Hoegh LNG Partners LP
Form 6-K
December 15, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2015

Commission File Number 001-36588

Höegh LNG Partners LP

(Translation of registrant's name into English)

Wessex House, 5 th Floor

45 Reid Street

Hamilton, HM 12 Bermuda

(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F ¨

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(1).

Yes ¨ No x

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101 (b)(7).

Yes ¨ No x

HÖEGH LNG PARTNERS LP

REPORT ON FORM 6-K FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2015

Table of Contents

	Page
EXPLANATORY NOTE	3
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	4
FORWARD LOOKING STATEMENTS	27
INDEX TO FINANCIAL STATEMENTS	F-1
Unaudited Condensed Interim Consolidated and Combined Carve-Out Statements of Income for the Three and Nine Months Ended September 30, 2015 and 2014	F-2
Unaudited Condensed Interim Consolidated and Combined Carve-Out Statements of Comprehensive Income for the Three and Nine Months Ended September 30, 2015 and 2014	F-3
Unaudited Condensed Interim Consolidated and Combined Carve-Out Balance Sheets as of September 30, 2015 and December 31, 2014	F-4
Unaudited Condensed Interim Consolidated and Combined Carve-Out Statements of Changes in Partners' Capital/Owner's Equity for the Nine Months Ended September 30, 2015 and the Year Ended December 31, 2014	F-6
Unaudited Condensed Interim Consolidated and Combined Carve-Out Statements of Cash Flows for the Nine Months Ended September 30, 2015 and 2014	F-7
Notes to Unaudited Condensed Interim Consolidated and Combined Carve-Out Financial Statements	F-9
SIGNATURE	

EXPLANATORY NOTE

Hoegh LNG Partners LP (generally referred to herein as "we," "our," "us" or "the Partnership") is filing this Report on Form 6-K for the three and nine months ended September 30, 2015 and 2014 ("this Form 6-K") to report its results for three and nine months ended September 30, 2015. This report also contains restated unaudited condensed interim consolidated and combined carve-out financial statements for the three and nine months ended September 30, 2014.

On November 30, 2015 we filed a 2014 Annual Report on Form 20-F/A (the "Form 20-F/A") to amend our Annual Report on Form 20-F for the year ended December 31, 2014 that was originally filed with the SEC on April 24, 2015. The Form 20-F/A restates certain financial information, including: our historical balance sheets as of December 31, 2014 and 2013; our statements of income, comprehensive income, cash flows and changes in partners'/owner's equity for the years ended December 31, 2014 and 2013; and our selected financial data as of and for the years ended December 31, 2014 and 2013.

We also restated our unaudited condensed consolidated and combined carve-out balance sheets as of June 30, 2015 and the unaudited condensed consolidated and combined carve-out statements of income for the three months ended June 30, 2015 and 2014 in our Form 6-K furnished to the SEC on November 30, 2015. We also presented in our Form 6-K, dated November 30, 2015, the pre-restatement and as restated information for our unaudited condensed consolidated and combined carve-out statements of income and cash flows for the six months ended June 30, 2015 and 2014, as well as our unaudited condensed consolidated and combined carve-out statements of comprehensive income for the three and six months ended June 30, 2015 and 2014.

Note 2.d. of the notes to the unaudited interim consolidated and combined carve-out financial statements included in this Form 6-K reflects the changes to our unaudited condensed consolidated and combined financial statements for the three and nine months ended September 30, 2014 as a result of our restatement and provides additional information about the restatement.

We did not amend our reports on Form 6-K furnished on November 25, 2014 and May 28, 2015. As a result, you should not rely on these filings but instead should rely upon the restated consolidated and combined carve-out financial statements contained in our Form 20-F/A, in our Form 6-K dated November 30, 2015, and this Form 6-K.

In connection with the restatement, management also determined that there were control deficiencies relating to the preparation of Indonesia value added taxes ("VAT") and withholding taxes ("WHT") documentation and the accounting for Indonesia VAT and WHT which constituted a material weakness in our internal control over financial reporting. The material weakness, and our ongoing process for remediation thereof, are further described in Item 15. "Controls and Procedures" in our Form 20-F/A.

3

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is a discussion of our financial condition and results of operations for the three and nine months ended September 30, 2015 and 2014. References in this report to "Höegh LNG Partners LP," "we," "our," "us" and "the Partnersh or similar terms when used for the period until the completion of the initial public offering of Höegh LNG Partners LP (the "IPO") on August 12, 2014 refer to the interests in SRV Joint Gas Ltd., SRV Joint Gas Two Ltd., Höegh LNG Lampung Pte. Ltd. and PT Höegh LNG Lampung, which were contributed by Höegh LNG Holdings Ltd. ("Höegh LNG") to the Partnership at the IPO. When used for periods after the completion of the IPO, those terms refer to Höegh LNG Partners LP and its subsidiaries. Unless the context requires otherwise, references in this report to our or the "joint ventures" refer to the joint ventures that own two of the vessels (the GDF Suez Neptune and the GDF Suez Cape Ann).

You should read this section in conjunction with the unaudited condensed interim consolidated and combined carve-out financial statements as of and for the periods ended September 30, 2015 and 2014 and the related notes thereto included elsewhere in this report, as well as our historical consolidated and combined carve-out financial statements and related notes included in our report on Form 20-F/A filed with the SEC on November 30, 2015. This discussion includes forward looking statements which, although based on assumptions that we consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those currently anticipated and expressed or implied by such forward looking statements. See also the discussion in the section entitled "Forward Looking Statements" below.

Highlights

- Reported total time charter revenues of $11.5 million for the third quarter of 2015 compared to $9.1 million of time charter revenue and $6.3 million of construction contract revenues for the third quarter of 2014

- Generated operating income of $7.5 million and net income of $5.2 million for the third quarter of 2015 compared to operating income of $5.2 million and net income of $3.3 million for the third quarter of 2014; operating income and net income were impacted by an unrealized loss on derivative instruments on the Partnership's share of equity in earnings of joint ventures in the third quarter of 2015 compared with an unrealized gain for the third quarter of 2014

- On November 13, 2015 paid a $0.3375 per unit distribution with respect to the third quarter of 2015, equivalent to $1.35 per unit on an annual basis

Restatement of Financial Statements

The discussion and analysis below have been adjusted to reflect the restatement of our financial results which is described in the Explanatory Note above. A reconciliation of our previously reported unaudited interim consolidated and combined carve-out financial statements to our restated unaudited interim consolidated and combined carve-out financial statements for the three and nine months ended September 30, 2014 is included in note 2.d. of the notes to our unaudited interim consolidated and combined carve-out financial statements.

Our results of operations

(in thousands of U.S. dollars, except per unit amounts)	Three months ended September 30, 2015	2014 (Restated)	Nine months ended September 30, 2015	2014 (Restated)
Statement of Income Data:				
Time charter revenues	$ 11,462	9,087	34,039	$ 9,087
Construction contract revenues	—	6,310	—	45,149
Other revenue	—	—	—	474
Total revenues	11,462	15,397	34,039	54,710
Voyage expenses	—	(798)	—	(798)
Vessel operating expenses	(1,684)	(1,894)	(5,543)	(2,653)
Construction contract expenses	—	(7,040)	—	(40,522)
Administrative expenses	(1,984)	(3,157)	(6,298)	(10,143)
Depreciation and amortization	(8)	(329)	(23)	(1,309)
Total operating expenses	(3,676)	(13,218)	(11,864)	(55,425)
Equity in earnings of joint ventures	(249)	3,058	9,111	(738)
Operating income	7,537	5,237	31,286	(1,453)
Interest income	2,423	1,542	7,275	2,443
Interest expense	(3,744)	(2,777)	(11,253)	(5,131)
Gain on derivative financial instruments	354	—	467	—
Other items, net	(1,276)	(553)	(3,310)	(1,655)
Income before tax	5,294	3,449	24,465	(5,796)
Income tax expense	(109)	(143)	(261)	(376)
Net income/(loss)	$ 5,185	3,306	24,204	$ (6,172)
Earnings per unit:				
Common unit public (basic and diluted)	$ 0.20	0.22	0.92	$ 0.22
Common unit Höegh LNG (basic and diluted)	$ 0.20	0.22	0.92	$ 0.22
Subordinated units (basic and diluted)	$ 0.20	0.22	0.92	$ 0.22
Cash Flow Data:				
Net cash provided by operating activities			$ 30,101	$ 23,094
Net cash provided by (used in) used in investing activities			5,865	(166,579)
Net cash provided by (used in) by financing activities			(41,132)	188,713
Other Financial Data:				
Segment EBITDA(1)	$ 16,139	10,761	46,560	$ 25,163
Adjusted EBITDA(1)	$ 16,878	11,418	48,724	$ 25,820

(1) Adjusted EBITDA and Segment EBITDA are non-GAAP financial measures. Please read "Non-GAAP Financial Measures" for definitions of Adjusted EBITDA and Segment EBITDA and reconciliations of each such measure to net income, the comparable U.S. GAAP financial measure.

5

Nine months ended September 30, 2015 compared with the nine months ended September 30, 2014

Time Charter Revenues. The following table sets forth details of our time charter revenues for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Time charter revenues	$ 34,039	$ 9,087	$ 24,952

Time charter revenues for the nine months ended September 30, 2015 were $34.0 million, an increase of $24.9 million from $9.1 million the nine months ended September 30, 2014. The time charter revenues related to the *PGN FSRU Lampung* which was on-hire for the entire nine months ended September 30, 2015. The time charter revenues did not begin until July 21, 2014 when commissioning of the *PGN FSRU Lampung* began.

Time charter revenues consist of the lease element of the time charter, accounted for as a direct financing lease using the effective interest rate method, as well as fees for providing time charter services, vessel operating expenses and withholding tax borne by the charterer.

Construction Contract Revenues and Related Expenses. The following table sets forth details of our construction contract revenues and construction contract expenses for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Construction contract revenues	$ —	$ 45,149	$ (45,149)
Construction contract expenses	$ —	$ (40,522)	$ 40,522
Recognized contract margin	$ —	$ 4,627	$ (4,627)

PT PGN LNG Indonesia (“PGN”) formally accepted the *PGN FSRU Lampung* and signed the Certificate of Acceptance on October 30, 2014 which was the condition for the final payment related to the *PGN FSRU Lampung*’s Tower Yoke Mooring System (the “Mooring”). As such the Mooring project was completed as of December 31, 2014. As a result, there were no construction contract revenues or expenses for the nine months ended September 30, 2015. The Mooring is an offshore installation that is used to moor the *PGN FSRU Lampung* to offload natural gas into an offshore pipe that transports the gas to a land terminal for the charterer, PGN. Construction contract revenues for the nine months ended September 30, 2014 were $45.0 million. Construction contract expenses were $40.5 million for the nine months ended September 30, 2014.

As of September 30, 2014 the project was estimated to be 94% complete. During the three months ended September 30, 2014, delay liquidated damages of approximately $6.1 million were recorded as part of construction contract expenses related to claims from PGN on the project up to September 30, 2014. For additional discussion see note 14 of the unaudited condensed interim consolidated and combined carve-out financial statements. As a result of the claims, the estimate of the total estimated construction cost was also upwardly revised based upon estimated total exposure for delay liquidated damages from PGN. As the percentage of completion method relies on the substantial use of estimates, estimates may be revised throughout the life of a construction contract. Adjustments to construction cost estimates to complete on construction contracts are revised when additional information becomes available. The impact of such changes to estimates is made on a cumulative basis in the period when such information has become known. As a result of the revision to the estimated total project costs, there was a reduction margin for the nine months ended September 30, 2014 and a negative margin for the three months ended September 30, 2014 for the cumulative impact of the change in estimates. PGN formally accepted the PGN Lampung project effective October 30, 2014. No delay liquidated damages would incur past the acceptance date. The total estimated construction costs as of September 30, 2014 included contingencies for the remaining delay liquidated damages that were to be recorded in the fourth quarter of 2014. As explained in note 14, subsequent to December 31, 2014, an understanding was reached with PGN and no delay liquidated damages were paid. The impact of this understanding was reflected in the consolidated and combined carve-out financial statements for the year ended December 31, 2014.

Other Revenue. The following table sets forth details of our other revenue for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Other revenue	$ —	$ 474	$ (474)

Other revenue includes incidental revenues prior to the start of the time charter for the *PGN FSRU Lampung*.

Voyage and Vessel Operating Expenses. The following table sets forth details of our voyage and vessel operating expenses for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Voyage expenses	$ —	$ (798)	$ 798
Vessel operating expenses	$ (5,543)	$ (2,653)	$ (2,890)

There were no voyage expenses for the nine months ended September 30, 2015. Voyage expenses for the nine months ended September 30, 2014 were $0.8 million. Voyage expenses are typically paid directly by the charterer. For the nine months ended September 30, 2014 certain bunker fuel and use of LNG during the commissioning and testing of the *PGN FSRU Lampung* were borne by us. In addition, LNG quantities used in running our generators during the period where we had problems with the regasification system were for our own account in 2014. We have not incurred any voyage expenses after October 2014 when the final testing of the *PGN FSRU Lampung* was complete. However, if the FSRU is offhire, voyage expenses, principally fuel, may also be incurred and would be paid by us.

Vessel operating expenses for the nine months ended September 30, 2015 were $5.5 million, an increase of $2.9 million from $2.6 million for the nine months ended September 30, 2014. This reflects that the *PGN FSRU Lampung* was in operation for the full nine months ended September 30, 2015, while the vessel was not ready for its intended use before the middle of May 2014.

Administrative Expenses. The following table sets forth details of our administrative expenses for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Administrative expenses	$ (6,298)	$ (10,143)	$ 3,845

Administrative expenses for the nine months ended September 30, 2015 were $6.3 million, a decrease of $3.8 million from $10.1 million for the nine months ended September 30, 2015. The major reasons for the decrease were lower administrative expenses associated with the *PGN FSRU Lampung* and for corporate activities.

There were lower administrative activities associated with the *PGN FSRU Lampung* during the nine months ended September 30, 2015 than during the nine months ended September 30, 2014 when there were preparations for the start of operations of the *PGN FSRU Lampung*.

For the nine months ended September 30, 2014, administrative expenses were incurred for the IPO principally related to audit fees, legal fees and charges for hours incurred by Höegh LNG's staff working on preparation on the IPO. There were no comparable expenses for the nine months ended September 30, 2015.

Depreciation and Amortization. The following table sets forth details of our depreciation and amortization for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014	Positive (negative) variance
Depreciation and amortization	$ (23)	$ (1,309)	$ 1,286

Depreciation and amortization for the nine months ended September 30, 2015 related to office and IT equipment. Depreciation and amortization for the nine months ended September 30, 2014 related to the *PGN FSRU Lampung* and office and IT equipment. The *PGN FSRU Lampung* was depreciated from the time it was substantially complete in the middle of May 2014 until the start of the direct financing lease in July 2014.

Total Operating Expenses. The following table sets forth details of our total operating expenses for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Total operating expenses	$ (11,864)	$ (55,425)	$ 43,561

Total operating expenses for the nine months ended September 30, 2015 were $11.9 million, a decrease of $43.5 million from $55.4 million for the nine months ended September 30, 2014. The decrease is mainly due to the decrease in construction contract expense. Excluding construction contract expense for the nine months ended September 30, 2014, total operating expenses decreased by $3.0 million for the nine months ended September 30, 2015 compared to the nine months ended September 30, 2014. The remaining decrease is due to a decrease in voyage expenses, administrative expenses and depreciation, all related to the start up of operations of the *PGN LNG Lampung* and the IPO. This was partially offset by an increase in vessel operation expenses due the full operations of the *PGN FSRU Lampung* for the nine months ended September 30, 2015, compared to partial operations for the nine months ended September 30, 2014.

Equity in Earnings (Losses) of Joint Ventures. The following table sets forth details of our equity in earnings of joint ventures for the nine months ended September 30, 2015 and 2014:

Positive

	Nine months ended September 30,		(negative)
(in thousands of U.S. dollars)	2015	2014	variance
Equity in earnings (losses) of joint ventures	$ 9,111	$ (738)	$ 9,849

Equity in earnings of joint ventures for the nine months ended September 30, 2015 was $9.1 million, an increase of $9.8 million from equity in losses of $0.7 million for the nine months ended September 30, 2014. The main reason for the increase was an unrealized gain on derivative instruments in our joint ventures for the nine months ended September 30, 2015, compared to an unrealized loss on derivative instruments for the nine months ended September 30, 2014.

Our share of our joint ventures' operating income was $17.4 million for the nine months ended September 30, 2015, compared with $17.7 million for the nine months ended September 30, 2014. Our share of other financial income (expense), net, principally consisting of interest expense, was $12.1 million for the nine months ended September 30, 2015, a decrease of $0.8 million from $12.9 million for the nine months ended September 30, 2014. The unrealized gain on derivative instruments was $3.8 million for the nine months ended September 30, 2015, an increase of $9.3 million from an unrealized loss of $5.5 million for the nine months ended September 30, 2014.

There was no accrued income tax expense for the nine months ended September 30, 2015 and 2014. Our joint ventures did not pay any dividends for the nine months ended September 30, 2015 and 2014.

Operating Income. The following table sets forth details of our operating income for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014 (Restated)	Positive (negative) variance
Operating income (loss)	$ 31,286	$ (1,453)	$ 32,739

Operating income for the nine months ended September 30, 2015 was $31.3 million, an increase of $32.7 million from operating loss of $1.4 million for the nine months ended September 30, 2014. The increase is primarily as a result of the *PGN FSRU Lampung* being in operations for the full nine months ended September 30, 2015 and the unrealized gain on derivatives for the nine months ended September 30, 2015 compared with the unrealized loss on derivatives for the nine months ended September 30, 2014 impacting the equity in earnings of joint ventures.

Interest Income. The following table sets forth details of our interest income for the nine months ended September 30, 2015 and 2014:

(in thousands of U.S. dollars)	Nine months ended September 30, 2015	2014	Positive (negative) variance
Interest income	$ 7,275	$ 2,443	$ 4,832

Interest income for the nine months ended September 30, 2015 was $7.3 million, an increase of $4.8 million from $2.4 million for the nine months ended September 30, 2014. Interest income of $6.3 million related to the demand note due from Höegh LNG and $1.0 million related to interest accrued on the advances to our joint ventures for the nine months ended September 30, 2015. For the nine months ended September 30, 2014, the entire balance related to interest accrued on the advances to our joint ventures. The interest rate under the shareholder loans to our joint ventures is a fixed rate of 8.0% per year. We lent $140 million to Höegh LNG from net proceeds of the IPO pursuant to a demand note. The note bears interest at a rate of 5.88% per annum. On October 1, 2015, the Partnership purchased the FSRU *Höegh Gallant* from Höegh LNG and the note was utilized as part of the purchase consideration.

Interest Expense. The following table sets forth details of our interest expense for the nine months ended September 30, 2015 and 2014:

Nine months ended September 30, 2015	2014	Positive (negative) variance

		(Restated)	
Interest expense	$ (8,403)	$ (6,099)	$ (2,304)
Commitment fees	(904)	(1,304)	400
Amortization of debt issuance cost	(1,946)	(3,175)	1,229
Capitalized interest	—	5,447	(5,447)
Total interest expense	$ (11,253)	$ (5,131)	$ (6,122)

Total interest expense for the nine months ended September 30, 2015 was $11.2 million, an increase of $6.1 million from $5.1 million for the nine months ended September 30, 2014. Total interest expense consists of the interest incurred, commitment fees and amortization of debt issuance cost less the interest capitalized for the period.

The interest incurred of $8.4 million for the nine months ended September 30, 2015, increased by $2.3 million compared to $6.1 million for the nine months ended September 30, 2014. The increase was due to higher outstanding loan balances.

Commitment fees were $0.9 million and $1.3 million for the nine months ended September 30, 2015 and 2014, respectively. The commitment fees relate to the undrawn $85 million sponsor credit facility for the nine months ended September 30, 2015. For the nine months ended September 30, 2014, commitment fees were incurred on the Lampung facility for undrawn balances as well as the undrawn $85 million sponsor credit facility from its inception August 12, 2014.

Amortization of debt issuance cost for the nine months ended September 30, 2015 and 2014 was $1.9 million and 3.2 million, respectively. The higher amortization of debt issuance cost of $1.2 million for the nine months ended September 30, 2014 related to the short amortization period for the Mooring tranche of the Lampung facility. The Mooring tranche was fully repaid on July 3, 2014.

There was no capitalized interest for the nine months ended September 30, 2015 since there was no construction in progress. The *PGN FSRU Lampung* and the Mooring were under construction for the first quarter and part of the second quarter of 2014 and most interest incurred qualified for capitalization for this period. Capitalized interest was $5.4 million for the nine months ended September 30, 2014. Capitalization of interest ceased in the middle of May, 2014 when the *PGN FSRU Lampung* and the Mooring were substantially complete.

Gain on derivative financial instruments. The following table sets forth details of our gain on derivative financial instruments for the nine months ended September 30, 2015 and 2014:

	Nine months ended September 30,		Positive (negative)
(in thousands of U.S. dollars)	2015	2014	variance
Gain on derivative financial instruments	$ 467	$ —	$ 467

Gain on derivative financial instruments for the nine months ended September 30, 2015 was $0.5 million. This amount related to the interest rate swap for the Lampung facility. The gain principally related to the amortization income on the amount excluded from hedge effectiveness, net of the amortization expense related to the interest rate swaps reclassified from accumulated other comprehensive income. The interest rate swaps are designated as cash flow hedges of the variable interest payments on the Lampung facility and the effective portion of the changes in fair value of the hedges are recorded in other comprehensive income. We did not have any gain or loss included in net income on the derivative financial instruments for the nine months ended September 30, 2014.

Other Items, Net. The following table sets forth details of our other items, net for the nine months ended September 30, 2015 and 2014:

Nine months ended September 30,		Positive (negative)
2015	2014 **(Restated)**	variance