

Flex LNG Ltd.

5 December 2014

Att: Board of Directors  
Craigmuir Chambers  
P.O. Box 71, Road Town, Tortola  
British Virgin Islands

**Fairness opinion - offer by Geveran Trading Co Ltd**

Dear Members of the board,

You have requested our opinion as to the fairness, from a financial point of view, of the mandatory offer for all outstanding shares in Flex LNG Ltd. ("FLNG") launched by Geveran Trading Co Ltd ("Geveran") 19 November 2014. According to the offer document dated 19 November 2014 the offer price is NOK 8.00 per share, with cash payment guaranteed by Nordea.

Arctic Securities AS, as part of its investment banking business, is continually engaged in performing financial analyses with respect to businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other transactions as well as for estate, corporate and other purposes.

We were retained as financial and strategic advisors to FLNG on 11 June 2012. We will receive fees for providing this opinion that are independent of the outcome of the transaction and independent of the content of this opinion. We may also provide investment banking services to FLNG in the future and for such services receive fee from FLNG, or companies related to this transaction.

Arctic Securities AS is a full service securities firm engaged in securities trading, investment management, risk management, hedging, financing and brokerage activities for both companies and individuals. In the ordinary course of these activities, Arctic Securities AS may provide such services to FLNG, may actively trade the debt and equity securities (or related derivative securities) of FLNG for its own account and for the accounts of its customers and may at any time hold long and short positions of such securities.

In connection with this opinion, we have reviewed, among other things, the offer document, annual and quarterly reports to stockholders, including without limitation the 3<sup>rd</sup> quarter 2014 report, certain broker reports, certain internal financial analyses and forecasts for the financial

performance of FLNG, including cash flow forecasts for the period until delivery of FLNG's newbuilds prepared by the management of FLNG as of November 2014 (the "Forecasts"). In addition, we have reviewed the reported price and trading activity for the shares, compared certain financial and stock market information for FLNG with similar information for other relevant companies and performed other studies and analyses we have considered appropriate.

We have with your consent relied upon and assumed, without independent verification, the accuracy and completeness of all financial, accounting, legal, tax and other information reviewed by us, which is publicly available or which has been furnished to us by FLNG or was otherwise reviewed by us. We have assumed such accuracy and completeness for purposes of rendering this opinion and we do not assume any responsibility or liability therefore. In that regard, and without limiting the generality of the foregoing, we have assumed with your consent that the Forecasts have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of FLNG.

Our opinion does not express any opinion as to the prices at which the shares in FLNG will trade at any time. According to Norwegian legislation, the Board of Directors is required to provide the holders of the shares in FLNG with a statement regarding the offer. Our advisory services and the opinion expressed herein are provided for the information and assistance of the Board of Directors of FLNG in connection with its statement. Our opinion does not constitute a recommendation as to whether any holder of shares in FLNG should accept or not accept the offer.

There are fundamental valuation methodologies that point to a value range exceeding the offer price of NOK 8.00 per share. Such valuation ranges are based on certain assumptions, risk assessments, return requirements and forecasts which historically have been volatile and could differ between investors. The offer price is at a premium to the trading price of the FLNG share prior to the transaction triggering the offer, and is above the observed trading price of the FLNG share in the market following announcement of the offer. Low liquidity and free float, combined with a major shareholder's potential future controlling position will also widen the fair value range.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the offer price, pursuant to the offer, of NOK 8.00 per share is at the bottom end of what we see as a fair value range of FLNG from a financial point of view to the holders of shares in FLNG, and that fundamental valuation methodologies could indicate a higher value. We do not hereby express any opinion or any recommendation as to whether or not the shareholders in FLNG should accept the offer.

As further accounted for in our presentation to the Board of Directors of FLNG provided on 5 December 2014, there are a number of factors that in our view, in addition to a pure financial analysis of the offer, the Board of Directors should take into account as basis for its statement regarding the offer.

This opinion is addressed solely to the Board of Directors of FLNG and may not, without our prior written consent be invoked or used for any other purpose. Any disclosure of, or reference to, this opinion, and the form and contents thereof, shall be subject to our prior written acceptance.

Yours sincerely,

On behalf of Arctic Securities AS

Fridtjof Berents  
Head of Corporate Finance