



HÖEGH LNG

Höegh LNG Holdings Ltd.

Registration Document

Oslo, 1 September 2021

Manager:

DNB
Markets

Important information

This registration document is based on sources such as annual reports and publicly available information and forward-looking information based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for the lines of business of the Company (including subsidiaries and affiliates).

A prospective investor should consider carefully the factors set forth in chapter 1 Risk factors, and elsewhere in the Prospectus, and should consult his or her own expert advisers as to the suitability of an investment in the bonds.

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The Manager and/or any of its affiliated companies and/or officers, directors and employees may be a market maker or hold a position in any instrument or related instrument discussed in this Registration Document and may perform or seek to perform financial advisory or banking services related to such instruments. The Manager's corporate finance department may act as manager or co-manager for this Company in private and/or public placement and/or resale not publicly available or commonly known.

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The Registration Document dated 1 September 2021 together with a Securities Note, Summary and any supplements to these documents constitute the Prospectus.

The content of this Registration Document does not constitute legal, financial or tax advice and potential investors should seek legal, financial and/or tax advice.

Unless otherwise stated, this Registration Document is subject to Norwegian law. In the event of any dispute regarding the Registration Document, Norwegian law will apply.

This Registration Document was approved by the Norwegian FSA on 1 September 2021 and is valid for 12 months from the approval date.

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1. Risk factors

1.1 General

Investing in Bonds issued by the company involves significant risks which, in case such risks should materialize, may materially and adversely affect the company's business, results of operations, financial condition and/or prospects. This may in turn result in a decline in the value of any securities issued by the company and a loss of part or all of any investment.

As the company is the parent company of the group and primarily a holding company, the risk factors for Höegh LNG are deemed to be equivalent for the purpose of this Registration Document. If any of the following risks actually occur, Höegh LNG's business, financial position and operating results could be materially and adversely affected. The company believes that the factors described below represent the material risks inherent in investing in the company. Occurrence of the risk factors described below may cause the inability of the company to pay interest, principal or other amounts on or in connection with the Bonds. Any of the risk factors could significantly and negatively affect the group's business, results of operations, financial condition and/or prospects. The risks may also cause the price of the company's securities to decline, causing investors to lose all or part of their invested capital.

The risks and uncertainties discussed below are risks that the company's management currently views as most material and are (in each category), in the assessment of the company, making due and reasonable efforts, aspired to be set out in order of priority taking into account the negative impact on the company and the group in general, should such risks materialize, and the likelihood of their occurrence.

An investment in the company's securities is suitable only for investors who are able to understand the risks associated with this type of investment and who can afford a loss of all or part of the investment. Before making an investment decision, prospective investors should carefully consider the information provided. Any investor must conduct its own investigations and analysis of the company and should consult his or her own expert advisors as to the suitability of any investment.

1.2 Risks related to the group's business and the industry in which it operates

The company depends on the performance of the charterers of its vessels for its operating cash flow

The hire payments received under the customer contracts constitute substantially all of the company's operating cash flow. While all existing FSRUs/LNGCs are chartered to creditworthy counterparties and/or projects with a strong strategic rationale for the country they operate in, no assurance can be given that the company's counterparties nevertheless may fail to honor its payment obligations towards the company when due. The ability of each of the charterer to perform its obligations under a contract with the company will depend on a number of factors that are beyond the company's control and may include, among other things, general economic conditions, the condition of the LNG industry, the overall financial condition of the charterer and the charter rates. In addition, under adverse market conditions, the charterers may no longer need the services provided under the contract and as a result the charterers may seek to renegotiate the terms.

Should any of the charterers of the company's vessels fail to perform its obligations towards the company, the company could sustain significant losses and covenants under the company's borrowing arrangements could be triggered.

The company's subsidiaries or affiliates may experience operational problems with vessels that could reduce revenue, increase costs or lead to termination of time charters.

The company's vessels are complex and their operations are technically challenging. The operations of these vessels may be subject to mechanical risks. Operational problems may lead to loss of revenue or higher than anticipated operating expenses or require additional capital expenditures.

Moreover, pursuant to each time charter, the vessels in the company's fleet must maintain certain specified performance standards, which may include a guaranteed speed or delivery rate of regasified natural gas, consumption of no more than a specified amount of fuel, not exceed a maximum average daily boil-off or energy balance, loss of earnings and other performance failures. If the company fail to maintain these standards, it may be liable to its customers for reduced hire, damages, loss of earnings and certain liquidated damages payable. In certain circumstances, customers may terminate their respective time charters. Any of these results could harm the company's business, financial condition and results of operations.

The group undertakes a significant amount of risk when carrying out its core business

Höegh LNG assumes operational risks associated with loading, transporting, offloading, storing and regasifying LNG cargoes, which can cause delays to operations. In addition, difficulties presented by port constraints, weather conditions, and vessel compatibility and performance can affect the results of operations. Consequently, the

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group's operations involve a significant amount of risk in all stages of the cargo process. Should these risks materialise it may affect the group's ability to fulfil its contractual obligations towards counterparties, and it may be liable to its customers for reduced hire, damages, loss of earnings and certain liquidated damages payable. In certain circumstances, customers may terminate their respective time charters. Any of these results could harm the company's business, financial condition and results of operations.

The company will from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties and others which may not be resolved in its favour

The company may from time to time be subject to commercial disagreements, contractual disputes and litigation with its counterparties or public authorities in each country it operates in. Any such disagreement or dispute may decrease the company's revenues and/or increase costs, which may materially adversely affect the company's business, financial conditions or net profit.

In particular, the group may risk claims of reduced hire rates due to alleged failure of satisfying performance standards under time charters (e.g. maximum boil-off of LNG). Such claims, if successful, may result in reduction in time charter revenues which could be significant given the size of the group's business.

A subsidiary of Höegh LNG Partners LP is currently involved in a dispute with the charterer of PGN FSRU Lampung, which has commenced arbitration to declare the charter null and void, and/or to terminate the charter, and/or seek damages. Based on an initial legal review, the Höegh LNG Partners LP believes the charterer's position is without merit. No assurance can be given at this time as to the outcome of the dispute with the charterer of PGN FSRU Lampung. In the meantime, the PGN FSRU Lampung has continued to operate pursuant to the terms of the charter.

The company may not be able to redeploy its FSRUs on terms as favourable as the company's or its joint venture's current FSRU time charters or at all

Höegh LNG has ten FSRUs in operation, out of which six are on long-term contracts with expiration dates between 2024 and 2036. Höegh LNG is working to establish long-term employment for four FSRUs. The group is in tendering processes which could lead to additional long-term FSRU contracts. However, no certainty can be expressed about the outcome of these processes until they are completed.

Due to increased competition and the limitations on demand for FSRUs, in the event that any of the time charters on these vessels expire or are early terminated, the group may be unable to re-charter such vessel as an FSRU. While the group may be able to employ such vessel as a traditional LNG carrier, the hire rates and/or other charter terms may not be as favourable to it as those in the existing time charter.

Requirements for some new LNG projects continue to be provided on a long-term basis, though the use of medium-term charters of up to five years has increased in recent years. More frequent changes to vessel sizes and propulsion technology together with an increasing desire by charterers to access modern vessels could also reduce the appetite of charterers to commit to long-term charters that match their full requirement period, or to exercise options to extend their current charters. As a result, the duration of long-term charters could also decrease over time. The group may also face increased difficulty entering into long-term time charters upon the expiration or early termination of its existing charters or of charters for any vessels that the company, its affiliates or subsidiaries may acquire in the future. If as a result the vessels contracts on shorter term contracts, earnings from these vessels are likely to become more volatile.

Hire rates for FSRUs may fluctuate substantially. If rates are lower when seeking a new charter, the group's earnings may decline.

Hire rates for FSRUs fluctuate over time as a result of changes in the supply-demand balance relating to current and future vessel supply. This supply-demand relationship largely depends on a number of factors outside the group's control. For example, driven in part by an increase in LNG production capacity, the market supply of FSRUs has been increasing as a result of the construction of new vessels before FSRU projects have matured to the point of entering FSRU contracts. The increase in supply has resulted in increased competition for FSRU contracts resulting in lower FSRU hire rates for recent contracts awarded. The group believes any future expansion of the FSRU fleet may have a negative impact on charter hire rates, vessel utilization and vessel values, which impact could be amplified if the expansion of LNG production capacity or the approval of FSRU projects does not keep pace with the growth of the global fleet. The LNG market is also closely connected to world natural gas prices and energy markets, which the company cannot predict. An extended decline in natural gas prices that leads to reduced investment in new liquefaction facilities could adversely affect the group's ability to re-charter its vessels at acceptable rates or to acquire and profitably operate new FSRUs.

Absence of available financing and capital to fund capital expenditures

As of 31 December 2020, the company had interest bearing liabilities of USD 289 million maturing within 1 year or less, USD 1 017 million maturing within one and five years and USD 796 million maturing beyond five years. The company may also incur additional debt in the future. The company will need to refinance some or all of its indebtedness in the future.

The ability to obtain bank financing or to access the capital markets may be limited by the group's financial condition at the time of any such financing or offering as well as by adverse market conditions resulting from, among other things, general economic conditions, changes in the LNG industry and contingencies and

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uncertainties that are beyond internal control. Any failure to obtain favorable terms for a refinancing or at all or any funds for future capital expenditures could have a material adverse effect on the group's business, financial condition and results of operations. In addition, incurring additional debt may significantly increase interest expense and financial leverage, and issuing additional equity securities may have a negative effect on the group's prospects and financial condition.

More expensive and time consuming drydocking or on-water survey

The drydocking or on-water survey of the company's vessels requires significant capital expenditures and implies loss of revenue while such vessels are off-hire and could become longer and more costly than expected, and in certain cases for longer than the allowable period under the time charters. Any significant increase in the number of days of drydocking beyond the specified number of days during which the hire rate remains payable and/or significant increase in the cost of repairs during drydocking could have an adverse effect on the company financial results and liquidity. Considering the size of the group's fleet, the group may be more exposed than larger shipping companies if more than one vessel are required out of service at the same time. However, the group may be less exposed to the risk of unexpected problems, extended drydockings and drydocking, due to the average fleet is considered as relatively younger than the global average.

Taxes may increase over time or be subject to change

The group conducts much of its operations in emerging market which have historically less developed and less stable tax regimes than the OECD. The group is subject to tax regulations in those countries with respect to withholding taxes, value added taxes, payroll taxes, property taxes, taxes on certain financial transactions, permanent establishments, and corporate income taxes. Tax regulations, guidance and interpretation in these countries may not always be clear and may not contemplate floating infrastructure activities, such as FSRUs. In addition, such regulations may be subject to alternative interpretations or changes in interpretations over time, including as a result of audits by the local tax authorities. Further, the group's LNG carrier activities may be subject freight taxes and permanent establishment exposure in port jurisdictions. Under the charter agreements the charterer is responsible for the tax cost and the group monitors closely the port activity mitigating the potential exposure and ensuring compliance. As a consequence, the group's tax expense may increase over time or be subject to change that potentially also could impact tax expenses in prior periods.

As an exempted company limited by shares incorporated in Bermuda, and also having subsidiaries in Bermuda, the Cayman Islands and the Marshall Islands, inclusion of these countries in the EU's list of non-cooperative jurisdictions for tax purposes and/or failure to comply with economic substance requirements enacted in said countries, could harm our business

In December 1997, the Council of the European Union ("Council") adopted a resolution on a Code of Conduct for business taxation, with the objective of counteracting the effects of zero tax and preferential tax regimes around the world. In 2017, the Code of Conduct Group ("Code Group") investigated the tax policies of both EU member states and third countries, assessing practices in the areas of: (i) tax transparency; (ii) fair taxation; and (iii) implementation of anti-base erosion and profit shifting measures.

The company is an exempted company limited by shares incorporated in Bermuda. Our operating company is also a Bermudian entity and several of our subsidiaries are organized in the Cayman Islands, Bermuda and the Marshall Islands.

These jurisdictions have enacted economic substance laws and regulations with which we may be obligated to comply. If we fail to comply with our obligations under this legislation or any similar law applicable to us in any other jurisdictions, we could be subject to financial penalties and spontaneous disclosure of information to foreign tax officials, or could be struck from the register of companies, in related jurisdictions. Any of the foregoing could be disruptive to our business and could have a material adverse effect on our business, financial conditions and operating results.

1.3 Market and macroeconomic risk

The pandemic outbreak of the Covid-19 virus may impact the group's operations and business

Höegh LNG is at the time of this registration document publication experiencing limited operational impact from Covid-19 and no contractual effects. However, the situation is dynamic and could change quickly, in particular with regard to maritime personnel and vessel logistical challenges, including repairs and maintenance. Although Höegh LNG's operations are not directly impacted by the virus at present, the group has been taking and will continue to take necessary measures to mitigate risks to employees and its operations. The group is continuously monitoring the Covid-19 situation, and undertaking scenario analysis and other evaluations to address any changes related to the health, safety and wellbeing of personnel, or to the LNG and FSRU markets, government restrictions, and other aspects potentially affecting operations and the business.

The current pandemic could significantly and adversely impact the company's maritime operations, onshore support, corporate activities, customers, vendors and the countries in which Höegh LNG operates. Further, the

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pandemic could impact the demand for natural gas and therefore reduce the business opportunities for the company. This could have a significant adverse impact on Höegh LNG's financial position, results of operations and cash flows.

It is not possible to accurately forecast the medium- to long-term impact of the Covid-19 virus on Höegh LNG's business as of the date of this document, except that until the date of this registration document there has been limited effect on its employees, operations or revenues.

Vessel values may fluctuate substantially, and a decline in vessel values may result in impairment charges, the breach of financial covenants or, if these values are lower at a time when attempting to dispose of vessels, a loss on the sale.

Vessel values for FSRUs and LNG carriers can fluctuate substantially over time due to a number of different factors, including:

- 1) prevailing economic conditions in the natural gas and energy markets;
- 2) a substantial or extended decline in demand for LNG;
- 3) increases in the supply of vessel capacity;
- 4) the size and age of a vessel;
- 5) the remaining term on existing time charters; and
- 6) the cost of retrofitting or modifying existing vessels, as a result of technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, customer requirements or otherwise.

As the fleet's vessels age, the expenses associated with maintaining and operating them are expected to increase, which could have an adverse effect on business and operations if insufficient cash reserves for maintenance and replacement capital expenditures are maintained. Moreover, the cost of a replacement vessel would be significant. If a charter terminates, the group may be unable to re-deploy the affected vessel at attractive rates and, rather than continue to incur costs to maintain and finance the vessel, it may seek to dispose of the vessel.

Any inability to dispose of a vessel at a reasonable value could result in a loss on the sale and adversely affect the ability to repay the debt associated with the disposed vessel which could have a significant negative impact on the group's liquidity and financial position.

A decline in the value of the fleet's vessels may also result in impairment charges or the breach of certain of the ratios and financial covenants the group is required to comply with in its credit facilities. If in breach of such covenants, the group may be required to prepay a portion of the relevant debt, or if unable to repair the breach the group's debt could mature in full, which could have a significant negative impact on the group's liquidity and financial position.

The company's future performance and growth depend on continued growth in demand for the services it provides.

The company's growth strategy focuses on expansion in the floating storage and regasification sector and the maritime transportation sector, each within the LNG transportation, storage and regasification industry. The rate of LNG growth has fluctuated due to several reasons, including the global economic crisis, natural gas production from unconventional sources in certain regions, the relative competitiveness of alternative fossil fuels such as oil and coal, improvements in the competitiveness of renewable energy sources, the highly complex and capital intensive nature of new or expanded LNG projects and changing energy policies of national and supranational bodies. Accordingly, future growth depends on continued growth in the world and regional demand for LNG, FSRUs, LNG carriers and other LNG infrastructure assets, which could be negatively affected by a number of factors, including:

- 1) increases in the cost of LNG;
- 2) increases in interest rates or other events that may affect the availability of sufficient financing for LNG projects on commercially reasonable terms;
- 3) increases in the production levels of low-cost natural gas in domestic, natural gas-consuming markets, which could further depress prices for natural gas in those markets and make LNG uneconomical;
- 4) decreases in the cost, or increases in the demand for, conventional land-based regasification systems, which could occur if providers or users of regasification services seek greater economies of scale than FSRUs can provide or if the economic, regulatory or political challenges associated with land-based activities improve;
- 5) decreases in the cost of alternative technologies or development of alternative technologies for vessel-based LNG regasification;
- 6) increases in the production of natural gas in areas linked by pipelines to consuming areas, the extension of existing, or the development of new, pipeline systems in markets the company may serve, or the conversion of existing non-natural gas pipelines to natural gas pipelines in those markets;
- 7) decreases in the consumption of natural gas due to increases in its price relative to other energy sources, regulation or other factors making consumption of natural gas less attractive;
- 8) availability of new, alternative energy sources, including compressed natural gas and renewables; and
- 9) negative global or regional economic or political conditions, particularly in LNG consuming regions, which could reduce energy consumption or its growth.

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Reduced demand for LNG, FSRUs or LNG carriers would have a material adverse effect on the company's future growth and could harm its business, financial condition and results of operations.

An increase in the global supply or aggregate capacities of FSRUs or LNG carriers, including conversion of existing tonnage, without a commensurate increase in demand may have an adverse effect on hire rates and the values of vessels

The supply of FSRUs, LNG carriers and other LNG infrastructure assets in the industry is affected by, among other things, assessments of the demand for these vessels by charterers. Any over-estimation of demand for vessels may result in an excess supply of new vessels. This may, in the long term when existing contracts expire, result in lower hire rates and depress the values of the company's vessels. If hire rates are lower when seeking new time charters upon expiration or early termination of current time charters, or for any new vessels the company may acquire, its business, financial condition and results of operations may be adversely affected.

During periods of high utilization and high hire rates, industry participants may increase the supply of FSRUs and/or LNG carriers by ordering the construction of new vessels. This may result in an over-supply and may cause a subsequent decline in utilization and hire rates when the vessels enter the market. Lower utilization and hire rates could adversely affect revenues and profitability. Prolonged periods of low utilization and hire rates could also result in the recognition of impairment charges on vessels if future cash flow estimates, based upon information available at the time, indicate that the carrying value of these vessels may not be recoverable. Such impairment charges may cause lenders to accelerate loan payments under the company's or its joint ventures' financing agreements, which could adversely affect its business, financial condition and results of operations.

1.4 Financial risk

Interest rate risk

All interest-bearing debt in Höegh LNG is subject to floating interest rates, which exposes the group to fluctuations in financial expenses and cash flows. To mitigate this risk, the group has entered into fixed interest-rate swaps for most debt facilities covering the tenor of the debt facilities. Near-term, the group is therefore not materially exposed to fluctuations in the interest rates. However, upon maturity of the debt, new interest hedges may be needed to the extent the debt is refinanced with new debt. Upon future refinancing, the interest rate level could be materially different from the current level, which could significantly increase the interest expenses of the group in the future.

Foreign exchange risk

Foreign exchange risks arise from business transactions, capitalised assets and liabilities denominated in currencies other than the USD, which is the reporting currency of Höegh LNG. The majority of Höegh LNG's business transactions, capitalised assets and liabilities are denominated in USD. The majority of its foreign exchange exposure relates to administrative expenses denominated in NOK, totalling around NOK 300 million in 2020. In addition, Höegh LNG has certain revenues in euros. Further, Höegh LNG has two NOK denominated bond loans. Because of the currency exposure, the results and cash flows of the group may be significantly impacted by fluctuations in the exchange rates. To mitigate the currency risk related to the two bond loans, the NOK exposure has been swapped to USD for the principal amount and the coupons.

Liquidity risk

Liquidity risk is the risk that Höegh LNG will be unable to fulfil its financial obligations when they fall due. Outstanding interest-bearing debt carried on the balance sheet as of 31 March 2021 totalling USD 1 682 million, net of debt issuance costs, will be repaid through the cash flow generated from new and existing assets in Höegh LNG or through refinancing. At 31 March 2021 Höegh LNG had no material remaining off-balance-sheet capital commitments, and had total available liquidity of USD 142 million, including undrawn credit of USD 14.7 million under the USD 63 million revolving credit facility in Höegh LNG Partners.

Höegh LNG is also exposed to liquidity risk related to derivatives entered into to hedge interest rate and currency risks, as some of these derivatives are subject to margin calls for negative value exceeding a certain threshold, and the difference will require deposit of cash collateral.

Further Höegh LNG is exposed to liquidity risk related to the available credit amount on the up to USD 80 million credit facility. The facility is secured with a pledge of all of the company's common units and its shares in the general partner of Höegh LNG Partners LP. As customary for these types of facilities, the available amount of the facility is linked to the value of the pledged units. The group's liquidity position may be significantly impacted by requirements to settle margin calls for its hedges, failure to refinance debt maturities and a reduction in the value of the common units of Höegh LNG Partners LP.

Refinancing risk

HMLP is in the process of refinancing the debt facilities for its joint ventures which own Neptune and Cape Ann. These debt facilities, which are not part of the consolidated debt of the group, mature in November 2021 and June 2022, respectively.

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HMLP is also on the process of refinancing the Lampung debt facility. The commercial tranche of the Lampung facility becomes due on 29 September 2021 and the export credit tranche can be called if the commercial tranche is not refinanced. The ongoing refinancing of the Lampung credit facility that had been scheduled to close by the end of the second quarter of 2021 is not yet completed due to the failure by the charterer to countersign certain customary documents related to the new credit facility. These circumstances have left HMLP exposed to having to arrange alternative refinancing, or rearrange the existing refinancing, in the short term in advance of the commercial tranche of the Lampung facility's maturity on 29 September 2021. HMLP has asked the existing lenders to approve a six-month extension to the maturity date to allow for more time to complete a refinancing and has commenced discussions with existing lenders and certain other potential lenders about this. HMLP expects that the terms of any alternative refinancing, if it is successful in finalizing such refinancing, are likely to be less favourable than the terms of the originally agreed refinancing. No assurance can be given at this time as to the outcome of the dispute with the charterer of PGN FSRU Lampung, or of the aforementioned discussions with lenders. Höegh LNG Holdings Ltd. is the guarantor of the FSRU Lampung credit facility.

Subsequent to the quarter end the group has completed the refinancing of the Höegh Giant debt facility with a new 5-year facility. Höegh LNG Holdings Ltd. has also repaid the up to USD 80 million credit facility with proceeds from the HLNG04 bond tap issuance in June and a new bank facility.

Also see section 11.4.

UK lease exposure

In 2002, two UK finance lease agreements were entered into for Arctic Princess and Arctic Lady respectively between two UK lessors and the Joint Gas Ltd and Joint Gas Two Ltd joint venture companies as lessees (the Arctic Leases). The vessels were delivered in 2006 and the lease agreements are for 25 years from delivery. Her Majesty's Revenue and Customs (HMRC) has been challenging the use of similar lease structures and has been engaged in litigation in one case, which was decided in the autumn of 2015 in favour of HMRC. In the event of a formal challenge by HMRC regarding the lessors' right to claim capital allowances under the Arctic Leases, this would lead to higher rental payments to the UK vessel lessors, which would have a negative effect on the earnings of the lessee companies and consequently on Höegh LNG. Leif Höegh (U.K.) Limited, as managing owner and operator of the vessels, has been in dialogue with HMRC on this matter since 2005 and has presented the factual background to and the business rationale for entering into the lease agreements back in 2002. See section 11.3 for a more detailed description.

2. Definitions

| | |
|--|--|
| Company/Parent company/ Bond issuer/HLNG | Höegh LNG Holdings Ltd., an exempted company limited by shares organised under the laws of Bermuda and subject to the Bermuda Companies Act. |
| Annual Report 2019 | Höegh LNG Holdings Ltd. annual report of 2019. |
| Annual Report 2020 | Höegh LNG Holdings Ltd. annual report of 2020. |
| Bye-Laws | Bye-laws of the company, as amended and currently in effect. |
| Bond Issue | Means the bond issue constituted by the Bonds. |
| Board or board of directors | The board of directors of Höegh LNG Holdings Ltd. |
| CO | Carbon dioxide. |
| Company Consolidated Financial Statements | The consolidated financial statements and notes included in the Company's consolidated annual report to the shareholders. |
| EEA | European Economic Area. |
| EU | European Union. |
| FID | Financial investment decision |
| FSRU | Floating storage and regasification unit. |
| Group/Höegh LNG | The company and its subsidiaries and joint ventures from time to time. |
| HLFM | Höegh LNG Fleet Management. |
| HLMM | Höegh LNG Maritime Management AS. |
| HMLP | Höegh LNG Partners LP. |
| HSSEQ | Health, Safety, Security, Environment and Quality policy. |
| IFRS | International Financial Reporting Standards as adopted by the European Union. |
| Manager: | DNB Markets, a part of DNB Bank ASA. |
| LNG | Liquefied natural gas. |
| LNGC | Liquefied natural gas carrier. |
| NOK | Norwegian kroner. |
| PGN | Parameter Group Number. |
| Prospectus | This Registration Document together with the Securities Note with a Summary constitutes the Prospectus. |
| Q1 Report 2021 | Höegh LNG Holdings Ltd. Interim results for Q1 2021. |
| Q2 Report 2021 | Höegh LNG Holdings Ltd. Interim results for Q2 2021. |
| Registration Document | This registration document dated 1 September 2021. |
| SDG | UN Sustainable Development Goals. |
| UK | United Kingdom. |

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UN
USD

United Nations.
United States dollars.

VPS or VPS System

Norwegian Central Securities Depository (Verdipapirsentralen).

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3. Persons responsible, Third Party information, Experts' report and Competent Authority Approval

3.1 Persons responsible for the information

Persons responsible for the information given in this Registration Document are as follows:
Höegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, HM12 Hamilton, Bermuda.

3.2 Declaration by persons responsible

Höegh LNG Holdings Ltd. declares that the information contained in the Registration Document is, to the best of our knowledge, in accordance with the facts and that the Registration Document makes no omission likely to affect its import.

Bermuda, 1 september 2021

For Höegh LNG Holdings Ltd.

Sveinung J. S. Støhle
President and CEO

3.3 Experts' report

No statement or report attributed to a person as an expert is included in the Registration Document.

3.4 Third party Information

No information has been sourced from a third party in the Registration Document.

3.5 Competent Authority Approval

Höegh LNG Holdings Ltd. confirms that:

- (a) the Registration Document has been approved by the Finanstilsynet, as competent authority under Regulation (EU) 2017/1129;
- (b) the Finanstilsynet only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) such approval shall not be considered as an endorsement of the issuer that it the subject of this Registration Document.

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4. Statutory auditors

4.1 Names and addresses

The Company's auditor is Ernst & Young AS, with registered address:

Name Ernst & Young AS

Address Dronning Eufemias gate 6, NO-0191 Oslo
P. O. Box 1156 Sentrum, NO-0107 Oslo

Telephone +47 24 00 24 00

The Group's consolidated financial statements as at and for the years ended 31 December 2019 and 31 December 2020 have been audited by Ernst & Young.

Ernst & Young AS is an independent registered public accounting firm and a member of the Norwegian Institute of Public Accountants (Norwegian: *Den Norske Revisorforening*).

Ernst & Young AS has not audited, reviewed or produced any report on any other information provided in this Registration Document.

5. Information about the issuer

5.1 Legal and commercial name

The legal name of the Bond Issuer is Höegh LNG Holdings Ltd. with the commercial name Höegh LNG.

5.2 Place of registration and registration number

The company is incorporated in Bermuda with the registration number BM-39152.

5.3 Date of incorporation

Höegh LNG's date of incorporation is 6 November 2006 and the company amalgamated with Larus Limited with effect on 4 May 2021.

5.4 Domicile and legal form

The company is an exempted company limited by shares organized under the laws of Bermuda and subject to the Bermuda Companies Act. LEI-code (legal entity identifier): 213800XJSJUK2MTDZU65.

The registered office and visiting address are Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda. The company's telephone number is +1441 295 2244.

Höegh LNG's website address is <http://www.hoeghlng.com>

- Disclaimer:
The information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

5.5 The Issuer's objects and purposes

The Issuer's memorandum of association is dated 3 November 2006 and the Issuer's current bye-laws were adopted 4 May 2021.

The Issuer's objects are set out in its memorandum of associations item 6. In line with common practice for Bermudian registered companies, the company's objectives and powers are broad and include e.g. shipping and investments.

5.6 Recent events

Reference is made to sections 11.3 and 11.4.

5.7 Material changes in the Issuer's borrowing and funding structure

On 4 May 2021 an acquisition of the issuer by way of amalgamation was completed and the issuer's shares were subsequently delisted from Oslo Børs (Oslo stock exchange). Following the delisting of the company, the issuer is not in a position to utilise the equity market for raising new equity.

In connection with the above-mentioned take-private transaction certain amendments to the issuer's senior unsecured bonds maturing in February 2022 (HLNG03, ISIN NO 0010782949) and January 2025 (HLNG04, ISIN NO 0010873755) that were approved by the bondholders' meetings for the bond issues held on 22 March 2021 and became effective on 4 May 2021.

The above-mentioned amendments include:

Special Put Option: The Bondholders of each of the Bond Issues shall have a right (the "Special Put Option") to require that the Issuer purchases all or some of the Bonds held by that Bondholder at a price equal to 101% of par if a Credit Event has not occurred by 1 April 2022.

For the purpose of this paragraph (c), "Credit Event" means that either:

- (i) an amount of at least USD 100,000,000 has been contributed to the Issuer as new equity or other fully subordinated and non-cash interest/non-amortising capital subsequent to the Effective Date; or
- (ii) first ranking Security is created over the Issuer's ownership of common units of Höegh LNG Partners LP ("HMLP") (equal to 15,257,498 common units, which shall be adjusted correspondingly for any share split or reverse share split occurring in the period before the Security is created), split between HLNG03 and HLNG04 pro-rata to the outstanding amount under HLNG03 and HLNG04,

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respectively, as at the date on which such security is granted, as security for all the obligations and the liabilities of the Issuer in respect of HLNG03 and HLNG04, respectively.

Extension of the HLNG03 maturity date: The Bondholders of HLNG03 consent to an extension of the Maturity Date with 18 months, from 1 February 2022 to 1 August 2023.

Margin increase: In HLNG03 the Margin will be increased from 5.00% to 6.00%.

See section 10.1 for further information regarding ownership and the take-private transaction.

5.8 Expected financing of the Issuer's activities

The issuer's activities will be financed by cash flows from operations, in addition to debt financing/refinancing from a diversified base of funding sources.

6. Business overview

6.1 General

Höegh LNG operates world-wide with a leading position as owner and operator of floating LNG import terminals; floating storage and regasification units (FSRUs), and is one of the most experienced operators of LNG Carriers (LNGCs). Höegh LNG's vision is enabling the transition to clean energy. Its strategy is to drive and embrace technological and commercial innovation. In addition to traditional FSRU time charters, the group will develop the business through origination of own projects and extending its presence in the value chain. The company owns approximately 46% of Höegh LNG Partners LP (NYSE:HMLP).

HMLP has been formed to own, operate and acquire LNG assets which are in operation and employed under long-term contracts, and has both common and preferred equity instruments listed on the New York Stock Exchange.

The company's registered office is located in Hamilton, Bermuda, and the group operates worldwide and with an office presence in Oslo (Norway), Manila (the Philippines), London (UK), Singapore, Miami (USA), Jakarta (Indonesia), Klaipeda (Lithuania), Cairo (Egypt), Cartagena (Colombia) and Shanghai (China). The group employs approximately 190 office staff and 670 seafarers.

6.2 Strategic directions

Höegh LNG Holdings Ltd. and its subsidiaries and joint ventures (together "Höegh LNG" or "the group") operate worldwide and have the largest fleet in the market for floating storage and regasification units (FSRUs).

Despite the ongoing Covid-19 pandemic, all units performed in accordance with their contracts during 2020, and the technical availability of the entire fleet was 99.7%, which is a very good result and a very strong performance, given that all our employees, both onshore and offshore, were put under great stress as they were forced to adapt to a new working environment caused by the pandemic. Particularly Höegh LNG's seafarers experienced uncertain times owing to the challenges around crew changes. The efforts and dedication of all employees throughout these difficult times are highly appreciated by the board of directors. To improve the situation for all seafarers, Höegh LNG encourages national governments, industry organisations and other international stakeholders to keep their commitments to support the seafarers and do what they can to facilitate crew changes and international travel allowing crew repatriation.

Höegh LNG's vision and mission statements was revised in 2021 to match its strategy of contributing actively to the transition to a carbon-free energy future, while embracing the role of LNG in this ongoing energy transition process. Höegh LNG's new vision is "Enabling the transition to clean energy". Its mission is to supply innovative and reliable floating infrastructure solutions, thereby creating value for customers, shareholders, employees and the local communities in which it operates, and to reduce the impact on the environment from the group's own business and that of its clients.

The group's strategy is to drive and embrace technological and commercial innovation. In addition to traditional FSRU time charters, it will develop its business by originating its own FSRU projects and extending its presence along the value chain. The group focuses on developing pricing models which secure attractive risk-adjusted returns. Höegh LNG always seeks excellence in its operations in order to maximise value for the group and its clients, while at the same time ensuring the welfare of its employees and minimising its impact on the environment.

Höegh LNG is increasing its sustainability awareness and efforts and will change its sustainability reporting framework to the UN Sustainable Development Goals (SDGs) with effect from 2021. It has chosen six SDGs which are relevant to its business context and where it can make a real impact. The group has developed an ambitious sustainability roadmap linked to the SDG commitments, which sets long-term goals backed by interim milestones for 2021-2050.

To reflect the group's strategic objective to include the development of non-carbon energy solutions, Höegh LNG created a new business area called Clean Energy in the first quarter of 2021.

6.3 Principal activities

Business segments

The group's activities are divided into the following operating segments: HMLP, operations, business development and project execution, and corporate and other. Höegh LNG's operating segments reflect how the group's chief operating decision-maker assesses the financial performance of the group's business activities and allocates resources to these. Revenues, expenses, gains and losses arising from internal sales, internal transfers of businesses, group contributions and dividends within the group are not included in the income statements for the segments. Assets and liabilities allocated to the individual segments include vessels, newbuildings and interest-bearing debt. Other assets and liabilities are followed up at a consolidated level.

HMLP

The segment includes the activities of Höegh LNG Partners LP, which is a limited partnership listed on the New York Stock Exchange. The partnership has been formed to own, operate, and acquire FSRUs, LNGCs and other LNG infrastructure assets under long-term charters, defined as five years or more. Höegh LNG Partners' fleet comprises ownership interests in five FSRUs, namely (i) a 50% interest in Neptune, (ii) a 50% interest in Cape Ann, (iii) a 100% economic interest in PGN FSRU Lampung, (iv) a 100% interest in Höegh Gallant and (v) a 100% interest in Höegh Grace.

Operations

The segment is responsible for the commercial and technical management of the group's operational FSRUs and LNGCs which have not been transferred to Höegh LNG Partners LP. It includes the five FSRUs, Independence, Höegh Giant, Höegh Esperanza, Höegh Gannet and, Höegh Galleon, and the two LNGCs, Arctic Princess and Arctic Lady. The segment comprises revenues and expenses related to FSRUs and LNGCs in operation, and management income for commercial management services paid by joint ventures. FSRUs are included in the operations segment on delivery from the yard

Business development and project execution

The segment comprises all activities related to business development and project execution.

Corporate and other

The segment includes corporate functions such as group management, group finance, legal and other administrative expenses which are not allocated to the other operating segments.

Clean Energy

Sustainability has always been at the core of the company's operations, and HLNG's focus on sustainability and the energy transition gained momentum during 2020, leading to the development of its new sustainability framework and a changed corporate vision statement. In the company's business, it will continue to contribute actively to the transition to a carbon-free energy future, while embracing the role of LNG in this ongoing process. The company has the largest, newest and most technically advanced fleet of FSRUs, which puts the company in a good position to benefit from the increased need for additional LNG import capacity, underpinned by the growing global trade in LNG and the transition towards a carbon-neutral future.

With effect from 2021, the company will change its sustainability reporting framework to the UN Sustainable Development Goals (SDGs), and have chosen six of these as relevant to its business context and ones where the Company can make a real impact. The six SDGs the company has selected are: Climate Action, Affordable and Clean Energy, Life Below Water, Decent Work and Economic Growth, Reduced Inequalities, and Peace, Justice and Strong Institutions. The company has also developed an ambitious sustainability roadmap linked to the SDG commitments, which sets long-term goals backed by interim milestones. Among the long-term goals are:

1. Reduce the total CO₂ emissions with around 30% by end of 2024 for the existing fleet of 12 vessels compared with the total CO₂ emissions from this fleet¹ in 2020 by:

- Commence FSRU operations for four vessels trading as LNC carriers
- Improve excess boil-off gas management in FSRU operations
- Improve overall energy efficiency management for the fleet including compliance with IMO targets for reduced emissions from LNG carriers

¹ Subject to changes in the fleet size until 2024, Höegh LNG's total emissions from the total fleet may develop differently. The target will be subject to revision if any of the existing vessels in 2020 exit the fleet or additional vessels enter the fleet before end of 2024.

2. Develop technology and infrastructure solutions to facilitate that our customers can deliver green ammonia/hydrogen services from our FSRUs by 2024, and our ambition is that this value-added service is deployed for several of our FSRUs by 2030.

3. Develop and have the first net zero-carbon FSRU in operation in 2030.

4. Have CO₂ and ecosystem-neutral operations by 2050

Strong ESG focus and commitment to the transition towards more eco-friendly energy supply

New ESG framework applicable from 2021

| Selected SDGs | Höegh LNG's actions | Höegh LNG's long-term ambitions |
|---|--|---|
|  | Affordable and Clean Energy | Develop technical and commercial solutions for the use/distribution of non-carbon energy bearers such as hydrogen and ammonia |
|  | Climate Action | Reduction programme for fleet CO ₂ emissions |
|  | Life Below Water | Responsible recycling of ships and waste Local FSRU ecological footprint programmes |
|  | Decent work and Economic Growth | Annual Health and Safety campaign Sustainable supply-chain initiatives |
|  | Reduced Inequalities | Goals and programmes to increase diversity |
|  | Peace, justice and strong institutions | Annual business integrity and compliance plan |

Ambitious roadmap



Further information about the issuer's sustainability work can be found in the sustainability report in the issuer's 2020 annual report accessible on the company's website: <https://www.hoeghlng.com/home/default.aspx> and information about UN's sustainability development goals can be found at: <https://sdgs.un.org/> (18 August 2021).

Disclaimer:

The information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

6.4 Floating LNG import terminals – FSRUs

FSRUs have established themselves as a proven technology for accessing the global LNG market, and Höegh LNG has identified multiple advantages over traditional onshore import terminals.

- Less capital intensive (c. 1/2 of the installation cost)
- Faster to install (down to 6 months vs. 4-5 years)
- Flexibility (to relocate the FSRU or use it as an LNG Carrier)

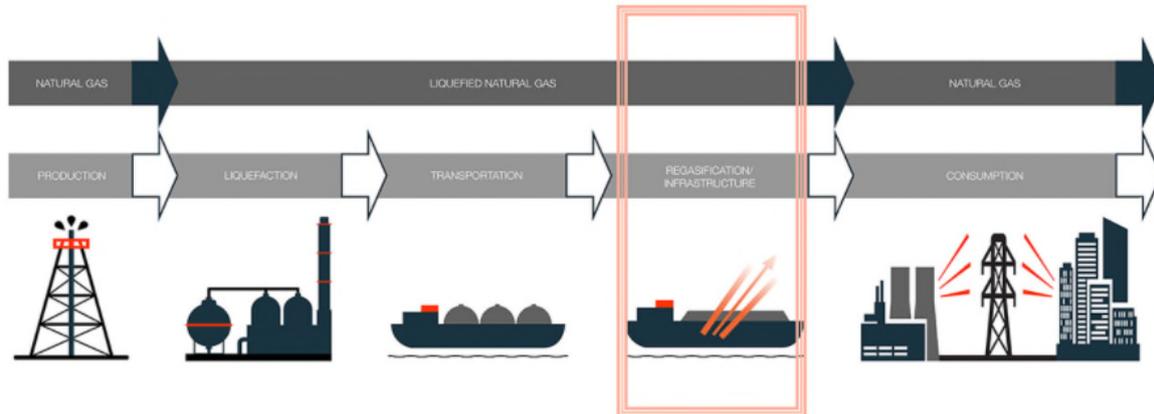
In addition to the standard FSRU setup with pipeline to shore with regasified LNG, it can serve as a hub for LNG such as:

- Small-scale distribution at sea - reloading LNG to smaller carriers serving other demand centres
- Small-scale distribution onshore - reloading LNG on to trucks for onwards distribution by road
- Bunkering - providing LNG as marine fuel, directly or by smaller shuttles
- Connectivity to shore - adaptable to local conditions by jetty or other mooring solutions

Höegh LNG has a fleet of ten modern FSRUs and is uniquely positioned to provide customers with the crucial energy infrastructure necessary to access the readily available supply of LNG in the global marketplace.

- Höegh LNG strives for the best achievable safety record and are firmly committed to environmental sustainability
- Höegh LNG has experience from being the only FSRU provider in many countries, including China
- Höegh LNG has operational experience that has enabled cost optimisation and lower unitized regas costs (including combined and closed loop operations in cold water conditions)
- Höegh LNG has in-house engineering expertise and is a leader in project structuring, finance and execution.

FSRUS – A CRITICAL LINK IN THE LNG VALUE CHAIN



As the volume of LNG produced and consumed continues to expand at a rapid pace, floating storage and regasification units (FSRUs) unlock access to the global LNG market for new importing markets around the world - at a fraction of the cost and time required for the construction of an onshore LNG import terminal.

6.5 LNG carriers

Höegh LNG has more than 40 years of experience as a designer, owner and operator of LNG carriers (LNGCs).

The Group's two LNGCs were delivered in 2006 and are on 20-year time charter agreements with Equinor and Total, respectively, transporting LNG from the Snøhvit liquefaction plant near Hammerfest in northern Norway.

Höegh LNG's fleet of LNGCs is frequently being inspected by technical inspectors, vetting coordinators and clients to ensure operational standards of the highest quality.

6.6 Höegh LNG Partners LP

Höegh LNG Partners (HMLP:US) is a growth-oriented limited partnership formed by the company to own, operate and acquire floating storage and regasification units (FSRUs), LNG carriers and other LNG infrastructure assets under long-term charters (charters of five or more years).

Höegh LNG Partners' fleet consists of modern FSRUs that operate under long-term charters with major energy companies or utilities.

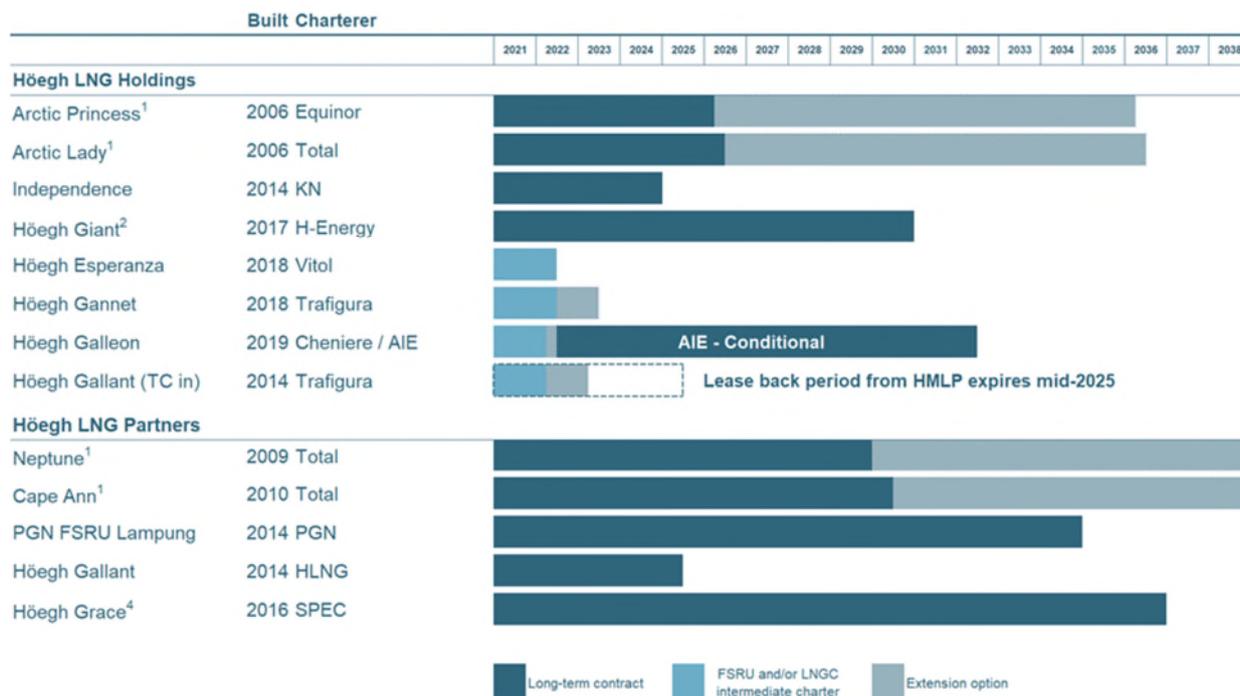
The affiliation with Höegh LNG gives Höegh LNG Partners access to Höegh LNG's long-standing relationships with leading oil and gas companies, utility companies, shipbuilders, financing sources and suppliers, which will allow the partnership to compete more effectively when seeking additional long-term charters for FSRUs or LNG carriers.

In addition, with Höegh LNG's 40-year track record of providing LNG services and its technical, commercial and managerial expertise, including its leadership in the development of floating liquefaction solutions, this will enable HMLP to continue to maintain the high utilization of its fleet.

6.7 Fleet overview and contract coverage per 30 June 2021

The group's fleet consists of 10 modern FSRUs and two LNG carriers. Five of the FSRUs are in Höegh LNG Partners' fleet, and the remaining in Höegh LNG Holdings' fleet. One of Höegh LNG Partners' FSRUs is on an internal charter to Höegh LNG Holdings, which has sublet the FSRU to a third party.

Following the execution of a 12-month interim LNGC charter for Höegh Esperanza from June 2021, the group has 100% contract coverage for 2021.



¹ LNG Carriers

² Units are jointly owned

³ The initial term of the charter is 10 years. The charterer has annual termination options after year five

⁴ The initial term of the charter is 20 years. However, each party has an unconditional option to cancel the charter after 10 and 15 years without penalty. However, if SPEC waives its right to terminate in year 10 within a certain deadline, Höegh LNG Partners LP will not be able to exercise its right to terminate in year 10

6.8 Fleet management

The group's fleet is managed by Höegh LNG Fleet Management AS ("HLFM") and Höegh LNG Maritime Management AS ("HLMM"), both wholly owned subsidiaries in the group. PGN FSRU Lampung is managed by the local subsidiary PT Hoegh LNG Lampung. HLFM and HLMM jointly offers the whole range of technical services required to crew and operates the group's highly specialised vessels: marine and HSSEQ, maritime personnel, technical management and procurement.

Maritime personnel

HLFM and HLMM's main goals are to recruit, retain, retrain and develop seagoing personnel for the Höegh LNG fleet. HLFM and HLMM enjoys high retention rates built up over many years of strategic focus on development of the right people, all the way from cadet to senior officer.

The group has crewing offices in Norway, Latvia, Croatia, Indonesia and the Philippines and manages a pool of seagoing personnel employed by Höegh LNG and consisting of about 670 highly specialised officers and ratings from Europe, Asia and the US.

Technical management and procurement

HLFM's main goal is to operate and maintain the vessels to a standard in line with best practice in the industry, with a particular focus on safety, availability, efficiency and performance monitoring.

All vessels in the Höegh LNG fleet are covered by a fleet-wide centralised planned maintenance system. The focus is on onboard and onshore competence development and training, enabling internal resources to manage operation and maintenance of equipment in order to ensure safe operation, increase availability, enhance flexibility and reduce costs.

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Procurement and logistics are handled through an efficient supply chain and inventory management system across the fleet, with networks of shipping hubs in key ports and FSRU sites across the world.

6.9 Market

During the first half of 2020, the global LNG market was negatively affected by two major shocks – the reduced demand for LNG owing to the decrease in economic activity as a result of protective measures to contain the Covid-19 pandemic, and then the collapse in oil prices. Despite this, annual global LNG trade rose by 5.5 million tonnes in 2020, equivalent to a growth rate of 1.5%, and volumes traded reached 365.5 million tonnes. This clearly shows the resilience of global LNG demand, and underpins the role of LNG in the energy transition by replacing more polluting fuels such as coal and oil products. Global LNG trade was flat year-on-year in the first quarter 2021, mainly reflecting that impact of the Covid-19 pandemic had yet to materialize in the same quarter last year combined with a high level of supply outages.

Asia was the continent to show noteworthy growth in LNG imports in 2020, with China accounting for around two-thirds of the aggregate increase in Asian imports despite a negative year-on-year development in the first quarter 2020. The significant rise in European LNG imports witnessed in 2019 continued into the first half of 2020. However, this growth was more than offset by a year-on-year decline in the second half of the year owing to such factors as increased demand in other markets, reduced gas demand and limited additional storage capacity. European imports therefore ended up down slightly from the year before.

The Covid-19 pandemic hit an already oversupplied LNG market, leading to historically low LNG prices in the summer of 2020 since demand was unable to keep up with supply growth. That led in turn to significant reductions in liquefaction utilisation, particularly in the USA and Egypt. US liquefaction utilisation reach record lows of less than 40% of nameplate capacity in July-August, compared with normal levels of at least 100%.

With the first LNG import terminal in Myanmar starting operations in 2020, the number of LNG importers rose from 44 countries to 45 during the year. At date of this registration document, the number has reached 46 as Croatia's FSRU import terminal commenced commercial operations in January 2021. The number of countries importing LNG is expected to rise to 51 by 31 December 2021, 56 in 2022 and 64 by 2025 according to research by IHS Markit. However, some projects face possible delays. The key enabler for such growth is the increasing supply of LNG, while demand drivers include a widespread and environmentally motivated switch from coal and oil to cleaner natural gas. Others are making renewable energy supply resilient, diversification efforts, seasonality in power demand and new gas-fired power generation capacity.

The FSRU market continues to grow, with a new FSRU terminal in Brazil commenced operations in 2020, the above-mentioned FSRU terminal in Croatia operational in January 2021 and Höegh Giant commenced operations in Jaigarh, India in second quarter 2021. In addition, the Jawa Satu FSRU in Indonesia received its first cargo in the second quarter 2021.

The number of importing markets using FSRUs had reached 20 by 31 December 2020 and, according to research by IHS Markit, Ghana, Nicaragua and Senegal are also expected to begin LNG imports via FSRUs in 2021. Looking further ahead, FSRU projects currently under construction are set to come on stream in Cyprus, El Salvador, Hong Kong and Mozambique. One FSRU contract was awarded in the first quarter of 2021, the conditional contract award from First Gen in the Philippines.

Currently, 41 FSRUs are on the water (excluding four smaller barges), following the delivery of two units in the first quarter of 2021. Of these, 31 are committed on FSRU contracts and 10 are available and/or trading as LNGCs. The orderbook comprises two FSRU newbuildings and three converted FSRUs, and the three conversions are all committed under firm contracts.

6.10 Regulatory and business environment

6.10.1 Introduction

In this section 6.10, some risks which principally relate to the industry in which the Company operate and to the Company's business in general are described. For material risks that are specific to the Company, please refer to section 1.

6.10.2 Operational problems, disasters, accidents, environmental accidents, cyber events, piracy and terrorist attacks, property damage etc.

The group's vessels and their cargoes are at risk of being damaged or lost due to events such as, marine disasters, piracy, cyber attacks, mechanical failures, grounding, fire, explosions and collisions, human error, as well as war and terrorism. Such events may also result in environmental accidents. As the group offers its services in an

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international market, the probability of occurrence of such events may to a large extent depend on the vessels' locations and/or routes. The group's FSRUs and LNGCs operate mainly on long-term contracts, where the charterer controls the choice of locations or routes to be served by the FSRUs/LNGCs.

The group will from time to time operate in countries and regions with a high number of reported piracy and armed robbery incidents as well as in countries and regions with unrest and political instability. The group also operates in vulnerable waters where any environmental accidents may lead to severe damage to the environment, natural resources or protected species.

Damaged or loss of vessels or cargo due to such events outside the group's control, may result in severe loss of revenue from termination of time charters and/or delays in taking delivery of cargo or discharging LNG or regasified LNG. The group may also experience losses or higher costs resulting from death or injury to its personnel, higher repair or new-build costs and/or higher insurance rates. Any environmental accidents may result in severe governmental fines, penalties or restrictions on conducting business. In addition, the group's operations in regions and countries with such inherent risk, may damage the group's reputation and customer relationships generally. The costs of unpredicted vessel repairs can be substantial and the group will lose earnings while vessels are being repaired. Any of these consequences could have a material adverse effect on the group's business, financial condition, results of operations and/or prospects.

6.10.3 Insurance coverage

The operating of FSRUs, LNG carriers and other LNG infrastructure assets is inherently risky. Although the group carry protection and indemnity insurance consistent with industry standards, all of the risks associated with operating FSRUs, LNG carriers and other LNG infrastructure assets may not be adequately insured against, and any particular claim may not be paid. Any claims covered by insurance would be subject to deductibles, and since it is possible that a large number of claims may be brought, the aggregate amount of these deductibles could be material. Certain of the group's insurance coverage is maintained through mutual protection and indemnity associations, and as a member of such associations it may be required to make additional payments over and above budgeted premiums if members' claims exceed association reserves.

Furthermore, the group may be unable to procure adequate insurance coverage at commercially reasonable rates in the future. For example, more stringent environmental regulations have led in the past to increased costs for, and in the future may result in the lack of availability of, insurance against risks of environmental damage or pollution. A marine disaster could exceed the existing insurance coverage, which could harm the group's business, financial condition, results of operations and cash flows. Any uninsured or underinsured loss could harm the group's business and financial condition. In addition, any insurance may be voidable by the insurers as a result of certain actions, such as ships failing to maintain certification with applicable maritime self-regulatory organizations.

Changes in the insurance markets attributable to terrorist attacks may also make certain types of insurance more difficult for to obtain. In addition, upon renewal or expiration of current policies, the insurance that may be available to the group may be significantly more expensive than its existing coverage.

Consequently, if additional insurance premiums are called, or if existing or future insurances are not giving adequate coverage for a particular event which may occur, or if future insurance premiums are increasing significantly, this could cause a significant negative effect on the group's results and liquidity.

6.10.4 Environmental legislation and compliance with safety and other vessel requirements imposed by classification societies

The group is affected by extensive and changing international conventions and national, state and local laws and regulations governing environmental matters in all jurisdictions in which the group's vessels operate and are registered. Such regulatory measures may include, for example, the adoption of sulphur cap and trade regimes (emission trading), carbon taxes, increased efficiency standards and incentives or mandates for renewable energy. Current changes in regulatory requirements include, inter alia, (i) IMO 2020, which provides for a significant reduction of sulphur content of the marine fuels used by certain vessels, such as the group's vessels, and (ii) the IMO Ballast Water Management Convention, which sets out limitations on the amount of viable organisms allowed to be discharged with a vessel's ballast water.

Compliance with changes in laws and regulations relating to climate change could increase the costs of operating and maintaining the group's vessels, require the group to install new emission controls and acquire admission and/or CO₂-allowances, affect the resale value or useful lives of the vessels, lead to increased impairment charges, and require reductions in cargo capacity, ship modifications or operational changes or restrictions. Further, such changes could lead to decreased availability of insurance coverage, increased policy costs for environmental matters, or result in the denial of access to certain jurisdictional waters or ports or detention in certain ports, require taxes to be payable in relation to the group's greenhouse gas emissions, or require the group to administer and manage a greenhouse gas emissions program. Regulations of vessels, particularly in the areas of safety and environmental impact, may change in the future and require the group to incur significant capital expenditures and/or additional operating costs in order to keep the group's vessels in compliance. In particular, IMO 2020 is expected to affect fuel prices for a period after implementation.

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Moreover, the compliance with safety and other vessel requirements imposed by classification societies may be costly and could adversely affect the group. The hull and machinery of every commercial vessel must be classed by a classification society authorised by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and the 'Safety of Life at Sea Convention'. All of the group's vessels have been awarded an International Safety Management certification under the "ISM Code", which provides an international standard for the safe management and operation of ships at sea. If any vessel does not maintain its class and/or fails any annual survey, intermediate survey or special survey, dependent on the nature and severity of the non-compliance, the vessel may face restrictions in trading and could be required to be off-hire while the issues are remedied.

6.10.5 Compliance and anti-corruption

The group's international operations may involve inherent risk associated with money laundering, fraud, bribery and corruption and where strict compliance with anti-corruption laws may conflict with local customs and practices. Typical risks include unclear local operating requirements and enforcement, extortion schemes and facilitation payments. Any such violation by the company or its agents could result in substantial fines, sanctions, civil and/or criminal penalties and curtailment of operations in certain jurisdictions and the seizure of the group's vessels or other assets, and may as a result materially adversely affect the company's business, financial conditions, result of operations and prospects due to potential fines, legal action or lack of available financing from banks as a result of breach of sanctions or laws.

With operations worldwide, Höegh LNG faces a variety of local regulations and practices. This requires great attention to ethical behaviour, compliance and risk mitigation. A strong corporate culture is a prerequisite for an effective compliance system. Höegh LNG operates with a clear communication of values from the board to management, and from management to the rest of the organisation. Such values are expressed and implemented through written guidance on compliance and ethics training, business-partner risk management efforts and an effective reporting system. In addition, the group's incentive systems for employees includes a compliance component on a yearly basis.

Höegh LNG has zero tolerance for bribery and corruption. Every Höegh LNG employee is responsible for acting in accordance with the code of conduct, and for complying with the laws and regulations of the countries and regulatory authorities where the group operates.

Höegh LNG is exposed to a variety of corruption and bribery risks both in relation to obtaining new business and in its ongoing operations, including the need to secure permits and licences to operate. Typical risks include unclear local operating requirements and enforcement, extortion schemes and facilitation payments. All countries where Höegh LNG has operations are subject to a quarterly high-level corruption risk assessment.

Beyond its own internal measures, Höegh LNG believes in collective action to achieve ethical and compliance goals. Höegh LNG is a member of the Maritime Anti-Corruption Network (MACN) which provides valuable insights into specific challenges in the maritime industry. As a member, Höegh LNG is committed to implementing the MACN anticorruption principles.

6.10.6 Arrest of vessels

As a registered owner of vessels, the group will assume responsibility for all functions related to the vessel, including financing, commercial management, and ship management functions such as maintenance, repair, crew manning, navigation and insurance. Crew members, suppliers of goods and services to a vessel, charterers and other parties may be entitled to a maritime lien against one or more of the group's vessels for unsatisfied debt, claims or damages. The group operates worldwide. In many jurisdictions in which the group operates, a maritime lien holder could arrest one or more of the group's vessels (and the procedures for vessel arrests varies significantly depending on jurisdiction). The arrest of one or more of the group's vessels would deprive the charterers from use of such the vessel, which could lead to loss of revenue for the group and/or cash flow, have arrest lifted. The group's ability to swiftly solve an arrest will vary according to jurisdiction, as well as being dependent on the cooperation and actions of the group's counterparties.

7. Organisational structure

7.1 Brief description of the group

Höegh LNG Holdings Ltd. is an exempted company limited by shares domiciled in and incorporated under the laws of Bermuda.

Höegh LNG Holdings Ltd. is a holding company and the parent of the group.

The legal structure of the group is shown below:

Subsidiaries, joint ventures and associates at 31 March 2021:

| Company | Country | Principal activity | Proportion of ordinary shares held by parent | Proportion of ordinary shares held by the group | Proportion of ordinary shares held by the NCI |
|--|------------------|----------------------|--|---|---|
| Höegh LNG Ltd. | Bermuda | Holding | 100 | | |
| Höegh LNG AS | Norway | Management | | 100 | |
| - Höegh LNG AS: Shanghai Representative Office | | | | | |
| Höegh LNG Fleet Management AS | Norway | Ship management | | 100 | |
| - Höegh LNG Fleet Management AS: UK branch | | | | | |
| Höegh LNG Services AS | Norway | Management | | 100 | |
| - Höegh LNG Services AS: Höegh LNG Services ROHQ Regional office in Manila | | | | | |
| Leif Hoegh (U.K.) Limited | England | Ship management | | 100 | |
| Hoegh LNG Asia Pte. Ltd. | Singapore | Business development | | 100 | |
| Hoegh LNG Shipping Services Pte. Ltd. | Singapore | Ship management | | 100 | |
| Hoegh LNG Maritime Management Pte. Ltd. | Singapore | Ship management | | 100 | |
| Port Dolphin Energy LLC | USA | Dormant | | 100 | |
| Port Dolphin Holding Company, LLC | USA | Dormant | | 100 | |
| Höegh LNG Giant Ltd. | Cayman Islands | Shipowning | | 100 | |
| Hoegh LNG India Private Ltd. | India | Ship operating | | 100 | |
| Hoegh LNG Klaipeda Pte. Ltd. | Singapore | Shipowning | | 100 | |
| Hoegh LNG Gannet Pte. Ltd. | Singapore | Shipowning | | 100 | |
| Höegh LNG Galleon Ltd. | Bermuda | Shipowning | | 100 | |
| Hoegh LNG Klaipeda, UAB | Lithuania | Ship operation | | 100 | |
| Höegh LNG Egypt LCC | Egypt | Ship operation | | 100 | |
| Höegh LNG Egypt Holding I Ltd. | Cayman Islands | Holding | | 100 | |
| Höegh LNG Egypt Holding II Ltd. | Cayman Islands | Holding | | 100 | |
| Höegh LNG GP LLC | Marshall Islands | General partner | 100 | | |
| Höegh LNG Chile Holding Ltd. | Cayman Islands | Holding | | 100 | |
| Höegh LNG FSRU VI Ltd. | Cayman Islands | Shipowning | | 100 | |
| Hoegh LNG Chartering LLC | Marshall Islands | Ship operation | | 100 | |
| Höegh LNG Partners LP ¹ | Marshall Islands | Holding | 45.73 | | 54.27 |
| Joint ventures and associates | | | | | |
| Joint Gas Ltd. | Cayman Islands | Shipowning | 33.98 | | |
| Joint Gas Two Ltd. | Cayman Islands | Shipowning | 50 | | |
| Avenir LNG Limited | Bermuda | Shipowning | 23.665 | | |

¹ HMLP is a partnership incorporated in the Marshall Islands and listed at the New York Stock Exchange in the US. The partnership agreement limits the voting power of an individual common unit holder to a maximum of 4.9% for election to the Board. Subordinated unit holders have no right to appoint or elect Board members. Common unit holders have the right to elect four members of the Board while the General Partner, an entity controlled by the company, has the right to appoint the remaining three members of the Board.

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Companies in HMLP at 31 March 2021

| Company | Country | Principal activity | Proportion of ordinary shares held by parent |
|--|------------------|---------------------------|---|
| Höegh LNG Partners LP | Marshall Islands | Parent company/holding | |
| Subsidiaries | | | |
| Höegh LNG Partners Operating LLC | Marshall Islands | Holding | 100 |
| Höegh LNG Services Ltd. | England | Liquidation in progress | 100 |
| Hoegh LNG Lampung Pte. Ltd. | Singapore | Holding | 100 |
| PT Hoegh LNG Lampung ² | Indonesia | Shipow ning | 49 |
| Hoegh LNG Cyprus Limited | Cyprus | Shipow ning | 100 |
| Hoegh LNG Cyprus Limited - Egypt branch (liquidation in progress) | | | 100 |
| Höegh LNG Colombia Holding Ltd. | Cayman Islands | Holding | 100 |
| Höegh LNG Colombia S.A.S. | Colombia | Ship operation | 100 |
| Höegh LNG FSRU IV Ltd. | Cayman Islands | Shipow ning | 100 |
| Joint ventures | | | |
| SRV Joint Gas Ltd. | Cayman Islands | Shipow ning | 50 |
| SRV Joint Gas Two Ltd. | Cayman Islands | Shipow ning | 50 |

². Höegh LNG consolidates PT Höegh LNG Lampung as it controls all the economic interest in the company

7.2 Dependence upon other entities

Höegh LNG AS, an indirect wholly owned subsidiary of the Issuer, is authorised to carry out the day-to-day management of the Issuer's assets under a management agreement comprising administrative, commercial and technical activities.

8. Trend information

8.1 Negative statements

There has been no material adverse change in the prospects of the Issuer since the date of its last published audited financial statements or any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the Registration Document.

8.2 Information on any known trends

Höegh LNG's main commercial focus is to conclude firm long-term FSRU employment for the four units currently trading on interim LNGC contracts. Even though Covid-19 has created uncertainty in energy markets, the LNG market is continuing to perform well, and business development activity was high in the second quarter. It is not possible to forecast the short- and long-term impacts of Covid-19 on Höegh LNG's business accurately, other than to say that, at the date of the Registration Document, its effect on employees, operations and revenues has been limited.

HMLP's main focus is to address the pending refinancing of its PGN FSRU Lampung debt facility and the dispute with the charterer of PGN FSRU Lampung. No assurance can be given at this time as to the outcome of the dispute or of the discussions with lenders.

The EBITDA for the third quarter of 2021 will be positively affected by Arctic Princess being fully operational after it completed its 15th anniversary class renewal in the second quarter and with Höegh Giant operating a full quarter under its new contract with H-Energy.

The Covid-19 virus

Höegh LNG is experiencing limited operational impacts from Covid-19 and no contractual effects. Ensuring the health and safety of its personnel continues to be the group's highest priority. Höegh LNG is truly grateful for the extraordinary effort displayed by its seafarers during these challenging times.

The Covid-19 situation is dynamic and could change quickly – in particular with regard to maritime personnel and vessel operational logistics, including repairs and maintenance. Although Höegh LNG's operations are not directly affected by the Covid-19 pandemic at present, the group has been taking and will continue to take necessary measures to mitigate risks to employees and its operations. The group is continuously monitoring the Covid-19 situation and undertaking scenario analysis and other evaluations to address any changes related to the health, safety and wellbeing of personnel, or to the LNG and FSRU markets, government restrictions, and other aspects potentially affecting operations and the business.

The main effect of the Covid-19 situation continues to be delays to scheduled crew changes, and Höegh LNG is working continuously to ensure the welfare of its maritime personnel by making these delays as short and as few in number as possible. While the group has been able to conduct full or partial crew changes on all the vessels in the fleet, the situation remains challenging for the maritime industry as a whole owing to travel restrictions and quarantine regulations. Nevertheless, all FSRUs and LNGCs are fully operational and crewed in accordance with relevant safety and regulatory requirements, all charter parties remain unchanged and in force, and revenues are being collected in accordance with contractual terms.

9. Administrative, management and supervisory bodies

9.1 Information about persons

9.1.1 Board of Directors

The board of directors of the company is responsible for the overall management of the group and may exercise all of the powers of the company, which are not required pursuant to the Bermuda Companies Act or by the Bye-laws to be exercised by the company in a general meeting.

The table below lists the members of the board of directors of the company as of the date of this Registration Document:

| Name | Position | Business address |
|----------------------------|-----------------|---|
| Morten W. Høegh | Chairman | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| Johan Pfeiffer | Deputy chairman | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| Leif O. Høegh | Director | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| Alberto Donzelli | Director | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| Martine Vice Holter | Director | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| John Kwaak | Director | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |
| M. Tonesan Amissah | Director | Høegh LNG Holdings Ltd., Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda |

Morten W. Høegh, Chairman

Morten W. Høegh has served as chairman of Høegh LNG since 2006. Morten W. Høegh has served as a director of Høegh LNG Partners LP since 2014 until June 2021. He also serves as chairman of Leif Høegh (U.K.) Limited. Since 2003 he has been a director of Høegh Autoliners Holdings AS (and its predecessors Leif Høegh & Co. ASA, Leif Høegh & Co. Ltd. and Høegh Autoliners Ltd.). Morten W. Høegh is a director of Høegh Eiendom Holdings AS. He is a director and Chairman of Gard P&I (Bermuda) Ltd. and chairman of its risk and election and governance committees and a director and chairman of certain of its subsidiaries. He also serves as the Chairman of the West Europe committee of DNV. From 1998 to 2000, Morten W. Høegh worked as an investment banker with Morgan Stanley. He holds an MBA from Harvard Business School with High Distinction (Baker Scholar) and an MSc in Ocean Systems Management and a BSc in Ocean Engineering from the Massachusetts Institute of Technology.

Johan Pfeiffer, Deputy Chairman

Johan Pfeiffer has served as a director of Høegh LNG since May 2021. Johan Pfeiffer is a Managing Director and Operating Partner with Morgan Stanley Infrastructure Partners (MSIP). He serves on the board of several companies in the MSIP portfolio. Prior to Morgan Stanley, Johan Pfeiffer was the President for Europe, Latin America and Africa for Johnson Controls and previously Tyco. Prior to Johnson Controls, Johan Pfeiffer was a Vice President for FMC Technologies in Houston and General Manager and Managing Director in Kongsberg, Norway. Johan Pfeiffer was previously the Vice Chairman of the US Petroleum Equipment and Services Association. He holds an MBA from the Wharton School, an MA in International Studies from the University of Pennsylvania, and an MSC in Material Sciences Engineering from the Swiss Federal Institute of Technologies (EPFL).

Leif O. Høegh, Director

Leif O. Høegh has served as director of Høegh LNG since 2006. He is also the chairman of Høegh Autoliners Holdings AS and Høegh Eiendom Holdings AS. Leif O. Høegh worked for McKinsey & Company and the Royal Bank of Canada Group. He holds an MA in Economics from the University of Cambridge and an MBA from Harvard Business School.

Martine Vice Holter, Director

Martine Vice Holter has served as a director of Høegh LNG since May 2021. Martine Vice Holter has been the Chief Executive Officer of Høegh Capital Partners (HCP) for over a decade. HCP is a family investment office co-located in London and Oslo which manages all of the investment interests of the Høegh family. Martine oversees a multi-asset class investment portfolio which includes direct investments (both private and public) and financial assets (managed through in-house portfolio managers as well as allocations to third party fund managers). The group embraces an active ownership approach; Martine is shareholder representative and/or non-executive director on several direct investment boards in the portfolio. Sector focus includes: shipping and transportation;

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real estate; East Africa agriculture; and media. Corporate actions include: IPOs, M&A, fund-raising, refinancing, restructurings. Born in Canada, Martine has lived and worked in the US, Asia and Europe and has experience working in Africa. Prior to HCP, she was Chief Operating Officer of Arts Alliance Advisors, a venture capital fund focused on early stage media and technology investments (from 2000- 2005). Previously, she worked as a management consultant at McKinsey & Company based in London where she focused on strategy, finance and organisation-building. She began her career in investment banking (corporate finance and M&A) with Goldman Sachs in New York followed by Hong Kong. Martine received her MBA from INSEAD (1994) and graduated with a Bachelor of Arts (Honours) joint in Economics and Political Science from Queen's University, Canada.

Alberto Donzelli, Director

Alberto Donzelli has served as a director of Høegh LNG since May 2021. Alberto Donzelli is a Managing Director and co-head of Europe for Morgan Stanley Infrastructure Partners (MSIP). Alberto worked in the investment banking businesses of UBS and Credit Suisse, where he was part of the European Utilities Group advising on numerous M&A transactions in Europe. Alberto holds a degree in Business Administration from Bocconi University.

John Kwaak, Director

John Kwaak has served as a director of Høegh LNG since May 2021. John is an Executive Director of Morgan Stanley Infrastructure Partners (MSIP) covering the energy and transportation sectors. Before joining MSIP, he was a Senior Vice President at Fortress Investment Group in their private equity division. Prior to that, he was an associate in the Transportation & Infrastructure Group at Evercore. He also served as First Lieutenant in the Republic of Korea Air Force. John holds an MBA from the Wharton School of the University of Pennsylvania and an AB in Government from Harvard College.

M. Tonesan Amisshah, Director

M. Tonesan Amisshah has served as director since June 2021. M. Tonesan Amisshah is the Managing Director of Appleby Global Services Bermuda ("AGS"), where she oversees all aspects of client service and is a former partner of Appleby (Bermuda) Limited ("Appleby"), where she practiced within the corporate department as a member of the corporate finance and funds & investment services teams, having joined Appleby in 1989. She also serves as a director of Høegh LNG Partners LP and a number of other companies, the majority of which are clients of AGS. Tonesan Amisshah holds a law degree from the London School of Economics and Political Science and qualified as a Barrister at Holborn Law Tutors in 1988. She is a member of the Bermuda Bar Association, the Institute of Directors and has been an accredited speaker for the Regulatory and Compliance Association since 2015.

9.1.2 Management

The company has no employees and has entered into a management agreement with the group's wholly owned subsidiary Høegh LNG AS. According to this agreement, day-to-day management is performed by Høegh LNG AS.

The senior management group of Høegh LNG AS, currently consists of:

| Name | Position | Business address |
|------------------------------|---|--|
| Sveinung J. S. Støhle | President and Chief executive officer (CEO) | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |
| Håvard Furu | Chief financial officer | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |
| Richard Tyrrell | Chief development officer | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |
| Vegard Hellekleiv | Chief operations officer | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |
| Tom Solberg | Chief of staff | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |
| Camilla Nyhus-Møller | Chief legal and compliance officer | Høegh LNG AS, Drammensveien 134, 0277 Oslo, Norway |

Sveinung J. S. Støhle, President and chief executive officer

Sveinung J. S. Støhle (born 1958) serves as the President and Chief Executive Officer of Høegh LNG through his employment with Høegh LNG AS since 2005. He has served as Chief Executive Officer for Høegh LNG Partners LP since August 2020. He is also a member of the board of directors for Avenir LNG Limited. Mr. Støhle has more than 25 years of experience from the LNG industry with both shipping and oil and gas companies. Prior to his employment with Høegh LNG, Mr. Støhle held positions as President of Total LNG USA, Inc., Executive Vice President and Chief Operating Officer of Golar LNG Limited, General Manager Commercial of Nigeria LNG Limited

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and various positions with Elf Aquitaine. Mr. Støhle has a Master of Business Administration from the University of San Francisco and a Bachelor of Science in Finance from California State University.

Håvard Furu, Chief financial officer

Håvard Furu (born 1974) has served as Chief Financial Officer for Høegh LNG through his employment with Høegh LNG AS since March 2019. He has served as Chief Financial Officer for Høegh LNG Partners LP since August 2020. From 2017 until February 2019, Mr. Furu served as the chief financial officer of the law firm Wikborg Rein. From 2009 to 2017, he was the chief financial officer of Western Bulk, a drybulk carrier operator. From 2005 to 2009, Mr. Furu was employed by BW Gas in various positions within the finance area, including Assistant Director Strategy and Finance. From 1997 until 2005 he held various positions within auditing with PriceWaterhouse Coopers. Mr. Furu holds a BSc Economics and Business Administration as well as being a Chartered Accountant from the Norwegian School of Business Administration (NHH) in Bergen, Norway.

Richard Tyrrell, Chief development officer

Richard (born 1973) has served as Chief Development Officer for Høegh LNG since September 2018. Prior to that he served as the Chief Executive Officer and Chief Financial Officer of Høegh LNG Partners since 2014. Prior to joining Leif Høegh UK, Mr. Tyrrell served as a Managing Director in the energy team of Perella Weinberg Partners, a global, independent advisory and asset management firm, from June 2009 until January 2014. From 2008 to February 2009, Mr. Tyrrell was an investment professional with Morgan Stanley Infrastructure, an infrastructure investment and management platform with \$4 billion under management, where he evaluated principal investment opportunities. From 2003 to 2008, Mr. Tyrrell worked for various departments of Morgan Stanley's Investment Banking Division, including its Global Energy and Utilities Group and its United Kingdom Mergers and Acquisitions Group. From 1994 to 2000, Mr. Tyrrell served as a technical manager and field engineer for Schlumberger Limited in Australia and Southeast Asia. Mr. Tyrrell has a Master of Business Administration from Harvard Business School and an undergraduate degree in Mechanical Engineering from the Imperial College of Science, Technology and Medicine.

Vegard Hellekleiv, Chief operations officer

Vegard Hellekleiv (born 1969) has served as Chief Operations Officer since 2017 and prior to that he was Chief Technical Officer since 2013. He has been employed with Høegh LNG AS and its predecessors since 1998. He worked 3 years in DNV after graduating, and has gained 20 years of experience working with business development, site supervision, ship management and execution of capital projects. He holds a Master of Science in marine technology from NTNU in Trondheim.

Tom Solberg, Chief of staff

Tom Solberg (born 1971) serves as Chief of Staff of the group through his employment with Høegh LNG AS since 2015. He holds a Bachelor of Science in Sociology, International Politics & Labour Law from the University of Oslo and a Master of Science in Human Resources Management from the University of Salford, UK. Mr Solberg has extensive experience from HR, Management and Communication.

Camilla Nyhus-Møller, Chief legal and compliance officer

Camilla Nyhus-Møller (born 1976) has served as the Chief Legal & Compliance Officer through her employment with Høegh LNG AS since 2018 and has been Head of Legal & Compliance in Høegh LNG since 2010, latest as SVP Legal & Compliance. Before that she was legal counsel for Høegh LNG and Høegh Autoliners, an associate in the Norwegian law firm BÅHR and a foreign lawyer trainee with the US law firm Holland & Knight. She is also a chairperson of the Euronext Growth (previously Merkur Market) Appeals Committee. She 20 years' experience in the shipping and offshore sector. Camilla Nyhus-Møller has her law degree (cand.jur.) from the University of Oslo, Norway.

Please also see the Høegh LNG website at www.hoeghling.com, Investor Relations, Corporate Governance, for further information about the management of the company.

9.2 Administrative, management and supervisory bodies – conflicts of interest

The board does not include executive personnel and all directors are independent of Høegh LNG's executive personnel and material business connections. Only M. Tonesan Amisshah is deemed independent of the company's shareholder.

There are no potential conflicts of interest exist between any duties to the issuing entity of the persons referred to in section 9.1 ("Information about persons") and their private interests and/or other duties.

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10. Major shareholders

10.1 Ownership

As of 6 August 2021, the share capital of Höegh LNG Holdings Ltd. amounted to USD 12 000 divided into 1 200 000 shares, each with a nominal value of USD 0.01.

Larus Holding Limited ("JVCo"), a 50/50 joint venture between Leif Höegh & Co. Ltd. ("LHC") and Funds managed by Morgan Stanley Infrastructure Partners ("MSIP"), on 4 May 2021 announced (ref. <https://newsweb.oslobors.no/message/532145>) the completion of the acquisition by way of amalgamation (the "Amalgamation") of all of the issued and outstanding shares of Höegh LNG Holdings Ltd. ("Höegh LNG" or the "Company") not owned by LHC or its affiliates, as referred to in previous announcements by the Company on 8 March 2021 (ref. <https://newsweb.oslobors.no/message/526994>) and 19 April 2021 (ref. <https://newsweb.oslobors.no/message/530572>).

Disclaimer:

The information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

The Amalgamation was duly registered in the Bermuda Registrar of Companies at 4 May 2021, having been effected by way of an amalgamation between Larus Limited, a wholly owned subsidiary of JVCo, and the Company.

Larus Holding Limited owns 100 % of the shares in Höegh LNG Holdings Ltd.

10.2 Change in control of the Issuer

There are no arrangements in the operation, known to the Issuer, of which may at a subsequent date result in a change in control of the Issuer.

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11. Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses

11.1 Historical financial information

The consolidated financial statements and separate financial statements for the company have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and adopted by the European Union (the EU).

The accounting principles of Höegh LNG (and also apply for the company) are described in the Annual Report 2019 note 2, pages 61-74 and the Annual Report 2020, note 2, pages 69-82.

According to the Regulation (EU) 2017/1129 of the European Parliament and of the Council, information in a prospectus may be incorporated by reference.

Because of the complexity in the historical financial information and financial statements this information is incorporated by reference.

Reference is made to [Q2 Report 2021](#), the [Q1 Report 2021](#), the [Annual Report 2020](#) and the [Annual Report 2019](#)

Please see the Cross Reference list in section 14 (page 35) for complete internet addresses.

| | Q2 Report 2021 | Q1 Report 2021 | Annual Report 2020 | Annual Report 2019 |
|--|----------------|----------------|--------------------|--------------------|
| | Page(s) | Page(s) | Page(s) | Page(s) |
| | Unaudited | Unaudited | Audited | Audited |
| Höegh LNG Holdings Ltd. | | | | |
| Consolidated | | | | |
| Consolidated statement of income and of comprehensive income | 6 | 6 | 64 | 56 |
| Consolidated statement of financial position | 7 | 7 | 65 | 57 |
| Consolidated statements of cash flow | 8 | 8 | 68 | 60 |
| Notes to the consolidated financial statements | 10-17 | 10-15 | 69-133 | 61-123 |
| Höegh LNG Holdings Ltd. | | | | |
| Statements of income and of comprehensive income | | | 138 | 126 |
| Statement of financial position | | | 139 | 127 |
| Statements of cash flow | | | 142 | 130 |
| Notes to the financial statements | | | 143-154 | 131-139 |

11.2 Auditing of annual financial information

11.2.1 Statement of audited financial information

The financial statements were audited by Ernst & Young AS in accordance with the International Standards on Auditing.

The auditor's report is included in the [Annual Report 2020](#), pages 156-159 and in the [Annual Report 2019](#), pages 140-143.

11.2.2 Other audited financial information

There is no other information in the Registration Document which has been audited by the auditors.

11.2.3 Other financial information

The 2019 and 2020 annual financial information in the Registration Document is extracted from the Issuer's 2019 and 2020 audited financial statements.

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11.3 Legal and arbitration proceedings

By notice of arbitration 2 August 2021, the charterer of PGN FSRU Lampung referred a dispute regarding certain issues in relation to the operations of the vessel and its charter to arbitration and asked for relief by having the charter declared null and void, and/or to termination of the charter, and/or seeking damages. Based on an initial legal review, the Partnership believes the charterer's position is without merit. No assurance can be given at this time as to the outcome of the dispute with the charterer of PGN FSRU Lampung. In the meantime, the PGN FSRU Lampung has continued to operate pursuant to the terms of the charter.

In 2002, two UK finance lease agreements were entered into for Arctic Princess and Arctic Lady respectively between two UK lessors and the Joint Gas Ltd and Joint Gas Two Ltd joint venture companies as lessees (the Arctic Leases). The vessels were delivered in 2006 and the lease agreements are for 25 years from delivery. Her Majesty's Revenue and Customs (HMRC) has been challenging the use of similar lease structures and has been engaged in litigation in one case, which was decided in the autumn of 2015 in favour of HMRC. In the event of a formal challenge by HMRC regarding the lessors' right to claim capital allowances under the Arctic Leases, this would lead to higher rental payments to the UK vessel lessors, which would have a negative effect on the earnings of the lessee companies and consequently on Höegh LNG. Leif Höegh (U.K.) Limited, as managing owner and operator of the vessels, has been in dialogue with HMRC on this matter since 2005 and has presented the factual background to and the business rationale for entering into the lease agreements back in 2002. The latest exchange until recently was a letter to HMRC in 2017, providing factual information from Joint Gas Ltd and Joint Gas Two Ltd. In March 2020, Joint Gas Two Ltd (Arctic Lady) received a copy of a letter from HMRC sent to the lessor, with HMRC's comments on the facts provided to HMRC in 2017. In this letter, HMRC summarises the facts presented in the matter and invites the parties involved to further dialogue on the matter. The recent letter from HMRC has not materially changed Joint Gas Two Ltd.'s assessment, and no provision has been made. See Note 19, commitments and guarantees (Arctic Vessels), in the 2020 annual report for a more detailed description. In July 2020, a written reply was made to HMRC's letter of March 2020. In May 2021, another letter was received from HMRC asking for further documentation to be provided. In July 2021, a written reply was made to HMRC's letter of May 2021.

Otherwise, there has been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the Issuer and/or Group's financial position or profitability.

11.4 Significant change in the group's financial or trading position

Please refer to section 1.4 and "refinancing risk" for information related to certain pending issues around the refinancing of one of the FSRUs.

The interim consolidated financial statements for the period ending 30 June 2021 have been prepared under the going concern assumption. As further explained in Note 7 in the Q2 2021 report, HMLP's ongoing refinancing of the Lampung credit facility that had been scheduled to close by the end of the second quarter of 2021 is not yet completed due to the failure by the charterer to countersign certain customary documents related to the new credit facility. Should HMLP be unable to secure an extension to the maturity date of the Lampung facility, or to refinance this facility, or to obtain refinancing for the Neptune and Cape Ann facilities on a timely basis or at all, HMLP and the group may not have sufficient funds or other assets to satisfy all of its obligations, which would have a material adverse effect on the business, results of operations and financial condition and HMLP's ability to make distributions to its unitholders. Höegh LNG Holdings Ltd. is the guarantor of the FSRU Lampung credit facility. The agreements governing certain of the group's indebtedness contain cross default provisions. An event of default or declaration of acceleration of borrowings outstanding under the Lampung facility would also result in an event of default under other credit facilities, which would permit the lenders to, among other things, accelerate the repayment of borrowings outstanding. If some or all of the group's indebtedness is accelerated and becomes immediately due and payable, the group may not have sufficient funds available to repay such obligations or the ability to renegotiate or refinance such obligations, and the group's liquidity and financial position would be materially adversely affected. Furthermore, if we suspend payment of our debts, are unable to pay our debts or are otherwise insolvent or enter into bankruptcy or liquidation, our charterparties may terminate their charters. While we believe it is probable that we will be able to obtain and complete the refinancing processes, at the date of this prospectus, we cannot be certain that refinancing arrangements will be executed in time or at all.

Otherwise, there has been no significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published.

Registration Document

12. Material contracts

Neither the company nor any member of the group has entered into any material contracts outside the ordinary course of business which could result in any member of the group being under an obligation or entitlement that is material to the company's ability to meet its obligations under the Bonds.

Registration Document

13. Documents on display

Copies of the following documents will be available for inspection at the Höegh LNG AS' offices at Drammensveien 134, NO-0277 Oslo, Norway, during normal business hours from Monday to Friday each week (except public holidays) for a period of 12 months from the date of this Registration Document, and at the group's website:

<http://www.hoeghlng.com>

- (a) the up to date memorandum and articles of association of the issuer;
- (b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document.

14. Cross reference list

| Reference in the Registration Document | Refers to | Details |
|---|--|---|
| 10.1 Financial information | Q2 Report 2021, available at: https://s22.q4cdn.com/480630535/files/doc_financials/2021/q2/2021-Q2-Report.pdf | Consolidated statement of income and of comprehensive income, page 6 Consolidated statement of financial position, page 7 Consolidated statement of cash flow, page 8 Notes, pages 10-17 |
| | Q1 Report 2021, available at: https://s22.q4cdn.com/480630535/files/doc_financials/2021/q1/2021-Q1-Report.pdf | Consolidated statement of income and of comprehensive income, page 6 Consolidated statement of financial position, page 7 Consolidated statement of cash flow, page 8 Notes, pages 10-15 |
| | Annual Report 2020, available at: https://s22.q4cdn.com/480630535/files/doc_financials/2020/ar/H%C3%B6egh-LNG-Holdings-Ltd.-2020-annual-report.pdf | Consolidated statement of income and of comprehensive income, page 64 Consolidated statement of financial position, page 65 Consolidated statement of cash flow, page 68 Notes, pages 69-133 Statement of income and of comprehensive income, page 138 Statement of financial position, page 139 Statement of cash flow, page 142 Notes, pages 143-154 |
| | Annual Report 2019, available at: https://s22.q4cdn.com/480630535/files/doc_financials/2019/ar/Höegh-LNG-Holdings-Ltd.-2019-annual-report.pdf | Consolidated statement of income and of comprehensive income, page 56 Consolidated statement of financial position, page 57 Consolidated statement of cash flow, page 60 Notes, pages 61-123 Statement of income and of comprehensive income, page 126 Statement of financial position, page 127 Statement of cash flow, page 130 Notes, pages 131-139 |
| 10.2.1 Statement of audited financial information | Annual Report 2020 Höegh LNG Holdings Ltd., available at: https://s22.q4cdn.com/480630535/files/doc_financials/2020/ar/H%C3%B6egh-LNG-Holdings-Ltd.-2020-annual-report.pdf | Auditor's report, pages 156- 159 |
| | Annual Report 2019 Höegh LNG Holdings Ltd., available at: https://s22.q4cdn.com/480630535/files/doc_financials/2019/ar/Höegh-LNG-Holdings-Ltd.-2019-annual-report.pdf | Auditor's report, pages 140-143 |

References to the above-mentioned documents are limited to information given in "Details", e.g. the non-incorporated parts are either not relevant for the investor or covered elsewhere in the Prospectus.

Registration Document

15. Disclaimers

15.1 Managers disclaimer

DNB Markets, a part of DNB Bank ASA, the Manager, has assisted the Company in preparing the Registration Document. The Manager has not verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and the Managers expressly disclaim any legal or financial liability as to the accuracy or completeness of the information contained in this Registration Document or any other information supplied in connection with the issuance or distribution of bonds by Höegh LNG Holdings Ltd.

This Registration Document is subject to the general business terms of the Manager, available at its website. Confidentiality rules and internal rules restricting the exchange of information between different parts of the Manager may prevent employees of the Manager who are preparing this Registration Document from utilizing or being aware of information available to the Manager and/or any of their affiliated companies and which may be relevant to the recipient's decisions.

Each person receiving this Registration Document acknowledges that such person has not relied on the Manager, nor on any person affiliated with it in connection with its investigation of the accuracy of such information or its investment decision.

Oslo, 1 September 2021

DNB Markets, a part of DNB Bank ASA
(www.dnb.no)

16. Appendix

16.1 Bye-laws of Höegh LNG Holdings Ltd.

Bye-laws of

Höegh LNG Holdings Ltd.

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INTERPRETATION

1. DEFINITIONS

1.1. In these Bye-laws, the following words and expressions shall, where not inconsistent with the context, have the following meanings, respectively:

| | |
|---|--|
| “Act” | the Companies Act 1981; |
| “Alternate Director” | an alternate director appointed in accordance with these Bye-laws; |
| “Auditor” | includes an individual, company or partnership; |
| “Board” | the board of directors (including, for the avoidance of doubt, a sole director) appointed or elected pursuant to these Bye-laws and acting by resolution in accordance with the Act and these Bye-laws or the directors present at a meeting of directors at which there is a quorum; |
| “Company” | the company for which these Bye-laws are approved and confirmed; |
| “Director” | a director of the Company and shall include an Alternate Director; |
| “Member” | the person registered in the Register of Members as the holder of shares in the Company and, when two or more persons are so registered as joint holders of shares, means the person whose name stands first in the Register of Members as one of such joint holders or all of such persons, as the context so requires; |
| “notice” | written notice as further provided in these Bye-laws unless otherwise specifically stated; |
| “Officer” | any person appointed by the Board to hold an office in the Company; |
| “Register of Directors and Officers” | the register of directors and officers referred to in these Bye-laws; |
| “Register of Members” | the register of members referred to in these Bye-laws; |
| “Resident Representative” | any person appointed to act as resident |

representative and includes any deputy or assistant resident representative;

“Secretary”

the person appointed to perform any or all of the duties of secretary of the Company and includes any deputy or assistant secretary and any person appointed by the Board to perform any of the duties of the Secretary; and

“Treasury Share”

a share of the Company that was or is treated as having been acquired and held by the Company and has been held continuously by the Company since it was so acquired and has not been cancelled.

1.2. In these Bye-laws, where not inconsistent with the context:

- (a) words denoting the plural number include the singular number and *vice versa*;
- (b) words denoting the masculine gender include the feminine and neuter genders;
- (c) words importing persons include companies, associations or bodies of persons whether corporate or not;
- (d) the words:-
 - (i) "may" shall be construed as permissive; and
 - (ii) "shall" shall be construed as imperative;
- (e) a reference to a statutory provision shall be deemed to include any amendment or re-enactment thereof;
- (f) the word "corporation" means a corporation whether or not a company within the meaning of the Act; and
- (g) unless otherwise provided herein, words or expressions defined in the Act shall bear the same meaning in these Bye-laws.

1.3. In these Bye-laws expressions referring to writing or its cognates shall, unless the contrary intention appears, include facsimile, printing, lithography, photography, electronic mail and other modes of representing words in visible form.

1.4. Headings used in these Bye-laws are for convenience only and are not to be used or relied upon in the construction hereof.

SHARES

2. POWER TO ISSUE SHARES

- 2.1. Subject to these Bye-laws and to any resolution of the Members to the contrary, and without prejudice to any special rights previously conferred on the holders of any existing shares or class of shares, the Board shall have the power to issue any unissued shares on such terms and conditions as it may determine and any shares or class of shares may be issued with such preferred, deferred or other special rights or such restrictions, whether in regard to dividend, voting, return of capital, or otherwise as the Company may by resolution of the Members prescribe.
- 2.2. Subject to the Act, any preference shares may be issued or converted into shares that (at a determinable date or at the option of the Company or the holder) are liable to be redeemed on such terms and in such manner as may be determined by the Board (before the issue or conversion).

3. POWER OF THE COMPANY TO PURCHASE ITS SHARES

- 3.1. The Company may purchase its own shares for cancellation or acquire them as Treasury Shares in accordance with the Act on such terms as the Board shall think fit.
- 3.2. The Board may exercise all the powers of the Company to purchase or acquire all or any part of its own shares in accordance with the Act.

4. RIGHTS ATTACHING TO SHARES

- 4.1. Subject to any resolution of the Members to the contrary (and without prejudice to any special rights conferred thereby on the holders of any other shares or class of shares), the share capital shall be divided into shares of a single class the holders of which shall, subject to these Bye-laws:
 - (a) be entitled to one vote per share;
 - (b) be entitled to such dividends as the Board may from time to time declare;
 - (c) in the event of a winding-up or dissolution of the Company, whether voluntary or involuntary or for the purpose of a reorganisation or otherwise or upon any distribution of capital, be entitled to the surplus assets of the Company; and
 - (d) generally be entitled to enjoy all of the rights attaching to shares.
- 4.2. All the rights attaching to a Treasury Share shall be suspended and shall not be exercised by the Company while it holds such Treasury Share and, except where required by the Act, all Treasury Shares shall be excluded from the calculation of any percentage or fraction of the share capital, or shares, of the Company.

5. CALLS ON SHARES

- 5.1. The Board may make such calls as it thinks fit upon the Members in respect of any moneys (whether in respect of nominal value or premium) unpaid on the shares allotted to or held by such Members and, if a call is not paid on or before the day appointed for payment thereof, the Member may at the discretion of the Board be liable to pay the Company interest on the amount of such call at such rate as the Board may determine, from the date when such call was payable up to the actual date of payment. The Board may differentiate between the holders as to the amount of calls to be paid and the times of payment of such calls.
- 5.2. The joint holders of a share shall be jointly and severally liable to pay all calls and any interest, costs and expenses in respect thereof.
- 5.3. The Company may accept from any Member the whole or a part of the amount remaining unpaid on any shares held by him, although no part of that amount has been called up.

6. FORFEITURE OF SHARES

- 6.1. If any Member fails to pay, on the day appointed for payment thereof, any call in respect of any share allotted to or held by such Member, the Board may, at any time thereafter during such time as the call remains unpaid, direct the Secretary to forward such Member a notice in writing in the form, or as near thereto as circumstances admit, of the following:

Notice of Liability to Forfeiture for Non-Payment of Call

[Name of Company] (the "Company")

You have failed to pay the call of [amount of call] made on [date], in respect of the [number] share(s) [number in figures] standing in your name in the Register of Members of the Company, on [date], the day appointed for payment of such call. You are hereby notified that unless you pay such call together with interest thereon at the rate of [] per annum computed from the said [date] at the registered office of the Company the share(s) will be liable to be forfeited.

Dated this [date]

[Signature of Secretary] By Order of the Board

- 6.2. If the requirements of such notice are not complied with, any such share may at any time thereafter before the payment of such call and the interest due in respect thereof be forfeited by a resolution of the Board to that effect, and such share shall thereupon become the property of the Company and may be disposed of as the Board shall determine. Without limiting the

generality of the foregoing, the disposal may take place by sale, repurchase, redemption or any other method of disposal permitted by and consistent with these Bye-laws and the Act.

- 6.3. A Member whose share or shares have been so forfeited shall, notwithstanding such forfeiture, be liable to pay to the Company all calls owing on such share or shares at the time of the forfeiture, together with all interest due thereon and any costs and expenses incurred by the Company in connection therewith.
- 6.4. The Board may accept the surrender of any shares which it is in a position to forfeit on such terms and conditions as may be agreed. Subject to those terms and conditions, a surrendered share shall be treated as if it had been forfeited.

7. SHARE CERTIFICATES

- 7.1. Every Member shall be entitled to a certificate under the common seal (or a facsimile thereof) of the Company or bearing the signature (or a facsimile thereof) of a Director or the Secretary or a person expressly authorised to sign specifying the number and, where appropriate, the class of shares held by such Member and whether the same are fully paid up and, if not, specifying the amount paid on such shares. The Board may by resolution determine, either generally or in a particular case, that any or all signatures on certificates may be printed thereon or affixed by mechanical means.
- 7.2. The Company shall be under no obligation to complete and deliver a share certificate unless specifically called upon to do so by the person to whom the shares have been allotted.
- 7.3. If any share certificate shall be proved to the satisfaction of the Board to have been worn out, lost, mislaid, or destroyed the Board may cause a new certificate to be issued and request an indemnity for the lost certificate if it sees fit.

8. FRACTIONAL SHARES

The Company may issue its shares in fractional denominations and deal with such fractions to the same extent as its whole shares and shares in fractional denominations shall have in proportion to the respective fractions represented thereby all of the rights of whole shares including (but without limiting the generality of the foregoing) the right to vote, to receive dividends and distributions and to participate in a winding-up.

REGISTRATION OF SHARES

9. REGISTER OF MEMBERS

- 9.1. The Board shall cause to be kept in one or more books a Register of Members and shall enter therein the particulars required by the Act.
- 9.2. The Register of Members shall be open to inspection without charge at the registered office of the Company on every business day, subject to such reasonable restrictions as the Board may impose, so that not less than two hours in each business day be allowed for inspection. The

Register of Members may, after notice has been given in accordance with the Act, be closed for any time or times not exceeding in the whole thirty days in each year.

10. REGISTERED HOLDER ABSOLUTE OWNER

The Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not be bound to recognise any equitable claim or other claim to, or interest in, such share on the part of any other person.

11. TRANSFER OF REGISTERED SHARES

11.1. An instrument of transfer shall be in writing in the form of the following, or as near thereto as circumstances admit, or in such other form as the Board may accept:

Transfer of a Share or Shares

[Name of Company] (the "Company")

FOR VALUE RECEIVED..... [amount] , I, [name of transferor] hereby sell, assign and transfer unto [transferee] of [address] , [number] shares of the Company.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Signed by:

In the presence of:

Transferee

Witness

11.2. Such instrument of transfer shall be signed by (or in the case of a party that is a corporation, on behalf of) the transferor and transferee, provided that, in the case of a fully paid share, the Board may accept the instrument signed by or on behalf of the transferor alone. The transferor shall be deemed to remain the holder of such share until the same has been registered as having been transferred to the transferee in the Register of Members.

11.3. The Board may refuse to recognise any instrument of transfer unless it is accompanied by the certificate in respect of the shares to which it relates and by such other evidence as the Board may reasonably require showing the right of the transferor to make the transfer.

11.4. The joint holders of any share may transfer such share to one or more of such joint holders, and the surviving holder or holders of any share previously held by them jointly with a deceased

Member may transfer any such share to the executors or administrators of such deceased Member.

- 11.5. The Board may in its absolute discretion and without assigning any reason therefor refuse to register the transfer of a share. The Board shall refuse to register a transfer unless all applicable consents, authorisations and permissions of any governmental body or agency in Bermuda have been obtained. If the Board refuses to register a transfer of any share the Secretary shall, within three months after the date on which the transfer was lodged with the Company, send to the transferor and transferee notice of the refusal.
- 11.6. Notwithstanding anything to the contrary in these Bye-laws, shares that are listed or admitted to trading on an appointed stock exchange may be transferred in accordance with the rules and regulations of such exchange.

12. TRANSMISSION OF REGISTERED SHARES

- 12.1. In the case of the death of a Member, the survivor or survivors where the deceased Member was a joint holder, and the legal personal representatives of the deceased Member where the deceased Member was a sole holder, shall be the only persons recognised by the Company as having any title to the deceased Member's interest in the shares. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by such deceased Member with other persons. Subject to the Act, for the purpose of this Bye-law, legal personal representative means the executor or administrator of a deceased Member or such other person as the Board may, in its absolute discretion, decide as being properly authorised to deal with the shares of a deceased Member.
- 12.2. Any person becoming entitled to a share in consequence of the death or bankruptcy of any Member may be registered as a Member upon such evidence as the Board may deem sufficient or may elect to nominate some person to be registered as a transferee of such share, and in such case the person becoming entitled shall execute in favour of such nominee an instrument of transfer in writing in the form, or as near thereto as circumstances admit, of the following:

Transfer by a Person Becoming Entitled on Death/Bankruptcy of a Member

[Name of Company] (the "Company")

I/We, having become entitled in consequence of the [death/bankruptcy] of [name and address of deceased/bankrupt Member] to [number] share(s) standing in the Register of Members of the Company in the name of the said [name of deceased/bankrupt Member] instead of being registered myself/ourselves, elect to have [name of transferee] (the "Transferee") registered as a transferee of such share(s) and I/we do hereby accordingly transfer the said share(s) to the Transferee to hold the same unto the Transferee, his or her executors, administrators and assigns, subject to the conditions on which the same were held at the time of the

execution hereof; and the Transferee does hereby agree to take the said share(s) subject to the same conditions.

DATED this [date]

Signed by:

In the presence of:

Transferor

Witness

Signed by:

In the presence of:

Transferee

Witness

- 12.3. On the presentation of the foregoing materials to the Board, accompanied by such evidence as the Board may require to prove the title of the transferor, the transferee shall be registered as a Member. Notwithstanding the foregoing, the Board shall, in any case, have the same right to decline or suspend registration as it would have had in the case of a transfer of the share by that Member before such Member's death or bankruptcy, as the case may be.
- 12.4. Where two or more persons are registered as joint holders of a share or shares, then in the event of the death of any joint holder or holders the remaining joint holder or holders shall be absolutely entitled to such share or shares and the Company shall recognise no claim in respect of the estate of any joint holder except in the case of the last survivor of such joint holders.

ALTERATION OF SHARE CAPITAL

13. POWER TO ALTER CAPITAL

- 13.1. The Company may if authorised by resolution of the Members increase, divide, consolidate, subdivide, change the currency denomination of, diminish or otherwise alter or reduce its share capital in any manner permitted by the Act.
- 13.2. Where, on any alteration or reduction of share capital, fractions of shares or some other difficulty would arise, the Board may deal with or resolve the same in such manner as it thinks fit.

14. VARIATION OF RIGHTS ATTACHING TO SHARES

If, at any time, the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound-up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a resolution passed by a majority of the votes cast at a separate general meeting of the holders of the shares of the class at which meeting the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class. The rights

conferred upon the holders of the shares of any class or series issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class or series, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

DIVIDENDS AND CAPITALISATION

15. DIVIDENDS

- 15.1. The Board may, subject to these Bye-laws and in accordance with the Act, declare a dividend to be paid to the Members, in proportion to the number of shares held by them, and such dividend may be paid in cash or wholly or partly in specie in which case the Board may fix the value for distribution in specie of any assets. No unpaid dividend shall bear interest as against the Company.
- 15.2. The Board may fix any date as the record date for determining the Members entitled to receive any dividend.
- 15.3. The Company may pay dividends in proportion to the amount paid up on each share where a larger amount is paid up on some shares than on others.
- 15.4. The Board may declare and make such other distributions (in cash or in specie) to the Members as may be lawfully made out of the assets of the Company. No unpaid distribution shall bear interest as against the Company.

16. POWER TO SET ASIDE PROFITS

The Board may, before declaring a dividend, set aside out of the surplus or profits of the Company, such amount as it thinks proper as a reserve to be used to meet contingencies or for equalising dividends or for any other purpose.

17. METHOD OF PAYMENT

- 17.1. Any dividend, interest, or other moneys payable in cash in respect of the shares may be paid by cheque or bank draft sent through the post directed to the Member at such Member's address in the Register of Members, or to such person and to such address as the Member may direct in writing, or by transfer to such account as the Member may direct in writing.
- 17.2. In the case of joint holders of shares, any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or bank draft sent through the post directed to the address of the holder first named in the Register of Members, or to such person and to such address as the joint holders may direct in writing, or by transfer to such account as the joint holders may direct in writing. If two or more persons are registered as joint holders of any shares any one can give an effectual receipt for any dividend paid in respect of such shares.
- 17.3. The Board may deduct from the dividends or distributions payable to any Member all moneys due from such Member to the Company on account of calls or otherwise.

18. CAPITALISATION

- 18.1. The Board may capitalise any amount for the time being standing to the credit of any of the Company's share premium or other reserve accounts or to the credit of the profit and loss account or otherwise available for distribution by applying such amount in paying up unissued shares to be allotted as fully paid bonus shares pro rata to the Members.
- 18.2. The Board may capitalise any amount for the time being standing to the credit of a reserve account or amounts otherwise available for dividend or distribution by applying such amounts in paying up in full, partly or nil paid shares of those Members who would have been entitled to such amounts if they were distributed by way of dividend or distribution.

MEETINGS OF MEMBERS

19. ANNUAL GENERAL MEETINGS

Subject to an election made by the Company in accordance with the Act to dispense with the holding of annual general meetings, an annual general meeting shall be held in each year (other than the year of incorporation) at such time and place as the president or the chairman of the Company (if any) or any two Directors or any Director and the Secretary or the Board shall appoint.

20. SPECIAL GENERAL MEETINGS

The president or the chairman of the Company (if any) or any two Directors or any Director and the Secretary or the Board may convene a special general meeting whenever in their judgment such a meeting is necessary.

21. REQUISITIONED GENERAL MEETINGS

The Board shall, on the requisition of Members holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up share capital of the Company as at the date of the deposit carries the right to vote at general meetings, forthwith proceed to convene a special general meeting and the provisions of the Act shall apply.

22. NOTICE

- 22.1. At least five days' notice of an annual general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, place and time at which the meeting is to be held, that the election of Directors will take place thereat, and as far as practicable, the other business to be conducted at the meeting.
- 22.2. At least five days' notice of a special general meeting shall be given to each Member entitled to attend and vote thereat, stating the date, time, place and the general nature of the business to be considered at the meeting.
- 22.3. The Board may fix any date as the record date for determining the Members entitled to receive notice of and to vote at any general meeting.

- 22.4. A general meeting shall, notwithstanding that it is called on shorter notice than that specified in these Bye-laws, be deemed to have been properly called if it is so agreed by (i) all the Members entitled to attend and vote thereat in the case of an annual general meeting; and (ii) by a majority in number of the Members having the right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving a right to attend and vote thereat in the case of a special general meeting.
- 22.5. The accidental omission to give notice of a general meeting to, or the non-receipt of a notice of a general meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

23. GIVING NOTICE AND ACCESS

- 23.1. A notice may be given by the Company to a Member:
- (a) by delivering it to such Member in person, in which case the notice shall be deemed to have been served upon such delivery; or
 - (b) by sending it by post to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served seven days after the date on which it is deposited, with postage prepaid, in the mail; or
 - (c) by sending it by courier to such Member's address in the Register of Members, in which case the notice shall be deemed to have been served two days after the date on which it is deposited, with courier fees paid, with the courier service; or
 - (d) by transmitting it by electronic means (including facsimile and electronic mail, but not telephone) in accordance with such directions as may be given by such Member to the Company for such purpose, in which case the notice shall be deemed to have been served at the time that it would in the ordinary course be transmitted; or
 - (e) by delivering it in accordance with the provisions of the Act pertaining to delivery of electronic records by publication on a website, in which case the notice shall be deemed to have been served at the time when the requirements of the Act in that regard have been met.
- 23.2. Any notice required to be given to a Member shall, with respect to any shares held jointly by two or more persons, be given to whichever of such persons is named first in the Register of Members and notice so given shall be sufficient notice to all the holders of such shares.
- 23.3. In proving service under paragraphs 23.1(b), (c) and (d), it shall be sufficient to prove that the notice was properly addressed and prepaid, if posted or sent by courier, and the time when it was posted, deposited with the courier, or transmitted by electronic means.

24. POSTPONEMENT OF GENERAL MEETING

The Secretary may postpone any general meeting called in accordance with these Bye-laws (other than a meeting requisitioned under these Bye-laws) provided that notice of postponement

is given to the Members before the time for such meeting. Fresh notice of the date, time and place for the postponed meeting shall be given to each Member in accordance with these Bye-laws.

25. ELECTRONIC PARTICIPATION IN MEETINGS

Members may participate in any general meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

26. QUORUM AT GENERAL MEETINGS

- 26.1. At any general meeting two or more persons present in person and representing in person or by proxy in excess of 50% of the total issued voting shares in the Company throughout the meeting shall form a quorum for the transaction of business, provided that if the Company shall at any time have only one Member, one Member present in person or by proxy shall form a quorum for the transaction of business at any general meeting held during such time.
- 26.2. If within half an hour from the time appointed for the meeting a quorum is not present, then, in the case of a meeting convened on a requisition, the meeting shall be deemed cancelled and, in any other case, the meeting shall stand adjourned to the same day one week later, at the same time and place or to such other day, time or place as the Secretary may determine. Unless the meeting is adjourned to a specific date, time and place announced at the meeting being adjourned, fresh notice of the resumption of the meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

27. CHAIRMAN TO PRESIDE AT GENERAL MEETINGS

Unless otherwise agreed by a majority of those attending and entitled to vote thereat, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all general meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by those present at the meeting and entitled to vote.

28. VOTING ON RESOLUTIONS

- 28.1. Subject to the Act and these Bye-laws, any question proposed for the consideration of the Members at any general meeting shall be decided by the affirmative votes of a majority of the votes cast in accordance with these Bye-laws and in the case of an equality of votes the resolution shall fail.
- 28.2. No Member shall be entitled to vote at a general meeting unless such Member has paid all the calls on all shares held by such Member.
- 28.3. At any general meeting a resolution put to the vote of the meeting shall, in the first instance, be voted upon by a show of hands and, subject to any rights or restrictions for the time being lawfully attached to any class of shares and subject to these Bye-laws, every Member present in

person and every person holding a valid proxy at such meeting shall be entitled to one vote and shall cast such vote by raising his hand.

- 28.4. In the event that a Member participates in a general meeting by telephone, electronic or other communication facilities or means, the chairman of the meeting shall direct the manner in which such Member may cast his vote on a show of hands.
- 28.5. At any general meeting if an amendment is proposed to any resolution under consideration and the chairman of the meeting rules on whether or not the proposed amendment is out of order, the proceedings on the substantive resolution shall not be invalidated by any error in such ruling.
- 28.6. At any general meeting a declaration by the chairman of the meeting that a question proposed for consideration has, on a show of hands, been carried, or carried unanimously, or by a particular majority, or lost, and an entry to that effect in a book containing the minutes of the proceedings of the Company shall, subject to these Bye-laws, be conclusive evidence of that fact.

29. POWER TO DEMAND A VOTE ON A POLL

- 29.1. Notwithstanding the foregoing, a poll may be demanded by any of the following persons:
- (a) the chairman of such meeting; or
 - (b) at least three Members present in person or represented by proxy; or
 - (c) any Member or Members present in person or represented by proxy and holding between them not less than one-tenth of the total voting rights of all the Members having the right to vote at such meeting; or
 - (d) any Member or Members present in person or represented by proxy holding shares in the Company conferring the right to vote at such meeting, being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total amount paid up on all such shares conferring such right.
- 29.2. Where a poll is demanded, subject to any rights or restrictions for the time being lawfully attached to any class of shares, every person present at such meeting shall have one vote for each share of which such person is the holder or for which such person holds a proxy and such vote shall be counted by ballot as described herein, or in the case of a general meeting at which one or more Members are present by telephone, electronic or other communication facilities or means, in such manner as the chairman of the meeting may direct and the result of such poll shall be deemed to be the resolution of the meeting at which the poll was demanded and shall replace any previous resolution upon the same matter which has been the subject of a show of hands. A person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

- 29.3. A poll demanded for the purpose of electing a chairman of the meeting or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken at such time and in such manner during such meeting as the chairman (or acting chairman) of the meeting may direct. Any business other than that upon which a poll has been demanded may be conducted pending the taking of the poll.
- 29.4. Where a vote is taken by poll, each person physically present and entitled to vote shall be furnished with a ballot paper on which such person shall record his vote in such manner as shall be determined at the meeting having regard to the nature of the question on which the vote is taken, and each ballot paper shall be signed or initialled or otherwise marked so as to identify the voter and the registered holder in the case of a proxy. Each person present by telephone, electronic or other communication facilities or means shall cast his vote in such manner as the chairman of the meeting shall direct. At the conclusion of the poll, the ballot papers and votes cast in accordance with such directions shall be examined and counted by a committee of not less than two Members or proxy holders appointed by the chairman of the meeting for the purpose and the result of the poll shall be declared by the chairman of the meeting.

30. VOTING BY JOINT HOLDERS OF SHARES

In the case of joint holders, the vote of the senior who tenders a vote (whether in person or by proxy) shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.

31. INSTRUMENT OF PROXY

- 31.1. An instrument appointing a proxy shall be in writing in substantially the following form or such other form as the chairman of the meeting shall accept:

Proxy

[Name of Company] (the "Company")

I/We, [insert names here] , being a Member of the Company with [number] shares, HEREBY APPOINT [name] of [address] or failing him, [name] of [address] to be my/our proxy to vote for me/us at the meeting of the Members to be held on [date] and at any adjournment thereof. [Any restrictions on voting to be inserted here.]

Signed this [date]

Member(s)

- 31.2. The instrument appointing a proxy must be received by the Company at the registered office or at such other place or in such manner as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting at which the person

named in the instrument appointing a proxy proposes to vote, and an instrument appointing a proxy which is not received in the manner so prescribed shall be invalid.

31.3. A Member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf in respect of different shares.

31.4. The decision of the chairman of any general meeting as to the validity of any appointment of a proxy shall be final.

32. REPRESENTATION OF CORPORATE MEMBER

32.1. A corporation which is a Member may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Member, and that Member shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

32.2. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at general meetings on behalf of a corporation which is a Member.

33. ADJOURNMENT OF GENERAL MEETING

The chairman of a general meeting may, with the consent of the Members at any general meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting. Unless the meeting is adjourned to a specific date, place and time announced at the meeting being adjourned, fresh notice of the date, place and time for the resumption of the adjourned meeting shall be given to each Member entitled to attend and vote thereat in accordance with these Bye-laws.

34. WRITTEN RESOLUTIONS

34.1. Subject to these Bye-laws, anything which may be done by resolution of the Company in general meeting or by resolution of a meeting of any class of the Members may be done without a meeting by written resolution in accordance with this Bye-law.

34.2. Notice of a written resolution shall be given, and a copy of the resolution shall be circulated to all Members who would be entitled to attend a meeting and vote thereon. The accidental omission to give notice to, or the non-receipt of a notice by, any Member does not invalidate the passing of a resolution.

34.3. A written resolution is passed when it is signed by (or in the case of a Member that is a corporation, on behalf of) the Members who at the date that the notice is given represent such majority of votes as would be required if the resolution was voted on at a meeting of Members at which all Members entitled to attend and vote thereat were present and voting.

34.4. A resolution in writing may be signed in any number of counterparts.

- 34.5. A resolution in writing made in accordance with this Bye-law is as valid as if it had been passed by the Company in general meeting or by a meeting of the relevant class of Members, as the case may be, and any reference in any Bye-law to a meeting at which a resolution is passed or to Members voting in favour of a resolution shall be construed accordingly.
- 34.6. A resolution in writing made in accordance with this Bye-law shall constitute minutes for the purposes of the Act.
- 34.7. This Bye-law shall not apply to:
- (a) a resolution passed to remove an Auditor from office before the expiration of his term of office; or
 - (b) a resolution passed for the purpose of removing a Director before the expiration of his term of office.
- 34.8. For the purposes of this Bye-law, the effective date of the resolution is the date when the resolution is signed by (or in the case of a Member that is a corporation, on behalf of) the last Member whose signature results in the necessary voting majority being achieved and any reference in any Bye-law to the date of passing of a resolution is, in relation to a resolution made in accordance with this Bye-law, a reference to such date.

35. DIRECTORS ATTENDANCE AT GENERAL MEETINGS

The Directors shall be entitled to receive notice of, attend and be heard at any general meeting.

DIRECTORS AND OFFICERS

36. ELECTION OF DIRECTORS

- 36.1. The Board shall be elected or appointed in the first place at the statutory meeting of the Company and thereafter, except in the case of a casual vacancy, at the annual general meeting or at any special general meeting called for that purpose.
- 36.2. At any general meeting the Members may authorise the Board to fill any vacancy in their number left unfilled at a general meeting.

37. NUMBER OF DIRECTORS

The Board shall consist of not less than one Director or such number in excess thereof as the Members may determine.

38. TERM OF OFFICE OF DIRECTORS

Directors shall hold office for such term as the Members may determine or, in the absence of such determination, until the next annual general meeting or until their successors are elected or appointed or their office is otherwise vacated.

39. ALTERNATE DIRECTORS

- 39.1. At any general meeting, the Members may elect a person or persons to act as a Director in the alternative to any one or more Directors or may authorise the Board to appoint such Alternate Directors.
- 39.2. Unless the Members otherwise resolve, any Director may appoint a person or persons to act as a Director in the alternative to himself by notice deposited with the Secretary.
- 39.3. Any person elected or appointed pursuant to this Bye-law shall have all the rights and powers of the Director or Directors for whom such person is elected or appointed in the alternative, provided that such person shall not be counted more than once in determining whether or not a quorum is present.
- 39.4. An Alternate Director shall be entitled to receive notice of all Board meetings and to attend and vote at any such meeting at which a Director for whom such Alternate Director was appointed in the alternative is not personally present and generally to perform at such meeting all the functions of such Director for whom such Alternate Director was appointed.
- 39.5. An Alternate Director's office shall terminate -
- (a) in the case of an alternate elected by the Members:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to the Director for whom he was elected to act, would result in the termination of that Director; or
 - (ii) if the Director for whom he was elected in the alternative ceases for any reason to be a Director, provided that the alternate removed in these circumstances may be re-appointed by the Board as an alternate to the person appointed to fill the vacancy; and
 - (b) in the case of an alternate appointed by a Director:
 - (i) on the occurrence in relation to the Alternate Director of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's directorship; or
 - (ii) when the Alternate Director's appointor revokes the appointment by notice to the Company in writing specifying when the appointment is to terminate; or
 - (iii) if the Alternate Director's appointor ceases for any reason to be a Director.

40. REMOVAL OF DIRECTORS

- 40.1. Subject to any provision to the contrary in these Bye-laws, the Members entitled to vote for the election of Directors may, at any special general meeting convened and held in accordance with these Bye-laws, remove a Director provided that the notice of any such meeting convened for

the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than 14 days before the meeting and at such meeting the Director shall be entitled to be heard on the motion for such Director's removal.

40.2. If a Director is removed from the Board under this Bye-law the Members may fill the vacancy at the meeting at which such Director is removed. In the absence of such election or appointment, the Board may fill the vacancy.

41. VACANCY IN THE OFFICE OF DIRECTOR

41.1. The office of Director shall be vacated if the Director:

- (a) is removed from office pursuant to these Bye-laws or is prohibited from being a Director by law;
- (b) is or becomes bankrupt, or makes any arrangement or composition with his creditors generally;
- (c) is or becomes of unsound mind or dies; or
- (d) resigns his office by notice to the Company.

41.2. The Board shall have the power to appoint any person as a Director to fill a vacancy on the Board occurring as a result of the death, disability, disqualification or resignation of any Director and to appoint an Alternate Director to any Director so appointed.

42. REMUNERATION OF DIRECTORS

The remuneration (if any) of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travel, hotel and other expenses properly incurred by them (or in the case of a director that is a corporation, by its representative or representatives) in attending and returning from Board meetings, meetings of any committee appointed by the Board or general meetings, or in connection with the business of the Company or their duties as Directors generally.

43. DEFECT IN APPOINTMENT

All acts done in good faith by the Board, any Director, a member of a committee appointed by the Board, any person to whom the Board may have delegated any of its powers, or any person acting as a Director shall, notwithstanding that it be afterwards discovered that there was some defect in the appointment of any Director or person acting as aforesaid, or that he was, or any of them were, disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Director or act in the relevant capacity.

44. DIRECTORS TO MANAGE BUSINESS

The business of the Company shall be managed and conducted by the Board. In managing the business of the Company, the Board may exercise all such powers of the Company as are not, by the Act or by these Bye-laws, required to be exercised by the Company in general meeting.

45. POWERS OF THE BOARD OF DIRECTORS

The Board may:

- (a) appoint, suspend, or remove any manager, secretary, clerk, agent or employee of the Company and may fix their remuneration and determine their duties;
- (b) exercise all the powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and uncalled capital, or any part thereof, and may issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or any third party;
- (c) appoint one or more Directors to the office of managing director or chief executive officer of the Company, who shall, subject to the control of the Board, supervise and administer all of the general business and affairs of the Company;
- (d) appoint a person to act as manager of the Company's day-to-day business and may entrust to and confer upon such manager such powers and duties as it deems appropriate for the transaction or conduct of such business;
- (e) by power of attorney, appoint any company, firm, person or body of persons, whether nominated directly or indirectly by the Board, to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board) and for such period and subject to such conditions as it may think fit and any such power of attorney may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit and may also authorise any such attorney to sub-delegate all or any of the powers, authorities and discretions so vested in the attorney;
- (f) procure that the Company pays all expenses incurred in promoting and incorporating the Company;
- (g) delegate any of its powers (including the power to sub-delegate) to a committee of one or more persons appointed by the Board which may consist partly or entirely of non-Directors, provided that every such committee shall conform to such directions as the Board shall impose on them and provided further that the meetings and proceedings of any such committee shall be governed by the provisions of these Bye-laws regulating the meetings and proceedings of the Board, so far as the same are applicable and are not superseded by directions imposed by the Board;

- (h) delegate any of its powers (including the power to sub-delegate) to any person on such terms and in such manner as the Board may see fit;
- (i) present any petition and make any application in connection with the liquidation or reorganisation of the Company;
- (j) in connection with the issue of any share, pay such commission and brokerage as may be permitted by law; and
- (k) authorise any company, firm, person or body of persons to act on behalf of the Company for any specific purpose and in connection therewith to execute any deed, agreement, document or instrument on behalf of the Company.

46. REGISTER OF DIRECTORS AND OFFICERS

The Board shall cause to be kept in one or more books at the registered office of the Company a Register of Directors and Officers and shall enter therein the particulars required by the Act.

47. APPOINTMENT OF OFFICERS

The Board may appoint such Officers (who may or may not be Directors) as the Board may determine for such terms as the Board deems fit.

48. APPOINTMENT OF SECRETARY

The Secretary shall be appointed by the Board from time to time for such term as the Board deems fit.

49. DUTIES OF OFFICERS

The Officers shall have such powers and perform such duties in the management, business and affairs of the Company as may be delegated to them by the Board from time to time.

50. REMUNERATION OF OFFICERS

The Officers shall receive such remuneration as the Board may determine.

51. CONFLICTS OF INTEREST

51.1. Any Director, or any Director's firm, partner or any company with whom any Director is associated, may act in any capacity for, be employed by or render services to the Company on such terms, including with respect to remuneration, as may be agreed between the parties. Nothing herein contained shall authorise a Director or a Director's firm, partner or company to act as Auditor to the Company.

51.2. A Director who is directly or indirectly interested in a contract or proposed contract with the Company (an "Interested Director") shall declare the nature of such interest as required by the Act.

51.3. An Interested Director who has complied with the requirements of the foregoing Bye-law may:

- (a) vote in respect of such contract or proposed contract; and/or
- (b) be counted in the quorum for the meeting at which the contract or proposed contract is to be voted on,

and no such contract or proposed contract shall be void or voidable by reason only that the Interested Director voted on it or was counted in the quorum of the relevant meeting and the Interested Director shall not be liable to account to the Company for any profit realised thereby.

52. INDEMNIFICATION AND EXCULPATION OF DIRECTORS AND OFFICERS

52.1. The Directors, Resident Representative, Secretary and other Officers (such term to include any person appointed to any committee by the Board) acting in relation to any of the affairs of the Company or any subsidiary thereof and the liquidator or trustees (if any) acting in relation to any of the affairs of the Company or any subsidiary thereof and every one of them (whether for the time being or formerly), and their heirs, executors and administrators (each of which an "indemnified party"), shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, or in their respective offices or trusts, and no indemnified party shall be answerable for the acts, receipts, neglects or defaults of the others of them or for joining in any receipts for the sake of conformity, or for any bankers or other persons with whom any moneys or effects belonging to the Company shall or may be lodged or deposited for safe custody, or for insufficiency or deficiency of any security upon which any moneys of or belonging to the Company shall be placed out on or invested, or for any other loss, misfortune or damage which may happen in the execution of their respective offices or trusts, or in relation thereto, PROVIDED THAT this indemnity shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to any of the indemnified parties. Each Member agrees to waive any claim or right of action such Member might have, whether individually or by or in the right of the Company, against any Director or Officer on account of any action taken by such Director or Officer, or the failure of such Director or Officer to take any action in the performance of his duties with or for the Company or any subsidiary thereof, PROVIDED THAT such waiver shall not extend to any matter in respect of any fraud or dishonesty in relation to the Company which may attach to such Director or Officer.

52.2. The Company may purchase and maintain insurance for the benefit of any Director or Officer against any liability incurred by him under the Act in his capacity as a Director or Officer or indemnifying such Director or Officer in respect of any loss arising or liability attaching to him by virtue of any rule of law in respect of any negligence, default, breach of duty or breach of trust of which the Director or Officer may be guilty in relation to the Company or any subsidiary thereof.

52.3. The Company may advance moneys to a Director or Officer for the costs, charges and expenses incurred by the Director or Officer in defending any civil or criminal proceedings

against him, on condition that the Director or Officer shall repay the advance if any allegation of fraud or dishonesty in relation to the Company is proved against him.

MEETINGS OF THE BOARD OF DIRECTORS

53. BOARD MEETINGS

The Board may meet for the transaction of business, adjourn and otherwise regulate its meetings as it sees fit. A resolution put to the vote at a Board meeting shall be carried by the affirmative votes of a majority of the votes cast and in the case of an equality of votes the resolution shall fail.

54. NOTICE OF BOARD MEETINGS

A Director may, and the Secretary on the requisition of a Director shall, at any time summon a Board meeting. Notice of a Board meeting shall be deemed to be duly given to a Director if it is given to such Director verbally (including in person or by telephone) or otherwise communicated or sent to such Director by post, electronic means or other mode of representing words in a visible form at such Director's last known address or in accordance with any other instructions given by such Director to the Company for this purpose.

55. ELECTRONIC PARTICIPATION IN MEETINGS

Directors may participate in any meeting by such telephonic, electronic or other communication facilities or means as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence in person at such meeting.

56. REPRESENTATION OF CORPORATE DIRECTOR

56.1. A Director which is a corporation may, by written instrument, authorise such person or persons as it thinks fit to act as its representative at any meeting and any person so authorised shall be entitled to exercise the same powers on behalf of the corporation which such person represents as that corporation could exercise if it were an individual Director, and that Director shall be deemed to be present in person at any such meeting attended by its authorised representative or representatives.

56.2. Notwithstanding the foregoing, the chairman of the meeting may accept such assurances as he thinks fit as to the right of any person to attend and vote at Board meetings on behalf of a corporation which is a Director.

57. QUORUM AT BOARD MEETINGS

The quorum necessary for the transaction of business at a Board meeting shall be two Directors, provided that if there is only one Director for the time being in office the quorum shall be one.

58. BOARD TO CONTINUE IN THE EVENT OF VACANCY

The Board may act notwithstanding any vacancy in its number but, if and so long as its number is reduced below the number fixed by these Bye-laws as the quorum necessary for the transaction of business at Board meetings, the continuing Directors or Director may act for the purpose of (i) summoning a general meeting; or (ii) preserving the assets of the Company.

59. CHAIRMAN TO PRESIDE

59.1. Unless otherwise agreed by a majority of the Directors attending, the chairman or the president of the Company, if there be one, shall act as chairman of the meeting at all Board meetings at which such person is present. In their absence a chairman of the meeting shall be appointed or elected by the Directors present at the meeting.

60. WRITTEN RESOLUTIONS

A resolution signed by (or in the case of a Director that is a corporation, on behalf of) all the Directors, which may be in counterparts, shall be as valid as if it had been passed at a Board meeting duly called and constituted, such resolution to be effective on the date on which the resolution is signed by (or in the case of a Director that is a corporation, on behalf of) the last Director. For the purposes of this Bye-law only, "the Directors" shall not include an Alternate Director.

61. VALIDITY OF PRIOR ACTS OF THE BOARD

No regulation or alteration to these Bye-laws made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation or alteration had not been made.

CORPORATE RECORDS

62. MINUTES

The Board shall cause minutes to be duly entered in books provided for the purpose:

- (a) of all elections and appointments of Officers;
- (b) of the names of the Directors present at each Board meeting and of any committee appointed by the Board; and
- (c) of all resolutions and proceedings of general meetings of the Members, Board meetings, meetings of managers and meetings of committees appointed by the Board.

63. PLACE WHERE CORPORATE RECORDS KEPT

Minutes prepared in accordance with the Act and these Bye-laws shall be kept by the Secretary at the registered office of the Company.

64. FORM AND USE OF SEAL

- 64.1. The Company may adopt a seal in such form as the Board may determine. The Board may adopt one or more duplicate seals for use in or outside Bermuda.
- 64.2. A seal may, but need not, be affixed to any deed, instrument or document, and if the seal is to be affixed thereto, it shall be attested by the signature of (i) any Director, or (ii) any Officer, or (iii) the Secretary, or (iv) any person authorised by the Board for that purpose.
- 64.3. A Resident Representative may, but need not, affix the seal of the Company to certify the authenticity of any copies of documents.

ACCOUNTS

65. RECORDS OF ACCOUNT

- 65.1. The Board shall cause to be kept proper records of account with respect to all transactions of the Company and in particular with respect to:
- (a) all amounts of money received and expended by the Company and the matters in respect of which the receipt and expenditure relates;
 - (b) all sales and purchases of goods by the Company; and
 - (c) all assets and liabilities of the Company.
- 65.2. Such records of account shall be kept at the registered office of the Company or, subject to the Act, at such other place as the Board thinks fit and shall be available for inspection by the Directors during normal business hours.
- 65.3. Such records of account shall be retained for a minimum period of five years from the date on which they are prepared.

66. FINANCIAL YEAR END

The financial year end of the Company may be determined by resolution of the Board and failing such resolution shall be 31st December in each year.

AUDITS

67. ANNUAL AUDIT

Subject to any rights to waive laying of accounts or appointment of an Auditor pursuant to the Act, the accounts of the Company shall be audited at least once in every year.

68. APPOINTMENT OF AUDITOR

- 68.1. Subject to the Act, the Members shall appoint an auditor to the Company to hold office for such term as the Members deem fit or until a successor is appointed.

68.2. The Auditor may be a Member but no Director, Officer or employee of the Company shall, during his continuance in office, be eligible to act as an Auditor of the Company.

69. REMUNERATION OF AUDITOR

69.1. The remuneration of an Auditor appointed by the Members shall be fixed by the Company in general meeting or in such manner as the Members may determine.

69.2. The remuneration of an Auditor appointed by the Board to fill a casual vacancy in accordance with these Bye-laws shall be fixed by the Board.

70. DUTIES OF AUDITOR

70.1. The financial statements provided for by these Bye-laws shall be audited by the Auditor in accordance with generally accepted auditing standards. The Auditor shall make a written report thereon in accordance with generally accepted auditing standards.

70.2. The generally accepted auditing standards referred to in this Bye-law may be those of a country or jurisdiction other than Bermuda or such other generally accepted auditing standards as may be provided for in the Act. If so, the financial statements and the report of the Auditor shall identify the generally accepted auditing standards used.

71. ACCESS TO RECORDS

The Auditor shall at all reasonable times have access to all books kept by the Company and to all accounts and vouchers relating thereto, and the Auditor may call on the Directors or Officers for any information in their possession relating to the books or affairs of the Company.

72. FINANCIAL STATEMENTS AND THE AUDITOR'S REPORT

72.1. Subject to the following bye-law, the financial statements and/or the auditor's report as required by the Act shall

- (a) be laid before the Members at the annual general meeting; or
- (b) be received, accepted, adopted, approved or otherwise acknowledged by the Members by written resolution passed in accordance with these Bye-laws; or
- (c) in circumstances where the Company has elected to dispense with the holding of an annual general meeting, be made available to the Members in accordance with the Act in such manner as the Board shall determine.

72.2. If all Members and Directors shall agree, either in writing or at a meeting, that in respect of a particular interval no financial statements and/or auditor's report thereon need be made available to the Members, and/or that no auditor shall be appointed then there shall be no obligation on the Company to do so.

73. VACANCY IN THE OFFICE OF AUDITOR

The Board may fill any casual vacancy in the office of the auditor.

VOLUNTARY WINDING-UP AND DISSOLUTION

74. WINDING-UP

If the Company shall be wound up the liquidator may, with the sanction of a resolution of the Members, divide amongst the Members in specie or in kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members. The liquidator may, with the like sanction, vest the whole or any part of such assets in the trustees upon such trusts for the benefit of the Members as the liquidator shall think fit, but so that no Member shall be compelled to accept any shares or other securities or assets whereon there is any liability.

CHANGES TO CONSTITUTION

75. CHANGES TO BYE-LAWS

No Bye-law may be rescinded, altered or amended and no new Bye-law may be made save in accordance with the Act and until the same has been approved by a resolution of the Board and by a resolution of the Members.

76. CHANGES TO THE MEMORANDUM OF ASSOCIATION

No alteration or amendment to the Memorandum of Association may be made save in accordance with the Act and until same has been approved by a resolution of the Board and by a resolution of the Members.

77. DISCONTINUANCE

The Board may exercise all the powers of the Company to discontinue the Company to a jurisdiction outside Bermuda pursuant to the Act.