First Quarter 2018

Results Presentation

29 May 2018

FLEX LNG

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Business Update

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Business Update

Highlights for First Quarter 2018

Successful deliveries of Flex Endeavour and Flex Enterprise in January 2018

- Flex Endeavour employed on 15 + 3 months TCP to Uniper while Flex Enterprise employed in spot trading
- Two chartered-in vessels re-delivered at the end of first quarter.

Unsatisfactory financial results for First Quarter 2018

- Reported a positive EBITDA of $2.4m compared to a negative EBITDA of $2.4m in Q1 2017
- Reported Net Loss of $ 1.8m compared to a Net Loss in Q1 2017 of $ 1.0m due to weak utilization of Flex Endeavour

Subsequent events:

- On 18 April, secured an attractive 1+1 year TCP with Enel commencing second half of 2019.
- On 28 May 2018, Flex LNG received credit approval for a sale leaseback of the LNGC newbuilding Flex Rainbow with an Asian Lessor ("Lessor") . The sale price under the lease is approx. 75% of the relevant ship building price for Flex Rainbow and where the remaining 25% represent the advance hire for the ten year lease period.
- On May 28, Flex LNG entered into an agreement to acquire two 174,000 CBM X-DF LNGC newbuildings under construction at HHI for an attractive price of $ 184m each vessel which includes building supervision at favorable 20/80 payment terms. Hence seller is funding part of pre-delivery capex which illustrate commitment and support of the largest shareholder. This also enable organic growth without need for more equity.
- On 28 May, Jonathan Cook, Chief Executive Officer of Flex LNG Management Ltd, resigned his position to pursue other interests. The Board has decided to appoint Board member Marius Hermansen as Interim CEO and will actively pursue recruitment process of a permanent Chief Executive Officer. The Company has also hired Marius Foss as Head of Commercial. Mr. Foss comes from a similar role at Golar LNG Ltd.
- Following the changes in management 28 May and the recruitment of Mr Foss, the Board has increased its focus on building a strong team around the Company's modern LNGC fleet, and given the market outlook, transportation of LNG will be the Company's core focus going forward

FLEX LNGC Fleet Development

Owned Fleet

8

173,400 | 173,400 | 174,000 | 174,000

173,400 | 173,400 | 174,000 | 174,000

- 8 ME-GI/X-DF LNGCs
  - 2 vessels delivered in January 2018
  - 6 vessels under construction delivering between June 2018 and August 2020

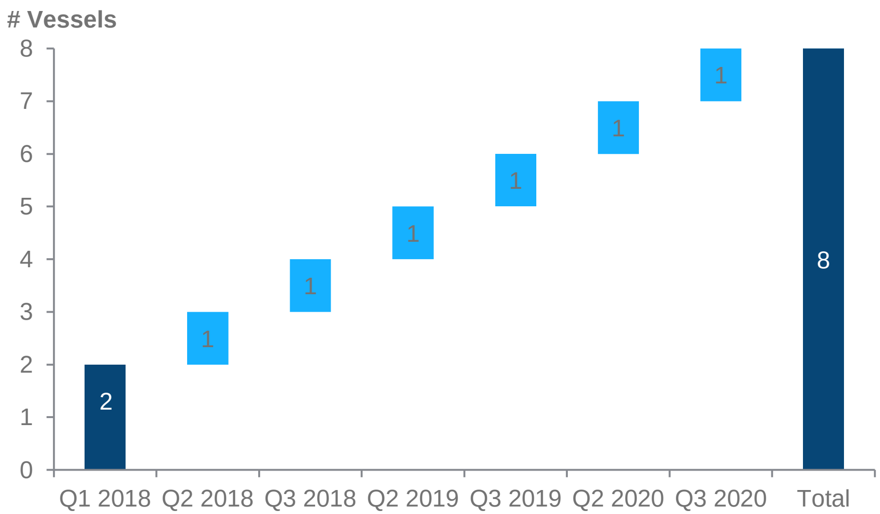
Chartered-in Vessels

2

173,400 | 170,000

- 2 chartered-in TFDE vessels; sub-charterered on multi-month basis on a profitable basis
- Both vessels re-delivered end of Q1 2018

Owned Fleet Deliveries



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Financial Update

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Income Statement

Income Statement as of 31 March 2018

Unaudited Figures in USD, 000	Q1 2018	Q4 2017	Q3 2017	2017	2016
Voyage revenues	15 053	7 860	9 758	27 329	0
Voyage related costs	-11 909	-5 803	-12 985	-36 532	0
Administrative expenses	-796	-812	-848	-3 409	-1 483
EBITDA	**2 348**	**1 245**	**-4 075**	**-12 612**	**-1 483**
Depreciation	-2 311	-1	-1	-2	-2
EBIT	**37**	**1 244**	**-4 076**	**-12 614**	**-1 485**
Finance income	174	25	40	123	9
Finance cost	-1 975	0	0	-234	-314
Hedge gain	-12	3	7	2 335	0
EBT	**-1 776**	**1 271**	**-4 029**	**-10 391**	**-1 790**
Income tax expense	-2	-5	-3	-17	1
Net Income (loss)	**-1 778**	**1 266**	**-4 032**	**-10 408**	**-1 789**

- Weak utilization of Flex Enterprise and maiden voyage discount for Flex Endeavour impacted revenues for the quarter adversly
- The other three vessels (two chartered-in and Flex Endeavour) where chartered-out and thus delivered according to expectations
- Increased financing costs due to $ 315m secured term loan facility drawn early January in connection with deliveries

Balance Sheet

Balance Sheet as of 31 March 2018

Unaudited Figures in USD, 000	Q1 2018	YE 2017
Newbuildings & capitalized costs	280 778	594 937
Vessel purchase prepayment	72 000	72 000
Vessels and equipment	392 205	3
Total non-current assets	744 983	666 940
Inventory	2 360	1 041
Other current assets	7 916	6 568
Cash and cash equivalents	38 983	9 961
Total current assets	49 259	17 570
TOTAL ASSETS	**794 242**	**684 510**

	Q1 2018	YTD 2017
Share capital	3 680	3 680
Share premium	885 388	885 323
Other equity	-370 713	-368 902
Total equity	518 355	520 101
Other financial liabilities	270 000	160 000
Total non-current liabilities	270 000	160 000
Current liabilities	5 887	4 409
Total current liabilities	5 887	4 409
Total liabilities	275 887	164 409
TOTAL EQUITY AND LIABILITIES	**794 242**	**684 510**

- Vessels & equipment increase of $390m due to delivery of Flex Endeavour/Enterprise January 2018
- Drawdown of $210m from the $315m term loan facility agreement which also covers Flex Ranger.
- Sterna RCF drawn $60m at end of quarter after repayment of $100m in connection with January deliveries
- Equity ratio of 65% and solid liquidity situation with cash balance of $ 39m and $ 210m available under Sterna RCF

Transition from IFRS Accounting Principles to USGAAP

Flex LNG has changed its accounting principles as of 1 January 2018

Item	Conclusion
Borrowing and other costs	All costs capitalized to date under IFRS are permitted for capitalization under US GAAP. No difference
Impairment	IFRS uses discounted cash flows, USGAAP uses undiscounted cash flows. No impairment under IFRS and therefor no impairment under USGAAP
Valuation of Flex Endeavour/Enterprise SBC	The SBC purchased classified as acquisitions of assets. Valuation method is the same under IFRS as for USGAAP. No difference.
Inventory	Both GAAPs uses "lower of cost and net realizable value", and the FIFO (first in, first out) principle. No difference
Financial liabilities and equity	Financial liabilities are limited to loans that will be settled in cash. No difference. Equity no differences between the GAAPs.
Revenue from Time Charter contracts	Flex's T/C contracts meet the definition of an operating lease (USGAAP and under IFRS), and T/C revenue will continue to be recognized on a straight line basis under. No difference
Revenues from Spot charters	No implications

- No changes in balance sheet due to transition from IFRS to USGAAP
- USGAAP transition makes it easier to compare accounts of Flex LNG to relevant peers which are primarily listed in US
- Makes potential future listing US easier as such transition would demand more resources at a later stage

Flexible Financing Secured for Fourth LNGC

Sale-leaseback agreed with Asian based Lessor

Attractive terms and conditions

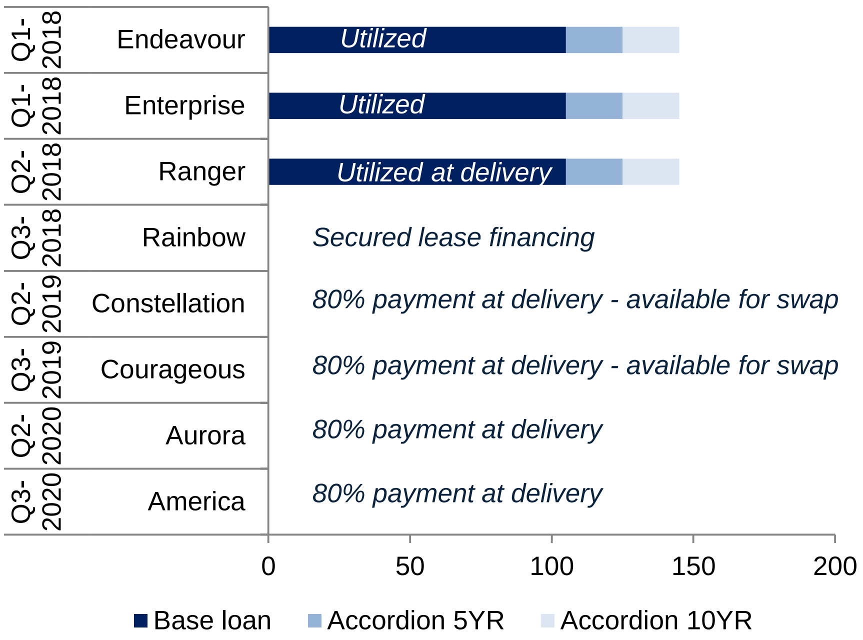
- Sale price of approx. 75% of yard price, remaining 25% structured as advance hire under lease
- Lease tenor of 10 year with annual re-purchase options from year 2 to end of lease life
- Bareboat hire adjusted by three months Libor+350bps
- Gives cash break-even including opex of about $ ~54k given prevailing 3 months Libor

Flexible financing for playing the recovery cycle in LNGC market

- No requirement for fixed employment of vessels
- Complements term loan facility (“TLF”) as structured with longer tenor and higher leverage as well as diversify funding

Co-investment feature

- Lessor will have option to acquire 30% of Lessee for a consideration of $ 15.75m until delivery of vessel.
- If Lessor elects to pursue equity investment, this is swappable into Flex LNG shares at $ 1.55 until 31 December 2018



The lease is subject to the execution of definitive documentation and satisfaction of customary closing conditions and is regulated by UK law.

Successful long-term financing enables accretive growth

Fleet expansion with agreement to purchase two LNGC newbuildings

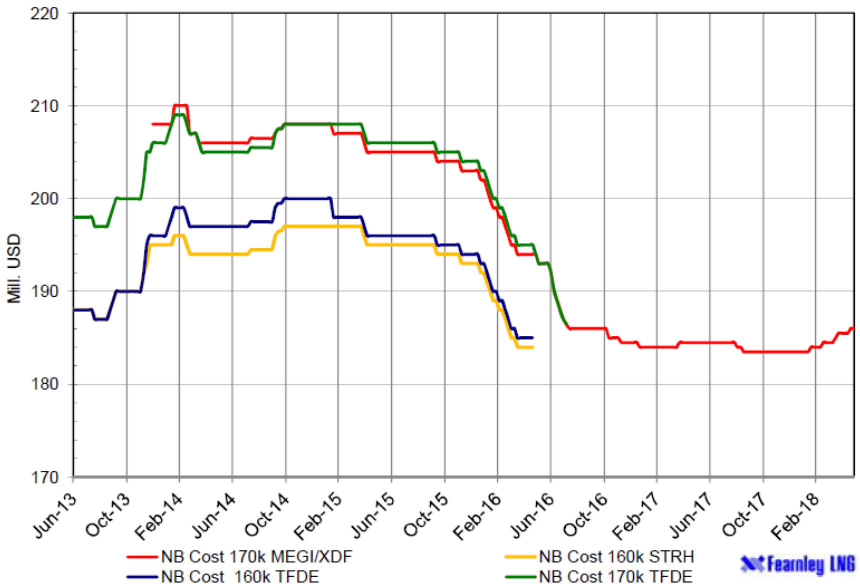
Very attractive terms and conditions

- Purchase price of $ 184m per vessel from an affiliate of Geveran, the purchase price includes building supervision which typically cost $ 2-3m
- Advantageous slot delivery mid-2020 when market is expected to be tight versus earliest slot delivery now in 2021
- Better than market payment terms with 20% advance payment and 80% payment at delivery vs customary 60% at delivery
  - Hence seller is funding part of pre-delivery capex which illustrate commitment and support from the largest shareholder
  - in combination with $ 270m Sterna RCF we are thus able to grow on existing paid-in equity.

X-DF vessels further broaden our technology offering

- 174,000 CBM LNGC newbuildings at Hyundai Heavy Industries
- Two stroke slow speed machinery with low pressure gas injection (X-DF)
- Newbuildings fitted with Selective Catalytic Reduction (SCR) to comply with IMO Tier III regulation both in gas and liquid mode giving them very high trading flexibility
- Enables Flex LNG to market both types of two stroke engines being ME-GI and X-DF to customers
- Mark III Cargo Containment System with BOR of 0.085
- Option to add Single Mixed Refrigerant (SMR) LNG re-liquefaction to reduce BOR to 0.04

Development LNGC yard prices ex supervision[1]



[1] Delivery 2021

03

LNG Market Update

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Spot Rates Declined since January, but started to improve in May

Spot Rates improved substantially end of 2017

- Seasonal winter demand and increased demand from China

However, rates began falling in February

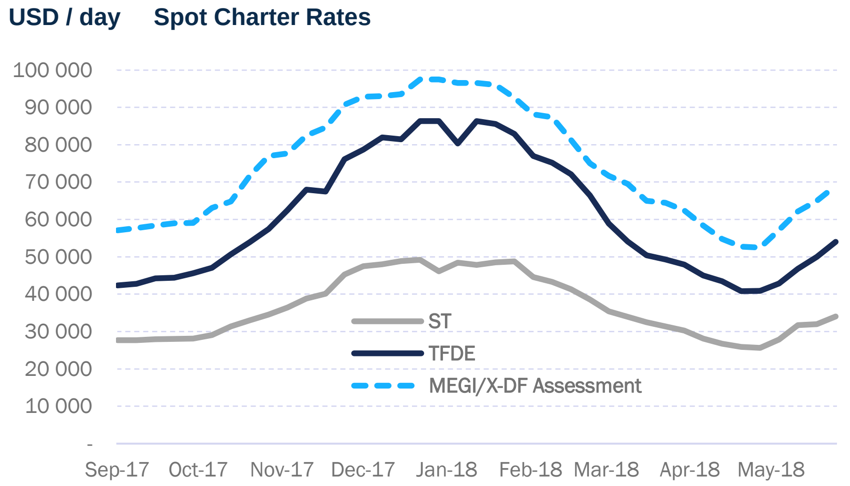
- Reduced seasonal demand
- LNGCs chartered for 3-6 months in Q3 were redelivered adding length to the spot fleet
- Spot TFDE rates ~$53,000 with wide basin differentials due to glut of deliveries from yards

18 newbuildings delivered into the market during Q1

- Several vessels delivered in advance of their long term charters. Being chartered for 6-12 months to fill the gap before going on to long-term charters (BW, Gaslog)

In May, several multi-month and multi-year requirements were launched absorbing tonnage – Spot rates improved

- BP, ENI, Novatek, Cheniere, Exxon, Pavillion, Mitsui etc
- Sentiment quickly changed as Owners became bullish for winter coverage
- Prompt requirements remained limited and whilst fixing forward activity was high



Source: Company

DAILY RATES ($)

	Atlantic	Middle East	Pacific
174 cbm MEGI	75,000	60,000	60,000
change	20%	10%	10%
160 cbm TFDE	62,000	50,000	45,000
change	13%	11%	7%
145 cbm ST	45,000	35,000	30,000
change	13%	9%	-
Ballast Bonus	RT	RT	RT

SENTIMENT

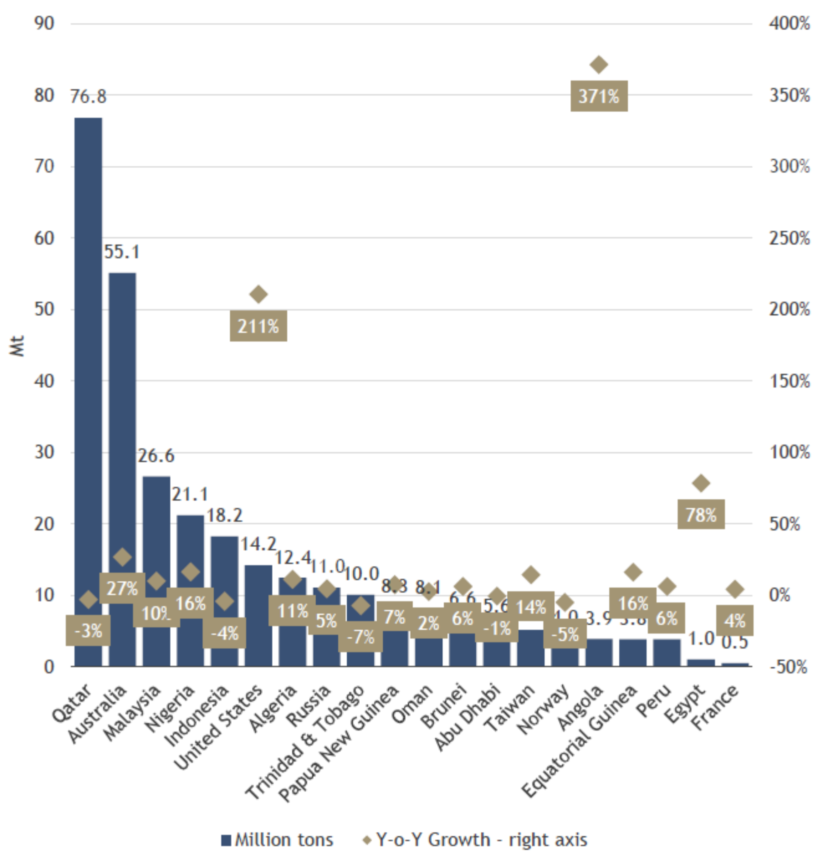
Short Term	Bullish	Bullish	Bullish
Medium Term	←------	Bullish	------→

Source: Affinity

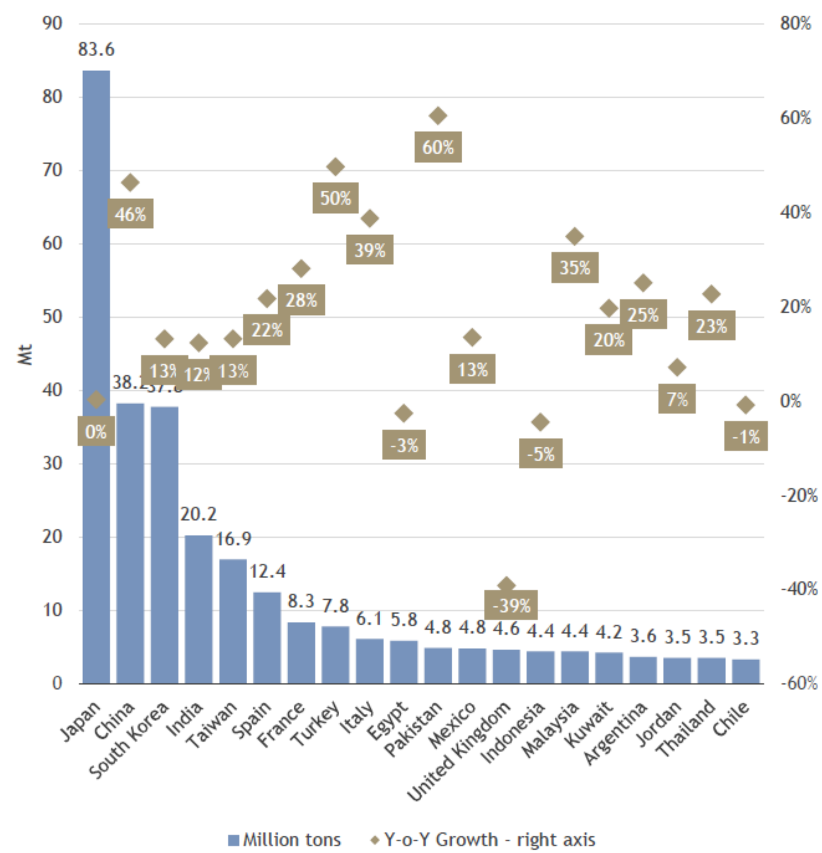
Strong growth in global LNG trade

Strong growth from Australian and US liquefaction trains and China became second largest import nation

Exporters Y-o-Y growth



Imports Y-o-Y growth



Source: Arctic Securities

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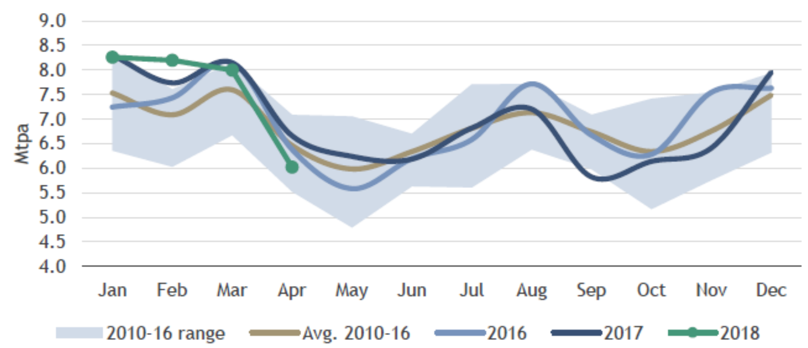
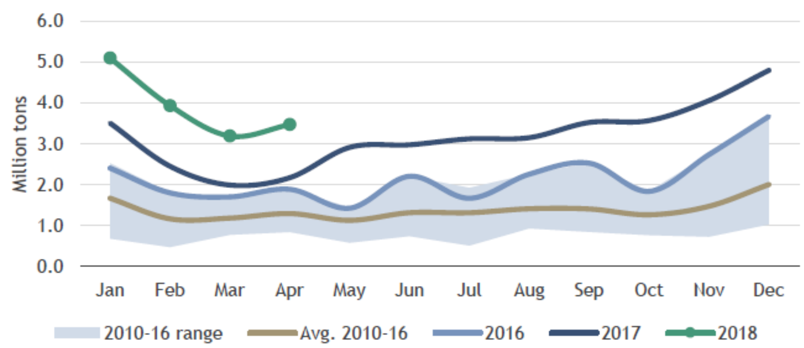
Global LNG trade continue strong momentum in 2018

China continues strong growth with 55% growth YTD vs 2017

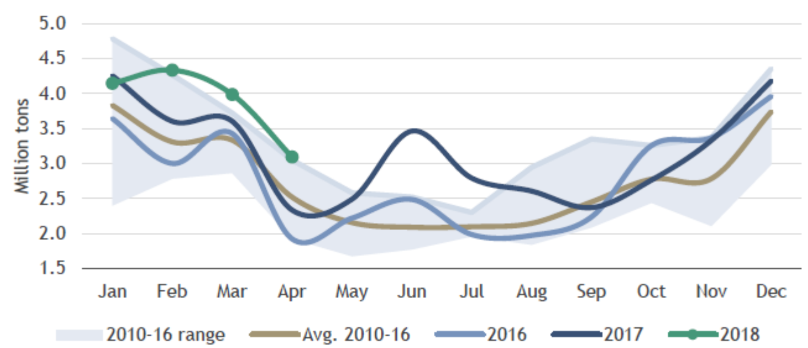
Japan imports: -1% YTD vs 2017



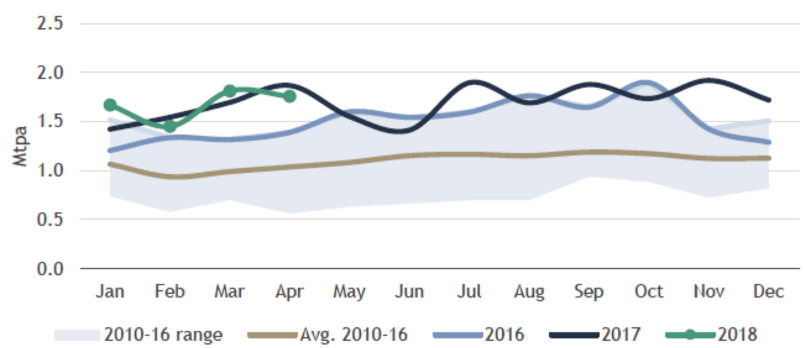
China Imports: +55% YTD vs 2017



South Korean imports: +13% YTD vs 2017



Indian imports: +2% YTD vs 2017

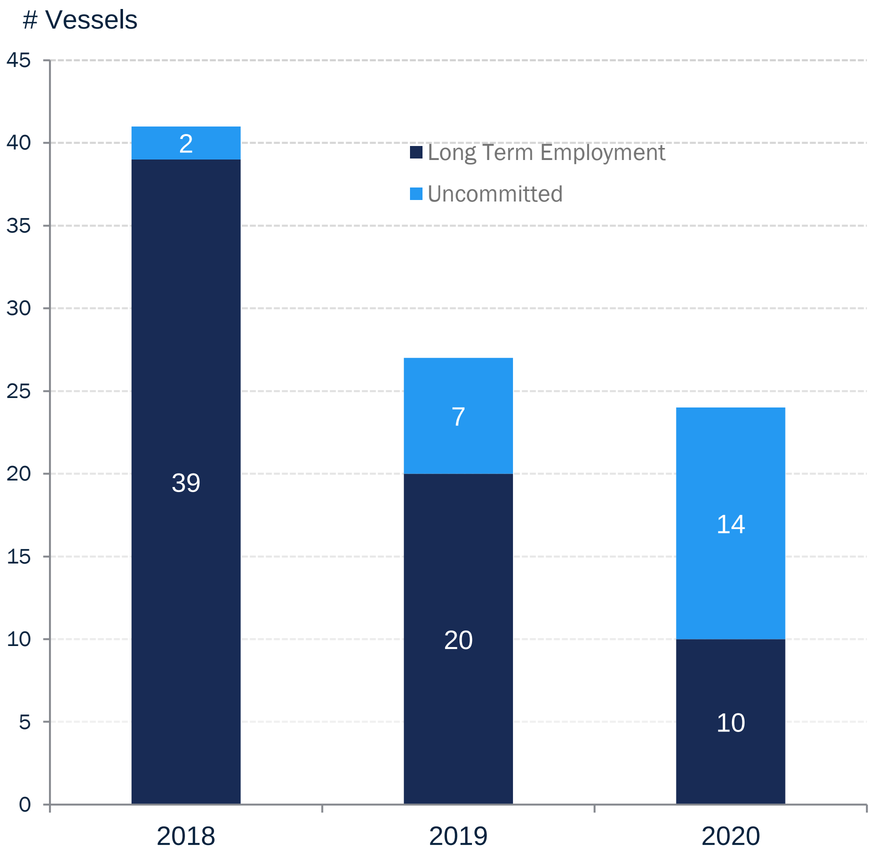


Source: Arctic Securities

FLEX LNG

Right Ships at the Right Time

Majority of uncommitted tonnage delivers in 2020 – but market expected to tighten 2H 2018



Majority of LNGC orderbook remains committed to long term charters

- Currently, there are 92 LNGC under construction
- Traditionally majority of orders are basis long-term employment to dedicated projects or portfolios

FLEX LNG is one of the few Owners with uncommitted tonnage delivering in 2018-2019

- Shipping market is expected to tighten as projects from US, Australia and Russia continues to ramp up
  - Incremental LNGC demand 30-50 vessels by 2020
  - Fleet renewals likely to add to demand for modern efficient LNGCs
  - Earliest shipyard delivery slot for LNGC is Q3 2020

Most Charterers prefer larger & more efficient LNGCs

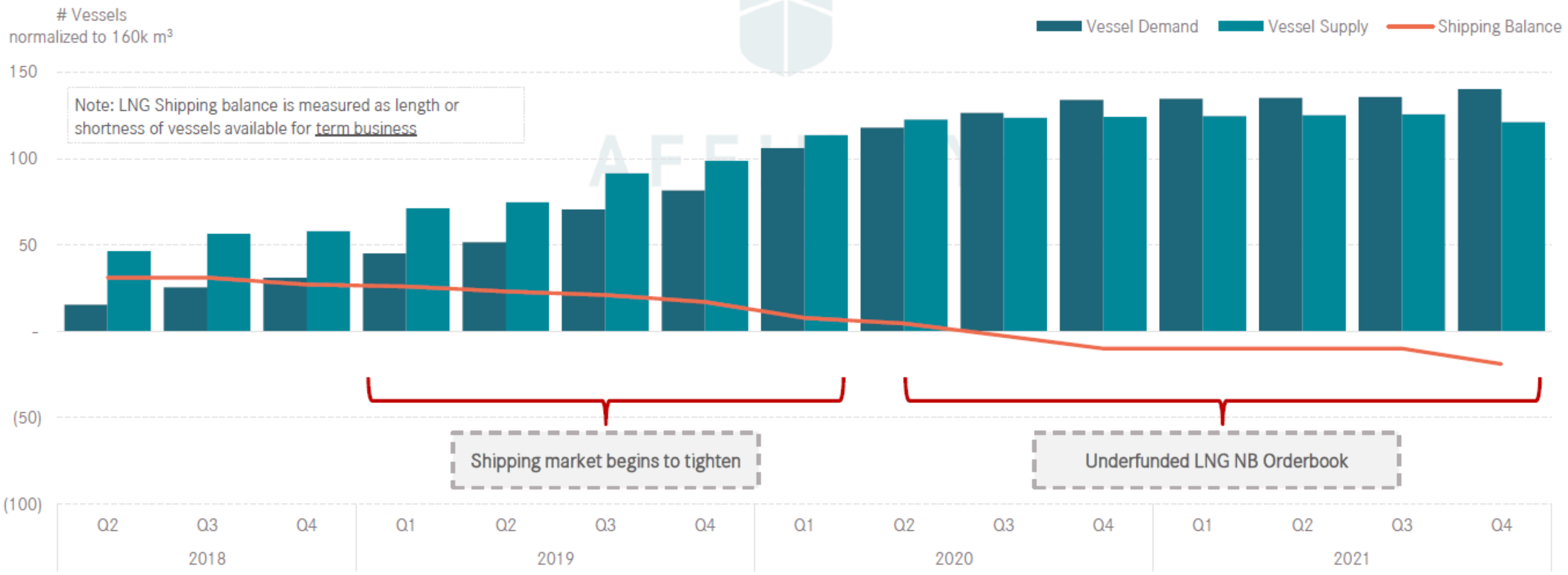
- Most of the recent long-term charters have been MEGI or X-DF vessels

Source: FLEX LNG

LNG Shipping Market Balance

The LNG shipping market is expected to gradually tighten from the end of 2018, with Australia, the U.S. and Russia being the driving forces for soaking up tonnage

- Q3 2018 shipping balance is forecasted to increase due to delivery of newbuildings ahead of project start-up. On the other hand, new volumes from e.g. Cove Point and Yamal LNG may counter this effect
- Q4 2018 / Q1 2019 the shipping balance starts to tighten as new export capacity comes to the market and outdated tonnage comes off charter and will result in vessel replacement
- By 2020, additional export projects starts producing, triggering vessel demand against a thin orderbook



Source: Affinity LNG

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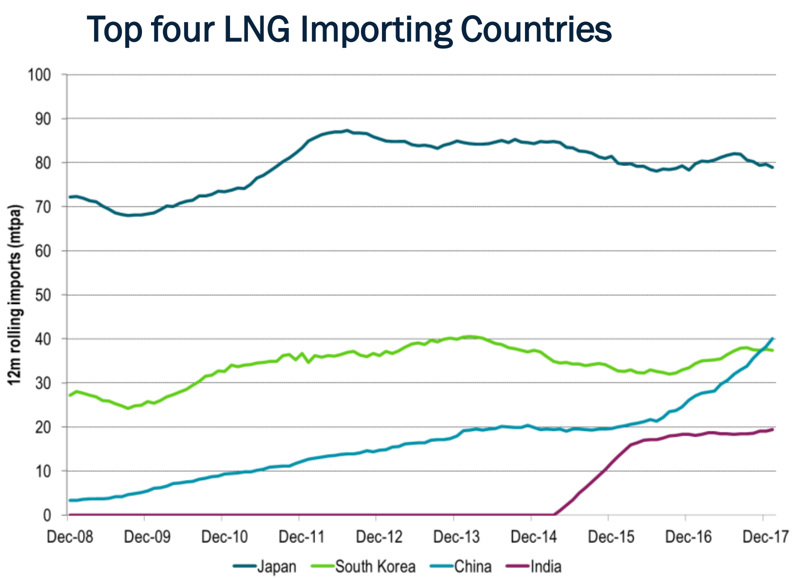
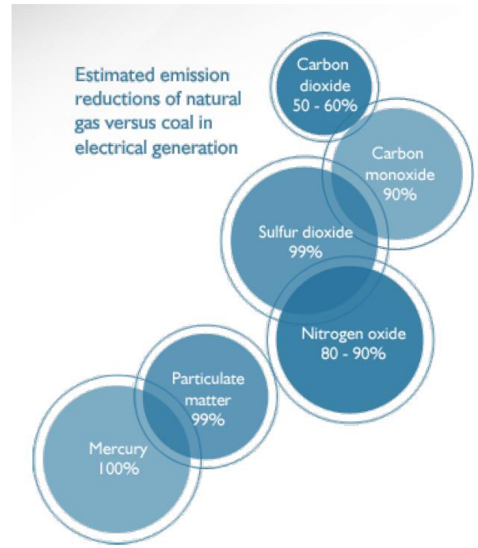
Structural Drivers for Increased LNG Demand





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Xi Jinping's battle for blue skies over China

The Australian 12:00AM December 21, 2017

ROWAN CALLICK
China Correspondent Beijing

Beijing has been blessed by blue skies for most of the northern winter so far with no sign of tangy coal dust in the air.

Is this sustainable? If so, in the medium to long term it will cement China's position as a massive market for Australian gas — soon overtaking South Korea to become the nation's second biggest after Japan.

The clear skies are the result of a government blitz ordained by President Xi Jinping, as he seeks to prove that state promises about improving the environment can be

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Natural Gas + Add to myFT

LNG: a US success story that tests the laws of economics

Exports of liquefied natural gas defy 'glut' warnings

© Bloomberg

David Sheppard, Energy Markets Editor FEBRUARY 9, 2018

US Energy Secretary Rick Perry was roundly mocked last summer for suggesting that the US coal industry, a key base for the Trump Administration, could simply start producing more of the highly polluting fuel despite signs demand is stagnating.

REUTERS World Business Markets Politics TV

Pyeongchang 2018 The Trump Effect Politics North Korea Earnings Myanmar

ASIA FEBRUARY 7, 2018 / 8:17 AM / 19 DAYS AGO

India plans massive natural gas expansion, LNG imports to soar

Reuters Staff 3 MIN READ

* Aims to more than triple LNG imports to 70 mln T/year

* Looking to add 11 import terminals over next 7 years

* Plans to increase EV use, and use LNG for trains, ships

Source: SEB, FT, Reuters, Texas A&M University, the Australian

04 Summary

Summary of First Quarter 2018

- LNGC market sentiment is improving and long-term market outlook is compelling
- Attractive long-term financing of Flex Rainbow secured
- Accretive growth through the acquisition of two LNGC newbuildings at very attractive terms and conditions from an affiliate of Geveran
- Flex LNG now has a fleet of eight modern LNGCs and represents a pure play investment with a lot of optionality given its favorable financing structure and shareholder support

Thank You

FLEX LNG