

**FLEX LNG**

**4<sup>th</sup> Credit Agricole CIB Shipping  
Conference at Marine Money  
Week NYC 2022**



June 21, 2022

# FORWARD-LOOKING STATEMENTS

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MATTERS DISCUSSED IN THIS PRESENTATION MAY CONSTITUTE FORWARD-LOOKING STATEMENTS. THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 PROVIDES SAFE HARBOR PROTECTIONS FOR FORWARD-LOOKING STATEMENTS IN ORDER TO ENCOURAGE COMPANIES TO PROVIDE PROSPECTIVE INFORMATION ABOUT THEIR BUSINESS. FORWARD-LOOKING STATEMENTS INCLUDE STATEMENTS CONCERNING PLANS, OBJECTIVES, GOALS, STRATEGIES, FUTURE EVENTS OR PERFORMANCE, AND UNDERLYING ASSUMPTIONS AND OTHER STATEMENTS, WHICH ARE OTHER THAN STATEMENTS OF HISTORICAL FACTS.

FLEX LNG LTD. ("FLEX LNG" OR "THE COMPANY") DESIRES TO TAKE ADVANTAGE OF THE SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 AND IS INCLUDING THIS CAUTIONARY STATEMENT IN CONNECTION WITH THIS SAFE HARBOR LEGISLATION. THE WORDS "BELIEVE," "EXPECT," "FORECAST," "ANTICIPATE," "ESTIMATE," "INTEND," "PLAN," "POSSIBLE," "POTENTIAL," "PENDING," "TARGET," "PROJECT," "LIKELY," "MAY," "WILL," "WOULD," "SHOULD," "COULD" AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS.

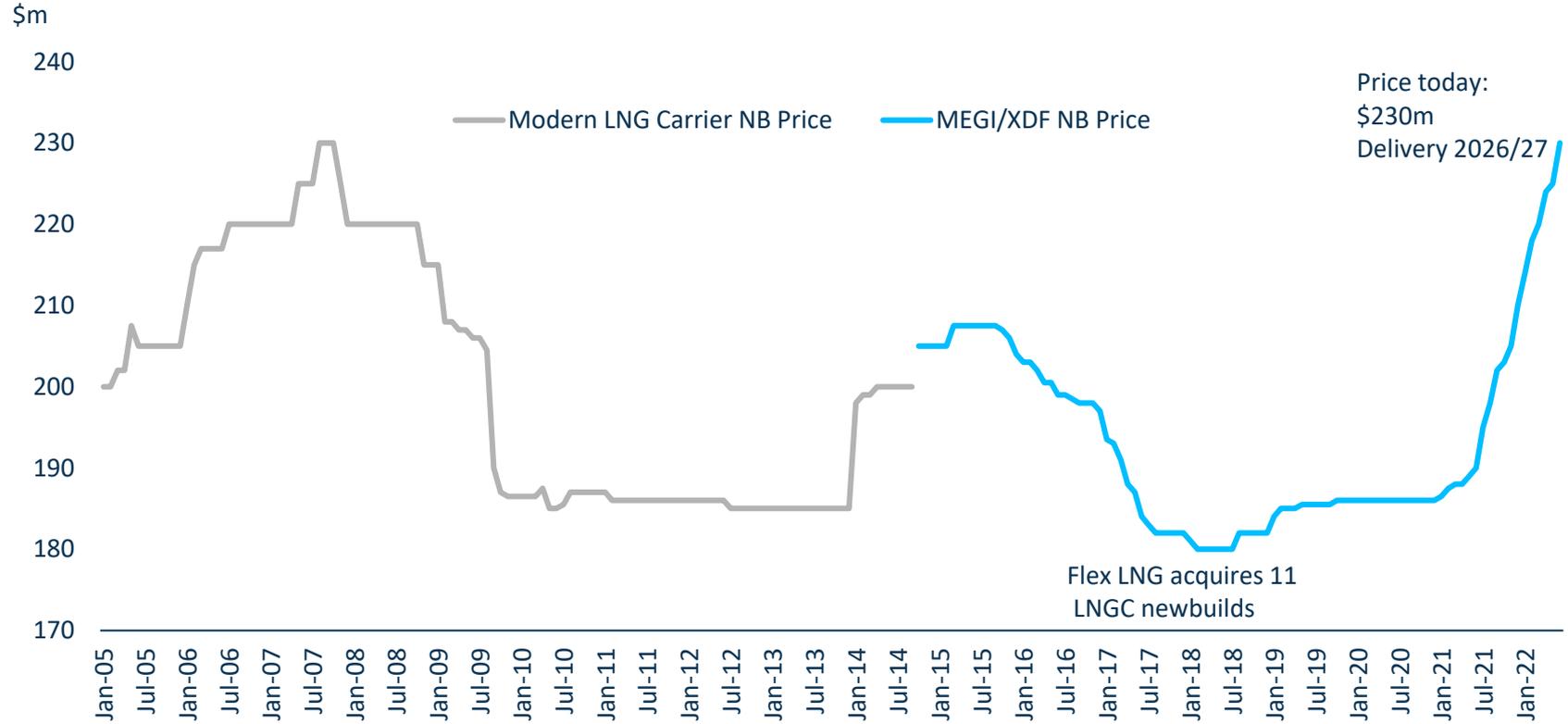
THE FORWARD-LOOKING STATEMENTS IN THIS PRESENTATION ARE BASED UPON VARIOUS ASSUMPTIONS, MANY OF WHICH ARE BASED, IN TURN, UPON FURTHER ASSUMPTIONS, INCLUDING WITHOUT LIMITATION, MANAGEMENT'S EXAMINATION OF HISTORICAL OPERATING TRENDS, DATA CONTAINED IN THE COMPANY'S RECORDS AND OTHER DATA AVAILABLE FROM THIRD PARTIES. ALTHOUGH FLEX LNG BELIEVES THAT THESE ASSUMPTIONS WERE REASONABLE WHEN MADE, BECAUSE THESE ASSUMPTIONS ARE INHERENTLY SUBJECT TO SIGNIFICANT UNCERTAINTIES AND CONTINGENCIES WHICH ARE DIFFICULT OR IMPOSSIBLE TO PREDICT AND ARE BEYOND THE COMPANY'S CONTROL, THERE CAN BE NO ASSURANCE THAT THE COMPANY WILL ACHIEVE OR ACCOMPLISH THESE EXPECTATIONS, BELIEFS OR PROJECTIONS. FLEX LNG UNDERTAKES NO OBLIGATION, AND SPECIFICALLY DECLINES ANY OBLIGATION, EXCEPT AS REQUIRED BY LAW, TO PUBLICLY UPDATE OR REVISE ANY FORWARD-LOOKING STATEMENTS, WHETHER AS A RESULT OF NEW INFORMATION, FUTURE EVENTS OR OTHERWISE.

IN ADDITION TO THESE IMPORTANT FACTORS, OTHER IMPORTANT FACTORS THAT, IN THE COMPANY'S VIEW, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE DISCUSSED IN THE FORWARD-LOOKING STATEMENTS INCLUDE: UNFORESEEN LIABILITIES, FUTURE CAPITAL EXPENDITURES, THE STRENGTH OF WORLD ECONOMIES AND CURRENCIES, GENERAL MARKET CONDITIONS, INCLUDING FLUCTUATIONS IN CHARTER RATES AND VESSEL VALUES, CHANGES IN DEMAND IN THE LNG TANKER MARKET, THE LENGTH AND SEVERITY OF THE COVID-19 OUTBREAK, THE IMPACT OF PUBLIC HEALTH THREATS AND OUTBREAKS OF OTHER HIGHLY COMMUNICABLE DISEASES, CHANGES IN THE COMPANY'S OPERATING EXPENSES, INCLUDING BUNKER PRICES, DRY-DOCKING AND INSURANCE COSTS, THE FUEL EFFICIENCY OF THE COMPANY'S VESSELS, THE MARKET FOR THE COMPANY'S VESSELS, AVAILABILITY OF FINANCING AND REFINANCING, ABILITY TO COMPLY WITH COVENANTS IN SUCH FINANCING ARRANGEMENTS, FAILURE OF COUNTERPARTIES TO FULLY PERFORM THEIR CONTRACTS WITH THE COMPANY, CHANGES IN GOVERNMENTAL RULES AND REGULATIONS OR ACTIONS TAKEN BY REGULATORY AUTHORITIES, INCLUDING THOSE THAT MAY LIMIT THE COMMERCIAL USEFUL LIVES OF LNG TANKERS, POTENTIAL LIABILITY FROM PENDING OR FUTURE LITIGATION, GENERAL DOMESTIC AND INTERNATIONAL POLITICAL CONDITIONS, POTENTIAL DISRUPTION OF SHIPPING ROUTES DUE TO ACCIDENTS OR POLITICAL EVENTS, VESSEL BREAKDOWNS AND INSTANCES OF OFF-HIRE, AND OTHER FACTORS, INCLUDING THOSE THAT MAY BE DESCRIBED FROM TIME TO TIME IN THE REPORTS AND OTHER DOCUMENTS THAT THE COMPANY FILES WITH OR FURNISHES TO THE U.S. SECURITIES AND EXCHANGE COMMISSION ("SEC").

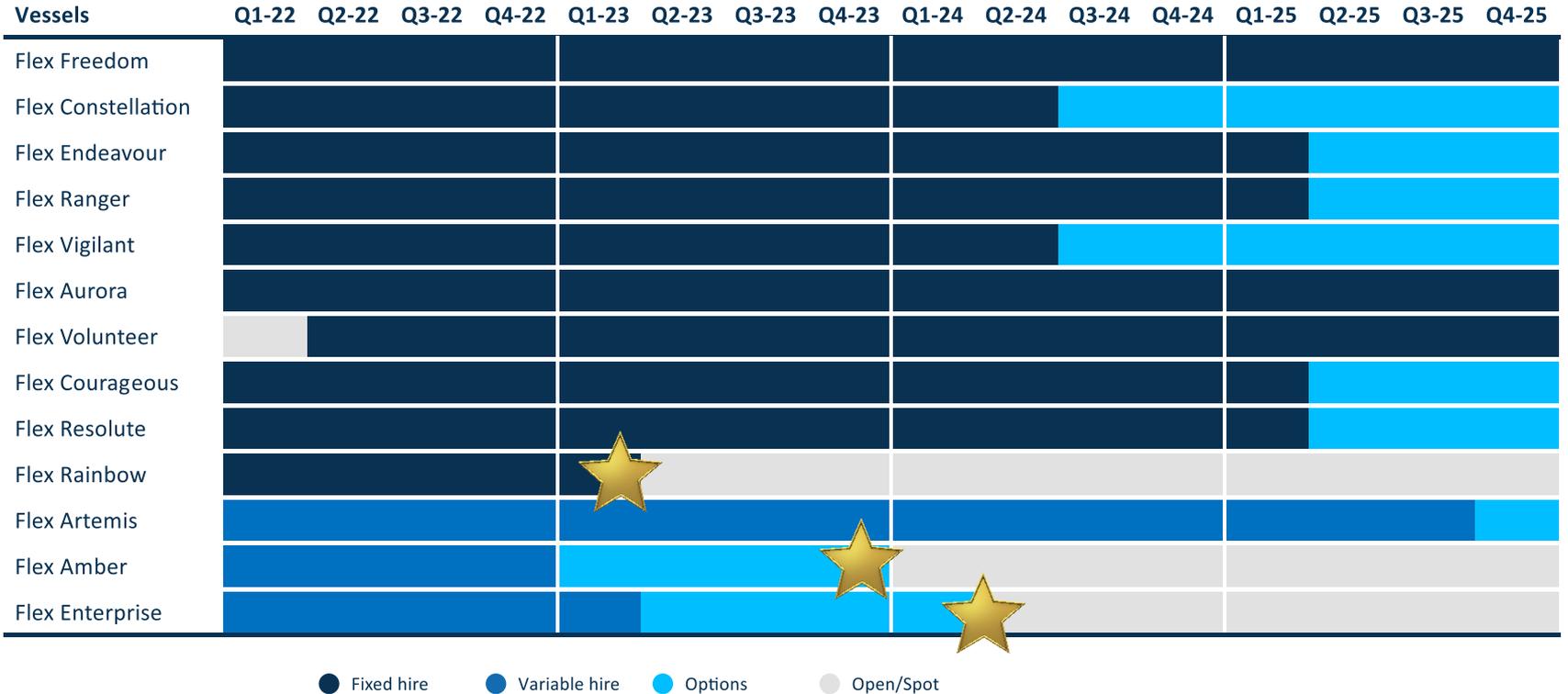
FOR A MORE COMPLETE DISCUSSION OF CERTAIN OF THESE AND OTHER RISKS AND UNCERTAINTIES ASSOCIATED WITH THE COMPANY, PLEASE REFER TO THE REPORTS AND OTHER DOCUMENTS THAT FLEX LNG FILES WITH OR FURNISHES TO THE SEC.

THIS PRESENTATION IS NOT AN OFFER TO PURCHASE OR SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE OR SELL, ANY SECURITIES OR A SOLICITATION OF ANY VOTE OR APPROVAL.

# FIRST, WE INVESTED AT THE BOTTOM OF THE CYCLE



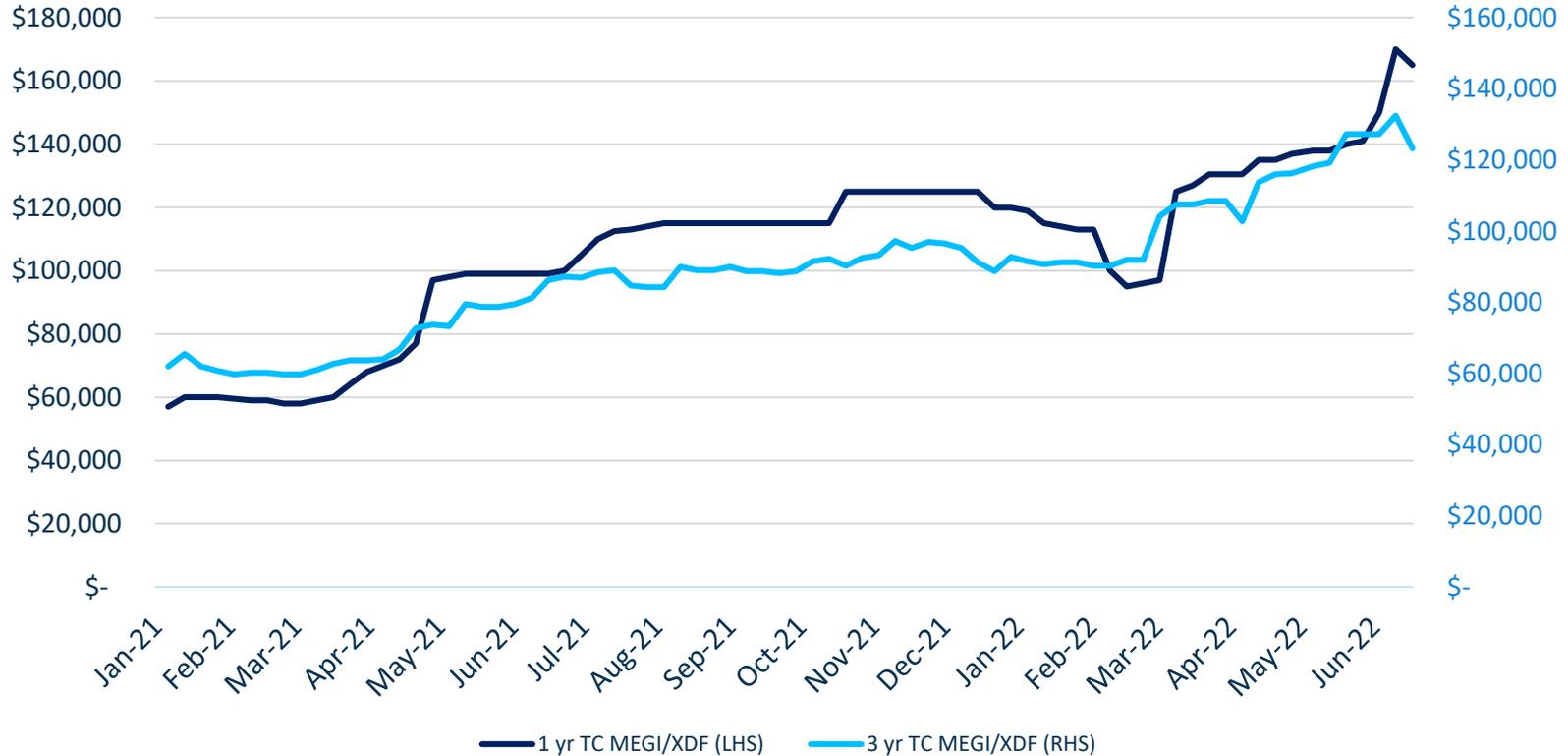
# THEN WE STARTED FIXING OUT SHIPS FROM 2021, BUT THREE LEFT



# THE TERM MARKET REMAINS SUPER TIGHT



TC rate assessment per day basis prompt delivery

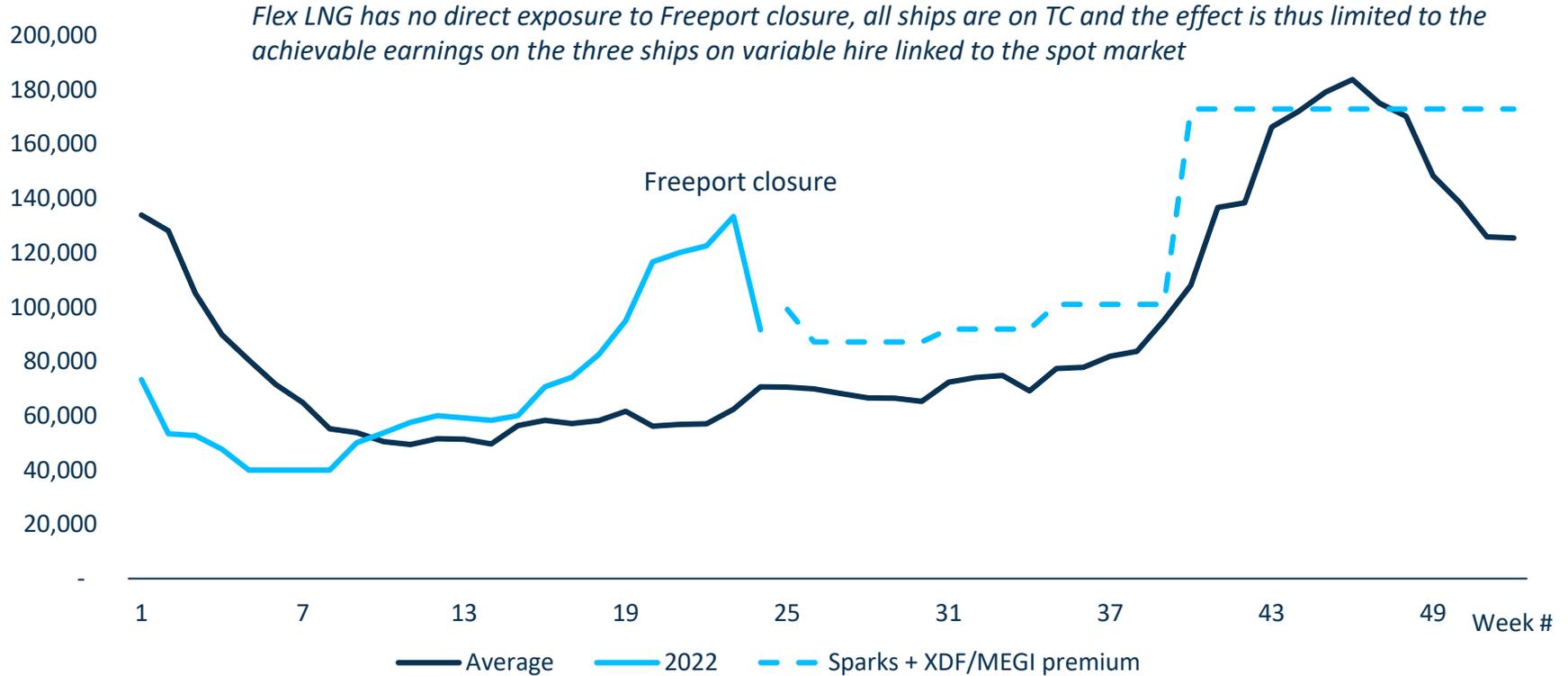


1) Source: Fearnleys for 1yr and Affinity for 3yr rates

# DESPITE A COOLDOWN OF SPOT MARKET AFTER FREEPORT CLOSURE



Headline rate MEGI/XDF



1) Source: Affinity

# SO NOW WE ARE RETURNING CASH TO SHAREHOLDERS



	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	SUM
Adjusted EPS	\$0.64	\$0.29	\$0.60	\$1.18	\$0.45	\$3.16
DPS	\$0.40	\$0.40	\$0.75	\$0.75	\$0.75	\$3.05
Buy-backs	\$0.10	\$0.01	\$0.04	\$0.00	\$0.00	\$0.15
Distribution	78%	141%	132%	64%	167%	101%

## Decision Factors

Earnings and cash flow	✓	ⓘ	✓	✓	ⓘ
Market outlook	✓	✓	✓	✓	✓
Backlog and visibility	✓	✓	✓	✓	✓
Liquidity position	✓	✓	✓	✓	✓
Covenant compliance	✓	✓	✓	✓	✓
Debt maturities	✓	✓	✓	✓	✓
Capex liabilities	✓	✓	✓	✓	✓
Other considerations	✓	✓	✓	✓	✓

*Cashflow expected to increase as we forecast higher revenues in Q2, Q3 and Q4 than in Q1*

*In 2021 we took delivery of our three last newbuildings with net capex of about \$17.5m or about \$0.33 per share*

1) Adjusted net income and adjusted EPS are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included in the earnings report

# AND WE ARE CONTINUOUSLY OPTIMIZING OUR BALANCE SHEET



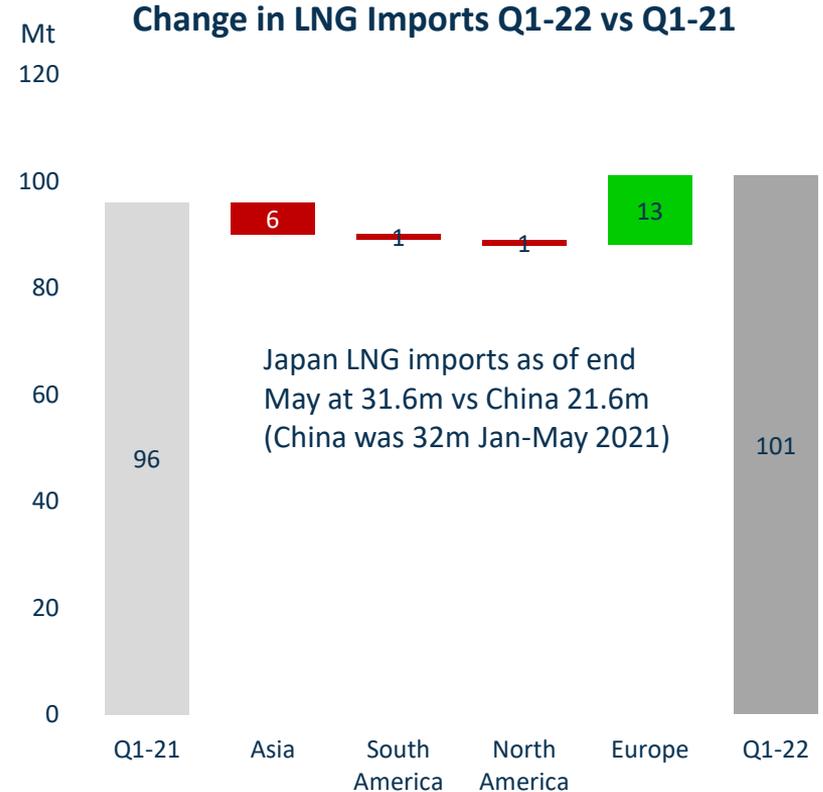
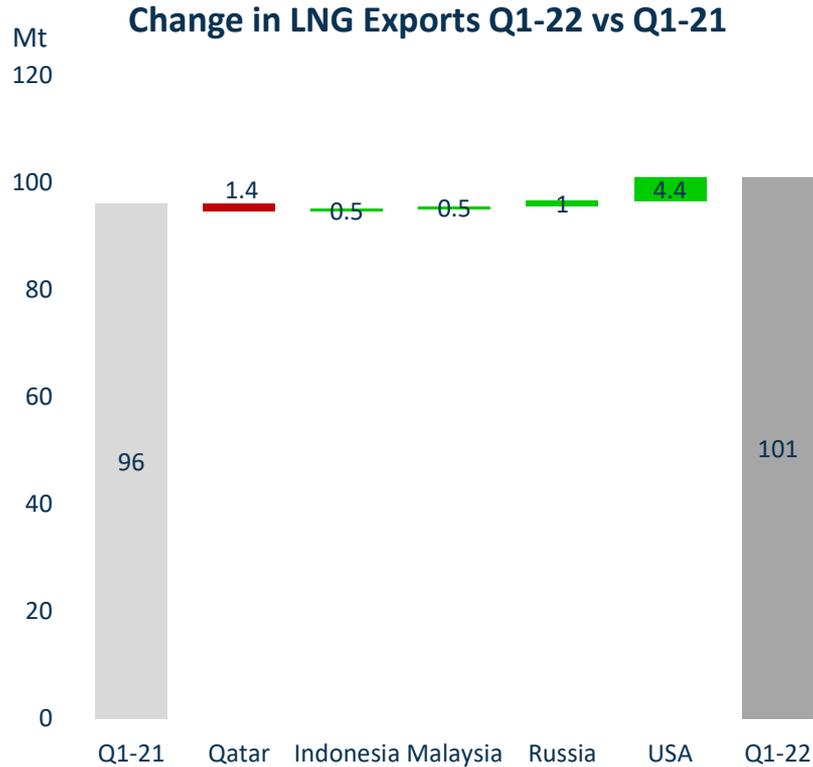
## Status Balance Sheet Optimization Program

- ✓ New \$375m: 2/3 ships done
- ✓ New \$320m Leases: Executed in May



- 13 state-of-the art LNGCs
- Average fleet age of 2.5 years
- The fleet has been acquired at historical attractive prices compared to the newbuilding prices today, but book equity values reflect historical cost adjusted with regular depreciations
- Ample cash position of \$175m with ~\$99m to come from refinancings
- Planning further balance sheet optimization

# GLOBAL LNG VOLUMES UP BY 5% IN Q1-2022



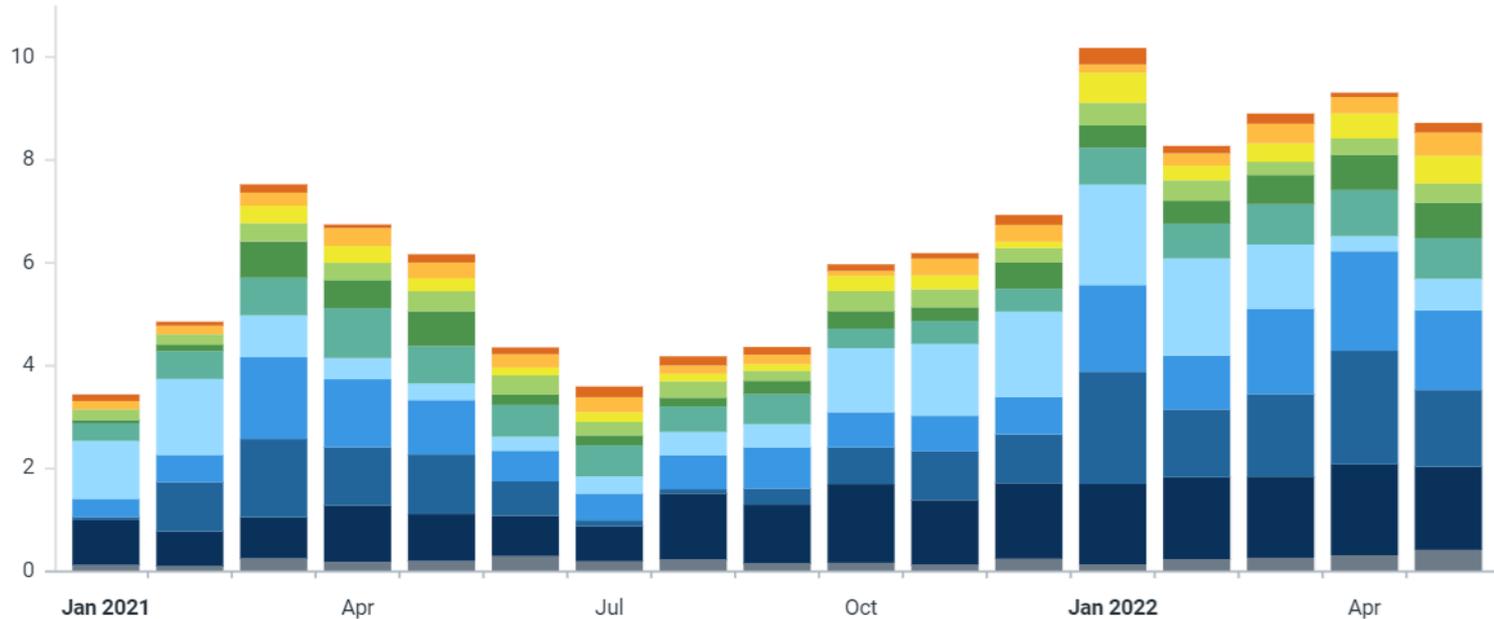
1) Source: Kpler and Affinity

# EUROPE BEEN SOAKING UP SPOT LNG CARGOES THIS YEAR

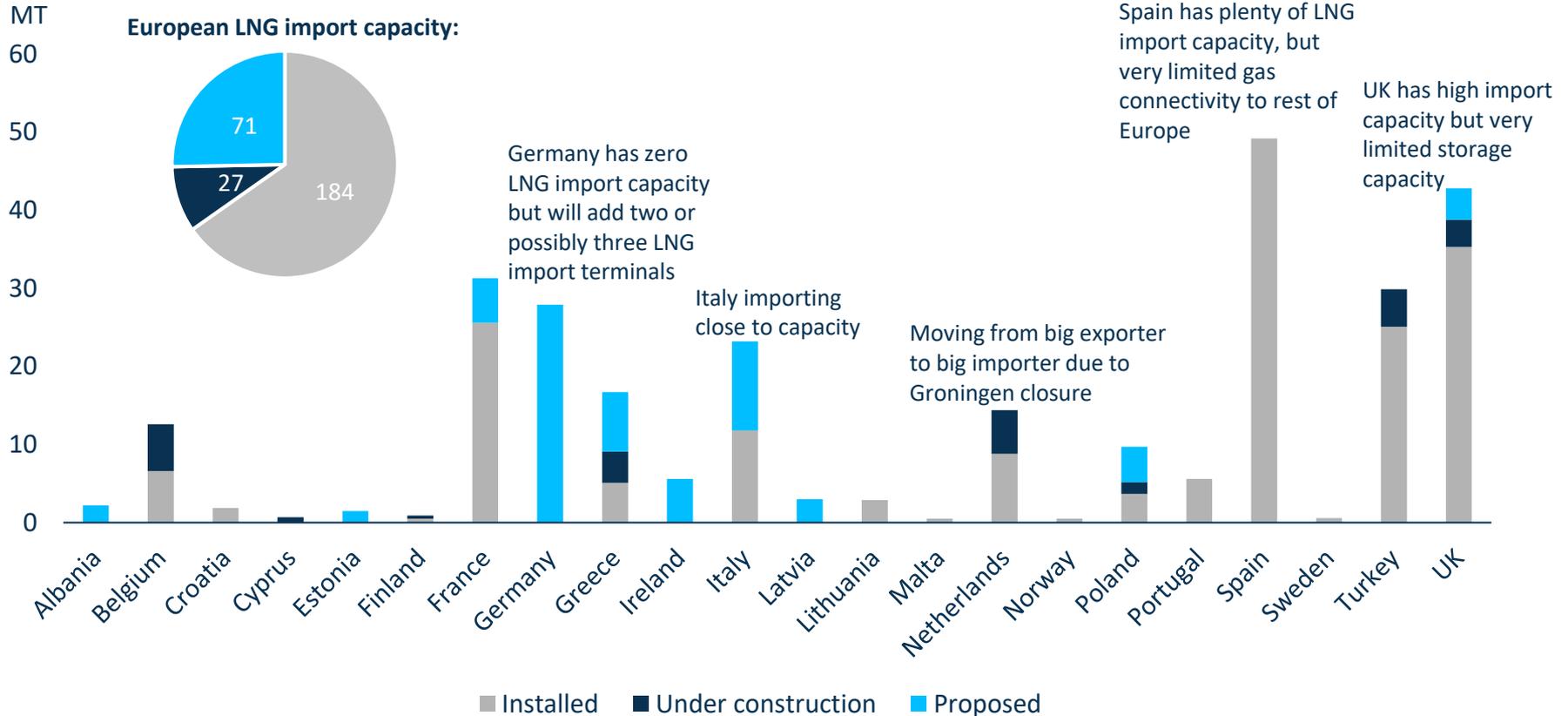


- Spain
- United Kingdom
- France
- Turkey
- Italy
- Netherlands
- Portugal
- Belgium
- Poland
- Greece
- Others

Mt

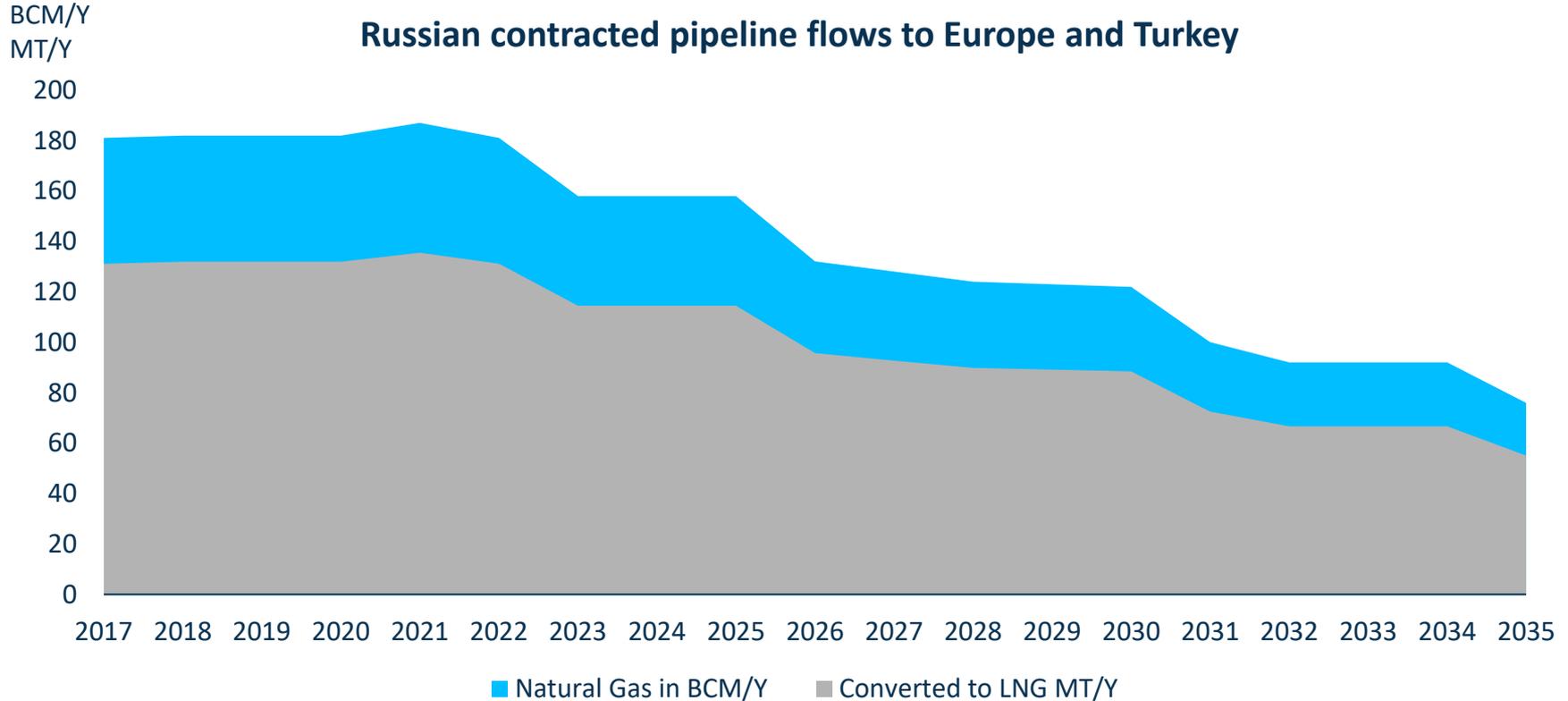


# EUROPEAN LNG IMPORT CAPACITY SET TO GROW RAPIDLY



1) Source: GIGNL and Affinity

# BUT REPLACING RUSSIAN PIPELINE GAS WILL TAKE SOME TIME

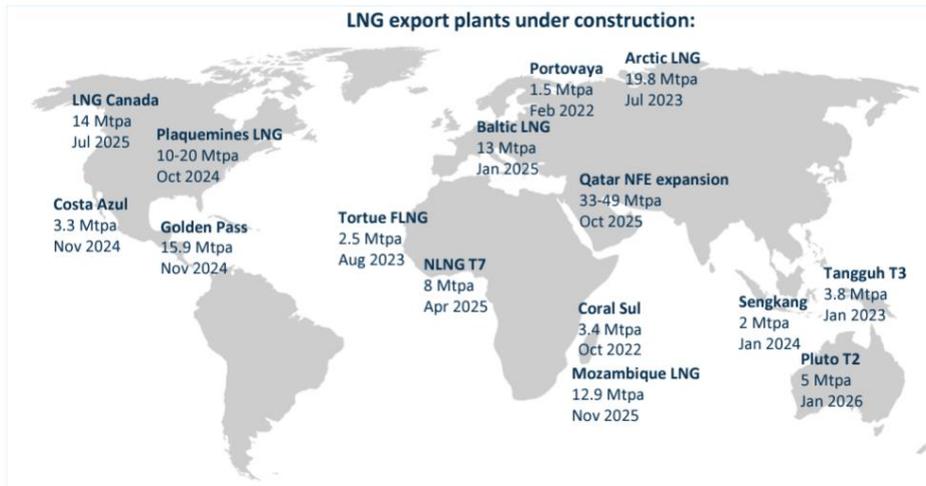


# HIGHER LNG DEMAND CREATE ROOM FOR MORE PROJECTS



Q4-21 presentation, Feb 16, 2022:

## AND MORE LNG EXPORT GROWTH IN THE “PIPELINE”



Hot contenders for new volumes:

Project	Country	Lead developer	Capacity (MT)	Status
Fast LNG	US	New Fortress Energy	2,8	Start-up 2023
Congo LNG	Congo	Eni	3,0	Start-up 2023
Freeport LNG T4	US	Freeport LNG	5,1	FID imminent
Corpus Christi Stage 3	US	Cheniere	10,0	FID imminent
Driftwood Phase 1	US	Tellurian	10,4	FID imminent
Woodfibre	Canada	Woodfibre	2,1	FID imminent
Fujairah LNG T1-2	UAE	ADNOC	9,6	FEED completed
Rovuma LNG T1-2	Mozambique	Exxon	15,2	FEED completed
Qualhat expansion	Oman	Oman LNG	1,0	FEED completed
Leviathan FLNG	Israel	Chevron	3,8	Pre FEED
Abadi LNG	Indonesia	Inpex	9,6	Pre FEED
Papua LNG T1-2	PNG	Total	5,4	Pre FEED
Driftwood Phase 2	US	Tellurian	15,6	Marketing
Rio Grande Phase 1	US	Next Decade	10,8	Marketing
Rio Grande Phase 2	US	Next Decade	16,2	Marketing
CP2 LNG	US	Venture Global	20,0	Marketing
Cameron LNG T4	US	Sempra	6,8	Marketing
Greater Tortue FLNG 2	Senegal	BP	2,5	Marketing
PNG T3	PNG	Exxon	2,7	
Texas LNG	US	Texas LNG	4,0	
Cedar FLNG	Canada	Cedar LNG	3,5	
Tangguh LNG T4	Indonesia	Petronas	3,8	
LNG Canada Phase 2	Canada	Shell	14,0	
Lake Charles	US	Energy Transfer	15,0	
Vista Pacifico LNG	Mexico	Sempra	4,0	
<b>SUM</b>			<b>196,9</b>	

# CURRENT STATUS OF THE LNG PRODUCT MARKET



Full price US cargo typically Henry Hub +15% = \$8 + tolling fee of \$2-3 (however sunk costs) meaning full costs (FOB) at approx. \$10 - \$11/MMbtu.

Then add shipping costs at approx. \$1.4/MMbtu to Europe and \$4/MMbtu to Asia (shipping cost could also be sunk depending on trader's shipping position)

*Oil priced linked cargoes at ~\$15*

1) Source: Product prices as of close May 9, 2022 from Platts. DES NWE = Delivered ex Ship North-West Europe  
2) Shipping costs from S5Y  
3) Assume large cargo of 4trn BTU or approx. 172,000 cbm

# ESG IS PART OF OUR BUSINESS



- We publish yearly ESG report according to SASB guidelines which includes information about:

- Environmental Footprint of Fuel Use
- Ecological Impacts
- Business Ethics
- Health & Safety

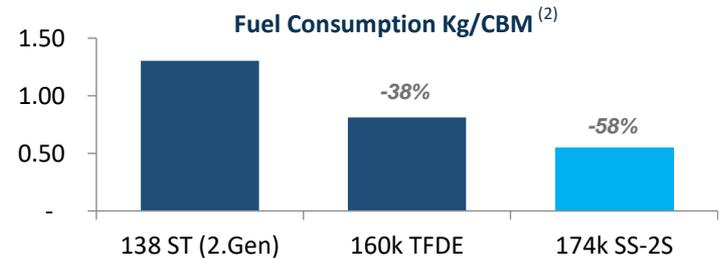
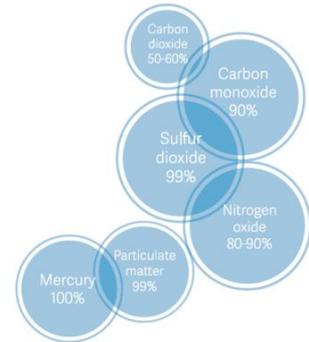


This year we will also be adding the CDP framework to report on climate-related risks to benchmark our efforts and performance against peers



*Released today*

Estimated emission reduction of natural gas vs. coal in power generation<sup>(1)</sup>



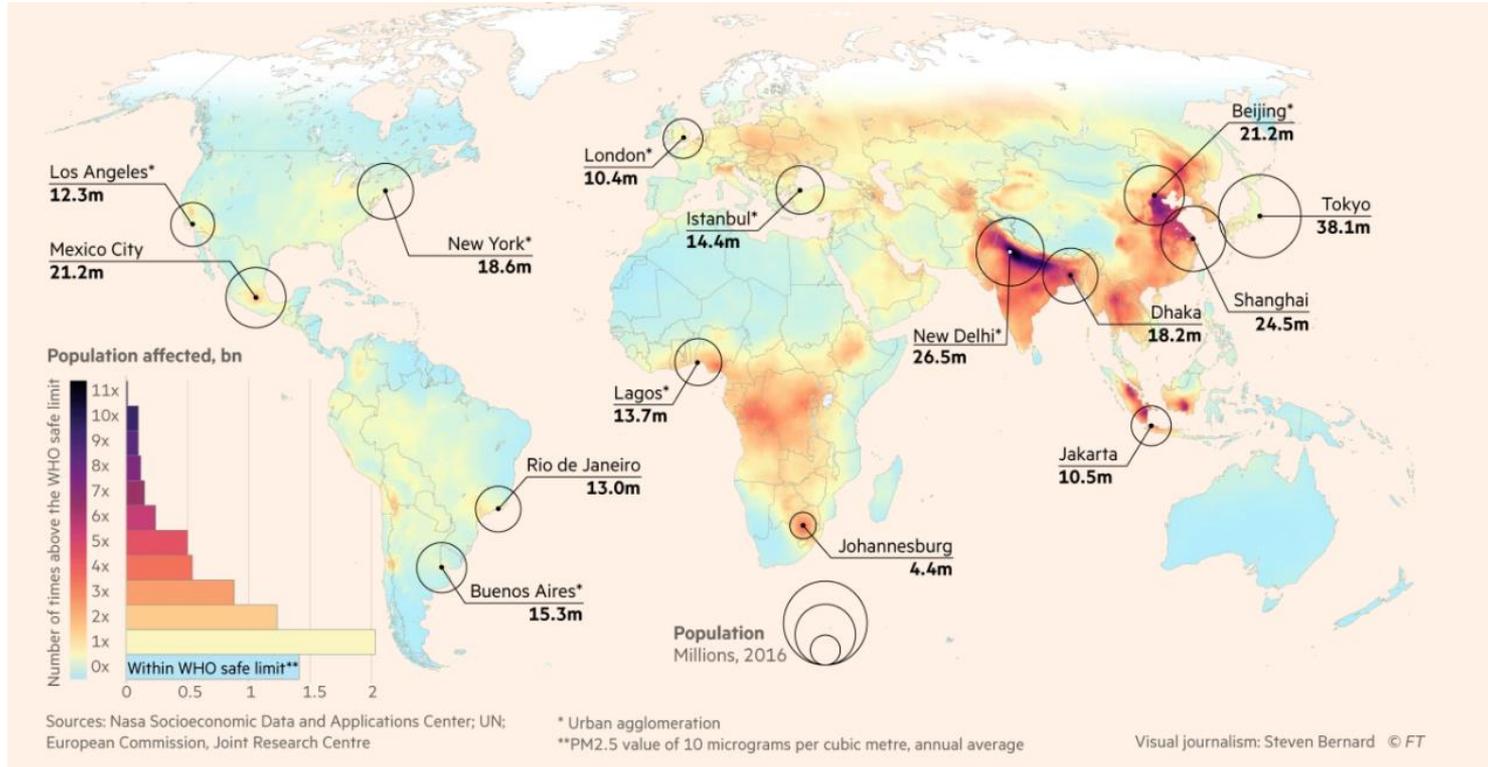
1) Source : Texas A&M University

2) Source: Company estimates

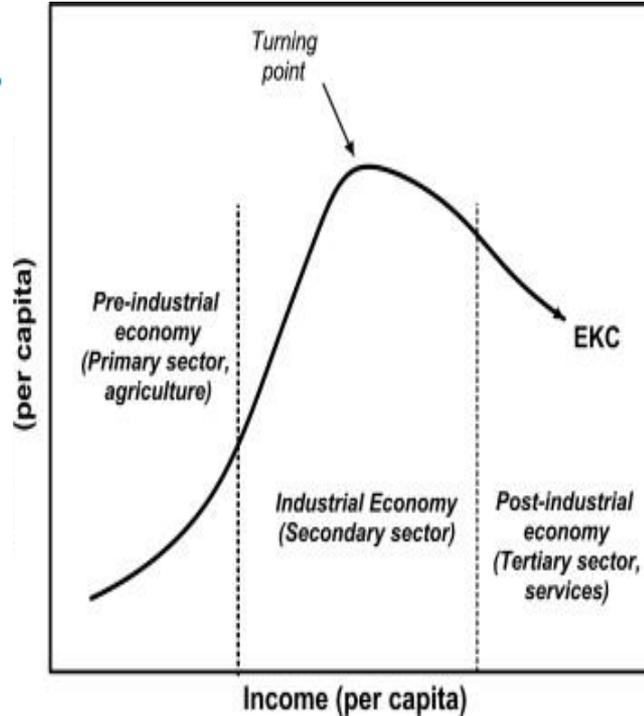
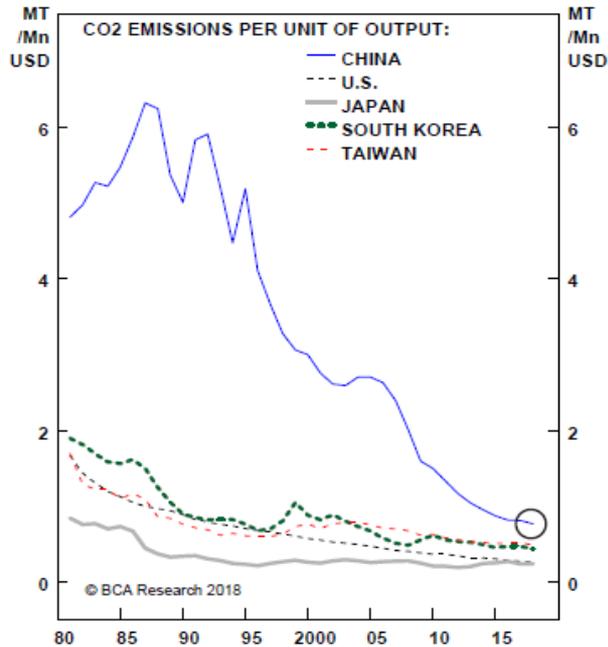
## WHY WE STARTED USING NATURAL GAS



# AIR POLLUTION IS A SILENT KILLER MATCHING COVID-19 IN LETHALITY

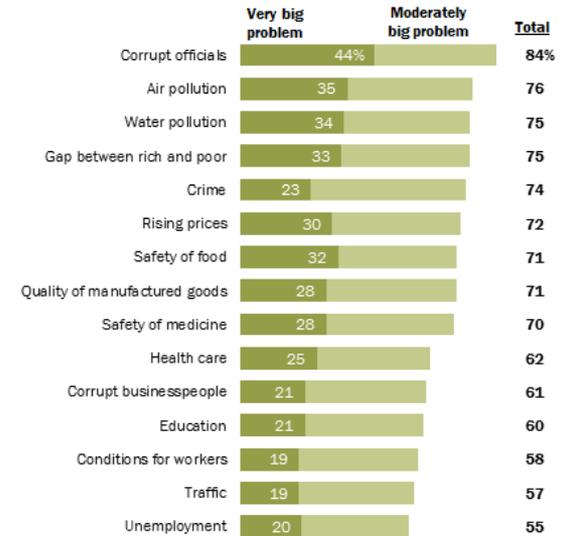


# CHINA'S ENVIRONMENTAL KUZNETS MOMENT



## Corrupt Officials, Pollution Are Top Concerns

How big of a problem is/are ...



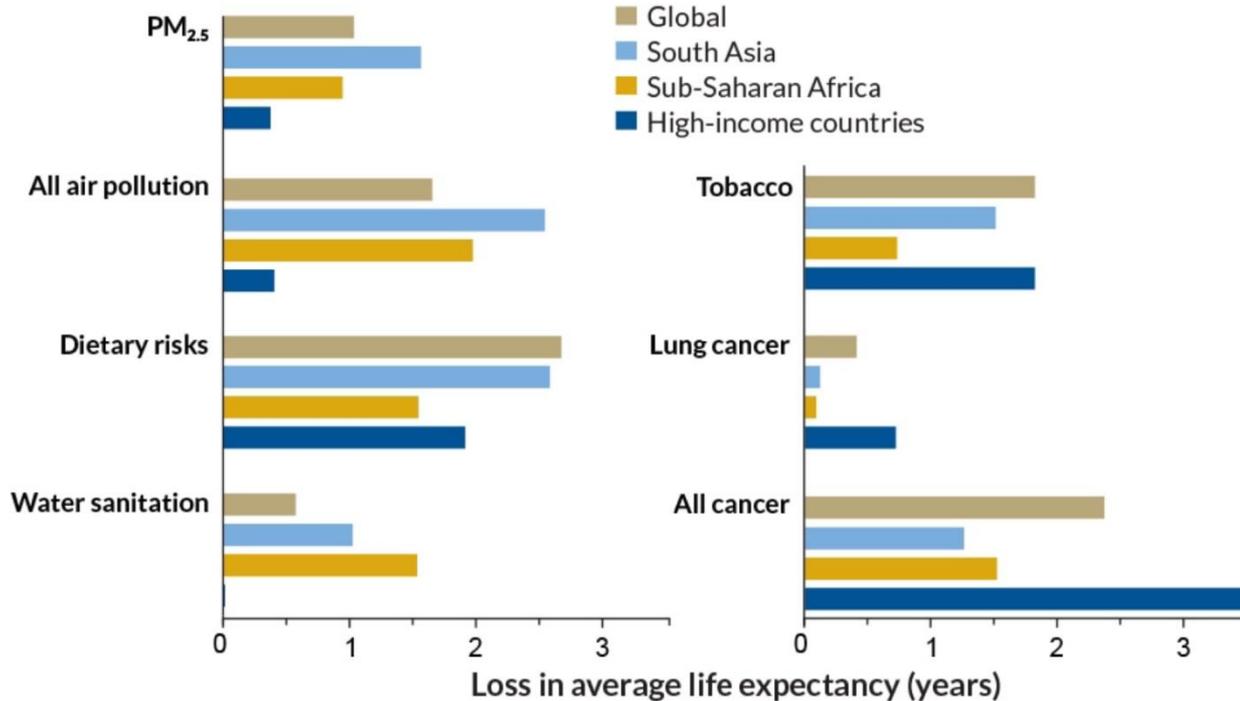
Source: Spring 2015 Global Attitudes survey. Q60a, bCHI, d-f, h-q.

PEW RESEARCH CENTER

# LNG IS A HEALTH POLICY



## How much different risks shorten life expectancy



- In South Asia, air pollution larger health risk than tobacco, cancer, water sanitation and on par with dietary risk
- If the air pollution improves from China's level to the American EPA standard level, that means that would improve everyone's education by around one year

# HAVE A GREAT MARINE MONEY WEEK!

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