(2)	(4 722)	(2 421)
Repayment of borrowings	(130 371)	(18 353)	(15 177)	(191 103)	(57 394)
Interest paid	(18 226)	(18 294)	(13 634)	(67 824)	(53 773)
Payment to unwind swaps	-	-	-	(8 403)	-
(Increase) decrease in restricted cash	6 233	1 777	(1 005)	8 239	2 333
iii) Net cash flow from financing activities	**(51 292)**	**(51 959)**	**69 587**	**146 424**	**151 854**
Net increase/(decrease) in cash and cash equivalents (i+ii+iii)	**(95 612)**	**152 780**	**116 293**	**(33 405)**	**88 722**
Current cash and cash equivalents at the beginning of the period	248 553	95 773	70 054	186 346	97 623
Current cash and cash equivalents at the end of the period	**152 940**	**248 553**	**186 347**	**152 940**	**186 345**

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017

	Attributable to equity holders of Höegh LNG Holdings Ltd.									
	Issued capital	Share premium	Treasury shares	Other paid-in capital	Hedging reserve	Other capital reserves	Retained earnings	**Total**	Non-controlling interests 1)	**Total equity**
At 1 January 2017	**769**	**445 078**	**(12)**	**105 593**	**(51 059)**	**(2 794)**	**(51 599)**	**445 976**	**150 087**	**596 063**
Profit (loss) for the year							18 482	18 482	22 570	41 052
Other comprehensive income					16 594			16 594	6 504	23 098
Total comprehensive income					**16 594**		**18 482**	**35 076**	**29 074**	**64 150**
Capital contribution to HMLP							(290)	**(290)**	290	
MLP dividend to non-controlling interests									(30 039)	**(30 039)**
Sale of subsidiaries to MLP					2 115		32 935	**35 050**	(35 050)	
Issuance of redeemable preferred units in HMLP									110 924	**110 924**
Net proceeds of equity issuance	4	2 065		(1 978)				**90**		**90**
Purchase of treasury shares		(198)						**(198)**		**(198)**
Units granted to the board of HMLP				51	5			**56**	133	**189**
Dividend to shareholders of the parent							(38 014)	**(38 014)**		**(38 014)**
Share-based payment cash settled				(15)				**(15)**		**(15)**
Share-based payment costs				1 749				**1 749**	339	**2 088**
Total other transactions recognised directly in equity	**4**	**1 867**		**(193)**	**2 120**		**(5 369)**	**(1 572)**	**46 597**	**45 025**
At 31 December 2017	**772**	**446 945**	**(12)**	**105 400**	**(32 345)**	**(2 794)**	**(38 486)**	**479 480**	**225 758**	**705 238**

[1] Equity of USD 225.8 million attributable to non-controlling interests at 31 December 2017 includes a negative USD 25.6 million in cash flow hedge reserves. See table in Note 7.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2016

	Attributable to equity holders of Höegh LNG Holdings Ltd.									
	Issued capital	Share premium	Treasury shares	Other paid-in capital	Hedging reserve	Other capital reserves	Retained earnings	**Total**	Non-controlling interests	**Total equity**
At 1 January 2016	**768**	**444 740**	**(12)**	**78 226**	**(78 622)**	**(2 816)**	**(19 927)**	**422 357**	**69 208**	**491 565**
Profit (loss) for the year							1 298	**1 298**	12 714	**14 012**
Other comprehensive income / (loss)					18 270	22		**18 292**	6 951	**25 243**
Total comprehensive income					**18 270**	**22**	**1 298**	**19 590**	**19 665**	**39 255**
Issue of share capital	1	338		(252)				**87**		**87**
Share-based payments				1 815				**1 815**	212	**2 027**
Share-based payments cash settled				(100)				**(100)**		**(100)**
Capital contribution to HMLP							(1 613)	**(1 613)**	1 613	
Units granted to the board of HMLP				56	19			**75**	114	**189**
Dividend to shareholders of the parent								**(30 263)**		**(30 263)**
HMLP dividend to non-controlling interests									(18 225)	**(18 225)**
Net proceeds of equity issuance HMLP				25 848	9 274			**35 122**	76 406	**111 528**
Other changes in equity							(1 094)	**(1 094)**	1 094	
Total other transactions recognised directly in equity	**1**	**338**		**27 367**	**9 293**		**(32 970)**	**4 029**	**61 214**	**65 243**
At 31 December 2016	**769**	**445 078**	**(12)**	**105 593**	**(51 059)**	**(2 794)**	**(51 599)**	**445 976**	**150 084**	**596 063**

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The parent company, Höegh LNG Holdings Ltd. (Höegh LNG Holdings or the company), is an exempted limited company domiciled in and incorporated under the laws of Bermuda. The principal activities of the company and its subsidiaries (collectively Höegh LNG or the group) are described under segment information in Note 4. The interim financial statements were approved by the board of directors of Höegh LNG Holdings on 27 February 2018.

The weighted average of shares outstanding for the quarter ended 31 December 2017 was 77,244,746, and 1,905,126 options were outstanding. The company holds 1,211,738 shares as treasury shares.

2. BASIS FOR PREPARATION AND ACCOUNTING POLICIES

The interim consolidated financial statements for the period ended 31 December 2017 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. The statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the group's annual financial statements at 31 December 2016. New and amended standards effective for periods beginning at or after 1 January 2017 are considered to have no material effects on the group's financial statements. Höegh LNG has made an assessment of the effect of the new standards IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers, effective from 1 January 2018, without identifying any material impact on its financial performance. The group has also made a preliminary assessment of the effect of the new standard IFRS 16 Leases, effective from 1 January 2019. The impact is expected to be an increase in recognised tangible assets and debt, with a corresponding shift of certain amounts from bareboat expenses to partly depreciation and partly to interest expenses. As a result of rounding adjustments, amounts and percentages may not add up to the total.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

Preparation of interim financial statements in accordance with the IFRS implies the use of estimates, which are based on judgements and assumptions which affect the application of accounting principles and the reported amounts of assets, liabilities, revenues and expenses. Actual amounts might differ from such estimates.

Significant accounting judgements

At 31 December 2017, the company held 46.4% of the units in Höegh LNG Partners. Höegh LNG Partners is consolidated on the basis of management's assessment that Höegh LNG Holdings has de facto control of Höegh LNG Partners even though it has less than 50% of the voting rights. Management's assessment is based on a combination of factors, with the current composition of the board of directors of HMLP as an important element in the overall conclusion. See Note 21, Investments in joint ventures and subsidiaries, in the annual consolidated financial statements for 2016 for a more detailed description.

Significant estimates and assumptions

Benefits from uncertain tax positions are recognised when it is probable that a tax position will be sustained upon an examination based on the technical merits of the position.

Contingent liabilities

Höegh LNG is an international company which, through its ongoing business operations, will be exposed to litigation and claims from public authorities and contracting parties as well as assessments from public authorities in each country it operates in.

Under the Neptune and the GDF Suez Cape Ann time charters, the joint ventures undertake to ensure that the vessels meet specified performance standards at all times during the term of the time charters. The performance standards include the vessel not exceeding a maximum average daily boil-off of LNG, subject to certain contractual exclusions, as specified in the time charter. Pursuant to the charters, the hire rate is subject to deduction by the charterer of, among other things, sums due in respect of the joint ventures' failure to satisfy the specified performance standards during the period. The charterer has requested that the joint ventures calculate and present the boil-off since the beginning of the charters compared with the maximum average daily boil-off allowed under the time charters. The charters for the Neptune and GDF Suez Cape Ann commenced in 2009 and 2010 respectively. On 8 September 2017, the charterer notified the joint ventures that it was formally making a claim for compensation in accordance with the provisions of the charters for a stated quantity of LNG exceeding the maximum average daily boil-off since the commencement of the charters. The claim asserted a gross amount of compensation of USD 58 million for the excess boil-off volume, but recognised that the calculations for the amount required adjustment for allowable exclusions under the charters and requested that the joint ventures provided updated calculations, including the exclusions. The parties have begun a process to refer the claim to arbitration. The charterer's revised claim, as submitted in the arbitration request, was a gross amount of USD 52 million, covering a shorter time period for the first performance period as defined in the time charter, as well as interest and expenses. Depending on interpretations of the contractual provisions including exclusions to the performance standards and based on currently available information, it is estimated that Höegh LNG's 50% share of the excess boil-off claim could range from zero or negligible amounts to approximately USD 29 million, or the gross amount claimed by the charterer. Provisions are recorded for loss contingencies or claims when it is probable that a liability will be incurred and the amount of loss can be reasonably estimated. At 30 September 2017, the joint ventures determined that the liability associated with the boil-off claim was probable and could be reasonably estimated, resulting in a total provision of USD 23.7 million which was recorded as a reduction of time charter revenues in the third quarter of 2017. Höegh LNG's 50% share of the accrual was approximately USD 11.9 million. The provision was maintained unchanged at 31 December 2017. The claim may ultimately be settled through negotiation or arbitration. The joint ventures will continue to monitor this issue and adjust the provisions as might be necessary on the basis of additional information and further developments. Höegh LNG and the other major owner guarantee the performance and payment obligations of the joint ventures under the time charters. The guarantees are joint and several for the performance obligations and several for the payment obligations. To the extent that an excess boil-off claim results in a settlement, Höegh LNG will indemnify HMLP for its share of the cash impact of any settlement.

In 2002, two UK tax lease agreements were entered into for Arctic Princess and Arctic Lady respectively between two UK lessors and the Joint Gas Ltd and Joint Gas Two Ltd joint venture companies as lessees. The vessels were delivered in 2006 and the lease agreements are for 25 years from delivery. Her Majesty's Revenue and Customs (HMRC) has been challenging the use of similar lease structures and has been engaged in litigation in one case, which was decided in the autumn of 2015 in favour of HMRC. In the event of a formal challenge by HMRC regarding the lessors' right to claim capital allowances, this would lead to higher rental payments to the UK vessel lessors, which would have a negative effect on the earnings of the lessee companies and consequently on Höegh LNG. Leif Höegh (UK) Ltd, as managing owner and operator of the vessels, has been in dialogue with HMRC on this matter since 2005 and has presented the factual background to and the business rationale for entering into the lease agreements back in 2002. See Note 20, Commitments and guarantees (Arctic Vessels), in the annual consolidated financial statements for 2016 for a more detailed description.

4. SEGMENT INFORMATION

The composition of Höegh LNG's operating segments was changed with effect from 1 January 2017. The group's activities are now focused on three operating segments, namely HMLP, operations, and business development and project execution. Activities which are not part of operations are included in corporate and other. The segment structure is in line with the way the group's operations are managed and monitored internally. Höegh LNG's chief operating decision-maker is the board of directors of the company, which distributes resources to and assesses the performance of the group's operating segments. The reduced EBITDA compared with previously reported segment information reflects the presentation of the new segment structure on the basis of the equity method for joint ventures rather than the proportionate method.

For the purpose of making decisions about resource allocation and performance assessment, management monitors the operating results of Höegh LNG's operating segments separately. The only assets and liabilities included in the segment report are vessels, newbuildings, interest-bearing debt and intangible assets.

The segment reporting rests on the same basis as the internal reporting. Any internal revenues or expenses are presented net.

HMLP

The segment includes activities related to Höegh LNG Partners, which was formed to own, operate and acquire FSRUs, LNGCs and other LNG infrastructure assets under long-term charters, defined as five years or more. Höegh LNG Partners' fleet comprises ownership interests in five FSRUs, namely (i) a 50% interest in Neptune, (ii) a 50% interest in GDF Suez Cape Ann, (iii) a 100% interest in PGN FSRU Lampung, (iv) a 100% interest in Höegh Gallant and (v) a 51% interest in Höegh Grace until 1 December 2017, when the remaining 49% ownership interest was transferred to Höegh LNG Partners. The HMLP segment fully consolidates Höegh Grace due to HMLP's majority interest in the unit. Capitalised costs in the segment relate to the ownership of FSRUs.

Operations

The segment is responsible for the commercial and technical management of the group's operational FSRUs and LNGCs which have not been transferred to Höegh LNG Partners. It includes the FSRUs Independence and Höegh Giant and the LNGCs Arctic Princess and Arctic Lady. The LNGC LNG Libra was included in the segment until delivery to its new owners in the first quarter of 2016. Höegh Grace was included in the segment from delivery by the yard until it was transferred to the HMLP segment with effect from December 2016. The segment comprises all revenues and expenses related to FSRUs and LNGCs in operation as well as bareboat hire for Arctic Princess and Arctic Lady and management income for commercial management services paid by joint ventures. FSRUs are included in the operations segment from delivery from the yard.

Business development (BD) and project execution

The segment comprises all activities related to business development and project execution, including non-capital expenditure costs related to newbuildings.

It records expenses relating to new FSRU and LNGC contracts until delivery to the charterer and the pre-commencement phase of commercial contracts. Capitalised costs in the segment relate to the FSRU newbuilding programme.

Corporate and other

The segment consists of the group's management, finance, legal and other corporate services. The figures contain administrative expenses which are managed on a group basis and have not been allocated to other segments.

The table below sets out the group's operating segments for the fourth quarter and full year of 2017 and 2016 respectively.

Condensed statement of income and selected balance sheet items per segment

			Group ex. HMLP							
USD million	HMLP		Operations		BD and project execution		Corporate and other		Total	
Income statement	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016	Q4 2017	Q4 2016
Freight revenues	41.9	24.5	29.4	28.6	-	-	-	-	71.3	53.1
Management and other income	0.1	0.2	1.0	1.5	0.1	-	-	-	1.2	1.7
Share of results from inv. in JVs	2.3	2.5	1.3	1.2	-	-	-	-	3.6	3.7
TOTAL INCOME	**44.3**	**27.2**	**31.7**	**31.3**	**0.1**	**-**	**-**	**-**	**76.1**	**58.5**
Charterhire expenses	-	-	(8.9)	(5.2)	-	-	-	-	(8.9)	(5.2)
Bunker and other voyage related expenses	-	-	-	(0.2)	-	-	-	-	-	(0.2)
Operating expenses	(6.1)	(3.9)	(7.5)	(6.0)	-	(0.6)	-	-	(13.6)	(10.5)
Project administrative expenses	(0.9)	(0.6)	(1.8)	(2.3)	(1.2)	(1.4)	-	-	(3.9)	(4.3)
Group administrative expenses	(1.7)	(2.0)	-	-	-	-	(3.1)	(3.5)	(4.8)	(5.5)
Business development expenses	-	-	-	-	(1.9)	(1.6)	-	-	(1.9)	(1.6)
EBITDA	**35.6**	**20.7**	**13.5**	**17.6**	**(3.0)**	**(3.6)**	**(3.1)**	**(3.5)**	**43.0**	**31.2**

USD million	HMLP		Operations		BD and project execution		Corporate and other		Total	
Selected items in Financial Position	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Tangible assets										
Investments in FSRUs and NBs	826	556	560	585	233	130	-	-	1 619	1 271
Liabilities									-	-
Interest-bearing debt	476	330	368	389	-	-	310	217	1 154	936

USD million	HMLP		Group ex. HMLP Operations		BD and project execution		Corporate and other		Total	
Income statement	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Freight revenues	153.1	96.6	117.8	113.6	-	-	-	-	271.0	210.2
Management and other income	0.2	0.2	3.1	4.8	2.5	0.1	-	-	5.8	5.1
Share of results from inv. in JVs	(2.4)	9.3	4.9	4.5	-	-	-	-	2.6	13.8
TOTAL INCOME	**150.9**	**106.1**	**125.8**	**122.9**	**2.5**	**0.1**	**-**	**-**	**279.4**	**229.1**
Charterhire expenses	-	-	(35.4)	(31.7)	-	-	-	-	(35.4)	(31.7)
Bunker and other voyage related expenses	(0.1)	-	(0.6)	(0.3)	-	-	-	-	(0.7)	(0.3)
Operating expenses	(24.2)	(17.3)	(27.0)	(24.9)	(0.7)	(1.5)	-	-	(51.9)	(43.7)
Project administrative expenses	(3.6)	(2.8)	(6.9)	(6.3)	(7.1)	(3.9)	-	-	(17.6)	(13.1)
Group administrative expenses	(6.0)	(6.7)	-	-	-	-	(11.6)	(13.6)	(17.6)	(20.3)
Business development expenses	-	-	-	-	(7.3)	(8.7)	-	-	(7.3)	(8.7)
EBITDA	**117.0**	**79.3**	**55.9**	**59.7**	**(12.6)**	**(14.0)**	**(11.6)**	**(13.6)**	**148.9**	**111.3**

5. RELATED-PARTY TRANSACTIONS

Höegh LNG provides various management services to the group's joint venture companies and receives management income from external joint venture partners related to technical, commercial and administrative services. Total management income from related parties in Höegh LNG amounted to USD 1.0 million in the fourth quarter of 2017 (compared with USD 0.6 million in the third quarter). For a more detailed description of recurring related-party transactions, see information disclosed in Note 32 of the 2016 annual report.

6. COMMITMENTS AND FINANCING

Höegh LNG entered into two FSRU shipbuilding contracts with HHI in 2015 (FSRU #8) and 2017 (FSRU #9), with delivery in April and December of 2018 respectively. Furthermore, the group signed an FSRU shipbuilding contract with SHI in January 2017 (FSRU #10) with delivery in May 2019. At 31 December 2017, total remaining capital expenditures relating to these commitments were about USD 630 million, including yard payments, project expenses, finance costs and contingencies. Some USD 450 million of this is payable by December 2018, with the remainder falling due by the second quarter of 2019.

Total available liquidity at 31 December 2017 was USD 434 million, which includes USD 234 million in current cash and marketable securities and USD 200 million of USD 230 million in commitments under the debt financing facility for FSRU #8, which was signed on 13 November 2017. When conditions relating to long-term employment of Höegh Giant and FSRU #8 are met, the available amount under the respective financing facilities may be increased by up to USD 29 million and USD 30 million respectively. In addition, Höegh LNG is in the process of raising delivery debt financing for FSRU #9, and plans to raise debt financing for FSRU #10. Höegh LNG is in term sheet discussions for several alternative debt financing solutions for FSRU #9 and confident that financing will be made available well in advance of delivery.

Interest-bearing debt

	HLNG, net of HMLP	HMLP	Total
Mortgage debt	374 819	485 702	860 521
Unsecured bond debt	312 815	-	312 815
Debt issuance costs	(8 078)	(9 599)	(17 677)
Interest-bearing debt	**679 557**	**476 102**	**1 155 659**
Cash and marketable securities	204 230	29 709	233 938
Long-term restricted cash	-	13 641	13 641
Net interest-bearing debt, equity method	**475 327**	**432 753**	**908 080**
Proportionate share of joint venture debt	115 521	227 886	343 408
Proportionate share of joint venture debt issuance costs	-	(300)	(300)
Proportionate share of joint venture interest-bearing debt	**115 521**	**227 586**	**343 108**
Proportionate share of joint venture cash and marketable securities	11 429	8 623	20 052
Proportionate share of joint venture long-term restricted cash	-	12 604	12 604
Proportionate share of joint venture net interest-bearing debt	**104 092**	**206 360**	**310 452**

Debt maturity profile

	Due in year 1	Due in year 2	Due in year 3	Due in year 4	Due in year 5 and later	Total
Independence facility	15 248	76 293	15 248	15 248	68 535	190 572
Höegh Grace facility	13 250	13 250	150 313	-	-	176 813
Höegh Gallant facility	13 146	140 597	-	-	-	153 743
PGN FSRU Lampung facility	19 062	19 062	19 062	29 801	68 159	155 146
Höegh Giant facility	12 707	12 707	12 707	12 707	133 420	184 248
Bond debt	-	-	130 000	-	182 815	312 815
Interest-bearing debt outstanding	**73 413**	**261 909**	**327 330**	**57 756**	**452 929**	**1 173 337**
Debt issuance cost						(17 677)
Total interest-bearing debt						**1 155 659**

7. HEDGING RESERVES

Interest-rate swaps have been entered into for financing the group's vessels. The group has also entered into a cross-currency interest-rate swap relating to the NOK bond and an interest-rate swap on the USD bond.

At 31 December 2017, the mark-to-market (MtM) valuation of the interest-rate swaps was recognised in the financial position with a net liability of USD 48.9 million, and USD 57.9 million of the mark-to-market valuation of the interest rate swaps was recognised as hedge reserves in consolidated equity at 31 December 2017.

The mark-to-market valuations of the interest-rate swaps in the group's joint ventures are recorded as part of investments in joint ventures, which results in the investments being treated as net liabilities. The negative valuations of the interest-rate swaps in the joint ventures represent USD 62.1 million of the table below.

In the fourth quarter of 2017, USD 11.8 million relating to the interest-rate swaps was recorded as gain under other comprehensive income, compared with USD 9.5 million in the previous quarter.

Interest-rate swaps in Financial Position

MtMs of cash flow hedges in the Financial Position	31 Dec 2017	30 Sep 2017	30 June 2017	31 Mar 2017	31 Dec 2016
MTMs presented as financial assets	18 415	18 787	5 586	8 435	8 485
Total MtMs presented as financial liabilities	(5 193)	(39 444)	(45 974)	(51 183)	(56 967)
Total MtMs in the joint ventures	(62 096)	(67 562)	(70 317)	(69 250)	(72 942)
Net MtMs of cash flow hedges	**(48 874)**	**(88 219)**	**(110 705)**	**(111 998)**	**(121 424)**
Net foreign exchange losses under cross currency swaps included in MtM	(5 855)	17 625	30 621	36 123	43 258
Accumulated break cost paid	(4 285)	(4 285)	(4 285)	(4 285)	(4 285)
Accumulated loss on swaps in profit or loss	1 117	1 627	1 576	1 236	1 404
Interest rate swaps recorded against equity	**(57 898)**	**(73 253)**	**(82 793)**	**(78 924)**	**(81 047)**
Attributable to non-controlling interests	(25 553)	(28 190)	(29 785)	(29 122)	(29 988)
Attributable to equity holders of the parent	(32 345)	(45 063)	(53 008)	(49 802)	(51 059)

8. SUBSEQUENT EVENTS

- Dividend of USD 0.025 per share declared in the first quarter of 2018
- Höegh LNG Partners starts ATM equity raising programme
- Höegh Giant commences three-year time charter contract with Gas Natural Fenosa

9. FORWARD-LOOKING STATEMENTS

This interim report contains forward-looking statements. The statements are based on various assumptions, many of which are based in turn on further assumptions, including examination of historical operating trends made by the management of Höegh LNG. Although the group believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies difficult or impossible to predict and are beyond its control, Höegh LNG cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Among the important factors which could cause actual results to differ materially from those in the forward-looking statements are: changes in LNG transportation, regasification and floating liquefaction market trends; changes in the supply and demand for LNG; changes in trading patterns; changes in applicable maintenance and regulatory standards; political events affecting production and consumption of LNG and Höegh LNG's ability to operate and control its vessels; changes in the financial stability of clients of the group; Höegh LNG's ability to win upcoming tenders and to secure employment for the FSRUs on order; changes in Höegh LNG's ability to complete and deliver projects awarded; increases in the group's cost base; changes in the availability of vessels to purchase; failure by yards to comply with delivery schedules; changes in vessels' useful lives; changes in the ability of Höegh LNG to obtain additional financing; the success in achieving commercial agreements for the projects being developed by the group; changes in applicable regulation and laws. Unpredictable or unknown factors herein could also have material adverse effects on forward-looking statements.

APPENDIX 1

ALTERNATIVE PERFORMANCE MEASURES (APMS)

Höegh LNG's financial information is prepared in accordance with the international financial reporting standards (IFRS). In addition, it is management's intent to provide alternative performance measures which are regularly reviewed by management to enhance the understanding of Höegh LNG's performance. Operational measures such as, but not limited to, volumes, technical availability of vessels/fleet and contract backlog are not defined as financial APMs. Financial APMs should not be considered a substitute for measures of performance in accordance with the IFRS. The alternative performance measures presented may be determined or calculated differently by other companies.

Höegh LNG's APMs

- *EBIT:* EBIT is defined as line item "Operating profit after depreciation and impairment" in the interim consolidated statement of income.
- *EBITDA:* EBIT plus depreciation, amortisation and impairments. EBITDA is defined as line item "Operating profit before depreciation and impairment" in the interim consolidated statement of income.
- *Net interest-bearing debt:* Non-current and current interest-bearing debt less cash and marketable securities and restricted cash (current and non-current).
- *Equity adjusted for hedging reserves:* Total book equity adjusted for the mark-to-market value of financial derivative swaps recorded against equity. Financial derivative swaps consist of interest-rate and cross-currency interest-rate swaps. In the money mark-to-market, financial derivative swaps will increase equity, while out of the money mark-to-market, financial derivative swaps will reduce equity. The mark-to-market value of interest-rate swaps in the group's joint ventures is recorded as part of line item "Investment in joint ventures". See note 7 for more information on hedging reserves.
- *Equity ratio adjusted for hedging reserves:* Total book equity (see above) adjusted for hedging reserves divided by total assets.

ABBREVIATIONS

Abbreviation	Definition
FSRU	Floating storage and regasification unit
HHI or Hyundai Heavy Industries	Hyundai Heavy Industries Co, Ltd
HN	Hull number
HOA	Heads of agreement
Höegh LNG or the group	Höegh LNG Holdings Ltd and subsidiaries
Höegh LNG Partners, HMLP or the partnership	Höegh LNG Partners LP
IDR	Incentive distribution rights
LNGC	LNG carrier
MOL	Mitsui OSK Lines
MLP	Master Limited Partnership
MoU	Memorandum of Understanding
NB	Newbuilding
Quantum Power	Quantum Power Ghana Gas Ltd
SEC	U.S. Securities Exchange Commission
SHI or Samsung Heavy Industries	Samsung Heavy Industries Co, Ltd
SPEC	Sociedad Portuaria El Cayao SA ESP
The company	Höegh LNG Holdings Ltd
VPS	Norwegian Central Securities Depository