

GOLAR LNG PARTNERS LP

Financial statements as of and for the three and six months ended June 30, 2024

GOLAR LNG PARTNERS LP
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands of \$)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total operating revenues	\$ —	\$ —	\$ —	\$ —
Vessel operating expenses	(23)	(456)	(349)	(939)
Administrative expenses	(63)	(204)	(91)	(581)
Depreciation and amortization	—	(803)	—	(1,688)
Gain on disposal of asset	—	—	391	—
Total operating expenses	(86)	(1,463)	(49)	(3,208)
Operating income (loss)	(86)	(1,463)	(49)	(3,208)
Gain on derivative instruments, net	—	—	—	608
Other (expense) income, net	(9)	131	(4)	2,523
Loss on disposal of equity method investments	—	—	(7,222)	(37,401)
(Loss) income before tax, income from equity method investments and non-controlling interests	(95)	(1,332)	(7,275)	(37,478)
Income from equity method investments	—	2,269	—	12,249
Net loss	\$ (95)	\$ 937	\$ (7,275)	\$ (25,229)
Net comprehensive loss	\$ (95)	\$ 937	\$ (7,275)	\$ (25,229)
Net income (loss) attributable to:				
Non-controlling interests	68	(323)	81	(425)
Golar LNG Partners LP Owners	\$ (163)	\$ 1,260	\$ (7,356)	\$ (24,804)

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

GOLAR LNG PARTNERS LP
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands of \$)

	June 30, 2024	December 31, 2023
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 1,525	\$ 1,516
Amounts due from related parties	1,836	1,598
Assets held for sale	—	21,265
Other current assets	1,330	6,192
Total Current Assets	4,691	30,571
Non-current Assets		
Equity method investments	—	137,793
Other non-current assets	1,007	—
Total Assets	\$ 5,698	\$ 168,364
LIABILITIES AND EQUITY		
Current Liabilities		
Amounts due to related parties	\$ 6,830	\$ 5,138
Other current liabilities	3,536	3,585
Total Current Liabilities	10,366	8,723
Total Liabilities	10,366	8,723
Commitments and contingencies (Note 10)		
Equity		
Partners' capital:		
Common unitholders	(144,750)	10,978
Preferred unitholders	140,259	140,259
Total Partners' Capital Before Non-Controlling Interests	(4,491)	151,237
Non-controlling interests	(177)	8,404
Total Equity	(4,668)	159,641
Total Liabilities and Equity	\$ 5,698	\$ 168,364

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

GOLAR LNG PARTNERS LP
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands of \$)

	<u>Six Months Ended June 30</u>	
	<u>2024</u>	<u>2023</u>
Net (loss) income	(7,275)	(25,229)
<i>Adjustments for:</i>		
Depreciation and amortization	—	1,688
(Earnings) of equity method investees	—	(12,249)
Amortization of deferred charges and debt guarantees, net	—	(2,286)
Dividends received from equity method investees	—	5,830
Loss on disposal of equity method investments	7,222	37,401
Gain on sale of assets	(391)	—
Change in market value of derivatives	—	11,650
Change in assets and liabilities:		
Prepaid expenses and other assets	(984)	3,472
Amount due to/from related companies	(240)	(21)
Other current and non-current liabilities	(49)	(2,848)
Net cash (used in) / provided by operating activities	(1,717)	17,408
INVESTING ACTIVITIES		
Sale of equity method investments	136,365	100,000
Asset sales	22,395	—
Net cash provided by investing activities	158,760	100,000
FINANCING ACTIVITIES		
Cash contributions	3,924	—
Cash distributions paid	(160,958)	(156,626)
Net cash used in financing activities	(157,034)	(156,626)
Net increase (decrease) in cash, cash equivalents and restricted cash	9	(39,218)
Cash, cash equivalents and restricted cash at beginning of period	1,516	46,376
Cash, cash equivalents and restricted cash at end of period	\$ 1,525	\$ 7,158
Supplemental disclosure of non-cash investing and financing activities:		
NFE Class A shares received in Hilli Exchange	—	122,754
NFE Class A shares distributed to NFE	—	(122,754)

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

GOLAR LNG PARTNERS LP
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN PARTNERS' CAPITAL

Three Months Ended June 30, 2023

(in thousands of \$)	Partners' capital		Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
	Preferred Units ⁽¹⁾	Common Units ⁽¹⁾			
Balance at March 31, 2023	\$ 140,259	\$ 42,819	\$ 183,078	\$ 16,996	\$ 200,074
Net income/(loss)	3,019	(1,759)	1,260	(323)	937
Dividends	(3,019)	(5,400)	(8,419)	(3,600)	(12,019)
Balance at June 30, 2023	\$ 140,259	\$ 35,660	\$ 175,919	\$ 13,073	\$ 188,992

⁽¹⁾ As of June 30, 2023 and March 31, 2023 there were 5,520,000 preferred units, 69,301,636 common units and 1,436,391 general partner units outstanding.

Six Months Ended June 30, 2023

(in thousands of \$)	Partners' capital		Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
	Preferred Units ⁽¹⁾	Common Units ⁽¹⁾			
Balance at December 31, 2022	\$ 140,259	\$ 336,245	\$ 476,504	\$ 17,098	\$ 493,602
Net income/(loss)	6,038	(30,842)	(24,804)	(425)	(25,229)
Dividends	(6,038)	(269,743)	(275,781)	(3,600)	(279,381)
Balance at June 30, 2023	\$ 140,259	\$ 35,660	\$ 175,919	\$ 13,073	\$ 188,992

⁽¹⁾ As of June 30, 2023 and December 31, 2022 there were 5,520,000 preferred units, 69,301,636 common units and 1,436,391 general partner units outstanding.

Three Months Ended June 30, 2024

(in thousands of \$)	Partners' capital		Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
	Preferred Units ⁽¹⁾	Common Units ⁽¹⁾			
Balance at March 31, 2024	\$ 140,259	\$ (144,587)	\$ (4,328)	\$ (245)	\$ (4,573)
Net income/(loss)	3,019	(3,181)	(162)	68	(94)
Dividends	(3,019)	—	(3,019)	—	(3,019)
Contributions	—	3,018	3,018	—	3,018
Balance at June 30, 2024	\$ 140,259	\$ (144,750)	\$ (4,491)	\$ (177)	\$ (4,668)

⁽¹⁾ As of June 30, 2024 and March 31, 2024 there were 5,520,000 preferred units, 69,301,636 common units and 1,436,391 general partner units outstanding.

Six Months Ended June 30, 2024

(in thousands of \$)	Partners' capital		Total Before Non-Controlling Interest	Non-Controlling Interest	Total Equity
	Preferred Units ⁽¹⁾	Common Units ⁽¹⁾			
Balance at December 31, 2023	\$ 140,259	\$ 10,978	\$ 151,237	\$ 8,404	\$ 159,641
Net income/(loss)	6,038	(13,394)	(7,356)	81	(7,275)
Dividends	(6,038)	(146,258)	(152,296)	(8,662)	(160,958)
Contributions	—	3,924	3,924	—	3,924
Balance at June 30, 2024	\$ 140,259	\$ (144,750)	\$ (4,491)	\$ (177)	\$ (4,668)

⁽¹⁾ As of June 30, 2024 and December 31, 2023 there were 5,520,000 preferred units, 69,301,636 common units and 1,436,391 general partner units outstanding.

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

GOLAR LNG PARTNERS LP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION

Golar LNG Partners LP (the “Partnership,” “we,” “our,” or “us”) is a Marshall Islands limited partnership formed to own and operate LNG carriers and floating storage and regasification units (“FSRUs”) under long-term charters. All of the Partnership’s common units are held by New Fortress Energy Inc. (“NFE”), and NFE is the ultimate parent of the Partnership.

On August 15, 2022, the Partnership completed a transaction (the “Energos Formation Transaction”) with an affiliate of Apollo Global Management, Inc., pursuant to which the Partnership transferred ownership of eight vessels to Energos Infrastructure (“Energos”) in exchange for approximately \$1.09 billion in cash and a 20% equity interest in Energos. As a result of the Energos Formation Transaction, the Partnership is no longer the owner of eight vessels, and these vessels have been de-recognized from the financial statements. The Partnership accounted for the investment in Energos as an equity method investment. During the first quarter of 2024, the Company sold substantially all of its investment in Energos (refer to Note 4).

2. BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation and principles of consolidation

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 June 30, 2024 and the results of operations and cash flows for the interim periods ended June 30, 2024 and 2023 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, 2023.

3. ADOPTION OF NEW AND REVISED STANDARDS

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, requiring companies to annually disclose specific categories in the effective tax rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. Further, the ASU requires disclosure of income taxes paid (net of refunds received) disaggregated by federal (national), state and foreign taxes and to disaggregate the information by jurisdiction based on a quantitative threshold. The amendments in this ASU are effective for annual periods beginning after December 15, 2025, and early adoption is permitted. The amendments should be applied on a prospective basis, but retrospective application is permitted. The Partnership is currently reviewing the impact that the adoption of ASU 2023-09 may have on the Partnership’s consolidated financial statements and disclosures.

The Partnership has reviewed all other recently issued accounting pronouncements and concluded that such pronouncements are either not applicable to the Partnership or no material impact is expected in the condensed consolidated financial statements as a result of future adoption.

4. EQUITY METHOD INVESTMENTS

The components of our equity method investment are as follows:

(in thousands of \$)	June 30, 2024
Equity method investment at January 1, 2024	\$ 137,793
Capital contributions	6,794
Sale of equity method investments	(144,587)
Equity method investments at June 30, 2024	\$ —

In February 2024, the Partnership sold substantially all of its stake in Energos. As a result of the transaction, the Partnership recognized an other than temporary impairment ("OTTI") of the investment in Energos totaling \$5.3 million, and this loss was recognized in Income (loss) from equity method investments in the consolidated statement of operations for the year-ended December 31, 2023. The sale was completed on February 14, 2024 and the Partnership received proceeds of \$136.4 million, resulting in a loss of \$7.2 million presented within Loss on disposal of equity method investments in the condensed consolidated statement of operations. The Partnership retained an investment in Energos valued at \$1.0 million, which has been recognized within Other non-current assets. Following the disposition of substantially all of the stake in Energos, the Partnership no longer has significant influence over Energos.

5. OTHER CURRENT ASSETS

The components of other current assets are as follows:

(in thousands of \$)	June 30, 2024	December 31, 2023
Prepaid expenses	\$ 1,330	\$ 1,912
Other receivables	—	4,280
Total	<u>\$ 1,330</u>	<u>\$ 6,192</u>

6. VESSELS AND EQUIPMENT, NET

In the first quarter of 2024, the Partnership sold the vessel *Mazo*, for a total consideration of \$22.4 million resulting in a gain of \$0.4 million. The gain on sale is included in Gain on disposal of asset, in the condensed consolidated statement of operations.

7. 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. During the first quarter of 2023, the Partnership terminated the interest rate swap in connection with the Hilli Exchange and received \$12.3 million in proceeds.

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

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 June 30, 2024 and December 31, 2023 are as follows:

(in thousands of \$)	June 30, 2024			December 31, 2023		
	Fair value Hierarchy	Carrying Value	Fair Value	Carrying Value	Fair Value	
Non-Derivatives:						
Cash and cash equivalents	Level 1	\$ 1,525	\$ 1,525	\$ 1,516	\$ 1,516	
Investment in equity securities	Level 3	1,000	1,000	—	—	

During the first quarter of 2024, the Partnership sold substantially all of its investment in Energos; this investment had been accounted for as an equity method investment (refer to Note 4). The Partnership retained an investment in Energos valued at \$1.0 million, which is shown as a Level 3 investment in equity securities in the table above.

The following table shows gain on our interest rate swap for the years ended June 30, 2024 and 2023:

(in thousands of \$)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Mark-to-market gains/(losses) for interest rate swaps	\$ —	\$ —	\$ —	\$ (11,650)
Proceeds upon termination of interest rate swap	—	—	—	12,258
Gain (loss) on derivative instruments, net	\$ —	\$ —	\$ —	\$ 608

8. RELATED PARTY TRANSACTIONS

Transactions with related parties:

(in thousands of \$)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Transactions with Hilli LLC:				
Distributions from Hilli LLC (a)	\$ —	\$ —	\$ —	\$ 5,830
Transactions with NFE and affiliates:				
Distributions to NFE (b)	—	5,400	146,258	269,743

Payables with related parties:

As of June 30, 2024 and December 31, 2023, balances with related parties consisted of the following:

(in thousands of \$)	June 30, 2024	December 31, 2023
Balance due to NFE and affiliates (c)	\$ 6,830	\$ 5,138
	6,830	5,138

Transactions with affiliates included the following:

(a) *Distributions from Hilli* - During the three months ended June 30, 2024 and 2023, there were no distributions declared or paid by Hilli LLC. During the six months ended June 30, 2024 and 2023, Hilli LLC declared and paid quarterly distributions totaling \$0 and \$5.8 million, respectively.

(b) *Distributions to NFE* - During the three months ended June 30, 2024 and 2023, we paid total distributions to NFE of \$0 million and \$5.4 million respectively. During the six months ended June 30, 2024, we declared distributions to NFE of \$146.3 million. During the six months ended June 30, 2023, we declared distributions to NFE of \$222.8 million related to the sale of the Hilli, including \$100.0 million of cash distributions and \$122.8 million of shares received. We also declared distributions to NFE of \$46.9 million.

(c) *Balance due to NFE and affiliates* - The balance as of June 30, 2024 and December 31, 2023 primarily consists of amounts due under charter and operating service agreements between the Partnership and NFE in the ordinary course of business.

9. INCOME TAXES

The Partnership is not subject to any other domestic or foreign income taxes, and as such, no income tax provision was recorded for the three and six months ended June 30, 2024 and 2023.

10. OTHER COMMITMENTS AND CONTINGENCIES

We may, from time to time, be involved in legal proceedings and claims that arise in the ordinary course of business. A loss 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 financial statements.

11. SUBSEQUENT EVENTS

The Partnership has evaluated subsequent events through the date of issuance of these financial statements, September 27, 2024.

Cash Distributions

On August 15, 2024, we paid a cash distribution of \$0.546875 per Series A Preferred Unit in respect of the period from May 15, 2024 through August 14, 2024 to unitholders of record as of August 8, 2024, amounting to \$3.0 million.