HÖEGH LNG

Interim results

for the quarter and year ended 31 December 2023

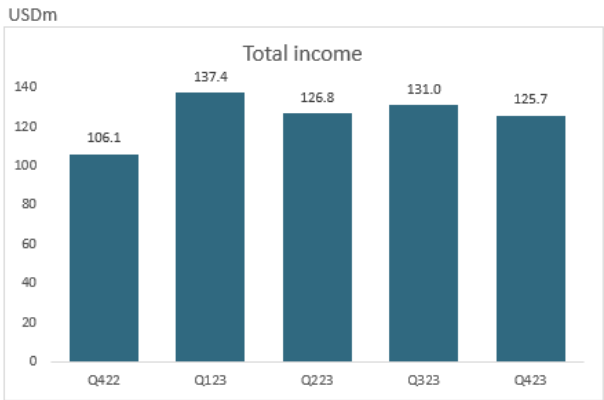
Highlights for the quarter ended 31 December 2023

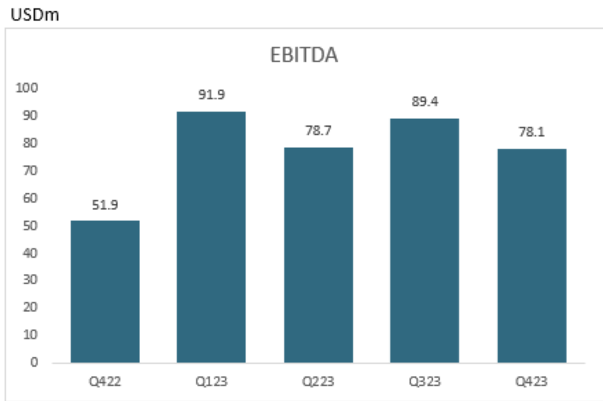
- EBITDA of USD 78.1 million
- Net profit after taxes of USD 15.8 million
- Successfully completed the refinancing of the Hoegh Gannet debt facility
- Entered into a partnership with VTTI B.V in December 2023 to develop a new energy terminal in or near the port of Vlissingen in the Netherlands
- In December 2023, the charterer of Höegh Grace waived its termination option in 2026, which means that Höegh Grace will continue its employment in Colombia at least until 2031

Subsequent events

- In January 2024, the group completed a refinancing of Hoegh Galleon's debt facility
- Also in January, the group extended its USD 100 million corporate credit facility with one year. The facility is currently undrawn
- On 5 February 2024, a settlement agreement was signed with the charterer of PGN FSRU Lampung, resulting in a withdrawal of the pending arbitration proceedings

Reported total income and EBITDA





Group financial review[1]

Höegh LNG Holdings Ltd (Höegh LNG Holdings or the company) and its subsidiaries (together Höegh LNG or the group) reported a total income of USD 125.7 million and an EBITDA of USD 78.1 million for the fourth quarter of 2023, compared to USD 131 million and USD 89.4 million for the preceding quarter. The decrease in EBITDA was mainly a result of lower revenues from Hoegh Galleon which was earning a higher rate under the previous short term LNGC charter which ended in September 2023, and increased administrative expenses.

The group recorded a net profit after tax of USD 15.8 million for the fourth quarter of 2023, down from a net profit after tax of USD 27.5 million in the preceding quarter. This decrease is mainly related to the above-mentioned decrease in EBITDA in addition to incurring higher interest expenses mainly as a result of the refinancing of Hoegh Gannet and Hoegh Galleon. These factors are partially offset by lower corporate income taxes in the fourth quarter.

Operating cash flows increased in the fourth quarter by USD 18.1 million to USD 89.6 million. The increase was driven mainly by positive changes in working capital which exceeded the reduced EBITDA effect. Net cash outflows from investing activities of USD 5.4 million relate to investment in equipment. Net cash flows from financing activities were positive by USD 5.5 million compared with cash outflows of USD 249.3 million reported in Q3 2023. While the group repaid corporate bonds of USD 169 million in the third quarter, the refinancing of Hoegh Gannet brought USD 319.3 million in gross proceeds in the fourth quarter which in turn were partly used to

[1] Unless otherwise stated, figures in this section are compared with figures for third quarter of 2023.

repay the existing mortgage debt of USD 145 million and the corporate credit facility of USD 100 million. The net increase in cash and cash equivalents during the fourth quarter was USD 89.7 million.

On 31 December 2023, Höegh LNG held USD 218.5 million in unrestricted cash (USD 128.8 million). Net interest-bearing debt, including lease liabilities, decreased during the fourth quarter by USD 60 million to USD 1 380 million (USD 1 440 million). Total assets and book equity on 31 December 2023, after adjusting for the mark-to-market of interest rate swaps, were USD 2 598 million (USD 2 529 million) and USD 781 million (USD 769 million) respectively, equivalent to an adjusted book equity ratio of 30% (30%).

Höegh LNG had a significant growth in revenues in 2023 and reported a total income of USD 520.9 million for the full year, up from USD 380.8 million in 2022. Similarly, EBITDA reached USD 338.2 million, a considerable increase from USD 153.2 million in the preceding year. The improved revenues and EBITDA are mainly explained by the new contracts for the fleet which commenced in late 2022 and in 2023, the addition of Hoegh Gandria to the fleet in 2023, and reduced administrative expenses compared to the previous year. The group reported a net profit of USD 97 million for 2023, a substantial improvement compared to the loss of USD 55.4 million reported in 2022. This increase in profitability was primarily driven by the higher EBITDA, although it was partly offset by increased depreciation and interest costs largely caused by the addition of the new vessel to the fleet.

Key financial figures

(In USD'000 unless otherwise indicated)	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022
INCOME STATEMENT					
Total income	125 655	130 968	126 847	137 402	106 064
Operating profit before depreciation and amortisation (EBITDA)	78 133	89 405	78 746	91 903	51 894
Operating profit	48 238	59 490	48 840	63 841	22 649
Profit (loss) for the period	15 819	27 520	19 554	34 062	(3 987)
FINANCIAL POSITION					
Total assets	2 610 238	2 575 296	2 748 933	2 587 998	2 431 225
Total assets adjusted for hedging	2 597 746	2 529 443	2 718 508	2 576 427	2 404 144
Equity adjusted for hedging	780 609	768 634	745 204	729 175	699 216
Adjusted equity ratio (%) [1]	30%	30%	27%	28%	29%
Net interest-bearing debt	(1 380 186)	(1 440 196)	(1 444 628)	(1 479 166)	(1 336 667)
CASH FLOWS					
Net cash flows from operating activities	89 620	71 480	76 982	69 239	69 600
Net cash flows from investing activities	(5 441)	(5 663)	(11 823)	(183 378)	(14 334)
Net cash flows from financing activities	5 470	(249 315)	96 088	118 476	(59 608)
Net increase (decrease) in cash & cash equivalents	89 650	(183 498)	161 248	4 337	(4 341)

[1] Reconciliation of equity ratio adjusted for hedging is presented in appendix 1 - alternative performance measures (APMs).

Business review

Business development

Overall, the business development activity remains high, with ongoing dialogues for FSRU projects worldwide.

In December 2023, Höegh LNG entered into an agreement with VTTI, a Dutch terminal company, to jointly develop an energy terminal in Vlissingen in the Netherlands by 2028, enhancing energy security for the Netherlands and the European Union.

Höegh Grace is contracted on a long-term charter until 2036, with options for the charterer to terminate the contract in 2026 and 2031. In December 2023, the charterer waived its termination option in 2026, which means that Höegh Grace will continue its employment in Colombia at least until 2031.

In February 2024, a 5-months LNGC charter was secured for Hoegh Gandria to keep the vessel employed and minimize potential idle time upon redelivery from its current charter towards the end of Q1 2024.

Clean Energy

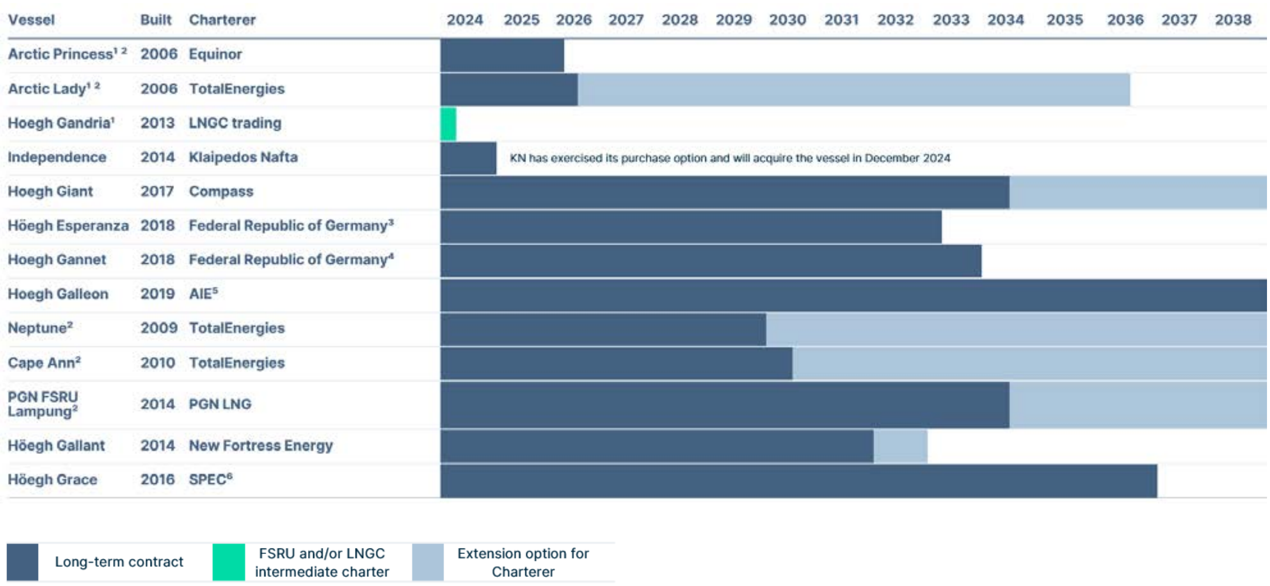
Höegh LNG is actively seeking areas where the company can contribute to the transition to a low-carbon world while growing its business in a commercially sustainable manner. Höegh LNG plans to leverage the extensive experience from floating terminals, liquid gas handling and marine gas transportation to expand the company's services into energy transition markets. Currently, this includes floating solutions for ammonia to hydrogen, blue hydrogen production and carbon capture & storage (CCS). Among other initiatives, Höegh LNG is participating in a development project for an industrial-scale ammonia cracker to be placed on a floating terminal for the supply of hydrogen to end-consumers. Höegh LNG, Wärtsilä and partners have been granted approximately EUR 5.9 million in project funding from Norwegian Government covering about 50% of the expected costs for developing the technical solution for large-scale conversion of ammonia to hydrogen. The project will seek to increase the viability of using hydrogen as a replacement for fossil fuels. In September 2023, Höegh LNG and Aker BP entered into a strategic partnership to develop a fully comprehensive carbon transport and storage offering for industrial CO2 emitters in Northern Europe. The agreement combines the companies' respective strengths, expertise, and technologies to establish a strong value chain for CCS on the Norwegian Continental Shelf that includes gathering, transporting and securely injecting CO2 for permanent storage in subsea reservoirs.

Operations

The fleet overall has delivered a stable operating performance in the fourth quarter. In the beginning of the quarter, Hoegh Galleon commenced its long-term contract with AIE in Australia. At the end of October, Cape Ann finalised its commissioning and started to deliver natural gas to the grid as France's first FSRU. In November 2023, Hoegh Gannet successfully completed its commissioning in Germany, initiating commercial regas operations. Hoegh Giant is expected to commence commissioning in Santos, Brazil towards the end of Q1 2024.

Fleet overview and contract coverage

The group's fleet comprises ten modern FSRUs and three LNG carriers. The entire fleet is either operating under or committed to long-term contracts with strong counterparties, except the LNG carrier Hoegh Gandria which is currently employed on a one-year LNGC contract ending in March 2024. A new LNGC contract has been concluded for another five months. The average[2] remaining contract length per vessel was 7.8 years at the end of December 2023.



1. LNG Carriers
2. Units are jointly owned
3. The initial term of the charter is 10 years from beginning of 2023. Charterer has the right to terminate any time after year 5.75 by paying a termination fee
4. The initial term of the charter is 10 years from end of 2023. Charterer has the right to terminate any time after year 5.75 by paying a termination fee
5. The initial term of the charter is 15 years from late 2023. Charterer has the right to terminate after year 5 and year 10 by paying a termination fee
6. The initial term of the charter is 20 years from late 2016. However, each party has an unconditional option to cancel the charter after 15 years without any termination fee.

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[2] As per 31 December 2023. Proportionate share for partly owned assets and assuming no termination rights are exercised. Charterers' extension option periods excluded.

Environment, Social and Governance (ESG)

Sustainability is a high priority for Höegh LNG. The company acknowledges the responsibility to drive the environmental, social and governance agenda through the development of its operations and has ambitions to stay at the forefront of the industry. Due to our high focus in this area, Höegh LNG was for the second year running awarded 5 stars, this time with a 100/100 score in the GRESB infrastructure assets benchmark report for 2023. This placed Höegh LNG first among participating energy resource processing companies.

Höegh LNG's overall climate ambition remains committed to reduce total CO2 emissions by 50% and have the first net zero-carbon FSRU in operation in 2030. Energy management, monitoring and optimization of our operations are one of the main drivers to reduce emissions in our current fleet.

A presentation of Höegh LNG's sustainability strategy is provided in the 2022 Sustainability Report published 13 April 2023, see https://www.hoeghlng.com/Sustainability/default.aspx.

Technical availability and LTI statistics

Safe and reliable operation of its fleet is a key focus for the group, especially in the current circumstances, and the results demonstrate a strong record of performance. Technical availability was close to 100%, and there was only one LTI recorded during the annualised period up to 31 December 2023.

	2023	**2022**	**2021**	**2020**	**2019**
Technical availability	99.8%	99.7%	99.6%	99.7%	99.5%
Lost-time injury frequency (annualised)	0.26	0.0	0.63	0.29	0.31

Corporate/other activities

Debt financing

The refinancing of Hoegh Gannet has been completed subsequent to its successful commissioning for regas operations in Germany. The loan was drawn on 16 November 2023, and the company repaid the previous debt facility for Hoegh Gannet, as well as the USD 100 million corporate credit facility arranged in June 2023.

In January 2024, the group finalised the refinancing of Hoegh Galleon, which was previously financed under a sale-leaseback structure. The loan facility, totalling USD 190 million, consists of a USD 150 million loan tranche and a USD 40 million revolving credit facility, whereof USD 155 million was drawn to repay the previous loan facility. The USD 100 million corporate credit facility has also been extended to January 2025, and is currently undrawn.

Arbitration with the charterer of PGN FSRU Lampung settled

With reference to the previously disclosed disputes and pending arbitrations with the charterer of PGN FSRU Lampung, Höegh LNG announced on 6 February 2024 that the parties have entered into an amicable settlement by which the parties have agreed to finally and irrevocably settle all of the disputes, claims and counterclaims between the parties that gave rise to the said arbitration proceedings and agreed to terminate the arbitrations with immediate effect. The charter contract for PGN FSRU Lampung remains in full force and effect and each party will cover its own costs in relation to the terminated arbitrations.

Market

Global LNG demand reached a record high 107.6 million tonnes in Q4 2023, up by 2.9 percent year-on-year of which Europe and Asia combined constituted 94 percent of the demand growth. At the same time, LNG and gas markets were calmer relative to the turbulent situation seen a year earlier. Prices and price volatility were significantly more moderate, although still elevated as compared to historical averages, due to events in the Middle East. Following a surge in the beginning of the quarter, international price markers receded to multi-month lows towards the end. In Europe, overall gas demand remained subdued except for shorter periods when low temperatures drove up demand for heating. Less gas was needed to fill storages to capacity ahead of winter since inventories were significantly higher as compared to 2022. Access to LNG was also better as a string of new FSRU-based LNG import terminals were brought online through the preceding year. In sum, the continent was far better prepared for the heating season as compared to a year earlier, while at the same time far more reliant on LNG than before imports of Russian pipeline gas collapsed in 2022. Europe imported 30.3 million tonnes of LNG during the quarter, down from 33.5 million tonnes a year earlier. This compares to an average of 20 million tonnes in the fourth quarters of 2019-2021. After a slower than expected recovery, Asian demand for LNG picked up through the second half of the year. Incentivized by lower prices and led by China, the continent's imports reached

70.5 million tonnes during the quarter, up from 64.2 million tonnes a year earlier – almost on par with the 70.9 million seen in the fourth quarter of 2020 and higher than the average of 68.1 million tonnes seen in the same quarters of 2019-2021.

While global LNG supply growth is limited in the short-term, longer-term market growth is supported by advancing upstream liquefaction projects, not least in the US and Qatar.

Having climbed sharply through the third quarter of 2023, LNG carrier spot rates stabilized and later fell towards the end of the fourth quarter. As compared to a year before, bottlenecks in European import infrastructure were far less, enabling more efficient utilization of the global fleet capacity. Large charterers who typically had secured tonnage following last year's turbulence were well covered, while the global fleet of carriers continued to grow steeply. Term rates also receded through the quarter. Rate developments reflect the calmer gas markets but is likely also a result of the rapid fleet expansion. Newbuilding prices for LNG carriers remain at record-high levels, with long lead times.

The FSRU market continues to be busy with several new projects in execution phase, while other projects are developing at earlier stages. In Europe, five FSRUs were brought into operations last year. Yet another 4 units are expected to be commissioned trough 2024. Elsewhere, two units are scheduled to be commissioned through 2024. On 31 December 2023, there were 47 FSRUs on the water globally, excluding four barges with limited storage and/or send-out capacity. Following the recent surge in demand for FSRUs, only one existing unit remains available for prompt delivery in the market. There is one open FSRU newbuild on order with expected delivery in 2026.

Outlook

The demand for FSRUs is expected to remain strong. While Höegh LNG has secured long-term contracts for its entire fleet of FSRUs, the business development team is in active dialogue with several potential new projects looking for FSRU capacity.

Interim consolidated statement of income

USD'000	Unaudited Q4 2023	Unaudited Q3 2023	Unaudited Q4 2022	Unaudited 2023	Audited 2022
Time charter revenues	119 511	125 682	103 105	485 636	361 181
Management and other income	3 731	2 456	15 882	25 911	22 755
Share of results from investments in associates and joint ventures	2 413	2 830	(12 924)	9 326	(3 149)
TOTAL INCOME	**125 655**	**130 968**	**106 064**	**520 872**	**380 788**
Vessel operating expenses	(29 651)	(29 206)	(39 463)	(131 897)	(113 168)
Administrative expenses	(17 872)	(12 357)	(14 707)	(50 788)	(114 389)
OPERATING PROFIT BEFORE DEPRECIATION AND AMORTISATION (EBITDA)	**78 133**	**89 405**	**51 894**	**338 187**	**153 231**
Depreciation	(29 894)	(29 916)	(29 245)	(117 779)	(115 276)
OPERATING PROFIT (EBIT)	**48 238**	**59 490**	**22 649**	**220 408**	**37 955**
Interest income	3 541	2 363	1 470	10 015	2 746
Interest expenses	(30 540)	(28 909)	(25 716)	(114 839)	(96 821)
Income from other financial items	1 446	234	5 336	5 370	12 269
Expenses from other financial items	(5 092)	(1 427)	(6 418)	(12 227)	(9 053)
NET FINANCIAL ITEMS	**(30 645)**	**(27 739)**	**(25 328)**	**(111 680)**	**(90 859)**
ORDINARY PROFIT (LOSS) BEFORE TAX	**17 593**	**31 751**	**(2 678)**	**108 728**	**(52 904)**
Income taxes	(1 774)	(4 231)	(1 309)	(11 773)	(2 505)
PROFIT (LOSS) FOR THE PERIOD AFTER TAX	**15 819**	**27 520**	**(3 987)**	**96 955**	**(55 409)**
Profit (loss) for the period attributable to (from):					
Equity holders of the parent	11 942	23 643	(7 864)	81 447	(89 303)
Non-controlling interests	3 877	3 877	3 877	15 508	33 894
PROFIT (LOSS) FOR THE PERIOD AFTER TAX	**15 819**	**27 520**	**(3 987)**	**96 955**	**(55 409)**

Interim consolidated statement of comprehensive income

USD'000	Note	Unaudited Q4 2023	Unaudited Q3 2023	Unaudited Q4 2022	Unaudited 2023	Audited 2022
Profit (loss) for the period		15 819	27 520	(3 987)	96 955	(55 409)
Items that will not be reclassified to profit or (loss)						
Net gain (loss) on other capital reserves		273	(340)	1 029	109	(799)
Items that may be subsequently reclassified to profit or (loss)						
Net gain (loss) on hedging reserves	5	(40 631)	16 249	(4 185)	(27 431)	91 018
Share of other comprehensive income from joint ventures		(4 497)	2 812	570	84	28 285
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD NET OF TAX		**(44 855)**	**18 720**	**(2 586)**	**(27 238)**	**118 504**
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**(29 036)**	**46 240**	**(6 573)**	**69 717**	**63 095**
Total comprehensive income attributable to (from):						
Equity holders of the parent		(32 913)	42 363	(10 450)	54 209	7 877
Non-controlling interests		3 877	3 877	3 877	15 508	55 218
TOTAL		**(29 036)**	**46 240**	**(6 573)**	**69 717**	**63 095**

Interim consolidated statement of financial position

USD'000	Note	Unaudited 2023 31 Dec	Unaudited 2023 30 Sep	Audited 2022 31 Dec
ASSETS				
Non-current assets				
Deferred tax assets		509	657	1 156
Vessels and depot spares		2 022 165	2 035 089	1 895 614
Right-of-use assets		69 183	76 913	99 245
Investments in associates and joint ventures		124 589	126 339	114 997
Other non-current financial assets	5	15 887	31 773	23 334
Other non-current assets		11 102	16 133	15 018
Shareholder loans		16 137	15 830	13 800
Non-current restricted cash		33 432	28 088	15 790
Total non-current assets		**2 293 004**	**2 330 822**	**2 178 954**
Current assets				
Bunker fuel and inventories		725	2 877	859
Trade and other receivables		53 590	59 800	65 623
Other current financial assets	5	21 176	34 020	23 774
Current restricted cash		23 255	18 938	15 264
Cash and cash equivalents		218 489	128 839	146 751
Total current assets		**317 234**	**244 474**	**252 271**
TOTAL ASSETS		**2 610 238**	**2 575 296**	**2 431 225**
EQUITY AND LIABILITIES				
Equity				
Share capital		12	12	12
Other paid-in capital		907 083	907 083	907 083
Hedge and other capital reserves		(3 743)	41 121	23 501
Retained earnings		(299 068)	(311 010)	(380 515)
Equity attributable to equity holders of the parent		**604 284**	**637 205**	**550 081**
Non-controlling interests		176 078	176 078	176 078
Total equity		**780 362**	**813 283**	**726 159**
Non-current liabilities				
Deferred tax liabilities		24 319	22 288	18 713
Non-current interest-bearing debt	4	1 186 996	1 183 455	1 069 323
Non-current lease liabilities	4	42 096	50 656	75 492
Other non-current financial liabilities	5	43 434	33 760	32 072
Deferred revenues		3 669	4 838	8 540
Total non-current liabilities		**1 300 513**	**1 294 998**	**1 204 140**
Current liabilities				
Current interest-bearing debt	4	392 497	348 541	337 611
Current lease liabilities	4	33 991	33 614	32 201
Income tax payable		6 641	9 347	7 500
Trade and other payables		25 205	18 279	22 975
Other current financial liabilities	5	9 845	8 101	28 420
Other current liabilities		61 185	49 133	72 219
Total current liabilities		**529 364**	**467 015**	**500 926**
TOTAL EQUITY AND LIABILITIES		**2 610 238**	**2 575 296**	**2 431 225**

Interim consolidated statement of cash flows

USD'000	Unaudited **Q4 2023**	Unaudited **Q3 2023**	Unaudited **Q4 2022**	Unaudited **2023**	Audited **2022**
Cash flows from operating activities:					
Profit (loss) before tax for the period	17 593	31 751	(2 678)	108 728	(52 904)
Adjustments to reconcile profit or loss before tax to net operating cash flows					
Depreciation	29 894	29 916	29 245	117 779	115 276
Interest income	(3 541)	(2 363)	(1 470)	(10 015)	(2 746)
Interest expenses	30 540	28 909	25 716	114 839	96 821
Net loss (gain) on interest rate hedges and other derivatives	(229)	(234)	176	(1 206)	(5 926)
Loss (gain) on exchange and other non-cash adjustments	(1 387)	2 032	(494)	(303)	(123)
Share of results from investments in associates and joint ventures	(2 413)	(2 830)	12 924	(9 326)	3 149
Working capital adjustments					
Change in inventories, receivables and payables	19 537	(15 282)	6 357	(8 520)	10 489
Payment of corporate income tax	(374)	(418)	(174)	(4 653)	(995)
I) NET CASH FLOWS FROM OPERATING ACTIVITIES	**89 620**	**71 480**	**69 600**	**307 322**	**163 040**
Cash flows from investing activities:					
Acquisition of public common units in Höegh LNG Partners LP	-	-	-	-	(163 489)
Investment in vessels, assets under construction and class renewals	(9 751)	(6 918)	(13 104)	(212 449)	(14 272)
Investment in intangibles, equipment and other	(286)	(524)	-	(854)	(162)
Grants to joint ventures and assoicates	-	-	(1 250)	(1 199)	(3 586)
Interest received	4 596	1 779	20	8 197	571
II) NET CASH FLOWS FROM INVESTING ACTIVITIES	**(5 441)**	**(5 663)**	**(14 334)**	**(206 305)**	**(180 938)**
Cash flows from financing activities:					
Capital contribution from owners	-	-	-	-	203 289
Dividend paid to non-controlling interest (HMLP)	(3 877)	(3 877)	(3 877)	(15 508)	(16 051)
Transaction cost paid	-	-	-	(8 593)	-
Proceeds from borrowings gross	319 228	-	(35)	884 808	22 500
Proceeds from sale of own bonds (buy back)	-	-	-	-	40 555
Payment of financing and refinancing fees and debt issuance cost	(507)	(2 311)	-	(14 161)	(1 278)
Repayment of borrowings	(275 320)	(198 963)	(28 908)	(718 126)	(115 508)
Settlement of interest rate swaps	7 232	313	-	11 862	-
Interest paid on mortgage debt and bonds	(23 439)	(28 395)	(21 348)	(101 946)	(80 256)
Lease payments	(9 219)	(9 248)	(9 212)	(36 667)	(36 694)
(Increase) decrease in restricted cash and cash collateral	(8 628)	(6 835)	3 772	(30 949)	14 051
III) NET CASH FLOWS FROM FINANCING ACTIVITIES	**5 470**	**(249 315)**	**(59 608)**	**(29 280)**	**30 608**
Net increase (decrease) in cash and cash equivalents (I+II+III)	**89 650**	**(183 498)**	**(4 342)**	**71 737**	**12 710**
Current cash and cash equivalents at the beginning of the period	128 839	312 337	151 093	146 751	134 041
Current cash and cash equivalents at the end of the period	**218 489**	**128 839**	**146 751**	**218 489**	**146 751**

Interim consolidated statement of changes in equity for the year ended 31 December 2023

	Attributable to equity holders of Höegh LNG Holdings Ltd.									
USD'000	Share capital	Share premium	Contributed Surplus	Other paid-in capital	Hedging reserves	Other capital and reserves	Retained earnings	**TOTAL**	Non-controlling interests	**TOTAL EQUITY**
As of 1 January 2023	**12**	**556 262**	**350 821**	**-**	**26 917**	**(3 416)**	**(380 515)**	**550 081**	**176 078**	**726 159**
Profit for the year	-	-	-	-	-	-	81 447	81 447	15 508	96 955
Other comprehensive income (loss) for the year			-	-	(27 347)	109	-	(27 238)	-	(27 238)
Total comprehensive income (loss) for the year			**-**	**-**	**(27 347)**	**109**	**81 447**	**54 210**	**15 508**	**69 718**
HMLP dividend to non-controlling interests			-	-	-	-	-	-	(15 508)	(15 508)
Other changes in equity	-	-	-	-	-	(7)	-	(7)	-	(7)
Total other transactions recognised directly in equity	**-**	**-**	**-**	**-**	**-**	**(7)**	**-**	**(7)**	**(15 508)**	**(15 515)**
As of 31 December 2023 (unaudited)	**12**	**556 262**	**350 821**	**-**	**(430)**	**(3 313)**	**(299 068)**	**604 284**	**176 078**	**780 362**

Interim consolidated statement of changes in equity for the year ended 31 December 2022

	Attributable to equity holders of Höegh LNG Holdings Ltd.									
USD'000	Share capital	Share premium	Contributed Surplus	Other paid-in capital	Hedging reserves	Other capital and reserves	Retained earnings	**TOTAL**	Non-controlling interests	**TOTAL EQUITY**
As of 1 January 2022	**12**	**556 262**	**154 753**	**109 446**	**(67 622)**	**(2 663)**	**(422 833)**	**327 355**	**323 676**	**651 031**
Profit (loss) for the year	-	-	-	-	-	-	(89 303)	(89 303)	33 894	(55 409)
Other comprehensive income (loss) for the year			-	-	97 979	(799)	-	97 180	21 323	118 503
Total comprehensive income (loss) for the year			**-**	**-**	**97 979**	**(797)**	**(89 303)**	**7 877**	**55 217**	**63 094**
Shareholder contribution	-	-	207 368	-	-	-	-	207 368	-	207 368
Acquisition of public common units in HMLP incl. internal capital changes		-	-	(109 446)	(3 440)	462	131 621	19 197	(186 765)	(167 568)
Transaction cost	-	-	(11 300)	-	-	-	-	(11 300)	-	(11 300)
HMLP dividend to non-controlling interests			-	-	-	-	-	-	(16 051)	(16 051)
Other changes in equity	-	-	-	-	-	(416)	-	(416)	-	(416)
Total other transactions recognised directly in equity	**-**	**-**	**196 068**	**(109 446)**	**(3 440)**	**46**	**131 621**	**214 849**	**(202 816)**	**12 033**
As of 31 December 2022 (audited)	**12**	**556 262**	**350 821**	**(0)**	**26 917**	**(3 416)**	**(380 515)**	**550 081**	**176 078**	**726 159**

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 company limited by shares domiciled in and incorporated under the laws of Bermuda. The interim financial statements were approved by the board of directors of Höegh LNG Holdings on 27 February 2024.

The number of issued and outstanding shares for the quarter ending 31 December 2023 was 1 200 000.

2. Basis for preparation and accounting policies

The interim consolidated financial statements for the period ending 31 December 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU. The interim financial 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 for the year ended 31 December 2022 (the 2022 annual report).

The interim consolidated financial statements for the period ending 31 December 2023 have been prepared under the going concern assumption.

The consolidated interim financial statements are presented in USD and all values are rounded to the nearest USD 1 000 unless otherwise indicated. Because of rounding adjustments, amounts and percentages may not add up to the total.

3. Significant accounting estimates and assumptions

Preparation of interim financial statements in accordance with the IFRS implies the use of estimates, 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.

4. Interest-bearing debt

The maturity profile for the group's interest-bearing debt is shown in the table below. For a more detailed description of the group's interest-bearing debt, see information disclosed in Note 14 in the 2022 annual report.

Debt maturity profile including lease liabilities on 31 December 2023

USD'000	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	144 084	-	-	-	-	144 084
PGN FSRU Lampung facility	18 150	9 800	-	-	-	27 950
Höegh Esperanza facility	24 618	25 806	27 052	28 357	225 682	331 515
Höegh Giant facility	12 750	12 750	110 813	-	-	136 313
Hoegh Gannet facility	22 322	23 399	24 528	25 712	223 268	319 228
Höegh Galleon facility	141 946	-	-	-	-	141 946
USD 385 million facility	25 597	25 597	210 268	-	-	261 463
Hoegh Gandria facility	6 026	12 052	92 502	-	-	110 580
Bond debt	-	126 641	-	-	-	126 641
Interest-bearing debt outstanding	**395 494**	**236 046**	**465 162**	**54 069**	**448 950**	**1 599 720**
Lease liabilities	**33 991**	**35 436**	**6 620**	**28**	**12**	**76 087**
Total interest-bearing debt including lease liabilities	**429 485**	**271 482**	**471 782**	**54 097**	**448 962**	**1 675 807**
Debt issuance costs	(2 997)					(20 228)
Current and total interest-bearing debt including lease liabilities	**426 488**					**1 655 579**

The refinancing of Hoegh Gannet has been completed subsequent to its successful commissioning for regas operations in Germany. The loan was drawn on 16 November 2023, and the company repaid the previous debt facility for Hoegh Gannet, as well as the USD 100 million corporate credit facility arranged in June 2023.

In January 2024, the group finalised the refinancing of Hoegh Galleon, which was previously financed under a sale-leaseback structure. The loan facility, totalling USD 190 million, consists of a USD 150 million loan tranche and a USD 40 million revolving credit facility, whereof USD 155 million was drawn to repay the previous loan facility. The USD 100 million corporate credit facility has also been extended to January 2025, and is currently undrawn.

5. Interest-rate and currency hedges

To manage its interest-rate and currency risks, the group has established hedging policies and entered into derivatives to reduce its exposures in accordance with these policies. For a more detailed description of the group's hedging policy and hedging instruments, see Note 13 in the 2022 annual report. The group applies hedge accounting for all hedging instruments which qualify for this, as further described in Note 2.10 in the 2022 annual report.

Interest-rate risk and currency risk inherent in NOK-denominated bond loans

The group's interest-bearing debt carries floating interest rates, but to mitigate exposure to interest-rate fluctuations, IRS agreements have been established for almost all loan agreements. Additionally, the bond loan, denominated in NOK, is predominantly hedged for both interest rate and currency risks through CCIRS agreements. As of 31 December 2023, the net fair value of interest-rate and cross-currency swaps amounted to a negative USD 6.8 million (positive USD 35.7 million). The group's proportional shares of the net fair value of interest swaps within joint ventures stood at a negative USD 14.9 million on the same date (negative USD 10.8 million).

Effects on other comprehensive income and hedging reserves

In terms of its impact on other comprehensive income and hedging reserves, during the fourth quarter of 2023, the interest-rate swaps resulted in other comprehensive loss of USD 45.1 million, a notable shift from the income of USD 19.1 million in the third quarter of 2023. The overall balance of interest rate swaps reflected in equity was negative by USD 0.2 million as of 31 December 2023 (compared to a positive USD 44.7 million).

MTMs of cash flow hedges in the Financial Position	31 Dec 23	30 Sep 23	30 Jun 23	31 Mar 23	31 Dec 22
Total MTMs of IRS presented as financial assets	27 371	56 654	44 582	30 561	44 249
Total MTMs of IRS and CCIRS presented as financial liabilities	(34 145)	(20 918)	(53 701)	(54 629)	(23 960)
Total MTMs of IRS in the joint ventures	(14 878)	(10 802)	(14 157)	(18 990)	(17 168)
Net MTMs of cash flow hedges	**(21 652)**	**24 935**	**(23 276)**	**(43 058)**	**3 121**
Net foreign exchange losses (gains) under cross currency swaps (CCIRS) included in MTMs on bonds	19 635	24 526	53 329	46 970	30 502
Ineffectiveness and settlements	1 770	(4 811)	(4 348)	(1 278)	(6 680)
Interest rate swaps recorded against equity	**(247)**	**44 650**	**25 706**	**2 634**	**26 942**

6. Contingent liabilities

Höegh LNG is an international group 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.

Potential tax liability for UK finance leases

The background for the potential tax liability is presented in note 26 in the 2022 annual report. There has not been any significant development in the discussion with the tax authorities in the UK during the fourth quarter and no provision has been made.

7. Events occurring after the reporting period

- In January 2024, the group completed a refinancing of Hoegh Galleon's debt facility
- Also in January, the group extended its USD 100 million corporate credit facility with one year. The facility is currently undrawn
- On 5 February 2024, a settlement agreement was signed with the charterer of PGN FSRU Lampung, resulting in a withdrawal of the pending arbitration proceedings. The charter contract for PGN FSRU Lampung remains in full force and effect and each party will cover its own costs in relation to the terminated arbitrations

Forward-looking statements

This interim report contains forward-looking statements. These 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, Höegh LNG cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions because such assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control.

Important factors which could cause actual results to differ materially from those in the forward-looking statements inter alia include (but are not limited to): changes in LNG transport, regasification and floating liquefaction market trends; changes in supply and demand for LNG; changes in trading patterns; changes in applicable maintenance and regulatory standards; political events affecting production and consumption of LNG as well as Höegh LNG's ability to operate and control its vessels; changes in the financial stability of clients or the group'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 for 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 regulations 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 additional performance measures when this is deemed relevant for the understanding of Höegh LNG's financial performance.

Alternative performance measures are used by Höegh LNG to provide supplemental information to the different users of its external financial reporting. Financial APMs are intended to enhance comparability of the results and to give supplemental information related to measures not within the applicable financial reporting framework, and it is Höegh LNG's experience that these measures are frequently used by equity and debt investors, analysts and other stakeholders. Management uses these measures internally to drive performance in terms of target setting and as the basis for measuring actual financial performance. These measures are adjusted IFRS measures defined, calculated, and used in a consistent and transparent manner over the years and across the group.

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 as 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

- Earnings before interest, depreciation, amortisation, and impairments (EBITDA): operating profit plus depreciation, amortisation and impairments. EBITDA is defined as the line-item operating profit before depreciation and amortisation in the consolidated statement of income.
- Net interest-bearing debt: non-current and current interest-bearing debt less cash, marketable securities and restricted cash (current and non-current).
- Equity adjusted for hedging: total book equity adjusted for mark-to-market value of financial derivative swaps recorded against equity (hedging reserves). 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 will reduce equity. The mark-to-market value of interest-rate swaps in Höegh LNG's joint ventures is recorded as part of the line-item Investment in joint ventures. The computation of equity adjusted for hedging is consistent with the definitions set out in the group's covenants in loan agreements.
- Equity ratio adjusted for hedging: total book equity adjusted for hedging reserves divided by total assets adjusted for hedging-related assets. The latter represent an increase in investment in joint ventures when removing the negative impact of out of the money mark-to-market financial derivative swaps. See Note 5 for further information.

USD'000

NET INTEREST-BEARING DEBT	31 Dec 23	30 Sep 23	30 Jun 23	31 Mar 23	31 Dec 22
Interest-bearing debt, current and non-current	(1 655 579)	(1 616 267)	(1 791 421)	(1 663 017)	(1 514 628)
Non-current restricted cash	33 432	28 088	17 079	16 056	15 790
Cash and cash equivelents incl.restricted cash and marketable securities	241 962	147 983	329 713	167 795	162 171
Net interest-bearing debt	**(1 380 186)**	**(1 440 196)**	**(1 444 628)**	**(1 479 166)**	**(1 336 667)**
EQUITY ADJUSTED FOR HEDGING TRANSACTIONS					
Total equity	780 362	813 284	770 909	731 809	726 159
Hedge reserve including non-controlling interest share	247	(44 649)	(25 705)	(2 634)	(26 942)
Equity adjusted for hedging transactions	**780 609**	**768 635**	**745 204**	**729 175**	**699 216**
EQUITY RATIO ADJUSTED FOR HEDGING TRANSACTIONS					
Total assets	2 610 238	2 575 296	2 748 933	2 587 998	2 431 225
Hedge assets	(12 492)	(45 853)	(30 425)	(11 571)	(27 081)
Total assets adjusted for hedging transactions	**2 597 746**	**2 529 443**	**2 718 508**	**2 576 427**	**2 404 144**
Equity adjusted for hedging transactions	**780 609**	**768 635**	**745 204**	**729 175**	**699 216**
Equity ratio adjusted for hedging transactions	**30%**	**30%**	**27%**	**28%**	**29%**

Appendix 2 – Abbreviations

Abbreviation	Definition
CCIRS	Cross-currency interest rate swap
DFDE/TFDE	Dual/Tri fuel diesel electric propulsion
FID	Final investment decision
FSRU	Floating storage and regasification unit
Höegh LNG or the group	Höegh LNG Holdings Ltd and subsidiaries
Höegh LNG Partners, HMLP or the partnership	Höegh LNG Partners LP
Höegh LNG Holdings or the company	Höegh LNG Holdings Ltd.
IRS	Interest-rate swap
LNGC	LNG carrier
LTI	Lost-time injury
MLP	Master limited partnership