

Golar LNG



HILLI EPISEYO

SEPTEMBER, 2021

Golar LNG

Existing asset base driving earnings growth



This press release contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) which reflects management's current expectations, estimates and projections about its operations. All statements, other than statements of historical facts, that address activities and events that will, should, could or may occur in the future are forward-looking statements. Words such as "may," "could," "should," "would," "will," "expect," "plan," "anticipate," "intend," "forecast," "believe," "estimate," "predict," "propose," "potential," "continue," or the negative of these terms and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. You should not place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Unless legally required, Golar undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

*Among the important factors that could cause actual results to differ materially from those in*

*the forward-looking statements are: our inability and that of our counterparty to meet our respective obligations under the Lease and Operate Agreement entered into in connection with the BP Greater Tortue / Ahmeyim Project ("Gimi GTA Project"); continuing uncertainty resulting from potential future claims from our counterparties of purported force majeure under contractual arrangements, including but not limited to our construction projects (including the Gimi GTA Project) and other contracts to which we are a party; claims made or losses incurred in connection with our continuing obligations with regard to Hygo Energy Transition Ltd ("Hygo") and Golar LNG Partners LP ("Golar Partners"); the ability of Hygo, Golar Partners and New Fortress Energy, Inc. ("NFE") to meet their respective obligations to us, including indemnification obligations; our ability to formalize a settlement agreement with authorities regarding tax benefits previously obtained under certain of our leasing agreements; changes in our ability to retrofit vessels as floating storage and regasification units ("FSRUs") or floating liquefaction natural gas vessels ("FLNGs") and in our ability to obtain financing for such conversions on acceptable terms or at all; changes in our ability to obtain additional financing on acceptable terms or at all; the length and severity of outbreaks of pandemics, including the recent worldwide outbreak of the novel coronavirus ("COVID-19") and its impact on demand for liquefied natural gas ("LNG") and natural gas, the timing of*

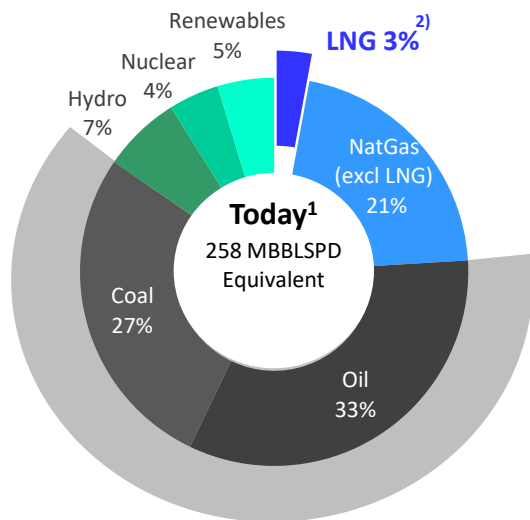
*completion of our conversion projects, the operations of our charterers, our global operations and our business in general; failure of our contract counterparties to comply with their agreements with us or other key project stakeholders; changes in LNG carrier, FSRU, or FLNG including charter rates, vessel values or technological advancements; our vessel values and any future impairment charges we may incur; our ability to close potential future sales of additional equity interests in our vessels, including the Hilli Episeyo ("Hilli") and FLNG Gimi on a timely basis or at all; our ability to contract the full utilization of the Hilli or other vessels; changes in the supply of or demand for LNG carriers, FSRUs or FLNGs; a material decline or prolonged weakness in rates for LNG carriers, FSRUs or FLNGs; changes in the performance of the pool in which certain of our vessels operate; changes in trading patterns that affect the opportunities for the profitable operation of LNG carriers, FSRUs or FLNGs; changes in the supply of or demand for LNG or LNG carried by sea; continuing volatility of commodity prices; changes in the supply of or demand for natural gas generally or in particular regions; changes in our relationships with our counterparties, including our major chartering parties; changes in our relationship with our affiliates and the sustainability of any distributions they pay to us; a decline or continuing volatility in the global financial markets; changes in general domestic and international political conditions, particularly*

*where we operate; changes in the availability of vessels to purchase and in the time it takes to construct new vessels; failure of shipyards to comply with delivery schedules or performance specifications on a timely basis or at all; changes to rules and regulations applicable to LNG carriers, FSRUs, FLNGs or other parts of the LNG supply chain; our inability to achieve successful utilization of our fleet or inability to expand beyond the carriage of LNG and provision of FSRU and FLNGs, particularly through our innovative FLNG strategy; actions taken by regulatory authorities that may prohibit the access of LNG carriers, FSRUs and FLNGs to various ports; increases in costs, including, among other things, wages, insurance, provisions, repairs and maintenance; and other factors listed from time to time in registration statements, reports or other materials that we have filed with or furnished to the Securities and Exchange Commission, or the Commission, including our most recent annual report on Form 20-F.*

*As a result, you are cautioned not to rely on any forward-looking statements. Actual results may differ materially from those expressed or implied by such forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise unless required by law.*

# In a world with focus on ESG: LNG is an attractive energy source in strong growth

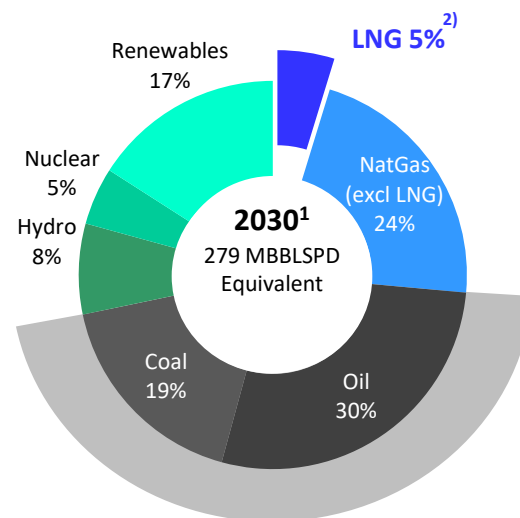
## LNG EXPECTED TO TAKE AN INCREASING PART IN MEETING WORLD ENERGY DEMAND



**+8%**  
Increase in world energy demand

**LNG the 2<sup>nd</sup> fastest growing** energy source after renewables, expected to grow by 50%+ from 360mT to 550mT

**Oil and Coal from 60% to 49%**  
Of global energy demand

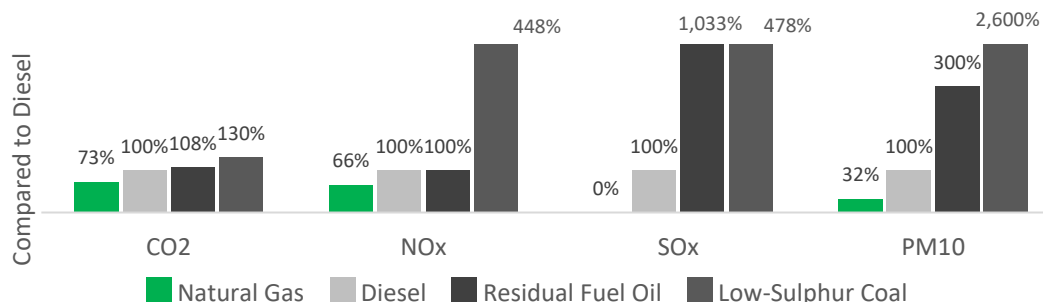



### INDUSTRIAL

### NATURAL GAS EMISSIONS FOOTPRINT COMPARED TO OTHER HYDROCARBONS

### TRANSPORTATION

  
**Hydro**  
**Fuel Oil-to-LNG**  
Barcarena Alumina Plant  
600,000 tons CO2 saved<sup>3</sup>  
=  
Trees equivalent to  
**10x Manhattans<sup>4</sup>**



 **Hapag-Lloyd**  
**LNG-fuelled Containership**  
20,000 TEU vessel  
23,000 tons CO2 saved  
=  
**10,000 Gasoline cars**  
replaced by EVs<sup>5</sup>

# The LNG value chain and Golar's asset portfolio

## THE LNG VALUE CHAIN



## GOLAR LNG ASSET BASE: STRONG POSITION ACROSS VALUE CHAIN

Golar LNG



### FLNG

FLNG Hilli Episeyo



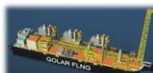
FLNG Gimi (under construction)



Golar Gandria (for conversion)



Golar MkIII design



### Shipping

Golar Bear



Golar Seal



Golar Crystal



Golar Kelvin



Golar Frost



Golar Snow



Golar Glacier



Golar Ice



Golar Arctic



Golar Tundra



### Investments



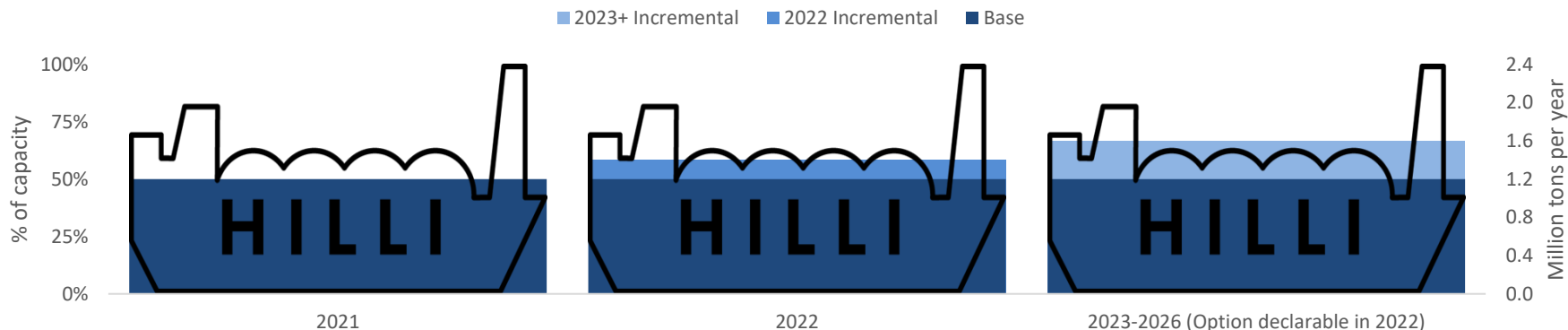
New Fortress energy (8.9%)



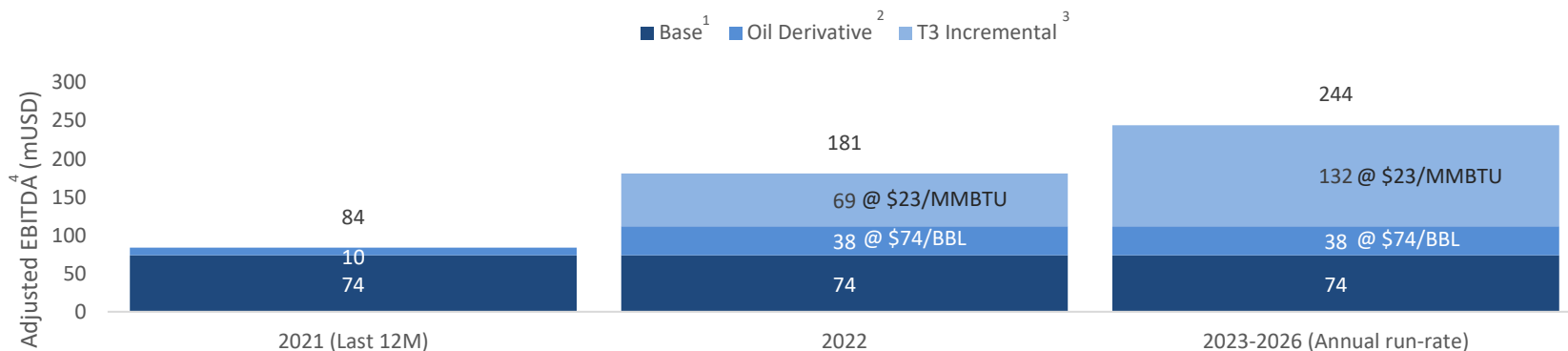
Avenir LNG (23.6%)

# Short-term FLNG earnings driver: Commodity-linked increased capacity utilization on FLNG Hilli

## HILLI PRODUCTION VOLUME EVOLUTION FOR REMAINING FIRM CONTRACT PERIOD



## HILLI HAS POTENTIAL TO GENERATE \$180m+ IN 2022 AT CURRENT PRICES WITH UPSIDE TO \$240m+ ANNUALLY FOR 2023-2026



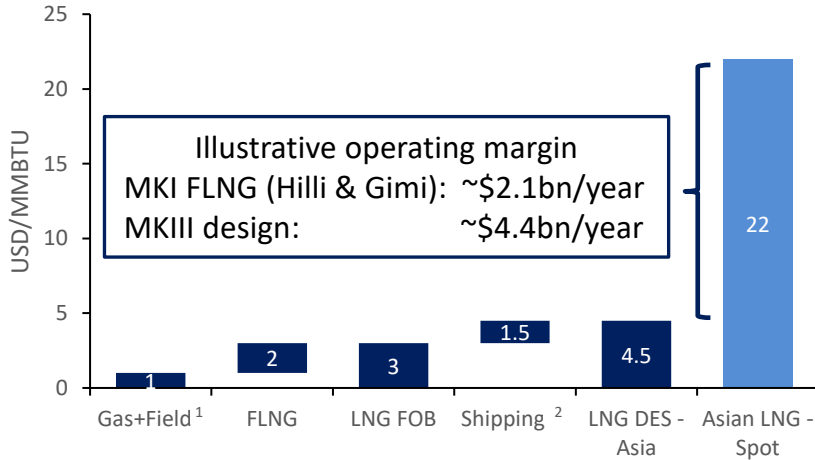
**2022 Earnings sensitivity**  
Brent:  $\Delta \$1/\text{bbl} = \$2.7\text{m}$   
TTF:  $\Delta \$1/\text{MMBTU} = \$3.2\text{m}$

**2023 Earnings sensitivity**  
Brent:  $\Delta \$1/\text{bbl} = \$2.7\text{m}$   
TTF:  $\Delta \$1/\text{MMBTU} = \$6.5\text{m}$

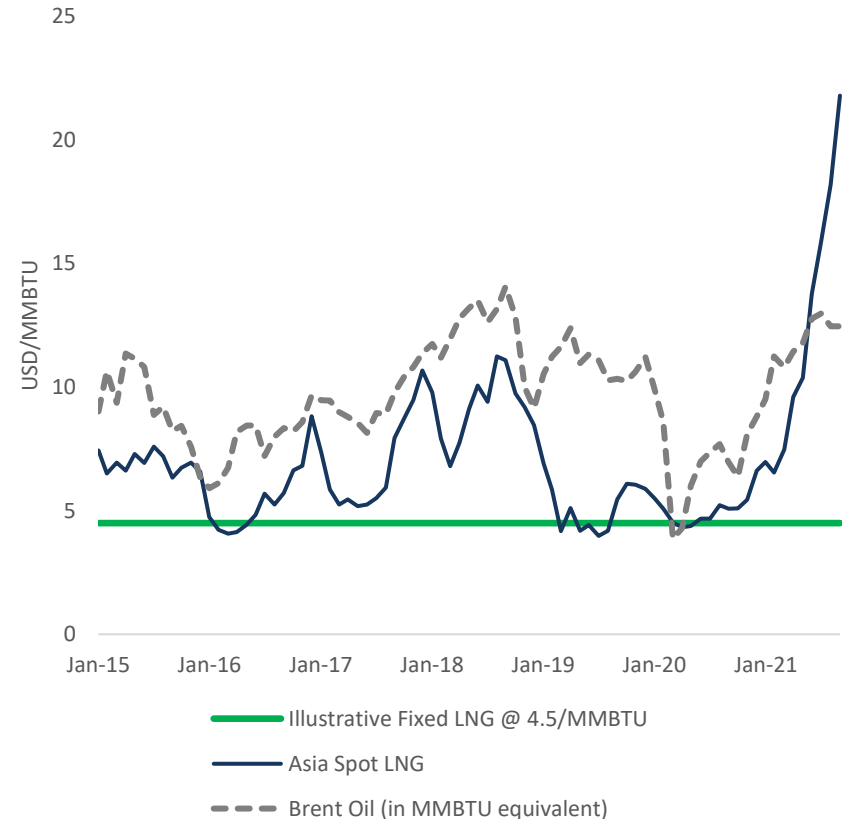
(1) Based on last twelve months EBITDA on base capacity of 1.2million tonnes per annum. (5) Assumes no change to existing accounting treatment  
 (2) Based on last price for Platts dated Brent index on 14<sup>th</sup> of September 2021  
 (3) The ICE last OCT21 contract on close 14<sup>th</sup> of September 2021  
 (4) Please see the appendix for definition on the non-GAAP measures.

# Long-term FLNG outlook: LNG prices support super-profit for FLNG projects

## FLNG ECONOMICS



## ATTRACTIVE RISK REWARD



### FLNG MK I



Capex: ~\$ 1.4bn

Years to Pay Back<sup>3</sup>:  
**0.66x**

### FLNG MK III



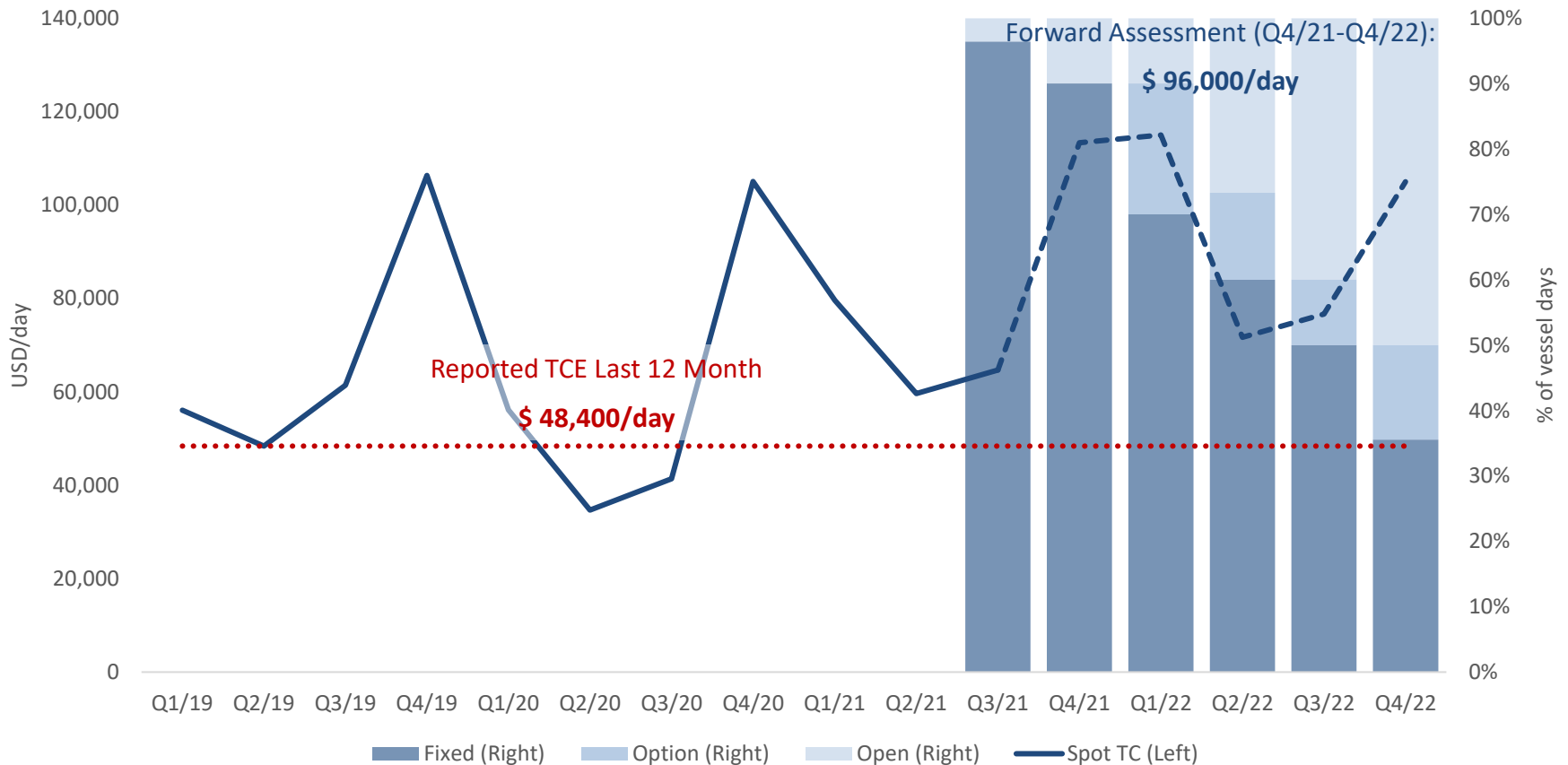
Capex: ~\$ 2.5bn

Years to Pay Back<sup>3</sup>:  
**0.57x**

Golar uniquely positioned for FLNG super-profit, increasing focus on integrated projects

# Short-term shipping upside: Golar expecting to generate stronger results

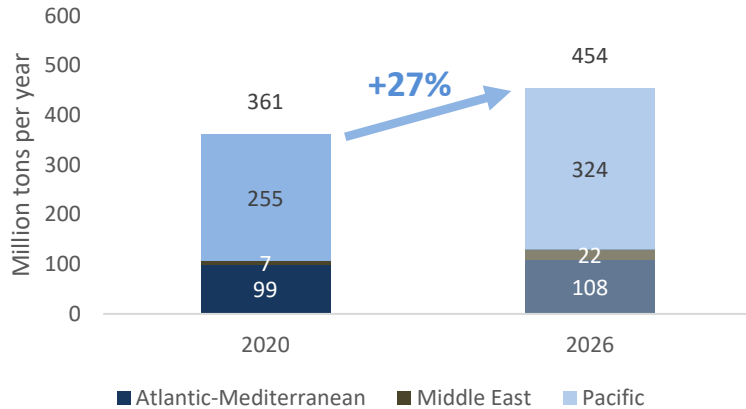
## HISTORICAL TCE AND FORWARD TC SPOT RATES VERSUS GOLAR LNG SHIPPING COVERAGE



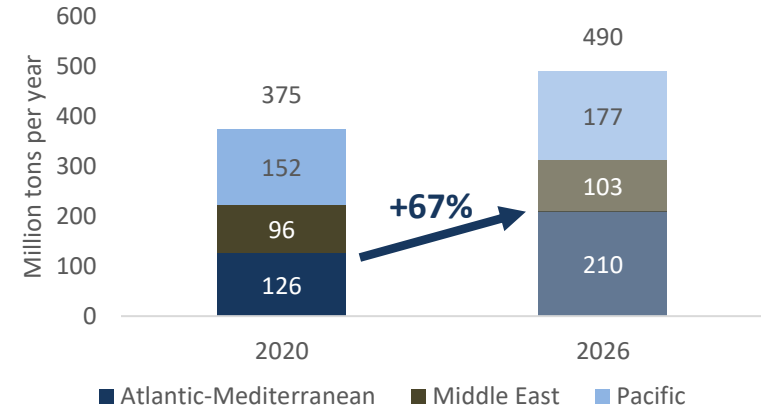
Earnings sensitivity:  $\Delta$  \$ 10,000/day TCE = ~USD 32m EBITDA per year across 9 trading LNGCs

# Long-term shipping fundamentals: Strong LNG shipping market outlook

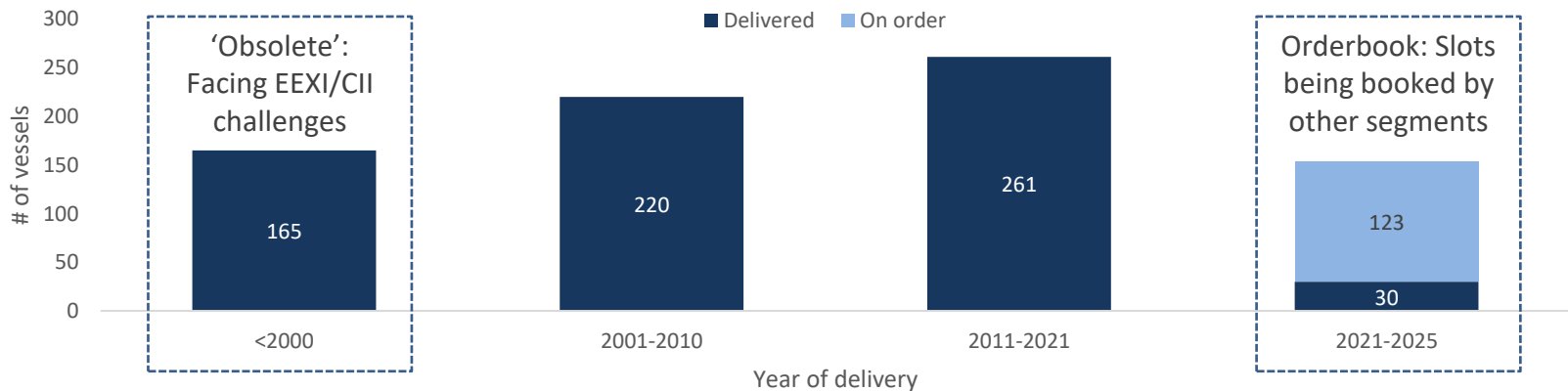
## LNG DEMAND GROWTH DRIVEN BY PACIFIC...



## ...BUT LNG SUPPLY GROWTH HAPPENS IN ATLANTIC



## SHIPPING SUPPLY SIDE CONSTRAINED BY REGULATORY CHANGES





# Significant organic EBITDA growth in existing asset portfolio: From \$188m LTM to potential for \$500m+ by 2024



	SHIPPING	HILLI <sup>(4)</sup>	GIMI <sup>(70%)</sup>	CORPORATE & INVESTMENTS	TOTAL
LTM ADJUSTED EBITDA <sup>1</sup>	\$119m <sup>2</sup>	\$84m	Under construction	\$(15)m	\$188m
GIMI CONTRACTED			\$151m <sup>3</sup>		\$151m
EARNINGS SENSITIVITY <sup>7</sup>	+/- \$10,000/day = \$ 32m/yr	+ Oil Upside + T3 Production	+ Uptime bonus		
INCREMENTAL RUN-RATE AT CURRENT MARKET RATES	\$143m @ \$93,000/day <sup>5</sup>	\$107m <sup>6</sup>	N/A	N/A	\$250m
ADJUSTED EBITDA AT CURRENT MARKET RATES	\$262m	\$191m	\$151m	\$(15)m	\$589m
CASH AND LISTED EQUITY SECURITIES <sup>8</sup>	N/A	N/A	N/A	N/A	\$998m
CONTRACTUAL DEBT <sup>1</sup>	\$1,076m	\$332m	\$287m	\$492m	\$2,187m
REMAINING CAPEX	\$0m	\$0m	\$424m	\$0m	\$424m
	OPERATIONAL	OPERATIONAL	72% COMPLETE Q4 2023 START-UP	OPERATIONAL	

(1) Please see appendix for definition and reconciliation.

(2) LTM TCE of \$48.4k/day

(3) Forecasted EBITDA, please see appendix. Due to start Q4/23

(4) 44.5% of T1 & T2, 89.1% T3 & T4/oil indexed revenue.

(5) Based on Fearnley LNG 1-year time charter rate for 155-165k TFDE

(6) Based on 1.2+0.2mtpa at current commodity prices for Brent crude and TTF as of 14<sup>th</sup> September, 2021

(7) Sensitivity Adjusted EBITDA

(8) Comprised of cash, Golar restricted cash, our investments in affiliates and FV of NFE shares as of 30<sup>th</sup> June, 2021



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## QUANTITATIVE RECONCILIATION

### Non-GAAP measure

Hilli Adjusted EBITDA

### Closest equivalent US GAAP measure

FLNG Adjusted EBITDA

### Rationale for adjustments

Increases the comparability of our operational FLNG, Hilli from period to period and against the performance of other companies by removing the costs of early stage FLNG projects and the Gandria and Gimi operating costs.

<i>(in \$M)</i>	Apr-Jun 2021	Jan-Mar 2021	Apr-Jun 2020
<b>FLNG Adjusted EBITDA</b>	<b>44.6</b>	<b>41.8</b>	<b>40.9</b>
Adjusted for:			
Vessel operating costs	0.3	0.2	0.2
Project development expenses	-	-	0.3
<b>Hilli Adjusted EBITDA</b>	<b>44.9</b>	<b>42.0</b>	<b>41.4</b>

### Non-GAAP measure

Total Golar cash balance and Golar restricted cash

### Closest equivalent US GAAP measure

Cash, cash equivalents and restricted cash at end of period based on GAAP measures:

- Cash and cash equivalents
- Restricted cash and short-term deposits (current and non-current)

### Rationale for adjustments

Increases the comparability of our cash position with other companies by removing the lessor VIEs' cash over which we have no control or ability to access.

<i>(in \$M)</i>	Jun 30, 2021	Mar 31, 2021	Jun 30, 2020
Cash and cash equivalents	207.3	149.9	128.7
Restricted cash and short-term deposits - current and non-current portion	131.3	149.0	136.5
Adjusted for:			
VIE restricted cash	(51.2)	(54.1)	(40.0)
<b>Total Golar cash balance</b>	<b>287.4</b>	<b>244.8</b>	<b>225.2</b>
Adjusted for:			
Cash and cash equivalents	(207.3)	(149.9)	(128.7)
<b>Golar restricted cash</b>	<b>80.1</b>	<b>94.9</b>	<b>96.5</b>



## Non-GAAP measure

- Average daily TCE
- Earnings backlog
- Adjusted net debt
- Net debt
- Contractual debt
- Illustrative gain on disposals
- Revenue backlog

## Definitions

Please see our Q2 2021 earnings release for a reconciliation to the most comparable US GAAP measure and the rationale for the adjustments:  
<https://www.golarlng.com/investors/quarterly-reports/2021>

## Gimi annual and LTM Adjusted EBITDA Adjusted EBITDA backlog Run rate EBITDA

<p>Gimi annual and LTM Adjusted EBITDA represents the share of contracted liquefaction revenue less forecasted operating expenses for the executed contract. Gimi Adjusted EBITDA backlog represents the entire contracted period of 20 years</p>	<p>multiplied by the annual Adjusted EBITDA. In order to calculate our proportionate share of LTM Adjusted EBITDA for Gimi, management has removed the amount attributable to Keppel (30%). Adjusted EBITDA is not intended to represent future</p>	<p>cashflows from operations or net income/(loss) as defined by US GAAP.</p> <p>This measure should be seen as a supplement to and not a substitute for our US GAAP measures of performance and the financial results calculated</p>	<p>in accordance with US GAAP and reconciliations from these results should be carefully evaluated.</p>
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## LTM Adjusted EBITDA for Hilli LLC

<p>LTM Adjusted EBITDA for Hilli LLC is calculated by taking the trailing 12 months net income before interest, tax, unrealized mark-to-market movements on the oil derivative instrument, depreciation and amortization. In order to calculate our proportionate share of LTM Adjusted EBITDA for Hilli,</p>	<p>management has removed the amount attributable to Golar Partners (50% of the Common Units in Golar Hilli LLC to Golar Partners – now owned by NFE) and non-controlling interests (5.44% of the Common Units and 10.89% of the Series A and B special units in Golar Hilli LLC to Keppel and B&amp;V). Management</p>	<p>believes that that the definition of LTM Adjusted EBITDA provides relevant and useful information to investors. Adjusted EBITDA is not intended to represent future cashflows from operations or net income/(loss) as defined by US GAAP. This measure should be seen as a supplement to and</p>	<p>not a substitute for our US GAAP measures of performance and the financial results calculated in accordance with US GAAP and reconciliations from these results should be carefully evaluated.</p>
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## Unrestricted cash

Unrestricted cash refers to our cash and cash equivalents.