

**Q2-2021 Presentation**  
**August 17, 2021**



**FLEX LNG**

# FORWARD-LOOKING STATEMENTS

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

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

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

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

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

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

# HIGHLIGHTS

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## Commercial

Unseasonably strong LNG product and freight market  
13 state-of-the art large LNGC on the water with average age <2 years  
Substantial attractive backlog secured in Q2 providing increased visibility  
Excellent operational performance despite Covid-19 challenges

## Financials

Revenues of \$65.8m in line with guidance of ~\$65m  
Net income and adj. Net income<sup>(1)</sup> of \$12.7m and \$15.7m respectively  
EPS and adj. EPS<sup>(1)</sup> of \$0.24 and \$0.29 respectively  
Fully financed fleet and solid cash position at quarter-end of \$144m  
Dividend of \$0.40 per share payable for Q2-21 – yield of ~11%<sup>(2)</sup>

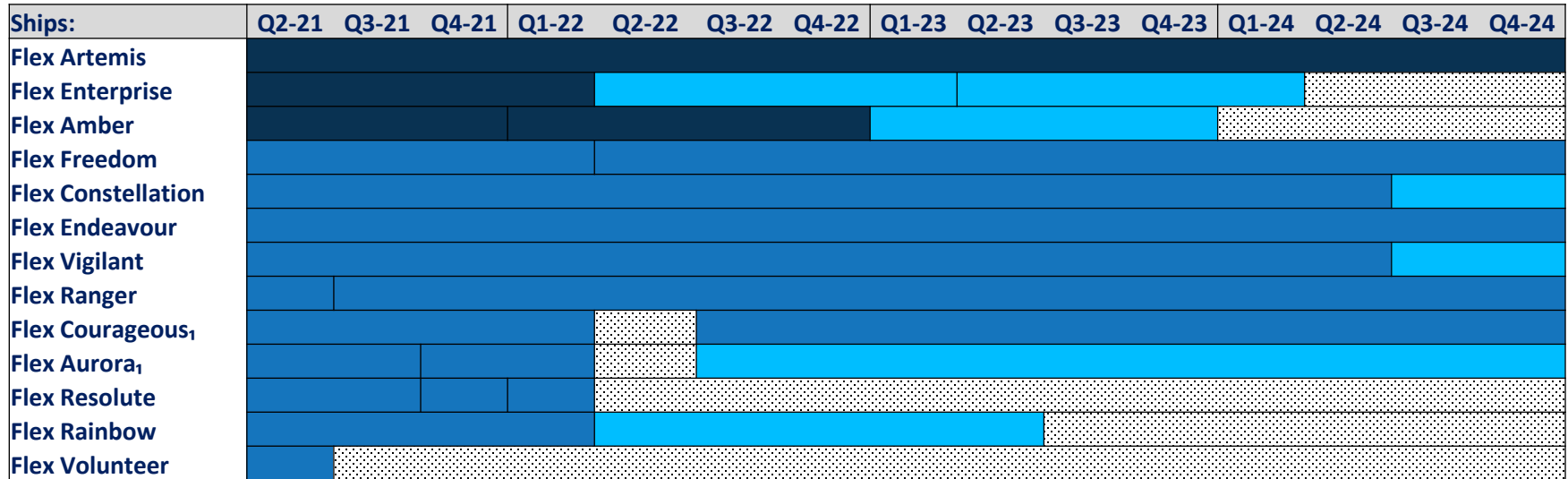
## Outlook

Very tight LNG market with possibility of blow-out in case of cold winter  
96% of 2021 fully booked providing high revenue visibility  
We estimate Revenues in Q3 and Q4 of ~\$80m and \$85-100m respectively

1) Adjusted net income and adjusted EPS are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included in the Q2-21 earnings report

2) Assuming share price of \$15

# WE HAVE ADDED SIGNIFICANT BACKLOG IN Q2



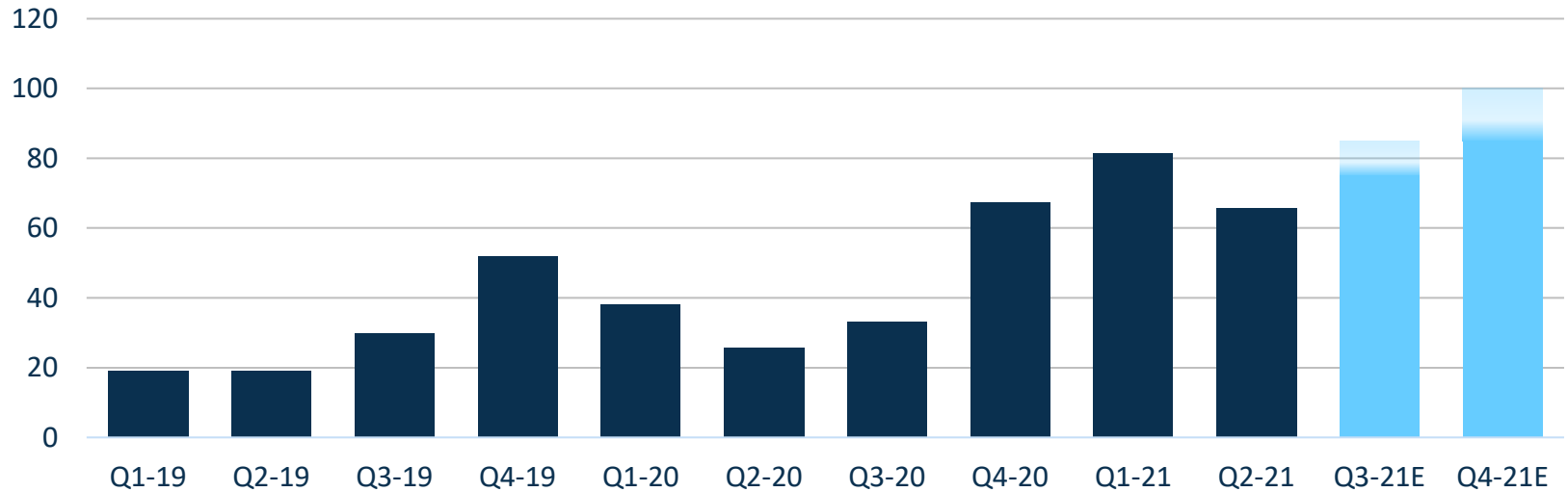
Flex Resolute and Flex Aurora 3+3 and 6 months fixed hire options extended at substantial premium to firm period  
 Flex Endeavour, Flex Vigilant and Flex Ranger on-hire with Cheniere with average minimum period of 3.4yrs  
 Flex Amber variable hire TCP extended by one year until Q4-22

1) Under the Cheniere TCs, Flex LNG can nominate performing vessels for the TC and the actual vessels might differ from Flex Aurora and Flex Courageous depending on vessel availability and fleet portfolio management

# ROBUST BACKLOG MEANS STEADY INCREASING REVENUES IN H2



Expected  
revenues in \$m



1) Subject normal operations and up-time on vessels. Variations in Revenues reflects spot market exposure to spot ships and ships on variable hire.

# WE AIM TO PAY OUT FREE CASHFLOW OVER THE CYCLE



	Q3-20	Q4-20	Q1-21	Q2-21	SUM
Adjusted EPS	\$0.02	\$0.45	\$0.64	\$0.29	\$1.40
DPS	\$0.10	\$0.30	\$0.40	\$0.40	\$1.20
Buy-backs	\$0.00	\$0.03	\$0.10	\$0.01	\$0.14
Distribution	500%	73%	78%	141%	96%

## Decision Factors

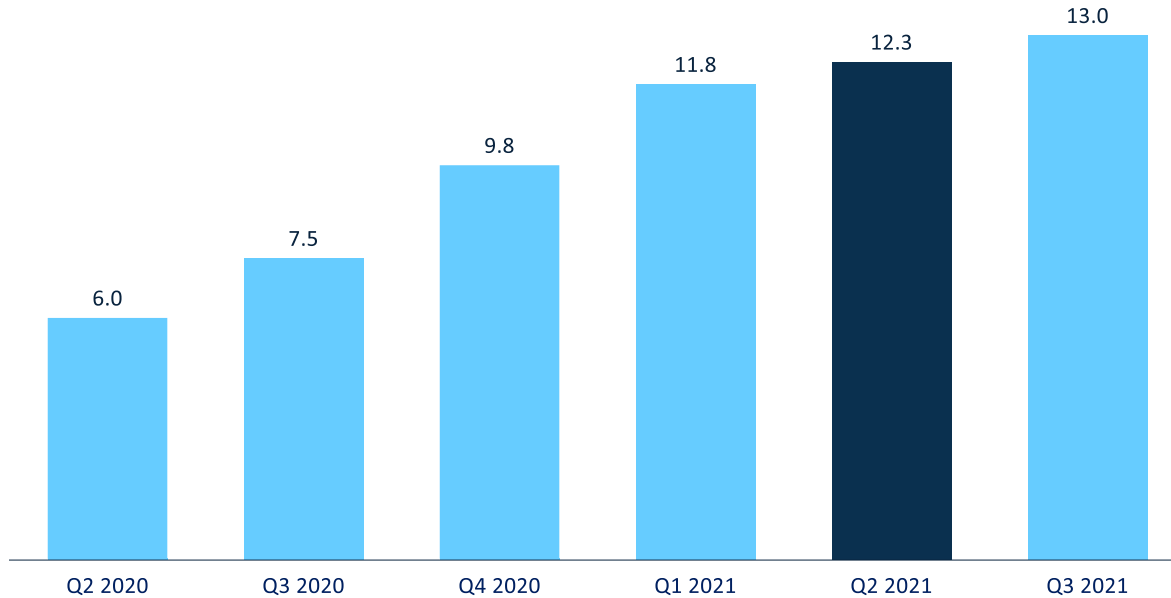
Earnings and cash flow	i	✓	✓	i
Market outlook	✓	✓	✓	✓
Backlog and visibility	i	i	✓	✓
Liquidity position	✓	✓	✓	✓
Covenant compliance	✓	✓	✓	✓
Debt maturities	✓	✓	✓	✓
Capex liabilities	i	i	✓	✓
Other considerations	i	✓	✓	✓

*We have distributed ~96% of earnings the last twelve months notwithstanding delivery of remaining seven newbuildings with associated capex while growing our cash balance to \$144m*

# ALL VESSELS DELIVERED, FULL EARNINGS CAPACITY FROM Q3



Number of vessels available per quarter<sup>1</sup>



1) Total available vessel days divided by number of days in the quarter

# FINANCIAL HIGHLIGHTS



	Q2 2021	Q1 2021	Δ%	H1 2021	H1 2020	Δ%
TCE per day (\$)¹	57,780	75,399	(23)%	66,340	57,164	16 %
Opex per day (\$)	13,776	13,437	3 %	13,611	12,821	6 %
<b>Income statement (\$m)</b>						
Revenues	65.8	81.3	(19)%	147.1	63.9	130 %
Adjusted EBITDA¹	46.8	64.0	(27)%	110.8	45.2	145 %
Adjusted net income¹	15.7	34.2	(54)%	49.9	8.6	480 %
Adjusted EPS¹ (\$/share)	0.29	0.64	(54)%	0.93	0.16	487 %

## Balance Sheet (\$m)

Cash	144	139
Vessels	2,379	2,213
Total Assets	2,540	2,428
Debt	1,633	1,525
Equity	852	861
Total Equity and Liabilities	2,540	2,428

## Comments

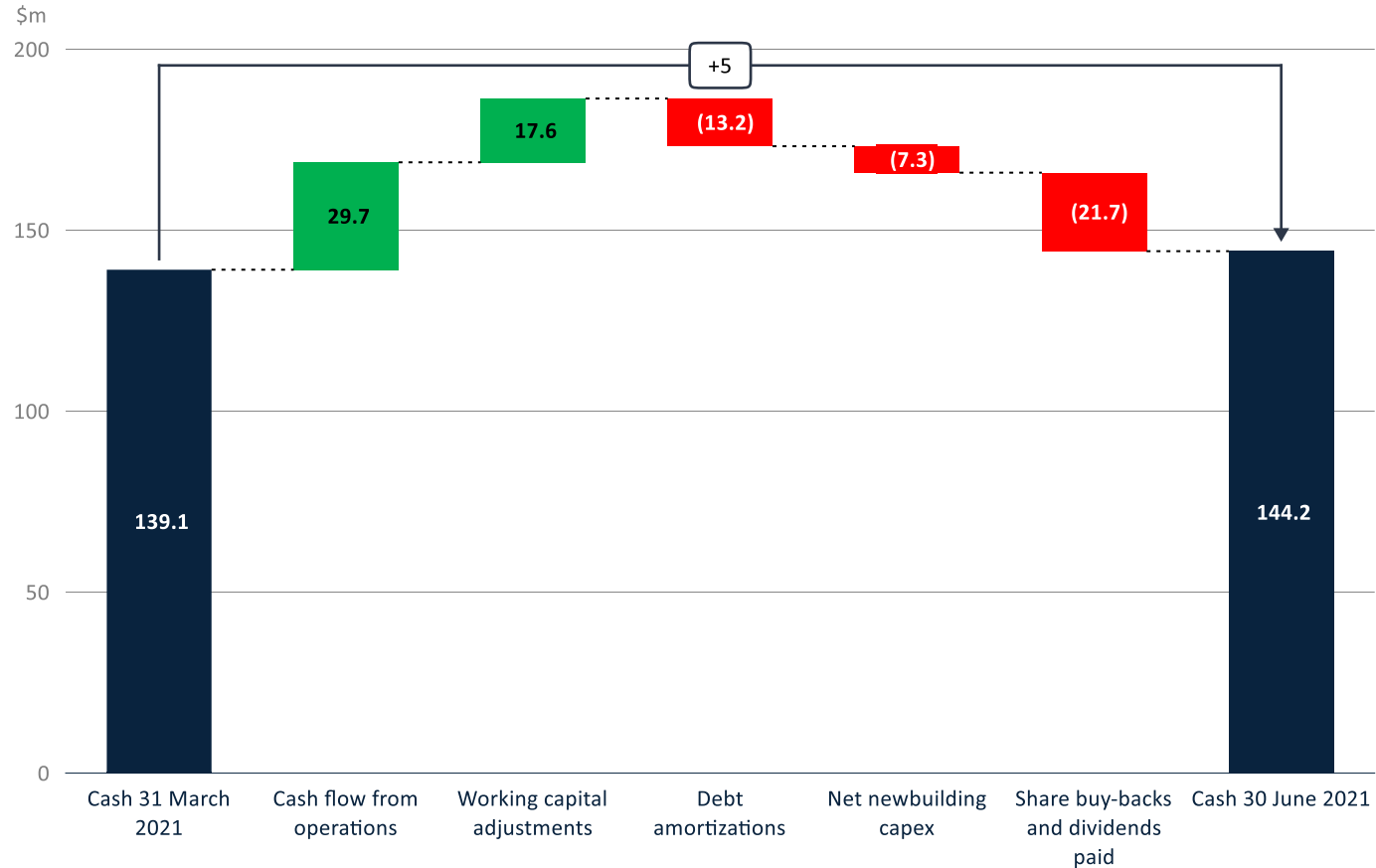
**Revenues:** The QoQ reduction in revenues and TCE per day is due to normal seasonality impacting our variable hire contracts and spot earnings.

**Opex:** During the first six months of 20201, about \$500 per day is directly attributable to Covid related costs. Netting out the Covid related costs, the opex per day for the first six months is in line with the guided opex of \$ 13,000 per day.

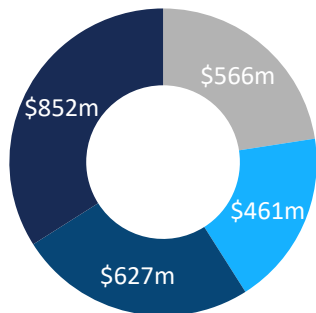
1) TCE, adjusted EBITDA, adjusted net income and adjusted EPS are non-GAAP measures. A reconciliation to the most directly comparable GAAP measure is included in the Q2-21 earnings report



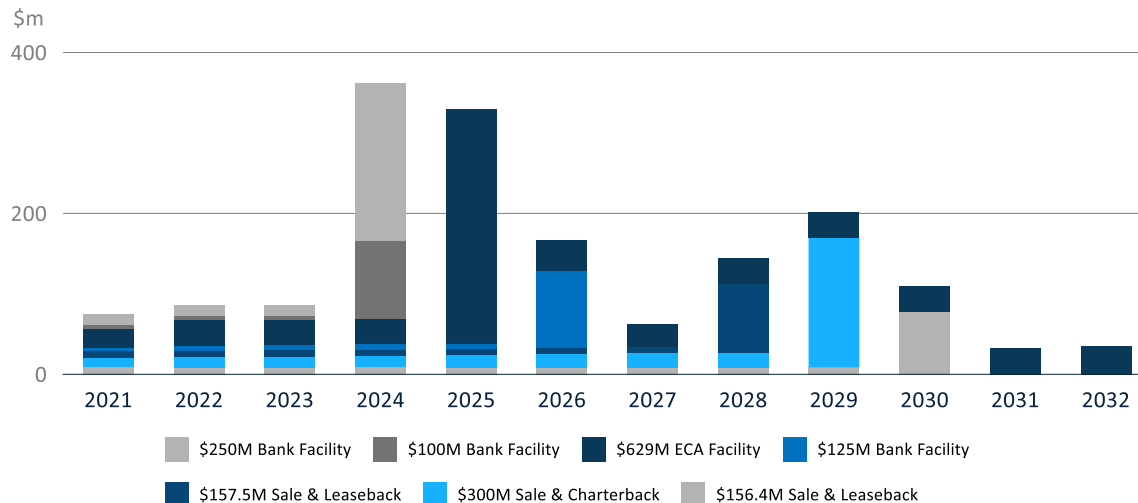
# WE INCREASED OUR CASH POSITION TO ALL-TIME HIGH



# FULLY FINANCED WITH DIVERSIFIED SOURCES OF LONG-TERM FUNDING



■ Lease financing    ■ Bank financing  
■ ECA financing    ■ Common equity



- ~\$1.65 billion in diversified funding split between lease, bank and ECA financing at attractive terms
- Long funding secured with first loan maturity in July 2024
- Staggered debt maturity profile, mitigating re-financing risk
- Well diversified pool of lenders with 15 different financial institutions

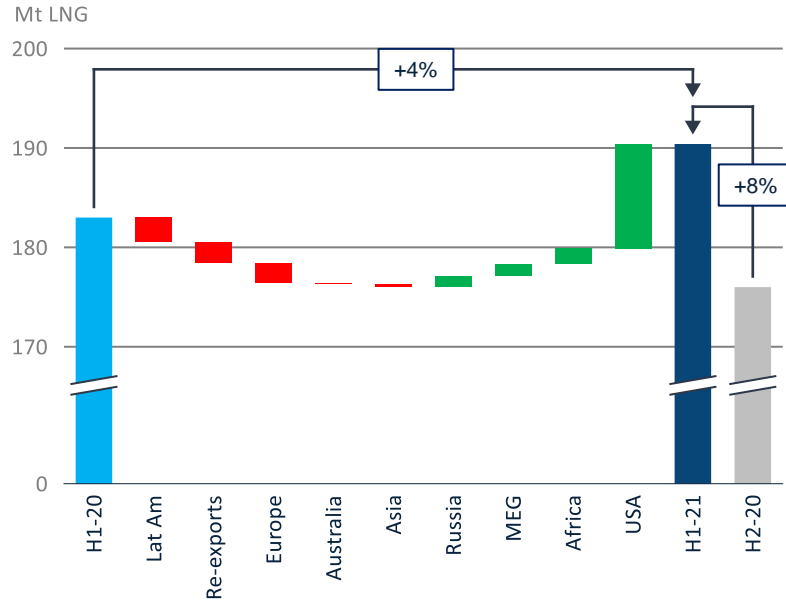
1) Common equity and outstanding/committed amounts under financings as per June 30, 2021

2) 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.

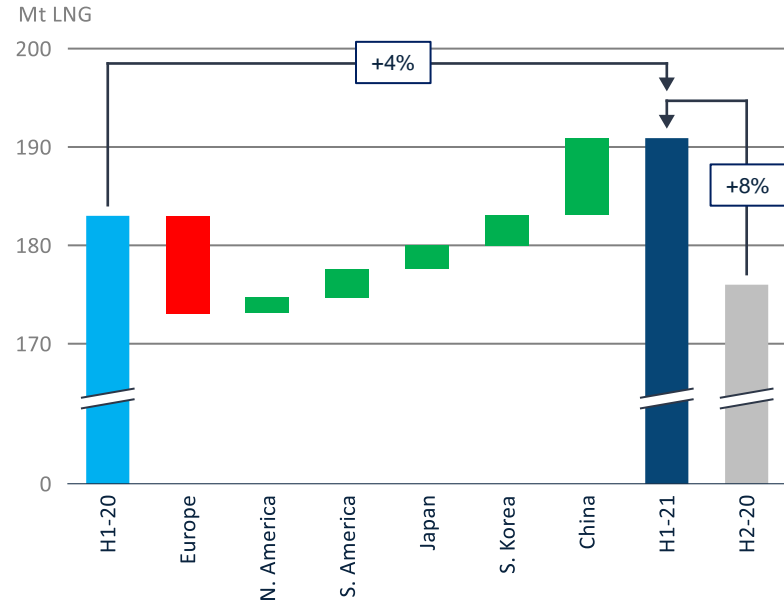
# CHIMERICA DOMINATE H1-21, GROWTH SET TO ACCELERATE H2-21



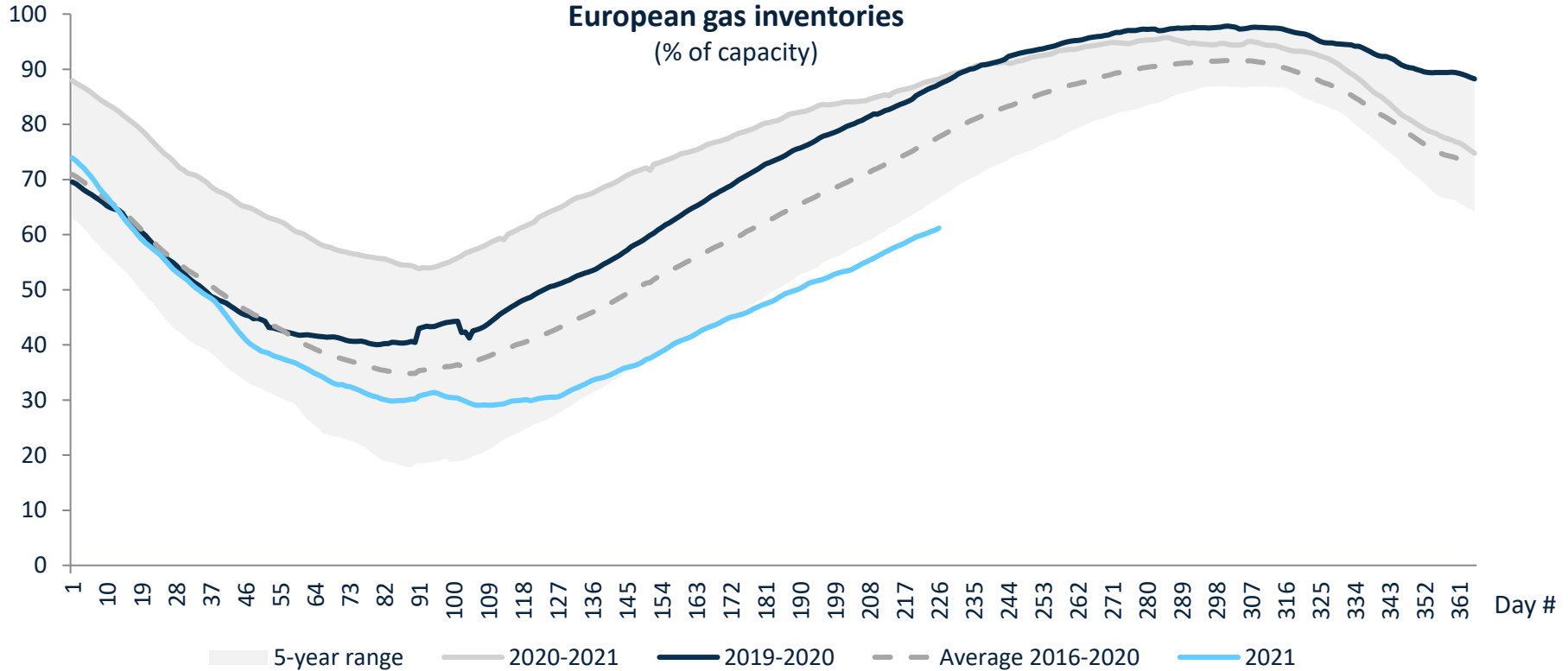
## Incremental LNG Exports by Region: H1 21 vs H1 & H2 2020



## Incremental LNG Imports by Region: H1 2021 vs H1 & H2 2020



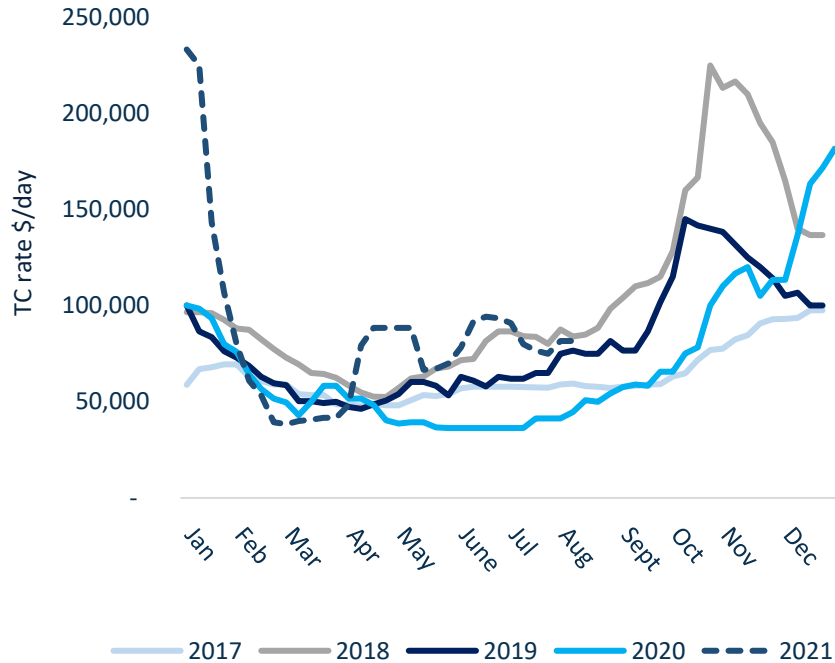
# RESTOCKING DEMAND STILL KEY DRIVER FOR TIGHT MARKET



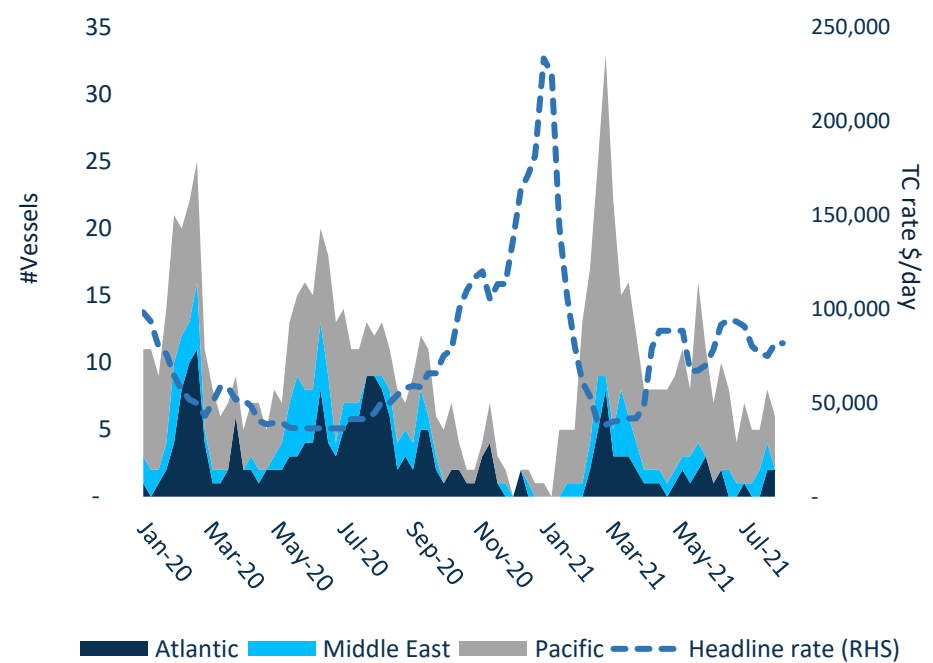
# SPOT MARKET REVIEW



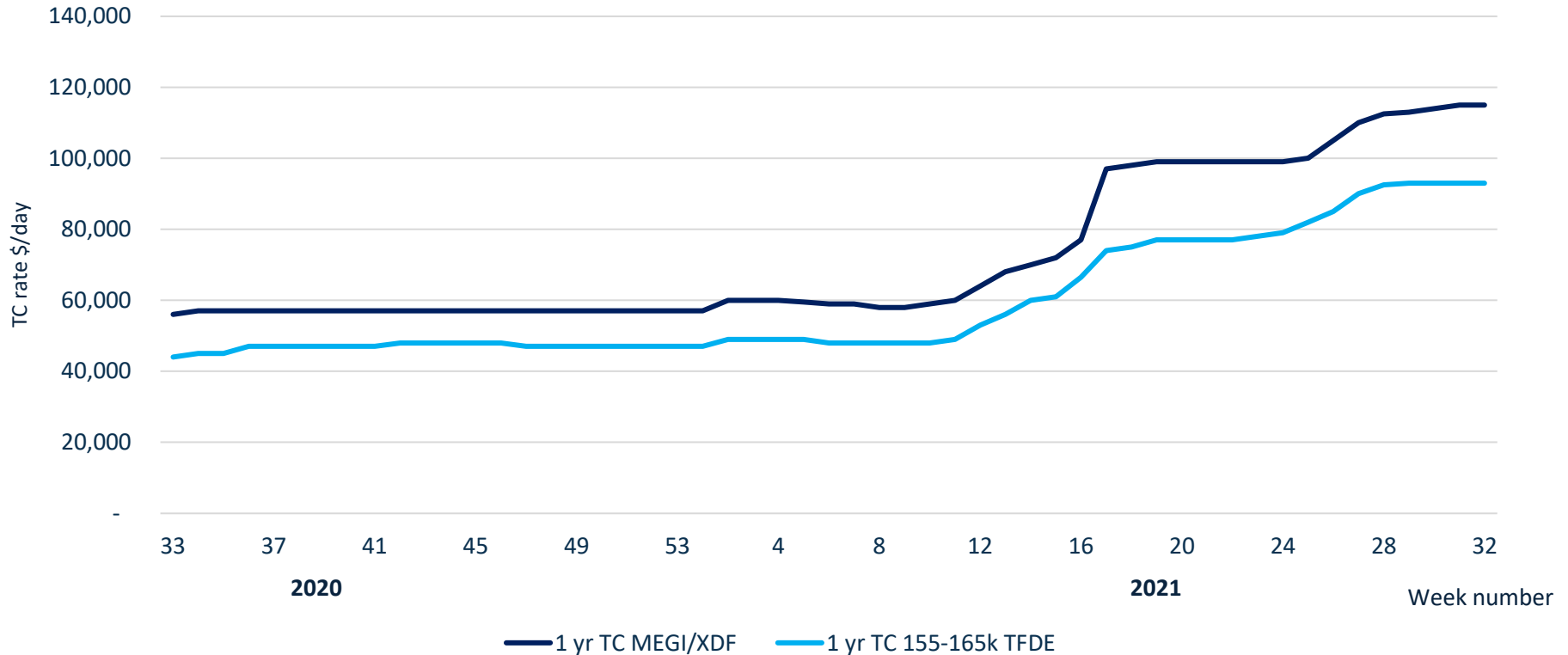
## Headline spot rates (MEGI/XDF)



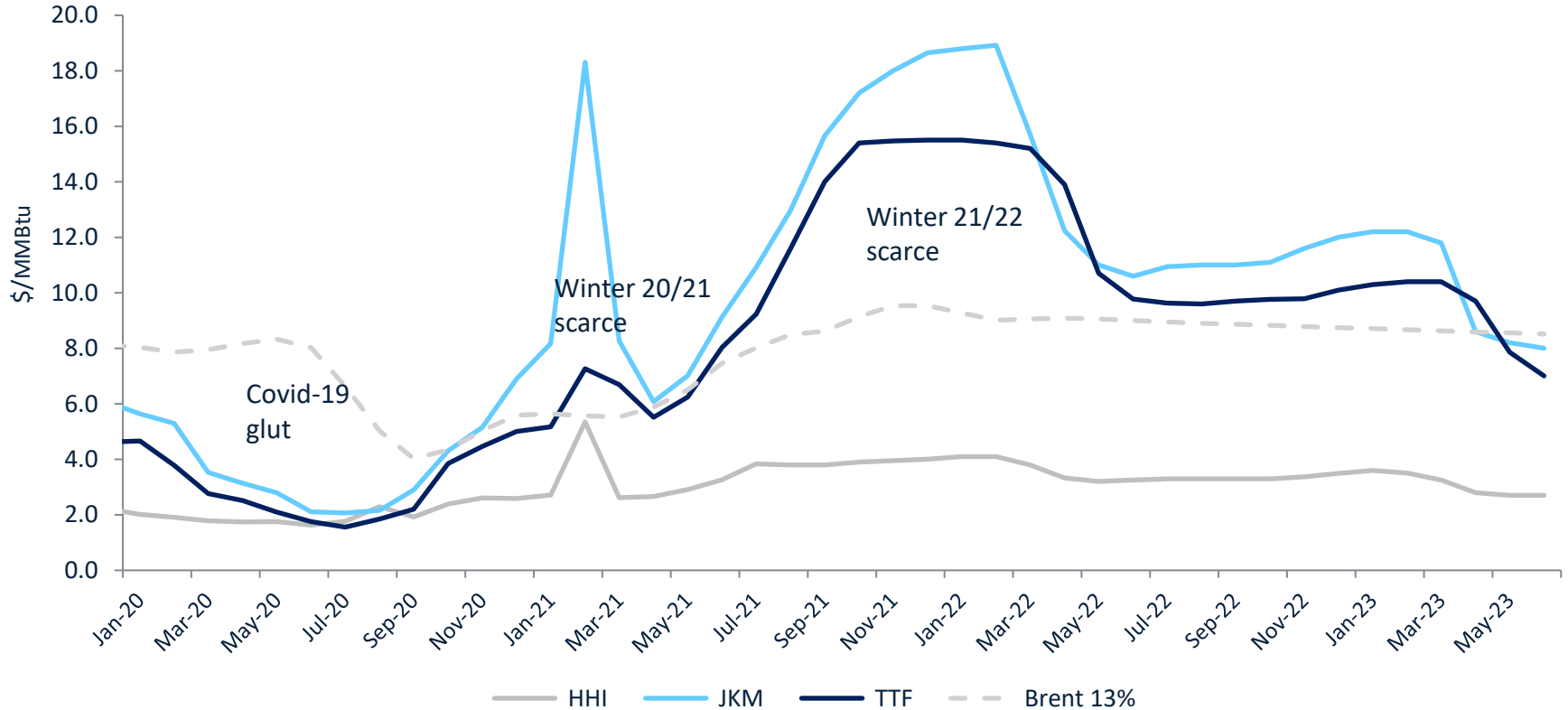
## Prompt available vessels vs. Headline spot rates



# TIGHTER MARKET PUSHING UP 1 YEAR TIME CHARTER RATES



# FROM LNG GLUT TO LNG SCARCE



1) Source: CME and Platts. Historical TTF price defined as Platts DES NWE

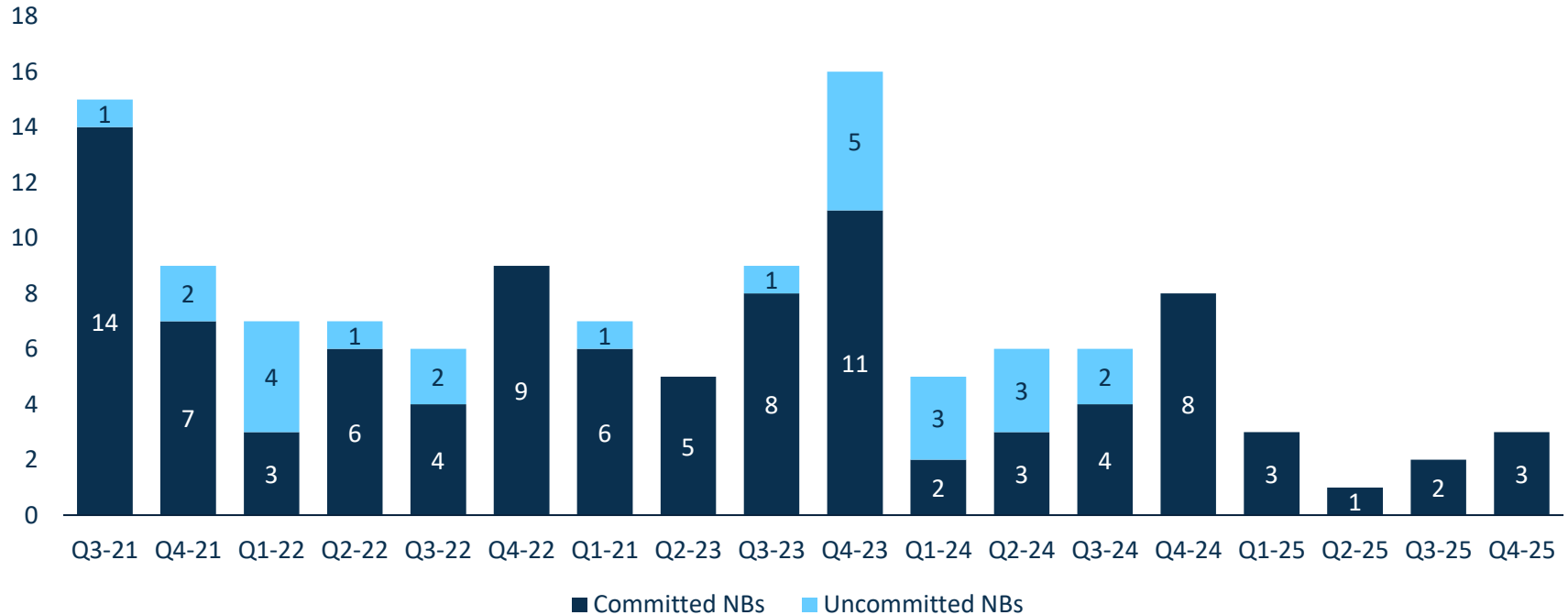
2) Brent is 331 contract type

# FEW UNCOMMITTED NEWBUILDINGS



# vessels

## LNG orderbook



1) Source: Affinity  
 2) Uncommitted vessels represents vessels to be yet to be delivered without long term contracts attached  
 3) Conventional LNG Carriers > 65k cbm excluding FLNG, FSRU and FSUs



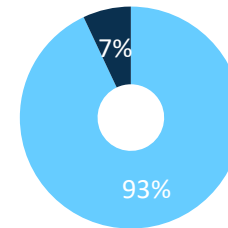
# COVID-19 STILL MAKING LIFE AT SEA CHALLENGING



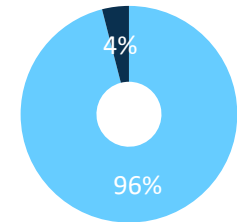
On August 4, 19 crew members on Flex Rainbow calling Freeport LNG export terminal in US received Covid-19 vaccine

## Crew overdue status:

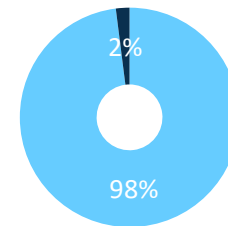
Nov-20



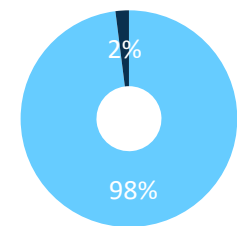
Feb-21



May-21



Aug-21



■ On time ■ Overdue

# SUMMARY

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**Revenues of \$65.8m in line with guidance**

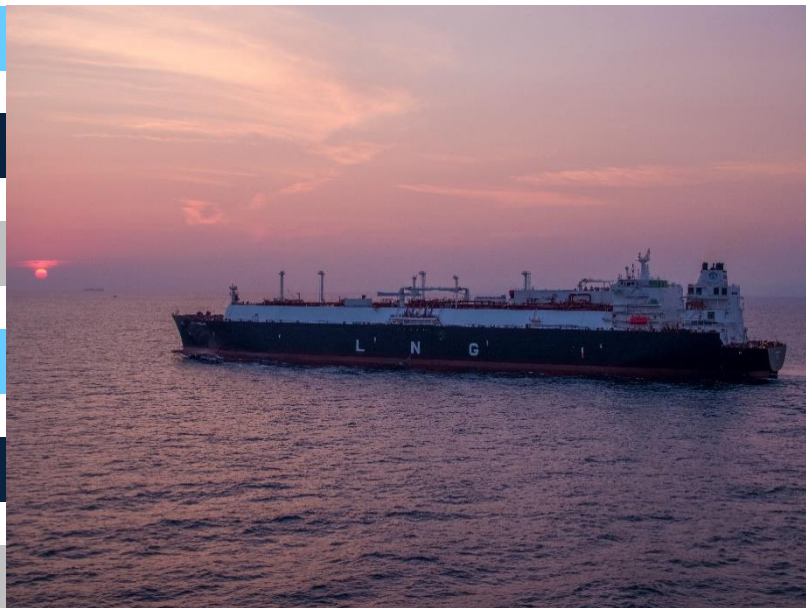
**Secured substantial backlog with 96% of 2021 already booked**

**Dividend of \$0.4 per share with potential upside in H2**

**All 13 ships on the water and generating income**

**Positive outlook both shorter and longer term**

**Fully financed fleet with solid cash position of \$144m**



Q&A



FLEX LNG