



SFL Corporation Ltd.

Q1 2025 Results Presentation

Forward Looking Statements



This presentation contains forward looking statements. These statements are based upon various assumptions, many of which are based, in turn, upon further assumptions, including SFL management's examination of historical operating trends, data contained in the Company's records and other data available from third parties. Although SFL believes that these assumptions were reasonable when made, because assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, SFL cannot give assurance that it will achieve or accomplish these expectations, beliefs or intentions.

Important factors that, in the Company's view, could cause actual results to differ materially from those discussed in the forward looking statements include the strength of world economies, fluctuations in currencies and interest rates, general market conditions including fluctuations in charter hire rates and vessel values, changes in demand in the markets in which the Company operates, changes in demand resulting from changes in the Organization of the Petroleum Exporting Countries' petroleum production levels and worldwide oil consumption and storage, developments regarding the technologies relating to oil exploration, changes in market demand in countries which import commodities and finished goods and changes in the amount and location of the production of those commodities and finished goods, increased inspection procedures and more restrictive import and export controls, changes in the Company's operating expenses, including bunker prices, dry-docking and insurance costs, performance of our charterers and other counterparties with whom the Company deals, the impact of any restructuring of the counterparties with whom the Company deals, timely delivery of vessels under construction within the contracted price, changes in governmental rules and regulations or actions taken by regulatory authorities, potential liability from pending or future litigation, general domestic and international political conditions, including any changes to energy and environmental policies and changes attendant to trade conflicts, potential disruption of shipping routes due to accidents or political events, the length and severity of the ongoing coronavirus outbreak and its impact on the demand for commercial seaborne transportation and the condition of the financial markets and other important factors described from time to time in the reports filed by the Company with the United States Securities and Exchange Commission.

Recent Events & Highlights



85th consecutive quarterly dividend of \$0.27 per share



Share buy-back of approx. \$10 million at an average price of \$7.98



Executing on fleet renewal by disposal of older non-strategic assets, improving average age of fleet and reducing emissions



\$4.2 billion contracted backlog⁴ provides visibility in volatile markets, with more than two thirds contracted to investment grade counterparties



Strong balance sheet and liquidity position provides flexibility in current market and enables us to pursue new investment opportunities

Q1'25 key highlights

\$193m¹

Gross revenue

\$116²

Adjusted EBITDA

\$32m

Net loss

\$0.24

Loss per share

\$0.27

Dividend per share

~13%³

Dividend yield

Notes: (1) Gross revenue includes charter hire from all vessels and rigs, including assets in 100% owned subsidiaries classified as 'Investment in associates' and proportionate charter hire from partly owned vessels; (2) Adjusted EBITDA² is a non- U.S. GAAP measure. It represents cash receipts from operating activities before net interest and capital payments. For details, please see SFL's first quarter preliminary earnings release Appendix 1: Reconciliation of Adjusted EBITDA; (3) Based on SFL closing price of \$8.57 on May 12, 2025; (4) Fixed rate backlog as of March 31, 2025 including subsequent sales and acquisitions, fully owned vessels, rigs and 100% of four partially owned 19,000 teu container vessels, which SFL also manages. The backlog excludes charterers' extension options and purchase/cancellation options (if applicable)

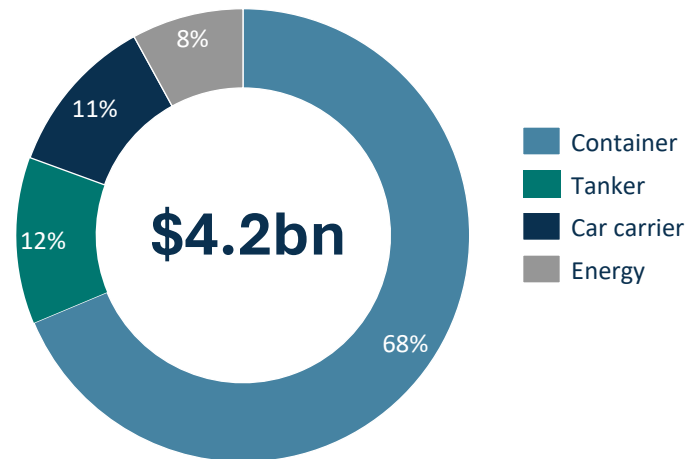
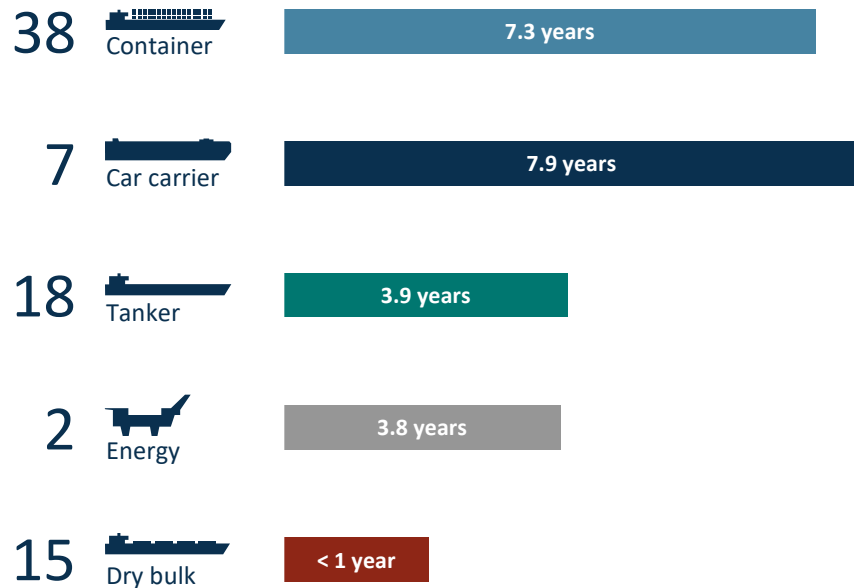
A Leading Maritime Infrastructure Company



Portfolio¹

Contract duration²

Contracted revenue³



Notes: (1) Including partly owned vessels and acquired vessels yet to be delivered to SFL; (2) Average charter term weighted by charter revenues, excluding charterer option periods, and adjusted for subsequent sales and acquisitions; (3) Fixed rate backlog as of March 31, 2025 including subsequent sales and acquisitions, fully owned vessels, rigs and 100% of four partially owned 19,000 teu container vessels, which SFL also manages. The backlog excludes charterers' extension options and purchase/cancellation options (if applicable). Excludes contracted revenue from dry bulk vessels


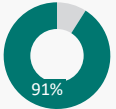








Strong Portfolio of Industry Leading Clients



Customers with new / add-on business since 2021	<ul style="list-style-type: none"> World's fifth largest container shipping line Publicly listed with a market cap of ~\$29bn Rated Ba1 / BB+ 	<ul style="list-style-type: none"> Leading liner operator Publicly listed with a market cap of ~\$10bn
	<ul style="list-style-type: none"> World's second largest container shipping line Publicly listed with a market cap of ~\$26bn Rated Baa1 / BBB+ 	<ul style="list-style-type: none"> The world's largest independent energy trader with \$400bn turnover in 2023 Privately owned with head offices in Switzerland
	<p>Undisclosed</p> <ul style="list-style-type: none"> Investment grade shipping company 	<ul style="list-style-type: none"> Among the largest privately held US companies Industrial conglomerate operating in several different end markets Rated Aa3 / AA-
	<ul style="list-style-type: none"> Among the world's largest independent E&P players based on production and proven reserves Publicly listed with a market cap of ~\$130bn Rated A2 / A- 	<ul style="list-style-type: none"> One of the world's largest charterers of dry and wet shipping tonnage World's second largest oil trader
	<ul style="list-style-type: none"> One of the world's leading car and commercial vehicle makers Publicly listed with a market cap of ~\$47bn Rated A3 / BBB+ 	<ul style="list-style-type: none"> World-leading chemical logistics company Publicly listed with a market cap of ~\$1.4bn
	<p>% of contracted revenue</p>	
Others		

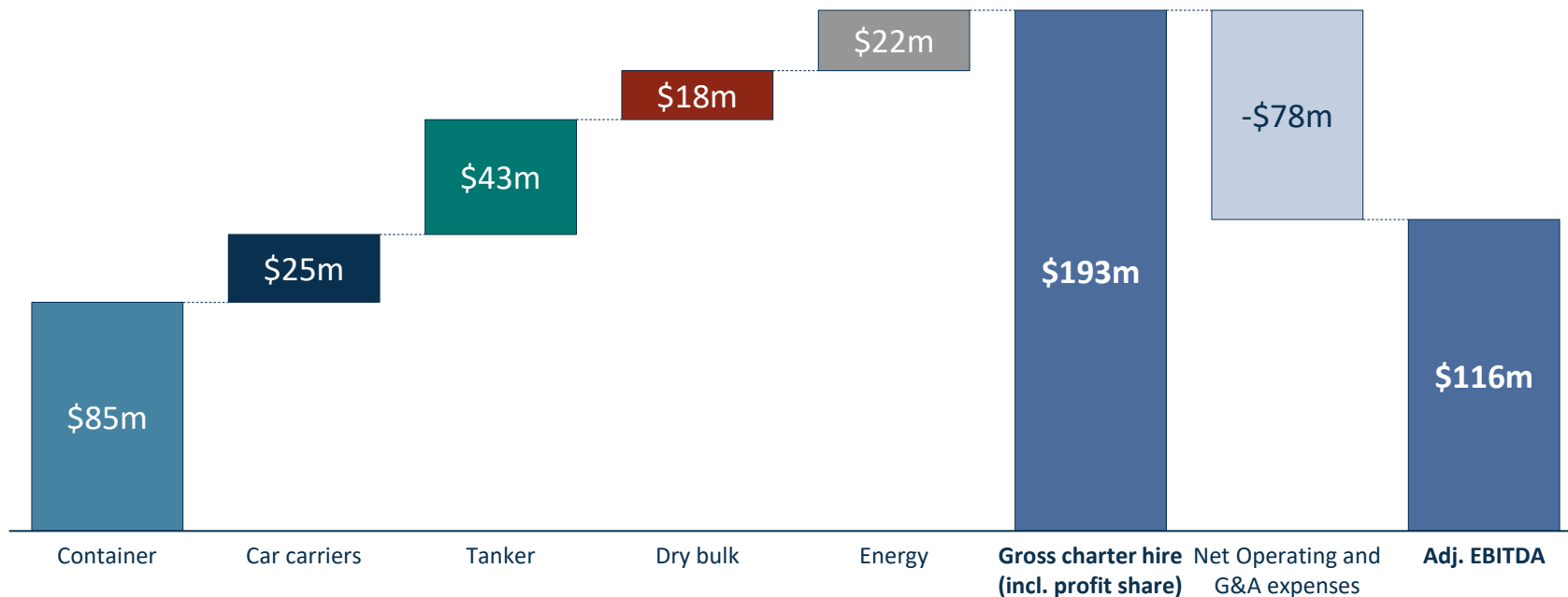
Operational Performance Highlights



Market	Charter type ¹ Q1 2025	Operating days ² Q1 2025	Utilization ³ Q1 2025	Revenue Q1 2025	OPEX Q1 2025
 Container	 <div> BB TC </div>	2,946	99.2%	\$85m	\$20m
 Car carrier		607	96.3%	\$25m	\$6m
 Tanker		1,580	97.5%	\$43m	\$18m
 Dry bulk		1,343	99.4%	\$18m	\$10m
 Energy		87	48.3%	\$22m	\$18m

Notes: (1) Revenue by charter contract type. TC = time charter where SFL is providing crew and ship management services to the charterer. BB = Bareboat where SFL only provides the ship where the charterer undertakes crewing and ship management; (2) For vessels "operating days" equals calendar days less days for technical off hire, dry dock or yard stay. For rigs "operating days" equals days on rate or in transit covered by mobilisation fees less days off hire and time spent in port not on drilling rate; (3) Utilization means Operating days divided by calendar days

Adjusted EBITDA Q1 2025 Breakdown¹



Notes: (1) Not as accounted under US GAAP and including cash flow in 49.9% owned subsidiaries accounted for as 'investment in associates' (Riverbox); (2) Long-term charters includes total gross charter hire related to contracts undertaken for a period greater than one year from all owned vessels and firm rig employment, including assets in 49.9% owned subsidiaries accounted for as 'Investment in associates'; (3) Short-term shipping charters includes gross hire from short term charters and voyage charters from vessels

Income Statement



Operating Revenue

- \$193m of charter hire, including share of revenue from associates and revenue classified as repayment, including \$1.5m of profit share
- Vessel charter hire of \$171m
- Rig charter hire of \$22m

Operating Expenses

- Vessel operating expenses of \$58m, including \$10m related to drydocking
- Rig operating expenses of \$18m
- \$34m vessel impairment charge related to seven non-core dry bulk vessels traded in the spot market

Net Loss

- \$32m or \$0.24 per share

(in thousands of \$ except per share data)

	Three months ended	
	Mar 31, 2025	Dec 31, 2024
Charter revenues: sales-type leases (excluding charter hire treated as Repayments)	471	508
Charter revenues: operating leases and rig revenue contracts	183,358	222,364
Profit share income	1,466	2,588
Other operating income	1,444	3,642
Total operating revenues	186,739	229,102
Gain on sale of assets and termination of charters	—	5,391
Vessel and rig operating expenses	(75,797)	(102,627)
Administrative expenses	(5,276)	(4,824)
Depreciation	(60,911)	(62,164)
Vessel impairment charge	(34,093)	—
Total operating expenses	(176,077)	(169,615)
Operating income	10,662	64,878
Results in associates	625	654
Interest income from associates	1,125	1,150
Interest income, other	1,881	2,711
Interest expense	(46,207)	(48,359)
Interest and valuation loss on non-designated derivatives	(985)	(743)
Loss on investments in debt and equity securities	(360)	(502)
Other financial items	2,180	3,525
Taxes	(792)	(3,116)
Net (loss)/income	(31,871)	20,198
Basic (loss)/earnings per share (\$)	(0.24)	0.15

Balance Sheet



Cash and Liquidity

- \$174m cash and cash equivalents at quarter end
- Approximately \$48m of undrawn credit lines
- Unencumbered assets of \$187m at quarter end
- During the quarter and subsequent to quarter end, the Company conducted share repurchases of \$10m in total

Financing and Capital Expenditure

- Repaid debt facilities in the quarter of \$47m in addition to ordinary instalments
- Vessel upgrades related to some of the large container vessels of \$20m during the quarter, most of which will be reimbursed through charter rate increases
- Capital expenditures of \$850m remaining on five large container newbuildings, expected to be funded through pre- and post-delivery financing

Capital Structure⁽¹⁾

- Book equity ratio of 26.0%

(in thousands of \$)

ASSETS

Short term

Cash and cash equivalents	173,945	134,551
Investment in marketable securities	3,660	3,736
Amount due from related parties	5,682	5,201
Investment in sales-type leases, current portion	33,157	35,135
Other current assets	110,831	137,395

Long term

Vessels, rigs and equipment, net	3,463,645	3,552,298
Capital improvements, newbuildings and vessel deposits	165,921	162,254
Investment in associates	16,270	16,382
Amount due from related parties, long term	45,000	45,000
Other long term assets	13,937	15,817

Total assets

4,032,048 **4,107,769**

LIABILITIES AND STOCKHOLDERS' EQUITY

Short term

Short term and current portion of long term interest bearing debt	623,494	689,045
Amount due to related parties	1,455	1,296
Other current liabilities	98,611	137,516

Long term

Long term interest bearing debt, net of deferred charges	2,252,626	2,150,417
Other long term liabilities	3,473	1,073

Stockholders' equity 1,052,389 1,128,422

Total liabilities and stockholders' equity

4,032,048 **4,107,769**

SFL Corporation – Summary

