HÖEGH AUTOLINERS

Q1 2025

Quarterly report

Content

Highlights Q1 2025

Consolidated results and key figures (USD million)	Q1 2025	Q4 2024	Q1 2024	FY 2024	FY 2023
Total revenues	329	352	328	1 371	1 446
EBITDA	155	179	162	692	736
Profit for the period	155	138	115	620	590
EBITDA adjusted	155	181	163	696	736
Earnings per share, basic	0.81	0.72	0.60	3.25	3.09
Cash and cash equivalents	233	208	207	208	458
Cash flows from operations	121	184	165	708	746
Net interest bearing debt	527	581	338	581	52
Equity ratio	59%	56%	62%	56%	69%

- Operating profit (EBITDA) of USD 155 million and net profit after tax of USD 155 million.
- Historic strong contract backlog and increase in contract share of ~7% from Q4 2024.
- Signed two long-term contracts with two major international car producers, each contract with value above USD 100 million.
- Exercised option to purchase leased vessel Höegh Copenhagen.
- Höegh New York delivered to its new Owner.
- Q4 2024 dividend of USD 90 million paid in March 2025.
- A dividend for Q1 2025 of USD 158 million (USD 0.8282 per share) declared and will be paid out in May.

Directors' report

Financial performance

Total revenues in Q1 2025 were USD 329 million compared to USD 352 million in Q4 2024 and USD 328 million in Q1 2024. EBITDA in Q1 2025 was USD 155 million compared to USD 179 million in Q4 2024 and USD 162 million in Q1 2024. Adjusted EBITDA in Q1 2025 was USD 155 million compared to USD 181 million in Q4 2024 and USD 163 million in Q1 2024. See the section Alternative Performance Measures for reconciliation between EBITDA and adjusted EBITDA.

The main reason for the decrease in EBITDA from previous quarter is lower freight rates and higher charter expenses following the charter in of Grand Dahlia in January. The gross freight rate was down 5% and the net freight rate was down 7% compared to the previous quarter. The transported volume in the quarter was down 1% compared to Q4.

Net profit after tax in Q1 2025 was USD 155 million, compared to a net profit after tax of USD 138 million in Q4 2024 and a net profit after tax of USD 115 million in Q1 2024. Net profit in Q1 2025 includes gain from sale of Höegh New York of USD 41 million.

Cash flow and financing

Cash flows from operations were USD 121 million for Q1 2025 compared to USD 184 million for Q4 2024 and USD 165 million for the same quarter last year. Capital expenditures in Q1 2025 were USD 34 million, mainly related to instalments for the newbuildings, in addition to dry dock expenses and vessel upgrades.

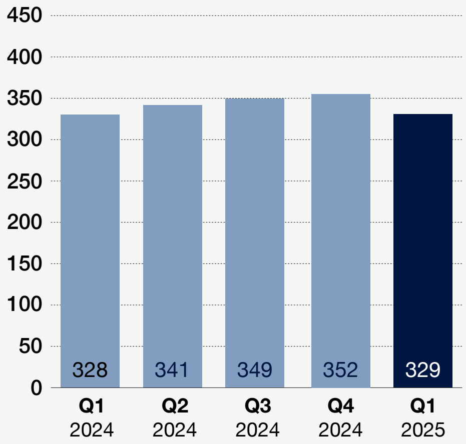
Cash and cash equivalents were USD 233 million at the end of Q1 2025 compared to USD 208 million at the end of Q4 2024. Dividend for Q4 2024 of USD 90 million was paid out in March.

The book equity ratio was 59% at the end of Q1 2025, up from 56% at the end of Q4 2024 and down from 62% at the end of Q1 2024.

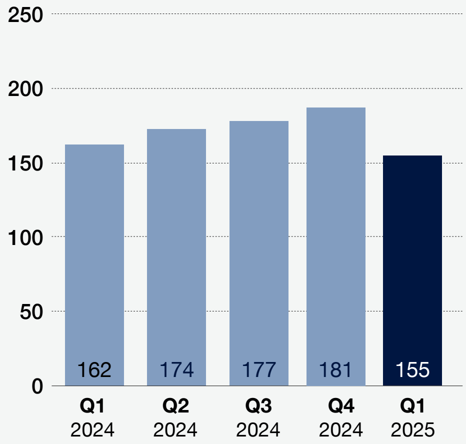
Net interest-bearing debt was USD 527 million at the end of Q1 2025 compared to USD 581 million at the end of Q4 2024 and USD 338 million at the end of Q1 2024.

Financial performance – graphs

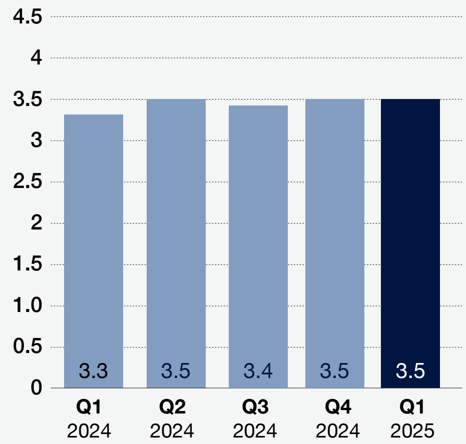
Total revenues (USD million)



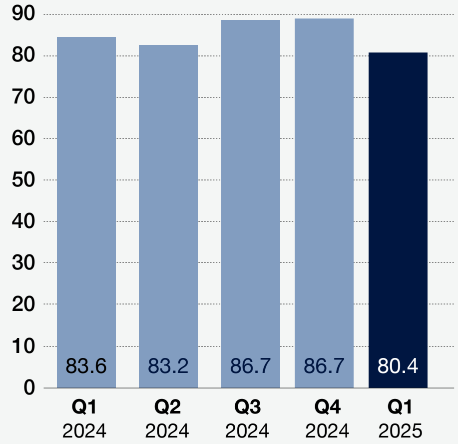
EBITDA adjusted (USD million)



Volumes (CBM million)



Net freight rate (USD per CBM)



Operational performance

Market update

Global Q1 light vehicle sales are estimated to have reached 21.5 million units, up 4% y-o-y supported by China's sales-promoting measures and by customers' pre-buying in anticipation of price-increasing U.S. tariffs.

The auto industry was evaluating the possible effects of pending tariff actions by the U.S. and potential reciprocal tariffs while navigating ongoing industry-specific dynamics. Vehicle demand, while still recovering in some markets, remained vulnerable. The potential for significant tariffs on imports to the U.S. presented risk for both market participants in the U.S. and for knock-on impacts to markets around the world based on the unknown macroeconomic implications. Vehicle affordability and slow-to-fall interest rates continued to be other major factors influencing demand in Q1. Vehicle demand in the revised 2025 forecast is estimated to remain flat at 89 million units.

Höegh Autoliners' main markets:

Automotive

Q1 2025 light vehicle sales in the main HA destination markets increased by an estimated 1% y-o-y, a result of increased customer uncertainty offset by a rush to pre-buy cars in the face of potential tariffs.

BEV market momentum remained under pressure as governments reduced incentives and subsidies. EV industrial policies in EU were softened to give manufacturers, facing strong competition from China and potential tariffs, a breathing space. Slower uptake of BEV was offset by stronger sales of hybrid vehicles. China's Q1 shipments of hybrids to Europe increased with 295% y-o-y.

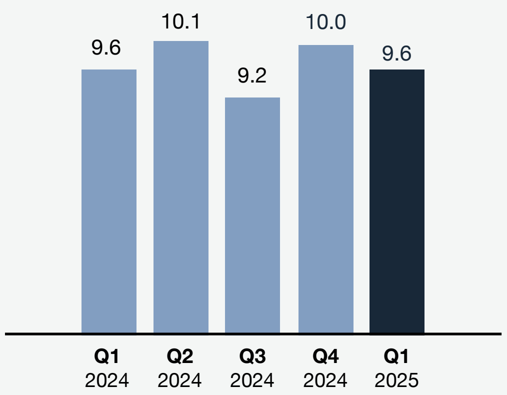
Light vehicle demand in the U.S. was flat in Q1 against year-ago levels. Consumers remained cautious, with key policy implications from the Administration creating uncertainties, such as universal tariffs, deregulation and reduced support for BEVs.

Asia outbound

Asia's vehicle exports in Q1 2025 expanded by 3% y-o-y, driven by solid Chinese shipments (up 7% y-o-y). China continued to cement its position as the largest vehicle exporter by volume with Q1 total exports of 1.4 million units (incl. overland and shortsea volumes), compared to an estimated 1.0 million units exported from Japan. Responding to EU's import tariffs on electric cars, China's Q1 BEV exports to Western and Central Europe decreased by 8% y-o-y. However, this decline was more than offset by Chinese OEMs' rapidly growing exports of hybrid vehicles, up by 295% in Q1 y-o-y.

Japan's vehicle exports expanded by an estimated 2% in Q1. In the same period, S. Korean vehicle shipments were down 3% y-o-y.

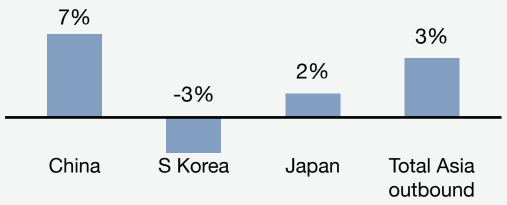
Quarterly light vehicle sales in key HA destination markets*
2024-2025 (million units)



**HA key destination markets: Western/Central Europe, North America, Middle East, Oceania*

Source: S&P Mobility – Apr 21, 2025 data file

Vehicle exports from Asia Q1 2025 - % change y-y



Source: JAMA, KAMA, CAAM, S&P Global Trade Atlas Apr 2025. Japan vehicle exports for March 2025 were not released at the time of writing and were estimated based on Jan-Feb levels.

High & Heavy (H&H) markets

Last year global equipment sales fell by 2%, a milder decline than previously anticipated. A further drop is expected in 2025, before growth returns from 2026 onwards.

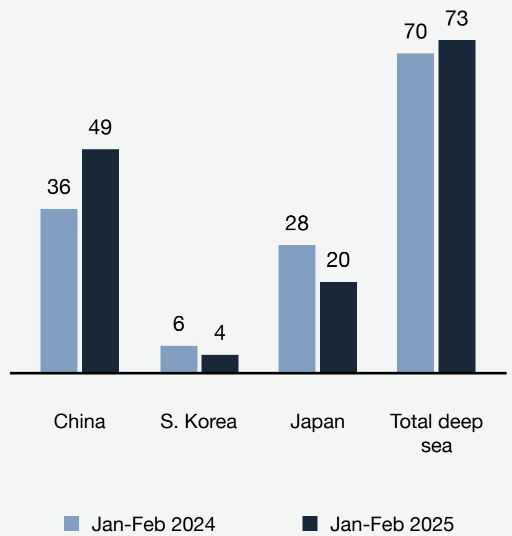
Equipment sales in the developed markets of Europe, Japan and North America all fell last year, and Europe had a particularly hard landing. The European equipment market fell 17% last year. A depressed housebuilding market was particularly problematic for sales of compact equipment. With business confidence remaining weak and geopolitical tensions high, a modest 1% improvement in sales is expected in Europe this year.

Equipment sales in North America were down 5% last year, a shallower decline than was previously expected. The construction market remained strong. However, after three consecutive years of record high sales from 2021 to 2023, fleets had become saturated with young equipment. This year's anticipated 11% decline in sales reflects not only the on-going return to normal sales volumes, but also the damage to business confidence being done by the US administration's trade policies.

In the first 2 months of 2025, Asia's core construction equipment shipments (all sizes) in deep sea trades increased by 5% y-o-y. China's deep sea shipments expanded by 35% y-o-y, while shipments from Japan and S. Korea saw double-digit contractions. Continuous Chinese exports expansion was driven by weak domestic market and excess domestic production capacity.

Core construction equipment exports from Asia Jan-Feb 2025 vs. Jan-Feb 2024

000' units



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

Capacity / Fleet update

Deviation via the Cape of Good Hope, avoiding the Red Sea, continues for the majority of operators.

There is increased use of short-term capacity during geopolitical turbulence and market recalibration. Höegh Autoliners has added 9-12 months charters for two large vessels being operational from January and April. During the quarter, an option to purchase Höegh Copenhagen was exercised and Höegh New York (6 500 CEU) was delivered to new owners.

The orderbook consists of 202 vessels with delivery up to 2030, equivalent to approximately 35% of the existing fleet.

Sustainability

Planet

Fleet transition and energy efficiency measures:

During the quarter, Höegh Autoliners successfully included Hoegh Australis and Höegh Sunlight into operation following the official delivery in December 2024. This continues to enable the Company progress on its decarbonisation journey, and on its efforts of 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	FY23	FY24	Q1 25	On order
Upgrades installed (# of vessels)	3	12	5	7

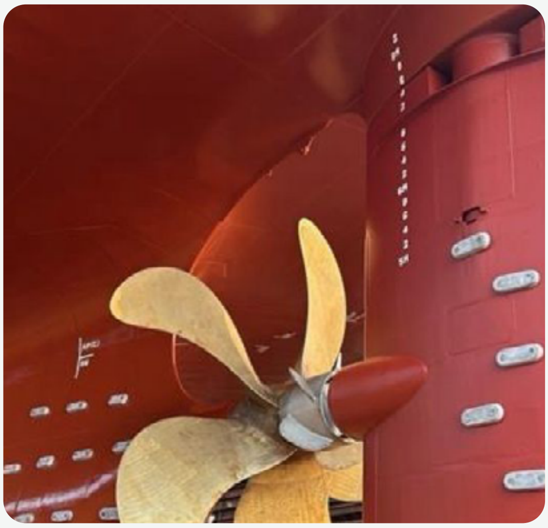
The newbuilding program continues to progress as expected, and Q1 was yet a quarter with energy efficiency measures instalments to our existing fleet. At the end of the quarter, the ongoing program for energy efficiency measures included 10 initiatives across 8 vessels.

During the quarter, eight energy efficiency initiatives were installed across five vessels, including new and more efficient propellers, frequency drives and turbocharger deratings. Additionally, orders were placed for new propellers for two vessels. These installations will be conducted during the vessels' next dry docks.

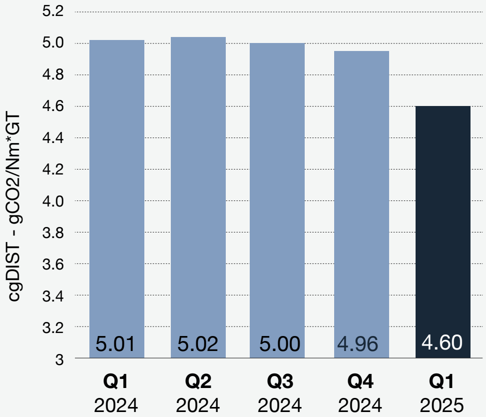
Environmental performance:

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 over the past five quarters, highlighting a significant improvement in the current quarter. This positive trend in carbon intensity is primarily attributed to the ongoing fleet renewal program, the implementation of energy efficiency measures, the effects of recent dry-docks for several vessels, and the continued use of biofuels. During the quarter, approximately 1 700 MT of B100 biofuels were consumed. Additionally, nearly a full quarter of operations with four Aurora Class vessels has contributed positively to the reduction in carbon intensity.

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 aim 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. Throughout the pre-embarkation period, during sailing, and at crew conferences, we prioritize the health and safety of all our crew members. We conduct sessions and campaigns both in-person and via 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 the basic cause of a near accident is, and therefore implement actions to create barriers that will prevent the hazards from re-occurring. In Q1 2025 we see a slight increase in near accident frequency from Q4 2024, with a decrease in accident frequency during the same period.

Lost time reporting

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

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 Q1 we register status quo from previous quarterly report. The Lost Time Sickness Frequency (LTSF) was 1.1. Continuous efforts to reduce this number will be conducted in 2025.

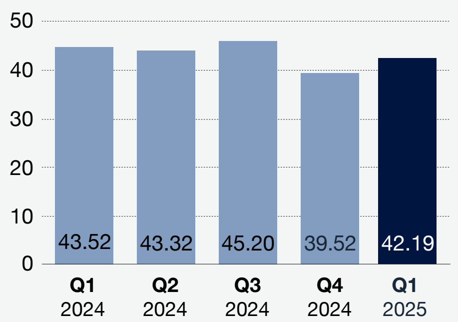
Employment and human capital

In the first quarter of 2025, we maintained strong momentum from the previous year by continuing to align individual and team efforts with our strategic direction through our performance management approach. To equip our leaders for meaningful development conversations, we introduced an AI-powered conversation simulator. This new training tool enables leaders to practice coaching conversations with a virtual avatar, helping them develop a more constructive and future-focused approach to performance conversations.

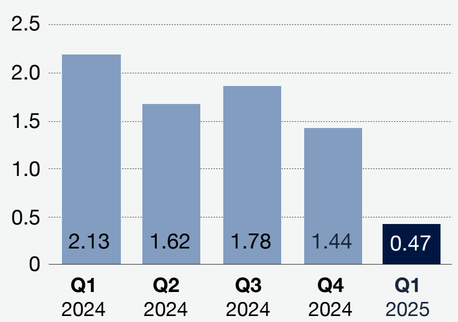
Learning and development remained a key priority, and several initiatives were rolled out to build capabilities and drive progress including data and analytics and commercial excellence. Our commitment to diversity and inclusion continued with a full-day event to mark International Women's Day, featuring expert-led sessions that deepened awareness and strengthened our inclusive culture.

In line with our annual cycle, the salary review and bonus payout process were completed during the quarter. These processes are an important part of our performance and reward framework, designed to ensure fair recognition of individual contributions and alignment with market benchmarking. The bonus payout reflected the strong performance delivered across the business in 2024, while the salary adjustments support our ambition to retain and motivate talent in a competitive global landscape.

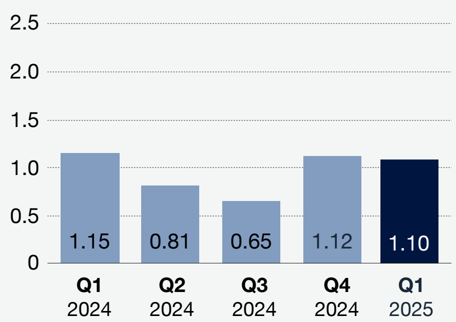
Near Accident Frequency
(near accidents per million hours past 12 months)



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 March 2025, a dividend of USD 90 million was paid out based on Q4 2024 results. The declared dividend for Q1 2025 of USD 158 million will be paid out in May 2025.

In March 2025, Höegh Autoliners declared an option of purchasing the leased vessel Höegh Copenhagen (7 850 CEU) from its owner. The vessel is recognized as one of the core vessels in the fleet and will continue to be a part of Höegh Autoliners' deep sea network upon transfer of ownership in August 2025. We have also completed the sale of Höegh New York, which was delivered to her new owner in late March.

As part of its continued efforts to build a robust contract backlog and support strategically important customers, the Company signed two multi-year contracts with two major international car producers during the quarter. One contract lasts until April 2029, while the other has a duration of 2 years with another 2-year option for the transportation of cars in the Company's key trade lanes.

Outlook

Geopolitical uncertainties have dramatically increased since the start of 2025, accelerated by the announcement of US tariffs and US port fees. If fully materialized, this will reduce volumes transported and increase operational costs for vessels calling US.

We monitor the Red Sea situation continuously and maintain regular communication with relevant stakeholders. We do not expect to return to trading through the Red Sea in the near future.

We expect Q2 EBITDA to be in line with Q1 2025.

Oslo, 24 April 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	Q1 2025	Q1 2024	2024
Total revenues	2	329 252	328 188	1 370 828
Bunker expenses		(55 758)	(60 817)	(236 124)
Voyage expenses		(74 540)	(72 800)	(312 426)
Charter hire expenses		(10 154)	(766)	(5 666)
Running expenses		(27 940)	(25 800)	(101 502)
Administrative expenses		(6 258)	(5 565)	(23 040)
Operating profit before depreciation, amortisation and impairment (EBITDA)		**154 601**	**162 440**	**692 070**
Profit from associates and joint ventures		-	-	1 020
Gain on sale of assets		40 670	141	52 326
Depreciation	3	(34 839)	(33 351)	(131 922)
Operating profit before financial items		**160 433**	**129 230**	**613 494**
Interest income		1 797	6 010	16 048
Interest expenses	4	(9 207)	(5 870)	(26 750)
Income from other financial items	4	2 785	-	611
Expenses from other financial items	4	(567)	(16 640)	(19 474)
Profit before tax		**155 242**	**112 730**	**583 929**
Income tax		(533)	(62)	(6 005)
Change in deferred tax		(18)	2 437	41 585
Profit for the period		**154 691**	**115 106**	**619 509**
Other comprehensive income *Items that may be reclassified to profit and loss:*				
Currency translation differences		359	(283)	(531)
Items that may be reclassified to profit and loss:				
Remeasurement on defined benefit plans		-	-	(115)
Changes in fair value of equity investments		-	-	(5)
Other comprehensive income, net of tax		**359**	**(283)**	**(651)**
Total comprehensive income for the period		**155 050**	**114 823**	**618 858**
Earnings per share basic (USD)	7	**0.81**	**0.60**	**3.25**
Earnings per share diluted (USD)	7	**0.81**	**0.60**	**3.24**

Interim consolidated statement of financial position

(USD 1 000)	Notes	31.03.2025	31.03.2024	2024
Assets				
Non-current assets				
Deferred tax asset		5 399	864	5 417
Vessels	3	1 397 385	1 011 067	1 430 064
Right-of-use assets	3	56 637	168 558	70 079
Newbuildings and projects	3	253 425	309 048	229 374
Equipment	3	11 840	13 396	12 372
Investments in associates and joint ventures		5 042	4 476	4 756
Other non-current assets		778	813	777
Other non-current financial assets		1 002	1 088	1 101
Total non-current assets		**1 731 508**	**1 509 310**	**1 753 938**
Current assets				
Bunker		45 982	37 591	39 945
Trade and other receivables		102 626	124 360	94 088
Prepayments		983	4 040	4 835
Other current assets		6 513	3 097	4 971
Other current financial assets		233	-	-
Cash and cash equivalents		232 929	207 008	207 866
Total current assets		**389 266**	**376 096**	**351 705**
Total assets		**2 120 774**	**1 885 406**	**2 105 644**
Equity and liabilities				
Equity				
Share capital	7	29 993	443 898	443 898
Share premium reserve		162 384	289 384	162 384
Other paid-in equity		414 199	1 217	232
Retained earnings		635 986	432 203	570 935
Total equity		**1 242 563**	**1 166 702**	**1 177 449**
Non-current liabilities				
Pension liabilities		3 127	2 771	3 043
Deferred tax liabilities		-	34 616	-
Other non-current liabilities		3 319	1 102	1 531
Non-current interest bearing debt	5	646 212	329 533	661 491
Non-current lease liability	5	13 157	63 098	54 692
Total non-current liabilities		**665 814**	**431 120**	**720 757**
Current liabilities				
Current interest bearing debt	5	46 441	25 840	46 288
Trade and other payables		54 519	43 493	56 919
Income tax payable		4 805	3 746	4 773
Current accruals and provisions		52 215	87 517	73 099
Other current financial liabilities		-	-	220
Current lease liability	5	54 418	126 988	26 137
Total current liabilities		**212 398**	**287 584**	**207 437**
Total equity and liabilities		**2 120 774**	**1 885 406**	**2 105 644**

Interim consolidated statement of changes in equity

(USD 1 000)	Share capital	Share premium reserve	Other paid-in equity	Retained earnings	Total
Equity 01.01.2024	443 898	289 384	1 067	677 380	1 411 730
Share bonus program	-	-	150	-	150
Dividend	-	-	-	(360 000)	(360 000)
Profit of the period YTD 2024	-	-	-	115 106	115 106
Other comprehensive income YTD 2024	-	-	-	(283)	(283)
Equity 31.03.2024	**443 898**	**289 384**	**1 217**	**432 203**	**1 166 702**
Equity 01.01.2024	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**
Share bonus program	-	-	62	-	62
Share capital reduction	(413 905)	-	413 905	-	-
Dividend	-	-	-	(89 998)	(89 998)
Profit of the period YTD 2025	-	-	-	154 691	154 691
Other comprehensive income YTD 2025	-	-	-	359	359
Equity 31.03.2025	**29 993**	**162 384**	**414 199**	**635 986**	**1 242 563**

Interim consolidated statement of cash flows

(USD 1 000)	Notes	Q1 2025	Q1 2024	2024
Cash flows from operating activities				
Profit before tax		155 242	112 730	583 929
Financial (income) / expenses		5 191	16 500	29 565
Share of net income from joint ventures and associates		-	-	(1 020)
Depreciation and amortisation	3	34 839	33 351	131 922
Gain on sale of tangible assets		(40 670)	(141)	(52 326)
Tax paid (company income tax, withholding tax)		(1 315)	(2 050)	(6 724)
Cash flows from operating activities before changes in working capital		**153 286**	**160 390**	**685 346**
Changes in working capital				
Trade and other receivables		(8 538)	(37 069)	(6 797)
Bunker		(6 037)	5 825	3 471
Prepayments		3 852	123	(671)
Other current assets		(1 542)	-	(4 971)
Trade and other payables		(8 306)	1 626	15 052
Accruals and provisions		(14 784)	37 066	22 648
Other changes to working capital		3 126	(3 105)	(6 414)
Net cash flows provided by operating activities		**121 058**	**164 856**	**707 663**
Cash flows from investing activities				
Proceeds from sale of tangible assets	3	60 808	142	119 840
Investment in vessels and other tangible assets	3	(33 547)	(35 072)	(416 907)
Investments in joint ventures and associates		73	200	693
Interest received		1 797	6 010	16 039
Net cash flows used in investing activities		**29 131**	**(28 719)**	**(280 335)**
Cash flows from financing activities				
Proceeds from issue of debt		-	9 960	399 320
Repayment of debt		(15 318)	(9 272)	(46 292)
Repayment of lease liabilities		(9 079)	(11 122)	(130 875)
Interest paid on mortgage debt		(10 295)	(6 455)	(31 709)
Interest paid on lease liabilities		(1 442)	(3 523)	(10 874)
Other financial items		(47)	(6 762)	(11 253)
Purchase of own shares		-	-	(3 924)
Dividend to shareholders		(89 998)	(360 000)	(840 995)
Net cash flows used in financing activities		**(126 179)**	**(387 175)**	**(676 602)**
Net change in cash during the period		**24 010**	**(251 038)**	**(249 274)**
Cash and cash equivalents beginning of period		207 866	458 333	458 333
Exchange differences in cash and cash equivalents		1 053	(287)	(1 193)
Cash and cash equivalents end of period		**232 929**	**207 008**	**207 866**

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 37 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 2024.

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 2024. The interim financial information for 2025 and 2024 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 2024.

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)	Q1 2025	Q1 2024	2024
Net freight revenues	278 673	279 052	1 181 738
Other surcharges	50 580	49 136	188 680
Freight revenues	**329 252**	**328 188**	**1 370 418**
Terminal related revenues	-	-	410
Total revenues	**329 252**	**328 188**	**1 370 828**
Other income	-	-	-
Total income	**329 252**	**328 188**	**1 370 828**

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. Performance obligation for TC revenue is satisfied over the period the vessel is available to the lessee. 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

2025 (USD 1 000)	**Vessels**	**Newbuildings & Projects ***	**Equipment**	**Right-of-use Assets**	**Total**
Cost at 01.01	2 483 703	229 374	26 362	223 003	2 962 441
Additions	2 663	30 710	173	-	33 547
Transfer from newbuilding and projects	8 953	(8 949)	(4)	-	-
Newbuilding interest	-	3 083	-	-	3 083
Remeasured leases	-	-	-	(4 255)	(4 255)
Disposals	(57 056)	(793)	(54)	(1 752)	(59 656)
Cost at 31.03	**2 438 264**	**253 425**	**26 476**	**216 996**	**2 935 161**
Accumulated depreciation and impairment at 01.01	(1 053 639)	-	(13 990)	(152 924)	(1 220 553)
Depreciation	(24 959)	-	(693)	(9 187)	(34 839)
Disposals	37 719	-	46	1 752	39 518
Accumulated depreciation and impairment at 31.03	(1 040 879)	**-**	(14 637)	(160 359)	(1 215 874)
Net carrying amount at 31.03	**1 397 385**	**253 425**	**11 840**	**56 637**	**1 719 287**
Book value sold assets	19 336	793	8	-	20 138
Sales price	60 798	-	10	-	60 808
Gain / (loss)	**41 462**	**(793)**	**2**	**-**	**40 670**

** Newbuildings & Projects include instalments related to the Aurora newbuilding program. Remaining equity instalments for the 8 newbuilds are USD 9 million.*

The vessel Höegh New York was sold during Q1 2025. The purchase option for Höegh Copenhagen was declared in Q1 2025, and will be purchased in Q3 2025.

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

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.*

The vessels Höegh Jacksonville and Höegh Jeddah were purchased during 2024, reflected above as disposal of right-of-use asset, and addition to vessels. Höegh Aurora, Höegh Borealis, Höegh Australis and Höegh Sunlight were delivered from the yard in 2024, and have been transferred from newbuildings to vessels. The vessels Höegh Kobe and Höegh Chiba have been sold during 2024. Of total additions of USD 507 million, USD 11 million relate to right-of-use assets and is non-cash, and USD 80 million relates to purchase options for leased vessels and is presented as payment of lease liabilities in the statement of cash flows.

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 March 2025 without any impairment. Market values for the vessels are reduced compared to Q4 2024, however they are approximately 60% higher than book values as at 31 March 2025 (76% at year-end 2024).

Based on an assessment made at 31 March 2025, there are no indications that the vessels may be impaired.

Note 4 Interest income and expenses

Interest income (USD 1 000)	**Q1 2025**	**Q1 2024**	**2024**
Interest income from banks	1 797	6 010	16 028
Other interest income	-	-	20
Total	**1 797**	**6 010**	**16 048**

Interest expenses (USD 1 000)	**Q1 2025**	**Q1 2024**	**2024**
Interest mortgage debt	9 013	6 933	32 868
Capitalised interest on newbuildings	(3 083)	(4 722)	(18 293)
Interest on lease liabilities	1 442	3 523	10 874
Other interest expenses	1 834	135	1 301
Total	**9 207**	**5 870**	**26 750**

Other financial items

Income from other financial items (USD 1 000)	**Q1 2025**	**Q1 2024**	**2024**
Gain on currency exchange	2 703	-	-
Other financial items (income)	82	-	611
Total	**2 785**	**-**	**611**

Expenses from other financial items (USD 1 000)	**Q1 2025**	**Q1 2024**	**2024**
Loss on currency exchange	-	2 428	3 769
Debt modification loss*	-	11 029	11 029
Other financial items (expense)**	567	3 183	4 677
Total	**567**	**16 640**	**19 474**

** 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 2025 consist mainly of commitment fees. Expenses from other financial items for 2024 consist mainly of arrangement fees, 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)	**31.03.2025**	**31.03.2024**	**31.12.2024**
Non-current interest bearing mortgage debt	484 704	319 443	498 450
Non-current other interest bearing debt	161 508	10 090	163 041
Non-current lease liabilities	13 157	63 098	54 692
Current interest bearing mortgage debt	38 978	25 192	38 978
Accrued interest mortgage debt	943	648	791
Current other interest bearing debt	6 519	-	6 519
Current lease liabilities	54 418	126 988	26 137
Total interest bearing debt	**760 227**	**545 459**	**788 608**
Cash and cash equivalents	232 929	207 008	207 866
Net interest bearing debt	**527 298**	**338 451**	**580 742**

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 March 2025, a total of USD 580 million has been drawn from the USD 720 million credit facility.

Other interest bearing debt of total USD 168 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 March 2025.

Repayment schedule for interest bearing debt (USD 1 000)	**Mortgage debt**	**Other interest bearing debt**	**Leasing commitments**	**31.03.2025**
Due in 2025	30 928	4 864	54 418	90 211
Due in 2026	39 980	6 719	4 430	51 128
Due in 2027	39 980	7 031	1 717	48 727
Due in 2028	39 980	7 378	1 725	49 082
Due in 2029 and later	381 997	142 036	5 285	529 318
Total repayable interest bearing debt	**532 864**	**168 027**	**67 575**	**768 466**
Capitalized fees	(8 239)			(8 239)
Book value interest bearing debt	**524 625**	**168 027**	**67 575**	**760 227**

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

Reconciliation of liabilities arising from financial activities

Liabilities 2025 (USD 1 000)	Non-current interest bearing debt	Current interest bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total interest bearing debt 31.12.2024	**661 491**	**46 288**	**54 692**	**26 137**	**788 608**
Proceeds from issue of debt	-	-	-	-	-
Repayment of loans and lease liabilities	-	(15 318)	-	(9 079)	(24 397)
New lease contracts and amendments	-	-	56	(4 310)	(4 255)
Other non-cash movements		191	-	79	270
Reclassification	(15 279)	15 279	(41 591)	41 591	-
Total interest bearing debt 31.03.2025	**646 212**	**46 441**	**13 157**	**54 418**	**760 227**

Liabilities 2024 (USD 1 000)	Non-current interest bearing debt	Current interest bearing debt	Non-current lease liabilities	Current lease liabilities	Total financing activities
Total interest bearing debt 31.12.2023	**296 198**	**49 589**	**82 270**	**81 790**	**509 847**
Proceeds from issue of debt	378 749	20 571	-	-	399 320
Repayment of loans and lease liabilities	-	(46 292)	-	(130 875)	(177 167)
New lease contracts and amendments	-	-	9 603	38 024	47 628
Other non-cash movements	8 342	623	-	16	8 981
Reclassification	(21 797)	21 797	(37 182)	37 182	-
Total interest bearing debt 31.12.2024	**661 491**	**46 288**	**54 692**	**26 137**	**788 608**

Mortgage debt 31.03.2025 (USD 1 000)	Maturity	Outstanding amount
USD 720 million senior secured	March 2030	530 282
Total mortgage debt		**530 282**

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 589 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 March 2025 and has reported information as one combined segment.

Note 7 Share information and earnings per share

In November 2024, an Extraordinary General Meeting resolved to reduce the share capital from NOK 2 823 392 285.20 to NOK 190 769 749, by reducing the nominal value of each share with NOK 13.80, from NOK 14.80 to NOK 1. The reduction in share capital has been transferred to other paid-in equity.

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 March 2025.

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 March 2025 are 135 409, resulting in a diluting effect of USD 0.001 per share for the three months ended 31 March 2025.

Basic earnings per share for the first quarter was USD 0.81 compared with USD 0.60 in the same quarter last year. Diluted earnings per share for the first quarter was USD 0.81 compared to USD 0.60 in the same quarter last year.

The Company's share capital is as follows:

Share capital	Share capital 31 March 2025
Number of shares	190 769 749
USD million	30.0
NOK million	190.8

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 4.6 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 March 2025.

Note 9 Events after the balance sheet date

Dividend

On 24 April 2025, the Board of Directors resolved to distribute a cash dividend of USD 0.8282 per share. The dividend will be paid out in May 2025.

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.

Definitions of Alternative Performance Measures (APMs)

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)	Q1 2025	Q1 2024	FY 2024	FY 2023
Total revenues	329	328	1,371	1,446
Operating expenses	(175)	(166)	(679)	(711)
EBITDA	155	162	692	736
Anti-trust expenses	-	1	4	-
Adjusted EBITDA	155	163	696	736

Net interest bearing debt (USD million)	31.03.2025	31.12.2024
Non-current interest bearing debt	646	661
Non-current lease liability	13	55
Current interest bearing debt	46	46
Current lease liability	54	26
Less Cash and cash equivalents	233	208
Net interest bearing debt	527	581