



FLEX LNG

October 2019



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.

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," "ANTICIPATE," "ESTIMATE," "INTEND," "PLAN," "TARGET," "PROJECT," "LIKELY," "MAY," "WILL," "WOULD," "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, 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.

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COMPANY HIGHLIGHTS

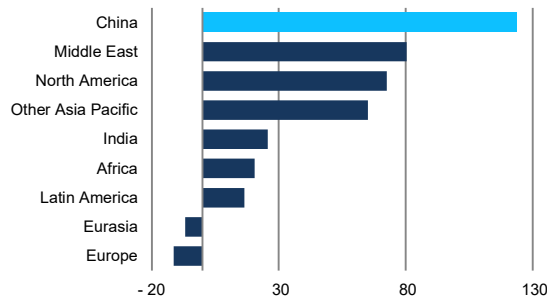


Brand New Fleet of 13 5th Gen. LNG

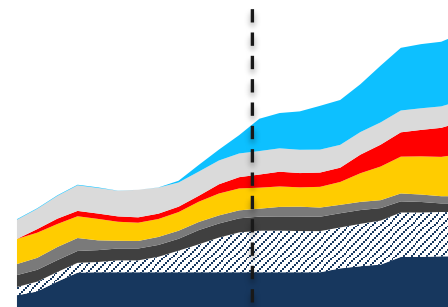


Trading: 6 | On Order: 7

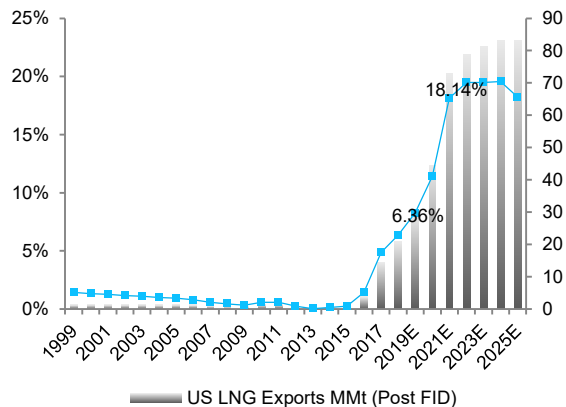
Play on strong demand shift



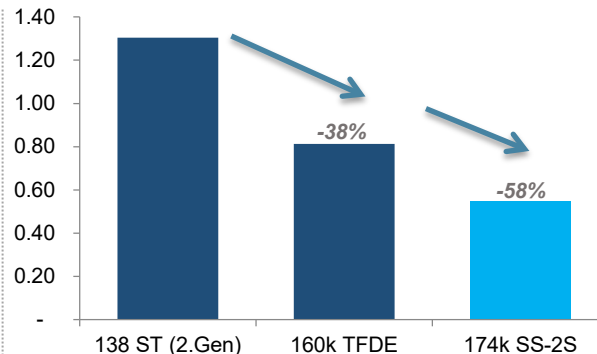
Geared to benefit growing LNG trade



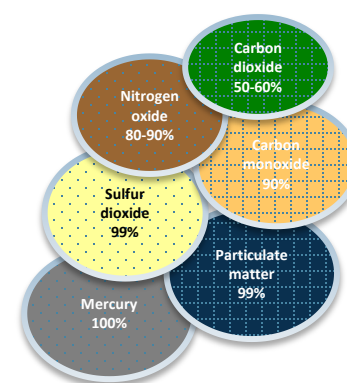
Exponential supply growth – US key



Favorable Consumption Kg/CBM



Significant green credentials



SEATANKERS – A MARINE POWERHOUSE



FRONTLINE

GOLDEN OCEAN™

FLEX LNG

Avance Gas

SFL

Seadrill

Northern Drilling

Archer

SOLSTAD OFFSHORE

MOWI®



NORWEGIAN
PROPERTY

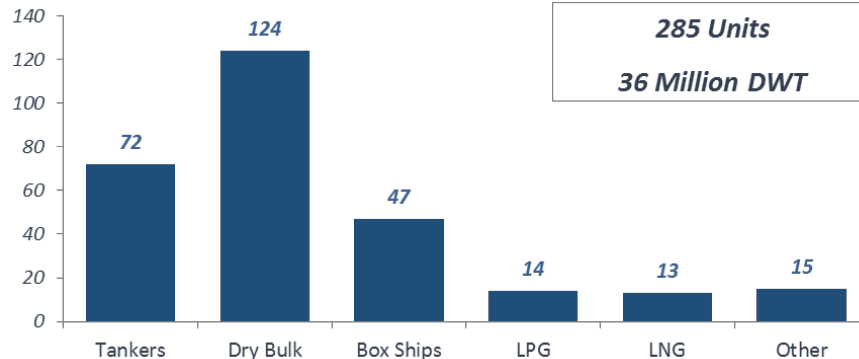
Avance Gas

AXACTOR

Arcadia
PETROLEUM

Operating philosophy

- Keep it simple and focused
- Lean & efficient management teams
- Define where we are in the cycle
- Consolidation & economy of scale works
- Build credibility with customers, investors & financiers
- Think and act like an investor
- Solid cash position at holding company



MARKET FOR SEABORNE LNG TRANSPORT MATURING



“LNG 1.0” : 2000: $\approx 100\text{MMtpa}$



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

“LNG 2.0” : 2010: $\approx 200\text{MMtpa}$

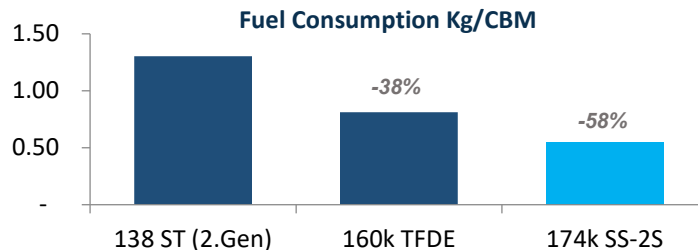


- Mid-2000s to yesterday
- Portfolio players
- Term contracts (7-15yrs)
- DFDE/TFDE engine (4 stroke)

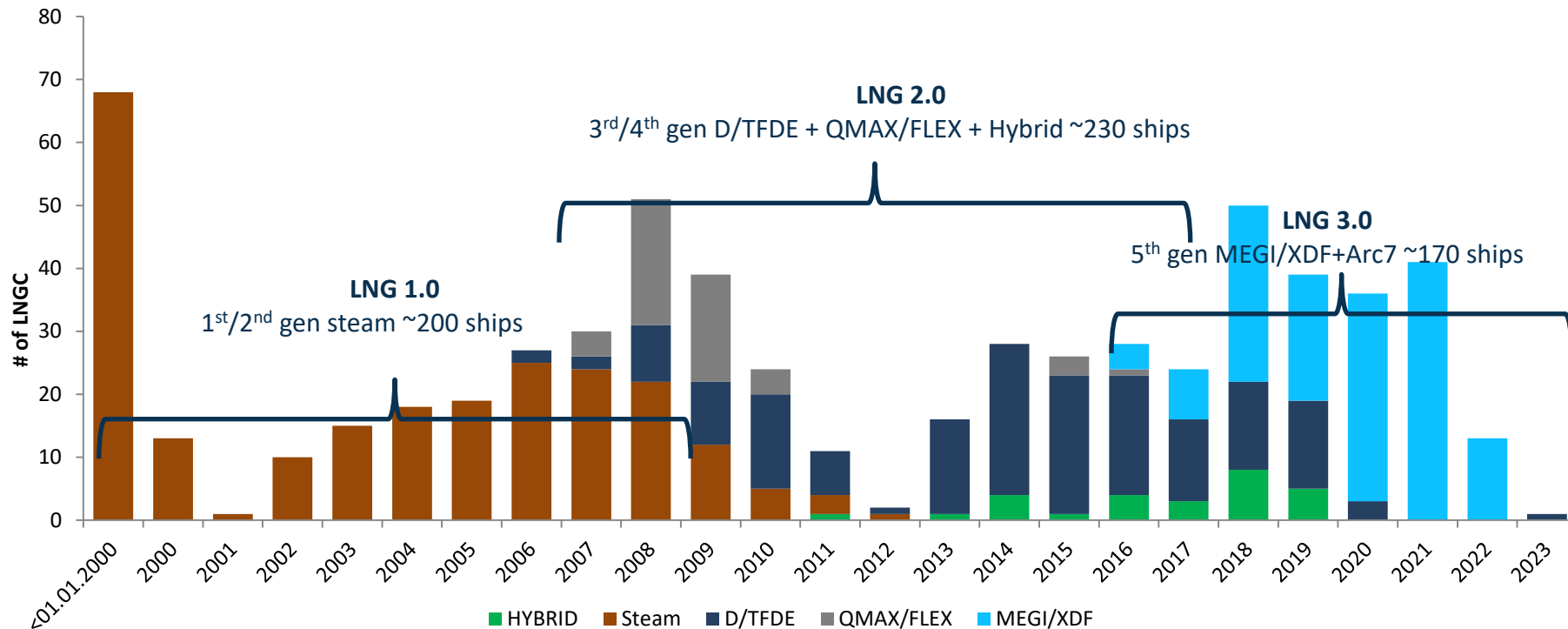
“LNG 3.0” : 2020: $\approx 400\text{MMtpa}$



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



LNG 3.0: THE GRANULAR VIEW

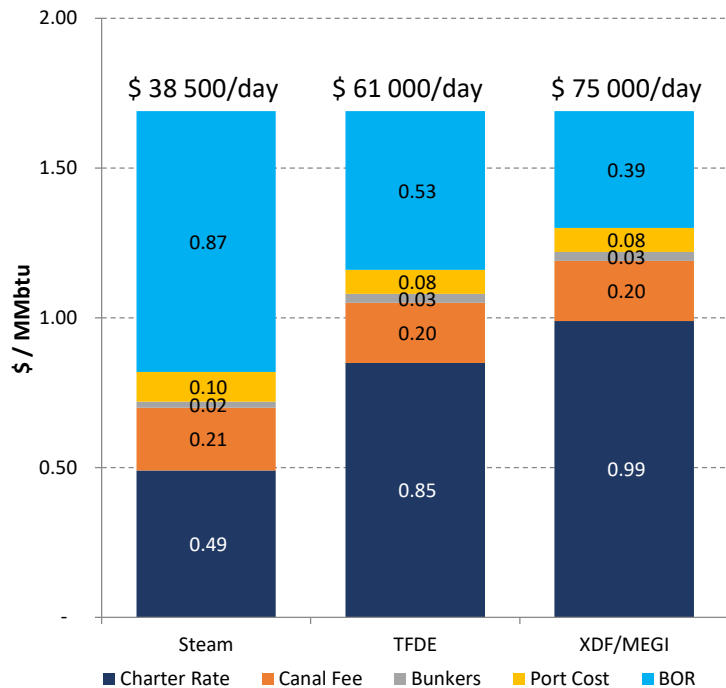


- Older steam tonnage becoming increasingly obsolete both commercially and economically, but also environmentally

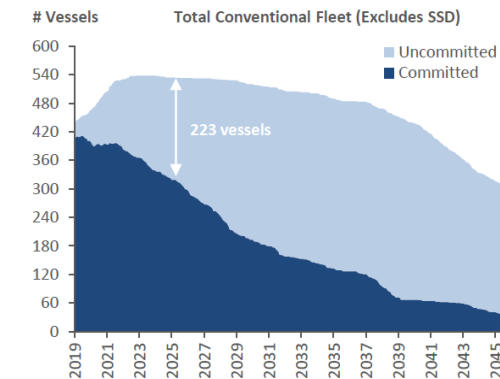
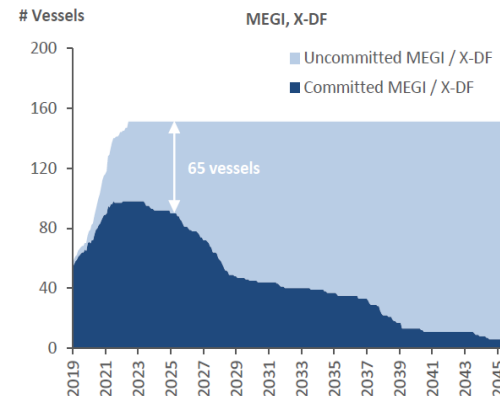
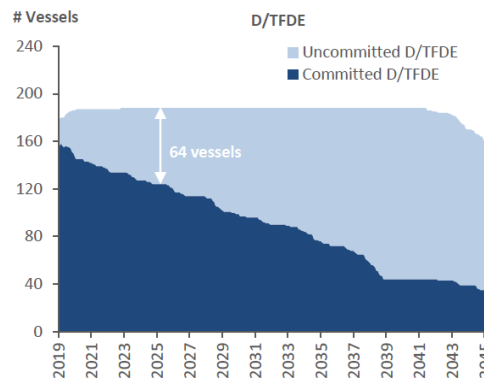
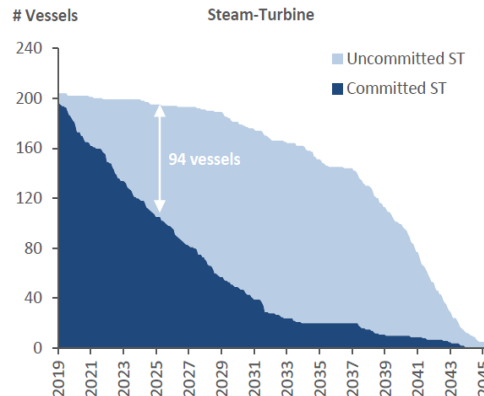
CONTRACT ROLL-OFFS WILL CREATE TERM OPPORTUNITIES



Unit Transportation Cost @ \$ 8 / MMBtu



Less Boil-off rate (BOR) means higher Charter Rate



BRAND NEW STATE-OF-THE-ART FLEET



High Pressure

ME-GI



Ranger (2018)



Rainbow (2018)

Initial Flex LNG vessels
\$210M equity
\$257.5m debt raised

ME-GI with Partial Reliquefaction System



Endeavour (2018)



Enterprise (2018)



Constellation (2019)



Courageous (2019)

Acquired in 2017:
\$329m equity issued
\$550m debt raised

ME-GI with Full Reliquefaction System



Reliance (2020)



Resolute (2020)



Freedom (2020)

Acquired in 2018:
\$300m equity issued
In process of securing debt financing for 2020 newbuildings

Low pressure

X-DF



Aurora (2020)



Amber (2020)



Volunteer (2021)



Vigilant (2021)

ATTRACTIVE LONG-TERM FINANCING SECURED



Endeavour/Enterprise - \$300m Sale and Charterback

- 10-year sale and charterback transaction maturing July 2029
- Both vessels closed end July 2019
- All-in cost of ~6% p.a.
- 20 year annuity style repayment profile (21.5 years age-adjusted)

Constellation/Courageous - \$250m Term Loan Facility

- Five-year bank facility maturing August 2024
- First vessel closed June 2019, second scheduled August 2019
- Interest at LIBOR + 2.35% p.a.
- 20 year repayment profile

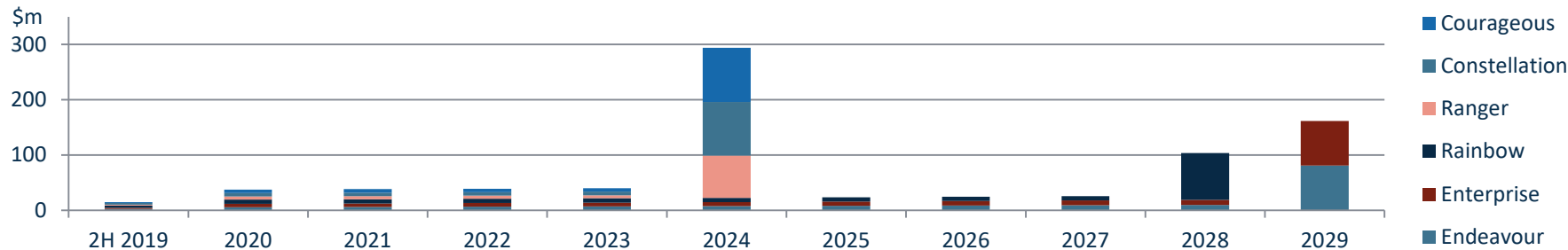
Rainbow - \$157.5m Sale and Leaseback

- 10-year sale and leaseback transaction maturing July 2028
- Closed July 2018
- Interest at LIBOR + 3.50% p.a.
- 20 year repayment profile

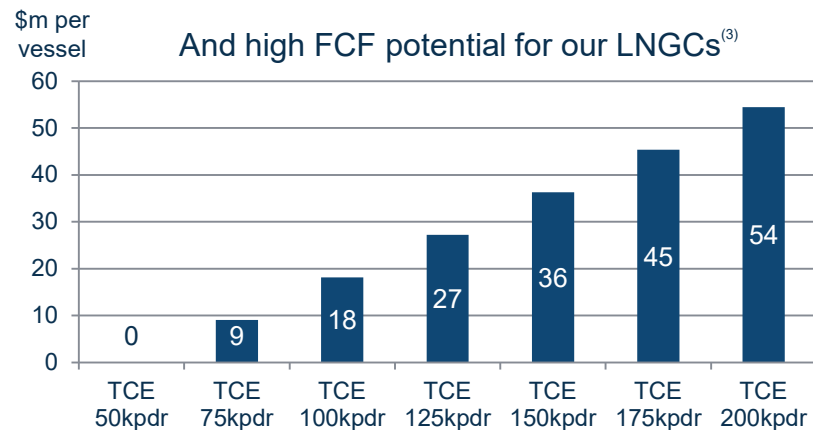
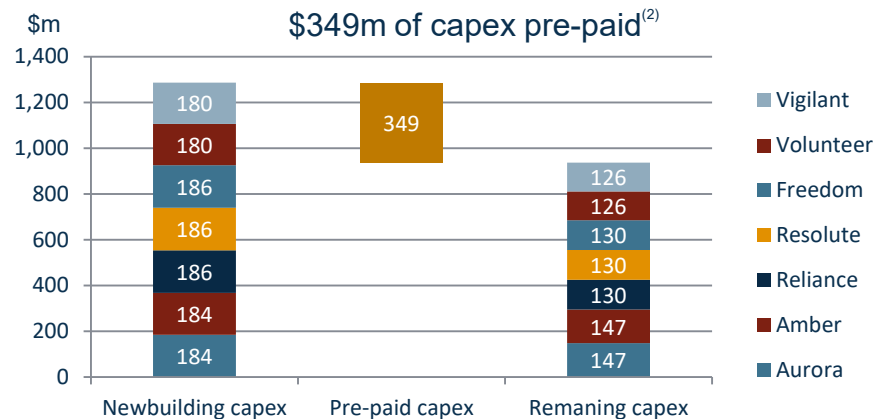
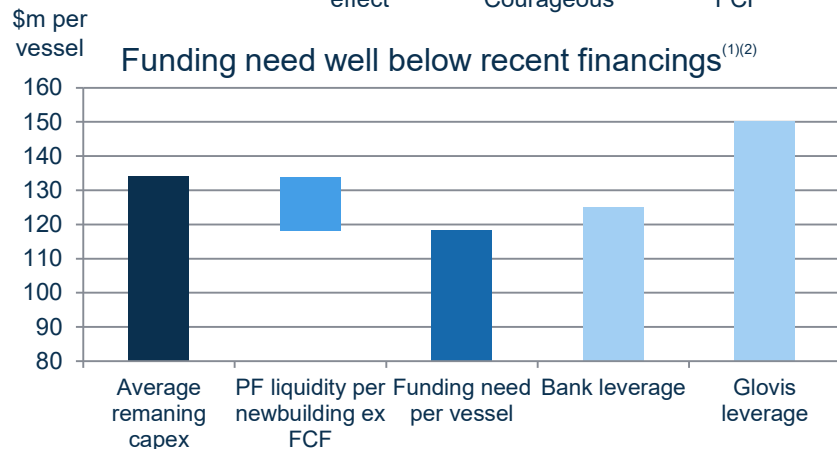
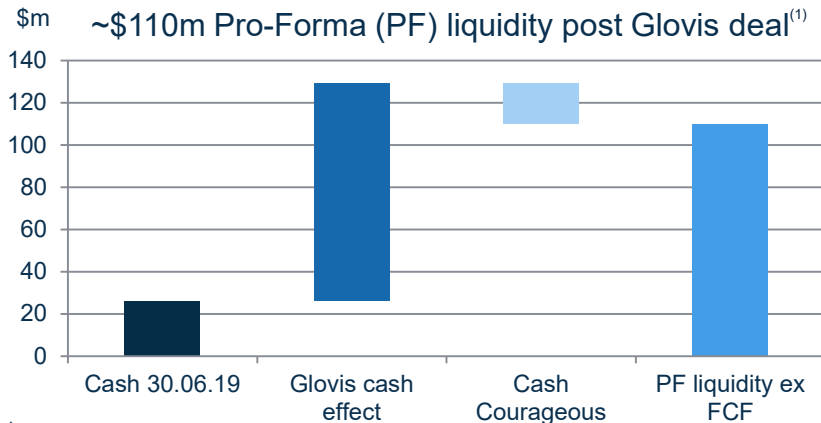
Ranger - \$100m Term Loan and Revolving Credit Facility

- Five-year bank facility maturing July 2024
- Closed July 2019
- Interest at LIBOR + 2.25% p.a.
- 17.9 year repayment profile (19 years age-adjusted)

Amortization Schedule



WELL CAPITALIZED FOR REMAINING NEWBUILDINGS

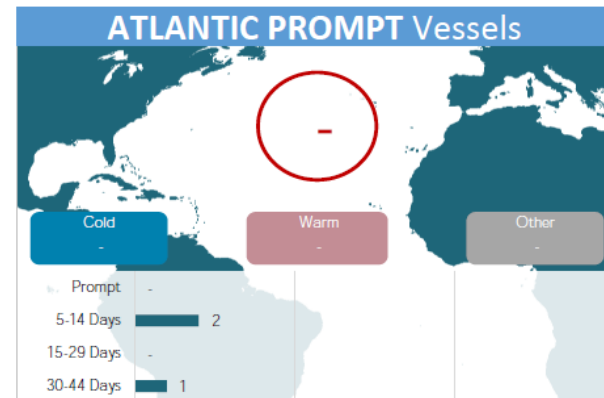
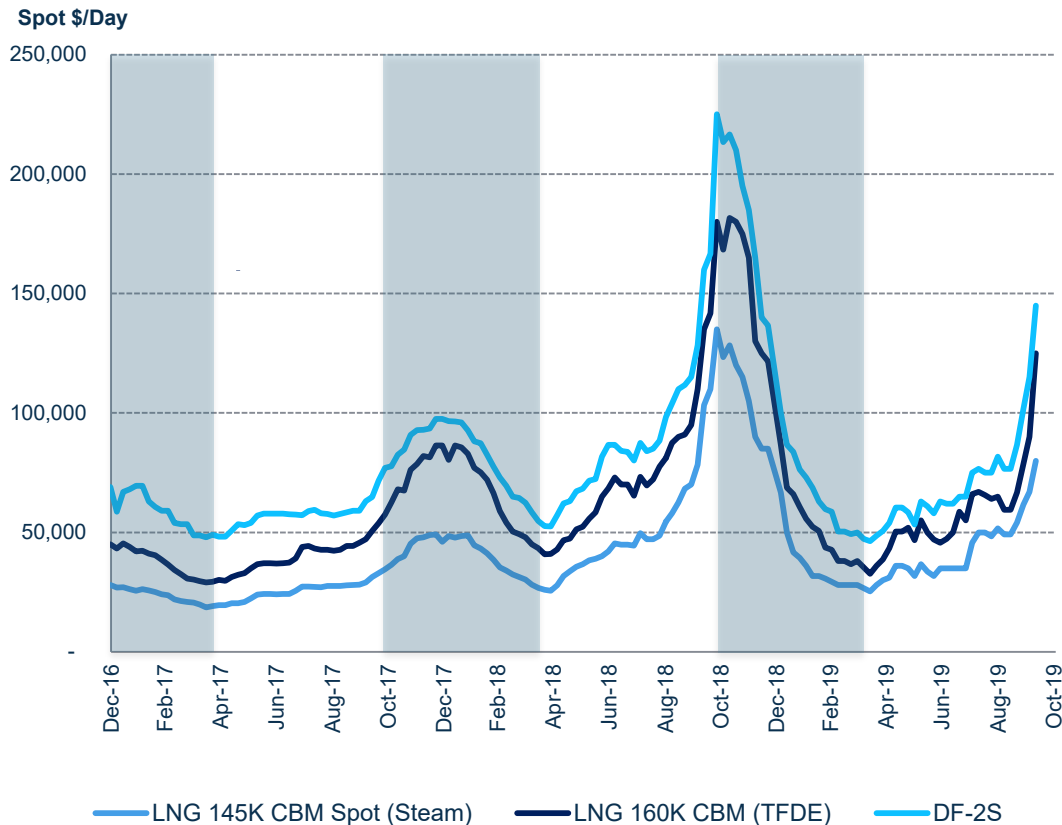


(1) Excluding \$270m revolving credit facility

(2) Excluding newbuilding delivering in 2019

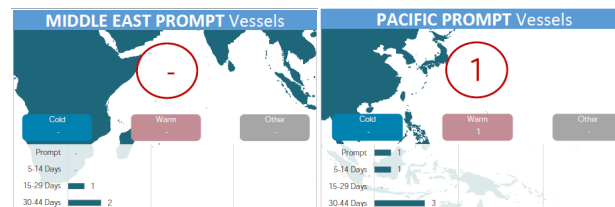
(3) Assumes cash breakeven level of \$50,000 per vessel per day

FREIGHT MARKET FIRMING UP AHEAD OF WINTER SEASON



DAILY RATES (\$)

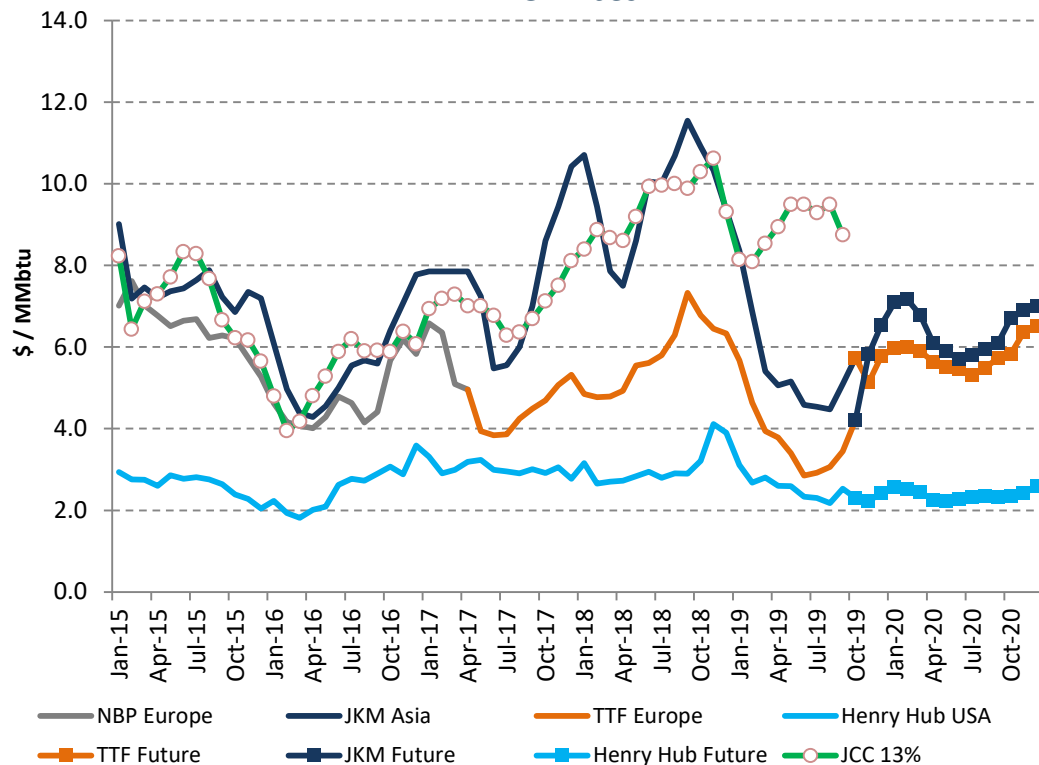
	Atlantic	Middle East	Pacific
174 cbm 2-Stroke	145,000 +26%	145,000 +26%	145,000 +26%
160 cbm TFDE	125,000 +39%	125,000 +39%	125,000 +39%
145 cbm ST	80,000 +19%	80,000 +19%	80,000 +19%
Ballast Bonus	RT + POS	RT + POS	RT + POS
Sentiment Short	Bullish	Bullish	Bullish



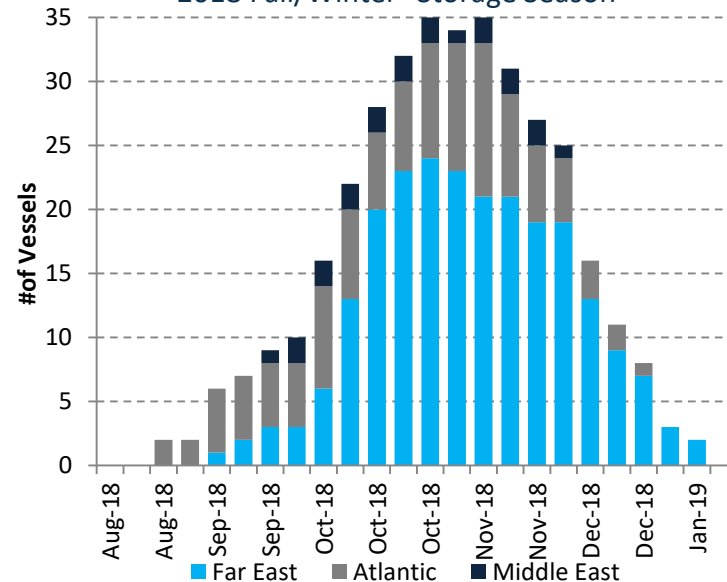
CONTANGO FOR TWO-STROKE



LNG Prices



2018 Fall/Winter "Storage Season"



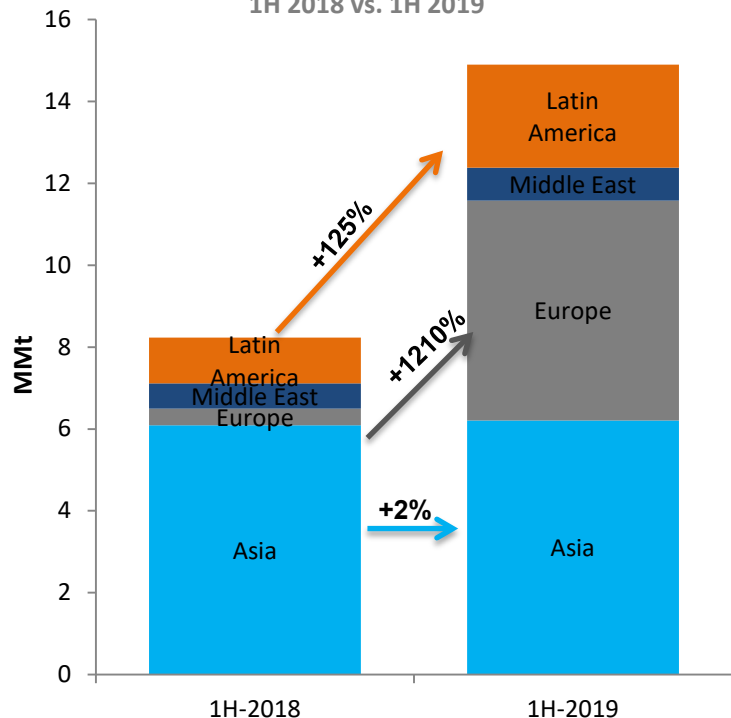
19 Vessels reported on storage currently according to Kpler - Oct 11, 19

US EXPORTS SAILED SHORTER RECENTLY



US Exports by Region

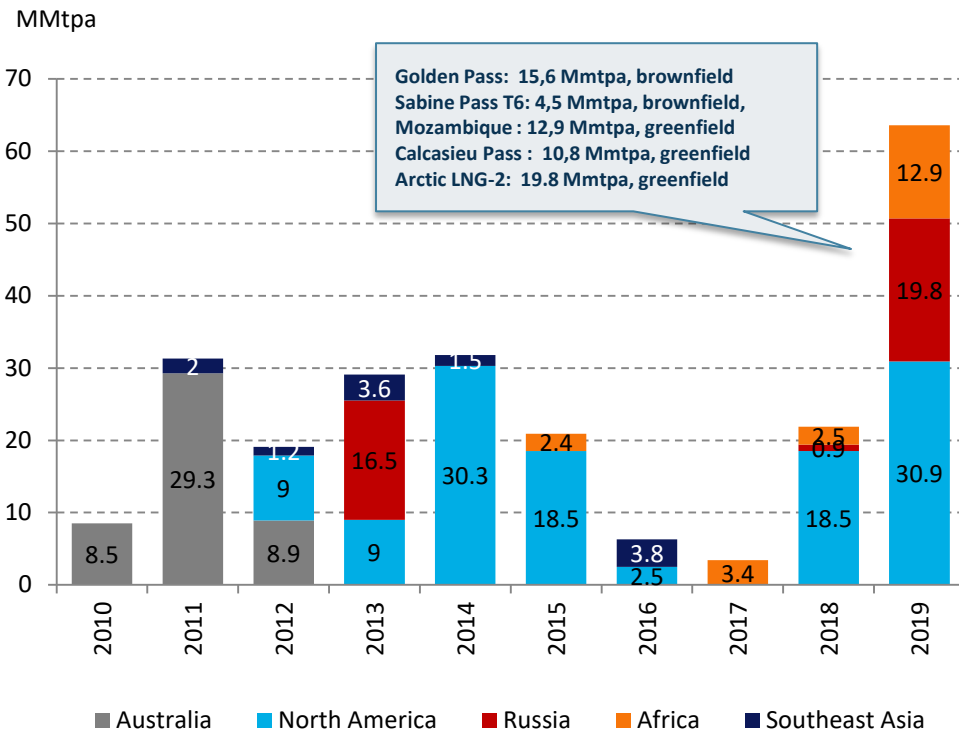
1H 2018 vs. 1H 2019



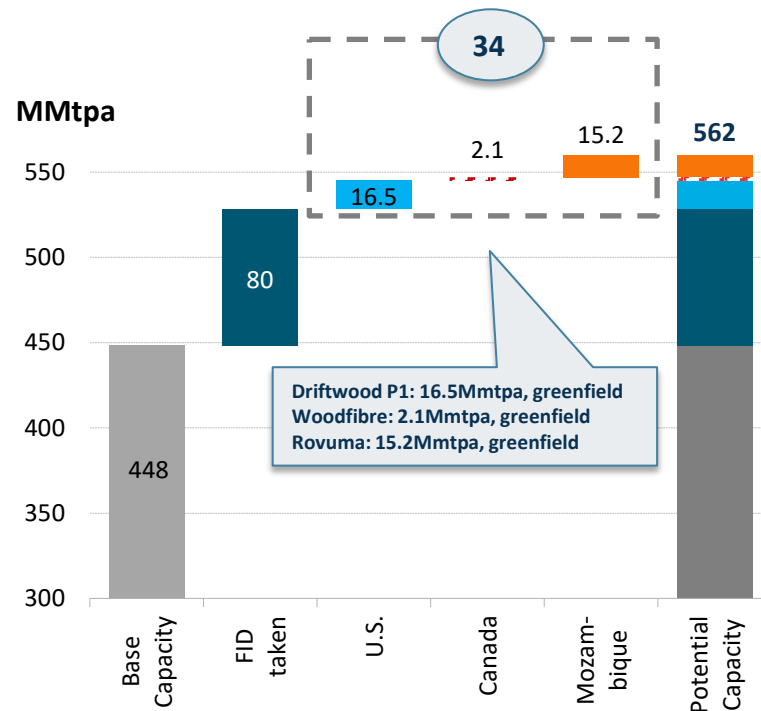
Current trading pattern affects vessel multiplier



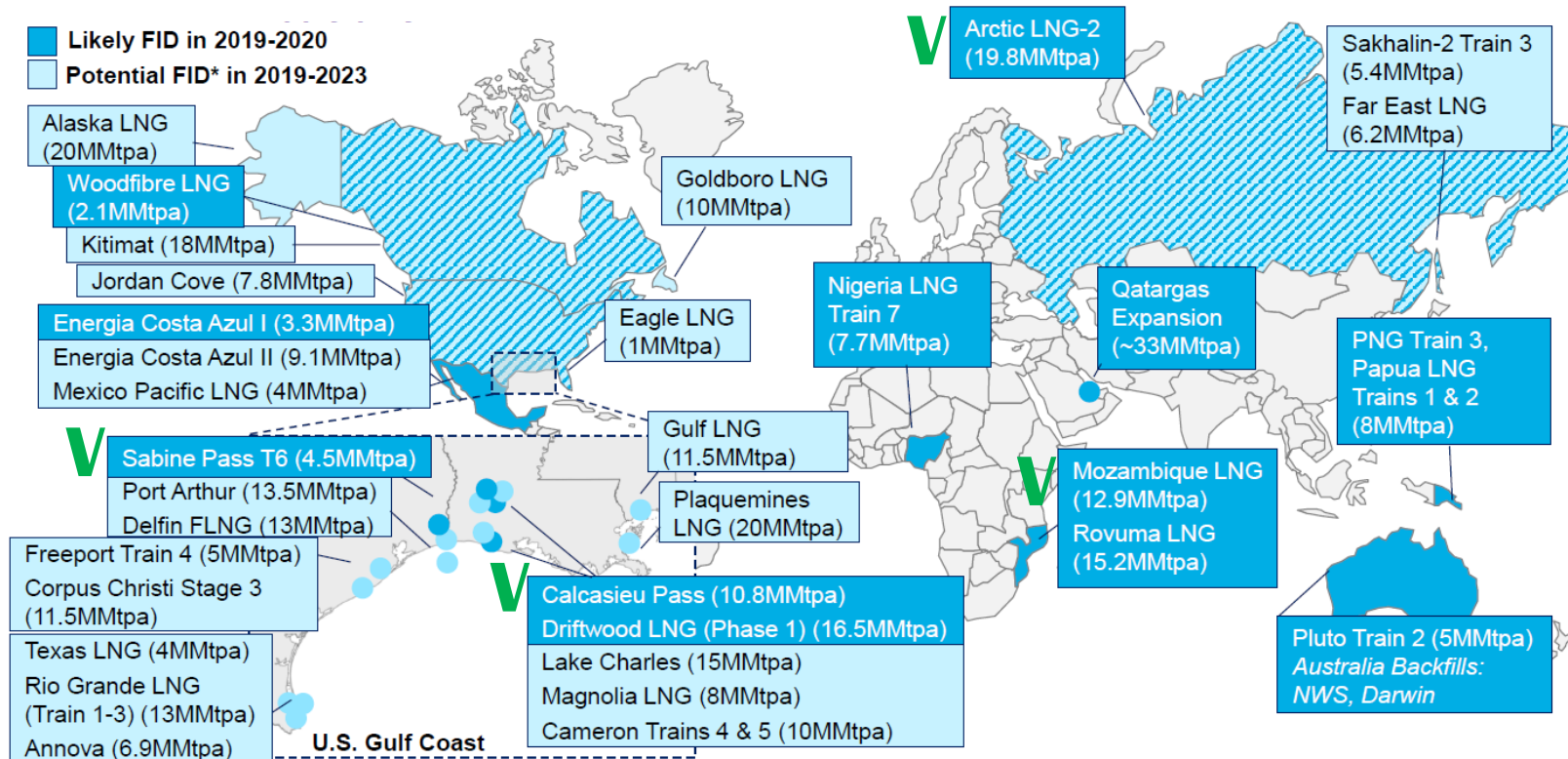
FID'S IN 2019 EXPECTED TO APPROACH ~100MMTPA



LNG Capacity to FID by location



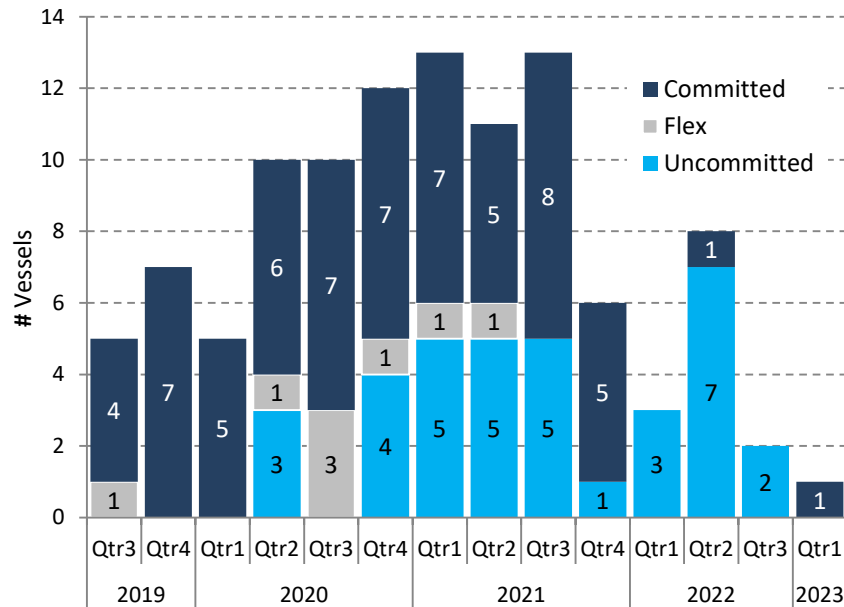
POTENTIAL LNG UPSTREAM PROJECT FID'S 2019-23



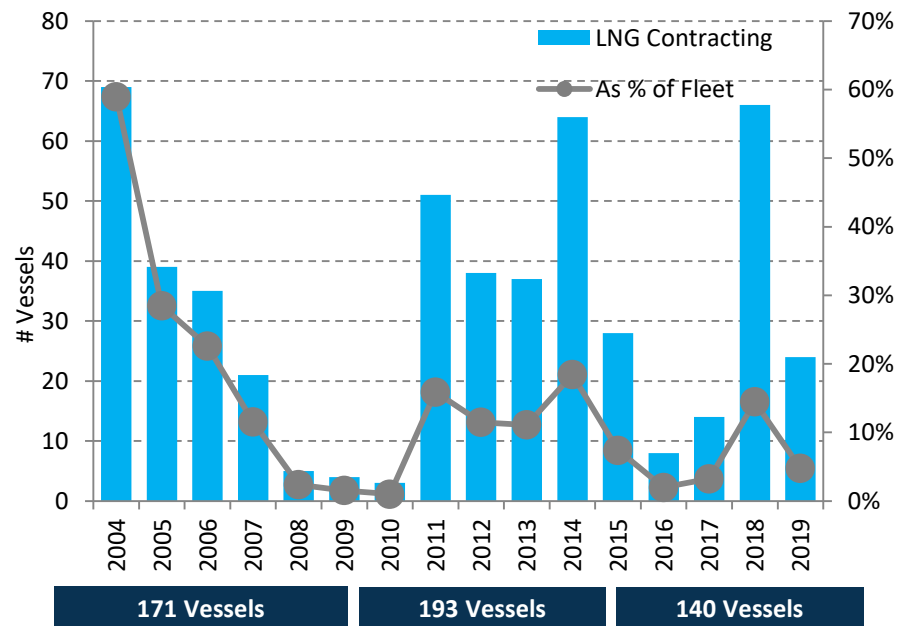
COMPETITIVE NEWBUILDING SLOTS



Order book for large LNG carriers



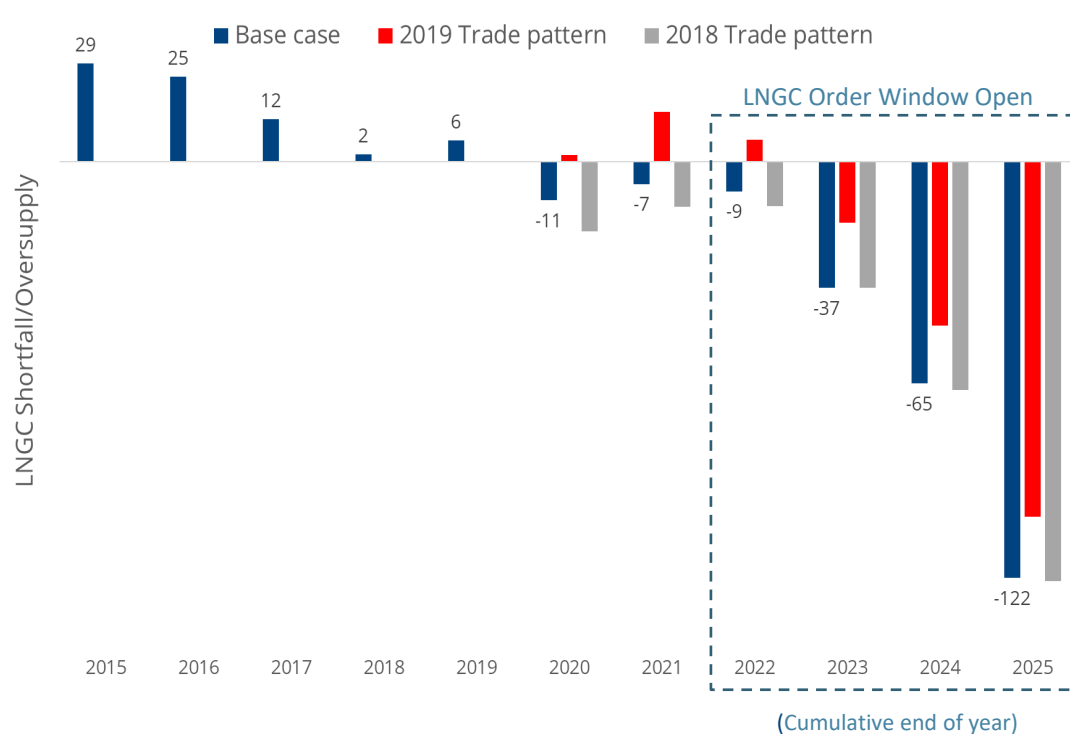
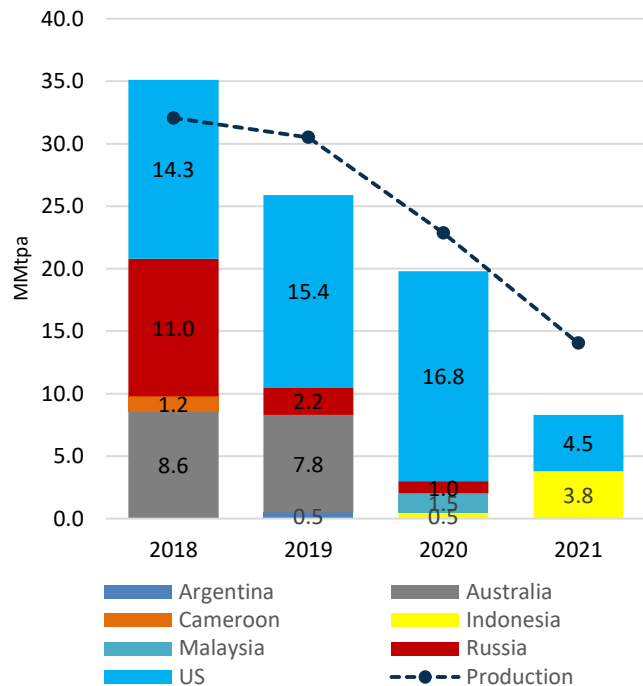
Evolution of LNGC Contracting



CARRIER MARKET TO BECOME INCREASINGLY TIGHTER



New nameplate Capacity



HOW WILL THE WINTER MARKET PLAY OUT ?



- Hard winter Europe & Asia (high demand)
- Mild winter US (low HH price and higher spreads)
- US / China trade conflict ends (sentiment, FDIs, cargoes)
- Ukraine / Russia pipeline transit negotiations fail (call on LNG)
- Higher oil/coal prices (LNG more competitive)
- Mild winter Europe & Asia (less demand)
- Hard winter US (higher prices and lower spreads)
- Continued US / China dispute (continued uncertainty)
- Ukraine / Russia pipeline transit negotiations settled (less call on LNG)
- Low oil/coal prices (LNG less competitive)

INVESTEMENT HIGHLIGHTS



- Natural gas is the only hydrocarbon with projected long-term growth and LNG expected to grow ~3x faster than natural gas
- This will give a very supportive trend line growth for LNG transportation
- Technology shift for ships means a lot of existing ships are inefficient
- Flex LNG is well positioned with a fleet of 13 state-of-the-art LNG carriers
- Strong capitalization, liquidity position and track record on raising attractive financing





FLEX LNG



Appendix



INCOME STATEMENT



<i>Unaudited Figures in thousand of \$</i>	YTD Jun 30, 2019	2018
Vessel operating revenues	38 159	77 209
Voyage expenses	-4 902	-5 177
Vessel operating costs	-9 691	-20 984
Administrative expenses	-3 370	-4 639
Depreciation	-12 224	-17 412
Operating income/(loss)	7 972	28 997
Finance income	460	607
Interest expense	-13 354	-17 781
(Loss)/gain on derivatives	-2 229	-
Other financial items	-206	-54
(Loss)/income before tax	-7 357	11 769
Income tax credit/(expense)	-	10
Net (loss)/income	-7 357	11 779

- Average TCE of ~\$45kpdr
- Q3-19 booked at ~\$60kpdr
- Q4-19 expected to be considerably better

BALANCE SHEET



<i>Unaudited Figures in thousand of \$</i>	Jun 30, 2019	YE 2018
Assets		
Current assets		
Cash, restricted cash and cash equivalents	26 444	55 097
Other current assets	9 899	5 328
Total current assets	36 343	60 425
Non-current assets		
Vessels and equipment, net	982 459	812 478
Other fixed assets	5	11
Newbuildings	-	-
Vessel purchase prepayment	385 472	421 472
Total non-current assets	1 367 936	1 233 961
Total Assets	1 404 279	1 294 386
Liabilities and Equity		
Current liabilities		
Current portion of long-term debt	29 996	23 365
Other current liabilities	17 364	12 095
Total current liabilities	47 360	35 460
Non-current liabilities		
Long-term debt	536 762	431 602
Other non-current liabilities	1	-
Total non-current liabilities	536 763	431 602
Total liabilities	584 123	467 062
Total equity	820 156	827 324
Total Equity and Liabilities	1 404 279	1 294 386

- Five vessels on the water and eight newbuildings under construction as per June 30, 2019
- Increase in Vessels and equipment, net due to delivery of Flex Constellation in June
- Vessel purchase prepayments of \$385.5m relates to remaining eight newbuildings
- Total interest bearing debt of \$566.8m of which \$30.0m is due next 12 months
- Equity ratio of 58.4%

CASHFLOW



<i>Unaudited Figures in thousand of \$</i>	YTD Jun 30, 2019	2018
Net (loss)/income	-7 357	11 779
Working capital adjustments	-1 559	6 523
Other non-cash items	14 714	17 412
Net cash flow from operating activities	5 798	35 714
Newbuilding capex	-146 199	-232 469
Vessel purchase prepayments	-	-349 000
Capitalized interest		-2 964
Net cash flow used in investing activities	-146 199	-584 433
Net proceeds from issuance of shares	-	295 311
Proceeds from long term debt	123 537	584 613
Repayment of long term debt	-11 811	-286 069
Other	22	
Net cash flow from financing activities	111 748	593 855
Net cash flow	-28 653	45 136
Cash balance at the beginning of period	55 097	9 961
Cash balance at the end of period	26 444	55 097

- Net cashflow from operating activities of \$9.4m.
- Final payment of \$146.2m on delivery of Flex Constellation, with corresponding drawdown of \$123.5m (net) under related financing.
- Solid liquidity situation
 - \$26.4m cash per quarter end
 - \$270m freely available under Sterna RCF
 - ~\$103m in net proceeds from sale and charterback transaction with Hyundai Glovis post quarter end



FLEX LNG

www.flexlng.com