GOLAR LNG PARTNERS LP

Financial statements as of and for the three and nine months period ended September 30, 2021

Golar LNG Partners LP

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME/(LOSS)

		Three Months Ended September 30,		Nine Months Ended September 30,		
		Successor	Predecessor	Successor	Predecessor	Predecessor
(in thousands of $)	Notes	2021	2020	April 15, 2021 to September 30, 2021	Jan 1, 2021 to April 14, 2021	2020
Time charter revenues		71,104	71,113	128,556	78,389	213,042
Total operating revenues		**71,104**	**71,113**	**128,556**	**78,389**	**213,042**
Vessel operating expenses		(15,346)	(14,015)	(26,365)	(17,910)	(43,218)
Voyage and commission expenses		(2,157)	(1,571)	(4,169)	(2,035)	(6,114)
Administrative expenses		(463)	(3,427)	(1,345)	(12,910)	(11,057)
Depreciation and amortization		(16,637)	(19,983)	(30,201)	(22,627)	(59,992)
Total operating expenses		**(34,603)**	**(38,996)**	**(62,080)**	**(55,482)**	**(120,381)**
Operating income		**36,501**	**32,117**	**66,476**	**22,907**	**92,661**
Other non-operating income		—	167	—	12,289	495
Financial (expense)/income						
Interest income	11	5	4,203	10	4,675	13,308
Interest expense	4	(12,642)	(17,805)	(4,344)	(19,085)	(52,415)
(Losses)/gain on derivative instruments, net	5	(227)	(1,051)	119	6,675	(52,358)
Other financial items, net	5	885	(29)	2,299	(125)	998
Net financial expenses		**(11,979)**	**(14,682)**	**(1,916)**	**(7,860)**	**(90,467)**
Income before tax, equity in net earnings of affiliate and non-controlling interests		**24,522**	**17,602**	**64,560**	**27,336**	**2,689**
Income taxes	6	(4,460)	(4,437)	(7,823)	(3,535)	(13,185)
Equity in net earnings of affiliate	8	11,808	3,277	22,302	5,377	8,000
Net comprehensive income/(loss)		**31,870**	**16,442**	**79,039**	**29,178**	**(2,496)**
Net income/(loss) attributable to:						
Non-controlling interests		(10,829)	(918)	(4,634)	226	(976)
Golar LNG Partners LP Owners		42,699	17,360	83,673	28,952	(1,520)

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Golar LNG Partners LP
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands of $)	Note	Successor September 30, 2021	Predecessor December 31, 2020
		Unaudited	*Audited*
ASSETS			
Current Assets			
Cash and cash equivalents		44,767	48,783
Restricted cash and short-term deposits		16,531	55,547
Current portion of investment in leased vessel, net	11	41,038	2,570
Amounts due from related parties	13	9,271	804
Inventories		1,711	1,719
Other current assets	9	11,892	37,398
Total Current Assets		**125,210**	**146,821**
Non-current Assets			
Restricted cash		7,879	129,838
Investment in affiliate	8	363,543	185,562
Vessels and equipment, net		1,003,718	1,308,206
Vessel under finance lease, net		—	102,534
Investment in leased vessel, net	11	—	109,216
Intangible assets, net		101,259	41,295
Other non-current assets		5,313	4,189
Total Assets		**1,606,922**	**2,027,661**
LIABILITIES AND EQUITY			
Current Liabilities			
Current portion of long-term debt	10	213,432	702,962
Current portion of obligation under finance lease		—	2,521
Other current liabilities		89,130	126,794
Total Current Liabilities		**302,562**	**832,277**
Non-current Liabilities			
Long-term debt	10	362,411	416,746
Obligation under finance lease		—	122,029
Other non-current liabilities		20,403	31,288
Total Liabilities		**685,376**	**1,402,340**
Equity			
Partners' capital:			
Common unitholders	2	733,328	361,912
Preferred unitholders	2	140,259	132,991
General partner interest		—	48,306
Total Partners' capital		**873,587**	**543,209**
Non-controlling interests		47,959	82,112
Total Equity		**921,546**	**625,321**
Total Liabilities and Equity		**1,606,922**	**2,027,661**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Golar LNG Partners LP
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

		Nine Months Ended September 30,		
		Successor	Predecessor	Predecessor
(in thousands of $)	Notes	April 15, 2021 to September 30, 2021	January 1, 2021 to April 14, 2021	2020
OPERATING ACTIVITIES				
Net income/(loss)		79,039	29,178	(2,496)
Adjustments to reconcile net income/(loss) to net cash provided by operating activities:				
Depreciation and amortization		30,201	22,628	59,992
Equity in net earnings of affiliate		(22,302)	(5,377)	(8,000)
Deferred tax expense	6	683	539	1,585
Amortization of deferred charges and Partnership Guarantee, net		2,132	915	2,465
Drydocking expenditure		—	(1,153)	(1,201)
Foreign exchange (gain)/losses		—	163	(263)
Unit options expense		—	16	33
Dividends received from affiliate		14,259	4,766	7,679
Interest element included in obligation under finance lease, net		—	(46)	19
Gain on settlement of obligation under finance lease		—	(12,099)	—
Sales-type lease payments received in excess of interest income	11	—	649	1,675
Movement in credit allowance on financial assets		—	172	(413)
Change in mark-to-market value of derivatives		(4,848)	(39,226)	41,918
Change in assets and liabilities:				
Trade accounts receivable		(1,866)	10,283	790
Inventories		440	(432)	77
Other current assets and other non-current assets		(1,906)	(3,403)	(10,243)
Amounts due to related parties		(6,029)	4,381	2,589
Trade accounts payable		(358)	1,250	306
Accrued expenses		(1,417)	(4,022)	4,069
Other current and non-current liabilities		2,772	6,844	9,135
Net cash provided by operating activities		**90,800**	**16,026**	**109,716**
INVESTING ACTIVITIES				
Additions to vessels and equipment		(5,852)	(210)	(3,117)
Dividends received from affiliate		—	2,463	7,120
Net cash (used in)/provided by investing activities		**(5,852)**	**2,253**	**4,003**
FINANCING ACTIVITIES				
Repayment of debt (including related parties)		(385,348)	(587,943)	(113,445)
Proceeds from debt		430,000	—	—
Contribution from NFE in conjunction with the Merger		377,451	525,004	40,000
Repayments of obligation under finance lease		—	(119,474)	(1,430)
Advances from related party for Methane Princess lease security deposit		—	217	2,393
Cash distributions paid		(497,988)	(4,951)	(40,506)
Financing costs paid		(6,161)	—	(4,339)
Net cash used in financing activities		**(82,046)**	**(187,147)**	**(117,327)**
Effect of exchange rate on cash, cash equivalents and restricted cash		—	975	(2,877)

Net increase/(decrease) in cash, cash equivalents and restricted cash [1]	2,902	(167,893)	(6,485)
Cash, cash equivalents and restricted cash at beginning of period [1] [2]	66,275	234,168	229,922
Cash, cash equivalents and restricted cash at end of period [1] [2]	**69,177**	**66,275**	**223,437**

[1] Included within restricted cash are security deposits for our finance lease, debt facility and performance guarantees issued to the charterers.

[2] The following table identifies the balance sheet line-items included in 'cash, cash equivalents and restricted cash' presented in the unaudited condensed consolidated statements of cash flows:

	Successor	Predecessor			
	September 30,	April 14,	December 31,	September 30,	December 31,
(in thousands of $)	2021	2021	2020	2020	2019
Cash and cash equivalents	44,767	41,459	48,783	42,263	47,661
Restricted cash and short-term deposits	16,531	10,000	55,547	57,143	46,333
Restricted cash - non-current	7,879	14,816	129,838	124,031	135,928
	69,177	**66,275**	**234,168**	**223,437**	**229,922**

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Golar LNG Partners LP

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL

	Three Months Ended September 30, 2020					
	Partners' capital					
(in thousands of $)	Preferred units	Common Units	General Partner Units and IDRs	Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
Consolidated balance at June 30, 2020	**132,991**	**333,286**	**47,723**	**514,000**	**83,173**	**597,173**
Net income	3,019	14,054	287	17,360	(918)	16,442
Cash distributions	(3,019)	(1,400)	(29)	(4,448)	—	(4,448)
Unit options expense	—	13	—	13	—	13
Consolidated balance at September 30, 2020	**132,991**	**345,953**	**47,981**	**526,925**	**82,255**	**609,180**

	Nine Months Ended September 30, 2020					
	Partners' capital					
(in thousands of $)	Preferred units	Common Units	General Partner Units and IDRs	Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
Balance at January 1, 2020[(1)]	**132,991**	**387,130**	**48,831**	**568,952**	**83,231**	**652,183**
Net income/(loss)	9,090	(10,398)	(212)	(1,520)	(976)	(2,496)
Cash distributions	(9,090)	(30,812)	(638)	(40,540)	—	(40,540)
Unit options expense	—	33	—	33	—	33
Consolidated balance at September 30, 2020	**132,991**	**345,953**	**47,981**	**526,925**	**82,255**	**609,180**

	Three Months Ended September 30, 2021					
	Partners' capital					
(in thousands of $)	Preferred Units	Common Units	General Partner Units and IDRs	Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
Consolidated balance at June 30, 2021	**140,259**	**1,158,598**	**—**	**1,298,857**	**33,111**	**1,331,968**
Net income/(loss)	3,019	39,680	—	42,699	(10,829)	31,870
Fair Value adjustment for Non-controlling interest	—	—	—	—	25,677	25,677
Cash distributions	(3,019)	(464,950)	—	(467,969)	—	(467,969)
Consolidated balance at September 30, 2021	**140,259**	**733,328**	**—**	**873,587**	**47,959**	**921,546**

(in thousands of $)	Nine Months Ended September 30, 2021 Partners' capital Preferred Units	Common Units	General Partner Units and IDRs	Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
Consolidated balance at January 1, 2021	**132,991**	**361,912**	**48,306**	**543,209**	**82,112**	**625,321**
Net income	3,522	24,922	508	28,952	226	29,178
Cash distributions	(3,522)	(1,400)	(29)	(4,951)	—	(4,951)
Units options expense	—	16	—	16	—	16
General Partner capital contribution	—	—	8,570	8,570	—	8,570
Balance at April 14, 2021 Predecessor Company	**132,991**	**385,450**	**57,355**	**575,796**	**82,338**	**658,134**
Cancellation of Common Units, General Partner Interest and IDR's in Predecessor Company	—	(385,450)	(57,355)	(442,805)	—	(442,805)
Capital introduced by Successor company	—	1,147,140	—	1,147,140	—	1,147,140
Fair value adjustment of Preferred units [2]	7,268	—	—	7,268	—	7,268
Fair value adjustment for Non-controlling interest[2]	—	—	—	—	(55,422)	(55,422)
Balance at April 15, 2021, Successor Company	**140,259**	**1,147,140**	**—**	**1,287,399**	**26,916**	**1,314,315**
Net income for the period	5,535	78,138	—	83,673	(4,634)	79,039
Fair Value adjustment for Non-controlling interest	—	—	—	—	25,677	25,677
Cash distributions	(5,535)	(491,950)	—	(497,485)	—	(497,485)
Consolidated balance at September 30, 2021, Successor Company	**140,259**	**733,328**	**—**	**873,587**	**47,959**	**921,546**

[1] Opening Total Equity has been adjusted following the adoption of ASU 2016-13 Financial Instruments - Credit Losses (Topic 326): *Measurement of Credit Losses on Financial Instruments and subsequent amendments* on January 1, 2020.

[2] Under the acquisition method of accounting in accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations,* fair value adjustments related to the Merger are reflected in the books of the Partnership, resulting in preferred units and non-controlling interest being recorded at fair value at April 15, 2021. See Note 2.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

Golar LNG Partners LP
Notes to Unaudited Condensed Consolidated Financial Statements

1. GENERAL

Golar LNG Partners LP (the "Partnership," "we," "our," or "us") was a publicly traded Marshall Islands limited partnership initially formed as a subsidiary of Golar LNG Limited ("Golar") in September 2007, to own and operate LNG carriers and FSRUs under long-term charters. On July 12, 2018, we acquired an interest in the *Hilli Episeyo* (the "*Hilli*"), a floating liquefied natural gas ("FLNG") vessel through the acquisition of 50% of the common units (the "Hilli Common Units") in Golar Hilli LLC ("Hilli LLC") (the "Hilli Acquisition"). As of September 30, 2021, we have a fleet of six FSRUs, four LNG carriers, and an interest in the *Hilli*.

On January 13, 2021, we entered into an agreement and plan of merger (the "Merger Agreement") with New Fortress Energy Inc. ("NFE") and the other parties thereto. Under the Merger Agreement, NFE agreed to acquire all of the outstanding common units of the Partnership for $3.55 per unit in cash, with the Partnership surviving the merger as a wholly-owned subsidiary of NFE (the "Merger"). On April 15, 2021, the Partnership completed the Merger with NFE. In conjunction with the closing of the Merger, NFE repaid certain outstanding debt facilities of GMLP. See Note 10.

At the Merger Date, the Partnership terminated all offerings of common units with the Securities and Exchange Commission ("SEC") and delisted all common units from the Nasdaq Stock Market.

On April 23, 2021, the GMLP board of directors approved delisting the GMLP's 8.75% Series A Cumulative Redeemable Preferred Units (the "Preferred Units"). NASDAQ has informed GMLP that the Preferred Units no longer meet the listing requirements of NASDAQ. Subsequently, on May 12, 2021, the Partnership voluntarily delisted the Series A Preferred Units and withdrew the registration of our Series A Preferred Units with the SEC.

Merger and presentation of financial statements

The Partnership completed the Merger with NFE on April 15, 2021 (the "Merger Date"). The accompanying Condensed Consolidated Financial Statements are presented for two periods: predecessor and successor, which relate to the periods preceding and succeeding the Merger, respectively. The Merger results in a new basis of accounting beginning on April 15, 2021 and the financial reporting periods are presented as follows:

- The successor period of the Partnership, reflecting the Merger, as of and for the period from April 15, 2021 to September 30, 2021 (the "Successor Period").

- The predecessor period of the Partnership for the period to April 14, 2021 (the "Predecessor Period") and January 1, 2020 to September 30, 2020 (the "2020 Predecessor Period").

See Note 2, Accounting Policies, for a description of pushdown accounting applied as a result of the Merger.

2. ACCOUNTING POLICIES

Basis of presentation

The accompanying financial statements present the consolidated financial position, results of operations, and cash flows of the Partnership and its subsidiaries, including less-than-wholly-owned subsidiaries in which the Partnership has a controlling financial interest. All significant intercompany accounts and transactions have been eliminated in consolidation.

The accompanying unaudited condensed consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"). In the opinion of management, all adjustments considered necessary to present fairly the financial position as of September 30, 2021 and the results of operations and cash flows for the interim periods ended September 30, 2021 and 2020 have been included. Certain information and footnote disclosures normally included in financial statements presented in accordance with U.S. GAAP, but which are not required for interim reporting purposes, have been omitted. These unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements for the year ended December 31, 2020, which are included in our Annual Report on Form 20-F.

Pushdown accounting

NFE has applied the acquisition method of accounting with respect to the asset and liabilities of the Partnership, which have been measured at fair value as of the date of the Merger. In connection with the Merger and the related accounting determination, the Partnership has elected to apply pushdown accounting and reflect in the financial statements the fair value of the assets and liabilities. Such fair values have been reflected in the Successor Condensed Consolidated Financial Statements.

The total fair value of consideration transferred for the Merger was $1,147,140, which has been recognized as a capital contribution in the Successor Condensed Consolidated Changes in Partners' Capital. Total consideration was comprised of the acquisition of all of the outstanding common units, representing all voting interests, of the Partnership in exchange for $3.55 in cash per common unit and for each of the outstanding membership interest of the Partnership's general partner. In conjunction with the closing of the Merger, NFE simultaneously extinguished a portion of the Partnership's debt.

The acquisition method of accounting requires, among other things, that identifiable assets acquired and liabilities assumed be recognized on the balance sheet at the fair values as of the acquisition date.

The table below presents the preliminary estimated fair values that were allocated to the Partnership's assets and liabilities based upon fair values as determined by NFE. The valuation process to determine fair values is not yet complete. The preliminary purchase price allocation may be subject to further refinement as the evaluation of the underlying inputs and assumptions of third-party valuation experts and the assessment of acquisition-related income taxes are finalized. The preliminary estimates may be subject to adjustments during the measurement period, not to exceed one year, based upon new information obtained about facts and circumstances that existed as of the acquisition date. To the extent that significant changes occur in the future, the Partnership will disclose such changes in the reporting period in which they occur. Final determination of the fair values may result in further adjustments to the values presented in the following table:

(in thousands of $)	As of April 15, 2021
Assets Acquired	
Cash and cash equivalents	$ 41,461
Restricted cash	24,816
Accounts receivable	3,195
Inventory	2,151
Other current assets	2,789
Equity method investments	355,500
Investment in leased vessel	48,000
Property, plant and equipment, net	1,015,215
Intangible assets, net	120,000
Deferred tax assets, net	963
Other non-current assets	4,400
Total assets acquired:	**$ 1,618,490**
Liabilities Assumed	
Current portion of long-term debt	$ 158,073
Accounts payable	3,019
Accrued liabilities	17,226
Other current liabilities	73,774
Deferred tax liabilities, net	16,008
Other non-current liabilities	10,630
Total liabilities assumed:	278,730
Non-controlling interest	192,851
Net assets to be acquired:	**1,146,909**
Goodwill	**$ 234**

During the three months ended September 30, 2021, the Partnership made certain measurement period adjustments to the assets acquired, liabilities assumed and non-controlling interests of GMLP due to additional information utilized to determine fair value during the measurement period. The measurement period adjustment impacted the fair value of debt assumed, including associated impacts to non-controlling interests. The measurement period adjustment decreased goodwill by $1.4 million and the Partnership recognized an amortization of the discount on debt of $11.1 million, as an addition to interest expense for the period after the Merger.

Use of estimates

The preparation of financial statements in accordance with U.S. GAAP requires that management make estimates and assumptions affecting the reported amounts of assets and liabilities and disclosure of material contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In assessing the recoverability of our vessels' carrying amounts, we make assumptions regarding estimated future cash flows, estimates in respect of residual values, charter rates, ship operating expenses and drydocking requirements.

Intangible assets and goodwill

The value of favorable vessel charter contracts held by the Partnership are recognized as intangible assets, and these intangible assets are amortized over the estimated useful life of the asset under the straight-line method.

We use estimates, assumptions and judgments when assessing the recoverability of goodwill which is included within intangible assets. We test for impairment on an annual basis, or more frequently if a significant event of circumstance indicates the carrying amount may not be recoverable. The assessment of goodwill for impairment may initially be performed based on qualitative factors to determine if it is more likely than not that the fair value of the reporting unit to which the goodwill is assigned is less than the carrying value. If so, a quantitative assessment is performed to determine if an impairment has occurred and to measure the impairment loss.

3. RECENTLY ISSUED ACCOUNTING STANDARDS

Adoption of new accounting standards

In December 2019, the FASB issued ASU *2019-19 Income Taxes (Topic 740)*: Simplifying the Accounting for Income Taxes. The amendments in this ASU remove certain exceptions previously available and provides some additional calculation rules to help simplify the accounting for income taxes. These amendments are effective from January 1, 2021. There was no impact resulting from these amendments on our consolidated financial statements or related disclosures as presented in this interim set of accounts for the three and nine months ended September 30, 2021.

Accounting pronouncements that have been issued but not yet adopted

The following table provides a brief description of recent accounting standards that have been issued but not yet adopted:

Standard	Description	Date of Adoption	Effect on our Consolidated Financial Statements or Other Significant
ASU 2020-04 *Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting and ASU 2021-01 Reference Rate Reform (Topic 848).*	The amendments provide temporary optional expedients and exceptions for applying U.S. GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met. The applicable expedients for us are in relation to modifications of contracts within the scope of Topics 310, Receivables, 470, Debt, and 842, Leases. This optional guidance may be applied prospectively from any date beginning March 12, 2020 and cannot be applied to modifications that occur after	January 1, 2022	Under evaluation
ASU 2020-06 *Debt – Debt with Conversion and Other Options (Topic 470) and Derivatives and Hedging – Contracts in Entity's Own Equity (Topic 815).*	The amendments simplify the issuer's accounting for convertible instruments and its application of the equity classification guidance. The new guidance eliminates some of the existing models for assessing convertible instruments, which results in more instruments being recognized as a single unit of account on the balance sheet and expands disclosure requirements. The new guidance simplifies the assessment of contracts in an entity's own equity and existing EPS guidance	January 1, 2022	Under evaluation

Standard	Description	Date of Adoption	Effect on our Consolidated Financial Statements or Other Significant Matters
ASU 2021-04 *Earnings Per Share (Topic 260), Debt—Modifications and Extinguishments (Subtopic 470-50), Compensation—Stock Compensation (Topic 718), and Derivatives and Hedging —Contracts in Entity's Own Equity (Subtopic 815-40)*.	The amendments clarify issuer's recognition and measurement considerations resulting from exchanges or modifications of freestanding instruments (written call options) classified in equity. Such exchanges or modifications are treated as adjustments to the cost to raise debt, to the cost to raise equity or as share-based payments (ASC 718) when issued to compensate for goods or services. If not treated as costs of debt funding, equity funding or share-based payment, it results in an adjustment to EPS/net income/(loss). Holder's accounting is not affected by these	January 1, 2022	Under evaluation

4. VARIABLE INTEREST ENTITIES (“VIEs”)

Eskimo SPV

As of September 30, 2021, we leased one vessel from a VIE under a finance lease with a wholly-owned subsidiary, Sea 23 Leasing Co. Limited (“Eskimo SPV”) of China Merchants Bank Leasing (“CMBL”). Eskimo SPV is a special purpose vehicle (SPV).

In November 2015, we sold the *Golar Eskimo* to Eskimo SPV and subsequently leased back the vessel under a bareboat charter for a term of 10 years. From the third-year anniversary of the commencement of the bareboat charter, we have an annual option to repurchase the vessel at fixed pre-determined amounts.

The equity attributable to CMBL in Eskimo SPV is included in non-controlling interests in our consolidated results. As of September 30, 2021, the *Golar Eskimo* is reported under “Vessels and equipment, net” in our unaudited condensed consolidated balance sheet.

The following table gives a summary of the sale and leaseback arrangement, including repurchase options and obligation as of September 30, 2021:

Vessel	Effective from	Sales value (in $ millions)	Subsequent repurchase option (in $ millions)	Subsequent repurchase option date
Golar Eskimo	November 2015	285.0	189.1	November 2021

Payment obligation under the bareboat charter with Eskimo SPV as of September 30, 2021 amounted to $3.4 million for the period ending November 25, 2021. The payment obligation includes variable rental payments due under the lease based on an assumed LIBOR plus margin, but excludes the repurchase obligation at the end of the lease term.

The most significant impact of Eskimo SPV’s liabilities on our condensed consolidated balance sheet is as follows:

(in thousands of $)	Successor September 30, 2021	Predecessor December 31, 2020
Liabilities		
Short-term debt	152,004	11,083
Long-term debt	—	153,384

The most significant impact of consolidation of Eskimo SPV’s on our operations and cash flows is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,		
	Successor	Predecessor	Successor	Predecessor	Predecessor
(in $ millions)	2021	2020	April 15, 2021 to September 30, 2021	Jan 1, 2021 to April 14, 2021	2020
Condensed statement of operations:					
Interest expense [(1)]	(12.2)	(2.0)	(3.8)	(1.4)	(4.5)
Condensed statement of cash flows:					
Net cash used in financing activities	5.1	5.3	9.0	6.3	16.9

(1) During the Successor Period, the interest expense includes interest on contractual rates for the three and nine months ended September 30, 2021 amounting to $1.1 million and $2.0 million, respectively, and amortization of fair value adjustments to assumed debt obligations upon acquisition for the three and nine months ended September 30, 2021 amounting to to $11.1 million and $1.8million, net, respectively.

Hilli LLC

On July 12, 2018, we acquired an interest in the *Hilli* through the acquisition of 50% of the Hilli Common Units. Concurrently with the closing of the Hilli Acquisition, we have determined that (i) Hilli LLC is a VIE, (ii) Golar is the primary beneficiary and retains sole control over the most significant activities and the greatest exposure to variability in residual returns and expected losses from the *Hilli* and (iii) we are not the primary beneficiary. Thus, Hilli LLC was not consolidated into our financial statements and has been accounted for as an equity method investment. Refer to note 8 for summarized financial information of Hilli LLC.

As of September 30, 2021, our maximum exposure as a result of our ownership in the Hilli LLC is the carrying value of our investment in affiliate of $363.5 million and the outstanding portion of the Hilli debt facility which we have guaranteed (see note 13).

PT Golar Indonesia

We consolidated PT Golar Indonesia ("PTGI"), which owns the *NR Satu*, in our consolidated financial statements effective September 28, 2011. PTGI became a VIE and we became its primary beneficiary upon our agreement to acquire all of Golar's interests in certain subsidiaries that own and operate the *NR Satu* on July 19, 2012. We consolidate PTGI as we hold all of the voting stock and control all of the economic interests in PTGI.

5. GAINS/LOSSES ON DERIVATIVE INSTRUMENTS AND OTHER FINANCIAL ITEMS, NET

	Three Months Ended September 30,		**Nine Months Ended September 30,**		
	Successor	**Predecessor**	**Successor**	**Predecessor**	**Predecessor**
(in thousands of $)	**2021**	**2020**	**2021**	**Jan 1, 2021 to April 14, 2021**	**2020**
Mark-to-market gains/(losses) for interest rate swaps	2,361	4,768	4,848	11,972	(41,918)
Net interest expense on interest rate swaps	(2,588)	(5,819)	(4,729)	(5,297)	(10,440)
(Losses)/gains on derivative instruments, net	**(227)**	**(1,051)**	**119**	**6,675**	**(52,358)**
Amortization of Partnership Guarantee and other guarantees (note 14)	1,279	436	2,347	394	1,357
Foreign exchange gains/(losses) on finance lease obligation and related restricted cash	—	(256)	—	(50)	263
Foreign exchange gains/(losses) on operations	(333)	(53)	308	(331)	(280)
Financing arrangement fees and other costs	(61)	(156)	(356)	(138)	(342)
Other financial items, net	**885**	**(29)**	**2,299**	**(125)**	**998**

6. INCOME TAXES

As of September 30, 2021, we recognized a net deferred tax liability of $13.9 million (December 31, 2020: $12.8 million) resulting from the excess of the carrying value of the *Golar Eskimo*, operated under time charter in the Hashemite Kingdom of Jordan ("Jordan"), exceeding the tax basis, arising from excess of tax depreciation over accounting depreciation.

Provision for income taxes

Income tax expense for the three and nine months ended September 30, 2021 and 2020 included current tax expense in respect of our operations in the United Kingdom, Brazil, Kuwait, Indonesia and Jordan.

The total tax charge includes a net deferred tax charge in relation to the tax depreciation in excess of accounting depreciation for Jordan of $0.5 million and $1.3 million for the three and nine months ended September 30, 2021, respectively, and $0.5 million and $1.6 million for the three and nine months ended September 30, 2020, respectively.

Uncertain tax positions

As of September 30, 2021, we recognized a provision of $19.4 million (December 31, 2020: $5.8 million) for certain tax risks in various jurisdictions.

7. OPERATING LEASES

Variable lease income is excluded from lease payments that comprise the minimum contractual future revenues from non-cancellable leases. The components of operating lease income were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,		
	Successor	**Predecessor**	**Successor**	**Predecessor**	**Predecessor**
(in $ millions)	**2021**	**2020**	**2021**	**2021**	**2020**
Operating lease income	68.3	68.4	123.3	55.0	205.4
Variable lease income	—	0.7	—	—	1.6
Total operating lease income	**68.3**	**69.1**	**123.3**	**55.0**	**207.0**

8. EQUITY METHOD INVESTMENT

The components of our equity method investment in Hilli LLC are as follows:

	Successor	**Predecessor**
(in thousands of $)	**2021**	**2020**
Equity in net assets of affiliate at January 1,	185,562	193,270
Dividend (note 13)	(7,229)	(10,258)
Equity in net earnings of affiliate	5,377	8,000
Consolidated balance at April 14, 2021 and September 30, 2020, Predecessor	183,710	191,012
Fair value adjustment upon acquisition (note 2)	171,790	—
Dividend (note 13)	(14,259)	—
Equity in net earnings of affiliate	22,302	—
Consolidated balance at September 30, Successor	363,543	—

9. OTHER CURRENT ASSETS

The components of other current assets are as follows:

	Successor	Predecessor
(in thousands of $)	September 30, 2021	December 31, 2020
Trade receivables	8,050	16,466
Indemnity amount receivables	—	17,325
Other receivables	2,330	1,797
Prepaid expenses	1,512	1,810
	11,892	37,398

10. DEBT

As of September 30, 2021, and December 31, 2020, we had total debt outstanding of $575,8 million and $1,119.7 million, respectively, net of deferred debt financing costs of $6.2million and $5.2 million, respectively. As of September 30, 2021, we were in compliance with all covenants under our existing debt and lease agreements.

Term Loan Facility

On September 20, 2021, Golar Partners Operating LLC (the "Borrower"), a consolidated subsidiary of the Partnership, entered into a senior secured amortizing term loan facility with a syndicate of three lenders ("Term Loan Facility Agreement"). The Term Loan Facility Agreement provides for an amortizing term loan drawn up to an initial amount of $430.0 million and may be increased in an aggregate principal amount of up to $725.0 million. All borrowings under the Term Loan Facility Agreement bear interest at an annual rate of LIBOR plus a margin of 3.0%, subject to a LIBOR floor of 0%. The Term Loan Facility Agreement is repayable in quarterly installments of $15.4 million, with a balloon payment due at maturity. The Term Loan Facility Agreement matures on September 20, 2024.

Voluntary redemption of 2015 Norwegian Bonds

On April 6, 2021, we provided irrevocable notice to the trustee of our $150 million aggregate principal amount of five year non-amortizing bonds in Norway (the "2015 Norwegian Bonds"), which were due to mature on November 22, 2021, of the exercise of the call option for the voluntary early termination of all of outstanding bonds. All 2015 Norwegian Bonds outstanding on record date of April 16, 2021 were settled in full on April 20, 2021 for 100% of the nominal amount of $135 million plus accrued interest of $1.4 million.

Voluntary redemption of 2017 Norwegian Bonds

On April 6, 2021, we provided irrevocable notice to the trustee of our $250 million aggregate principal amount of our 2017 Norwegian Bonds (the "2017 Norwegian Bonds"), which were due to mature on November 15, 2022, of the exercise of the call option for the voluntary early termination of all of outstanding bonds. All 2017 Norwegian Bonds outstanding on record date of April 16, 2021 were settled in full on April 20, 2021 for 100% of the nominal amount of $235 million plus accrued interest of $3.4 million.

Prepayment of NR Satu Facility

On April 6, 2021, PTGI, the company that owns and operates the NR Satu, provided notice to the facility agent and security agent of the $175 million secured loan facility of the prepayment of all borrowings in full on April 15, 2021. All amounts outstanding were prepaid in full following the payment of $34.8 million in outstanding principal and $0.1 million in accrued interest.

Maturity of $800 million credit facility

On April 15, 2021, our $800 million senior secured credit facility was settled in full on maturity following the repayment of $503.0 million in outstanding principal and $2.0 million in accrued interest.

11. INVESTMENT IN LEASED VESSEL, NET

On May 15, 2019, we executed a modification to the Golar Freeze Charter with NFE which triggered a change in the lease classification to a sales-type lease. This classification change resulted in the de-recognition of the vessel asset carrying value, the recognition of net investment in leased vessel (consisting of present value of the future lease receivables and unguaranteed residual value), and a gain on disposal. Post modification to sales-type lease, all charter hire revenue from the Golar Freeze sales-type lease has been recognized as interest income. We recognized $4.6 million as interest income gross of expected credit loss allowance for the predecessor period from January 1, 2021 to April 14, 2021, and $4.0 million and $12.0 million for the three and nine months ended September 30, 2020. Interest income in the successor period has been presented in time charter revenues to align with NFE's accounting policies.

As a result of applying pushdown accounting, we recognized the fair value of the net investment in the leased vessel of $48 million on the acquisition date. The valuation process to determine fair value of assets acquired and liabilities assumed is not yet complete and may be subject to further refinement as the evaluation of the underlying inputs and assumptions of third-party valuation experts is completed. NFE expects the lease term to be less than one year of the acquisition date, and as such, in the successor period, the net investment in the leased vessel has been presented as current asset. As NFE is the lessee of the *Freeze*, revenue and receivables related to the *Freeze* are related party transactions (note 13).

12. FINANCIAL INSTRUMENTS

Interest rate risk management

In certain situations, we may enter into financial instruments to reduce the risk associated with fluctuations in interest rates. We have entered into swaps that convert floating rate interest obligations to fixed rates, which, from an economic perspective, hedge our interest rate exposure. We do not hold or issue instruments for speculative or trading purposes. The counterparties to such contracts are major banking and financial institutions. Credit risk exists to the extent that the counterparties are unable to perform under the contracts; however, we do not anticipate non-performance by any of our counterparties.

We manage our debt and lease portfolio with interest rate swap agreements in U.S. dollars to achieve an overall desired position of fixed and floating interest rates.

Fair values

We recognize our fair value estimates using a fair value hierarchy based on the inputs used to measure fair value. The fair value hierarchy has three levels based on reliability of inputs used to determine fair value as follows:

Level 1: Quoted market prices in active markets for identical assets and liabilities.
Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3: Unobservable inputs that are not corroborated by market data.

The carrying value and estimated fair value of our financial instruments as of September 30, 2021 and December 31, 2020 are as follows:

		Successor		Predecessor	
		September 30, 2021		December 31, 2020	
(in thousands of $)	Fair value Hierarchy	Carrying Value	Fair Value	Carrying Value	Fair Value
Non-Derivatives:					
Cash and cash equivalents	Level 1	44,767	44,767	48,783	48,783
Restricted cash and short-term deposits	Level 1	24,410	24,410	185,385	185,385
2015 and 2017 Norwegian Bonds (1)	Level 1	—	—	(385,055)	(309,032)
Short and long-term debt — floating (2)	Level 2	(582,004)	(582,004)	(739,829)	(739,829)
Obligation under finance lease (2)	Level 2	—	—	(124,550)	(124,550)
Derivatives:					
Interest rate swaps liability (3) (4)	Level 2	(26,114)	(26,114)	(70,188)	(70,188)

(1) This pertains to the 2015 and 2017 Norwegian bonds with a carrying value of $nil as of September 30, 2021 (December 31, 2020: $385.1 million). The fair value of the bonds as of September 30, 2021 was $nil (December 31, 2020: $309.0 million). All 2015 and 2017 Norwegian Bonds outstanding on record date of April 16, 2021 were settled in full on April 20, 2021.

(2) Our short-term and long-term debt and finance lease obligations are recorded at amortized cost in our condensed consolidated balance sheet. The long-term debt, in the table above, is presented gross of deferred financing cost of $6.2 million as of September 30, 2021 (December 31, 2020: $5.2 million).

On April 15, 2021, we voluntarily terminated the leasing arrangement initially entered into with a financial institution in the United Kingdom in August 2003 in relation to the *Methane Princess*. The second priority security interest in the vessels the *Methane Princess*, the *Golar Spirit*, *Golar Grand* and the *Golar Tundra* were released. A termination payment of $126.8 million (£91.9 million) was settled, of which $118.3 million (£85.8 million) was funded from the Methane Princess lease security deposit, which is included within our restricted cash balance, and the balance was funded by Golar pursuant to the indemnity provisions of the omnibus agreement entered into between us and Golar on our initial public offering.

(3) Derivative liabilities are captured within other current liabilities on our condensed consolidated balance sheet.

(4) The fair value of certain derivative instruments is the estimated amount that we would receive or pay to terminate the agreements at the reporting date, taking into account current interest rates, foreign exchange rates, closing quoted market prices and our creditworthiness and that of our counterparties.

Termination of Interest Rate Swaps

Prior to the Merger, the Partnership terminated interest rate swaps contracts with a notional value of $834.3 million which had a mark-to-market liability of $27.3 million at date of termination. The termination settlement utilized $13.6 million of restricted cash balance that was related to these swap contracts, while the remaining amount was paid using cash and cash equivalents.

The following table summarizes the terms of interest rate swap as of September 30, 2021:

Instrument (in thousands of $)	Notional amount	Maturity Dates	Fixed Interest Rates
Interest rate swap:			
Receiving floating, pay fixed	364,500	2026	2.86%

Our interest rate swap have a credit arrangement that requires us to provide cash collateral when the market value of the instrument falls below a specified threshold. As at September 30, 2021, cash collateral amounting to $12.5 million (December 31, 2020: $29.4 million) has been provided.

13. RELATED PARTY TRANSACTIONS

Net income/ (expense) from related parties:

	Three Months Ended September 30,		Nine Months Ended September 30,		
	Successor	Predecessor	Successor	Predecessor	Predecessor
(in thousands of $)	**2021**	**2020**	**2021**	**2021**	**2020**
Transactions with Golar and affiliates:					
Management and administrative services fees (a)	—	(2,215)	—	(2,760)	(6,324)
Ship management fees (b)	—	(1,316)	—	(2,252)	(3,984)
Interest expense on short-term loans (c)	—	—	—	(18)	(285)
Distributions with Golar, net (d) (including Hilli)	6,873	(460)	14,259	6,769	178
Transactions with NFE and affiliates:					
Time and voyage charter revenue (note 11)	2,866	—	5,298	—	—

Receivables/(payables) with related parties:

As of September 30, 2021 and December 31, 2020, balances with related parties consisted of the following:

	Successor	Predecessor
(in thousands of $)	**September 30, 2021**	**December 31, 2020**
Balances due to Golar and affiliates (c)	—	1,164
Methane Princess lease security deposit (e)	—	(360)
Balance due from NFE and affiliates (f)	9,271	—
Total	9,271	804

Following the completion of the Merger on April 15, 2021, Golar ceased to be a related party and subsequent transactions with Golar and its subsidiaries were treated as a third party and settled under normal payment terms. Furthermore, the management and administrative services agreement and ship management fee agreement was terminated and replaced with the Transition Services Agreement, Bermuda Services Agreement and Ship Management Agreements. For more information, please see "Item 5 - Operating and financial review and prospects - Significant Developments in 2020 and Early 2021" of our 2020 annual report on Form 20-F. Transactions with Golar and affiliates prior to completion of the Merger are included the following:

(a) *Management and administrative services fees* - We were party to a management and administrative services agreement with Golar Management Limited ("Golar Management"), a wholly-owned subsidiary of Golar, pursuant to which Golar Management provides to us certain management and administrative services. The services provided by Golar Management were charged at cost plus a management fee equal to 5% of Golar Management's costs and expenses incurred in connection with providing these services. Where external service provider costs were incurred by Golar Management on our behalf, these expenses were recharged to us at cost.

(b) *Ship management fees* - Golar and certain of its subsidiaries charged ship management fees to us for the provision of technical and commercial management of the vessels. Each of our vessels was subject to management agreements pursuant to which certain commercial and technical management services were provided by certain subsidiaries of Golar, including Golar Management.

(c) *Interest expense on short-term loan, balances due (to)/from Golar and its affiliates* - In February 2020, we borrowed $25.0 million with interest at a rate of LIBOR plus a margin of 5.0% from Golar, which was was subsequently repaid in full, including interest. For the predecessor period, from January 1, 2021 to April 14, 2021 we paid $18 thousand of interest, and we paid nil and $0.3 million for the three and nine month ended September 30, 2020, respectively.

(d) *Distributions with Golar, net (including Hilli)* - During the predecessor period from January 1, 2021 to April 14, 2021 we paid total distributions to Golar of $0.5 million, and for the three and nine months ended September 30, 2020, we paid $0.5 million and $10.1 million, respectively, in respect of the Common Units and General Partner units owned by it.

During the successor three and nine months ended September 30, 2021, Hilli LLC declared a distribution to us totaling $6.9 million and $14.3 million, respectively. During the predecessor period from January 1, 2021 to April 14, 2021 and for the three and nine months ended September 30, 2020, Hilli LLC declared quarterly distributions totaling $7.3 million, $nil and $10.3 million, respectively, in respect of the Hilli Common Units owned by us.

(e) *Methane Princess lease security deposit* - This balance represented net advances to or from Golar since our initial public offering in April 2011, which corresponded with the net release of funds from the security deposits held relating to the Methane Princess lease. This was in connection with the Methane Princess tax lease indemnity provided by Golar under the Omnibus Agreement that we entered into with Golar at the time of our initial public offering. Accordingly, these amounts were settled as part of the eventual termination of the Methane Princess lease at the time of the completion of Merger.

(f) *Balance due from NFE and affiliates* **–** Balance primarily consists of amounts due under charter and operating service agreements between the Partnership and NFE in the ordinary course of business.

Other transactions

Agency agreement with PT Pesona Sentra Utama (or PT Pesona) - PT Pesona, an Indonesian company, owns 51% of the issued share capital in our subsidiary, PTGI, the owner and operator of *NR Satu*, and provides agency and local representation services for us with respect to *NR Satu*. During both of the three and nine months ended September 30, 2021, PT Pesona received an agency fee of $0.1 million and $0.2 million, respectively.

Hilli guarantees (in connection with the Hilli Acquisition)

(i) Debt

Hilli Corporation ("Hilli Corp"), the disponent owner of the *Hilli* and a wholly owned subsidiary of Hilli LLC, is a party to a Memorandum of Agreement, dated September 9, 2015, with Fortune Lianjiang Shipping S.A., a subsidiary of China State Shipbuilding Corporation ("Fortune"), pursuant to which Hilli Corp has sold to and leased back from Fortune the *Hilli* under a 10-year bareboat charter agreement (the "Hilli Facility"). The Hilli Facility provided for post-construction financing for the *Hilli* in the amount of $960 million. Under the Hilli Facility, Hilli Corp will pay to Fortune forty consecutive equal quarterly repayments of 1.375% of the construction cost, plus interest based on LIBOR plus a margin of 3.95%. In connection with the closing of the Hilli Acquisition, we agreed to provide a several guarantee (the "Partnership Guarantee") of 50% of the outstanding principal, interest, expenses and other amounts payable by Hilli Corp under the Hilli Facility pursuant to a Deed of Amendment, Restatement and Accession relating to a guarantee between Golar, Fortune and us dated July 12, 2018. We entered into a $480.0 million interest rate swap in relation to our proportionate share of the obligation under the Hilli Facility.

(ii) Letter of credit

On November 28, 2018, we entered into an agreement to guarantee (the "LOC Guarantee") the letter of credit issued by a financial institution in the event of Hilli Corp's underperformance or non-performance under the liquefaction tolling agreement for the Hilli. Under the LOC Guarantee, we are severally liable for any outstanding amounts that are payable, based on the percentage ownership that Golar holds in us, multiplied by our percentage ownership in Hilli Common Units.

Pursuant to the Partnership Guarantee and the LOC Guarantee, we are required to comply with the following covenants:

- free liquid assets of at least $30 million throughout the term of the Hilli Facility;

- maximum net debt to EBITDA ratio for the previous 12 months of 6.5:1; and
- consolidated tangible net worth of $123.95 million.

As of September 30, 2021, the amount we have guaranteed under the Partnership Guarantee and the LOC Guarantee is $364.5 million, and the fair value of debt guarantee, presented under "Other current liabilities" and "Other non-current liabilities" of our condensed consolidated balance sheet, amounting to $5.3 million and $3.5 million, respectively. As of September 30, 2021, we are in compliance with the covenants for both Hilli guarantees.

14. OTHER COMMITMENTS AND CONTINGENCIES

Assets pledged

The carrying value of vessels and equipment secured against loan facility drawn down by Eskimo SPV as of September 30, 2021 was $233.6 million.

Obligations under the Term Loan Facility Agreement are guaranteed by the Partnership and certain of our subsidiaries. Lenders have been granted a security interest covering three FSRUs and four LNG carriers, and the issued and outstanding shares of capital stock of certain our subsidiaries have been pledged as security. As of September 30, 2021, the aggregate net book value of the three FSRUs and four LNG carriers pledged as security was approximately $666.7 million.

Other contractual commitments and contingencies

Insurance

We insure the legal liability risks for our shipping activities with Gard and Skuld, which are mutual protection and indemnity associations. As a member of a mutual association, we are subject to a call for additional premiums based on the clubs' claims record, in addition to the claims records of all other members of the association. A contingent liability exists to the extent that the claims records of the members of the association in the aggregate show significant deterioration, which results in additional premiums on the members.

Legal proceedings and claims

We may, from time to time, be involved in legal proceedings and claims that arise in the ordinary course of business. A provision will be recognized in the financial statements only where we believe that a liability will be probable and for which the amounts are reasonably estimable, based upon the facts known prior to the issuance of the condensed consolidated financial statements.

In November and December 2015, the Indonesian tax authorities issued letters to our subsidiary, PTGI, to, among other things, revoke a previously granted VAT importation waiver in the approximate amount of $24.0 million for the *NR Satu*. In April 2016, PTGI initiated an action in the Indonesian tax court to dispute the waiver cancellation. The final hearing took place in June 2016 and we received the verdict of the Tax Court in November 2017, which rejected PTGI’s claim. In February 2018, PTGI filed a Judicial Review with the Supreme Court of Indonesia, but in December 2018, the Supreme Court of Indonesia ruled against PTGI with regards the validity of waiver cancellation. However, we do not believe it is probable that a liability exists as a result of this ruling, as no Tax Underpayment Assessment Notice has been received within the statute of limitations period. Should we receive such notice from the tax authorities, we intend to challenge the legality of the assessment. In any event, we believe PTGI will be indemnified by PTNR for any VAT liability as well as related interest and penalties under our time charter party agreement entered into with them.

In December 2019, the Indonesian tax authorities issued tax assessments for land and buildings tax to our subsidiary, PTGI for the years 2015 to 2019 inclusive in relation to the *NR Satu*, for the amount of $3.4 million (IDR48,378.3 million). We paid the assessed tax in January 2020 to avoid further penalties. This is presented in "Other non-current assets" of our consolidated balance sheets. We have lodged an appeal against the assessments for the land and buildings tax as the tax authorities have not accepted our initial objection letter. We believe we have reasonable grounds for success on the basis of no precedent set from past case law and the new legislation effective prospectively from January 1, 2020, that now specifically lists FSRUs as being an object liable to land and buildings tax, when it previously did not.

In February 2021, we received a tax notice from the Jordan tax authorities following the conclusion of their tax audit into our Jordan branch for the years 2015 and 2016 assessing our Jordan branch for additional tax of $1.6 million (JOD 1.10 million) and $3.1 million (JOD 2.20 million), respectively. We have submitted an appeal to the tax notice. A provision has not been recognized for this as we do not believe that the tax inspector has followed the correct tax audit process and the claim by the tax authorities to not allow tax depreciation is contrary to Jordan's tax legislation.

15. SUBSEQUENT EVENTS

Repurchase of the Golar Eskimo

On November 24, 2021, the Partnership exercised the repurchase option of the *Golar Eskimo* under the bareboat charter arrangement to repurchase the vessel at a price of $190.5 million. Therefore, upon closing of the repurchase of the *Golar Eskimo*, the Partnership deconsolidated the assets and liabilities of the Eskimo SPV. The most significant impact of Eskimo SPV’s liabilities on our condensed consolidated balance sheet was the short-term and long-term debt and non-controlling interest.

Cash Distributions

In October 2021, we paid a cash distribution of $0.546875 per Series A Preferred Unit in respect of the period from August 14, 2021 through November 12, 2021 to unitholders of record as of November 8, 2021, amounting to $3.0 million.