Golar LNG

# Third Quarter 2020 Results

**November 30, 2020**

***Solid Results, Fundamentals Continue to Improve***

# Forward Looking Statements

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: changes in our ability to obtain additional financing or refinancing of our existing debt, including our Term Loan facility and Margin Loan facility, each scheduled to mature in December 2020, and our 2017 convertible bonds, on acceptable terms or at all; changes in our ability to comply with the covenants contained in the agreements governing our future or existing indebtedness; our inability and that of our counterparty to meet our respective obligations under the Lease Operate Agreement ("LOA") entered into in connection with the BP Greater Tortue/Ahmeyim Project ("Gimi GTA Project"); continuing uncertainty resulting from potential claims from our counterparties of purported force majeure under contractual arrangements, including but not limited to our construction projects, and other contracts to which we are a party; our ability to realize the expected benefits from acquisitions and investments we have made and may make in the future; changes in the timeliness of the completion of the LNG Croatia (formerly known as the Golar Viking) commissioning and subsequent acceptance by the customer; our ability to enter into contracts with third parties to fully utilize the Hilli Episeyo; the length and severity of outbreaks of pandemics, including the ongoing 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 operation of our charters, our global operations including impact to our vessel operating costs and our business in general; Hygo Energy Transition Ltd.'s ("Hygo") (formerly known as Golar Power Limited) ability to operate the Sergipe power station project and related floating storage and regasification unit ("FSRU") contract and to execute its downstream LNG distribution and merchant power sales plans; Hygo's ability to successfully complete the contemplated initial public offering ("IPO") of its common shares; changes in our relationship with Golar LNG Partners LP ("Golar Partners"), Hygo or Avenir LNG Limited ("Avenir") and the sustainability of any distributions they pay to us; any adverse effects on us, including reputational harm, or the value of our investment in Hygo, as a result of the implication of Hygo's former chief executive officer, Eduardo Antonello, who resigned from his position with Hygo in October 2020, in certain allegations by the Brazilian government concerning alleged improper payments made in Brazil pre-dating Mr. Antonello's relationship with Hygo; the outcome of any pending or future legal proceedings to which we are a party; approval of amendments to agreements with our engineering, procurement and construction contractors and lending banks to adjust the construction and financing schedules relating to the Gimi GTA Project; failure of our contract counterparties, including our joint venture co-owners, to comply with their agreements with us or other key project stakeholders; changes in LNG carrier, FSRU, floating liquefaction natural gas vessel ("FLNG"), or small-scale LNG market trends, including charter rates, vessel values or technological advancements; our vessel values and any future impairment charges we may incur; challenges by authorities to the tax benefits we previously obtained under certain of our leasing agreements; continuing volatility of commodity prices; a decline or continuing weakness in the global financial markets; fluctuations in currencies and interest rates; our ability to close potential future sales of additional equity interests in our vessels, including the FLNG Gimi on a timely basis or at all; changes in our ability to retrofit vessels as FSRUs or FLNGs, our ability to obtain financing for such conversions on acceptable terms or at all and our ability to obtain the benefits that may accrue to us as the result of such modifications; changes in the supply of or demand for LNG carriers, FSRUs, FLNGs or small-scale LNG infrastructure; a material decline or prolonged weakness in rates for LNG carriers, FSRUs, FLNGs or small-scale LNG infrastructure; changes in the performance of the pool in which certain of our vessels operate and the performance of our joint ventures; changes in trading patterns that affect the opportunities for the profitable operation of LNG carriers, FSRUs, FLNGs or small-scale LNG infrastructure; changes in the supply of or demand for LNG or LNG carried by sea; 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 general domestic and international political conditions, particularly in regions where we operate; changes in the availability of vessels to purchase and in the time it takes to construct new vessels or convert existing vessels; failures of shipyards to comply with delivery schedules or performance specifications on a timely basis or at all; changes in our ability to sell vessels to Golar Partners or Hygo; 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 expanded fleet or inability to expand beyond the carriage of LNG and provision of FSRUs, FLNGs, and small-scale LNG infrastructure particularly through our innovative FLNG strategy and our joint ventures; actions taken by regulatory authorities that may prohibit the access of LNG carriers, FSRUs, FLNGs or small-scale LNG vessels to various ports; increases in costs, including, among other things, crew 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 U.S. Securities and Exchange Commission ("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.*

# Speakers

## Iain Ross
Chief Executive Officer, Golar LNG

## Karl Fredrik Staubo
Chief Financial Officer, Golar LNG

## Eduardo Maranhão
Chief Financial Officer, Hygo

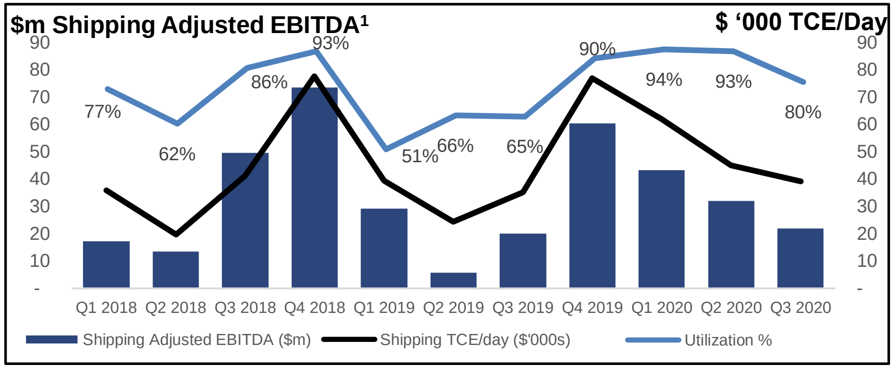
## Tor Olav Troim
Chairman, Golar LNG and Chairman, Hygo

# Agenda

- ❑ **Group results**
- ❑ Shipping
- ❑ FLNG – Hilli and Gimi
- ❑ Hygo
- ❑ Strategic focus

# Q3 2020 Highlights

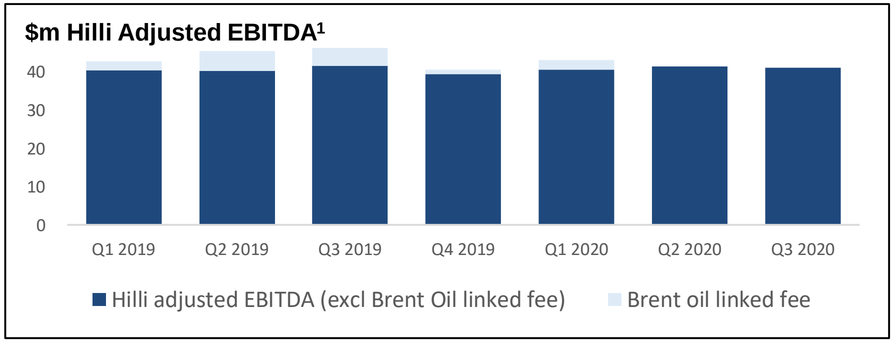
Shipping




## Shipping developments

- TCE[1] of $39k in Q3 20 ahead of guidance, above $35k in Q3 19 and below $45k in Q2 20 due to low LNG prices resulting in suppressed shipping demand and spot rates
- 80% utilization in Q3 20 down on the 93% achieved in Q2 20 but a significant improvement over 65% in Q3 19
- Charter strategy continues to de-risk our portfolio with revenue backlog[1] of $198m at the end of Q3 2020 (vs $147m at Q3 19)

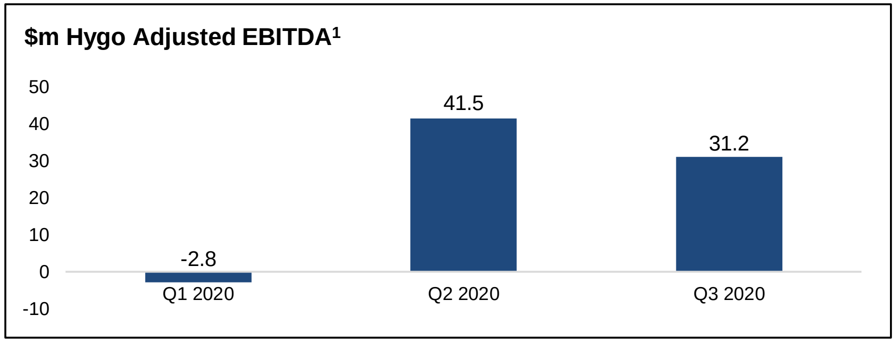
FLNG




## FLNG developments

- FLNG Hilli achieved 100% commercial uptime maintained and continued stable EBITDA during the quarter
- FLNG Gimi: Force majeure event with BP has ended with the project schedule being extended by 11 months, with no other changes to contractual terms. Covid-19 related construction delays in Singapore now under control with workforce numbers on the project back to pre-lockdown levels

Hygo




## Downstream Hygo developments

- Hygo, including its share of the Sergipe power station and Nanook FSRU generated $31m revenue less operating costs during the quarter of which Golar's share is 50%
- Signed MoU with Pará state distribution company for use of Barcarena terminal to supply regional demand for cleaner fuels
- Received Installation License for the construction of the Barcarena power station and associated LNG Terminal
- Appointment of Paul Hanrahan as CEO



(1) Please see appendix for definition on the non-GAAP measures.

# Corporate Update

## Management Changes & Governance

**GLNG management change**

- Callum Mitchell-Thomson, for personal reasons, has decided to resign from his position as CFO.
- Karl Fredrik Staubo (CEO of Golar Partners) assumes the role.
- The Board wants to thank Callum for his valuable contribution during the time he was here

**Hygo Update**

- Hygo filed its F-1 in September 2020
- IPO roadshow launched with targeted pre-money valuation of $1.8 – $2.1bn, of which Golar owns 50%
- End of September, Hygo IPO was withdrawn due to allegations against former CEO, for alleged actions that pre-dates his work at Hygo.
- *Immediately after:* Simpson Thacher & Bartlett LLP engaged for an internal review of the allegations.
- *12th October:* Paul Hanrahan appointed as CEO of Hygo, with direction to expand Hygo's global footprint and put Hygo in a position to complete the IPO[1]
- *28th October:* Hygo's board announces results of their internal review of allegations against its former CEO, conducted by Simpson Thacher & Bartlett LLP with assistance from forensic accountants at FTI Consulting and the Brazilian law firm Demarest Advogados. The review has not identified evidence establishing bribery or other corrupt conduct involving Hygo and confirms solid corporate governance and compliance.
- Following the conclusion of the review, the Hygo Board will consider the timing for a potential re-launch of the IPO. This will be driven by market conditions, ongoing business operations and ongoing business development activity.

1) IPO subject to favorable market conditions, ongoing business operations and ongoing business development activity.

# Third Quarter 2020 Financial Results

## SUMMARY RESULTS

| | | Q3 2020 | Q2 2020 | | Q3 2019 | |
|---|---|---|---|---|---|---|
| | | **$m** | **$m** | **% Δ** | **$m** | **% Δ** |
| GAAP | Shipping and Corporate | *41* | *48* | *-15%* | 44 | *7%* |
| | FLNG | *55* | *55* | - | 55 | - |
| | **Operating revenues** | **95** | **103** | **-7%** | **99** | **3%** |
| | Net (Loss)/Income | (22) | (156) | 86% | (82) | 38% |
| NON GAAP [1] | Net Debt | 2,303 | 2,280 | +1% | 1,929 | +19% |
| | Unrestricted cash | 77 | 129 | -40% | 250 | -69% |
| | Golar restricted cash | 100 | 97 | 3% | 271 | -63% |
| | **Total Golar cash** | **177** | **226** | **-22%** | **521** | **-66%** |
| | Shipping | *22* | *32* | *-31%* | *22* | - |
| | FLNG | *41* | *41* | *- %* | *47* | *-13%* |
| | Corporate | *(6)* | *(6)* | *- %* | *(10)* | *40%* |
| | **Adjusted EBITDA** | **57** | **67** | **-15%** | **59** | **-3%** |

## HIGHLIGHTS

**Operating Results**

**FLNG Hilli:** 100% up time delivering revenues and Adjusted EBITDA[1] consistent with Q2

**Shipping:** Effect of lower LNG prices on the shipping demand and spot rates combined with reduced utilization caused Q3 20 to be weaker than Q2 20 but higher than Q3 19. TCE[1] decreased from $45,100 in Q2 20 to $39,100 in Q3 20. But higher than the $35,200 achieved in Q3 19.

**Net loss:**

The impact of lower TCE and utilization, catch-up of repairs and maintenance due to lifting of Covid-19 restrictions, non-cash interest rate swap losses of $4.7m and our share of Hygo's net losses of $8m collectively delivered a Q3 net loss to Golar. However, this is a significant improvement on Q2 20 and Q3 19.

**Cash position:**

Total cash position at quarter end of $177m, of which $77m in unrestricted cash. Our unrestricted cash was negatively impacted by $17m, due to having to equity fund Gimi capex during the BP FM event. Following the ending of the BP FM event, the draw stop has been lifted, a $75m draw has been made and the $17m of equity capex has been replaced, increasing our liquidity post quarter end. This realigns the drawdown ratios to the original debt equity funding ratios.

**Financing:**

**Vessel**: *Golar Seal facility's* put option is extended by 1 year to January 2022.

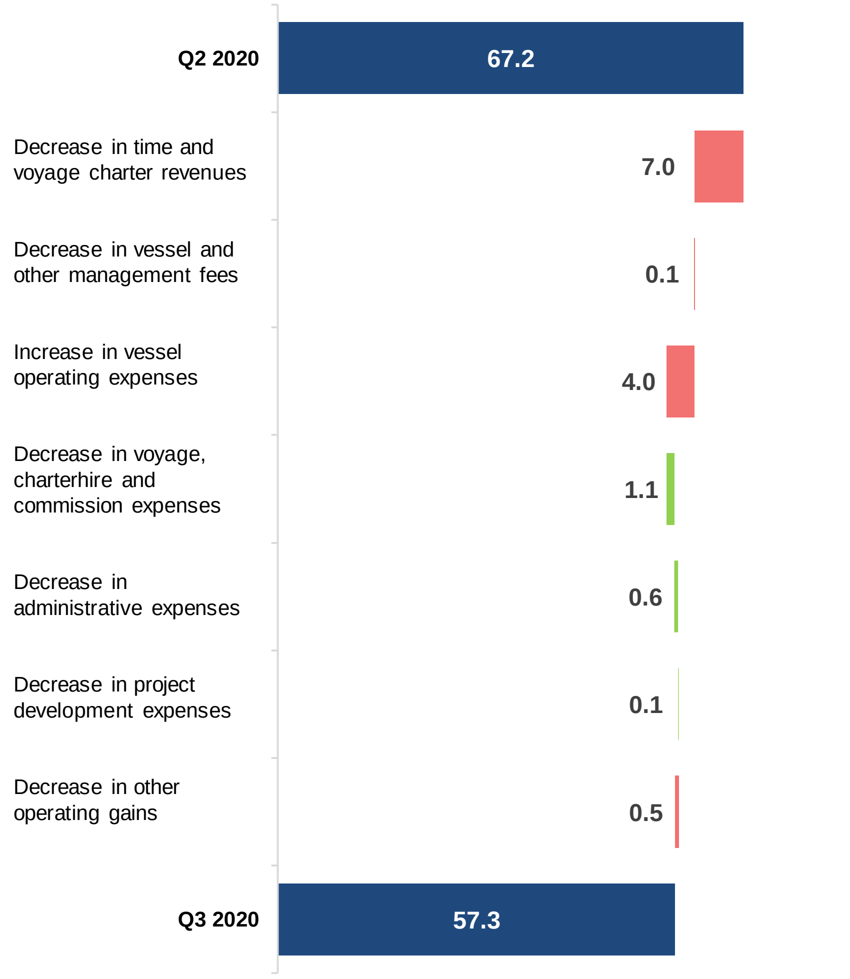
**Corporate**: $30m margin loan and $150m bilateral facility both outstanding at end Q3. Refer to Corporate Financing slide for details of refinance.



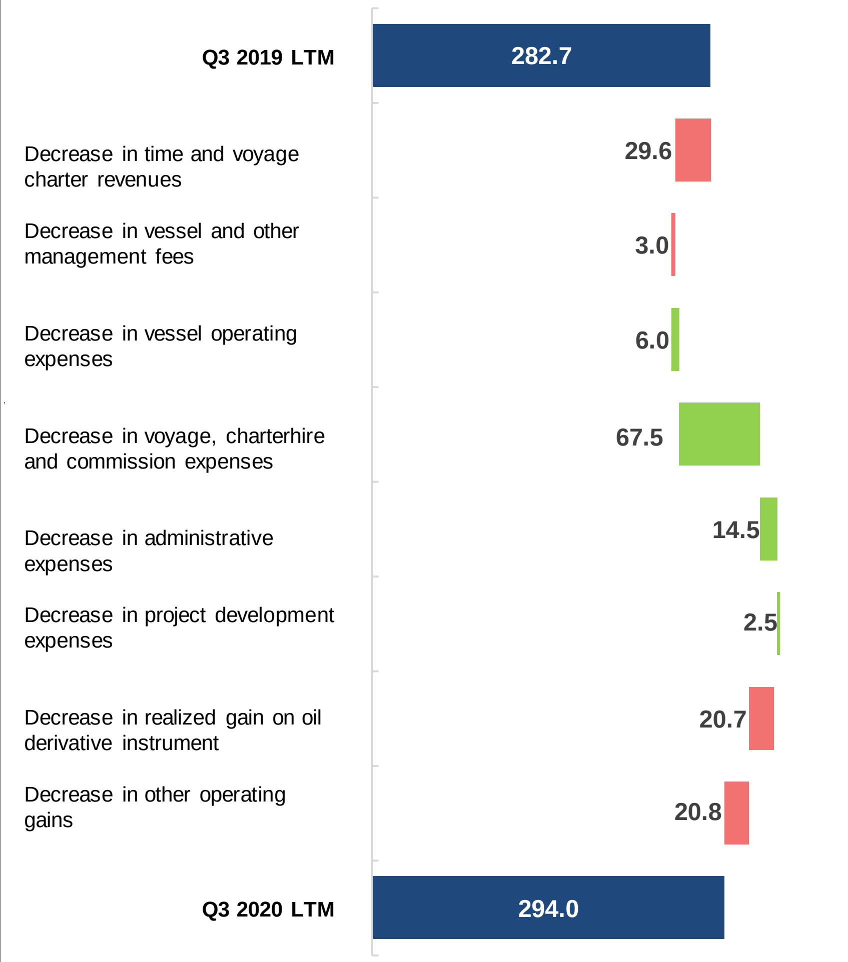
(1) Please see the appendix for definition on the non-GAAP measures.

# Adjusted EBITDA Development Over Last 12 Months

## Adjusted EBITDA[1] over last quarter




## Adjusted EBITDA[1] over last 12 months






(1) Please see appendix for the definition of the non-GAAP measures.

# Corporate Financing

## Near Term Financing & Liquidity

To refinance $180m of maturing debt and to increase flexibility for timing of contemplated Hygo IPO[1], management and the Board:

- Executed a term sheet for a new corporate facility of $100m secured on Hygo shareholding
- Term sheet in advanced discussion for an incremental $125 million credit facility, drawable upon IPO of Hygo.

The above financings along with a number of near term liquidity initiatives materially strengthen our Balance Sheet and increases flexibility to execute value enhancing strategic initiatives.

| Additional Near term liquidity triggers | $m | Timing |
|---|---|---|
| ***Financing Initiatives*** | | |
| $100m corporate facility secured on Hygo shares | 100 | |
| Contractual drawdown on Bear | 10 | Jan ’21 |
| $125m corporate facility contingent on Hygo IPO | 125 | Expected H1 |
| LNG Croatia proceeds net of capex and debt | 47 | Dec & Jan |
| Opportunistic refinance of Frost & new margin loan | 70 | Q1 ‘21 |
| **Total from new financing initiatives** | **352** | |
| Repayment of maturing debt | **(180)** | Dec 15th |
| **Additional near term liquidity** | **172** | |

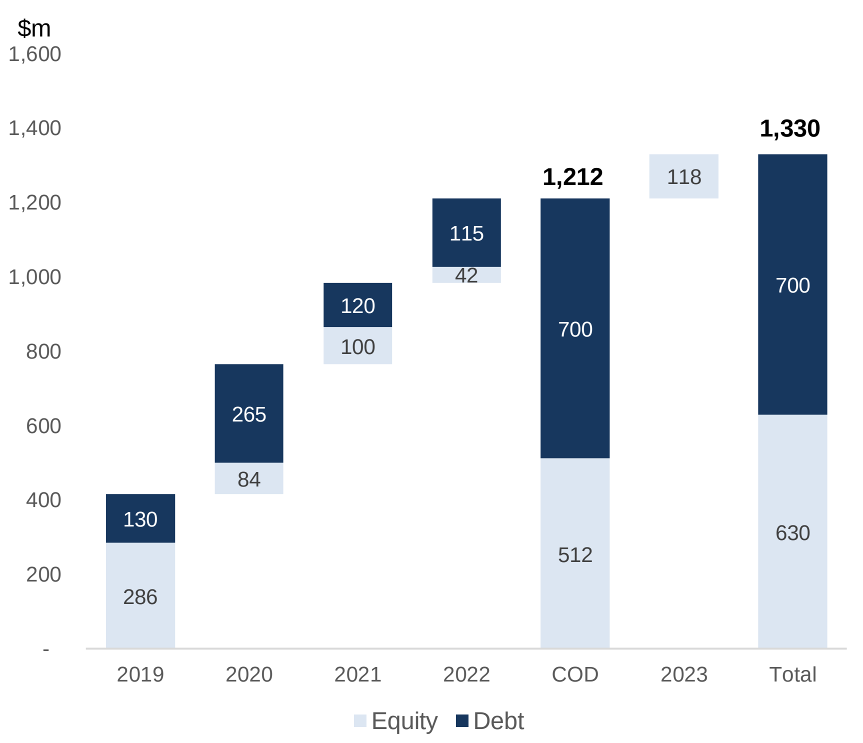


1) IPO subject to favorable market conditions, ongoing business operations and ongoing business development activity.

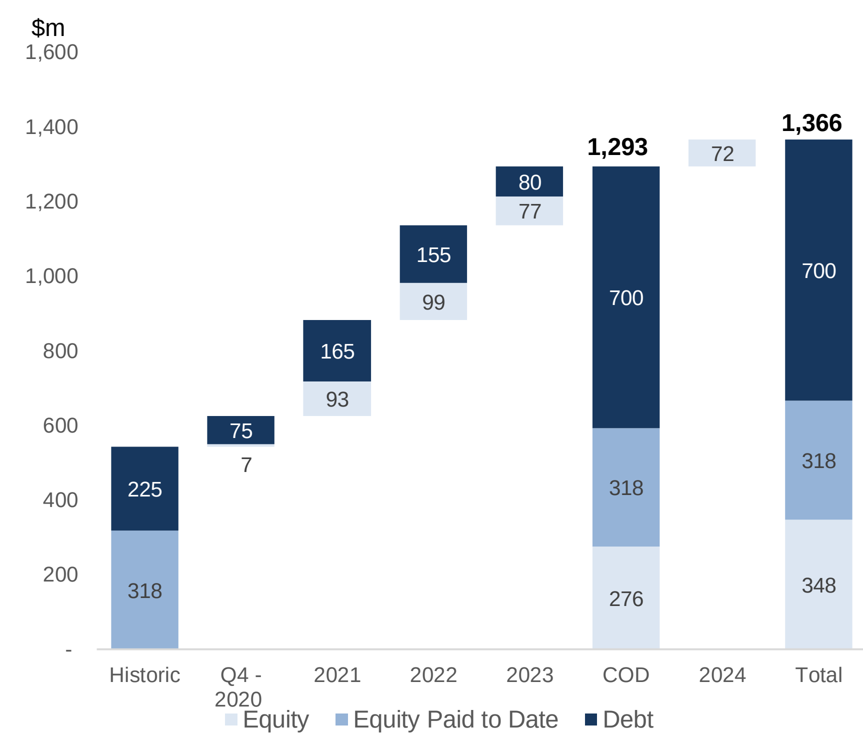
# FLNG Gimi Conversion Funding Sources

## Agreed FLNG Gimi total capex schedule and financing plan[1]

### Pre-FM (Previously presented in Q4 2019)




### Post –FM[1]




- Total capex funding until commercial operations date ("COD") = $594m (100% basis[2])
- Equity paid in as at September 30th, 2020 is $318m (100% basis)[3]
- Remaining capex to be funded by equity holders is $276m of which Golar's 70% share until COD is $193m
- We have drawn down $75m since September 30th,2020



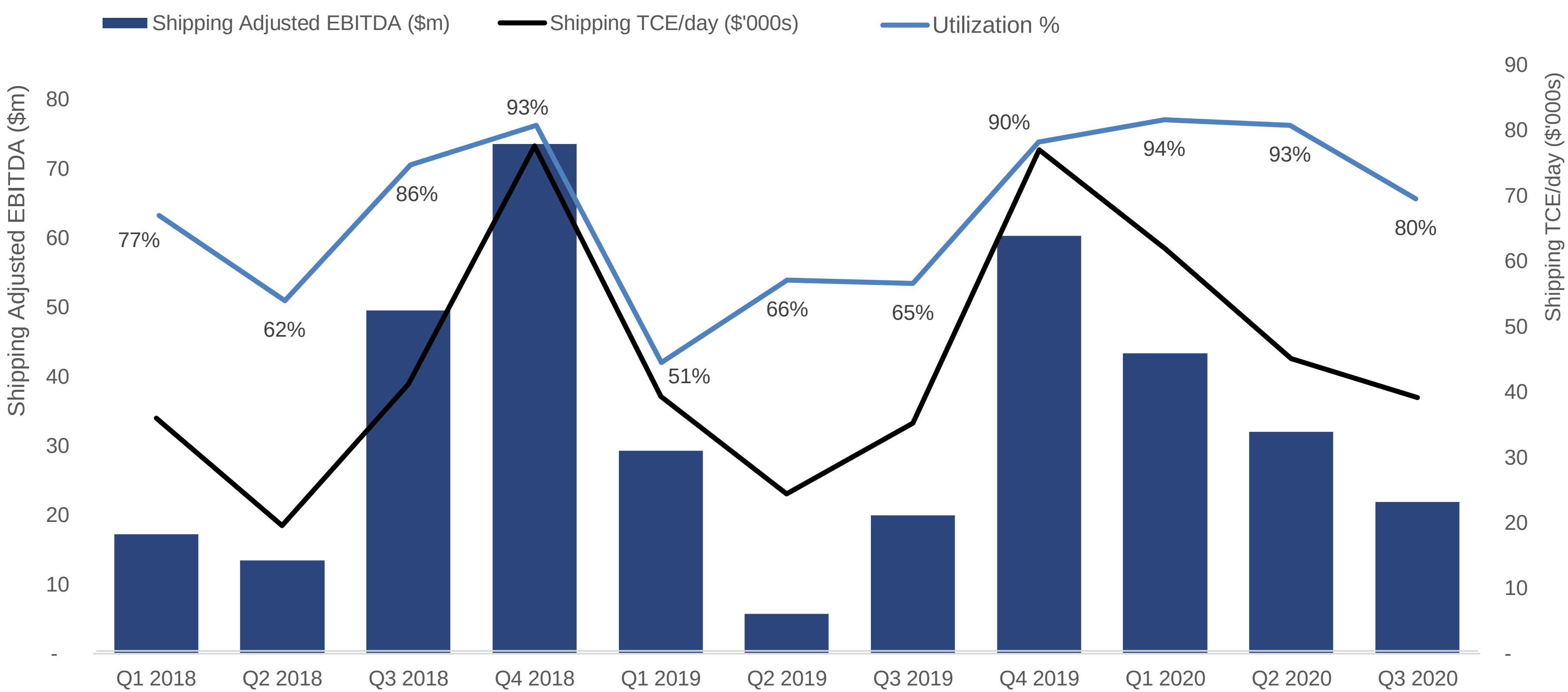
(1) The capex profile is based on fixed FM resolution packages which are subject to final approvals
(2) 100% basis represents the total funding requirement by equity partners. Golar's share of equity funding is 70%
(3) Whilst the Gimi FM process was ongoing, the equity partners had to equity fund certain capex costs. With the removal of the draw stop, the Q4 drawdown of $75m realigns the drawdown ratios to the original equity: debt funding percentages

# Agenda

- ❑ Group results
- ❑ **Shipping**
- ❑ FLNG – Hilli and Gimi
- ❑ Hygo
- ❑ Strategic focus

# Shipping Adjusted EBITDA Over Previous Quarters

## Evolution of Shipping Adjusted EBITDA[1]



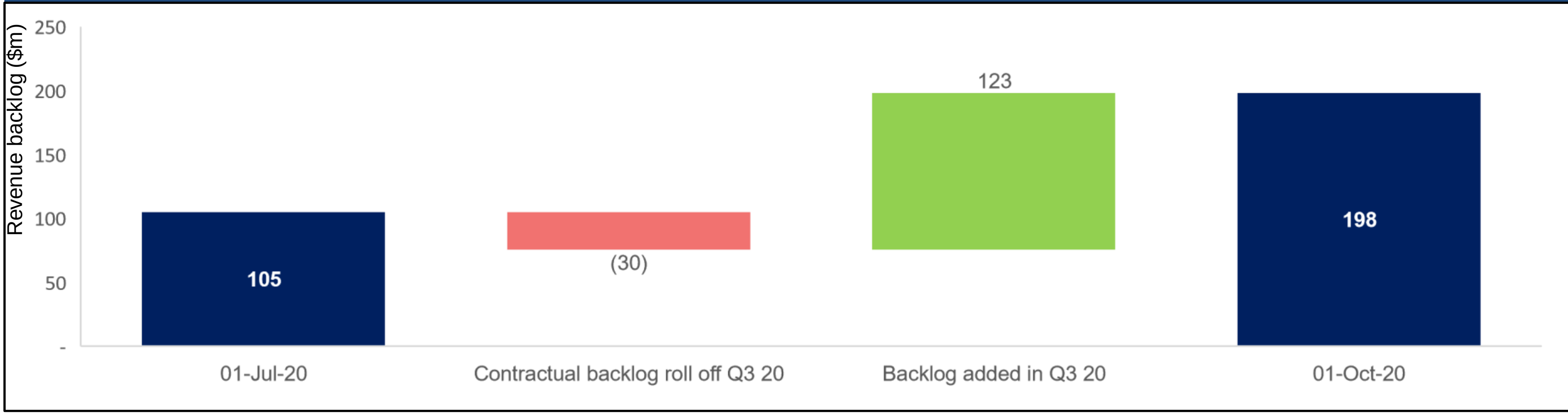

- Delays to the seasonal recovery expected in Q3 2020 led to lower TCE[1] rates achieved compared to Q2 2020, with utilization declining due to the prolonged drydock of the Golar Tundra as a result of Covid-19 restrictions.
- Our shipping strategy continues to prioritize longer term utilization over short term opportunities, but we remain adequately exposed to seasonal and other potential upside by virtue of some index linked charters within the portfolio.



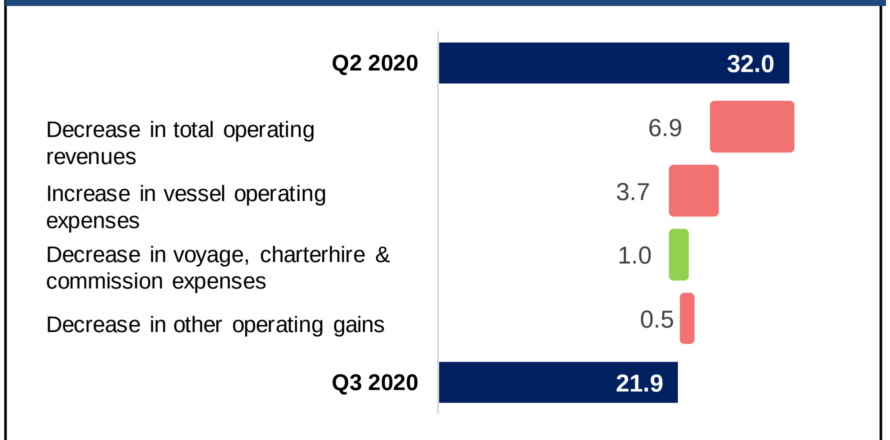
(1) Please see appendix for the definition of the non-GAAP measures.

# Shipping Adjusted EBITDA And Contracted Position

## Shipping Revenue Backlog[1]




## Shipping Adjusted EBITDA[1] Development




- Strong utilization locked in for remainder of 2020 and most of 2021 (around two third of fleet days backed by contract). Additionally, we will continue to seek to further de-risk shipping exposure and hedge expected volatility.
- Q4 2020 TCE[1] rate expected to be around $50k per day based on today's rates and outlook which is below $77k per day achieved in Q4 19. Utilization is expected to be around 80% in Q4 20, below the 90% achieved in Q4 19.
- Portfolio to generate fixed returns, while maintaining exposure to upside in shipping market.



(1) Please see appendix for the definition of the non-GAAP measures.

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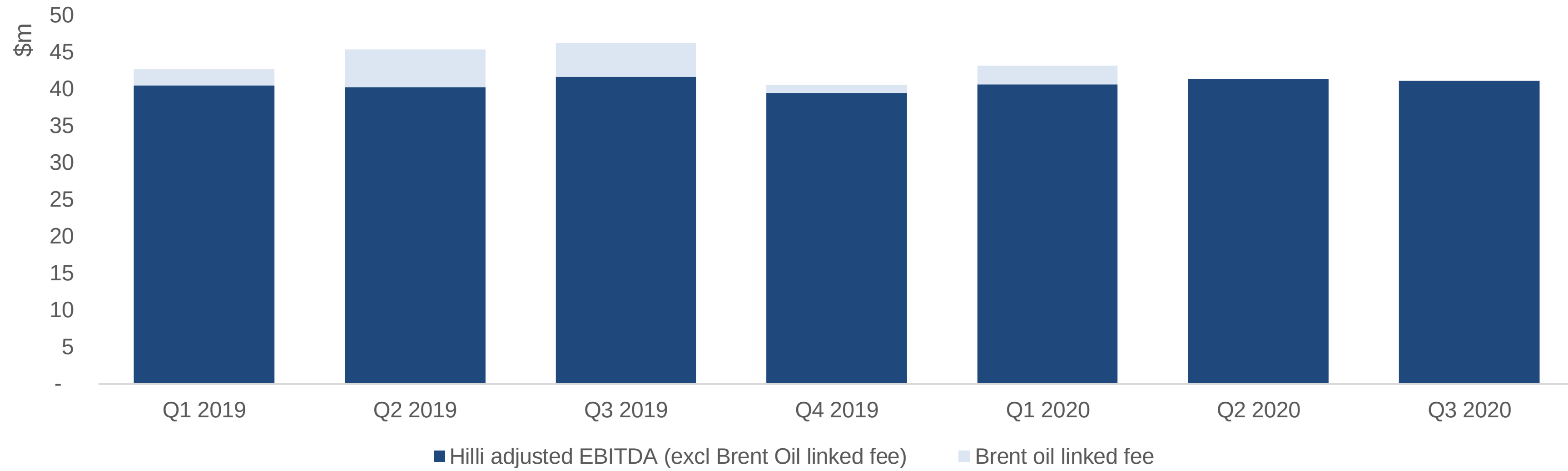
# FLNG Hilli Adjusted EBITDA Over The Previous Quarters

## Evolution of Hilli Adjusted EBITDA[1] per quarter




## Hilli Adjusted EBITDA[1] evolution over last quarter


- Hilli continues to reliably deliver stable quarterly adjusted EBITDA[1]. During the quarter, Hilli completed her 2 week annual maintenance shutdown without any incident.
- Operating with 100% commercial time. 47 cargoes have been offloaded to date.
- Agreed amendment to tolling agreement removing cap on gas reserves available for future liquefaction and allows for billing of prior and future over production.
- Constructive discussions on proving up additional reserves and increasing utilization ongoing with charterers



(1) Please see appendix for the definition of the non-GAAP measures.

# FLNG Update

## Gimi Project Status

STG alternator being lifted into position within Gimi sponsons

- Force majeure event has ended under the Lease and Operate Agreement with BP
- The project schedule has been extended by 11 months, with no other changes to contract terms.
- Workforce numbers on the Gimi project are back at the pre-Covid-19 level, with safe management measures in place.
- Revised cost and schedule discussions with Keppel Shipyard concluded and changes to the overall Gimi budget are minimal.
- Golar and partner Keppel Capital have invested $543m into the project as at September 30, 2020
  - $225m of debt (out of a facility of $700m)
  - $318m of equity of which Golar share is 70%

## FLNG Development

- Continued to develop pipeline of future FLNG opportunities, focused on low cost tolling model with credible counterparties
- Five new opportunities added to four that continue to be discussed, driven by marketing of new build Mark III FLNG solution
- Competitive, carbon efficient 3.5 and 5 mtpa Mark III FLNG solutions are direct competitors to traditional large-scale onshore liquefaction facilities

(1) On the balance sheet, the asset under development relating to the Gimi as at September 2020 is $599m. This includes $56m of capitalized interest and accruals.

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- ❑ **Hygo**
- ❑ Strategic focus

# Hygo: Recent Corporate Events

- **23 September:** Hygo IPO withdrawn due to allegations against former CEO, for alleged actions that pre-dates his work at Hygo. Hygo Board immediately engaged Simpson Thacher & Bartlett LLP for an internal review of these allegations.
- Separately, an event with one of the Sergipe power plant's transformer temporarily reduced output capacity from 1.5GW to 1.0GW, until approximately Q2 - 2021. The power station remains fully operational with the reduced capacity to 1.0 GW. However no notice of dispatch has been given for the next 60 day period. Hygo has business interruption insurance in place, and expects limited financial impact from this event.
- **30 September:** Hygo was the only qualified bidder to present a valid offer in the official tender to take over the Bahia terminal from Petrobras. Petrobras subsequently increased Hygo's perceived integrity risk, leading to the disqualification of its bid. Hygo has appealed of this decision in court and as a result of that the award is currently suspended
- **12 October:** Paul Hanrahan, former CEO of AES, a Fortune 500 electrical power generation company, was appointed CEO of Hygo in October, with direction to expand Hygo's global footprint and put Hygo in a position to complete the IPO subject to favorable market conditions, ongoing business operations and ongoing business development activity. Mrs. Kate Blankenship appointed as a new independent Director and Head of Audit Committee.
- **14 October:** Hygo firms agreement with Pará state local gas distribution company to use the Barcarena Terminal to supply the regional demand for cleaner fuels. The agreement replaces the mutually agreed termination of the MoU with Norsk Hydro who still have publicly stated that they are searching for LNG solutions to replace their Heavy fuel consumption in their Alunorte plant.
- **28 October:** Hygo's board announces results of their internal review of allegations against its former CEO, conducted by the law firm Simpson Thacher & Bartlett LLP with assistance from forensic accountants at FTI Consulting and the Brazilian law firm Demarest Advogados. The review has not identified evidence establishing bribery or other corrupt conduct involving Hygo and confirms solid corporate governance and compliance.
- **3 November:** Hygo receives final authorization ("Outorga") from the Brazilian Ministry of Mines and Energy to build the 605MW power station and the terminal in Barcarena.
- **24 November:** Hygo shortlisted as qualified bidder for delivering up to 750,000 m3 per day of gas contract for Copergas (controlled by State of Pernambuco, Mitsui and Gaspetro/Petrobras) in Suape. Process expected to be completed before end of the year.

# Hygo: Crystalizing Growth Pipeline in SSLNG

## Small-scale Infrastructure Roll-out is On Track


- Initial batch of ISO Containers, Filling Stations, Mobile Regas Units available and installed in Brazil
- LNG operation by Liquefaction Plants through Onshore Natural Gas field and Biomethane sources
- LNG Terminal availability under development:
  - Suape multimodal terminal (STC/Truck Loading)
  - Barcarena terminal
  - Santa Catarina terminal (TGS-Terminal Gas Sul)

## LNG Local Availability Ongoing

- Two liquefaction facilities under construction:
  - Bio LNG in São Paulo – 20k $m^3$ day
  - Onshore NG in Bahia – 40k $m^3$ day
- One importation facility onshore under construction:
  - Uruguaiana in Rio Grande do Sul – 100k $m^3$ day
- One Microgrid Regas Unit under construction (Copergas)
- Six NGV Regas units under construction
- Two Industrial Regas Units installed

***LNG Business Distribution is Progressing Uninterrupted***

# Hygo: Advanced Stage Terminal Development Update

## Barcarena

- FID expected in the next 1-2 months
- Anticipated Run-Rate Volume:
  - 70 TBtu/year
- Received Installation License for the construction of LNG Terminal and 605MW Barcarena power station
- Awarded port concession for the long-term use of infrastructure in the Vila do Conde Port located in Barcarena.
- Signed MoU with Pará state distribution company for use of Barcarena terminal to supply regional demand for cleaner fuels, replacing MoU with Norsk Hydro.

## Suape

- FID expected in the next 1-2 months
- Anticipated Run-Rate Volume:
  - 17.5 TBtu/year
- Development of multimodal terminal able to multiple services:
  - LNG reload operations
  - Truck loading
  - ISO-container loading
  - Onshore regas solutions
- First Avenir vessel expected in 2021
- Advanced discussions with Copergas for natural gas supply
- First Batch of ISO containers received

## Santa Catarina & Bahia

**Santa Catarina**

- FID expected in 2H 2021
- Fully permitted greenfield terminal 100% controlled by Hygo
- Anticipated Run-Rate Volume:
  - 113 TBtu/year

**Bahia Terminal Lease[1]**

- Ongoing Tender by Petrobras for a 3 year lease
- Anticipated Run-Rate Volume:
  - 105 TBtu/year

***Hygo's terminals will have capacity to deliver 25mtpa in Brazil by 2022***



(1) Hygo was the only qualifying participant to submit a bid. Petrobras subsequent increased the company's perceived level of compliance risk and the award is currently suspended. Hygo is currently challenging the decision in court.

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- ❑ Hygo
- ❑ **Strategic focus**

# Golar ESG update

## Highlights this quarter:

### Health, safety and security

- **Extensive use of management video** meetings to compensate for reduced ability to travel to vessels.

### Environmental impact

- As a result of several ongoing initiatives the carrier fleet delivered its **best ever fuel efficiency** performance in Q3, contributing to lower operating emissions.

### Innovation and the energy transition

- **Signed MOU with Black & Veatch** to work jointly on the development of floating infrastructure solutions for hydrogen and ammonia and the capture, liquefaction, transport and storage of $CO_2$.
- **Targeting further** $CO_2$ reduction, through additional technology, in our already competitive FLNG facilities.

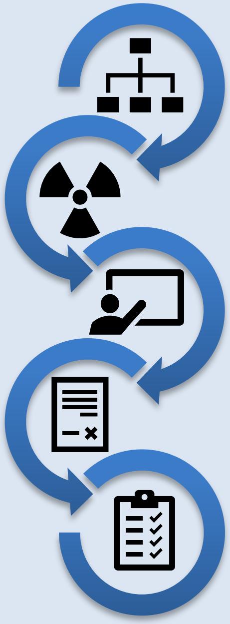
### People & community

- **Successful transition to online training** to ensure crew members continue to have opportunities to develop and progress despite COVID
- **Supporting wellbeing** and mental health of our staff and crew during COVID-19

### Our focus on governance and business ethics

- We support industry-wide efforts to address systemic problems, including through active membership of the MACN
- We are committed to the highest standards of governance and ethical conduct in everything we do.

**Golar's approach to compliance:** We understand that our industry has the potential for some individuals to seek unlawful payments. This drives our focus on compliance:



**1. Top level commitment**: Our Code of Conduct and ABC Policy are clear, publicly available, and express our zero-tolerance for breaches of our high standards.

**2. Risk based focus:** Specifically, higher risk countries, interactions with government officials, our joint ventures & affiliates, and facilitation payments.

**3. Regular training:** All staff receive conduct and ABC training on induction. This is supplemented by advanced face-to-face training for those considered to be at higher exposure, and annual refresher training for all staff.

**4. Third party management:** We require all service and equipment suppliers to sign up to our bespoke Supplier Code of Conduct.

**5. Audit and compliance:** We regularly audit our key controls and procedures, and monitor compliance across the business.



(1) https://www.golarlng.com/sustainability/esg-framework

# The Key Strategic Priorities For Q4 2020

| | Objective | Status | Timing |
|---|---|---|---|
| **Shipping** | • Focus on opportunistic upside now that majority of the fleet on term charters | • Advanced<br>• Utilization~80%<br>• Backlog $198m | Ongoing |
| **FLNG** | • Safe delivery of Gimi on time and budget<br>• Progress Hilli expansion<br>• Development and marketing of Mark III FLNG | • Underway<br>• Underway<br>• Underway | Q4 2023<br>Ongoing<br>Ongoing |
| **Downstream Hygo** | • Continue build out of small- scale LNG customers, convert LOIs into contracts<br>• Barcarena Terminal FID<br>• Formalize BR Distribuidora Joint-Venture | • Underway<br>• Underway<br>• Underway | Ongoing<br>Q4 20 / Q1 20<br>Q4 2020 |
| **Finance** | • Refinance maturing corporate debt with proceeds from sale of FSRU LNG Croatia and by completing financing in line with Corporate Financing slide<br>• Opportunistic refinancing of Frost and margin loan | • Refinanced $100m debt<br>• $125m highly confident facility<br>• Underway | Q4 2020<br>Subject to Hygo IPO<br>Q1 2021 |
| **Corporate** | • Maintain reductions in admin costs<br>• Simplify group structure | • 15% reduction<br>• Slowed by Hygo IPO delay | 2020<br>Ongoing |

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# Appendix

*Non-GAAP Measures*

| Non-GAAP measure | Closest equivalent US GAAP measure | Rationale for adjustments |
|---|---|---|
| **Adjusted EBITDA and LTM (last twelve months) adjusted EBITDA** | Net (loss)/income attributable to Golar LNG Limited | Increases the comparability of total business performance from period to period and against the performance of other companies by excluding the results of our equity investments, removing the impact of unrealized movements on embedded derivatives and removing the impact of depreciation, financing and tax items.<br><br>The 12 month trailing metric removes the impact of seasonality on our results. |
| **Shipping Adjusted EBITDA** | Vessel and other operations segment operating income/(loss) | Increases the comparability of performance of our vessels from period to period and against the performance of other companies by excluding the results of our equity investments, removing the impact of administrative services revenues and the administrative expenses, depreciation, financing and tax items. |
| **Corporate Adjusted EBITDA** | Vessel and other operations segment operating income/(loss) | Increases the comparability of performance of our adminstrative services from period to period and against the performance of other companies by excluding the results of our equity investments, removing the impact of vessel operations and the administrative, depreciation, financing and tax items. |

**Quantitative reconciliation**

**Adjusted EBITDA and LTM (last twelve months) adjusted EBITDA**

| *(in $M)* | Jul-Sep 2020 | Apr-Jun 2020 | Jan-Mar 2020 | Oct-Dec 2019 | Jul-Sep 2019 | Apr-Jun 2019 | Jan-Mar 2019 | Oct-Dec 2018 |
|---|---|---|---|---|---|---|---|---|
| **Net (loss)/income attributable to Golar LNG Limited** | **(21.8)** | **(155.6)** | **(104.2)** | **24.8** | **(82.3)** | **(112.7)** | **(41.7)** | **(313.0)** |
| Net financial expense | 18.7 | 12.2 | 74.3 | 25.9 | 39.3 | 37.8 | 33.2 | 52.7 |
| Income taxes | 0.2 | 0.2 | 0.2 | 0.4 | 0.3 | 0.2 | 0.2 | 0.6 |
| Equity in net losses/(gains) of affiliates | 3.6 | 139.4 | 37.9 | (1.8) | 7.8 | 27.0 | 12.9 | 154.1 |
| Net income attributable to non-controlling interests | 29.9 | 32.2 | 13.0 | 19.7 | 21.3 | 24.3 | 24.3 | 2.8 |
| **Operating income/(loss)** | **30.6** | **28.4** | **21.2** | **68.9** | **(13.7)** | **(23.4)** | **28.9** | **(102.8)** |
| Adjusted for: | | | | | | | | |
| Unrealized (gain)/loss on oil derivative instrument | (0.2) | 11.8 | 27.8 | (4.3) | 44.2 | 27.6 | (28.4) | 195.7 |
| Depreciation and amortization | 26.9 | 27.0 | 27.2 | 28.3 | 28.4 | 28.1 | 28.2 | 28.3 |
| Impairment of long-term assets | - | - | - | 0.5 | - | 7.3 | 34.3 | - |
| **Adjusted EBITDA** | **57.3** | **67.2** | **76.2** | **93.4** | **58.9** | **39.7** | **62.9** | **121.2** |
| Last Twelve Months adjusted EBITDA | 294.0 | - | - | - | 282.7 | - | - | - |

**Shipping Adjusted EBITDA**

| *(in $M)* Vessel and other operations | Jul-Sep 2020 | Apr-Jun 2020 | Jul-Sep 2019 |
|---|---|---|---|
| **Operating income/ (loss)** | **1.4** | **11.0** | **(4.1)** |
| Depreciation and amortization | 14.8 | 15.0 | 16.4 |
| Vessel and other operations segment administrative expenses* | 7.8 | 8.3 | 12.2 |
| Vessel and other operations segment project development expenses* | 1.2 | 1.0 | 0.8 |
| Management and administrative services revenue | (3.3) | (3.4) | (3.5) |
| Other operating gains | - | - | - |
| **Shipping Adjusted EBITDA** | **21.9** | **32.0** | **21.8** |

*We have not allocated these expenses for the calculation of Shipping Adjusted EBITDA.

**Corporate Adjusted EBITDA**

| *(in $M)* Vessel and other operations | Jul-Sep 2020 | Apr-Jun 2020 | Jul-Sep 2019 |
|---|---|---|---|
| **Operating income/ (loss)** | **1.4** | **11.0** | **(4.1)** |
| Time and voyage charter revenues | (35.7) | (42.6) | (38.8) |
| Vessel management fees | (1.7) | (1.7) | (1.8) |
| Vessel operating expenses | 15.0 | 11.3 | 16.1 |
| Voyage, charterhire and commission expenses | 0.5 | 1.5 | 5.6 |
| Depreciation and amortization | 14.8 | 15.0 | 16.4 |
| Other operating gains | - | (0.5) | (2.8) |
| **Corporate Adjusted EBITDA** | **(5.7)** | **(6.0)** | **(9.4)** |

# Appendix

## *Non-GAAP Measures*

| Non-GAAP measure | Closest equivalent US GAAP measure | Rationale for adjustments | Quantitative reconciliation | | | |
|---|---|---|---|---|---|---|
| | | | | Jul-Sep 2020 | Apr-Jun 2020 | Jul-Sep 2019 |
| | | | *(in $M)* | | FLNG | |
| **Hilli Adjusted EBITDA** | FLNG segment operating income/(loss) | 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, the impact of unrealized movements on embedded derivatives and removing the impact of depreciation, financing and tax items. | **Operating income/(loss)** | **29.3** | **17.3** | **(9.6)** |
| | | | Unrealized (gain)/loss on oil derivative instrument | (0.2) | 11.8 | 44.2 |
| | | | Depreciation and amortization | 12.0 | 12.0 | 12.0 |
| | | | Project development expenses | - | 0.3 | (0.4) |
| | | | **Hilli Adjusted EBITDA** | **41.1** | **41.4** | **46.2** |
| | | | *(in $M)* | **Sept 30, 2020** | **June 30, 2020** | **Sept 30, 2019** |
| **Golar cash and Golar restricted cash** | Cash, cash equivalents and restricted cash at end of period based on GAAP measures:<br>- Cash and cash equivalents<br>- Restricted cash and short-term deposits (current and non-current) | Increases the comparability of our cash position with other companies by removing the lessor VIEs' cash which we have no control or ability to access this cash. | Cash and cash equivalents | 76.7 | 128.7 | 250.2 |
| | | | Restricted cash and short-term deposits - current and non-current portion | 162.2 | 136.5 | 375.3 |
| | | | Adjusted for: | | | |
| | | | VIE restricted cash | (61.7) | (40.0) | (104.5) |
| | | | **Golar cash** | **177.2** | **225.2** | **521.0** |
| | | | Adjusted for: | | | |
| | | | Cash and cash equivalents | (76.7) | (128.7) | (250.2) |
| | | | **Golar restricted cash** | **100.5** | **96.5** | **270.8** |

# Appendix

*Non-GAAP Measures*

| Non-GAAP measure | Definitions |
|---|---|
| **Average daily TCE** | Please see our Q3 2020 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/2020 |
| **Adjusted net debt** | |
| **Contractual debt** | |
| **Revenue backlog** | |
| **Net debt** | |
| **Unrestricted cash** | Unrestricted cash refers to our cash and cash equivalents. |
| **Net Capex in the liquidity development slide** | Net Capex includes expenditures on dry-docking and our vessel conversion projects (FLNG Gimi and FSRU LNG Croatia). For our conversion projects, the capex amount is presented net of equity contributions from our project partners and drawdowns on any related debt facilities. |
| **Debt service in the liquidity development slide** | Debt service costs relates to cash payments relating to interest and capital repayments and financing costs arising from our contrractual debt. The contractual debt service relating to VIE facilities are eliminated on consolidation and replaced with balances from our lessor VIEs as required by US GAAP. |
| **Other in the liquidity development slide** | Other mainly represents transactions with our equity investments such as dividends received from the Golar Partners and equity contributions to Avenir. |
| **Total Optionality Value** | Total Optionality Value represents the potential revenue less operating expenses from the sale of Merchant Power generated by the Sergipe Power Plant (in which we hold a 25% interest) that could have been earned had it been operational between 2017 and 2019. The numbers provided in the slide are historic and illustrative only. |