FLEX LNG

Q4-19 and Investor Day

February 26, 2020

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FORWARD-LOOKING STATEMENTS

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.

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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, 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.

AGENDA

1. Introduction

2. Financial review

3. Market status

4. Market outlook

5. LNG as commodity

6. Sustainability and emissions

7. Summary and Q&A

8. LNG technology perspectives

9. Carbon capture

AGENDA INVESTOR DAY

Time (CET)	Activity	Presenter
14:30	Registration and coffee	
15:00	Investor Day presentation including interim report for Q4-2019 and full year 2019	Øystein Kalleklev, CEO Flex LNG Management Harald Gurvin, CFO Flex LNG Management
16:15	Q&A session	Øystein Kalleklev, CEO Flex LNG Management Harald Gurvin, CFO Flex LNG Management
16:45	Coffee break	
17:00	LNG technology perspectives	Lars Pedersen, MD Flex LNG Fleet Management
17:25	Carbon capture explained	Torleif Madsen, CEO Compact Carbon Capture
17:50	Closing remarks	Øystein M. Kalleklev, CEO Flex LNG Management
18:00	***End of program***	

FOURTH QUARTER HIGHLIGHTS

- Revenues of $52.0m vs. $29.8m for Q3-19 and in line with guidance of $50-55m
- Time Charter Equivalent[(1)] rate of $94kpdr vs. $58.2kpdr for Q3-19
- Adjusted EBITDA[(1)] of $41.9m vs. $21.8m for Q3-19
- Net Income of $23.9m vs. $0.5m for Q3-19
- Earnings per share of $0.44 in Q4-19 vs. $0.01 for Q3-19
- Dividend of $0.10 per share declared by BoD for Q4-19 payable on or about March 25, 2020
- Signed the $629m ECA financing on February 25, 2020
- Agreed long-term charter with Gunvor for Flex Artemis on November 25, 2019
- Extended TCPs for both Flex Ranger and Flex Enterprise by 12mths each
- We have in total transferred four ships to Flex LNG Fleet Management as of February 25, 2020
- Strengthen commercial team with the appointment of Ben Martin as Chief Commercial Officer

1) Time Charter Equivalent rate and Adjusted EBITDA are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included in the Q4-19 earnings report

STATUS AND NEAR-TERM OUTLOOK

LNGCs	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21
Flex Endeavour	Spot							
Flex Enterprise	Variable TC					Options to Q1-2024		
Flex Ranger	Fixed TC		Fixed TC				Option Q2-2022	
Flex Rainbow	Variable TC			Options to Q1-2021				
Flex Constellation	Spot							
Flex Courageous	Spot							
Flex Aurora	Yard	-----	Open					
Flex Amber	Yard		-----	Open				
Flex Artemis	Yard		Variable TC firm to Q2-2025 with options Q2-2030					
Flex Resolute	Yard			Open				
Flex Freedom	Yard				Open			
Flex Volunteer	Yard				-----	Open		
Flex Vigilant	Yard					-----	Open	

- Based on fixtures to date we anticipate TCE in Q1 to be close to $70kpdr[1]
- Three of six ships on water booked in Q2 through fixed or variable TCs
- All our newbuildings are currently ahead of schedule, particularly the XDFs

1) Subject normal operation and up-time on vessels and no material adverse change in market circumstances

Q4 BACK OF ENVELOPE RETURN ANALYSIS

6 SHIPS In operation during quarter and 7 under construction with no income in quarter	**~$190m** Average book value of ships in operation	**~$130m** Average gross debt per ship in operation	**~$130m** Cash holdings at end of year i.e. about $10m each ship for WC and final equity contribution	**~$70m** Average equity per ship in operation when adjusted for $10m cash per ship
~$420m Equity currently employed or about 50% of book equity of ~$840m	**~$24m** Net income and FCF adjusted for WC and ordinary repayment of debt	**~25%** Annualized Return on Equity Employed during quarter	**~10%** Return on equity once fully invested with TCE rates of ~65kpdr	**~15%** Return on equity once fully invested with TCE rates of ~75kpdr

BRAND NEW STATE-OF-THE-ART FLEET

High Pressure			Low pressure
ME-GI	ME-GI with Partial Reliquefaction System	ME-GI with Full Reliquefaction System	X-DF
 **Ranger (2018)**	 **Endeavour (2018)**	 Artemis (2020)	 Aurora (2020)
 **Rainbow (2018)**	 **Enterprise (2018)**	 Resolute (2020)	 Amber (2020)
	 **Constellation (2019)**	 Freedom (2020)	 Volunteer (2020/21)
	 **Courageous (2019)**		 Vigilant (2021)
Initial Flex LNG vessels $210M equity $257.5m debt raised	**Acquired in 2017:** $329m equity issued $550m debt raised	**Acquired in 2018:** $300m equity issued $629m financing secured for 2020 newbuilds	

$840m equity and $1.4bn of attractive long-term debt finance secured

1) Source: Company

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INCOME STATEMENT

Unaudited Figures in thousand of $	Three months ended Dec 31, 2019	Sept 30, 2019	Full year 2019
Vessel operating revenues	51,994	29,814	119,967
Voyage expenses	-388	-994	-6,284
Vessel operating expenses	-8,114	-4,618	-22,423
Administrative expenses	-1,850	-2,286	-7,506
Depreciation	-8,683	-7,840	-28,747
Operating income/(loss)	**32,959**	**14,076**	**55,007**
Finance income	349	264	1,073
Interest expense	-11,084	-9,437	-33,875
(Loss)/gain on derivatives	1,589	-915	-1,555
Write-off of debt issuance costs	-	-3,388	-3,388
Other financial items	226	-133	-113
Income/(loss) before tax	**24,039**	**467**	**17,149**
Income tax credit/(expense)	-183	1	-182
Net income/(loss)	**23,856**	**468**	**16,967**

- Revenues of $52.0m vs. $29.8m for Q3-19
- Adjusted EBITDA[(1)] of $41.9m vs. $21.8m for Q3-19
- Vessel operating expenses impacted by planned maintenance and training on the vessels, as well as full quarter of six vessels on the water
- Increase in interest expense mainly due to full quarter of interest under $250m facility following drawdown of final $125m tranche in August and full quarter of interest under the $300m Hyundai Glovis sale and charterback transaction executed in July
- Unrealized non-cash gain on interest rate swaps of $1.6m compared to a loss of $0.9m in Q3-19

1) Adjusted EBITDA is a non-GAAP measure. A reconciliation to the most directly comparable GAAP measure is included in the Q4-19 earnings report

BALANCE SHEET

Unaudited Figures in thousand of $	Dec 31, 2019	Sept 30, 2019
Assets		
Current assets		
Cash, restricted cash and cash equivalents	129,098	56,554
Other current assets	14,792	16,570
Non-current assets		
Vessels and equipment	1,147,274	1,155,835
Other fixed assets	10	5
Vessel purchase prepayment	349,472	349,472
Derivative instruments receivable	636	269
Total Assets	**1,641,282**	**1,578,705**
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	34,566	34,261
Derivative instruments payable	2,371	3,521
Other current liabilities	20,795	17,272
Non-current liabilities		
Long-term debt	744,283	702,893
Other non-current liabilities	2	3
Total equity	839,265	820,755
Total Equity and Liabilities	**1,641,282**	**1,578,705**

- Solid liquidity of $129.1m as per Dec 31, 2019
- Assets consist of six vessels in operation and seven newbuildings under construction
- Vessel purchase prepayments of $349.5m relates to remaining seven newbuildings
- Total interest bearing debt of $778.8m, of which $34.6m is due next 12 months[(1)]
- Equity ratio of 51%

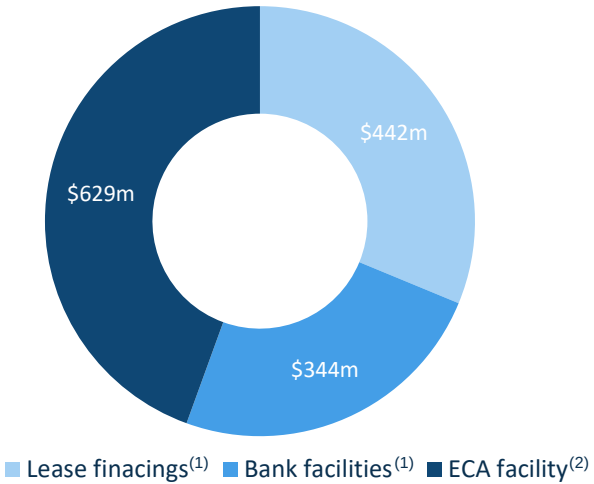
1) Long term debt is presented net of debt issuance cost

CASHFLOW

Unaudited Figures in thousand of $	Three months ended Dec 31, 2019	Sept 30, 2019	Full year 2019
Net income/(loss)	23,856	468	16,967
Working capital adjustments	5,301	-4,506	-764
Other non-cash items	8,148	12,461	35,323
Net cash flow from operating activities	**37,305**	**8,423**	**51,526**
Purchase of other fixed assets	-7	-3	-10
Newbuilding capex	-119	-145,214	-291,532
Net cash flow used in investing activities	**-126**	**-145,217**	**-291,542**
Repayment of long-term debt	-8,567	-9,078	-29,456
Repayment of revolving credit facility	-	-50,000	-50,000
Prepayment of long-term debt	-	-294,000	-294,000
Proceeds from long-term debt	49,342	525,000	697,879
Financing costs	-	-5,014	-5,014
Dividends paid	-5,411	-	-5,411
Other	1	-4	19
Net cash flow from financing activities	**35,365**	**166,904**	**314,017**
Net cash flow	**72,544**	**30,110**	**74,001**
Cash balance at the beginning of period	56,554	26,444	55,097
Cash balance at the end of period	**129,098**	**56,554**	**129,098**

- Net cash flow from operating activities of $37.3m in Q4-19, up from $8.4m in Q3-19
- Net cash flow from operating activities of $51.5m for FY 2019
- Newbuilding capex for FY 2019 of $291.5m relates to final payment upon delivery of newbuildings Courageous/Constellation
- Proceeds from long-term debt for FY 2019:
  - $250m facility Courageous/Constellation
  - $300m sale and charterback Endeavour/ Enterprise
  - $100m facility Ranger
- Prepayment of long-term debt for FY 2019 relates to $315m facility entered into in December 2017

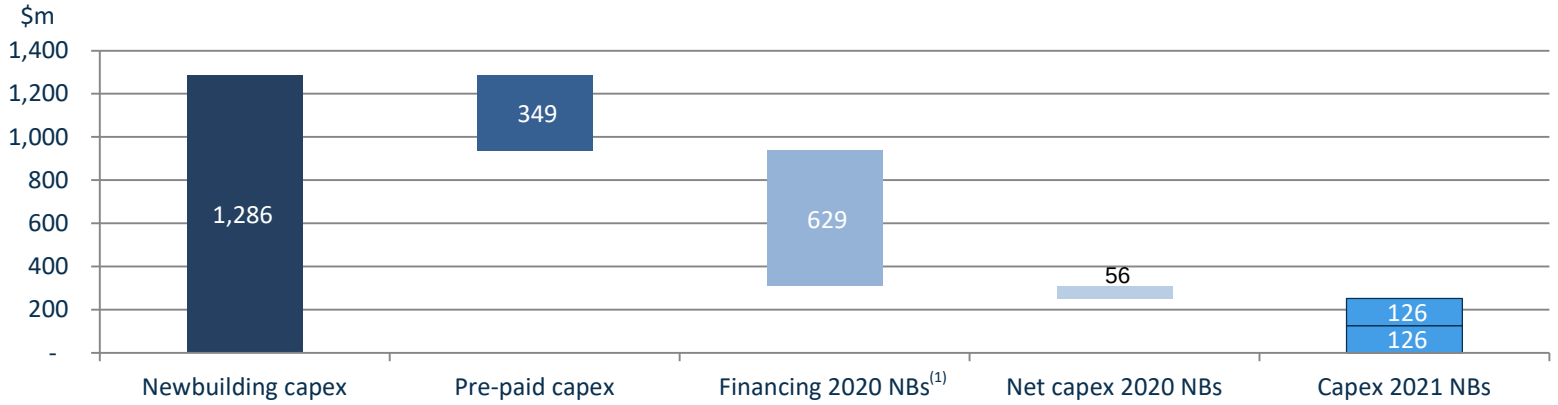
DIVERSIFIED SOURCES OF FINANCING



- ~$1.3 billion in attractive financing secured in 2019
- Diversified funding between lease financing, bank financing and ECA financing
- Expanded relationship with leading international financing providers

1) Outstanding amounts as per December 31, 2019
2) Commitment as per December 31, 2019

LIMITED REMAINING NEWBUILDING CAPEX



- Pre-paid capex of $349m
  - 30% of purchase price ($275.4m) for Artemis/Resolute/Freedom/Volunteer/Vigilant
  - 20% of purchase price ($73.6m) for Aurora/Amber
- Unfunded capex in 2020 of $56m vs. available liquidity of $129m as per Dec 31, 2019
  - Potential increase of $50m under $629m financing for 2020 NBs in case of long-term charters(2)
- Remaining capex of $126m per vessel for the two NBs scheduled for delivery in 2021
  - In line with recent bank financings and well below Hyundai Glovis sale and charterback of $150m per vessel

1) The $629m ECA facility for the 2020 newbuildings remains subject customary closing conditions.
2) $50m accordion is uncommitted and subject to acceptable long-term charters and credit approval by lenders

$629M ECA FACILITY – 2020 NEWBUILDINGS

- Total facility of $629m for NBs Artemis/Resolute/Freedom/Aurora/Amber
  - Korea Eximbank (KEXIM) to provide $379m in direct loans and guarantees
  - Commercial banks to provide $250m loan
  - Accordion up-size option of up to $50m ($10m per vessel) in case of long-term charters[(1)]
- Facility agreement signed February 25, 2020
- $379m KEXIM commitment is for up to 12 years[(2)]
- Commercial bank loan of 5 years from final drawdown, expected November 2020
- Average repayment profile of 20 years
- Average margin[(3)] ~2.2% p.a. above LIBOR
- Financial covenants linked to balance sheet:
  - Book equity >25%
  - Minimum free liquidity > $25m and 5% NIBD, and
  - Positive consolidated working capital
- No requirement for fixed employment of vessels
- $275m of interest rate exposure hedged 5 years at 1.36% p.a.
- Drawdown expected upon delivery of each vessel during 2020

1) Accordion is uncommitted and subject to acceptable long-term charters and credit approval by lenders
2) According to OECD framework for ECA financing with repayment profile of 12 years. Term is subject to rollover of commercial bank loan at acceptable terms, otherwise maturity at same time as commercial bank loan
3) Including KEXIM guarantee premium

$300M LEASE FINANCING

- 10-year sale and time-charter transaction with Hyundai Glovis for Endeavour and Enterprise
- $300m net consideration to Flex LNG
  - $420m aggregate gross sales price
  - $120m non-amortizing and non-interest bearing seller's credit
- Fixed monthly payment structure giving annuity style repayment profile at all-in cost of ~6% p.a.
- Repayment profile of 20 years and age adjusted profile of 21.5 years
- Annual re-purchase options from third anniversary
- $75m put/call structure per vessel at expiry of charters
- No financial covenants
- No requirement for fixed employment of vessels
- Expiry of charters in July 2029

$157.5M LEASE FINANCING

- 10-year sale and leaseback with Asian based lessor for Rainbow
- Interest at LIBOR + 3.50% p.a.
- Repayment profile of 20 years
- Annual re-purchase options from second anniversary
- $78.75m purchase option at expiry of lease
- Limited financial covenants:
  - Max borrowings: 75% of total assets[(1)]
- No requirement for fixed employment of vessel
- Expiry of lease in July 2028

1) Flex LNG Ltd. on a consolidated basis and only applicable if average time-charter period for all vessels is less than 2.5 years

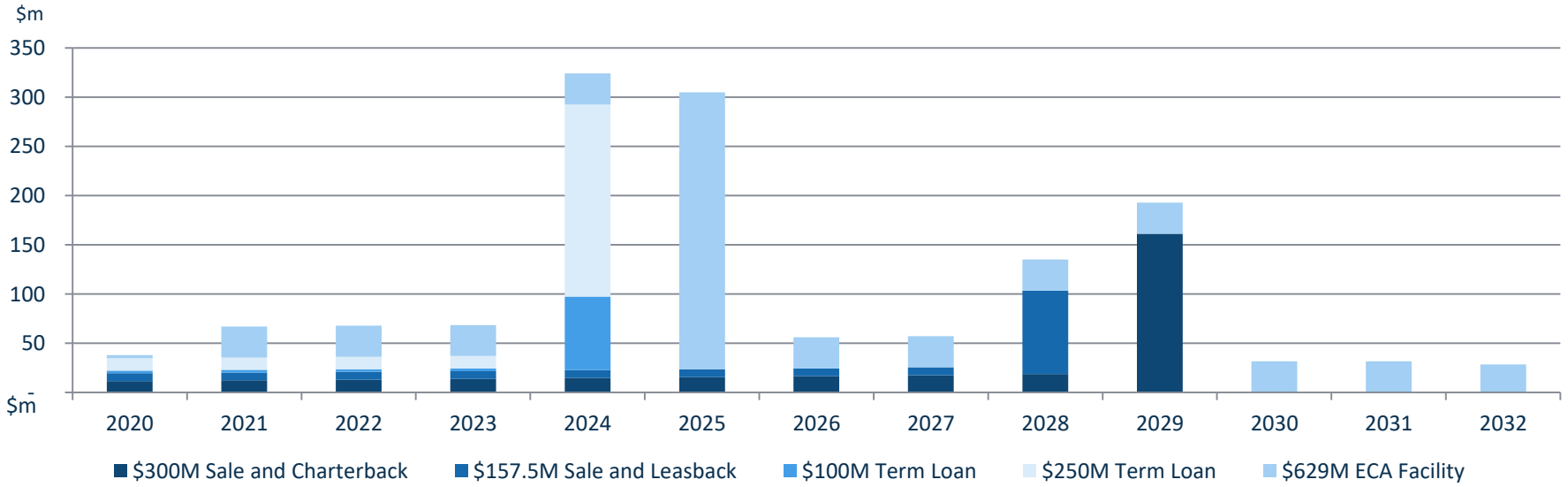
$250M TERM LOAN FACILITY

- $250m bank financing for Constellation and Courageous
- Interest rate of Libor+2.35% p.a.
- Loan tenor of five years from final delivery in August 2019
- Repayment profile of 20 years
- No requirement for fixed employment of vessels
- Financial covenants linked to balance sheet:
  - Book equity >25%
  - Minimum free liquidity > $25m and 5% NIBD, and
  - Positive consolidated working capital
- $125m of interest rate exposure hedged at 2.12% p.a.
- Loan maturity in August 2024

$100M TERM LOAN AND REVOLVING FACILITY

- $100m bank financing for Ranger
    - $50m term loan
    - $50m revolving credit facility
- Revolving facility provides flexibility in cash mgt.
- Interest rate of Libor+2.25% p.a.
- Loan tenor of five years and repayment profile of 19 years
- No requirement for fixed employment of vessels
- Financial covenants linked to balance sheet:
    - Book equity >25%
    - Minimum free liquidity > $25m and 5% NIBD, and
    - Positive consolidated working capital
- $50m of interest rate exposure hedged at 1.39% p.a.
- Loan maturity in July 2024

STAGGERED DEBT MATURITY PROFILE



- Long funding secured with first loan maturity in July 2024
- Staggered debt maturity profile, mitigating re-financing risk

1) Assumes $50m revolving facility under $100m term loan fully drawn. The $629m ECA facility remains subject customary closing conditions. Repayment schedule for $629m ECA facility based on contracted delivery dates for the five newbuildings. The 12-year ECA tranche under the $629m ECA facility will mature at same time as the $250m commercial tranche if commercial tranche is not refinanced on terms acceptable to the ECA lenders.

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2. Financial review
3. **Market status**
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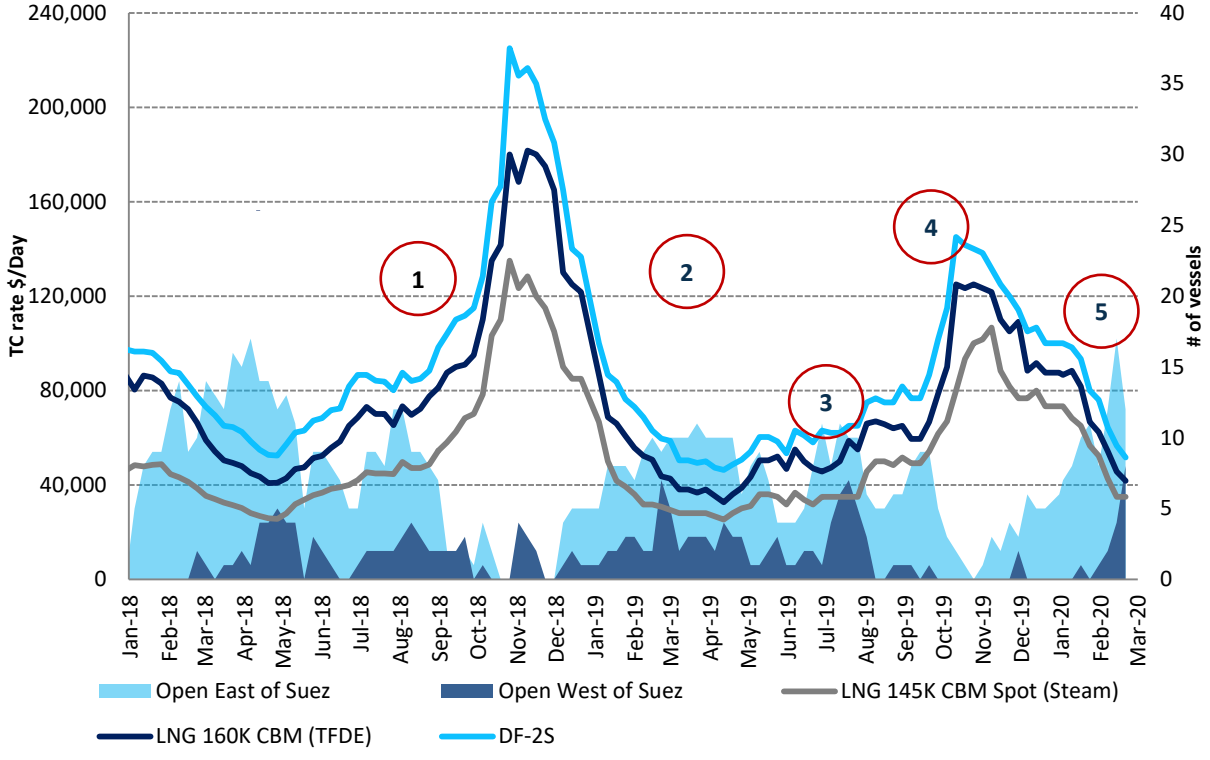
SPOT MARKET REVIEW



1. Wide arbitrage spread between Europe to Asia as well as higher netback US to Asia than Europe. Chinese buyers very active with floating storage build-up.
2. JKM correction due to El Niño weather conditions resulting in Chinese over-contracting. Redelivery of storage vessels caused market to correct.
3. High growth in liquefaction capacity, primarily in US, tightening up shipping balance due to longer sailing distances in H2.
4. Seasonal strengthening into winter, growing geopolitical tension in Middle East, Cosco sanctions as well as floating storage
5. Market structure switching from contago to backwardation, a second mild winter in the northern hemisphere and lastly the Corona virus hitting confidence.

1) Source: Affinity, Company

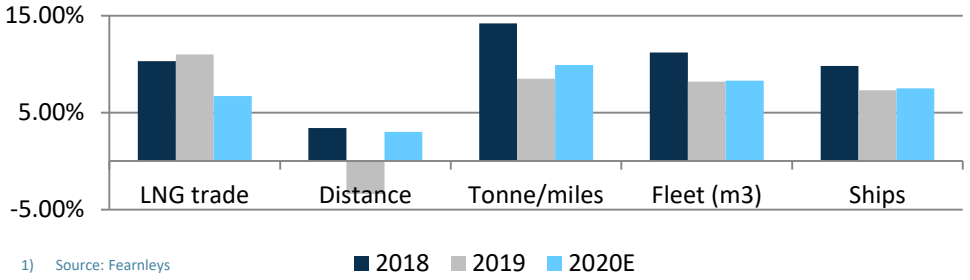
2019 TRADE FLOWS SUMMARIZED

Trade flows 2018 vs 2017

	Asia	Europe	North America	Russia	RoW	Import growth
Asia	7.8	2.9	6.2	0.9	11.4	29.2
Europe	-0.1	0.0	0.8	7.8	0.0	8.4
RoW	0.1	1.8	-0.2		-8.1	-6.4
Export growth	7.8	4.7	6.8	8.7	3.3	31.2

Trade flows 2019 vs 2018

	Asia	Europe	North America	Russia	RoW	Import growth
Asia	8.8	-2.2	2.1	1.1	-1.7	8.1
Europe	0.0	0.9	11.0	8.0	14.0	33.8
RoW	0.0	-1.6	-0.3		-3.4	-5.3
Export growth	8.8	-2.9	12.7	9.1	8.9	36.6



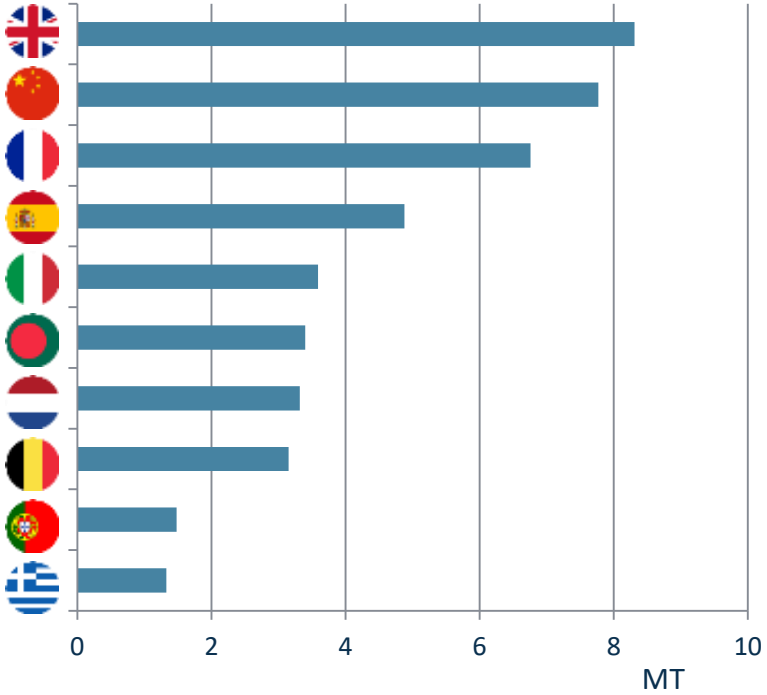
- In 2018 Asia took ~93% of new production. With Asian basin in deficit due to strong Chinese demand, it absorbed most volumes from North America and RoW
- Strong Asian demand and high basin spreads (arbitrage) resulted in re-load demand of 3.7MT of which most from Europe.
- Sailing distance grew by 3.4% to ~4,050 NM.

- In 2019 Europe took ~93% of new production and thereby doubling its LNG import to ~90MT.
- With global oversupply of gas, Europe acted as the supply sink and absorbed most of North America and RoW volumes as well as maintaining Russian volumes despite Yamal expansion
- Sailing distance fell by 3.4% to ~3,900 NM

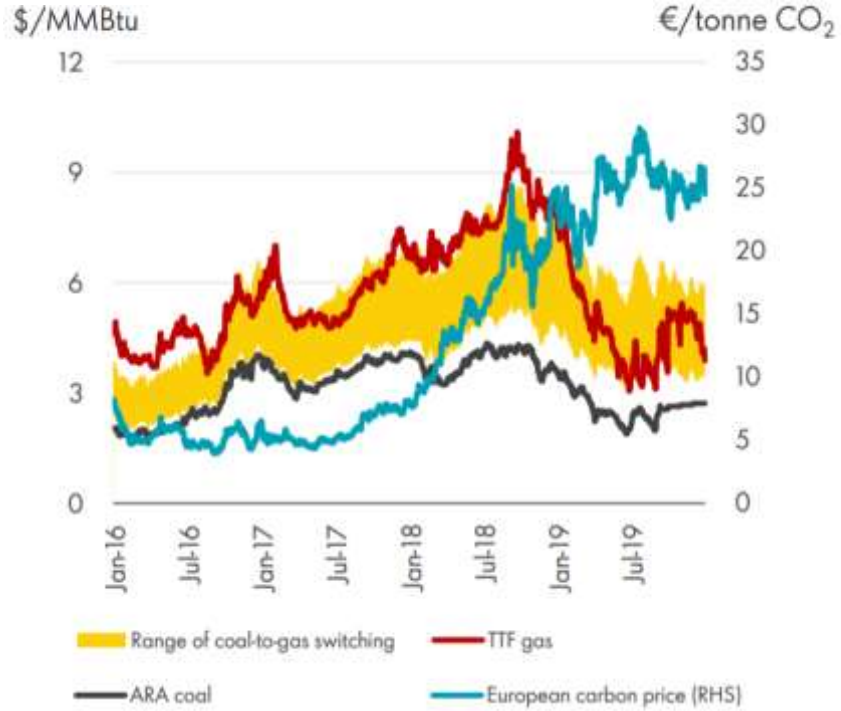
1) Source: Fearnleys

THE EUROPEAN SINK ABSORBED ~34MT LNG IN 2019

Europe was 8 of top 10 LNG growth markets in 2019

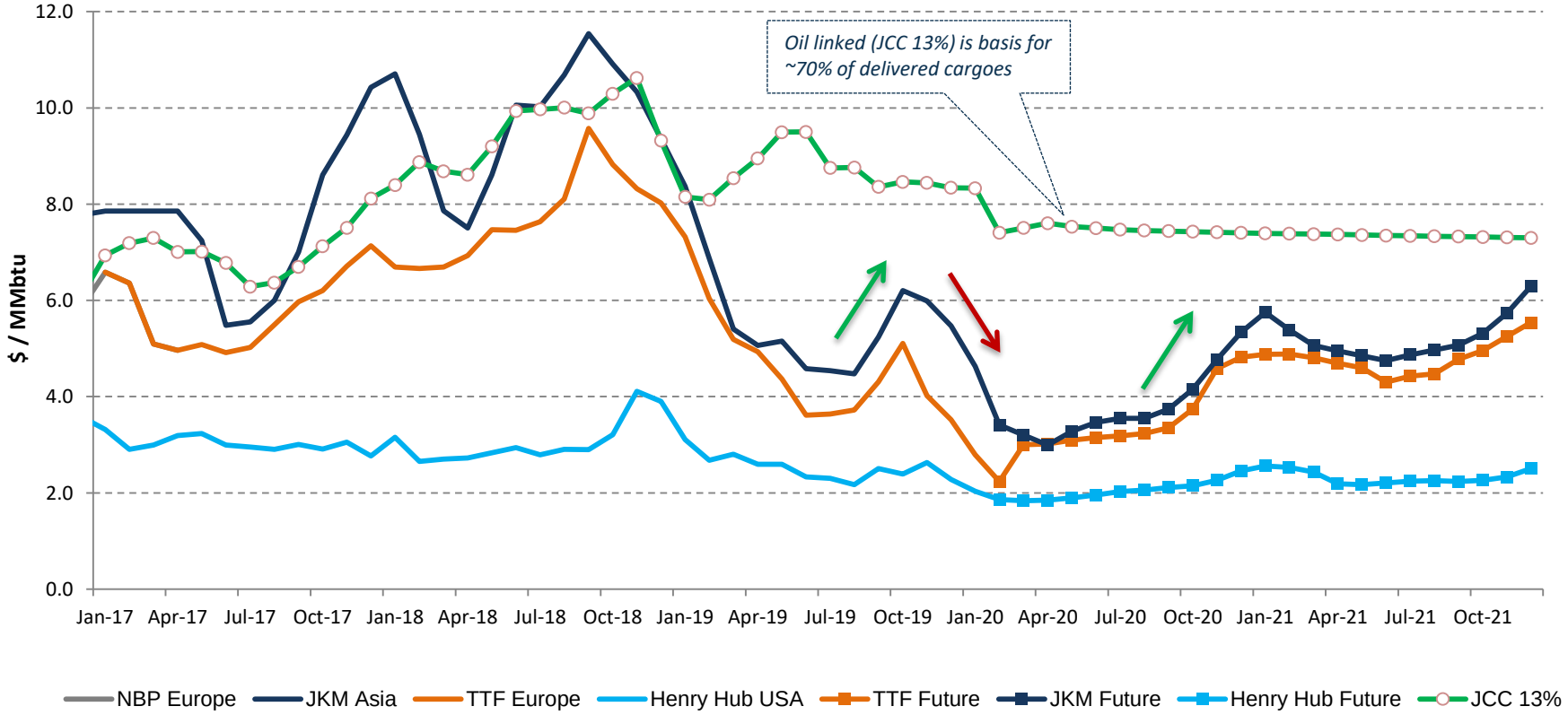


Low gas prices and high carbon prices spur European demand



1) Source: Shell, Kpler

LNG PRODUCT MARKET FROM BACKWARDATION TO CONTANGO



Source: Bloomberg, CME

WE FOCUSED ON FIVE FACTORS PRIOR TO WINTER MARKET

September 2019 presentation

1) Hard winter Europe & Asia (high demand)
2) Mild winter US (low HH price and higher spreads)
3) US / China trade conflict ends (sentiment, FIDs, cargoes)
4) Ukraine / Russia pipeline transit negotiations fail (call on LNG)
5) Higher oil/coal prices (LNG more competitive)

1) Mild winter Europe & Asia (less demand)
2) Hard winter US (higher prices and lower spreads)
3) Continued US / China dispute (continued uncertainty)
4) Ukraine / Russia pipeline transit negotiations settled (less call on LNG)
5) Low oil/coal prices (LNG less competitive)

MAIN SHORT TERM DRIVERS

1. Weather

2. Politics

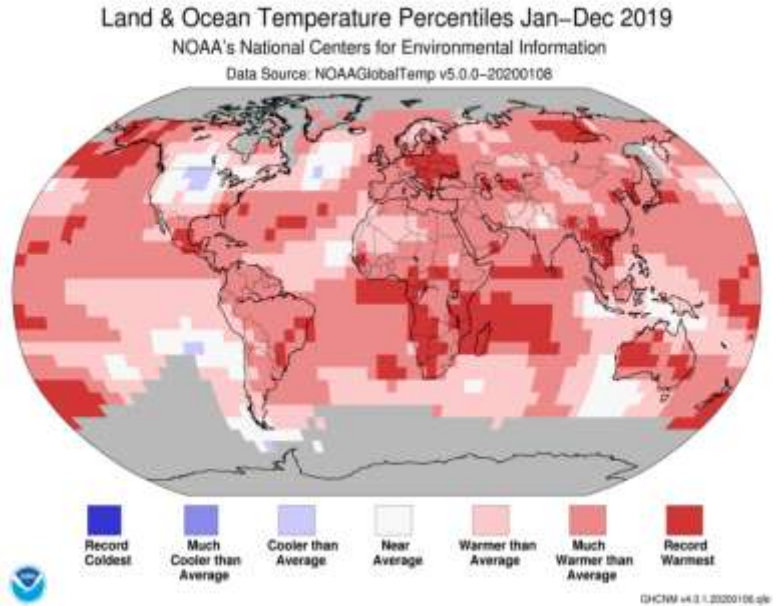
4. Events

3. Economics

1. THE WEATHER

- 2019 began with a El Niño causing a rather warm winter which transitioned to ENSO neutral conditions by July.
- Overall 2019 was the 2nd warmest year on record
  - Global land and ocean surface temperature departure from average of +0.95℃, only 0.04 ℃ less than the record in 2016
- January 2020 was the warmest on record
  - 1.14°C above the 20th-century average and the highest monthly departure ever recorded without an El Niño present in the tropical Pacific Ocean.
- No support from weather in driving heating (gas) demand in key markets

>average °C	USA	Europe	Hong Kong
Sep-19	2.1	0.7	1.0
Oct-19	-1.0	1.1	1.1
Nov-19	0.2	1.5	1.2
Dec-19	0.4	3.2	1.2
Jan-20	3.0	3.1	2.3



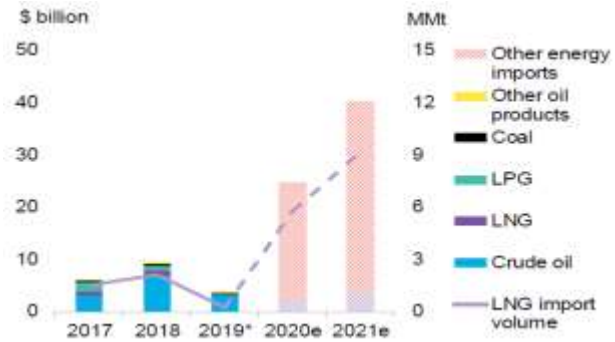
1) Source: NOAA, Copernicus, Hong Kong Observatory. Periods representing average can differ.

2. POLITICS

US-China Phase One Trade Agreement

- US and China signed Phase One trade agreement January 15, 2020 where China undertakes to increase energy imports from US by $52.4bn above 2017 baseline in 2020/21.
- On February 18, 2020 China finally announced tariff exemptions for US LNG imports.
- On February 22, 2020 National Development and Reform Commission reduced Chinese gas prices to mitigate adverse economic effects of the coronavirus.

BNEF simulation of Phase One energy trade



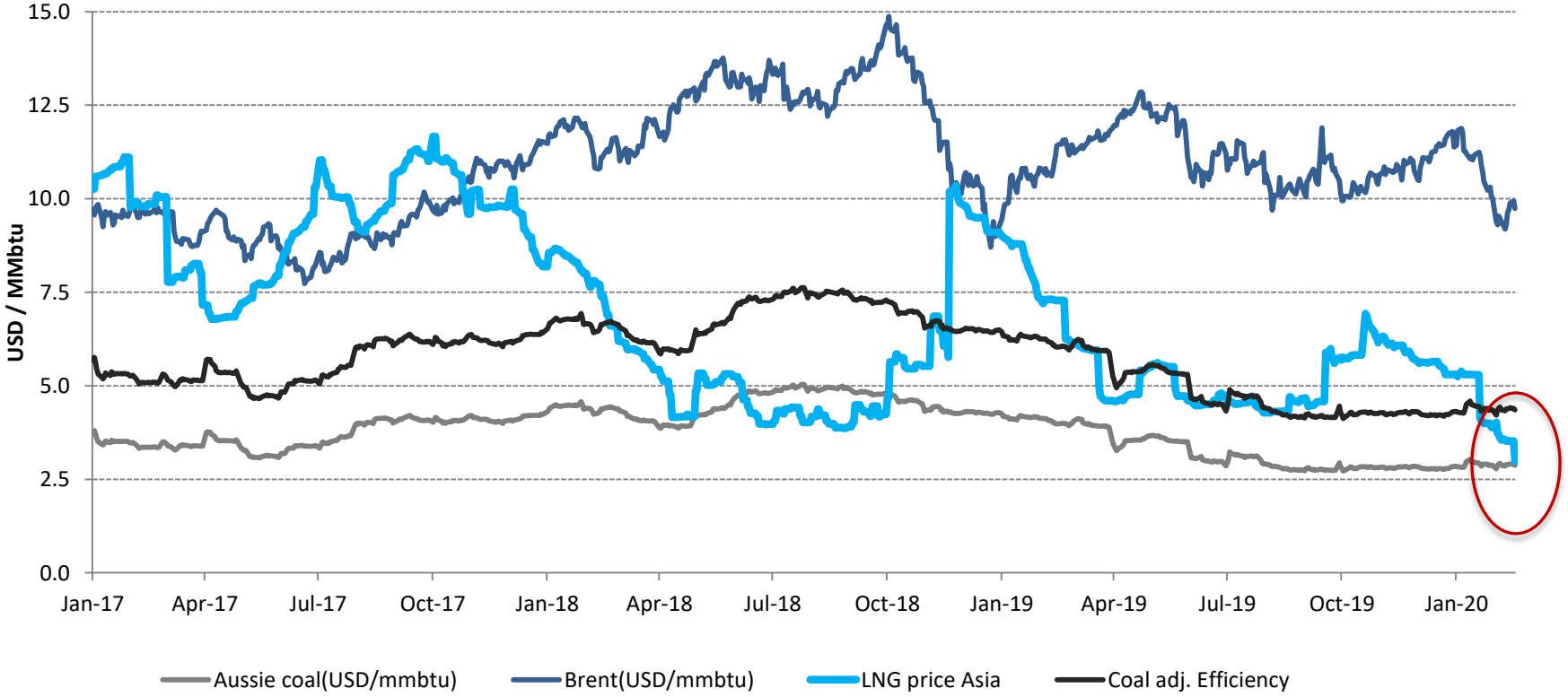
Russian pipelines

- On December 30, 2019 Naftogaz, GTSOU and Gazprom signed a set of agreements to ensure Russian gas transit over the next five years following maturity of existing ten year agreement.
- Under the agreement, minimum 65 bcm (~50 MT) Russian gas will be transited through Ukraine in 2020 while volume 2021-2024 is 40 bcm. 2018 volumes was 84 bcm.
- On the other hand, the 55 bcm gas pipeline Nord Stream 2 has been hit by US Sanctions which will probably delay completion by one year with expected start-up Q1-21.
- In December 2019, gas started to flow through the Power of Siberia with expected volumes of 5 and 10 bcm respectively in 2020 and 2021 before ramp up towards 38 bcm following Amur processing plant comes online in 2021.
- On January 8, 2020, Putin and Erdogan celebrated the launch of the Turk Stream pipeline, two strings of 15.75bcm each, one for Turkey and one for South East Europe.

1) Source: Bloomberg New Energy Finance, Petroleum Economist, Gazprom, Oxford Energy Institute and Platts

3. ECONOMICS

Asian LNG again below coal adjusted for efficiency stimulating coal to gas switching

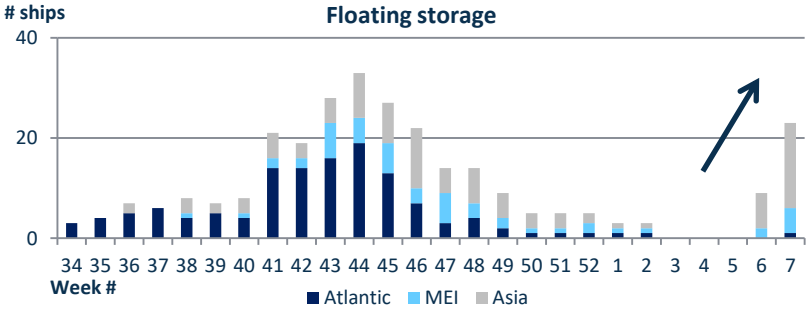


1) Source: Kepler Chevreaux, ICE, CME, Company,

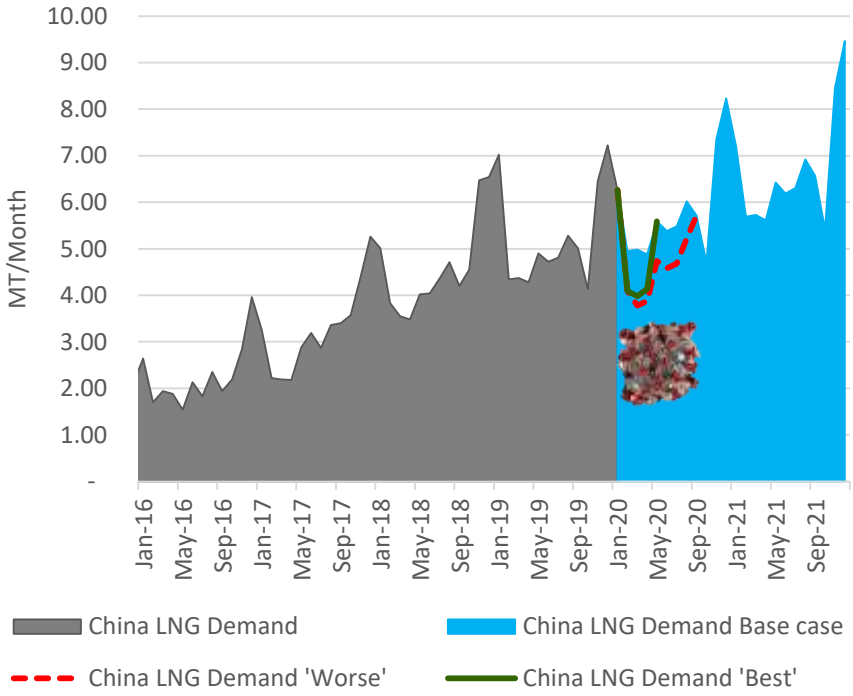
4. EVENTS

Coronavirus (COVID-19) outbreak in China

- Wood Mackenzie expect that the Coronavirus will affect Chinese LNG demand adversely by 2.6 to 6.3 MT in 2020 compared to base line level prior to the outbreak.
- BNEF expect China gas demand growth to be reduced from 6.9% to 5.6% in best case while growth will slow to 4.7% in worse case.
- The effect depends on the length and severity of China's slowdown with the best case assuming recovery by end of April 2020 while worse case having a bigger impact on the Chinese economy thereby dragging out the recovery.
- Coronavirus has also resulted in jump in floating storage with 23 ships being floated on average about 17 days.



Expected impact of Coronavirus on Chinese LNG demand

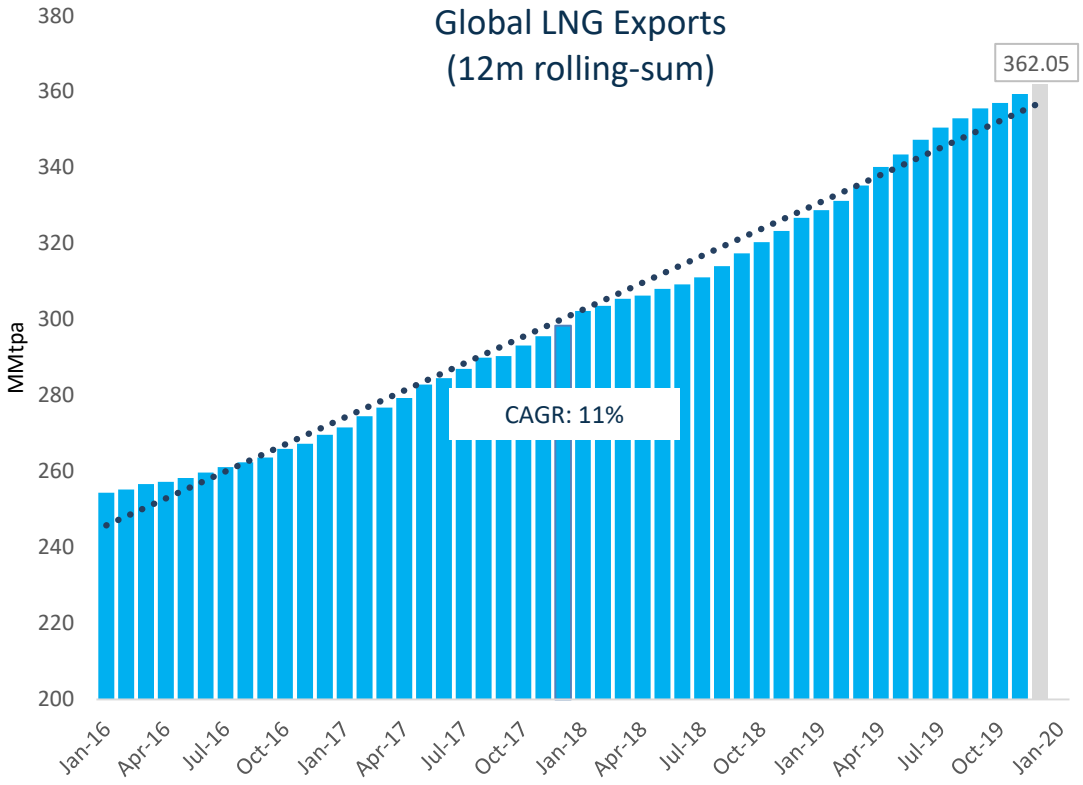


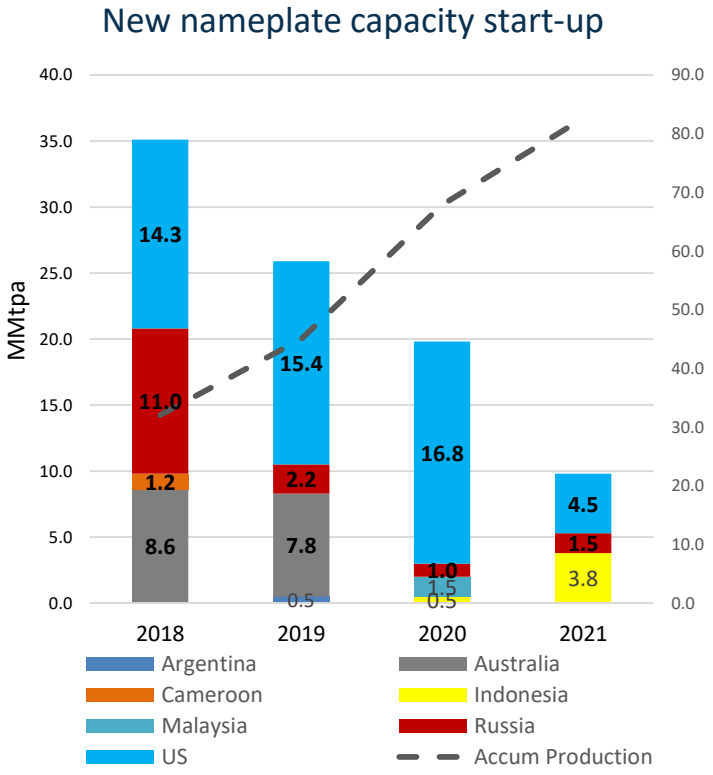
1) Source: Wood Mackenzie, BNEF , Poten, Kpler and Company

AGENDA

1. Introduction
2. Financial review
3. Market status
4. **Market outlook**
5. LNG as commodity
6. Sustainability and emissions
7. Summary and Q&A
8. LNG technology perspectives
9. Carbon capture

~25MT OF VOLUME GROWTH EXPECTED IN 2020

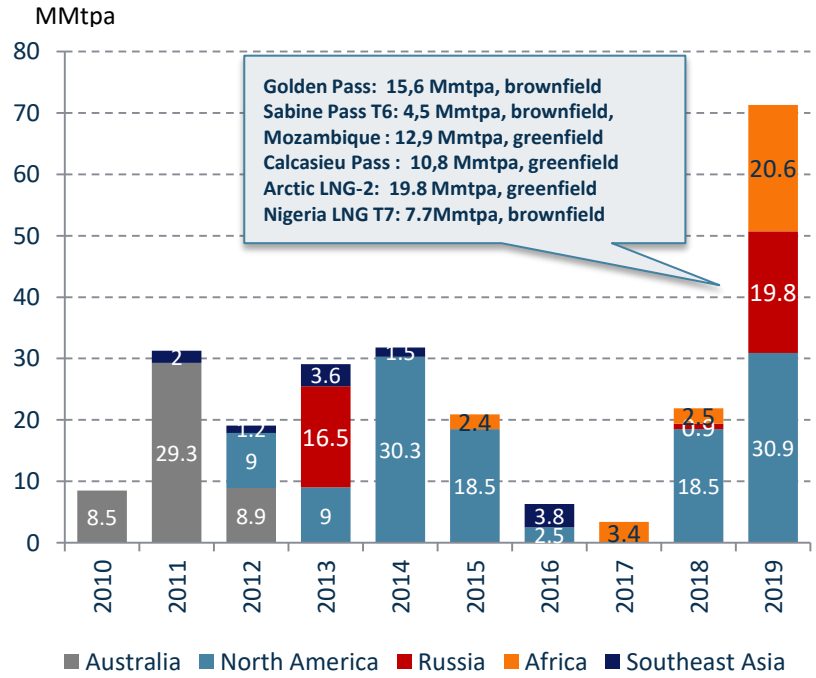




1) Source: KPLER

2019 WAS RECORD YEAR FOR FID OF NEW CAPACITY

FID of new volumes in 2019

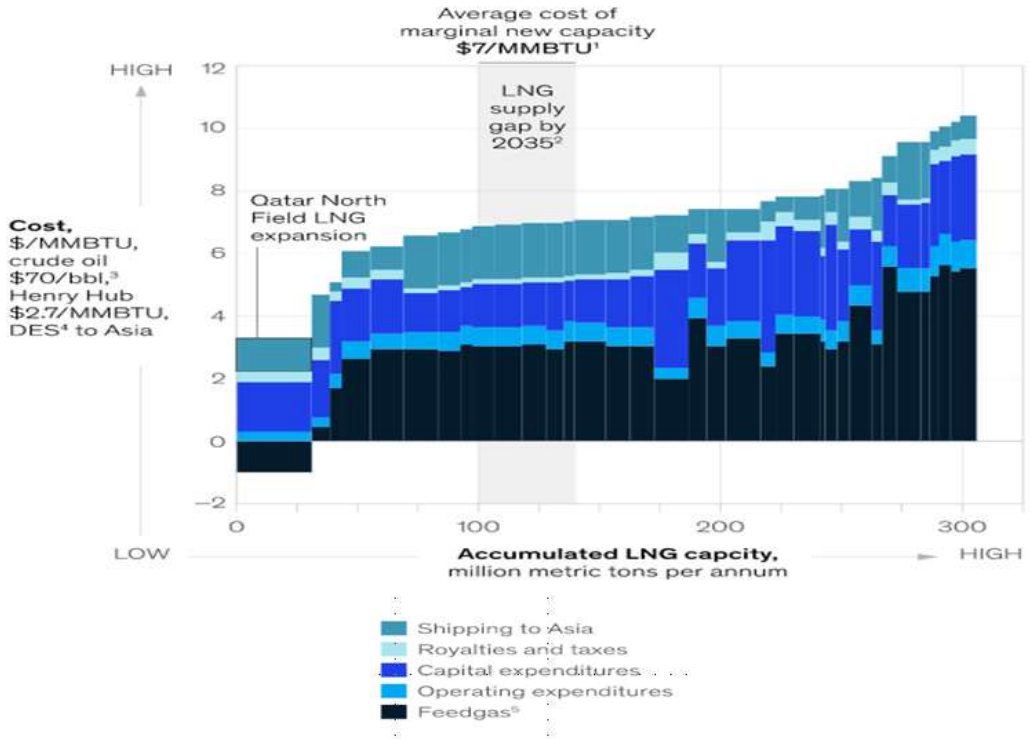


Main contenders for FID in 2020/21

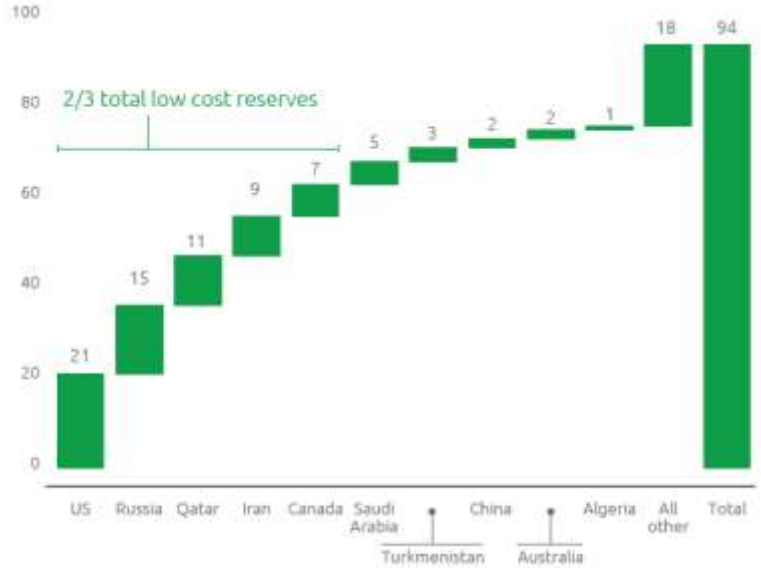
Likely FIDs	Country	Volume (Mmtpa)
Woodfibre LNG		2.1
Rovuma LNG		15.2
Qatargas expansion		33-49
Pluto Train 2		5.0
Energia Costa Azul I		3.3
Driftwood LNG Phase 1		16.6
Port Arthur		13.5
Freeport T4		5.0
PNG T3/Papua LNG		8.0
Total FID volumes		**102-119**

1) Source: Bloomberg, Platts

LNG PRICE OF ~$7/MMBTU REQUIRED FOR FILLING SUPPLY GAP



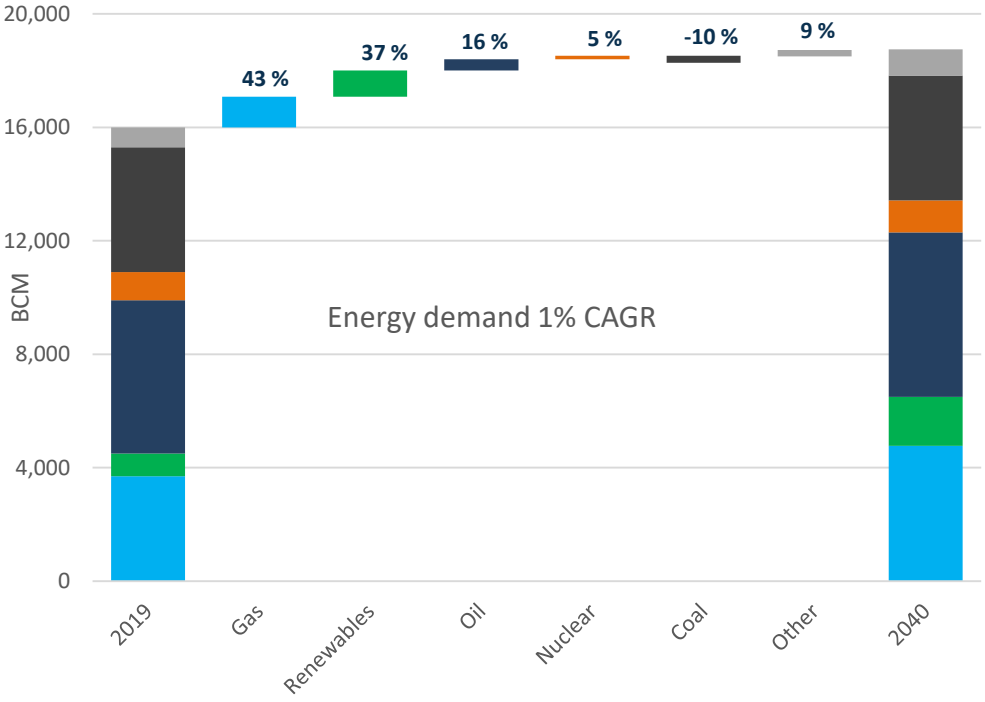
Distribution of gas reserves <$3/MMBTU



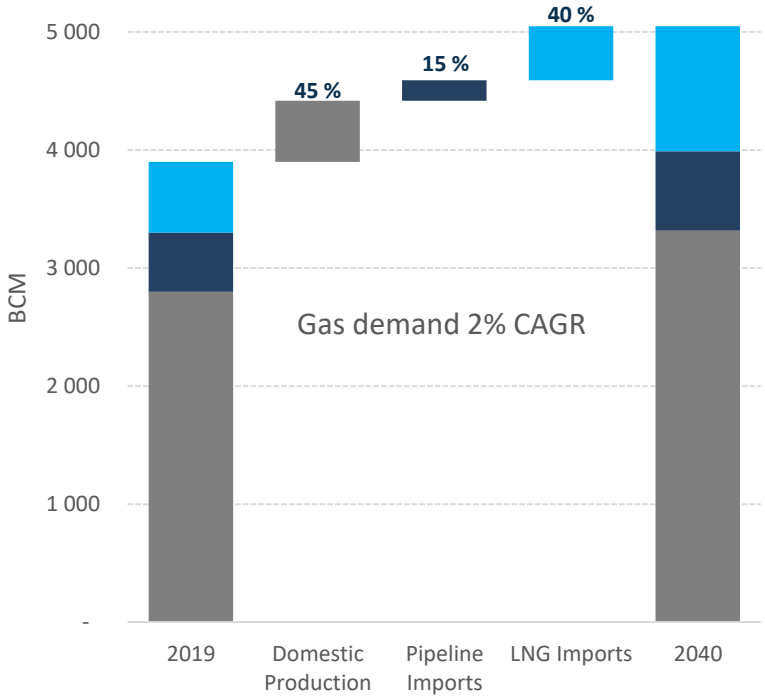
1) Source: McKinsey, SNAM Global Gas Report 2019

LNG IS THE TRANSITION FUEL

LNG is the main transition fuel



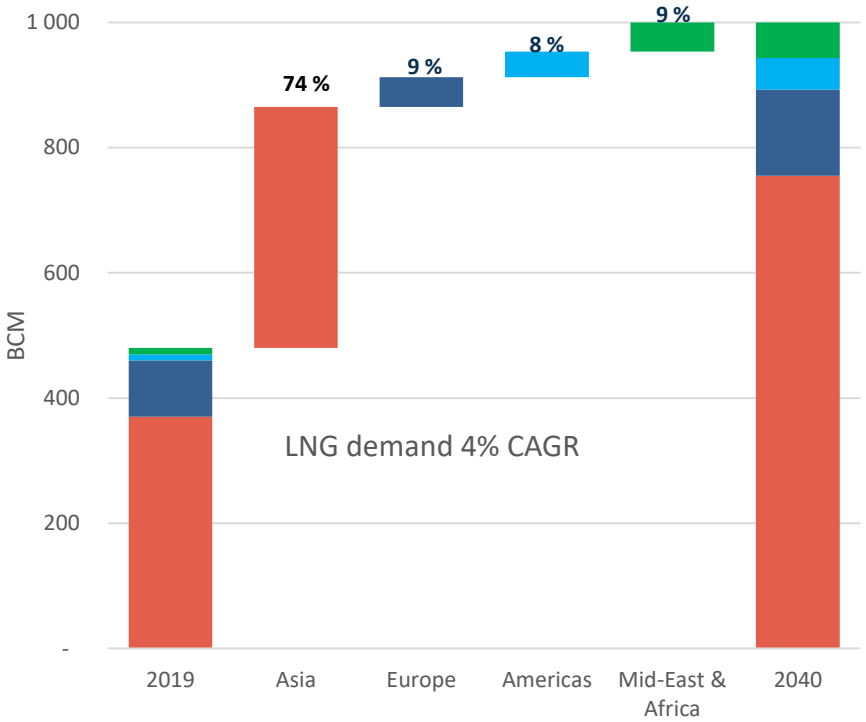
LNG becomes the main mode of international trade



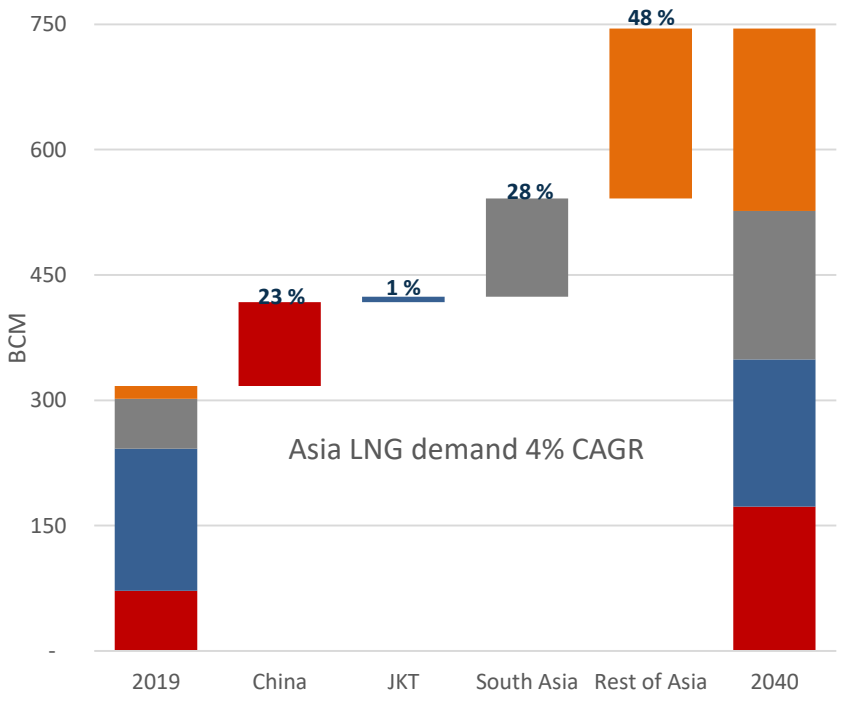
1) Source: Shell LNG Outlook 2020

ASIA WILL CONTINUE TO BE THE MAIN IMPORT AREA

Asia will continue to be the main driver for LNG demand



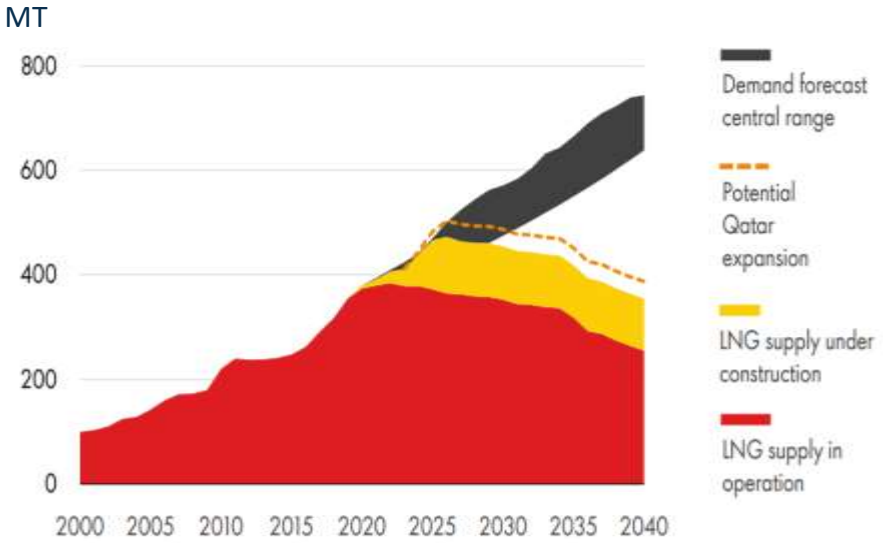
Asia's demand growth becomes less dependent on China



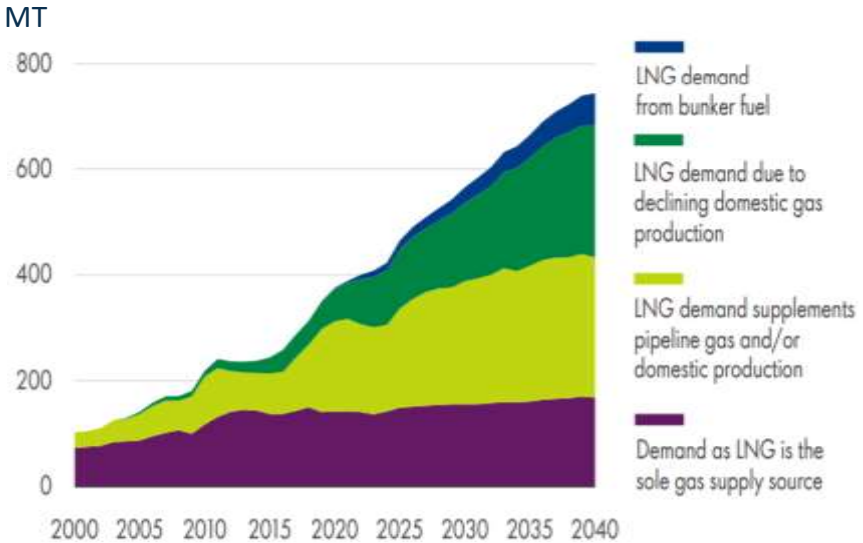
1) Source: Shell LNG Outlook 2020

THE DEMAND DRIVERS

LNG demand expected to double by 2040



Multiple drivers for increased demand



1) Source: Shell LNG Outlook 2020

INDIA, CHINA AND BANGLADESH ADDING ~85MTPA REGAS CAPACITY

Global liquefaction capacity by region

Global regasification capacity by region

1) Source: Affinity

AGENDA

1. Introduction
2. Financial review
3. Market status
4. Market outlook
5. **LNG as commodity**
6. Sustainability and emissions
7. Summary and Q&A
8. LNG technology perspectives
9. Carbon capture

MARKET FOR SEABORNE LNG TRANSPORT MATURING

"LNG 1.0" : *2000: ≈100MMtpa*

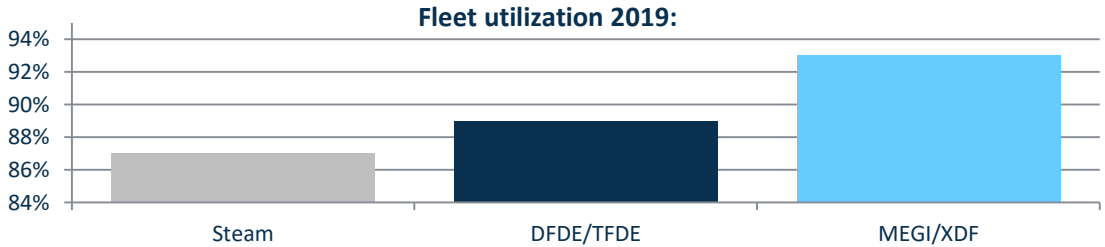
- 1960s to mid-2000s
- Traditional liner model (P2P)
- Back2back contracts 20yr+
- Steam engine

"LNG 2.0" : *2010: ≈200MMtpa*

- Mid-2000s to yesterday
- Portfolio players
- Term contracts (7-15yrs)
- DFDE/TFDE engine (4 stroke)

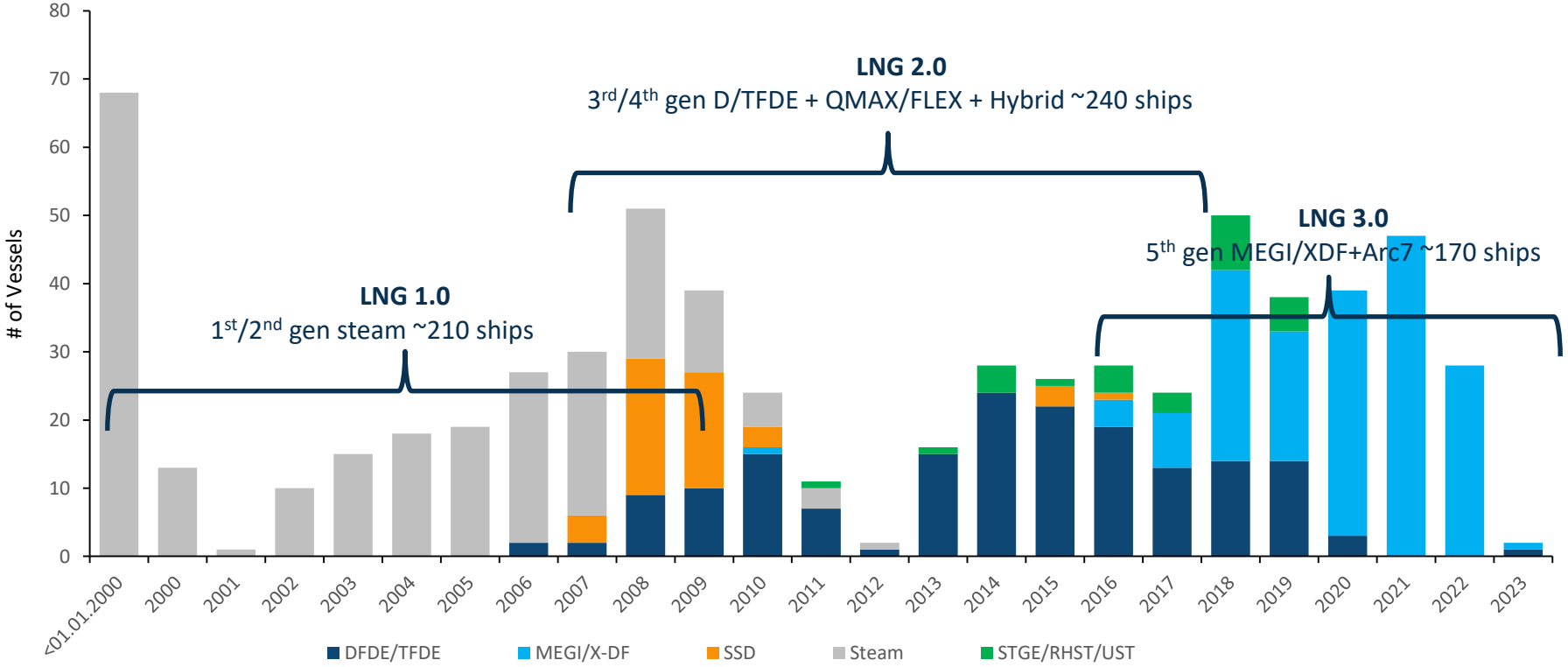
"LNG 3.0" : *2020: ≈400MMtpa*

- The way of the future
- Commoditization of LNG
- Shorter term contracts (1-7yrs)
- DF-2 stroke slow speed engine



1) Source: Poten

LNG 3.0: THE GRANULAR VIEW



- Older steam tonnage becoming increasingly obsolete both commercially and economically, but also environmentally

1) Source: Poten, Company

LNG'S ROAD TO COMMODITY

1. Availability
Destination flexibility, portfolio contracts

2. Supply/demand determines price
De-linked LNG from oil price

3. Marginal cargo follows the money
Arbitrage, netbacks and re-loads

4. Transport/storage commoditized
Charter rates sensitive to demand

5. Global prices
Regional rather than global prices

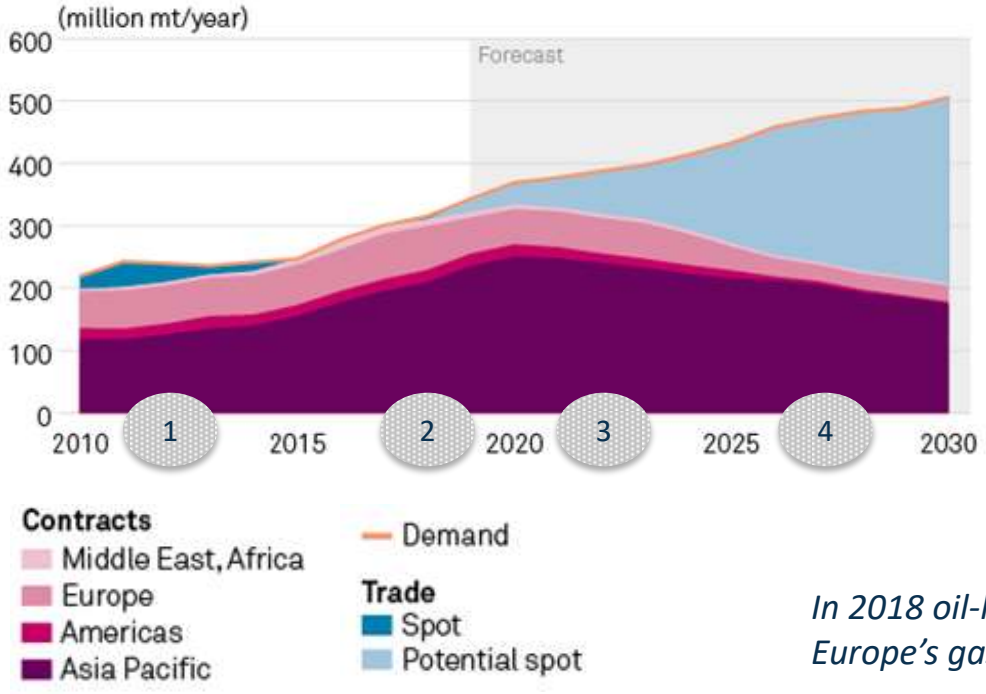
6. Derivative market
JKM, HH, TTF derivatives growing

7. Low transaction costs
Lack of standardized contracts

8. Marginal production non-discretionary
ADPs, tolling, shut-ins?

1) Source: Fearnleys: LNG as Commodity 2016

MATURING LNG CONTRACTS WILL FACILITATE SPOT MARKET



- Stage 1: Spot market is the residual market for excess cargoes
- Stage 2: Spot market becomes the marginal market for cargoes
- Stage 3: Physical market start functioning in parallel with derivative market
- Stage 4: Spot market turns into the major market for cargoes

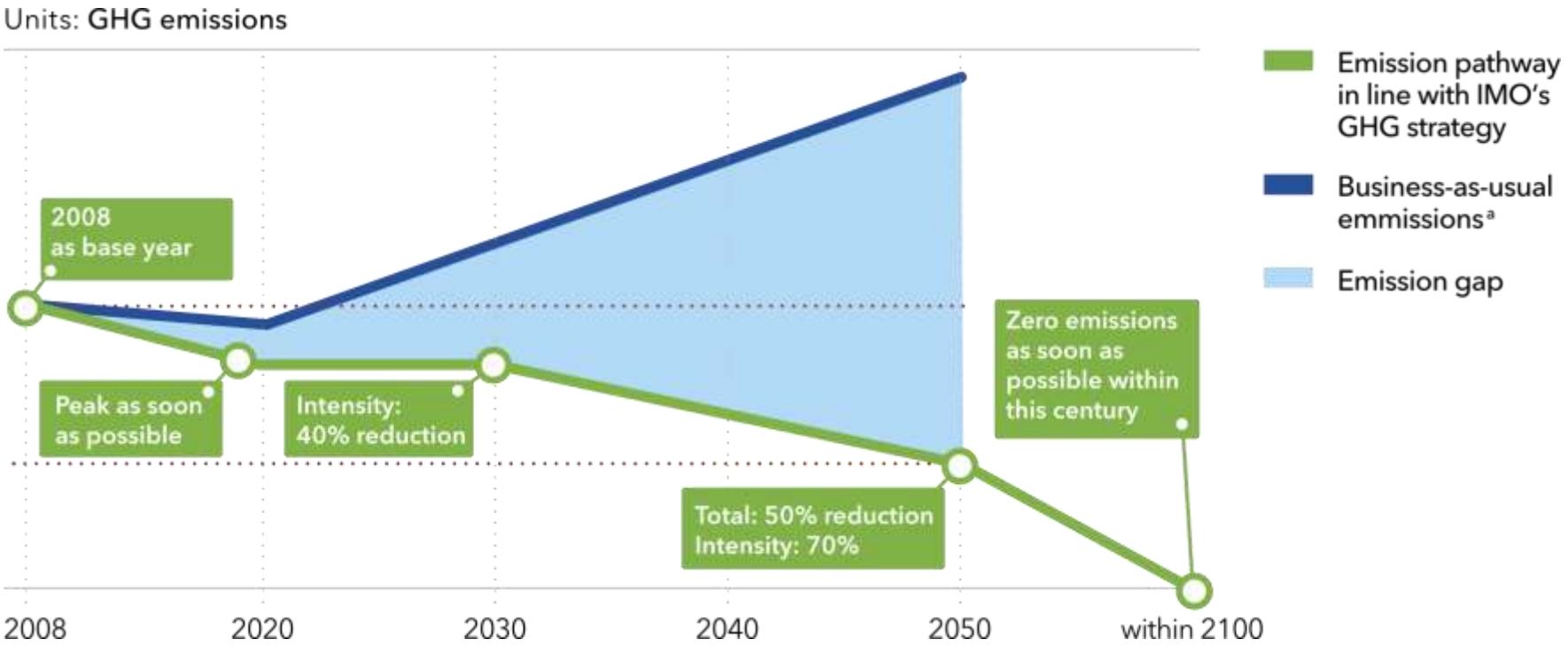
In 2018 oil-linked pricing accounted for only 24% of Europe's gas market compared with 78% in 2005.

1) Source: Platts, IGU, Economist

AGENDA

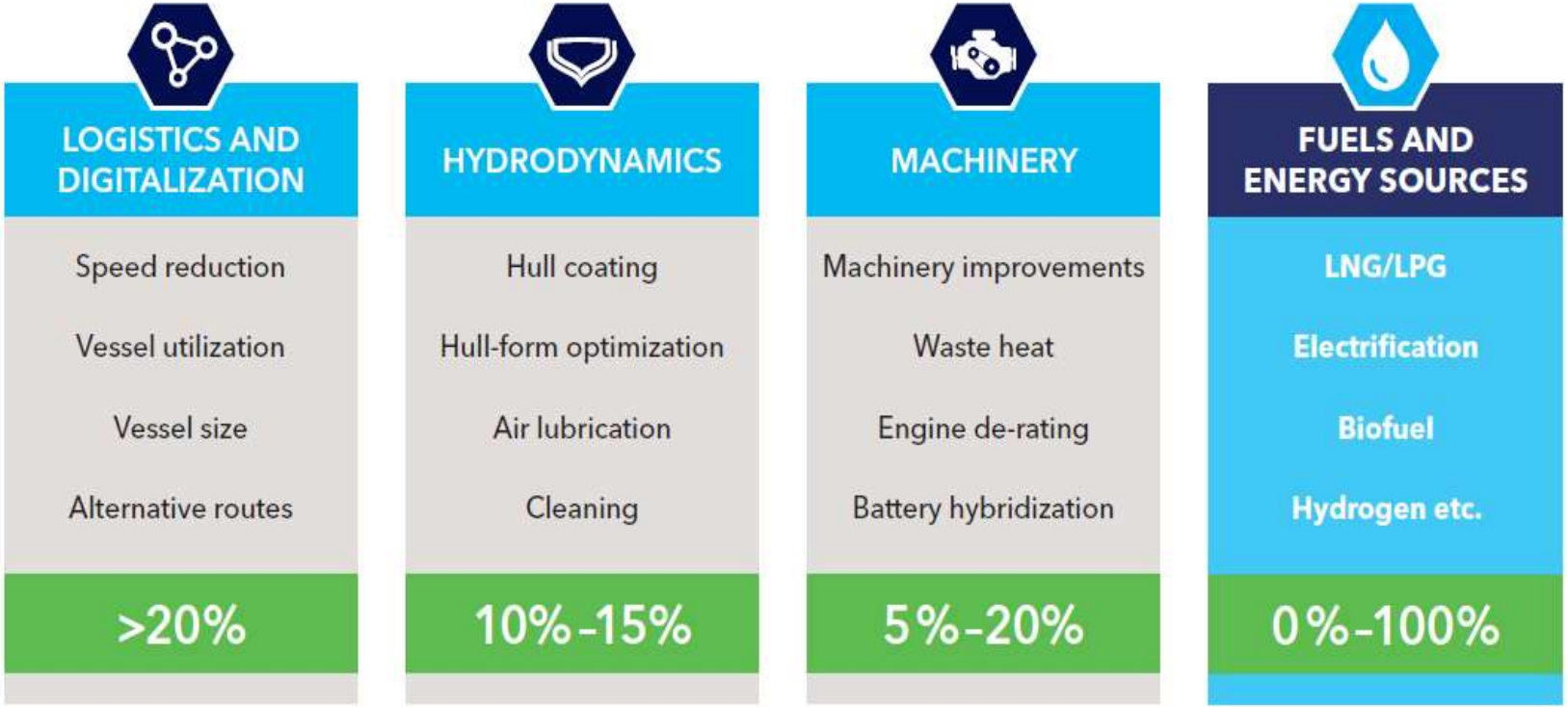
1. Introduction
2. Financial review
3. Market status
4. Market outlook
5. LNG as commodity
6. **Sustainability and emissions**
7. Summary and Q&A
8. LNG technology perspectives
9. Carbon capture

THE IMO GHG EMISSIONS ROADMAP SUMMARIZED



1) Source: DNV GL

THERE IS NO SILVER BULLET TO MEET THE IMO 2050 CHALLANGE

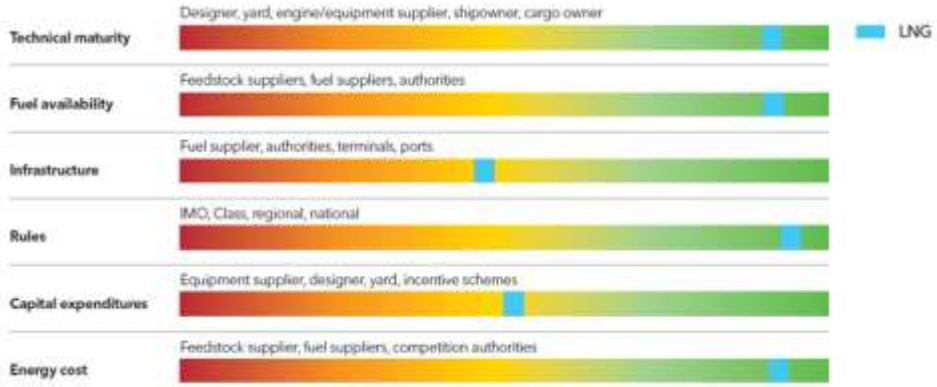


1) Source: DNV GL

LNG IS THE BEST TECHNICAL AND COMMERCIALLY AVAILABLE FUEL

Assessment of the various fuel options

LNG is a technical mature and commercially ready solution



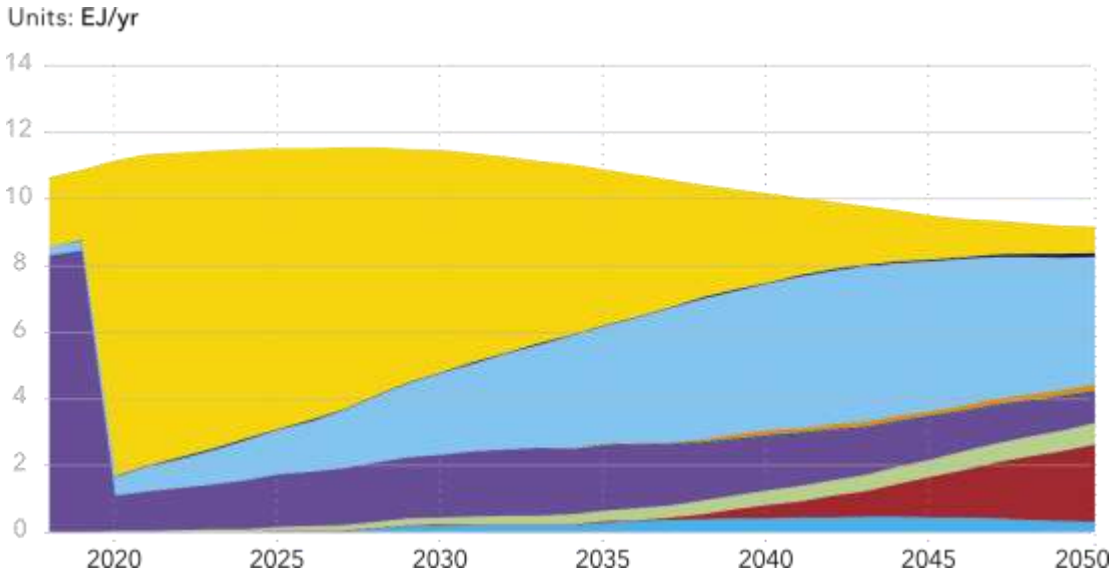
WSJ **Natural gas won't decarbonize shipping, but the fuel is here to stay**

"I see LNG as the best available solution over the next 20 years. If we want to power an oceangoing box ship with batteries today it will take 146% of the cargo space. Hydrogen, which must be compressed or liquefied, will need six times the space and four times the weight of the current fuel storage. It will cut the ship's capacity by more than a third"

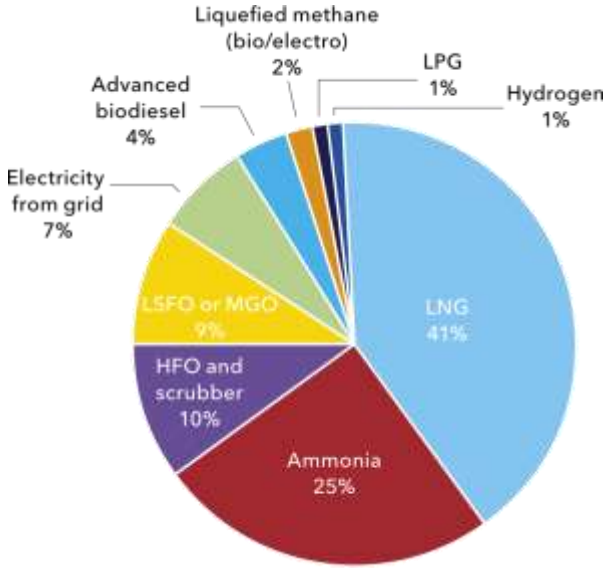
Xavier Leclercq VP CMA CGM

1) Source. DNV GL and WSJ 4 Feb 2020

LNG TO BECOME THE DOMINAT MARITIME FUEL



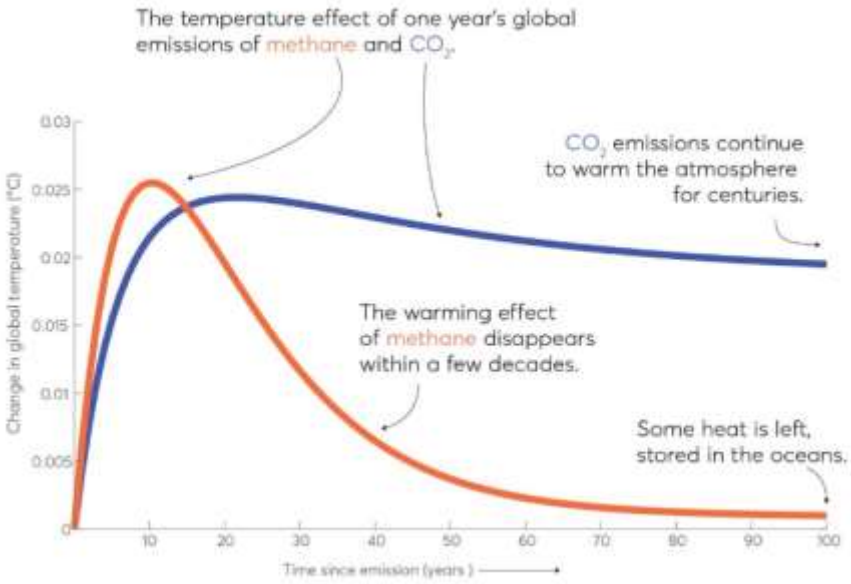
Market share in 2050

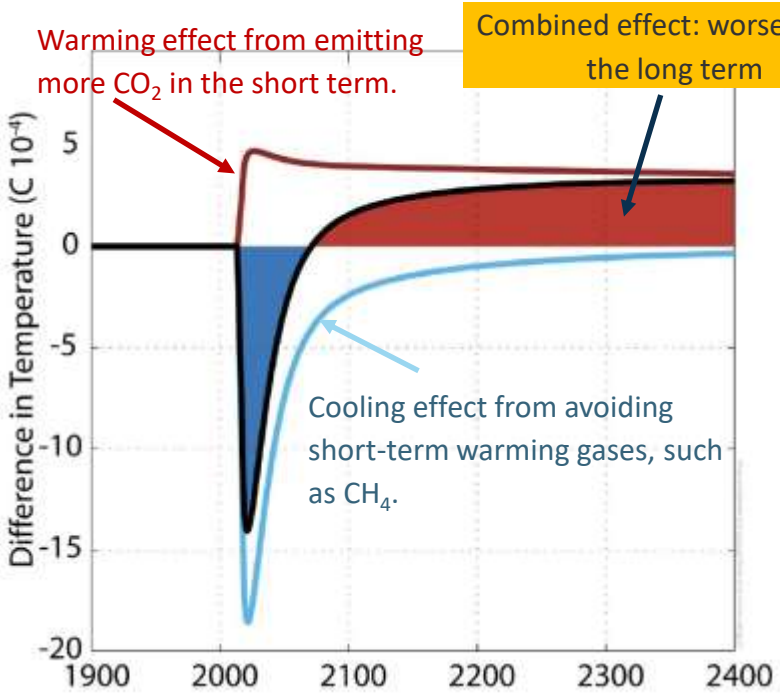


- In all three pathways modelled by DNV GL, liquefied methane (LNG) ends up dominating the fuel mix (40%–80% in 2050), but the primary energy source of the methane varies between fossil, biomass and other renewables.

1) Source: DNV GL

WHAT SEEMS TO BE ON EVERYONE'S LIPS: METHANE SLIP

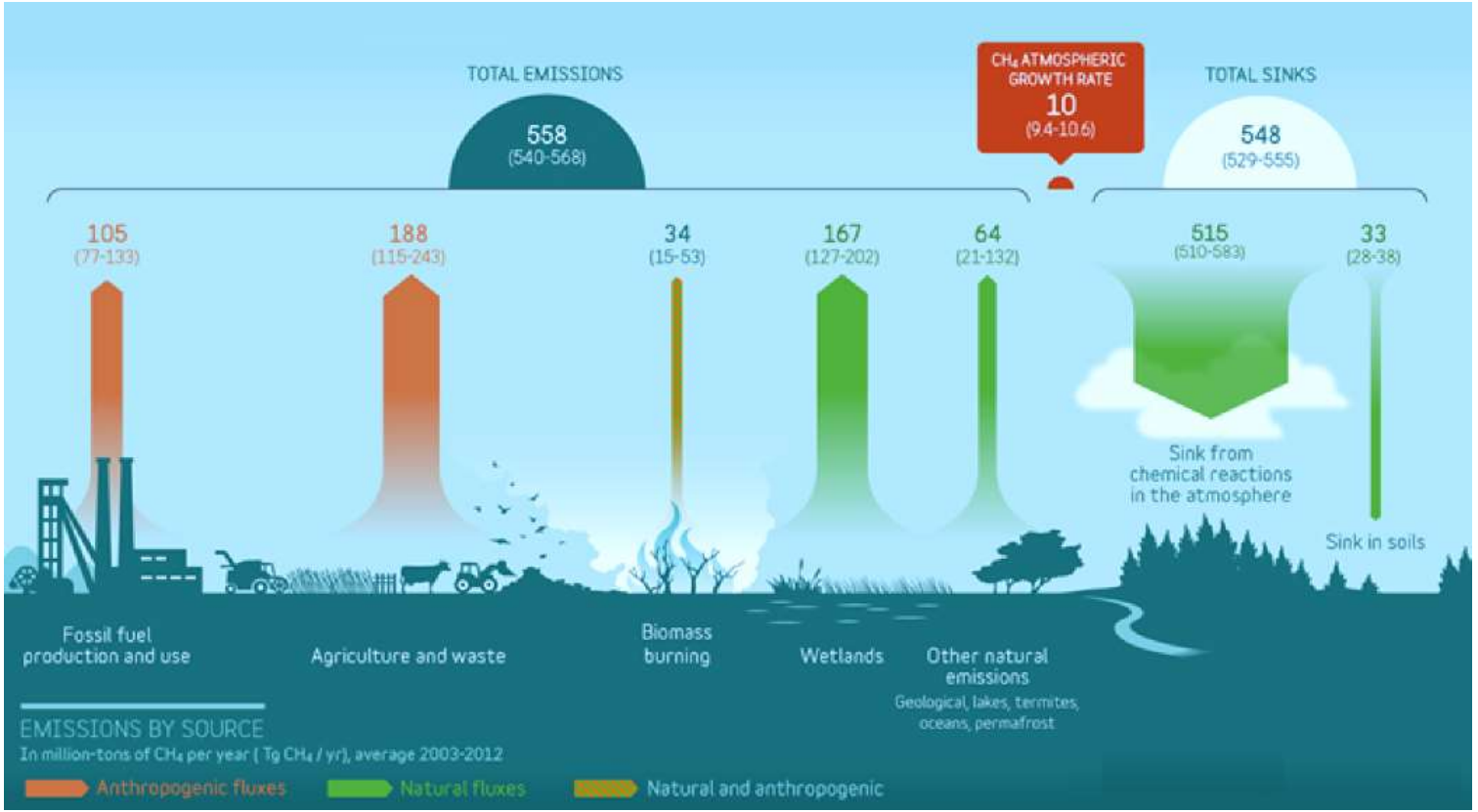




Methane (CH4) have a half life of ~12 years while CO2 stays in atmosphere for centuries

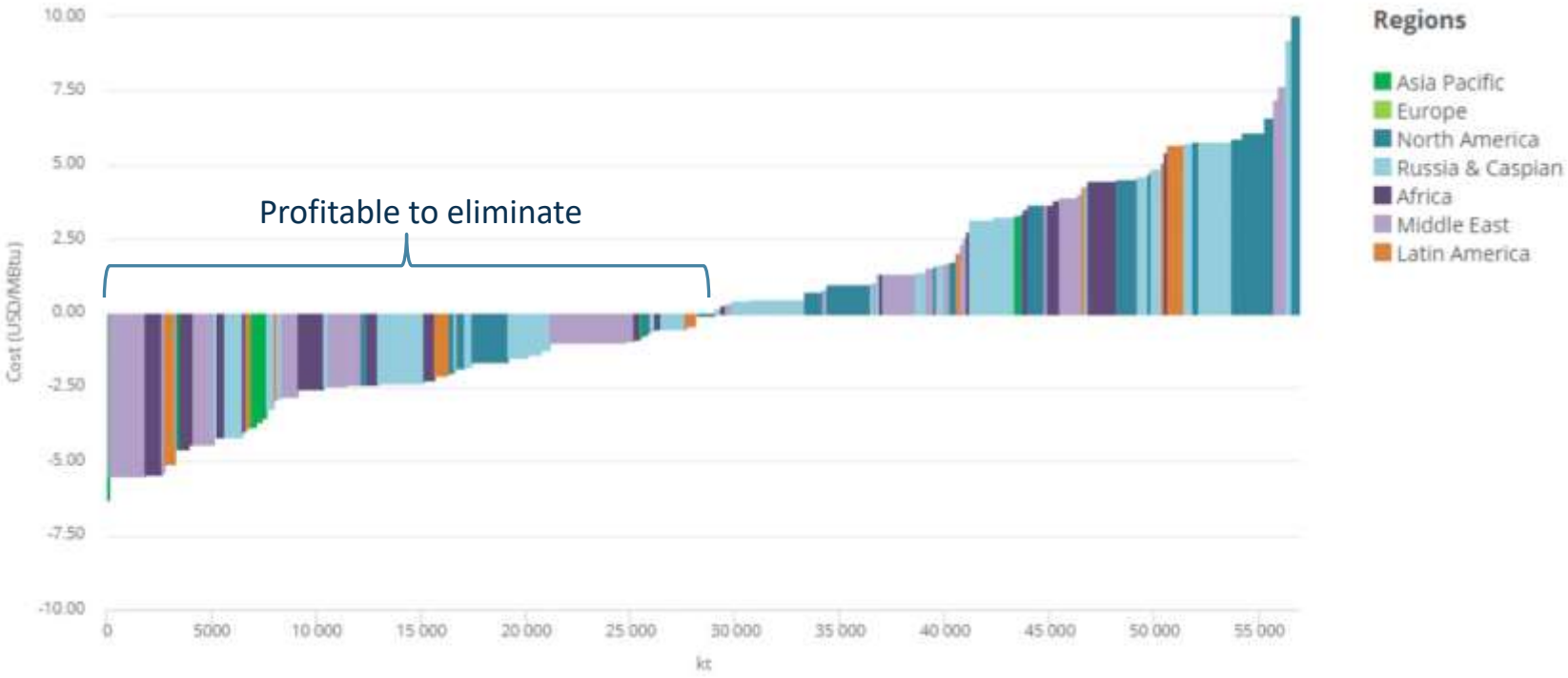
1) Source: Cicero and DNV GL

THE GLOBAL METHANE BUDGET



1) Source: Global Carbon Project

ABOUT 40% OF METHANE EMISSION REDUCTIONS ARE PROFITABLE



1) Source: IEA

METHANE EMISSIONS ARE ON TOP OF AGENDA FOR GAS COMPANIES

- The Oil and Gas Climate Initiative (OGCI) member have agreed a target to reduce by 2025 the collective average methane intensity of its aggregated upstream gas and oil operations by one fifth to below 0.25%, with the ambition to achieve 0.20%, corresponding to a reduction by one third.
- The methane intensity refers to the methane that gets lost in the atmosphere when producing oil and gas, as a percentage of the gas sold.
- OCGI members on track to meet 0.25% target with 9% reduction in 2018
- Aim of Zero Routine Flaring by 2030.
- Aim to double the amount of CO2 that is captured and stored before 2030
- Each member committed $100m to the OGCI Investment Fund i.e. $1.3bn

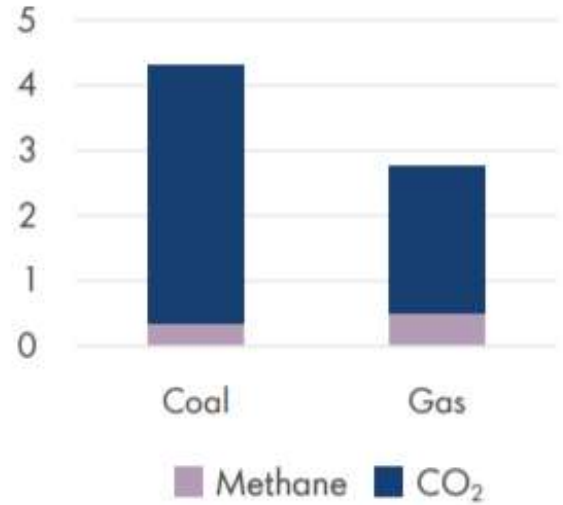
OIL AND GAS CLIMATE INITIATIVE

bp Chevron CNPC eni equinor ExxonMobil OXY PEMEX PETROBRAS REPSOL Saudi Aramco Shell TOTAL

1) Source: OGCI

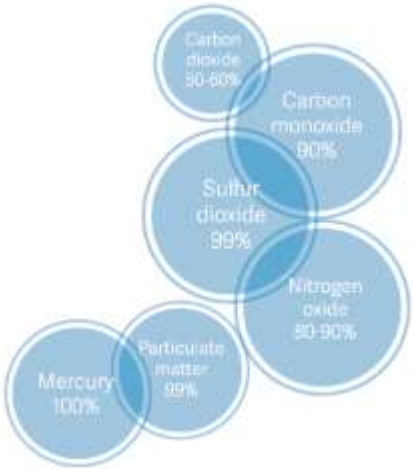
METHANE EMISSIONS - NOT JUST A NATURAL GAS ISSUE

Tonnes of CO2 e/toe



Additionally, the global average efficiency of natural gas fired plants are 52% vs. 42% for coal fired plants resulting in less than half average carbon emissions from gas-fired plants compared to coal

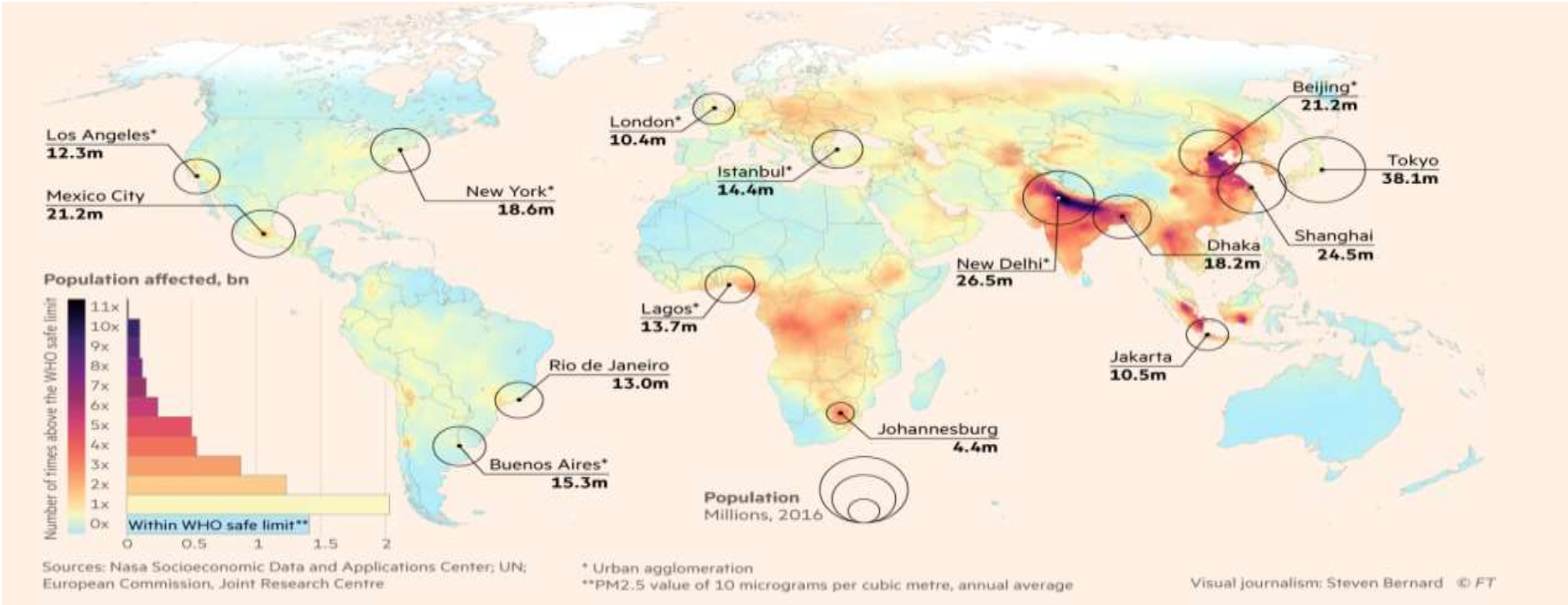
Estimated emission reduction for natural gas vs. coal



Coal is responsible for 40% of global SOx emissions and nearly 15% of PMx emissions resulting in respiratory illness and a precursor of acid rain

1) Source: Shell LNG Outlook 2020 and IEA WEO 2019, Texas A&M University

AIR POLLUTION - A “GLOCAL” PROBLEM



- 9 out of 10 people breathe unhealthy air.
- 6.5 million pre-mature deaths every year caused by outdoor and household air pollution.

IMPLEMENTED SASB ESG REPORTING

- Flex LNG has implemented the Sustainability Accounting Standards Board (SASB) guidelines and will publish a yearly ESG report based on this framework. The report includes information about:
  - Environmental Footprint of Fuel Use
  - Ecological Impacts
  - Business Ethics
  - Health & Safety

- The ESG report also includes valuable information about our commitment to the UN's Sustainable Development Goals:
  - Good Health and Well-Being
  - Life Below Water
  - Place, Justice and Strong Institutions

- The ESG report can be found on www.flexlng.com/ESG

2019 ESG report to be released in April

1) Source: : Texas A&M University

AGENDA

1. Introduction
2. Financial review
3. Market status
4. Market outlook
5. LNG as commodity
6. Sustainability and emissions
7. **Summary and Q&A**
8. LNG technology perspectives
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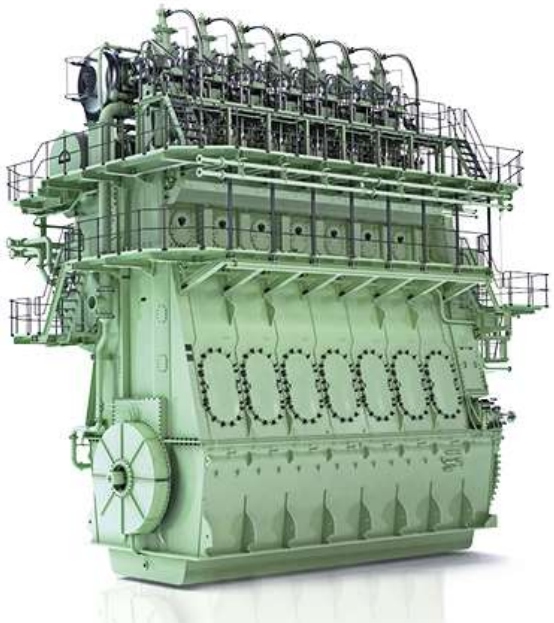
SUMMARY

- We deliver our best ever financial results with revenues of $52m in line with guidance of $50-55m and EPS of 44 cents per share
- LNG freight market affected near term by combination of glut of LNG and reduced demand from China following Coronavirus outbreak
- Anticipate Q1-20 TCE close to $70kpdr
- We expect stronger market for H2-2020
- Flex LNG maintain very strong capitalization and liquidity position with $129m cash holdings at year-end and limited remaining capex
- We are well positioned with a fleet of 13 state-of-the-art LNG carriers (MEGI/XDF)
- LNG is a long game with very positive long-term drivers


FLEX LNG
Q&A
FLNG
LISTED
NYSE
FLNG
LISTED
OSLO

AGENDA

1. Introduction
2. Financial review
3. Market status
4. Market outlook
5. LNG as commodity
6. Sustainability and emissions
7. Summary and Q&A
8. **LNG technology perspectives**
9. Carbon capture

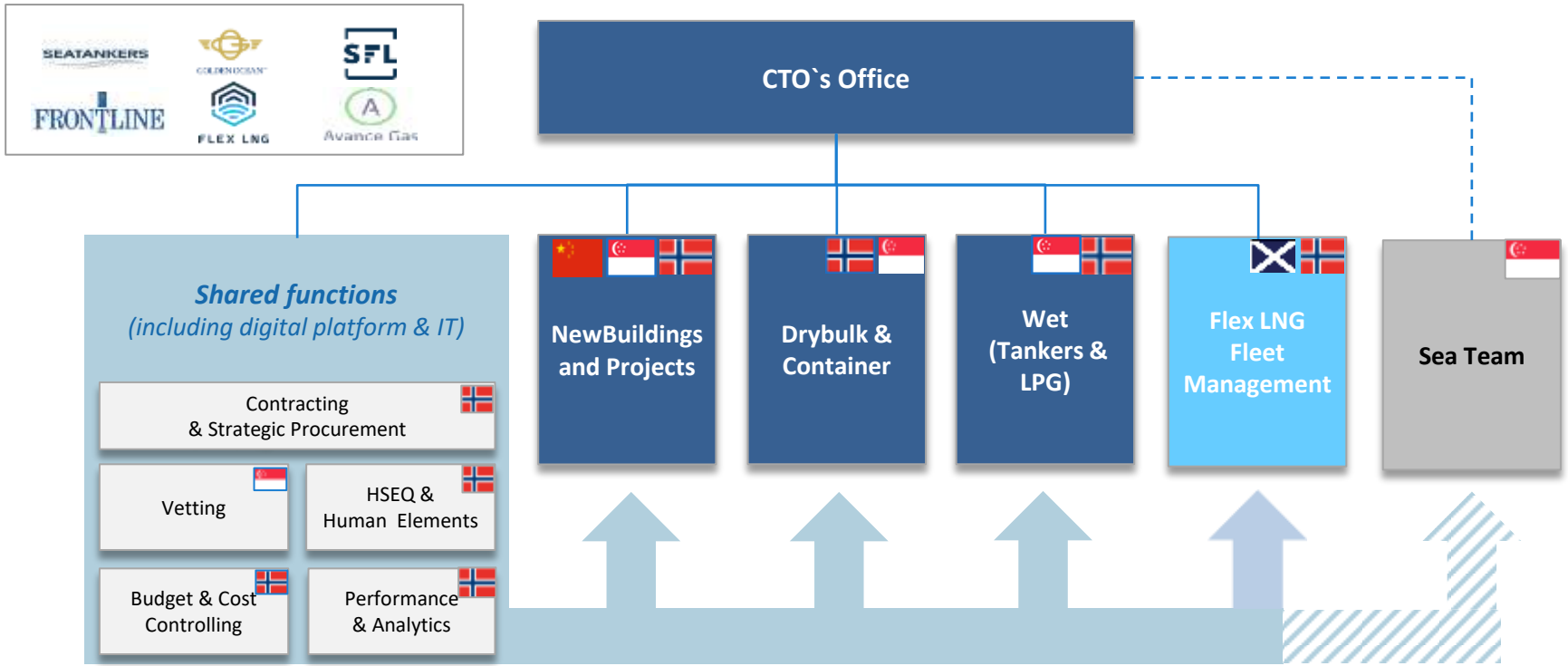


Flex LNG Fleet Management AS

LNG Technology Perspectives

Lars Pedersen, MD Flex LNG Fleet Management AS

COST EFFICIENT ORGANIZATION

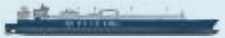


BRAND NEW STATE-OF-THE-ART FLEET

High Pressure

ME-GI

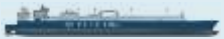
Ranger (2018)



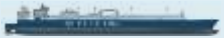
Rainbow (2018)

Initial Flex LNG vessels
174,000 cbm MEGI
SHI built
Mark III Flex CCS

ME-GI with Partial Reliquefaction System

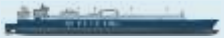


Endeavour (2018)



Enterprise (2018)

Constellation (2019)



Courageous (2019)

Acquired in 2017:
173,400 cbm MEGI PRS
DSME built
NO 96 GW CCS

ME-GI with Full Reliquefaction System

Artemis (2020)

Resolute (2020)

Freedom (2020)

Acquired in 2018:
173,400 cbm MEGI FRS
DSME built
NO 96 GW CCS

Low pressure

X-DF

Aurora (2020)

Amber (2020)

Volunteer (2020/21)

Vigilant (2021)

Acquired in 2018:
174,000 cbm XDF
HSHI built
Mark III Flex CCS

1) Source: Company

MANAGED >300 NEWBUILDING LAST 15 YEARS

- Our group newbuilding department has managed over 300 newbuilding projects since 2004 with currently 31 vessels under constructions
- Control of the entire newbuilding process from contract specifications to delivery and commissioning of vessels
- Dedicated site teams ensures operational experience is transferred into shipbuilding process and construction
- Close dialogue and relationship with all major shipyards enables focus on safety, cost efficiency and operational reliability

Bohai

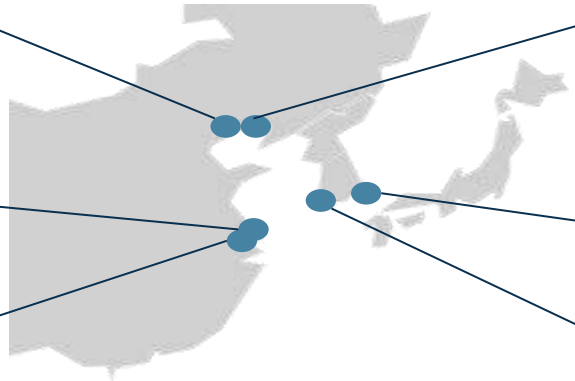
Vessel Type	Bulkers
Number	4
Built	2020

NTS

Vessel Type	Bulkers
Number	4
Built	2020

SWS

Vessel Type	LR's
Number	4
Built	2021-22



DSIC

Vessel Type	Bulkers
Number	8
Built	2020

HHI

Vessel Type	LNGCs	Tankers
Number	4	2
Built	2020-21	2020

DSME

Vessel Type	LNGC's	VLGC's
Number	3	2
Delivery	2020	2021-22

Flex LNG Fleet Management AS

In-house Asset Management

Why we bring fleet management in-house:

- LNG is complex
- Long term perspective of assets
- Business driven

APPROVED

Document of Compliance achieved from DNV GL on October 17, 2019

SHIP MANAGEMENT IN A NUTSHELL

Safety, People & Environment

- We want everyone to return safely & zero spills at sea

Lean & Efficient management team

- Keep it simple and focused

Build credibility with charterers, investors & financiers

- Reliable & cost competitive solutions
- Consolidation & economies of scale solutions
- “Keep the propeller turning”

Innovative and with a digital mind-set

- Fuel efficiency to lower freight unit costs
- “Every drop counts” culture
- Off the shelf – cloud based technology

MILESTONES FOR FLEX LNG FLEET MANAGEMENT

- October 2019 – Document of Compliance
- November 2019 – Flex Enterprise transfered to FFM
- January 2020 – Flex Rainbow transfered to FFM
- January, 2020 – Flex Endeavour transfered to FFM
- February, 2020 – Flex Courageous transfered to FFM
- April, 2020 – First TMSA audit is planned
- Q2 2020 – transfer of last two vessels
- 2020 – Take delivery of six newbuildings

Flex Enterprise:
Successful change of management

PEOPLE & SAFETY

- Safe and efficient performance relies on competent and empowered crew.
- Our crew are an integral part of our strategy.

Our core values

Future-Driven
We deploy a simplicity mindset in all aspects of our operations.

We take use of new technology to drive more accurate and data driven decisions

F

Leadership
We are committed to the highest standard of safety with no compromise

Speaking up and challenging each other enables us to address potential risks to safety & reliability.

L

Empowering
We encourage and empower our employees to take decisions and grow in their responsibility.

We believe in an agile and efficient organization.

E

eXceptional
We want to make a difference in our industry through our maritime expertise.

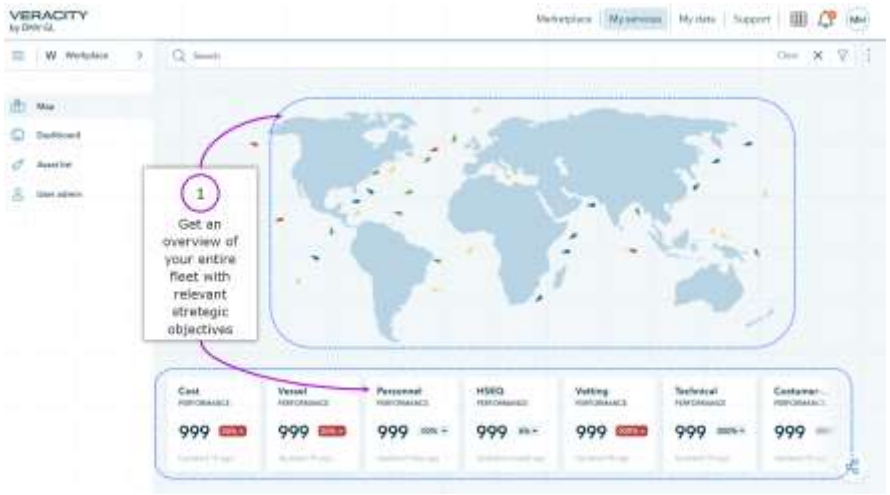
We communicate clearly and transparently.
We achieve the most reliable and cost efficient solutions.

X

CONTINUOUSLY DEVELOPING COMPETENCE AND SAFETY BEHAVIORS OF OUR EMPLOYEES

THE MARITIME ECO-SYSTEM

VERACITY BY DNV GL



Cost Performance

Vessel Performance

Personnel Performance - Sea & Shore

HSEQ Performance

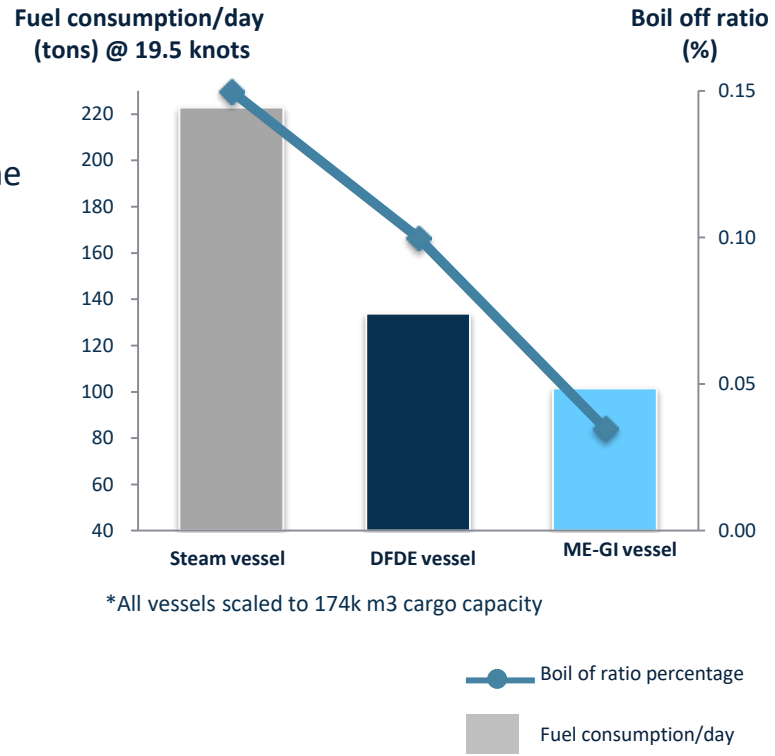
Vetting Performance

Technical Performance

Customer-centric Performance

NEWER VESSELS ARE MUCH MORE EFFICIENT

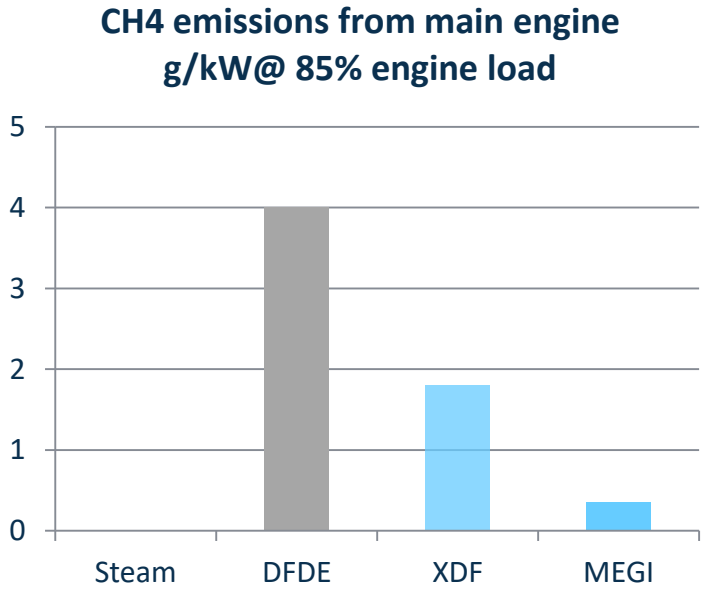
- Improved propulsion design has reduced fuel consumption and boil off rate over recent years
- Two-stroke ME-GI and XDF engines have plateaued the consumption development for now
- We expect to see even more focus on reducing methane slip for XDFs
- The design full reliq will have a record low boil off of 0,035% corresponding to 12knots and increase operational flexibility



1) Source: Company

NEWER MOTOR SHIPS HAVE LESS METHANE SLIPS

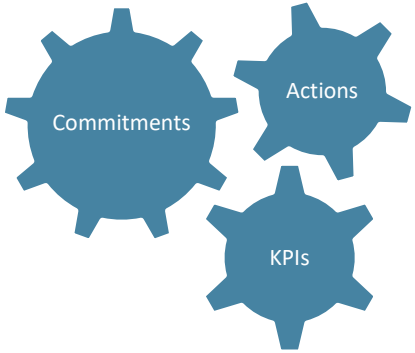
- Steam vessels has no methane slip, but have a high fuel consumption due to their inefficient combustion system with thermal efficiency of ~35%
- Shift to (diesel) motor ships represent more efficient combustion system with DFDE at ~40% efficiency while two stroke thermal efficiency is ~50%
- The shift from 4-stroke to 2-stroke propulsion has more than halved the methane slip
- CO2 emission significantly reduced due to lower fuel consumption and larger cargo space



1) Source: Company

RESPONSIBLE OPERATIONS

- Flex LNG is committed to responsible operations
- Our operations are built on a long-term value creation approach and include environmental, social and governance criteria



- Application of ESG criteria to our operations
- Transparent industry specific annual ESG reporting
- Proactive and strategic long-term planning to position Flex LNG for future regulations

AGENDA

1. Introduction
2. Financial review
3. Market status
4. Market outlook
5. LNG as commodity
6. Sustainability and emissions
7. Summary and Q&A
8. LNG technology perspectives
9. **Carbon capture**

COMPACT CARBON CAPTURE

CO_2 Capture technology at glance

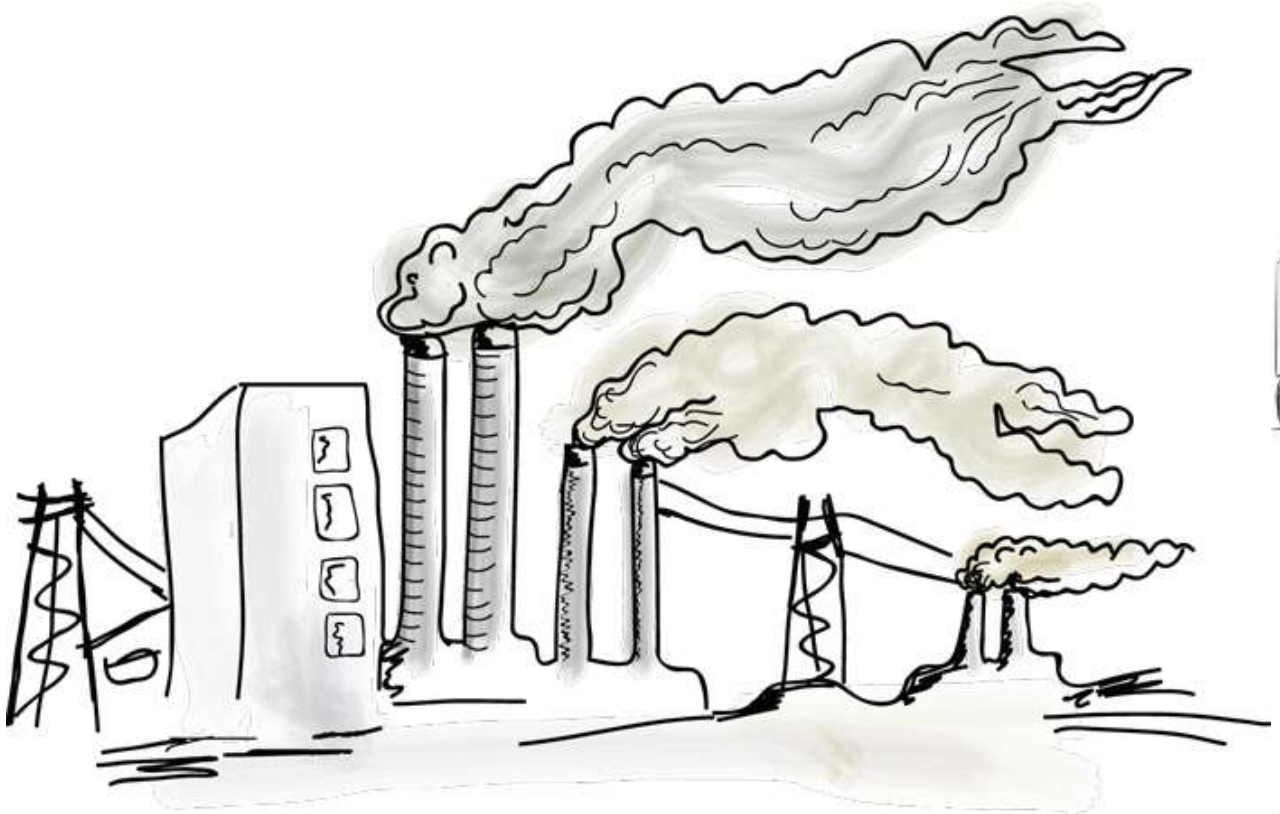
A presentation for Flex LNG Investor day, Oslo
236th of Feb 2020

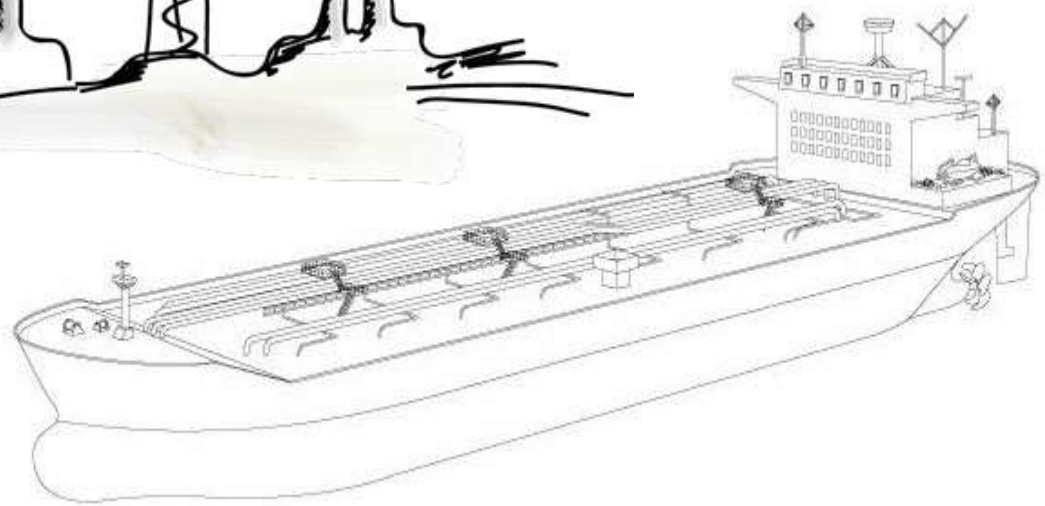
Agenda

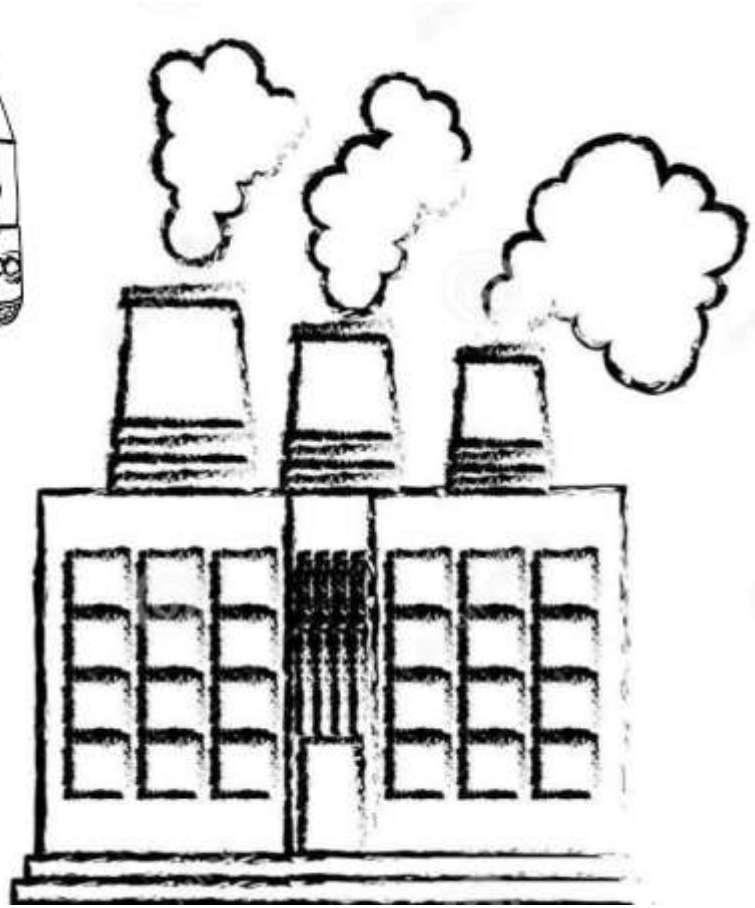
- A couple of ways to reduce CO2 emissions
- Why gas is one of the ways
- The 3C technology at glance

COMPACT CARBON CAPTURE

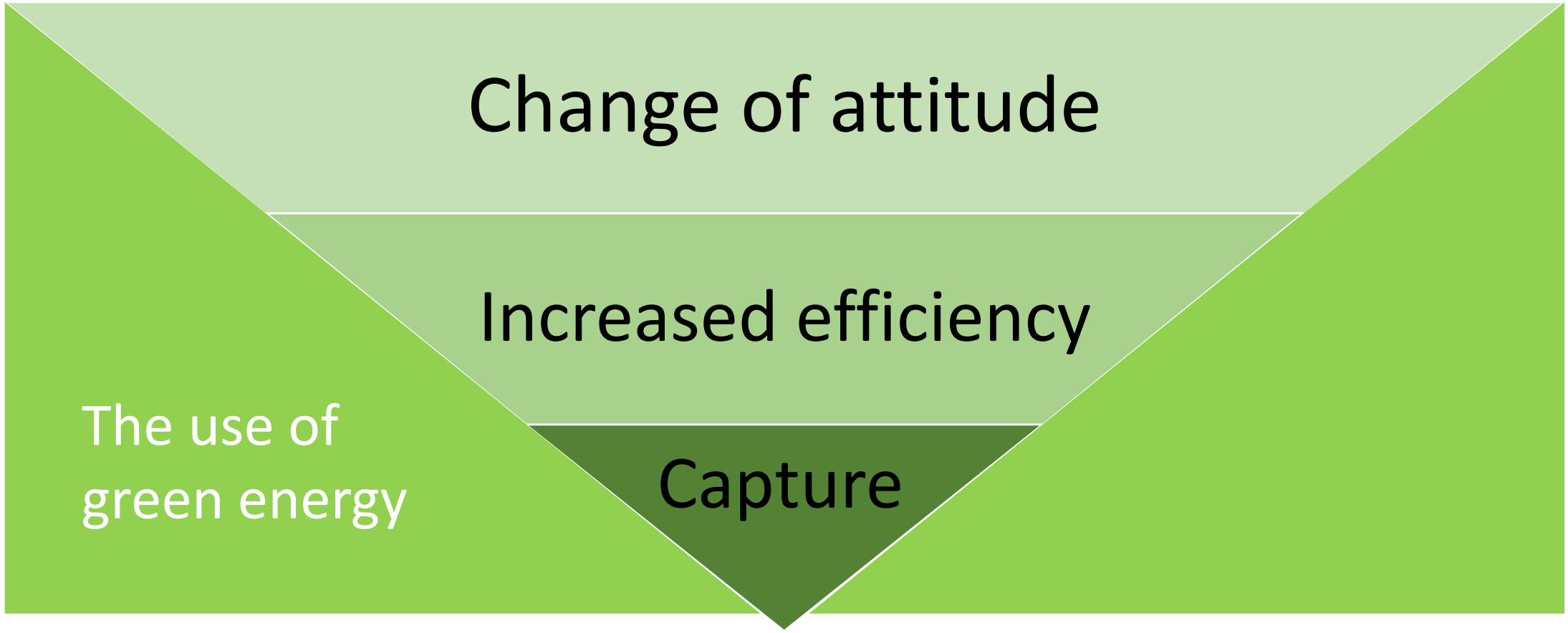
Man made emissions sums up to 36 bill tonne CO_2/year



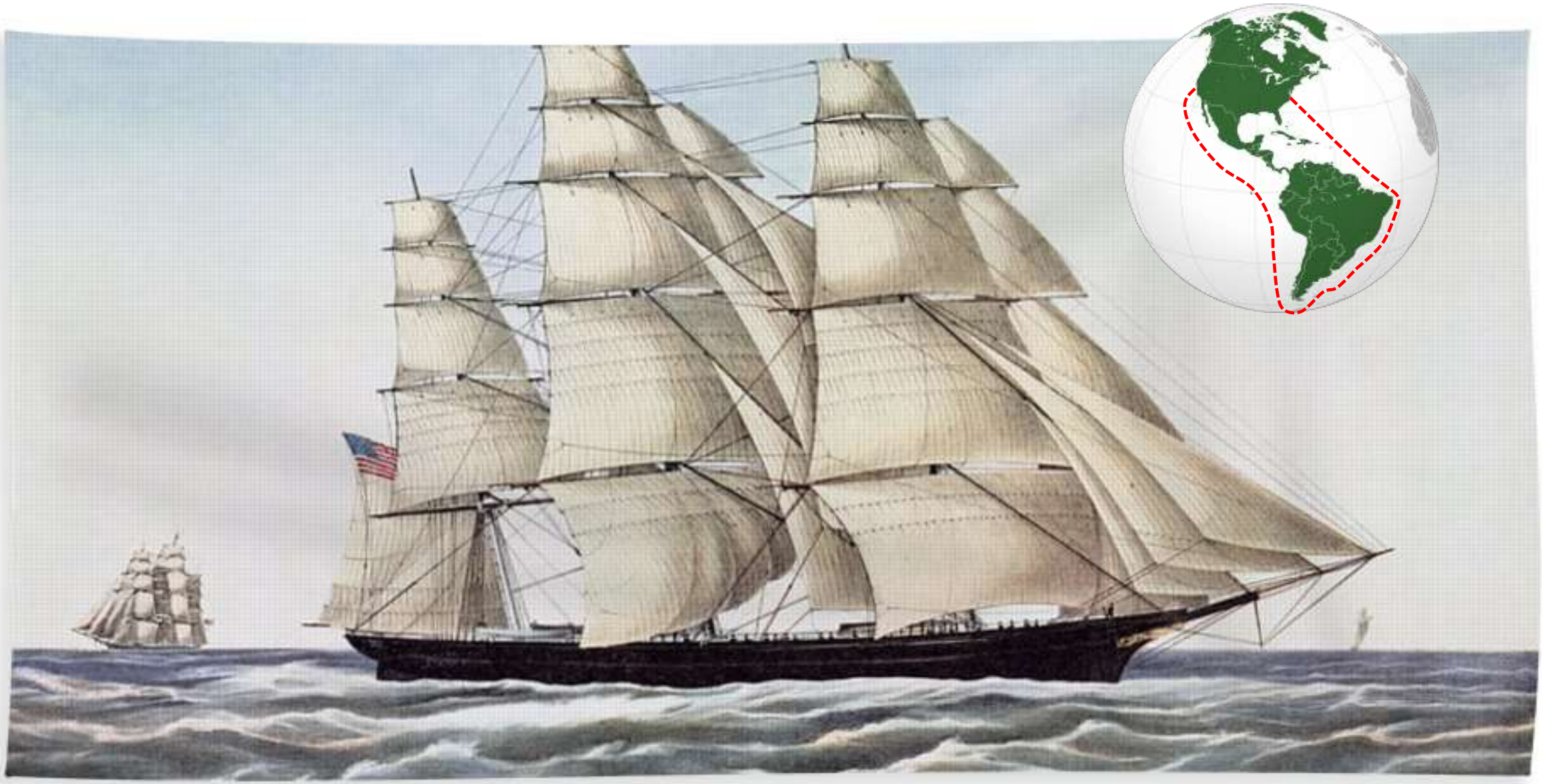




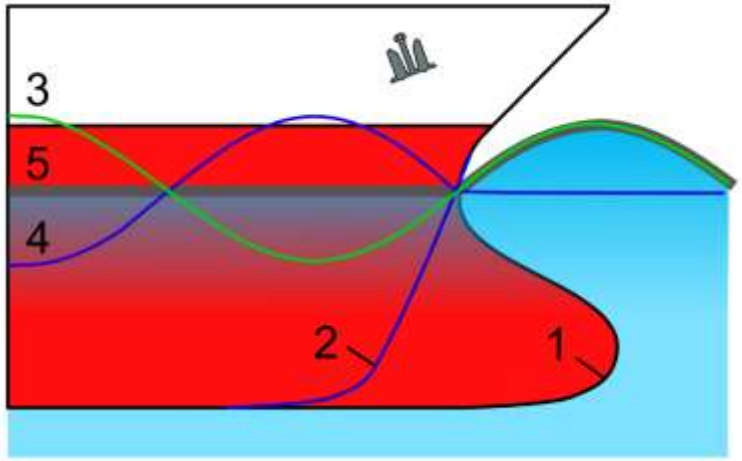
There is a lot of ways to reduce CO_2 emissions



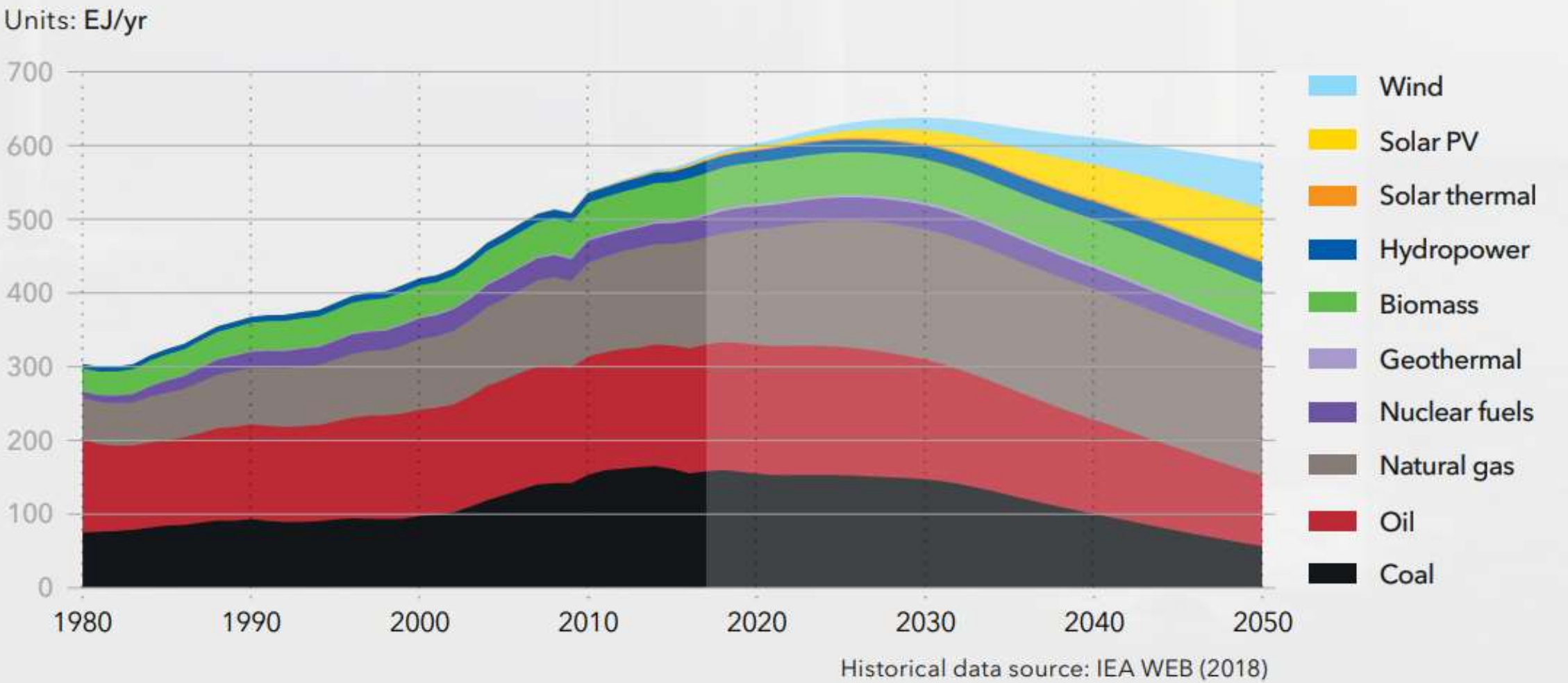
COMPACT
CARBON
CAPTURE



Modern increased efficiency



World primary energy supply by source



We are approaching a future where the world will need less energy, even as the global population increases and the economy continues to grow. Large energy efficiency improvements in all sectors and accelerated electrification see primary energy supply peaking at 638 EJ in 2030. The fossil fuel share of the energy mix will decline from 81% today to 56% by 2050.

How much backup power is needed when all is renewable?

360 MW

10 sec backup

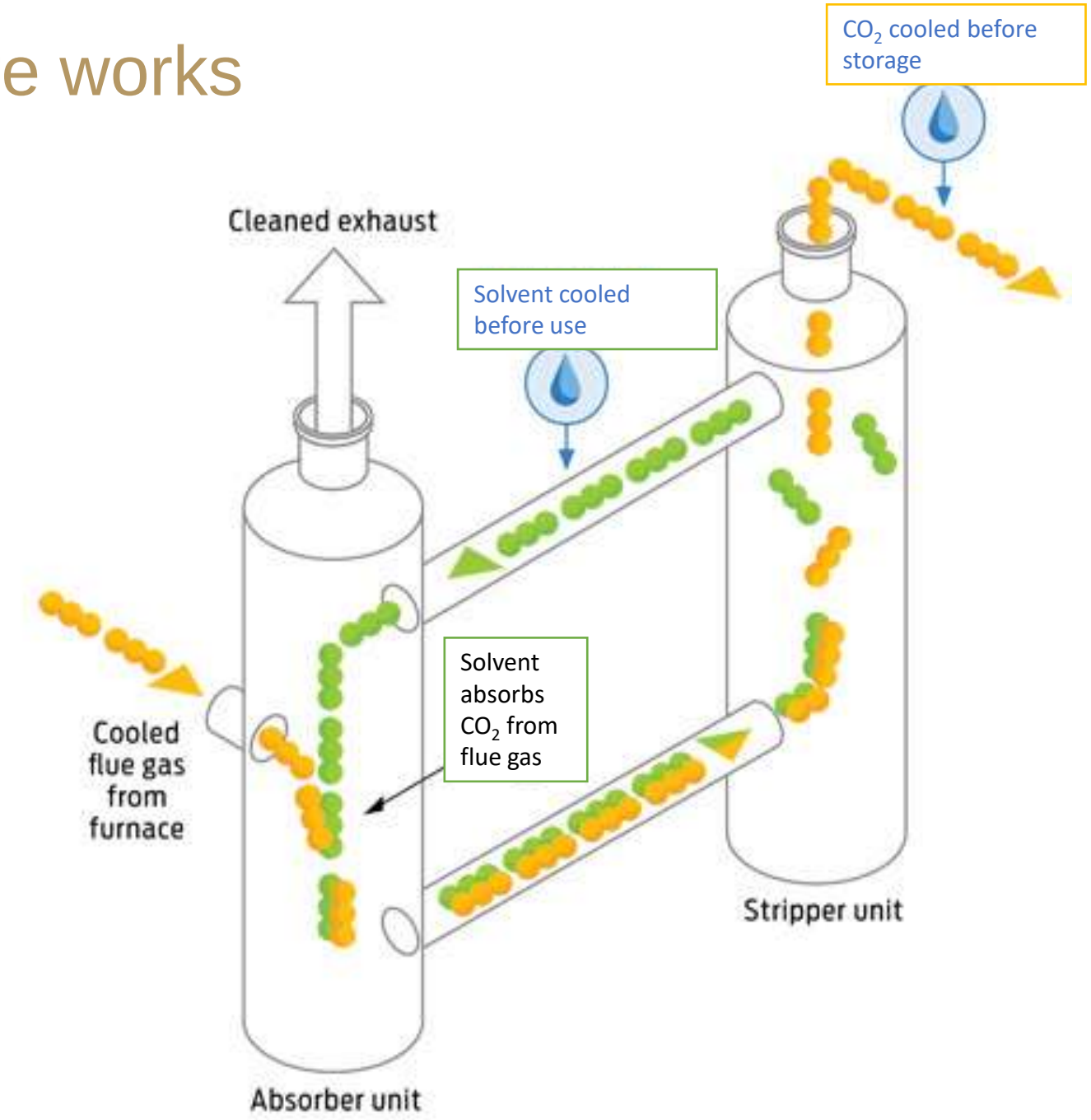
(Equivalent to 10-15 Tesla cars)

21,600 units (2,5 days backup)

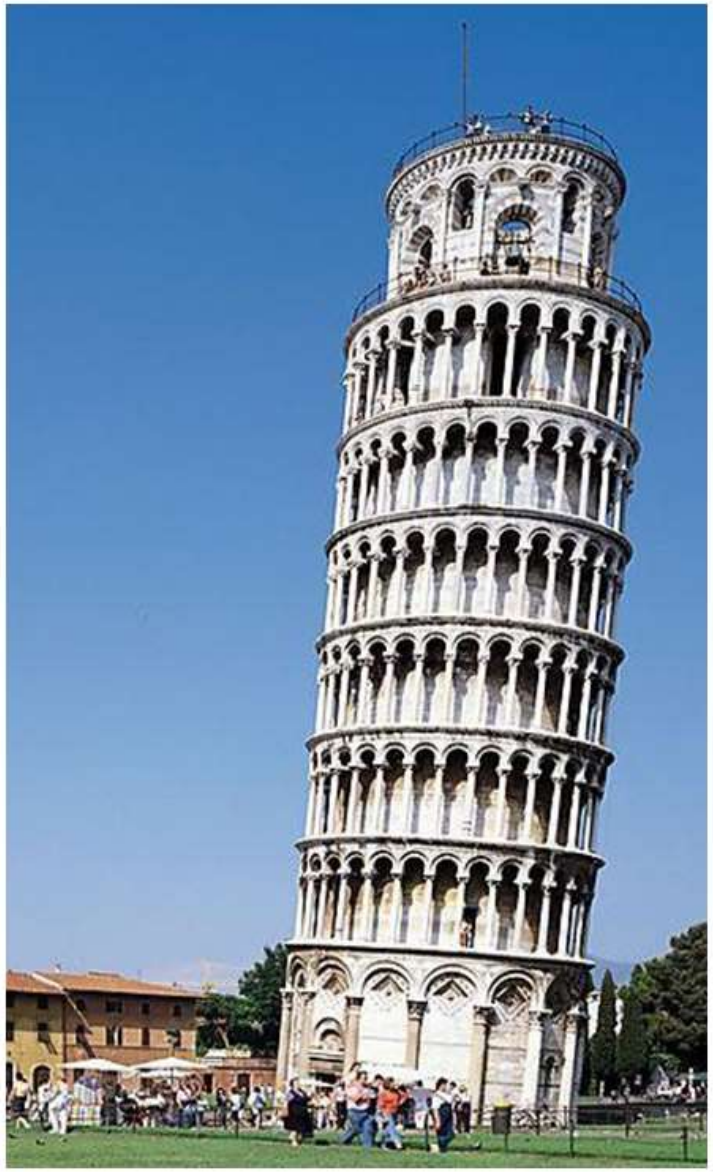
440 Mw

50 850

How CO_2 capture works

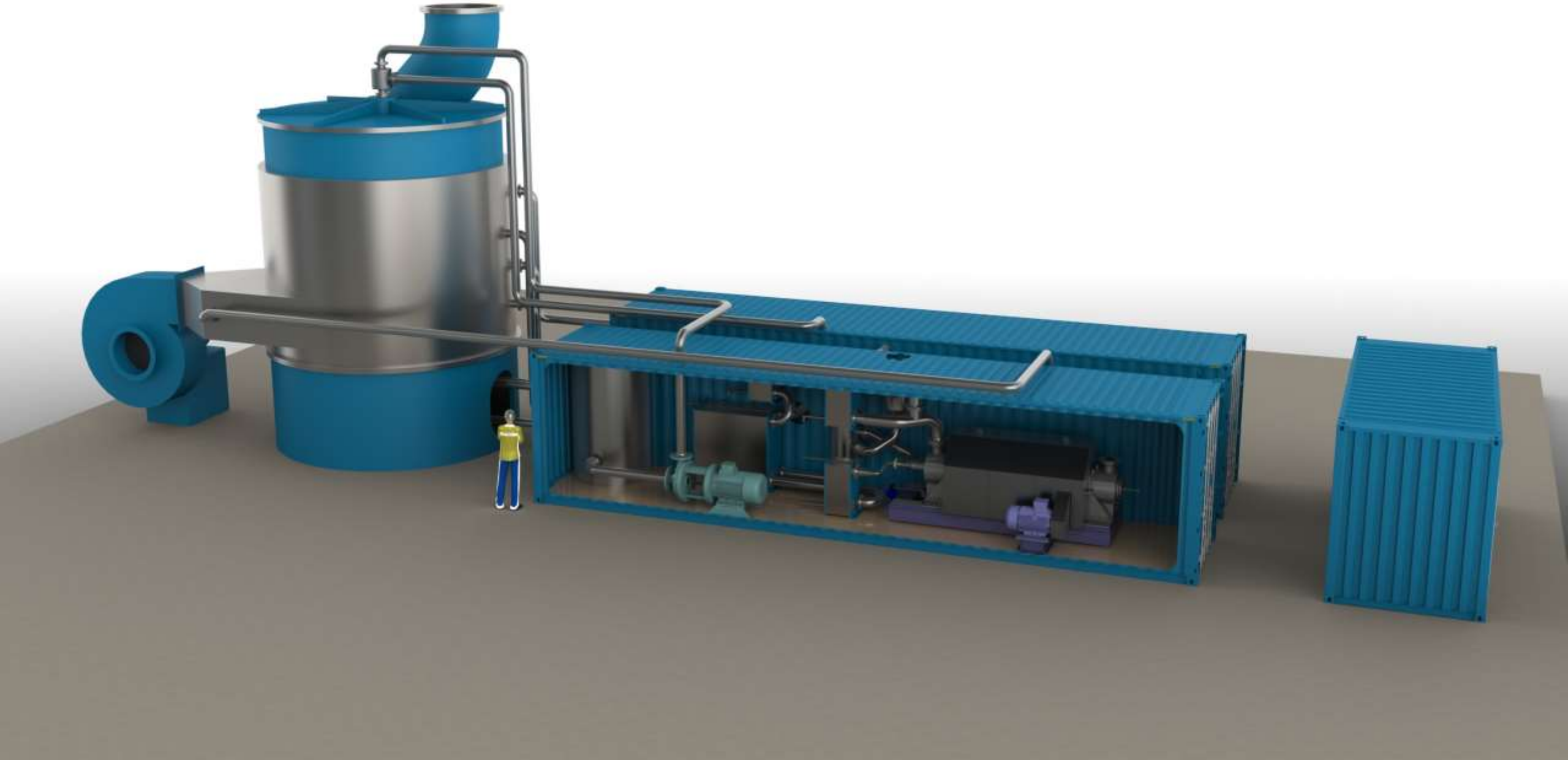


COMPACT
CARBON
CAPTURE



A model of 3C in industrial scale

COMPACT CARBON CAPTURE



We are solving several challenges

COMPACT CARBON CAPTURE

Available space:
75% reduction in size

CAPEX:
50% reduction

Modulebased Scalability

Opex and effectiveness

The Total refinery in Antwerp, Source: www.total.com

Soon to be ready for market

3C is revolutionary for many markets

We are young but experienced

COMPACT CARBON CAPTURE

CERAWEEK by IHS Markit

Energy Innovation Pioneer

FJELL TECHNOLOGY GROUP

SINTEF tel-tek

TechnipFMC

REPSOL Fundación

CLIMIT

equinor

cmr Prototech

GREEN AWARDS

NOMINATED FOR THE TOP6 - GREEN AWARDS 2019

To include every possible aspect of GREEN tech we opened the categories and gave them a new perspective.

OGCI @OGCInews · 18 m

Pitch #5: Compact Carbon Capture aims to commercialize the rotating 3C technology, which introduces high G-forces to CO2 capture. Developed with partners, this increases capture speed, allowing for a 90% ⬇️ in the size of the absorption & desorption columns #CCUSDay2019 #CCUS

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