Third Quarter 2017 Presentation

21 November 2017

FLEX LNG

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Table of contents

01

Business Update

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Business Update

Highlights for Third Quarter 2017

Financing secured for newbuildings with delivery H1-2018

- Firm $315m secured term loan facility agreed for three first LNGCs
- Provides balance sheet and operational flexibility with features that allow for pledged vessels to be swapped, tranche added for additional vessel and facility to be upsized (up to $120m) in the event long term employment is secured for a vessel.

Newbuilding program progressing according to schedule

- FLEX LNG has six 174,000 cbm MEGI* newbuildings under construction at DSME and SHI for delivery in 2018 and 2019
- MEGI propulsion has ~30% lower fuel consumption than Tri-Fuel Diesel Electric (TFDE) vessels

Improved LNG shipping market

- Increased activity in spot market with tighter LNGC supply and considerable higher rates
- Combination of new LNG supply on-line, buoyant demand for LNG and high arbitrage spread to Asia lead to higher market activity
- FLEX LNG has extended options on two chartered-in vessels and secured profitable employment for the majority of the charter periods

FLEX LNG is opportunistically pursuing FSRU projects

- Projects will be based on concrete tangible projects with considerable backlog and FLEX LNG has a highly experienced commercial and technical team to succeed in the FSRU market

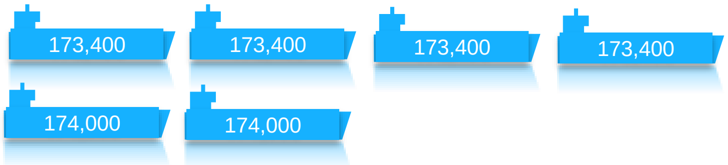
FLEX ENDEAVOUR: Sea Trials

*MEGI = M-type, Electronically Controlled, Gas Injection

FLEX LNGC Fleet Development

Owned Fleet

6



- 6 LNG MEGI vessels on order
- Under contruction at DSME and SHI in Korea
- Delivering Q1-Q3 2018, Q2-Q3 2019

Chartered-in Vessels

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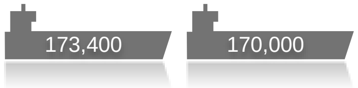
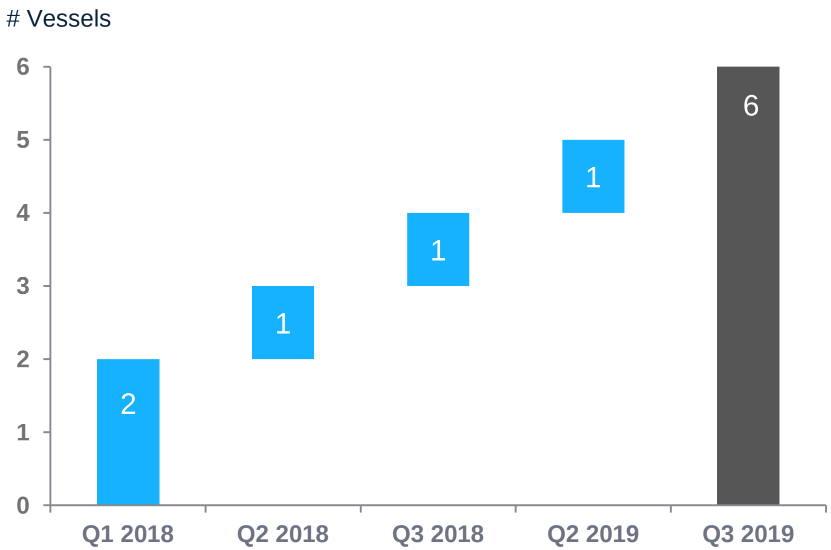


- 4 chartered-in TFDEs for 6 months period from Mar-17
- 2 vsls redelivered Sep; 2 vessels extended until Mar-18
- Building market presence, operational experience, and relationships with key LNG charterers

Owned Fleet Deliveries



LNG Market Update

Spot market activity continues to grow as new supply with destination flexibillity enters the market

- Spot Market began recovering in Q3 2017 as several vessels were chartered for multi-month periods
- LNG price differentials widened between Asia and Europe prompting more West–to-East trades

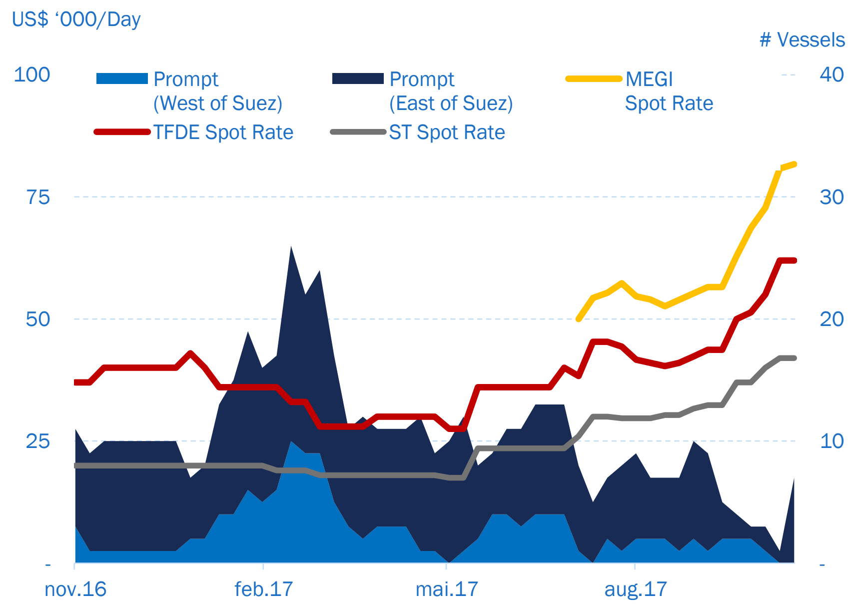
Over 100 mtpa of new LNG supply scheduled to come online over the next three years

- More LNG supply coming to market from US vs. Australia which increases tonne-mile demand

Only 10 uncommitted LNGC available in the order book

- New MEGI and XDF LNGCs are 30% more efficient than existing Tri-Fuel tonnage which will lead to a three tiered spot market

LNGc Spot Rates and Prompt Vessel Availability



Sources: FLEX LNG, Affinity

02

Financial update

Flexible financing secured

Flex LNG is pleased to announce firm offer for the financing of the three first LNGC

Flexible financing for playing the recovery cycle in LNGC market

- No requirement for fixed employment of vessels
- No financial covenants linked to earnings of vessels
  - Financial covenants linked to book equity >25% and minimum free cash > $ 15m and 5% NIBD

Total firm loan commitment of $315m, $105m tranche per vessel

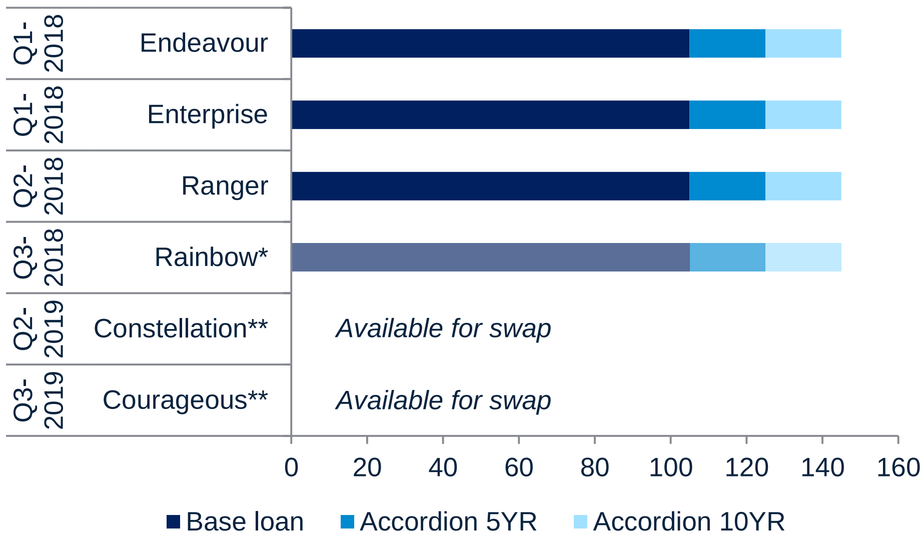
- Subject to bank approval, contain certain flexible features:
  - Up to $120m accordion, $20m or $ 40m per vessel in the event of > 5 yr or > 10 yr TCP respectively
  - Option to add fourth loan tranche for Rainbow
  - Option to swap tranche(s) to other newbuildings to avoid unnecessary refinancing costs

Attractive terms and conditions

- Interest of Libor+285bps
- Loan tenor of approx. 5.4 years (5yr from delivery of Ranger)
- Loan profile of about 18 years (skewed), but 20 years profile first two years which gives cash break-even of about $ ≈40k

Minimal remaining financing risk

- Sterna undertakes to keep $270m facility in place until 12 months after delivery of Courageous and thereafter facility will remain $30m

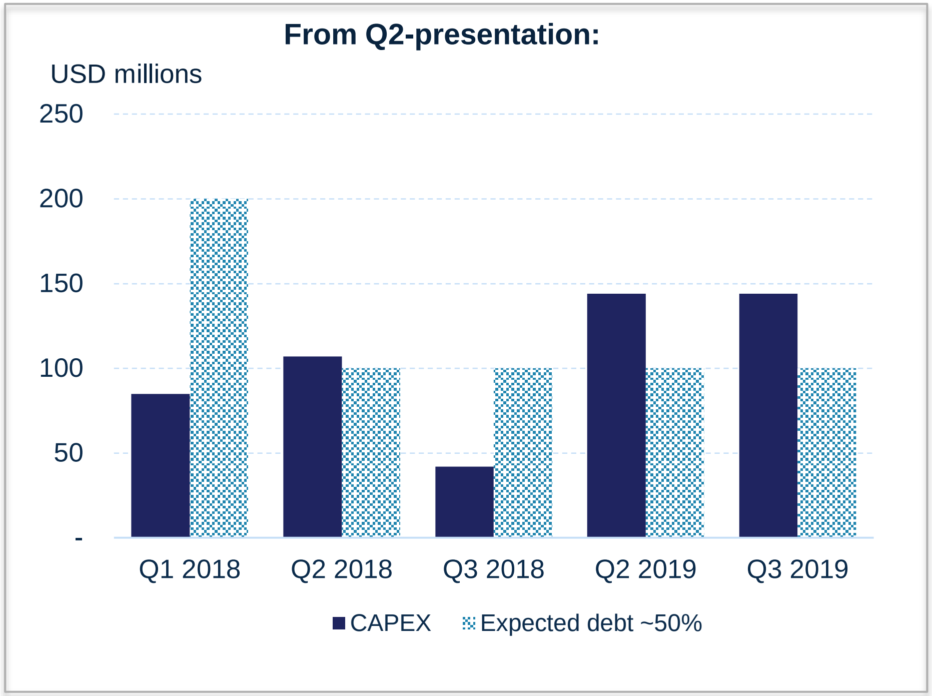


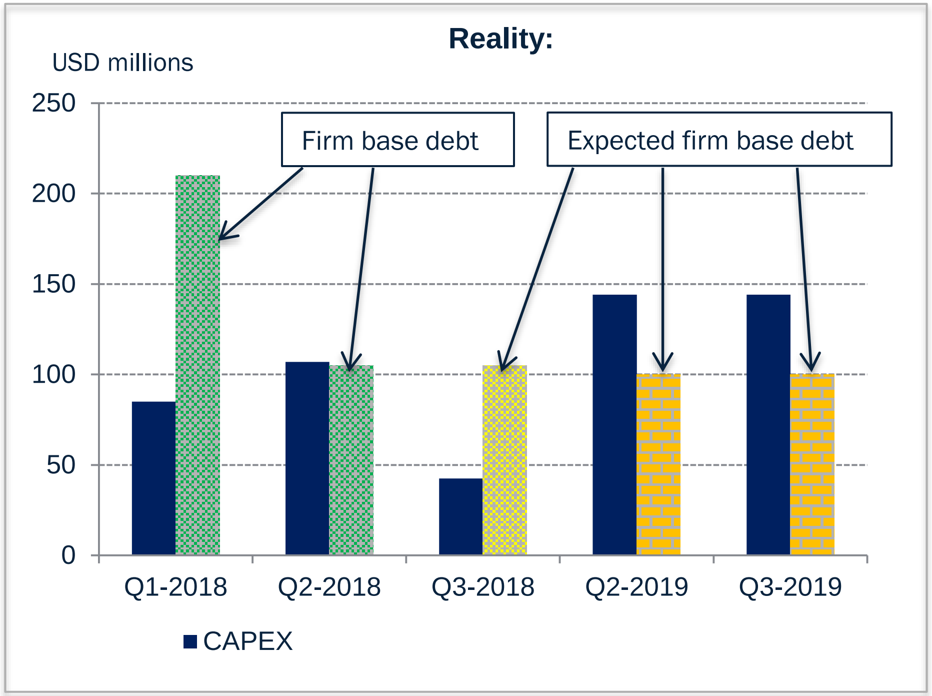
Subject bank approval:
*Option to increase facility with Rainbow
** Option to swap loans to Rainbow/Constellation/Courageous

Financing is subject to the execution of definitive documentation and satisfaction of customary closing conditions

From Desktop to Reality

CAPEX Schedule as of 30 September 2017





- Remaining Capex of $ 522m for the six LNGC, of which $ 234m in 2018
- Secured $ 315m for first three LNGC with delivery in H1-2018
  - Accordion option for up to $120m additional leverage on these vessels subject to bank approval
  - Swap mechanism allow loans to be utilized for Rainbow, Constellation and/or Courageous in the event of refinancing possibilities
- Option to add tranche for fourth vessel (Rainbow) subject to bank approval
- Sterna RCF (affiliate of Geveran) of $270m will remain in place until twelve months following delivery of the last vessel (Courageous)

Income Statement

Income Statement as of 30 September 2017

Unaudited Figures in USD, 000	Q3 2017	Q2 2017	YTD 2017	YTD 2016
Voyage revenues	9 758	8 012	19 469	0
Voyage related costs	-12 985	-14 444	-30 729	0
Administrative expenses	-848	-996	-2 596	-1 431
Operating Loss before Depreciation	**-4 075**	**-7 428**	**-13 856**	**-1 431**
Depreciation	-1	0	-2	-2
Operating Loss	**-4 076**	**-7 428**	**-13 858**	**-1 433**
Finance income	40	57	97	8
Finance cost	0	0	-234	-200
Hedge gain	7	719	2 333	0
Loss before Tax	**-4 029**	**-6 652**	**-11 662**	**-1 625**
Income tax expense	-3	5	-12	-2
Net Loss	**-4 032**	**-6 657**	**-11 674**	**-1 627**

- TCE per day increased from $ 12.6k in Q2 to $ 22.5k in Q3
- Results expected to improve in Q4 due to redelivery of two vessels while remaining two vessels have been chartered-out at profitable spread
  - Expected Q4 TCE of ≈ $ 40k

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Balance Sheet

Balance Sheet as of 30 September 2017

Unaudited Figures in USD, 000	YTD 2017	YE 2016		YTD 2017	YE 2016
New building assets and capitalised costs	593 011	212 472	Share capital	3 680	1 279
Vessel purchase prepayment	72 000	0	Share premium	885 364	563 174
Plant and equipment	4	2	Other equity	-370 205	-358 511
Total non-current assets	665 015	212 474	Total equity	518 839	205 942
			Other financial liabilities	160 000	7 000
			Total non-current liabilities	160 000	7 000
Inventory	2 055	0			
Other current assets	4 757	220			
Cash and cash equivalents	11 881	1 439	Current liabilities	4 869	1 191
Total current assets	18 693	1 659	Total current liabilities	4 869	1 191
			Total liabilities	164 869	8 191
TOTAL ASSETS	**683 708**	**214 133**	**TOTAL EQUITY AND LIABILITIES**	**683 708**	**214 133**

- Well capitalized balance sheet with book equity of $ 519m giving equity ratio of 75 per cent
- Long-term loan $ 160m is drawings under Sterna $ 270m RCF (affiliate of Geveran)

03

Market Outlook

Strong Fixtures Activity, Improvement of TC Rates

Shipping Recovery Supported by New Supply, Winter Demand

Number of short-term fixtures rose in Q3 in the lead up to winter months

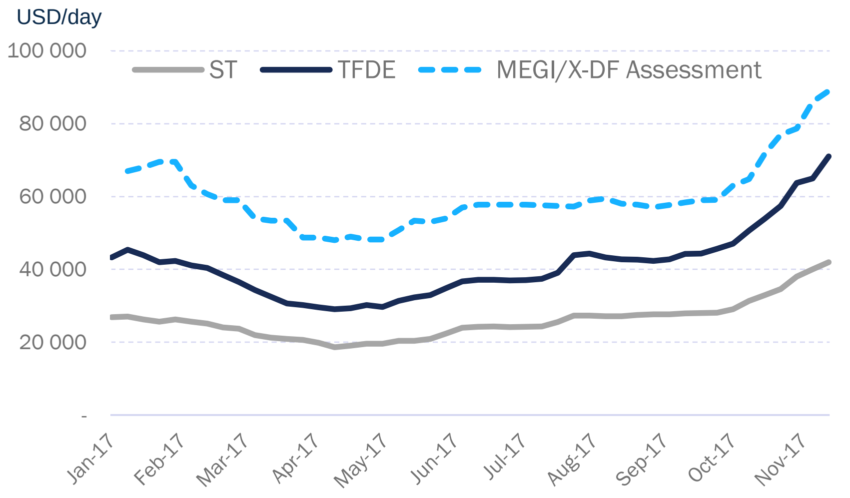
- Majors and portfolio players chartered in 10+ vessels on multi-month reducing significant length from the spot market
- Seasonal demand boost coupled with new LNG supply

As prompt vessel availability fell, TC rates started to rise sharply

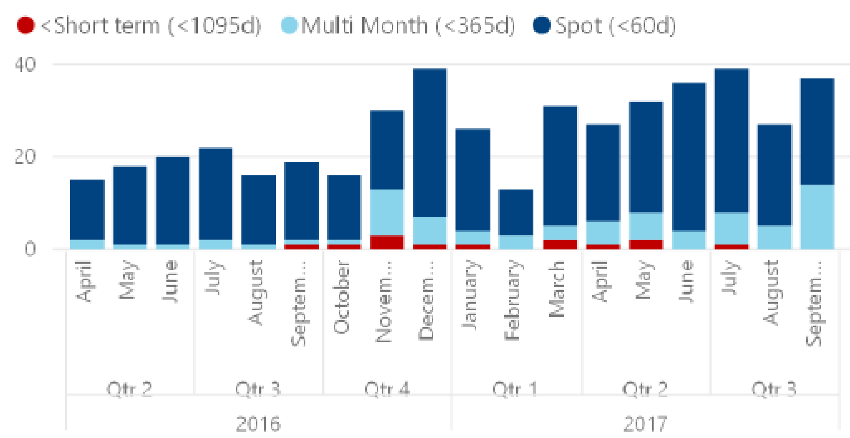
- Three-tiered market for charter rates will evolve as more MEGI ships hit the water

The remainder of Q4 is expected to continue to experience limited vessel availability in all three basins

LNG Spot Shipping Rates



By Term



Sources: FLEX LNG, Fearnleys

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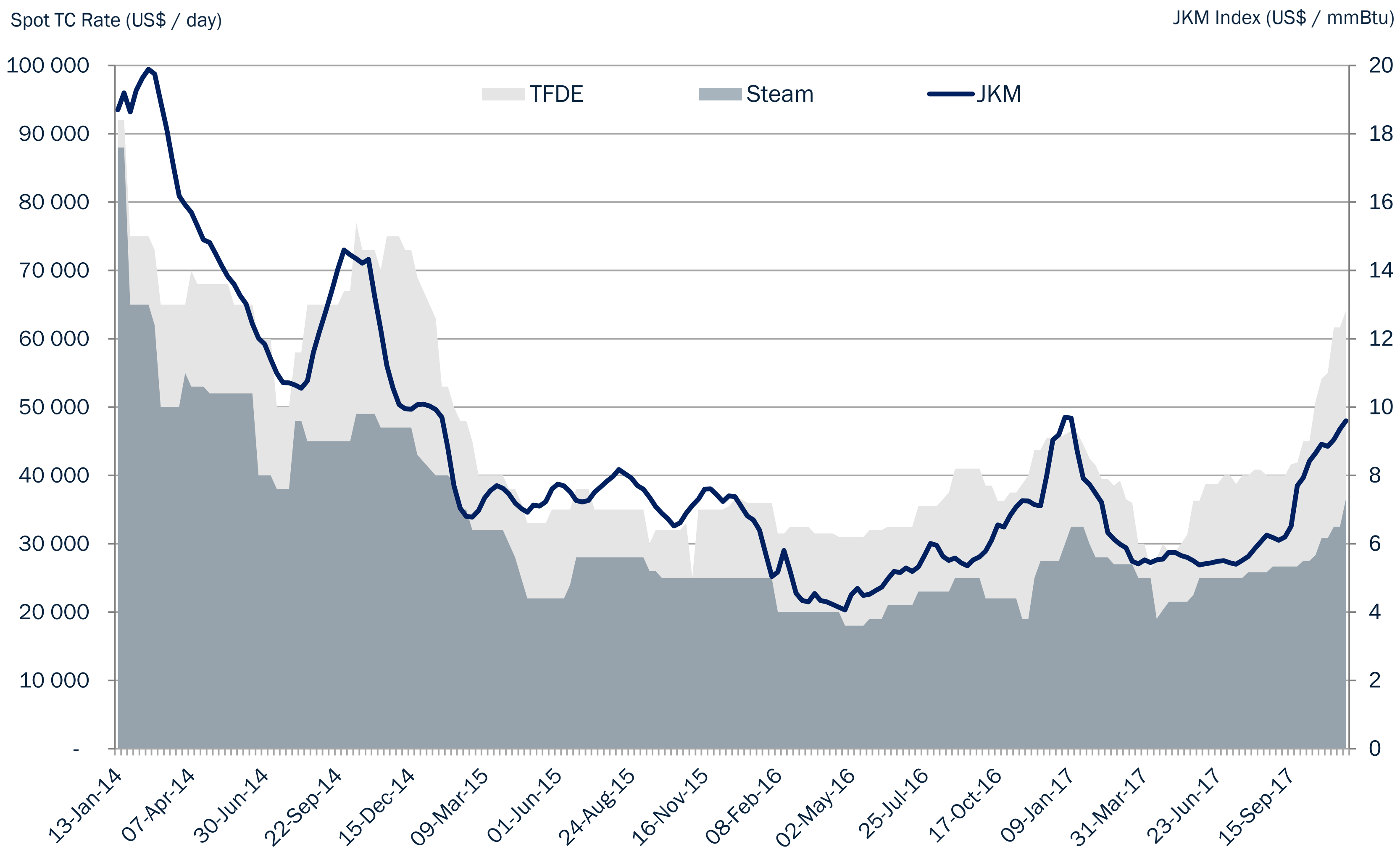
Correlation - LNG Import Prices vs. LNG Shipping Rates

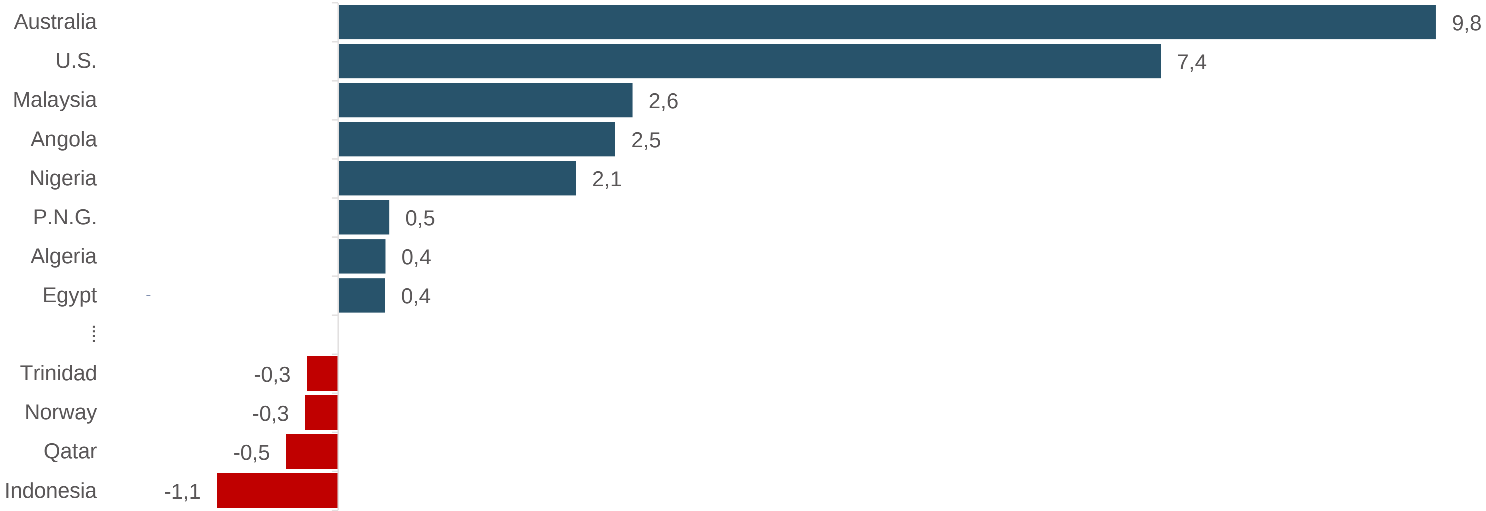


Source: SSY

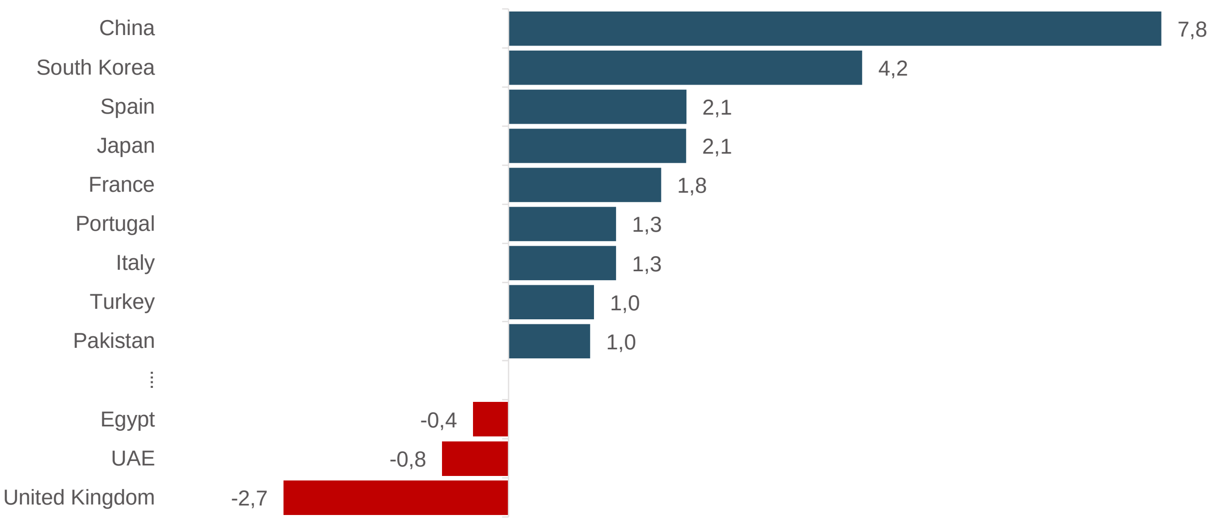
Australia, U.S. Tops New Exports, China's LNG Imports +43% YoY

In the first three quarters of 2017 ~218 mt of LNG were exported, up ~12% from the first three quarters of 2016

Incremental LNG Exports by Country, Q1-3 2017 vs Q1-3 2016 (million tons)



Incremental LNG Imports by Country, Q1-3 2017 vs Q1-3 2016 (million tons)



Sources: Reuters, Affinity LNG

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US Exports: Changing the LNG Market in Several Ways

LNG market is expanding rapidly; +24 mt YTD in 2017 vs 2016

- Australia and US production still growing, and for the US it is only the beginning (Only Sabine Pass operational; 5 additional plants under construction in the US)

Trading patterns from Sabine Pass indicate 1.7 vessels are required on average for each mtpa of LNG produced

- Global average: 1.3 vessels per mtpa;
- Australian projects: 0.75 vessels per mtpa

New US terminals prefer to sell large parcel sizes hence big ships are in high demand (170k+ cbm)

- Shortage of cool down slots at Sabine Pass is another aspect driving up demand for cold ships

Several trades have taken sub-optimal routes to market

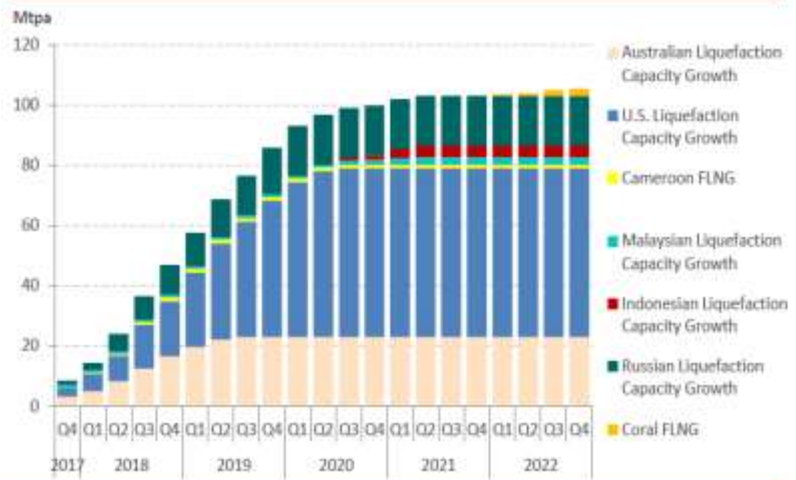
- Panama Canal fully booked until Oct 2018– only one LNG transit per day

Sabine Pass Cargoes Destinations

Country	# Cargos	Total Volume (Tonnes)	Ave Laden Duration (Days)	Equivalent # 160k m³ vessels Required Per MTPA
Argentina	11	723,448	22	1.74
Brazil	7	446,539	14	1.13
Chile	16	1,017,746	21	1.71
China	13	922,800	29	2.35
Dom. Republic	3	186,893	15	1.22
Egypt	3	184,530	23	1.84
India	8	559,105	29	2.32
Italy	3	208,843	18	1.46
Japan	12	873,031	30	2.40
Jordan	11	734,910	22	1.76
Kuwait	8	558,886	31	2.50
Lithuania	2	144,580	15	1.21
Malta	1	19,068	28	2.24
Mexico	42	3,080,453	11	0.92
Netherlands	1	61,042	18	1.43
Pakistan	1	66,627	27	2.15
Poland	1	69,571	16	1.31
Portugal	6	406,662	12	1.02
South Korea	17	1,203,277	31	2.47
Spain	8	495,191	14	1.16
Taiwan	1	57,745	36	2.82
Thailand	1	60,572	35	2.80
Turkey	7	481,636	17	1.37
UAE	5	352,256	28	2.25
United Kingdom	1	69,284	13	1.07
Totals	189	12,987,498	20.8	
Volume Weighted Vessel Multiplier				1.69

Source: Poten & Partners

Incremental Liquefaction Capacity Growth Q2 2017 – Q4 2020



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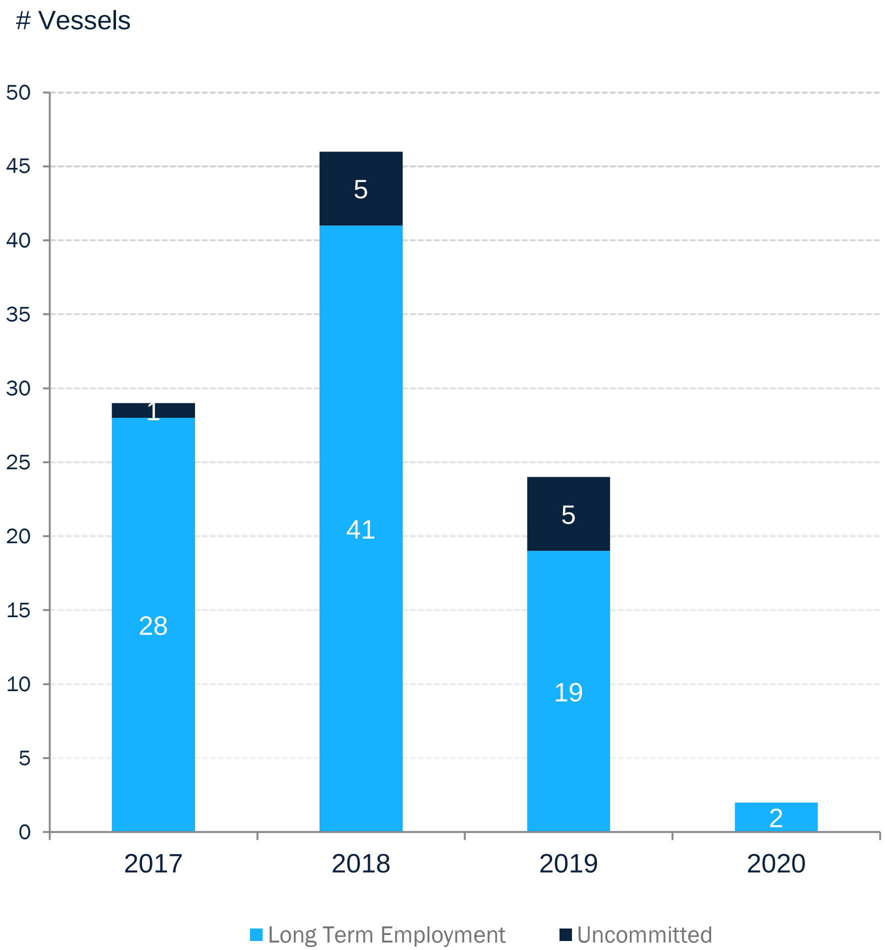
Right Ships at the Right Time

Only 10 open LNGCs out of 99 through 2020



Most of the vessels on the LNGc orderbook are committed to long term charters

- Currently, there are 99 LNGc under construction
- 90% of the LNGC newbuildings built by 2020 are committed for long term charters to dedicated projects or portfolios

FLEX LNG owns 6 out of the 10 open LNG newbuildings, four of which deliver in 2018 and two in 2019

- Limited ordering – only 13 LNGC newbuildings ordered since January 2016
- Ramp up of global LNG volumes is expected to drive strong demand for modern tonnage
    - Incremental LNGC demand 30-50 vessels by 2020
    - Most of the recent long-term charters have been MEGI or X-DF vessels

Source: FLEX LNG

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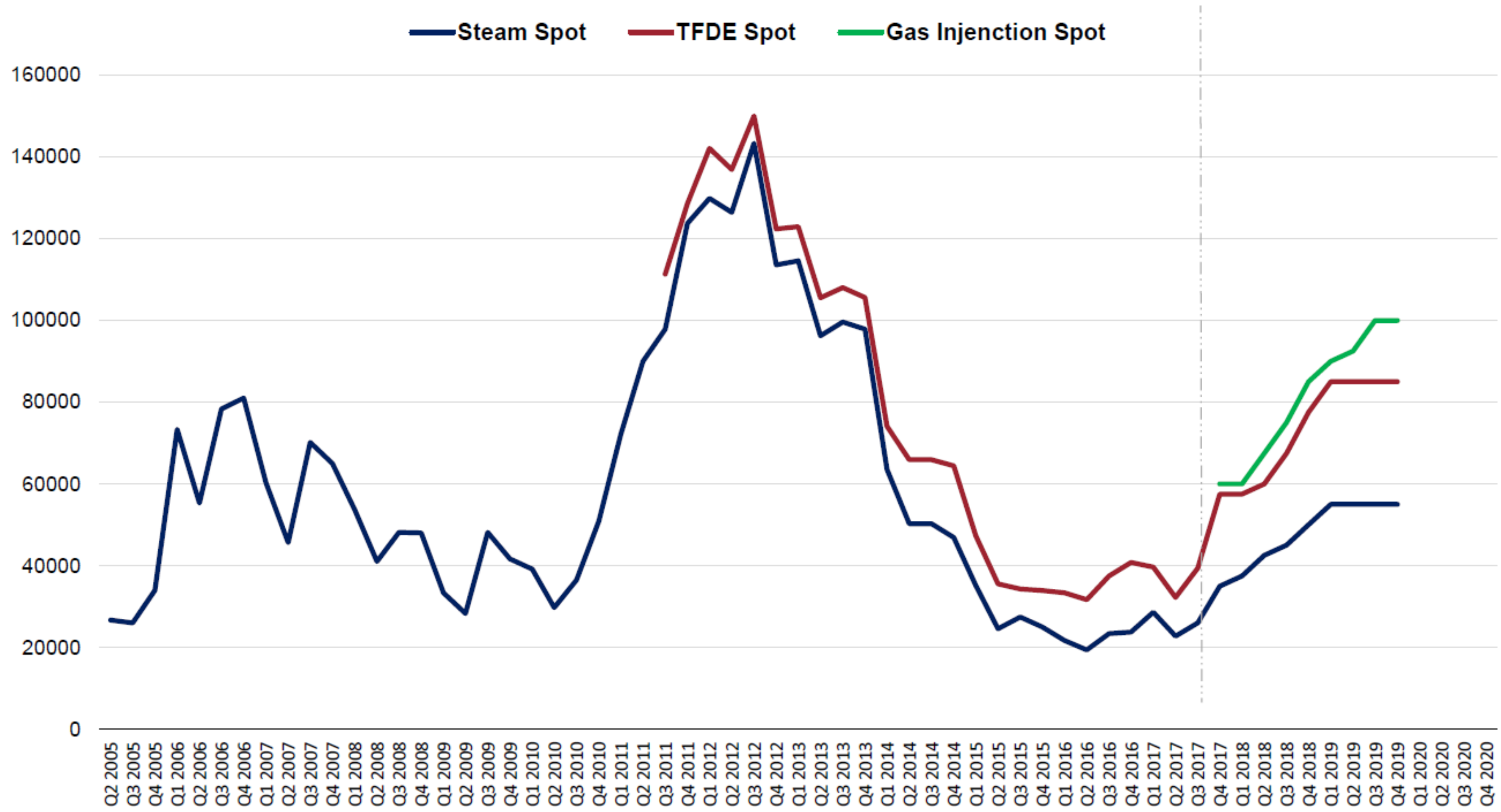
LNG Spot Rates – Historical and Forecast

LNG brokers began publishing assessed gas injection propulsion (MEGI and X-DF) spot charter rates in Jan 2017



FSRU Strategy

The improved pricing and liquidity of the LNG market has stimulated downstream gas demand and opened up new markets

- Egypt, Colombia, Pakistan, Jordan, Dubai, Abu Dhabi, Turkey, Lithuania, Kuwait
- Key FSRU drivers include security of supply, fuel switching, and the global energy balance

The general positive macro picture is expected to continue

- Providing the basis for further growth in both mature and new markets

FSRUs continues to be attractive infrastructure solutions due to:

- Reduced cost compare to shore terminals
- Significantly reduced construction time
- Flexibility
- Reduced footprint

FLEX LNG is pursuing FSRU projects with sound economics and considerable backlog where we can lever our expertise

LNG Imports: FSRUs vs. Land Based Terminals

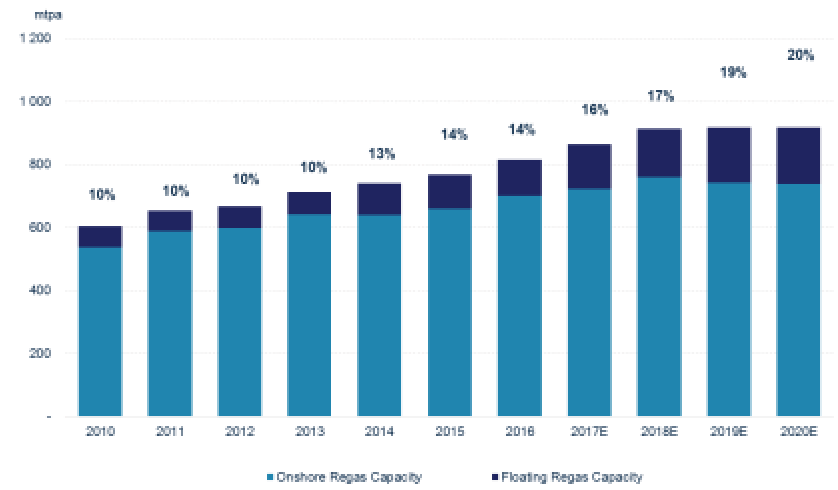


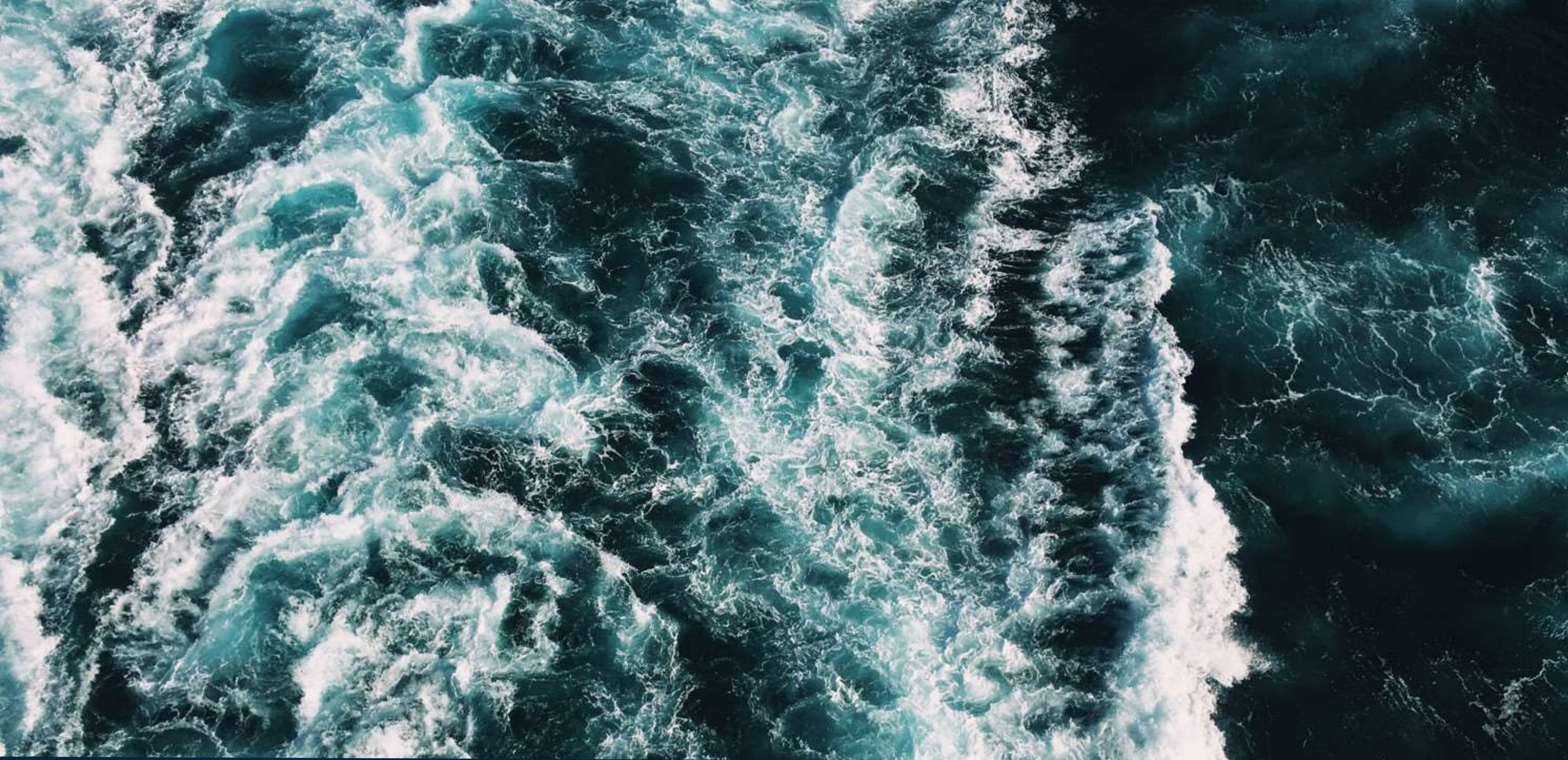
Image source: Gazprom

04

Summary

Summary of third quarter

- Secured financing for H1-2018 LNGCs
- Newbuilding program on schedule
- Improved LNG shipping market
- FLEX LNG is opportunistically pursuing FSRU projects



Thank You

November 2017

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