HÖEGH AUTOLINERS

Q4 2024

Quarterly report

Content

Highlights Q4 2024

Consolidated results and key figures (USD million)	Q4 2024	Q3 2024	Q4 2023	FY 2024	FY 2023
Total revenues	352	349	382	1 371	1 446
EBITDA	179	177	199	692	736
Profit for the period	138	193	197	620	590
EBITDA adjusted	181	178	199	696	736
Earnings per share, basic	0.72	1.01	1.03	3.25	3.09
Cash and cash equivalents	208	344	458	208	458
Cash flow from operations	184	190	203	708	746
Net interest bearing debt	581	255	52	581	52
Equity ratio	56%	64%	69%	56%	69%

- Operating profit (EBITDA) of USD 179 million and net profit after tax of USD 138 million
- Gross freight rate decreased by 1% compared to Q3 2024 to USD 100.4 per CBM.
- Delivery of Höegh Borealis in October.
- Delivery of Höegh Australis and Höegh Sunlight in December.
- Several contracts with major international car producers signed during Q4, resulting in the strongest contract backlog the Company has ever had.
- Q3 2024 dividend of USD 245 million paid in December 2024.
- A dividend for Q4 2024 of USD 90 million (USD 0.4718 per share) declared and will be paid out in March.
- Total dividend paid out in 2024 amounts to USD 841 million (USD 4.4084 per share).

Letter from our CEO

I am delighted to announce that Höegh Autoliners has concluded 2024 with another solid quarter. The Company reported gross revenue of USD 352 million, operating profit (EBITDA) of USD 179 million and net profit after tax of USD 138 million.

We experienced a slight volume growth with new capacity delivered, transporting 3.5 million CBM in the fourth quarter (up 2% Q-o-Q). All sailings were full, and the net rate reported of USD 86.7 per CBM was the highest on record in second half of 2024. Gross rate dropped 1% to USD 100.4 per CBM, mainly due to the slight reduction on bunker compensation and other surcharges.

Over the past few years, Höegh Autoliners has focused intensively to solidify our contract backlog. During the fourth quarter, we successfully signed several long-term contracts with leading OEMs globally. These strategic partnerships with long-standing customers reaffirm our position as their preferred shipping partner—a trust we are both honored and proud to uphold.

Decarbonization remained high on our agenda. We made significant progress on our newbuilding program, reaching construction milestones well ahead of the original timeline. Three Aurora Class vessels, Höegh Borealis, Höegh Australis and Höegh Sunlight were delivered in October and December last year, ready to serve our customers in our key trade routes. Additionally, four more vessels are under simultaneous construction at the yard. While the newbuilding program is progressing well, reducing the environmental footprint of the existing fleet remained another top priority.

By the end of the fourth quarter, energy efficiency upgrade was completed for 13 vessels. Höegh Autoliners has always been the pioneer in low-carbon deep-sea transportation, and with additional four Aurora Class vessels now in operation, we are confident to be able to offer our customers one of the most sustainable and environmentally friendly transport solution in the industry.

Höegh Autoliners continued to deliver on our commitment to create value for shareholders. With USD 245 million paid in the last quarter, the total dividend paid since the initiation of our dividend payout has surpassed USD 1.1 billion. We are pleased to announce a cash dividend of USD 90 million this quarter, scheduled to be distributed to our shareholders in March 2025.

I extend my heartfelt gratitude to all our onshore and offshore employees, partners, suppliers, and customers for making 2024 an extraordinary year for us. Together, we are resolute in our commitment to sail Höegh Autoliners forward into the new future ahead.

Andreas Enger, CEO

Directors' report

Financial performance

Total revenues in Q4 2024 were USD 352 million compared to USD 349 million in Q3 2024 and USD 382 million in Q4 2023. EBITDA in Q4 2024 was USD 179 million compared to USD 177 million in Q3 2024 and USD 199 million in Q4 2023. Adjusted EBITDA in Q4 2024 was USD 181 million compared to USD 178 million in Q3 2024 and USD 199 million in Q4 2023. See the section Alternative Performance Measures for reconciliation between EBITDA and adjusted EBITDA.

The main reason for the increase in EBITDA from previous quarter is increased volumes and reduced fuel cost. The net freight rate was in line with the previous quarter. The transported volume in the quarter was up 1% compared to Q3.

Net profit after tax in Q4 2024 was USD 138 million, compared to a net profit after tax of USD 193 million in Q3 2024 and a net profit after tax of USD 197 million in Q4 2023. Net profit in Q3 2024 and Q4 2023 included gain from sale of vessels of USD 53 million and USD 36 million respectively.

Total revenues for FY 2024 were USD 1 371 million compared to USD 1 446 million for FY 2023. EBITDA for FY 2024 was USD 692 million compared to USD 736 million for FY 2023. Adjusted EBITDA for FY 2024 was USD 696 million compared to USD 736 million for FY 2023.

Net profit after tax for FY 2024 was 620 million compared with a net profit after tax of USD 590 million for FY 2023.

Cash flow and financing

Cash flows from operations were USD 184 million for Q4 2024 compared to USD 190 million for Q3 2024 and USD 203 million for the same quarter last year. Capital expenditures in Q4 2024 were USD 244 million, mainly related to instalments for the new-buildings, in addition to dry dock expenses and vessel upgrades.

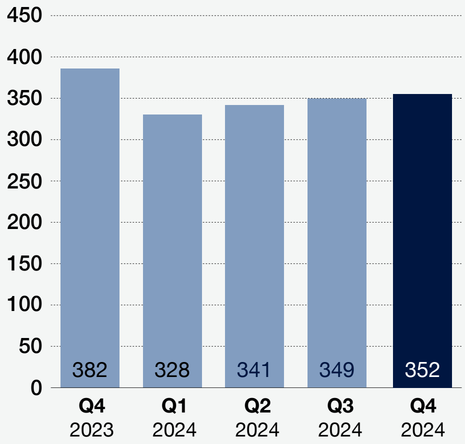
Cash and cash equivalents were USD 208 million at the end of Q4 2024 compared to USD 344 million at the end of Q3 2024. Dividend for Q3 2024 of USD 245 million was paid out in December. A total of USD 229 million in newbuild instalments have been paid during the quarter.

The book equity ratio was 56% at the end of Q4 2024, down from 64% at the end of Q3 2024 and down from 69% at the end of Q4 2023.

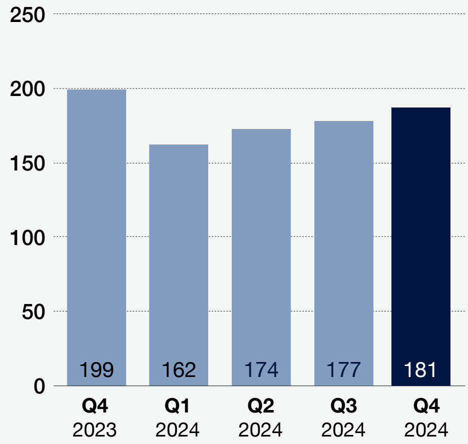
Net interest-bearing debt was USD 581 million at the end of Q4 2024 compared to USD 255 million at the end of Q3 2024 and USD 52 million at the end of Q4 2023. Proceeds from issue of debt in Q4 of USD 209 million mainly relate to the delivery of the three Aurora Class vessels Höegh Borealis, Höegh Australis and Höegh Sunlight.

Financial performance – graphs

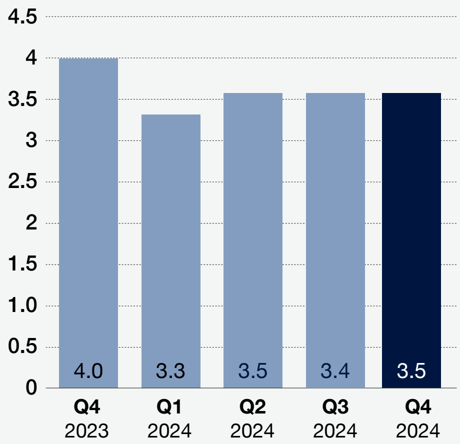
Total revenues (USD million)



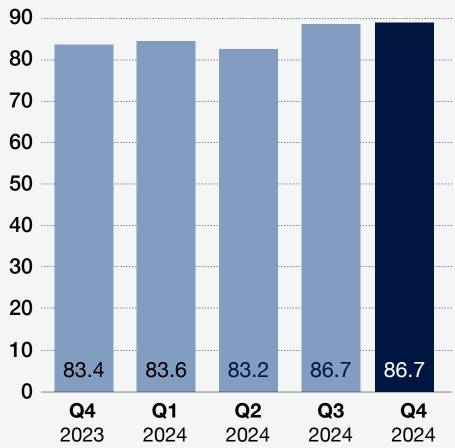
EBITDA adjusted (USD million)



Volumes (CBM million)



Net freight rate (USD per CBM)



Operational performance

Market update

2024 light vehicle sales are estimated to have reached 88.2 million units, up 1.7% y-o-y. In the final quarter of 2024, global sales expanded by 5% y-o-y and by a strong 15% q-o-q, driven by time-limited, generous scrappage subsidy scheme in China.

The auto industry remained focused on managing production and inventory levels in response to regional demand patterns. Vehicle affordability and slow-to-fall interest rates continued to be major factors influencing demand in Q4, in addition to emerging tariff impacts. 2025 sales volumes are forecast to reach 89.6 million units, a 1.7% y-o-y increase. The geopolitical landscape is unpredictable, and uncertainty has increased over the last few weeks, with threats of and introduction of new tariffs. Generally, any new tariffs will affect the overall market.

Höegh Autoliners' main markets:

Automotive

In 2024, sales in HA markets were up 2%, slightly higher than the overall global sales growth. Q4 2024 light vehicle sales in the main HA destination markets expanded by an estimated 2.4% y-o-y and by 6% q-o-q.

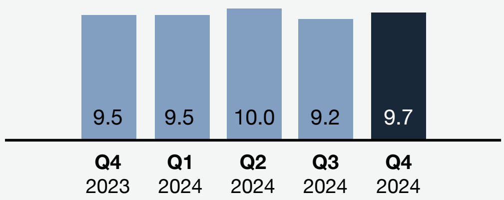
Vehicle electrification remained a key driver, with EV industrial policies in Europe including imposition of tariffs on China-made vehicles playing increasingly important role. Light vehicle demand in North America continued to improve against year-ago levels.

Asia outbound

Asia's vehicle exports in 2024 expanded by 7% y-o-y, driven by strong Chinese shipments (up 21% y-o-y). China continues to cement its position as the largest vehicle exporter by volume with 2024 total exports of 5.9 million units (incl. overland and shortsea volumes), compared to 4.2 million units exported from Japan. Responding to EU's import tariffs on electric cars, China's 2024 BEV exports to Western and Central Europe declined by 11% y-o-y. However, this decline was more than offset by Chinese OEMs' rapidly growing exports of hybrid vehicles – up by 127% in 2024, whereof by 135% y-o-y in Q4 alone.

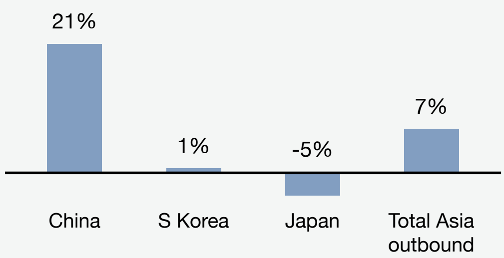
Japan's vehicle exports contracted by 5% in 2024, with shipments to Europe down 14% and shipments to the US down 8% y-o-y. In 2024, S. Korean vehicle shipments strengthened to USA - up 10% y-o-y, but were down 10% to Europe.

Quarterly light vehicle sales in key HA destination markets*
2022-2024 (million units)



**HA key destination markets: Western/Central Europe, North America, Middle East, Oceania. Source: S&P Mobility – Jan 2025 forecast*

Vehicle exports from Asia 2024 - % change y-y



Source: JAMA, KAMA, CAAM, S&P Global Trade Atlas, HA Market Intelligence.

High & Heavy (H&H) markets

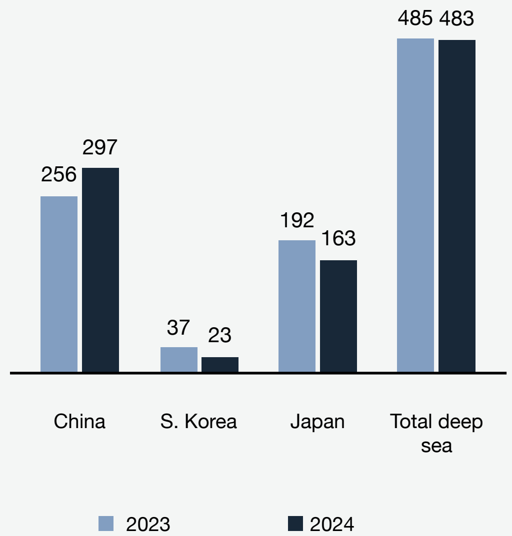
2024 was a year of readjustment for global construction equipment following a period of elevated sales during the pandemic years. Higher interest rates have dampened demand and contributed to an estimated 11% y-o-y fall in global equipment sales (in value terms).

After consecutive years of record equipment sales, the N. American market is estimated to have declined by 10% in 2024 as demand cooled due to higher interest rates and uncertainty ahead of the US presidential election. Nevertheless, 2024 was still the third best year in history in terms of machinery sold. 2025 may see renewed activity if the new Administration supports domestic construction.

The Eurozone construction sector remained in decline at the end of 2024. Interest rates and the housing market were key factors negatively affecting the mini excavators and compact equipment segments (shipped mainly in containers). The demand for larger equipment (shipped on RoRo) remained steady. Total equipment sales are expected to be flat to positive in 2025.

Asia's core construction equipment shipments (all sizes) in deep sea trades were flat in 2024 - but 108% higher when compared to 2019. China's deep sea shipments tripled between 2019 and 2024 and accounted for 62% of total exported volume from Asia in 2024. Continuous Chinese exports expansion was driven by weak domestic market and excess domestic production capacity.

Core construction equipment deep sea exports from Asia 2024 vs. 2023
000' units



Source: S&P Mobility, GTA Jan 2025 customs data

Capacity / Fleet update

Deviations via the Cape of Good Hope continue to drive supply shortage amid market recalibration. The time charter hire rates have seen a significant decline but remain 25% higher than the last historical peak. The orderbook consists of 205 vessels with delivery up to 2030, equivalent to approximately 37% of the existing fleet.

The Aurora newbuilding program is progressing as planned and in October Höegh Borealis was delivered. Höegh Australis and Höegh Sunlight were delivered at the end of December, and all four newbuilds have now been put into operation.

Sustainability

Planet

Technical upgrades and newbuilding program:

In Q4, Höegh Autoliners took delivery of three additional Aurora Class vessels, enabling the Company to progress further on its decarbonisation journey, and its efforts to decarbonise customer's supply chains. Eight more Aurora Class vessels are scheduled for delivery over the next 2-3 years.

Technical upgrades to improve carbon efficiency	FY22	FY23	FY24	On order
Upgrades installed (# of vessels)	2	3	14	13

While the newbuilding program is progressing as expected, Q4 was another quarter with energy efficiency measures instalments to our existing fleet. At the end of the quarter, the program for energy efficiency measures included 16 initiatives across 13 vessels.

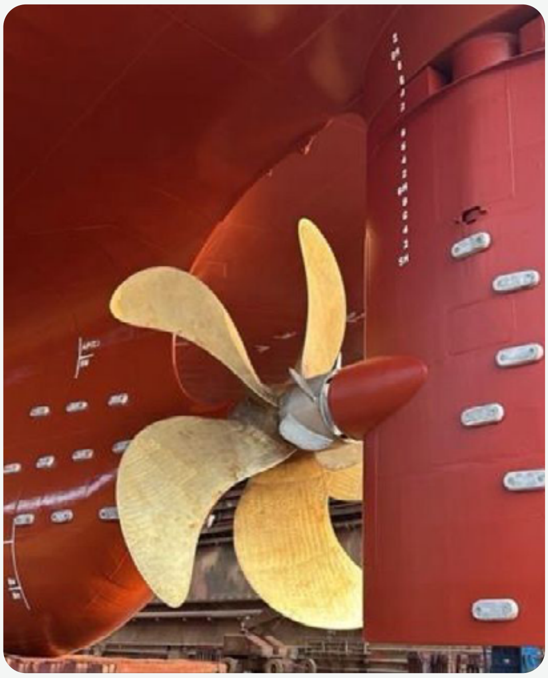
During the quarter, nine energy efficiency initiatives were installed across five vessels, including new and more efficient propellers, frequency drives and turbocharger deratings. Additionally, one order was placed for one propeller boss cap fin for one vessel.

Environmental performance:

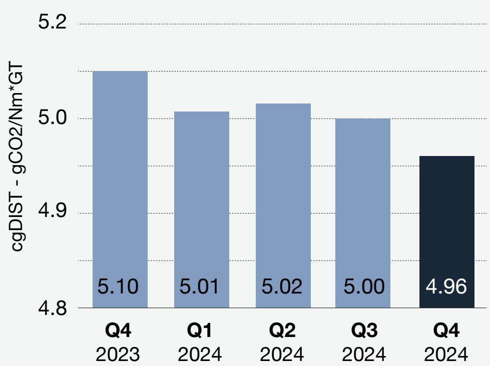
Höegh Autoliners continues to disclose its quarterly fleet carbon intensity (cgDIST) data, covering all owned and/or technically managed vessels. The graph to the right illustrates the cgDIST for the past five quarters, showing somewhat stable fleet-wide carbon intensity figures with a slight improvement in the current quarter. The positive trend in carbon intensity is primarily due to the ongoing fleet renewal program and the implementation of energy efficiency measures. The introduction of four Aurora Class vessels during Q3 and Q4 is expected to continue to contribute positively, and we started to see the effects in the current quarter. The positive effects are partly offset by reduced consumption of biofuels in the quarter compared to previous quarters.

The Company continued to offer its customers the option of transporting cargo from Europe using advanced biofuels, meeting the highest sustainability standards. While we did not purchase any biofuels in Q4, we recorded a consumption of 60 MT of sustainable B100 biofuel compared to 1 020 MT in Q3.

Looking ahead, Höegh Autoliners remains committed to its target of reducing its fleet carbon intensity by more than 30% by 2030, compared to 2019 levels. The Company will continue to explore innovative solutions and new partnerships to optimize fleet efficiency and further reduce its environmental footprint.



Carbon intensity*



Carbon intensity for the current year and quarter is calculated based on unverified data from the International Maritime Organization's Data Collection System (DCS) and is subject to change after the final verification, which is carried out by DNV and Lloyd's Register in the first half of each calendar year.

Sustainability

People

Health and safety

Höegh Autoliners has a strong focus on avoiding accidents and negative incidents of all types. We have extended our focus on the safety of our crew, and the continuous efforts in identifying risk and mitigating risk of accidents and sickness prior to commencement of work. At both pre-embarkation period, during sailing, and on crew conferences, we emphasize the health and safety of all crew with sessions and campaigns, both with physical attendance, and through interactive digital learning platforms.

Near accident reporting

Near accident reporting is considered as the main tool to identify potential hazards and prevent hazards from re-occurring in the future. By analysing the root cause of near accidents, we are able to determine what is the basic cause of a near accident and therefore implement actions to create barriers that will prevent the hazards from re-occurring. We see a slight decrease in both near accident frequency, as well as the accident frequency for Q4.

Lost time reporting

Following a peak in Lost Time Incident Frequency (LTIF) during Q1, we have gradually decreased these numbers slightly throughout the year. We see that the enhanced focus on personal safety, preventing incidents and safety awareness as part of our campaign throughout 2024, makes a positive reduction of these numbers. Currently, we are still well above KPI target of 0.7 and will continue our focus on reduction in 2025.

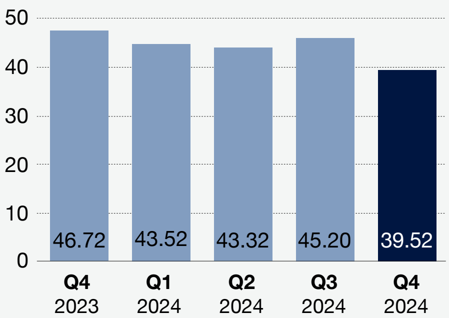
We engage in a close dialogue with our pre-embarkation medical centres with focus on identifying pre-illness indicators. Although acute and unforeseen sickness is inevitable to occur, we are conducting mental and physical health surveys and campaigns, in addition to lifestyle/health sessions and infographics throughout the fleet. For Q4 we saw an increase of the Lost Time Sickness Frequency (LTSF) to 1.12, with one incident of acute illness that was categorized as serious. Continuous efforts to reduce this number will be conducted in 2025.

Employment and human capital

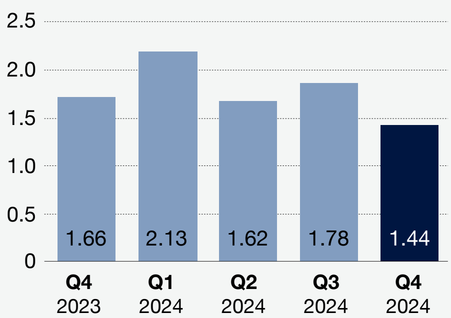
The focus in the fourth quarter has been around compliance, reflecting on performance and development, and moving the needle on important strategic and development areas for 2025. Some of the activities include:

- Integrity Day sessions focusing on ethics and compliance were held across our offices, reinforcing our commitment to maintaining high ethical standards and compliance practices throughout the organisation.
- To enhance the effectiveness of our sales organisation, we partnered with a vendor to launch our Sales Accelerator Programme, a three-year development initiative designed to strengthen sales capabilities. The program will kick off in Q1 2025.
- A six-week intensive Data & Analytics Programme was conducted for 30 employees, equipping them with the skills needed to leverage data effectively and drive operational efficiency.
- At our headquarters, we hosted an engaging Strategy Day, focusing on our strategic priorities and aligning efforts across functions to support long-term growth and success.
- As part of our commitment to developing our talent, we strengthened our mentoring offering with a global programme as part of our Early Career Programme. This initiative provides more structure around the mentoring relationship which contributes to building long-term organisational capabilities and a robust leadership pipeline.

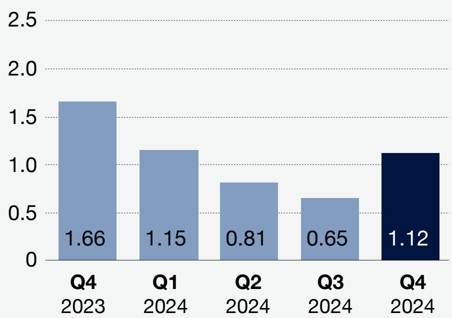
Near Accident Frequency
(near accidents per million hours past 12 months)



Lost Time Incident Frequency
(incidents per million hours past 12 months)



Lost Time Sickness Frequency
(cases per million hours past 12 months)



Prosperity

Höegh Autoliners is committed to sustaining the profitability of our operations and generating long-term value for its shareholders, in addition to promote prosperity for the planet and society. The strategy is centred around continuous improvement, operational excellence, and strong customer relationships, which the Company believes are essential when building resilience for the future.

Höegh Autoliners continues to distribute dividends on a quarterly basis, consistent with our dividend policy where we target to distribute quarterly dividends to shareholders of around 100% of cash generation after amortization of debt facilities, capital expenditure and payable taxes. In December 2024, a dividend of USD 245 million was paid out based on Q3 2024 results. The declared dividend for Q4 2024 of USD 90 million will be paid out in March 2025.

As part of its efforts to build a robust contract backlog and support strategically important customers, the Company signed several contracts with major international car producers during the quarter. This includes a 5-year contract for transportation of a significant volume of cars in two of the Company's core trade lanes.

Outlook

On the back of several new contracts signed during 2024, Höegh Autoliners starts 2025 with the strongest contract backlog the Company has ever had. Following the normal seasonal slowdown in the beginning of the year, we expect Q1 2025 volumes to be in line with recent quarters.

The delivery of newbuilds will gradually remove some of the pressure seen in our segment, but the general market remains strong with more volume than we can carry in key trade lanes.

With regards to transiting the Red Sea, we maintain regular communication with relevant stakeholders and monitor the situation continuously.

The geopolitical landscape is unpredictable, and uncertainty has increased over the last few weeks with threats of and introduction of new tariffs. Höegh Autoliners' direct exposure so far is limited, but generally any tariff will negatively affect the overall market. We expect an EBITDA result for Q1 slightly below same quarter last year.

Oslo, 13 February 2025

The Board of Directors of Höegh Autoliners ASA

Leif O. Høegh,
Chair

Morten W. Høegh,
Deputy Chair

Jan B. Kjærvik,
Board member

Martine Vice Holter,
Board member

Kasper Friis Nilaus,
Board member

Kjersti Aass,
Board member

Johanna Hagelberg,
Board member

Gyrid Skalleberg Ingerø,
Board member

Consolidated interim financial statements

Interim consolidated statement of comprehensive income

(USD 1 000)	Notes	Q4 2024	Q4 2023	2024	2023
Total revenues	2	352 340	381 904	1 370 828	1 446 075
Bunker expenses		(55 263)	(64 063)	(236 124)	(241 937)
Voyage expenses		(83 626)	(87 118)	(312 426)	(340 037)
Charter hire expenses		(1 540)	(1 049)	(5 666)	(9 480)
Running expenses		(25 833)	(23 856)	(101 502)	(100 076)
Administrative expenses		(7 359)	(6 897)	(23 040)	(19 035)
Operating profit before depreciation, amortisation and impairment (EBITDA)		**178 720**	**198 921**	**692 070**	**735 510**
Profit from associates and joint ventures		427	(139)	1 020	735
Gain on sale of assets	3	173	35 847	52 326	35 835
Depreciation	3	(33 639)	(35 669)	(131 922)	(145 565)
Operating profit before financial items		**145 682**	**198 960**	**613 494**	**626 515**
Interest income	4	4 395	4 156	16 048	12 218
Interest expenses	4	(8 599)	(8 700)	(26 750)	(33 338)
Income from other financial items		234	1 643	611	196
Expenses from other financial items	4	(1 523)	(1 409)	(19 474)	(7 727)
Profit before tax		**140 188**	**194 648**	**583 929**	**597 864**
Income tax		(1 562)	(2 796)	(6 005)	(10 076)
Change in deferred tax		(471)	5 509	41 585	1 798
Profit for the period		**138 155**	**197 361**	**619 509**	**589 585**
Other comprehensive income *Items that may be reclassified to profit and loss:*					
Currency translation differences		(377)	212	(531)	(171)
Items that may be reclassified to profit and loss:					
Remeasurement on defined benefit plans		(115)	(134)	(115)	(134)
Changes in fair value of equity investments		(5)	(87)	(5)	(87)
Other comprehensive income, net of tax		**(498)**	**(9)**	**(651)**	**(392)**
Total comprehensive income for the period		**137 657**	**197 352**	**618 858**	**589 193**
Earnings per share basic (USD)	7	**0.72**	**1.03**	**3.25**	**3.09**
Earnings per share diluted (USD)	7	**0.72**	**1.03**	**3.22**	**3.07**

Interim consolidated statement of financial position

(USD 1 000)	Notes	31.12.2024	31.12.2023
Assets			
Non-current assets			
Deferred tax asset		5 417	864
Vessels	3	1 430 064	1 032 499
Right-of-use assets	3	70 079	142 216
Newbuildings and projects	3	229 374	269 853
Equipment	3	12 372	13 913
Investments in associates and joint ventures		4 756	4 960
Other non-current assets		777	859
Other non-current financial assets		906	977
Total non-current assets		**1 753 743**	**1 466 140**
Current assets			
Bunker		39 945	43 416
Trade and other receivables		94 088	87 291
Prepayments		4 835	4 164
Other current financial assets		4 971	-
Cash and cash equivalents		207 866	458 333
Total current assets		**351 705**	**593 203**
Total assets		**2 105 449**	**2 059 344**
Equity and liabilities			
Equity			
Share capital	7	443 898	443 898
Share premium reserve		162 384	289 384
Other paid-in equity		232	1 067
Retained earnings		570 935	677 380
Total equity		**1 177 449**	**1 411 730**
Non-current liabilities			
Pension liabilities		3 043	2 739
Deferred tax liabilities		-	37 053
Other non-current liabilities		1 531	90
Non-current interest bearing debt	5	661 491	296 198
Non-current lease liability	5	54 692	82 270
Total non-current liabilities		**720 757**	**418 350**
Current liabilities			
Current interest bearing debt	5	46 288	49 589
Trade and other payables		56 724	41 867
Income tax payable		5 138	5 566
Current accruals and provisions		73 099	50 452
Other current financial liabilities		220	-
Current lease liability	5	26 137	81 790
Total current liabilities		**207 243**	**229 264**
Total equity and liabilities		**2 105 449**	**2 059 344**

Interim consolidated statement of changes in equity

(USD 1 000)	Share capital	Share premium reserve	Other paid-in equity	Retained earnings	Total
Equity 01.01.2023	443 898	289 384	504	329 187	1 062 973
Share bonus program	-	-	563	-	563
Dividend	-	-	-	(241 000)	(241 000)
Profit of the year	-	-	-	589 585	589 585
Other comprehensive income	-	-	-	(392)	(392)
Equity 31.12.2023	**443 898**	**289 384**	**1 067**	**677 380**	**1 411 730**
Share bonus program	-	-	560	-	560
Dividend	-	(127 000)	-	(713 995)	(840 995)
Purchase own shares	-	-	-	(3 924)	(3 924)
Share bonus program 2021 settlement	-	-	(1 396)	(7 384)	(8 779)
Profit of the year	-	-	-	619 509	619 509
Other comprehensive income	-	-	-	(651)	(651)
Equity 31.12.2024	**443 898**	**162 384**	**232**	**570 935**	**1 177 449**

Interim consolidated statement of cash flows

(USD 1 000)	Notes	Q4 2024	Q4 2023	2024	2023
Cash flows from operating activities					
Profit before tax		140 188	194 648	583 929	597 864
Financial (income) / expenses		5 493	4 311	29 565	28 651
Share of net income from joint ventures and associates		(427)	139	(1 020)	(735)
Depreciation and amortisation	3	33 639	35 669	131 922	145 565
Gain on sale of tangible assets		(173)	(35 847)	(52 326)	(35 835)
Tax paid (company income tax, withholding tax)		(3 530)	(3 624)	(6 724)	(5 931)
Cash flows from operating activities before changes in working capital		**175 191**	**195 297**	**685 346**	**729 578**
Changes in working capital					
Trade and other receivables		(3 251)	(610)	(6 797)	5 633
Bunker		(3 989)	(398)	3 471	4 384
Prepayments		5 628	(1)	(671)	(1 940)
Other current assets		(1 266)	-	(4 971)	-
Trade and other payables		13 836	6 379	14 857	4 312
Accruals and provisions		3 888	3 803	22 648	5 976
Other changes to working capital		(6 143)	(1 646)	(6 220)	(1 687)
Net cash flows provided by operating activities		**183 893**	**202 824**	**707 663**	**746 256**
Cash flows from investing activities					
Proceeds from sale of tangible assets	3	244	62 481	119 840	62 483
Investment in vessels and other tangible assets	3	(243 613)	(38 796)	(416 907)	(178 210)
Investments in joint ventures and associates		200	164	693	838
Interest received		4 386	4 151	16 039	12 211
Net cash flows used in investing activities		**(238 783)**	**28 000**	**(280 335)**	**(102 678)**
Cash flows from financing activities					
Proceeds from issue of debt	5	209 440	-	399 320	130 000
Repayment of debt	5	(14 628)	(13 035)	(46 292)	(51 228)
Repayment of lease liabilities		(11 817)	(12 153)	(130 875)´	(161 022)
Interest paid on mortgage debt		(10 414)	(7 205)	(31 709)	(26 824)
Interest paid on lease liabilities		(1 695)	(3 269)	(10 874)	(15 368)
Other financial items		552	(609)	(11 253)	(3 380)
Purchase of own shares		(3 924)	-	(3 924)	-
Dividend to shareholders		(244 995)	(70 000)	(840 995)	(241 000)
Net cash flows used in financing activities		**(77 481)**	**(106 271)**	**(676 602)**	**(368 821)**
Net change in cash during the period		**(132 371)**	**124 554**	(249 274)	**274 757**
Cash and cash equivalents beginning of period		343 790	332 095	458 333	183 940
Exchange differences in cash and cash equivalents		(3 553)	1 684	(1 193)	(364)
Cash and cash equivalents end of period		**207 866**	**458 333**	**207 866**	**458 333**

Notes

Note 1 Basis of preparation and accounting policies

Principal activities and corporate information
Höegh Autoliners ASA is a public limited liability company, registered and domiciled in Norway, with its head office in Oslo. The consolidated interim accounts for the Group include Höegh Autoliners ASA with its subsidiaries.

The Group is a fully integrated RoRo entity. It is one of the world's largest operators in the transportation of vehicles and high/heavy rolling cargo and operates a fleet of 36 vessels in global trading systems from a worldwide network of offices.

Basis of preparation
The Group's financial reporting is in accordance with IFRS® Accounting Standards as adopted by the European Union (EU) ("IFRS"). The consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not contain all the information and disclosures required in an annual financial report and should be read in conjunction with the Group's annual report for 2023.

The interim consolidated financial statements have been prepared in accordance with the accounting principles followed in the Group's annual financial accounts for the year ended 31 December 2023. The interim financial information for 2024 and 2023 is unaudited.

All presented figures in this interim report have been rounded and consequently, the sum of individual figures can deviate from the presented sum figure.

Use of judgements and estimates
The preparation of the interim financial statements requires the use of evaluations, estimates and assumptions that affect the application of the accounting principles and amounts recognized as assets and liabilities, income and expenses. Actual results may differ from these estimates.

The important assessments underlying the application of the Group's accounting policies, and the main sources of uncertainty are the same for the interim financial statements as for the consolidated financial statements for 2023.

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM), defined as Management and the Chief Executive Officer (CEO), and are assessed, monitored, and managed on a regular basis.

Tax
The effective tax rate for the Group will, from period to period, change depending on the gains and losses from investments inside the exemption model and tax-exempt revenues from tonnage tax regimes.

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Earnings per share
Calculation of basic earnings per share is based on the net profit or loss attributable to ordinary shareholders using the weighted average number of shares outstanding during the year after deduction of the average number of treasury shares held over the period.

The calculation of diluted earnings per share is consistent with the calculation of basic earnings per share, while giving effect to all dilutive potential ordinary shares that were outstanding during the period.

Note 2 Total revenues

Category of services (USD 1 000)	Q4 2024	Q4 2023	2024	2023
Net freight revenues	304 510	332 591	1 176 179	1 242 701
Other surcharges	47 831	48 447	194 239	199 389
Freight revenues	352 340	381 038	1 370 418	1 442 090
Terminal related revenues	-	866	410	3 985
Total revenues	**352 340**	**381 904**	**1 370 828**	**1 446 075**
Other income	-	-	-	-
Total income	**352 340**	**381 904**	**1 370 828**	**1 446 075**

Recognition principle (USD 1 000)	Q4 2024	Q4 2023	2024	2023
Services transferred over time	352 340	381 038	1 370 418	1 442 090
Services transferred at point in time	-	866	410	3 985
Total revenues	**352 340**	**381 904**	**1 370 828**	**1 446 075**

Revenue from contracts with customers are recognised upon satisfaction of the performance obligation by transferring the promised good or service to the customer. Performance obligations for Freight revenues are satisfied over time through the progress of the voyage. As the service is delivered, the customer is receiving and consuming the benefits of the transport services the Group performs. Other surcharges are primarily bunker surcharges, and surcharges related to handling of cargo.

Terminal related revenues are recognised at a point in time as the performance obligation is satisfied when the service delivery is complete.

Note 3 Vessels, newbuildings, equipment and right-of-use assets

2024 (USD 1 000)	Vessels	Newbuildings & Projects *	Equipment	Right-of-use Assets	Total
Cost at 01.01	2 117 067	269 853	25 771	312 919	2 725 610
Additions	90 960	405 060	799	10 542	507 361
Transfer from newbuilding and projects	462 730	(463 450)	720	-	-
Newbuilding interest	-	18 293	-	-	18 293
Remeasured leases	-	-	-	37 134	37 134
Disposals	(187 055)	(382)	(928)	(137 591)	(325 956)
Cost at 31.12	**2 483 703**	**229 374**	**26 362**	**223 003**	**2 962 441**
Accumulated depreciation and impairment at 01.01	(1 084 568)	-	(11 858)	(170 703)	(1 267 130)
Depreciation	(89 081)	-	(2 971)	(39 869)	(131 922)
Disposals	120 010	-	840	57 648	178 498
Accumulated depreciation and impairment at 31.12	(1 053 639)	**-**	(13 990)	(152 924)	(1 220 553)
Net carrying amount at 31.12	**1 430 064**	**229 374**	**12 372**	**70 079**	**1 741 888**
Book value sold assets	67 044	382	88		67 514
Sales price	119 738	-	102		119 840
Gain / (loss)	**52 693**	**382**	**14**		**52 326**

** Newbuildings & Projects include instalments related to the Aurora newbuilding program. Remaining equity instalments for the 8 newbuildings are USD 11 million.*

The vessels Höegh Jacksonville and Höegh Jeddah were purchased in Q2 2024 and Q3 2024 respectively, reflected above as disposal of right-of-use asset and addition to vessels. Höegh Aurora was delivered from the yard in August and was transferred from newbuildings to vessels during Q3 2024.

Höegh Borealis was delivered from the yard in October 2024, Höegh Australis and Höegh Sunlight were delivered from the yard in December 2024. All three vessels have been transferred from newbuildings to vessels during Q4 2024. The vessels Höegh Chiba and Höegh Kobe were sold in Q3 2024.

Note 3 Vessels, newbuildings, equipment and right-of-use assets *cont.*

2023 (USD 1 000)	**Vessels**	**Newbuildings & Projects ***	**Equipment**	**Right-of-use Assets**	**Total**
Cost at 01.01	2 061 803	138 725	31 869	466 840	2 699 237
Additions	149 167	134 623	821	5 591	290 202
Transfer from newbuilding and projects	12 488	(12 488)	-	-	-
Newbuilding interest	-	9 114	-	-	9 114
Remeasured leases	-	-	-	27 802	27 802
Reclassification to assets held for sale	-	-	-	-	-
Disposals	(106 391)	(122)	(6 919)	(187 314)	(300 745)
Cost at 31.12	**2 117 067**	**269 853**	**25 771**	**312 919**	**2 725 610**
Accumulated depreciation and impairment at 01.01	(1 073 175)	-	(16 213)	(192 866)	(1 282 254)
Depreciation	(91 259)	-	(2 563)	(51 743)	(145 565)
Disposals	79 866	-	6 918	73 905	160 689
Accumulated depreciation and impairment at 31.12	**(1 084 568)**	**-**	**(11 858)**	**(170 703)**	**(1 267 130)**
Net carrying amount at 31.12	**1 032 499**	**269 853**	**13 913**	**142 216**	**1 458 480**
Book value sold assets	26 525	122	1		26 648
Sales price	62 481	-	2		62 483
Gain / (loss)	**35 955**	**(122)**	**1**		**35 835**

**Newbuildings & Projects include first instalments related to the Aurora newbuilding program.*

Two leased vessels, Höegh Berlin and Höegh Tracer, were purchased in Q1 2023, and a third leased vessel, Höegh Trapper, was purchased in Q2 2023. These purchases are reflected above as disposals of right-of-use assets and additions to vessels. One more purchase option was declared in 2023, for the vessel Höegh Jacksonville, which was purchased in Q1 2024. Höegh Bangkok was delivered to new owners in Q4 2023.

Impairment/Reversal of impairment

Fleet

All Ro-Ro vessels in the Group operate in one cash generating unit with the purpose of maximising profit as a total. The impairment assessment is therefore based on the value in use principle for all the vessels in operation, and not vessel-by-vessel.

Market values of the vessels higher than the vessels' carrying values, is an indication that impairment loss recognised in prior periods may no longer exist or has been reduced.

The carrying values for vessels, equipments and right-of-use assets are at 31 December 2024 without any impairment. Market values for the vessels are slightly reduced compared to Q3 2024, however they are 76% higher than book values as at 31 December 2024 (107% at year-end 2023).

Based on an assessment made at 31 December 2024, there are no indications that the vessels may be impaired.

Note 4 Interest income and expenses

Interest income (USD 1 000)	**Q4 2024**	**Q4 2023**	**2024**	**2023**
Interest income from banks	4 394	3 667	16 028	11 666
Other interest income	1	489	20	552
Total	**4 395**	**4 156**	**16 048**	**12 218**

Interest expenses (USD 1 000)	**Q4 2024**	**Q4 2023**	**2024**	**2023**
Interest mortgage debt	9 782	7 464	32 868	27 085
Capitalised interest on newbuildings	(3 516)	(2 033)	(18 293)	(9 114)
Interest on lease liabilities	1 695	3 269	10 874	15 368
Other interest expenses	639	-	1 301	-
Total	**8 599**	**8 700**	**26 750**	**33 338**

Other financial items

Expenses from other financial items (USD 1 000)	**Q4 2024**	**Q4 2023**	**2024**	**2023**
Loss on currency exchange	1 056	-	3 769	1 665
Debt modification loss*	-	-	11 029	-
Other financial items (expense)**	467	1 409	4 677	6 062
Total	**1 523**	**1 409**	**19 474**	**7 727**

** The debt modification loss is related to the refinancing in March 2024, where the modifications to the debt were accounted for as an adjustment to the existing liability. The liability was restated to the net present value of the revised cashflows discounted at the original effective interest rate. See note 5.*

*** Expenses from other financial items for 2024 consist mainly of arrangement fees, commitment fees, and amortisation of debt modification gain from 2022. Expenses from other financial items for 2023 consist mainly of commitment fees and amortisation of debt modification gain from 2022.*

Note 5 Non-current and current interest bearing debt

Interest bearing debt (USD 1 000)	31.12.2024	31.12.2023
Non-current interest bearing mortgage debt	498 450	296 198
Non-current other interest bearing debt	163 041	-
Non-current lease liabilities	54 692	82 270
Current interest bearing mortgage debt	38 978	49 360
Accrued interest mortgage debt	791	229
Current other interest bearing debt	6 519	-
Current lease liabilities	26 137	81 790
Total interest bearing debt	**788 608**	**509 847**
Cash and cash equivalents	207 866	458 333
Net interest bearing debt	**580 742**	**51 514**

Höegh Autoliners entered into two new credit facilities in March 2024; a USD 720 million credit facility for the purpose of refinancing the existing USD 810 million Credit Facility, and a new USD 200 million Revolving Credit Facility for general corporate purposes. The refinancing included extended maturity until March 2030, reduced annual amortisations, reduced interest rate and a reduction of pledged vessels. The refinancing has been accounted for as a debt modification, resulting in a debt modification loss of USD 11 million recognised in Q1 2024. See also note 4.

The new USD 200 million Revolving Credit Facility is non-amortising with maturity in March 2028. The facility is currently undrawn and will serve as an additional liquidity reserve and provide flexibility for future capital allocation.

As of 31 December 2024, a total of USD 580 million has been drawn from the USD 720 million credit facility.

Other interest bearing debt of USD 170 million relate to sale and leaseback arrangements with Bank of Communication for four Aurora Class vessels.

Höegh Autoliners was in compliance with all loan covenants at 31 December 2024.

Repayment schedule for interest bearing debt (USD 1 000)	Mortgage debt	Other interest bearing debt	Leasing commitments	31.12.2024
Due in 2025	40 766	6 519	26 137	73 422
Due in 2026	39 975	6 719	6 933	53 626
Due in 2027	39 975	7 031	4 577	51 583
Due in 2028	39 975	7 378	4 932	52 285
Due in 2029 and later	385 765	141 914	38 251	565 930
Total repayable interest bearing debt	**546 457**	**169 560**	**80 829**	**796 846**
Capitalized fees	(8 238)	-	-	(8 238)
Book value interest bearing debt	**538 219**	**169 560**	**80 829**	**788 608**

Note 5 Non-current and current interest bearing debt *cont.*

Reconciliation of liabilities arising from financial activities

Liabilities 2024 (USD 1 000)	31.12.2023	Cash flows	Non - cash changes			31.12.2024
			Fair value changes**	**Other changes***	**New liability**	
Non-current interest bearing mortgage debt	296 198	-	8 342	(22 037)	215 948	498 450
Current interest bearing mortgage debt	49 589	(45 327)	2 687	18 768	14 052	39 769
Non-current other interest bearing debt	-	-	-	240	162 801	163 041
Current other interest bearing debt	-	(965)	-	965	6 519	6 519
Non-current lease liabilities	82 270	-	-	(36 845)	9 267	54 692
Current lease liabilities	81 790	(130 875)	-	73 947	1 275	26 137
	509 847	**(177 167)**	**11 029**	**35 038**	**409 862**	**788 608**

**Other changes relate mainly to reclassifications of non-current and current portions of lease liabilities and interest bearing debt and remeasured lease liabilities due to changes in index, rates and exercised options to extend and purchase leased vessels.*

***Fair value changes relate to debt modification from the refinancing, see note 4.*

Reconciliation of liabilities arising from financial activities

Liabilities 2023 (USD 1 000)	31.12.2022	Cash flows	Non - cash changes			31.12.2023
			Fair value changes	**Other changes***	**New liability**	
Non-current interest bearing debt	227 894	-	-	(48 550)	116 853	296 198
Current interest bearing debt	36 626	(51 228)	-	51 044	13 147	49 589
Non-current lease liabilities	133 505	-	-	(55 100)	3 865	82 270
Current lease liabilities	165 287	(161 022)	-	75 798	1 726	81 790
	563 312	**(212 249)**	**-**	**23 193**	**135 591**	**509 847**

** Other changes relate mainly to reclassifications of non-current and current portions of lease liabilities and interest bearing debt, remeasured lease liabilites due to changes in index, rates and exercised purchase option.*

Mortgage debt (USD 1 000)	Maturity	Outstanding amount
USD 720 million senior secured	March 2030	543 945
Total mortgage debt 31.12.2024		**543 945**

Security

The USD 720 million senior secured term loan and revolving credit facility is secured by mortgages in 10 of the Group's vessels, with a book value of USD 594 million. In addition, the debt is secured by an assignment of earnings and insurances.

Note 6 Segment reporting

The Group has two operating segments, Shipping services and Logistics services. The Logistics segment represents less than 10% of the Group's total revenue, profit or loss and assets.

The Group has decided that the segment is not material to the Group for the period ended 31 December 2024 and has reported information as one combined segment.

Note 7 Share information and earnings per share

Earnings per share takes into consideration the number of outstanding shares in the period.

Basic earnings per share is calculated by dividing profit for the period after non-controlling interest, by average number of total outstanding shares (adjusted for average number of own shares). The Company has 3 652 own shares at 31 December 2024.

A share bonus program was introduced for certain key employees in 2021, to promote the long-term growth and profitability of the Company by providing an opportunity to acquire an ownership interest in the Company. The program is a share bonus scheme where award shares are assigned on certain terms and conditions, and after a vesting period of three years are converted to shares. The award shares are used in the award calculation method for determining the number of bonus shares which shall be granted after the vesting period.

The three-year vesting period for the first award ended in November 2024 with a total of 326 348 shares granted to the participants. The shares were delivered from the Company's own shares.

The fourth award under the program was assigned in December 2024.

Based on the share bonus program calculation, a total number of potential bonus shares as of 31 December 2024 are 1 753 691, resulting in a diluting effect of USD 0.01 per share for the three months ended 31 December 2024.

Basic earnings per share for the fourth quarter was USD 0.72 compared with USD 1.03 in the same quarter last year. Diluted earnings per share for the fourth quarter was USD 0.72 compared to USD 1.03 in the same quarter last year.

The Company's share capital is as follows:

Share capital	Share capital 31 December 2024
Number of shares	190 769 749
USD million	443.9
NOK million	2 823.4

Note 8 Contingent liabilities

Update on alleged breaches of anti-trust regulations in Brazil

On 23 March 2022, The Administrative Council for Economic Defence (CADE) in Brazil issued a fine of approximately BRL 26 million (USD 4.2 million) to Höegh Autoliners for alleged breaches of anti-trust regulations dating back to 2000-2012. Since Höegh Autoliners did not have any turnover in Brazil in the relevant period, the fine is calculated on a "virtual turnover" principle, based on Brazil's relevance in the worldwide PCTC market.

The decision (including the "virtual turnover" calculation) may be challenged before the Appellate Court in Brazil. Höegh Autoliners disagrees with CADE's decision and after reviewing its merits, the Company has proceeded with an appeal. No provision has been made in the financial statements as of 31 December 2024.

Note 9 Events after the balance sheet date

Dividend

On 13 February 2025, the Board of Directors resolved to distribute a cash dividend of USD 0.4718 per share. The dividend will be paid out in March 2025.

Share capital reduction

Following the resolution at the Extraordinary General Meeting for Höegh Autoliners ASA in November 2024 and the requisite creditor notice period having been served, the Company has filed the final confirmation of the share capital reduction with the Norwegian Register of Business Enterprises. The reduction in share capital from NOK 2 823 392 285.20 to NOK 190 769 749 is transferred to other paid-in equity.

Alternative Performance Measures

Höegh Autoliners presents certain financial measures, which, in accordance with the "Alternative Performance Measures" guidance issued by the European Securities and Markets Authority, are not accounting measures defined or specified in IFRS and are, therefore, considered alternative performance measures. Höegh Autoliners believes that alternative performance measures provide meaningful supplemental information to the financial measures presented in the consolidated financial statements prepared in accordance with IFRS and increase the understanding of the profitability of Höegh Autoliners' operations. In addition, they are seen as useful indicators of the Group's financial position and ability to obtain funding. Alternative performance measures are not accounting measures defined or specified in IFRS and, therefore, they are considered non-IFRS measures, which should not be viewed in isolation or as a substitute to the IFRS financial measures.

This section describes the non-GAAP financial alternative performance measures (APM) that are used in the quarterly and annual reports.

EBITDA is defined as Total revenues less Operating expenses. EBITDA is used as an additional measure of the Group's operational profitability, excluding the impact from depreciation, amortisation, financial items and taxes.

Adjusted EBITDA is defined as EBITDA excluding items in the profit or loss which are not regarded as part of the underlying business. Example of such costs are redundancy costs, cost related to anti-trust investigation and other non-recurring one offs.

Net interest-bearing debt (NIBD) is defined as interest-bearing liabilities less cash and cash equivalents.

Reconciliation of Total revenues to EBITDA and Adjusted EBITDA (USD million)	Q4 2024	Q4 2023	FY 2024	FY 2023
Total revenues	352	382	1 371	1 446
Operating expenses	(174)	(184)	(679)	(711)
EBITDA	179	198	692	736
Anti-trust expenses	2	1	4	-
Adjusted EBITDA	181	199	696	736

Net interest bearing debt (USD million)	31.12.2024	31.12.2023
Non-current interest bearing debt	661	296
Non-current lease liability	55	82
Current interest bearing debt	46	50
Current lease liability	26	82
Less Cash and cash equivalents	208	458
Net interest bearing debt	581	52