



HÖEGH LNG

# Interim results

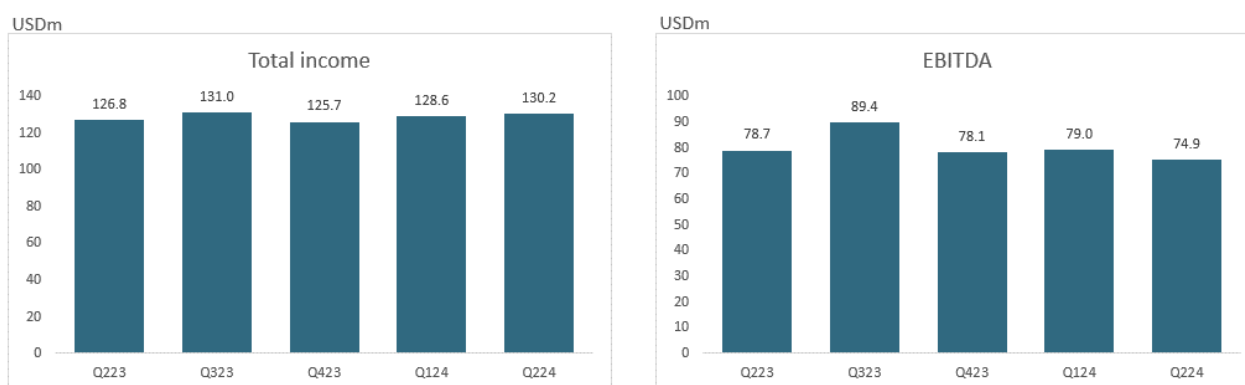
for the quarter and first half ended 30 June 2024



## Highlights for the quarter ended 30 June 2024

- EBITDA of USD 74.9 million
- Net profit after taxes of USD 18.7 million
- In May, Höegh LNG and AIE announced an interim FSRU deployment of Hoegh Galleon with EGAS in Egypt for a period of about 20 months.
- Hoegh Giant and Hoegh Galleon completed FSRU commissioning in Santos, Brazil and Ain Sokhna, Egypt, in late April and June respectively
- In late June, Höegh LNG and Deutsche ReGas signed an MOU to develop a floating hydrogen import terminal in the German port of Lubmin. The terminal will be the world's first floating green ammonia cracker, producing around 30 000 tons of hydrogen per year

## Reported total income and EBITDA



## Group financial review<sup>1</sup>

In the second quarter of 2024, Höegh LNG Holdings Ltd. (Höegh LNG Holdings Ltd. or the company) and its subsidiaries (together Höegh LNG or the group) reported a total income of USD 130.2 million and an EBITDA of USD 74.9 million. This represents a slight increase in total income from the previous quarter's USD 128.6 million, while EBITDA decreased from USD 79.0 million. The decrease in EBITDA is primarily due to positioning and project cost for Hoegh Galleon before operations in Egypt, as well as lower income from Hoegh Gandria. However, this was partially offset by higher charter income from Hoegh Galleon and lower administrative expenses.

In the second quarter of 2024, the group's profit after tax was USD 18.7 million, reflecting a USD 1.0 million decrease from the preceding quarter's USD 19.7 million.

Operating cash flows had a USD 5 million decrease in the second quarter, reaching USD 51.6 million. The decline was primarily due to lower EBITDA and variations in net working capital. Net cash outflows from investing activities amounted to USD 10.9 million, driven by expenditures for FSRU equipment and class renewal cost, partially offset by interest received on bank deposits. Net cash outflows related to financing totalled USD 54.0 million during the quarter, primarily comprising regular amortisation of borrowings and lease payments, payment of dividends to non-controlling interests in Höegh LNG Partners (HMLP) and interest payments partially offset by a reduction in restricted cash.

As of 30 June 2024, Höegh LNG held USD 203.5 million in unrestricted cash (compared to USD 216.9 million). Net interest-bearing debt, including lease liabilities, decreased by USD 8 million to USD 1 336 million (compared to USD 1 344 million) in the second quarter. Additionally, total assets and book equity on 30 June 2024, after adjusting for the mark-to-market of interest rate swaps, were USD 2 529 million (compared to USD 2 584 million) and USD 787 million (compared to USD 797 million), respectively, resulting in an adjusted book equity ratio of 31% (compared to 31%).

<sup>1</sup> Unless otherwise stated, figures in this section are compared with figures for first quarter of 2024.

For the first half of 2024, Höegh LNG reported a total income of USD 258.8 million and EBITDA of USD 153.9 million, which compares to USD 264.2 million and USD 170.6 million respectively for the same period of 2023. The decrease in EBITDA of USD 16.7 million primarily reflects changes in the fleet employment and contracted charter rates, increased vessel opex and administrative cost and the acquisition of Hoegh Gandria in March 2023. The group recorded a net profit after tax USD 38.3 million for the first half of 2024, which compares USD 53.6 million for the same period last year. The decrease is mainly due to the reduction in EBITDA and higher depreciation partly offset by lower tax expenses.

## Key financial figures

(In USD'000 unless otherwise indicated)

| <b>INCOME STATEMENT</b>  | <b>Q2 2024</b> | <b>Q1 2024</b> | <b>Q4 2023</b> | <b>Q3 2023</b> | <b>Q2 2023</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| Total income   | 130 161        | 128 633        | 125 655        | 130 968        | 126 847        |
| Operating profit before depreciation and amortisation (EBITDA) | 74 869         | 78 994         | 78 133         | 89 405         | 78 746         |
| Operating profit (EBIT)  | 44 741         | 49 154         | 48 238         | 59 490         | 48 840         |
| Profit for the period after tax                                | 18 676         | 19 690         | 15 819         | 27 520         | 19 554         |

| <b>FINANCIAL POSITION</b>              | <b>30 Jun 2024</b> | <b>31 Mar 2024</b> | <b>31 Dec 2023</b> | <b>30 Sep 2023</b> | <b>30 Jun 2023</b> |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|
| Total assets                           | 2 538 830          | 2 594 557          | 2 610 238          | 2 575 296          | 2 748 933          |
| Total assets adjusted for hedging      | 2 529 318          | 2 583 838          | 2 597 746          | 2 529 443          | 2 718 508          |
| Equity adjusted for hedging            | 787 288            | 797 127            | 780 609            | 768 634            | 745 204            |
| Adjusted equity ratio (%) <sup>1</sup> | 31%                | 31%                | 30%                | 30%                | 27%                |
| Net interest-bearing debt              | (1 336 077)        | (1 344 323)        | (1 380 186)        | (1 440 196)        | (1 444 628)        |

| <b>CASH FLOWS</b>                                  | <b>Q2 2024</b> | <b>Q1 2024</b> | <b>Q4 2023</b> | <b>Q3 2023</b> | <b>Q2 2023</b> |
|--|----------------|----------------|----------------|----------------|----------------|
| Net cash flows from operating activities           | 51 563         | 56 614         | 89 620         | 71 480         | 76 982         |
| Net cash flows from investing activities           | (10 888)       | 5 140          | (5 441)        | (5 663)        | (11 823)       |
| Net cash flows from financing activities           | (54 046)       | (63 381)       | 5 470          | (249 315)      | 96 088         |
| Net increase (decrease) in cash & cash equivalents | (13 371)       | (1 627)        | 89 650         | (183 498)      | 161 248        |

<sup>1</sup> Reconciliation of equity ratio adjusted for hedging is presented in appendix 1 - alternative performance measures (APMs).

## Business review

### Business development

Following the execution of the agreement with Australian Industrial Energy and EGAS for FSRU deployment of Hoegh Galleon in Egypt in May, the vessel was delivered to EGAS in June in accordance with the delivery window and completed its commissioning as planned. Otherwise, activity levels remain high with focus remaining on the Zeeland Energy terminal in Vlissingen, Netherlands as well as other origination leads both in Europe and other parts of the world. In addition, there are several formal tender processes that we expect will be coming to the market shortly and commence processes for selection of terminal solution and partners.

### Clean Energy

Höegh LNG and Deutsche ReGas have signed an MOU to develop a floating hydrogen import terminal in the German port of Lubmin. The terminal will be the world's first floating green ammonia cracker, producing around 30 000 tons of hydrogen per year that will be fed into the hydrogen core network via the existing feed-in point at the Deutsche ReGas Terminal in the port of Lubmin.



Picture: Illustration of the floating green ammonia-to-hydrogen cracker alongside an ammonia carrier.

In general, the business development activity remains high related to ammonia, H<sub>2</sub> and CCS developments in Europe. The developments are based on Höegh LNG's Hybrid FSRU concept, floating ammonia-to-H<sub>2</sub> terminals and floating CCS value chain. Import terminal opportunities are under development based on Höegh LNG's floating concepts.

Höegh LNG is participating in a development project for an industrial-scale ammonia cracker. The equipment for the pilot plant is purchased and the construction of the plant is planned completed end 2024. The project aims to reduce cost related to cracking of ammonia to H<sub>2</sub> and is unique as it is the only concept under development that can be installed and operated onboard floating terminals.

Höegh LNG has a strategic partnership with Aker BP to develop a fully comprehensive carbon transport and storage offering for industrial CO<sub>2</sub> emitters in Northern Europe. The joint concept development and marketing activities for the value chain and sequestration of CO<sub>2</sub> in Aker BP's first CO<sub>2</sub> storage license on the NCS, Poseidon, is progressing according to plan.

## Operations

The fleet overall has delivered a stable operating performance in the second quarter. All vessels are on long term contracts, except Hoegh Gandria that trades on a LNGC time charter ending in September 2024. Höegh LNG intends to employ Hoegh Gandria on another LNGC time charter upon expiry of the existing contract. During the second quarter, Hoegh Galleon, Independence, PGN FSRU Lampung and Hoegh Gallant completed class renewal surveys and related maintenance. All vessels remained on hire during the survey and maintenance work. Additionally, Hoegh Giant and Hoegh Galleon completed FSRU commissioning in Santos, Brazil and Ain Sokhna, Egypt on 26 April 2024 and 28 June 2024, respectively.

## Fleet overview and contract coverage

The group's fleet comprises ten modern FSRUs and three LNG carriers. The entire fleet is operating under long-term contracts with strong counterparties, except the LNG carrier Hoegh Gandria which is currently employed on a 5 months LNGC charter ending in September 2024. The average<sup>2</sup> remaining contract length per vessel was 7.3 years at the end of June 2024.

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<sup>2</sup> As per 30 June 2024. Proportionate share for partly owned assets and assuming no termination rights are exercised. Charterers' extension option periods excluded.



| Vessel                         | Built | Charterer   | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 |
|--------------------------------|-------|---|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Arctic Princess <sup>1 2</sup> | 2006  | Equinor   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Artic Lady <sup>1 2</sup>      | 2006  | TotalEnergies   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Gandria <sup>1</sup>     | 2013  | LNGC trading  |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Independence                   | 2014  | Klaipėdos Nafta                                       |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Giant                    | 2017  | Compass   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Esperanza                | 2018  | Federal Republic of Germany <sup>3</sup>              |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Gannet                   | 2018  | Federal Republic of Germany <sup>4</sup>              |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Galleon                  | 2019  | AIE/Egyptian Natural Gas Holding Company <sup>5</sup> |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Neptune <sup>2</sup>           | 2009  | TotalEnergies   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Cape Ann <sup>2</sup>          | 2010  | TotalEnergies   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| PGN FSRU Lampung <sup>2</sup>  | 2014  | PGN LNG   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Gallant                  | 2014  | New Fortress Energy                                   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
| Hoegh Grace                    | 2016  | SPEC <sup>6</sup>                                     |      |      |      |      |      |      |      |      |      |      |      |      |      |      |      |



- LNG Carriers
- Units are jointly owned
- 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
- 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
- The initial term of the charter with AIE is 15 years from late 2023. Charterer has the right to terminate after year 5 and year 10 by paying a termination fee. In Q2 2024, Höegh LNG, AIE and Egyptian Natural Gas Holding Company (EGAS) agreed that the vessel would serve as an FSRU with EGAS in Egypt for an interim period of about 20 months, after which it is expected to relocate to AIE's LNG terminal currently under construction in Australia.
- 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

## Environment, Social and Governance (ESG)

Sustainability is a high priority for Höegh LNG. The company is deeply committed to guiding the energy transition responsibly, serving both as a trusted LNG infrastructure provider and a leading advocate for clean energy solutions. Furthermore, it acknowledges the responsibility to drive the social and governance agenda through the development of its operations and has ambitions to stay at the forefront of the industry.

Höegh LNG remains resolute in our commitment to reduce total CO2 emissions by 50% and have the first net zero-carbon FSRU in operation by 2030. Energy management, monitoring and optimization of our operations are some of the main drivers to reduce emissions in our current fleet.

A presentation of Höegh LNG's sustainability strategy is provided in the 2023 Sustainability Report published 19 April 2024, 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 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 30 June 2024.

|   | Q2 2024 | 2023  | 2022  | 2021  | 2020  |
|---|---------|-------|-------|-------|-------|
| Technical availability                  | 99.8%   | 99.8% | 99.7% | 99.6% | 99.7% |
| Lost-time injury frequency (annualised) | 0.27    | 0.26  | 0.00  | 0.63  | 0.29  |

## Market

Global LNG demand was 101 million tonnes in Q2 2024, down by 1 percent year-on-year. This flat trend at a high level can be attributed to constrained upstream output combined with lower European demand. Europe and Asia's combined share of total demand remained at 92 percent.

In Europe, the dependency on LNG surged following the collapse of Russian pipeline gas imports in 2022. While this dependency remains high, storage levels were high after a mild winter and overall gas demand in the region remained relatively subdued as prices rose through the quarter. Europe imported 24 million tonnes of LNG in Q2 2024, a decrease from 32 million tonnes compared to the previous year.

Asian demand for LNG remained strong, not least due to heat waves in early summer, with total imports of 69 million tonnes, up from 62 million tonnes the previous year.

While global LNG supply growth will be limited in the near-term, medium and longer-term market growth is supported by advancing upstream liquefaction projects due to increase in supply starting in 2025-2026, particularly in the US and Qatar.

LNG carrier spot rates trended downwards at the beginning of the quarter before picking up again towards the end as more Atlantic cargoes headed east sailing around Cape of Good Hope due to the security situation off Yemen. Absent overall volume growth and rapid growth in the global LNG carrier fleet nonetheless contribute to soften the market balance. Term rates for LNG carriers were flat during the quarter, while newbuilding prices remained at record highs with lengthy lead times.

The FSRU market continues to be busy with several new projects in execution phase, while other projects are developing at earlier stages. Over the course of 2024, four FSRUs are expected to be installed in Europe and yet another three units elsewhere.

On 30 June 2024, the global fleet of FSRUs counted 47 units, 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 are two FSRU newbuilds on order, of which one is available with expected delivery in 2026. Three LNGCs are under conversion to specialized FSRUs set to serve floating LNG-to-power projects.

## 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<br>Q2 2024 | Unaudited<br>Q1 2024 | Unaudited<br>Q2 2023 | Unaudited<br>YTD 2024 | Unaudited<br>YTD 2023 |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Time charter revenues   | 121 873              | 117 081              | 113 936              | 238 954               | 240 443               |
| Management and other income   | 6 821                | 8 670                | 10 168               | 15 491                | 19 724                |
| Share of results from investments in associates and joint ventures    | 1 467                | 2 882                | 2 743                | 4 349                 | 4 083                 |
| <b>TOTAL INCOME</b>   | <b>130 161</b>       | <b>128 633</b>       | <b>126 847</b>       | <b>258 794</b>        | <b>264 249</b>        |
| Vessel operating expenses   | (42 741)             | (35 958)             | (37 667)             | (78 698)              | (73 041)              |
| Administrative expenses   | (12 552)             | (13 682)             | (10 434)             | (26 233)              | (20 559)              |
| <b>OPERATING PROFIT BEFORE DEPRECIATION AND AMORTISATION (EBITDA)</b> | <b>74 869</b>        | <b>78 994</b>        | <b>78 746</b>        | <b>153 863</b>        | <b>170 649</b>        |
| Depreciation  | (30 128)             | (29 840)             | (29 906)             | (59 968)              | (57 969)              |
| <b>OPERATING PROFIT (EBIT)</b>  | <b>44 741</b>        | <b>49 154</b>        | <b>48 840</b>        | <b>93 895</b>         | <b>112 680</b>        |
| Interest income   | 4 082                | 2 472                | 2 435                | 6 555                 | 4 111                 |
| Interest expenses   | (26 630)             | (29 936)             | (27 770)             | (56 566)              | (55 389)              |
| Income from other financial items                                     | 492                  | 525                  | 2 781                | 1 017                 | 3 690                 |
| Expenses from other financial items                                   | (1 621)              | (3 339)              | (3 065)              | (4 959)               | (5 709)               |
| <b>NET FINANCIAL ITEMS</b>  | <b>(23 676)</b>      | <b>(30 277)</b>      | <b>(25 618)</b>      | <b>(53 953)</b>       | <b>(53 297)</b>       |
| <b>ORDINARY PROFIT BEFORE TAX</b>                                     | <b>21 065</b>        | <b>18 877</b>        | <b>23 222</b>        | <b>39 942</b>         | <b>59 384</b>         |
| Income taxes  | (2 389)              | 813                  | (3 668)              | (1 577)               | (5 768)               |
| <b>PROFIT FOR THE PERIOD AFTER TAX</b>                                | <b>18 676</b>        | <b>19 690</b>        | <b>19 554</b>        | <b>38 365</b>         | <b>53 616</b>         |
| <b>Profit for the period attributable to :</b>                        |                      |                      |                      |                       |                       |
| Equity holders of the parent  | 14 799               | 15 813               | 15 677               | 30 611                | 45 862                |
| Non-controlling interests   | 3 877                | 3 877                | 3 877                | 7 754                 | 7 754                 |
| <b>PROFIT FOR THE PERIOD AFTER TAX</b>                                | <b>18 676</b>        | <b>19 690</b>        | <b>19 554</b>        | <b>38 365</b>         | <b>53 616</b>         |

## Interim consolidated statement of comprehensive income

| USD'000  | Note | Unaudited<br>Q2 2024 | Unaudited<br>Q1 2024 | Unaudited<br>Q2 2023 | Unaudited<br>YTD 2024 | Unaudited<br>YTD 2023 |
|--|------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| <b>Profit for the period</b>   |      | 18 676               | 19 690               | 19 554               | 38 365                | 53 616                |
| <b>Items that will not be reclassified to profit or (loss)</b>         |      |                      |                      |                      |                       |                       |
| Net gain (loss) on other capital reserves                              |      | 365                  | (115)                | 382                  | 250                   | 176                   |
| <b>Items that may be subsequently reclassified to profit or (loss)</b> |      |                      |                      |                      |                       |                       |
| Net gain (loss) on hedging reserves                                    | 4    | 430                  | 13 969               | 18 777               | 14 399                | (3 049)               |
| Share of other comprehensive income from joint ventures                |      | 607                  | 2 684                | 4 273                | 3 291                 | 1 769                 |
| <b>OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD NET OF TAX</b>     |      | <b>1 402</b>         | <b>16 538</b>        | <b>23 432</b>        | <b>17 940</b>         | <b>(1 103)</b>        |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD NET OF TAX</b>            |      | <b>20 077</b>        | <b>36 228</b>        | <b>42 986</b>        | <b>56 305</b>         | <b>52 513</b>         |
| <b>Total comprehensive income attributable to:</b>                     |      |                      |                      |                      |                       |                       |
| Equity holders of the parent   |      | 16 200               | 32 351               | 39 109               | 48 551                | 44 759                |
| Non-controlling interests  |      | 3 877                | 3 877                | 3 877                | 7 754                 | 7 754                 |
| <b>TOTAL</b>   |      | <b>20 077</b>        | <b>36 228</b>        | <b>42 986</b>        | <b>56 305</b>         | <b>52 513</b>         |

## Interim consolidated statement of financial position

| USD'000  | Note | Unaudited        | Unaudited        | Audited          | Unaudited        |
|--|------|------------------|------------------|------------------|------------------|
|  |      | 2024             | 2024             | 2023             | 2023             |
|  |      | 30 Jun           | 31 Mar           | 31 Dec           | 30 Jun           |
| <b>ASSETS</b>  |      |                  |                  |                  |                  |
| <b>Non-current assets</b>                                  |      |                  |                  |                  |                  |
| Deferred tax assets  |      | 335              | 330              | 509              | 1 026            |
| Vessels and depot spares                                   |      | 1 994 487        | 2 009 551        | 2 022 165        | 2 050 032        |
| Right-of-use assets  |      | 53 573           | 61 335           | 69 183           | 84 229           |
| Investments in associates and joint ventures               |      | 128 979          | 126 544          | 124 589          | 121 026          |
| Other non-current financial assets                         | 4    | 15 844           | 15 967           | 15 887           | 31 763           |
| Other non-current assets                                   |      | 6 118            | 7 622            | 11 102           | 16 948           |
| Shareholder loans  |      | 16 760           | 16 445           | 16 137           | 15 529           |
| Non-current restricted cash                                |      | 25 499           | 24 824           | 33 432           | 17 079           |
| <b>Total non-current assets</b>                            |      | <b>2 241 595</b> | <b>2 262 618</b> | <b>2 293 004</b> | <b>2 337 633</b> |
| <b>Current assets</b>                                      |      |                  |                  |                  |                  |
| Bunker fuel and inventories                                |      | 1 538            | 88               | 725              | 1 250            |
| Trade and other receivables                                |      | 76 238           | 62 965           | 53 590           | 52 589           |
| Other current financial assets                             | 4    | 15 969           | 17 556           | 21 176           | 27 968           |
| Current restricted cash                                    |      | -                | 34 468           | 23 255           | 17 156           |
| Cash and cash equivalents                                  |      | 203 491          | 216 862          | 218 489          | 312 337          |
| <b>Total current assets</b>                                |      | <b>297 236</b>   | <b>331 939</b>   | <b>317 234</b>   | <b>411 300</b>   |
| <b>TOTAL ASSETS</b>  |      | <b>2 538 830</b> | <b>2 594 557</b> | <b>2 610 238</b> | <b>2 748 933</b> |
| <b>EQUITY AND LIABILITIES</b>                              |      |                  |                  |                  |                  |
| <b>Equity</b>  |      |                  |                  |                  |                  |
| Share capital  |      | 12               | 12               | 12               | 12               |
| Other paid-in capital                                      |      | 907 903          | 907 903          | 907 083          | 907 083          |
| Hedge and other capital reserves                           |      | 14 194           | 12 795           | (3 743)          | 22 389           |
| Retained earnings  |      | (293 457)        | (283 255)        | (299 068)        | (334 653)        |
| <b>Equity attributable to equity holders of the parent</b> |      | <b>628 652</b>   | <b>637 455</b>   | <b>604 284</b>   | <b>594 832</b>   |
| Non-controlling interests                                  |      | 176 078          | 176 078          | 176 078          | 176 078          |
| <b>Total equity</b>  |      | <b>804 730</b>   | <b>813 533</b>   | <b>780 362</b>   | <b>770 909</b>   |
| <b>Non-current liabilities</b>                             |      |                  |                  |                  |                  |
| Deferred tax liabilities                                   |      | 21 542           | 21 202           | 24 319           | 20 748           |
| Non-current interest-bearing debt                          | 3    | 1 142 341        | 1 168 426        | 1 186 996        | 1 208 830        |
| Non-current lease liabilities                              | 3    | 24 728           | 33 501           | 42 096           | 58 905           |
| Other non-current financial liabilities                    | 4    | 4 545            | 11 809           | 43 434           | 43 028           |
| Deferred revenues  |      | 4 556            | 2 402            | 3 669            | 5 875            |
| <b>Total non-current liabilities</b>                       |      | <b>1 197 712</b> | <b>1 237 340</b> | <b>1 300 513</b> | <b>1 337 386</b> |
| <b>Current liabilities</b>                                 |      |                  |                  |                  |                  |
| Current interest-bearing debt                              | 3    | 363 636          | 384 643          | 392 497          | 490 547          |
| Current lease liabilities                                  | 3    | 34 546           | 34 114           | 33 991           | 33 138           |
| Income tax payable   |      | 7 869            | 7 622            | 6 641            | 7 491            |
| Trade and other payables                                   |      | 23 107           | 32 860           | 25 205           | 19 700           |
| Other current financial liabilities                        | 4    | 32 649           | 33 807           | 9 845            | 38 134           |
| Other current liabilities                                  |      | 74 582           | 50 637           | 61 185           | 51 626           |
| <b>Total current liabilities</b>                           |      | <b>536 388</b>   | <b>543 684</b>   | <b>529 364</b>   | <b>640 637</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        |      | <b>2 538 830</b> | <b>2 594 557</b> | <b>2 610 238</b> | <b>2 748 933</b> |



## Interim consolidated statement of cash flows

| USD'000   | Unaudited<br>Q2 2024 | Unaudited<br>Q1 2024 | Unaudited<br>Q2 2023 | Unaudited<br>YTD 2024 | Unaudited<br>YTD 2023 |
|---|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| <b>Cash flows from operating activities:</b>                                  |                      |                      |                      |                       |                       |
| Profit before tax for the period  | 21 065               | 18 877               | 23 222               | 39 942                | 59 384                |
| <i>Adjustments to reconcile profit before tax to net operating cash flows</i> |                      |                      |                      |                       |                       |
| Depreciation  | 30 128               | 29 840               | 29 906               | 59 968                | 57 969                |
| Interest income   | (4 082)              | (2 472)              | (2 435)              | (6 555)               | (4 111)               |
| Interest expenses   | 26 630               | 29 936               | 27 770               | 56 566                | 55 389                |
| Net gain on interest rate hedges and other derivatives                        | (1 017)              | (525)                | (2 510)              | (1 542)               | (743)                 |
| Loss (gain) on exchange and other non-cash adjustments                        | 347                  | 1 994                | (200)                | 2 341                 | (947)                 |
| Share of results from investments in associates and joint ventures            | (1 467)              | (2 882)              | (2 743)              | (4 349)               | (4 083)               |
| <i>Working capital adjustments</i>  |                      |                      |                      |                       |                       |
| Change in inventories, receivables and payables                               | (18 435)             | (16 738)             | 6 974                | (35 173)              | (12 775)              |
| Payment of corporate income taxes   | (1 605)              | (1 415)              | (3 002)              | (3 020)               | (3 860)               |
| <b>I) NET CASH FLOWS FROM OPERATING ACTIVITIES</b>                            | <b>51 563</b>        | <b>56 614</b>        | <b>76 982</b>        | <b>108 177</b>        | <b>146 222</b>        |
| <b>Cash flows from investing activities:</b>                                  |                      |                      |                      |                       |                       |
| Investment in FSRUs, assets under construction and class renewals             | (14 444)             | (514)                | (10 108)             | (14 958)              | (195 780)             |
| Investment in intangibles, equipment and other                                | -                    | (37)                 | (13)                 | (37)                  | (44)                  |
| Repayment of loans from joint ventures  | -                    | -                    | (3 500)              | -                     | (1 199)               |
| Dividend received from joint ventures   | -                    | 3 500                | -                    | 3 500                 | -                     |
| Interest received   | 3 556                | 2 191                | 1 798                | 5 747                 | 1 822                 |
| <b>II) NET CASH FLOWS FROM INVESTING ACTIVITIES</b>                           | <b>(10 888)</b>      | <b>5 140</b>         | <b>(11 823)</b>      | <b>(5 748)</b>        | <b>(195 201)</b>      |
| <b>Cash flows from financing activities:</b>                                  |                      |                      |                      |                       |                       |
| Dividend paid to non-controlling interest (HMLP)                              | (3 877)              | (3 877)              | (3 877)              | (7 754)               | (7 754)               |
| Transaction cost paid   | -                    | -                    | -                    | -                     | (8 593)               |
| Proceeds from borrowings gross  | -                    | 155 000              | 210 580              | 155 000               | 565 580               |
| Payment of financing and refinancing fees and debt issuance cost              | -                    | (7 314)              | (2 730)              | (7 314)               | (11 343)              |
| Repayment of borrowings   | (50 560)             | (176 411)            | (66 343)             | (226 971)             | (243 843)             |
| Settlement of interest rate swaps   | 341                  | 8 140                | -                    | 8 481                 | 4 317                 |
| Interest paid on mortgage debt and bonds                                      | (24 020)             | (24 036)             | (25 611)             | (48 056)              | (50 112)              |
| Lease payments  | (9 130)              | (9 156)              | (9 149)              | (18 286)              | (18 200)              |
| Decrease (increase) in restricted cash and cash collateral                    | 33 200               | (5 726)              | (6 781)              | 27 474                | (15 488)              |
| <b>III) NET CASH FLOWS FROM FINANCING ACTIVITIES</b>                          | <b>(54 046)</b>      | <b>(63 381)</b>      | <b>96 088</b>        | <b>(117 427)</b>      | <b>214 565</b>        |
| <b>Net increase (decrease) in cash and cash equivalents (I+II+III)</b>        | <b>(13 371)</b>      | <b>(1 627)</b>       | <b>161 248</b>       | <b>(14 998)</b>       | <b>165 586</b>        |
| Current cash and cash equivalents at the beginning of the period              | 216 862              | 218 489              | 151 089              | 218 489               | 146 751               |
| <b>Current cash and cash equivalents at the end of the period</b>             | <b>203 491</b>       | <b>216 862</b>       | <b>312 337</b>       | <b>203 491</b>        | <b>312 337</b>        |

## Interim consolidated statement of changes in equity for the first half ended 30 June 2024

| USD'000   | Attributable to equity holders of Höegh LNG Holdings Ltd. |               |                     |                       |                  |                        |                   |          | Non-controlling interests | TOTAL EQUITY |
|---|---|---------------|---------------------|-----------------------|------------------|------------------------|-------------------|----------|---------------------------|--------------|
|   | Share capital   | Share premium | Contributed surplus | Other paid-in capital | Hedging reserves | Other capital reserves | Retained earnings | TOTAL    |                           |              |
| <b>As at 1 January 2024</b>                                   | 12  | 556 262       | 350 821             | (0)                   | (430)            | (3 313)                | (299 068)         | 604 284  | 176 078                   | 780 362      |
| Profit for the period   | -   | -             | -                   | -                     | -                | -                      | 30 611            | 30 611   | 7 754                     | 38 365       |
| Other comprehensive income                                    | -   | -             | -                   | -                     | 17 690           | 250                    | -                 | 17 940   | -                         | 17 940       |
| <b>Total comprehensive income</b>                             | -   | -             | -                   | -                     | 17 690           | 250                    | 30 611            | 48 551   | 7 754                     | 56 305       |
| Dividend to owners of the parent                              | -   | -             | -                   | -                     | -                | -                      | (25 000)          | (25 000) | -                         | (25 000)     |
| HMLP dividend to non-controlling interests                    | -   | -             | -                   | -                     | -                | -                      | -                 | -        | (7 754)                   | (7 754)      |
| Other changes in equity                                       | -   | -             | 820                 | -                     | -                | (3)                    | -                 | 817      | -                         | 817          |
| <b>Total other transactions recognised directly in equity</b> | -   | -             | 820                 | -                     | -                | (3)                    | (25 000)          | (24 183) | (7 754)                   | (31 937)     |
| <b>At 30 June 2024 (unaudited)</b>                            | 12  | 556 262       | 351 641             | (0)                   | 17 260           | (3 066)                | (293 457)         | 628 652  | 176 078                   | 804 730      |

On 25 June 2024, Höegh LNG Holdings Ltd. declared to pay a dividend of USD 25 million, which was subsequently paid in July 2024.

## Interim consolidated statement of changes in equity for the first half ended 30 June 2023

| USD'000   | Attributable to equity holders of Höegh LNG Holdings Ltd. |               |                     |                       |                  |                        |                   |         | Non-controlling interests | TOTAL EQUITY |
|---|---|---------------|---------------------|-----------------------|------------------|------------------------|-------------------|---------|---------------------------|--------------|
|   | Share capital   | Share premium | Contributed surplus | Other paid-in capital | Hedging reserves | Other capital reserves | Retained earnings | TOTAL   |                           |              |
| <b>As at 1 January 2023</b>                                   | 12  | 556 262       | 350 821             | (0)                   | 26 917           | (3 416)                | (380 515)         | 550 081 | 176 078                   | 726 159      |
| Profit for the period   | -   | -             | -                   | -                     | -                | -                      | 45 862            | 45 862  | 7 754                     | 53 616       |
| Other comprehensive loss                                      | -   | -             | -                   | -                     | (1 280)          | 176                    | -                 | (1 103) | -                         | (1 103)      |
| <b>Total comprehensive income</b>                             | -   | -             | -                   | -                     | (1 280)          | 176                    | 45 862            | 44 759  | 7 754                     | 52 513       |
| HMLP dividend to non-controlling interests                    | -   | -             | -                   | -                     | -                | -                      | -                 | -       | (7 754)                   | (7 754)      |
| Other changes in equity                                       | -   | -             | -                   | -                     | -                | (9)                    | -                 | (9)     | -                         | (9)          |
| <b>Total other transactions recognised directly in equity</b> | -   | -             | -                   | -                     | -                | (9)                    | -                 | (9)     | (7 754)                   | (7 763)      |
| <b>At 30 June 2023 (unaudited)</b>                            | 12  | 556 262       | 350 821             | (0)                   | 25 637           | (3 248)                | (334 653)         | 594 831 | 176 078                   | 770 909      |

# Notes to the interim consolidated financial statements

## 1. Corporate information

The parent company, Höegh LNG Holdings Ltd., 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 20 August 2024.

The number of issued and outstanding shares for the period ended 30 June 2024 was 1 200 000.

## 2. Basis for preparation and accounting policies

The interim consolidated financial statements for the period ending 30 June 2024 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 2023 (the 2023 annual report).

The interim consolidated financial statements for the period ending 30 June 2024 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.

Preparation of interim financial statements in accordance with 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.

## 3. 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 6.3 in the 2023 annual report.

### Debt maturity profile including lease liabilities on 30 June 2024

| 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  | 136 460        | -              | -              | -             | -                       | 136 460          |
| Höegh Esperanza facility   | 25 205         | 26 422         | 27 697         | 29 033        | 210 994                 | 319 351          |
| Hoegh Giant facility   | 12 750         | 12 750         | 104 438        | -             | -                       | 129 938          |
| Hoegh Gannet facility  | 22 854         | 23 957         | 25 113         | 26 325        | 209 950                 | 308 198          |
| Hoegh Galleon facility   | 8 333          | 8 333          | 8 333          | 8 333         | 114 583                 | 147 917          |
| USD 385 million facility   | 25 597         | 223 067        | -              | -             | -                       | 248 664          |
| Hoegh Gandria facility   | 12 052         | 98 528         | -              | -             | -                       | 110 580          |
| Bond debt  | 121 721        | -              | -              | -             | -                       | 121 721          |
| <b>Interest-bearing debt outstanding</b>                                   | <b>364 973</b> | <b>393 056</b> | <b>165 580</b> | <b>63 691</b> | <b>535 528</b>          | <b>1 522 829</b> |
| <b>Lease liabilities</b>   | <b>34 546</b>  | <b>24 227</b>  | <b>479</b>     | <b>17</b>     | <b>5</b>                | <b>59 274</b>    |
| <b>Total interest-bearing debt including lease liabilities</b>             | <b>399 519</b> | <b>417 283</b> | <b>166 059</b> | <b>63 709</b> | <b>535 533</b>          | <b>1 582 103</b> |
| Debt issuance costs  | (1 337)        |                |                |               |                         | (16 852)         |
| <b>Current and total interest-bearing debt including lease liabilities</b> | <b>398 182</b> |                |                |               |                         | <b>1 565 250</b> |

## 4. 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. The group applies hedge accounting to all eligible hedging instruments, with further details described in Note 3.2 of the 2023 annual report regarding the group's hedging policy and instruments.

### 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 hedged for both interest rate and currency risks through CCIRS agreements. As of 30 June 2024, the net fair value of interest-rate and cross-currency swaps amounted to a negative USD 4.8 million (negative USD 6.7 million). On the same date, the group's proportional shares of the net fair value of interest swaps within joint ventures was negative with USD 10.7 million (negative USD 11.7 million).

### Effects on other comprehensive income and hedging reserves

In terms of its impact on other comprehensive income and hedging reserves, during the second quarter of 2024, the interest rate swaps resulted in other comprehensive income of USD 1.0 million, a notable shift from the other comprehensive income of USD 16.7 million in the first quarter of 2024. The overall balance of interest rate swaps reflected in equity was positive by USD 17.4 million as of 30 June 2024 (compared to USD 16.4 million).

| <b>MTMs of cash flow hedges in the financial position</b>  | <b>30 Jun 24</b> | <b>31 Mar 24</b> | <b>31 Dec 23</b> | <b>30 Sep 23</b> | <b>30 Jun 23</b> |
|--|------------------|------------------|------------------|------------------|------------------|
| Total MTMs of IRS presented as financial assets  | 20 166           | 22 402           | 27 371           | 56 654           | 44 582           |
| Total MTMs of IRS and CCIRS presented as financial liabilities                                     | (24 926)         | (29 058)         | (34 145)         | (20 918)         | (53 701)         |
| Total MTMs of IRS in the joint ventures  | (10 654)         | (11 683)         | (14 878)         | (10 802)         | (14 157)         |
| <b>Net MTMs of cash flow hedges</b>  | <b>(15 413)</b>  | <b>(18 338)</b>  | <b>(21 652)</b>  | <b>24 935</b>    | <b>(23 276)</b>  |
| Net foreign exchange losses under cross currency swaps included in MTMs on bonds HLNG03 and HLNG04 | 24 556           | 25 871           | 19 635           | 24 526           | 53 329           |
| Ineffectiveness and settlements  | 8 300            | 8 874            | 1 770            | (4 811)          | (4 348)          |
| <b>Interest rate swaps recorded against equity</b>   | <b>17 443</b>    | <b>16 406</b>    | <b>(247)</b>     | <b>44 650</b>    | <b>25 706</b>    |

## 5. 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 7.2 in the 2023 annual report. There has not been any significant development in the discussion with the tax authorities in the UK during the second quarter and no provision has been made.

### 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.

## Responsibility statement

We confirm to the best of our knowledge that the condensed set of financial statements for the period 1 January to 30 June 2024 has been prepared in accordance with IAS 34 – Interim Financial Reporting as adopted by EU, and additional requirements found in the Norwegian Securities Trading Act, and gives a true and fair view of the Höegh LNG Holdings Ltd.’s consolidated assets, liabilities, financial position and result for the period. We also confirm to the best of our knowledge that the financial review includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the financial statements, any major related parties’ transactions, and a description of the principal risks and uncertainties.

Hamilton, Bermuda, 20 August 2024

The Board of Directors of Höegh LNG Holdings Ltd.



Morten W. Høegh  
Chairman



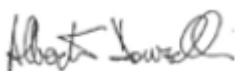
Johan Pfeiffer  
Deputy Chairman



Eric den Besten



Carlo Ravizza



Alberto A. Donzelli



John Kwaak



Tammy L. Richardson-Augustus



## Appendix 1 – Alternative Performance Measures (APMs)

Höegh LNG's financial information is prepared in accordance with IFRS accounting standards® as adopted by the EU. 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, tax, depreciation, amortisation, and impairment (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 Investments in associates and 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 associates and joint ventures when removing the negative impact of out of the money mark-to-market financial derivative swaps. See Note 4 for further information.

USD'000

| <b>NET INTEREST-BEARING DEBT</b>  | <b>30 Jun 2024</b> | <b>31 Mar 2024</b> | <b>31 Dec 2023</b> | <b>30 Sep 2023</b> | <b>30 Jun 2023</b> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Interest-bearing debt, current and non-current                            | (1 565 250)        | (1 620 685)        | (1 655 579)        | (1 616 267)        | (1 791 421)        |
| Non-current restricted cash   | 25 499             | 24 824             | 33 432             | 28 088             | 17 079             |
| Cash and cash equivalents incl. restricted cash and marketable securities | 203 674            | 251 538            | 241 962            | 147 983            | 329 713            |
| <b>Net interest-bearing debt</b>  | <b>(1 336 077)</b> | <b>(1 344 323)</b> | <b>(1 380 186)</b> | <b>(1 440 196)</b> | <b>(1 444 628)</b> |
| <b>EQUITY ADJUSTED FOR HEDGING TRANSACTIONS</b>                           |                    |                    |                    |                    |                    |
| Total equity  | 804 730            | 813 533            | 780 362            | 813 284            | 770 909            |
| Hedge reserve including non-controlling interest share                    | (17 443)           | (16 406)           | 247                | (44 650)           | (25 706)           |
| <b>Equity adjusted for hedging transactions</b>                           | <b>787 288</b>     | <b>797 127</b>     | <b>780 609</b>     | <b>768 634</b>     | <b>745 204</b>     |
| <b>EQUITY RATIO ADJUSTED FOR HEDGING TRANSACTIONS</b>                     |                    |                    |                    |                    |                    |
| Total assets  | 2 538 830          | 2 594 557          | 2 610 238          | 2 575 296          | 2 748 933          |
| Hedge assets  | (9 512)            | (10 720)           | (12 492)           | (45 853)           | (30 425)           |
| <b>Total assets adjusted for hedging transactions</b>                     | <b>2 529 318</b>   | <b>2 583 838</b>   | <b>2 597 746</b>   | <b>2 529 443</b>   | <b>2 718 508</b>   |
| <b>Equity adjusted for hedging transactions</b>                           | <b>787 288</b>     | <b>797 127</b>     | <b>780 609</b>     | <b>768 634</b>     | <b>745 204</b>     |
| <b>Equity ratio adjusted for hedging transactions</b>                     | <b>31%</b>         | <b>31%</b>         | <b>30%</b>         | <b>30%</b>         | <b>27%</b>         |

## Appendix 2 – Abbreviations

| <b>Abbreviation</b>                         | <b>Definition</b>                        |
|---|--|
| 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               |



**HÖEGH LNG**