

TERM SHEET



FLEX LNG

FLEX LNG Limited – Private Placement of Shares – USD 300 million (approx. NOK 2,490 million)

Please be aware that the placement of new ordinary shares (the "Private Placement") in FLEX LNG Limited (the "Company") will be completed based on an investor presentation, an application agreement and this Term Sheet (all dated 10 October 2018) as well as all currently available public information.

Issuer	<ul style="list-style-type: none"> FLEX LNG Limited – a limited liability company continued under the laws of Bermuda with company registration number 52644.
Listing	<ul style="list-style-type: none"> The Company's shares are listed on Oslo Børs under the ticker "FLNG".
ISIN	<ul style="list-style-type: none"> BMG359471031.
Pre-money share capital and market capitalisation	<ul style="list-style-type: none"> Pre-money number of ordinary shares outstanding: 368,060,340 shares (each with a par value of USD 0.01). Pre-money market capitalization: ~NOK 5,630 million corresponding to approximately USD 667 million (based on current share price levels and a currency exchange rate of USD/NOK 8.30).
Transaction structure, transaction size and transaction price	<ul style="list-style-type: none"> Transaction structure: Private Placement of new ordinary shares (the "Offer Shares"). Transaction size: Target gross proceeds of the NOK equivalent to USD 300 million, corresponding to approximately NOK 2,490 million (based on a currency exchange rate of USD/NOK 8.30) (the "Transaction Size"). Transaction price: Subscription price for the Offer Shares to be determined by the Board of the Company on the basis of an accelerated bookbuilding process with a target price close to trading price (the "Subscription Price"). Subscription Price will be denominated in NOK.
Post-money share capital and market capitalisation	<ul style="list-style-type: none"> Post-money market capitalization: ~NOK 8,100 million corresponding to approximately USD 967 million (based on current share price levels, the Transaction Size and a currency exchange rate of USD/NOK 8.30).
Use of proceeds	<ul style="list-style-type: none"> The net proceeds from the Private Placement will be used for the acquisition of three high-end MEGI LNG carries at DSME with scheduled delivery in 2020 and two high-end X-DF LNG carriers at HHI with scheduled delivery in 2021 from five companies affiliated with Geveran Trading Co. Ltd. ("Geveran"), the Company's largest shareholder, to five Flex subsidiaries (the "Acquisition") and for working capital and general corporate purposes.
Underwriting and pre-subscription	<ul style="list-style-type: none"> Geveran Trading Co Ltd. ("Geveran"), the Company's largest shareholder, has guaranteed that the Private Placement will be fully subscribed Geveran has pre subscribed for and will be allocated share equivalent to approximately USD 100 million of the Private Placement.
Min. subscription and allocation	<ul style="list-style-type: none"> Minimum order and allocation has been set to the number of shares that has an aggregate purchase price of the NOK equivalent to EUR 100,000, provided that the Company may offer and allocated lower amounts subject to available exemptions from applicable prospectus requirements.
Bookbuilding period (subject to changes)	<ul style="list-style-type: none"> Start of bookbuilding period: 10 October 2018 at 16:30 CET. Close of bookbuilding period: 11 October 2018 at 08:00 CET. The Company, together with the Managers, reserve the right to close or extend the bookbuilding period at any time at their sole discretion without notice, or to cancel the Private Placement in its entirety. If the bookbuilding period is shortened or extended, the other dates referred to herein will be amended accordingly.
Allocation, settlement and trading (subject to changes)	<ul style="list-style-type: none"> Notification of allocation: Expected 11 October 2018 before the opening of Oslo Børs. First day of trading: Expected 11 October 2018 (T). Settlement and delivery: Expected 15 October 2018. Regular delivery versus payment ("DVP") (T+2). DVP settlement in the Private Placement is facilitated through the delivery of existing and unencumbered shares in the Company, already listed on Oslo Børs, pursuant to a share lending agreement between the Managers, the Company and Geveran. The shares allocated to subscribers in the Private Placement will thus be tradable immediately after allocation. The borrowed shares will be redelivered by the Managers to Geveran in the form of new ordinary shares in the Company issued in connection with the Private Placement. The shares redelivered to Geveran will be placed on a separate ISIN pending publication of a listing prospectus approved by the Norwegian Financial Supervisory Authority, and will not be listed or tradable on Oslo Børs until the approved listing prospectus has been published by the Company, expected in December 2018.
Transaction conditions	<ul style="list-style-type: none"> The allocation and issue of Offer Shares is subject to: i) all necessary corporate resolutions being validly made by the Company, including without limitation approval by the Company's Board of Directors; ii) payment being received for the allocated Offer Shares to be issued in the Private Placement. The Company and the Managers reserve the right, at any time and for any reason, to cancel and/or modify the terms of the Offering without notice. Neither the Managers nor the Company will be liable for any losses incurred by applicants if the Offering is cancelled, irrespective of the reason for such cancellation. The waiver of the preferential rights inherent in a private placement is considered necessary in the interest of time and successful completion.
Allocation criteria	<ul style="list-style-type: none"> The allocation will be made at the sole discretion of the Company's board of directors in consultation with the Managers. The Company's Board of Directors will focus on criteria such as (but not limited to) existing ownership in the Company, price leadership, relative order size, perceived investor quality, sector knowledge, investment horizon and timeliness of order. In the event of oversubscription, the Board reserves the right at its sole discretion, to reject and/or reduce orders, in whole or in part, in the allocation.
Investor documentation	<ul style="list-style-type: none"> This Term Sheet, an Application Agreement and an Investor Presentation – all dated 10 October 2018 (collectively the "Investor Documentation"). Currently available public information. Publication of a listing prospectus will take place after unconditional settlement in the Private Placement and the participants in the Private Placement will hence not be able to review or base their investment decision on the prospectus. NOTE: No due diligence investigations of the Company have been conducted prior to the Private Placement. Investors are deemed to have made all the necessary investigations and analysis of the current publicly available information to arrive at an investment decision.
Selling restrictions	<ul style="list-style-type: none"> The offering is directed towards investors subject to applicable exemptions from relevant prospectus requirements (i) outside the United States in reliance on Regulation S under the United States Securities Act of 1933, as amended, (the "US Securities Act") and (ii) in the United States to "qualified institutional buyers" (QIBs) as defined in Rule 144A under the US Securities Act as well as to major U.S. institutional investors under SEC Rule 15a-6 to the United States Exchange Act of 1934 and will rely on an exemption from the prospectus requirement in Bermuda.
Shareholder rights	<ul style="list-style-type: none"> Shareholder rights and responsibilities will be governed by the laws of Bermuda and will differ from the rights and responsibilities of shareholders under other jurisdictions, including Norway, the United Kingdom and jurisdictions in the United States. Shareholder rights under the laws of Bermuda may not be as clearly established as shareholder rights established under the laws of other jurisdictions.
Target market	<ul style="list-style-type: none"> Non-professional, professional and eligible counterparties. Negative target market: An investment in the Offer Shares is not compatible with investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile.
Subsequent offering	<ul style="list-style-type: none"> The Company may, subject to completion of the Private Placement, propose to carry out a subsequent share offering (the "Subsequent Offering"), to certain eligible shareholders. If the Company resolves to carry out a Subsequent Offering, shareholders in the Company as of [10] October 2018 (as registered with the VPS two trading days thereafter) (the "Record Date"), who were not allocated Offer Shares in the Private Placement and who are not resident in a jurisdiction where such offering would be unlawful or, for jurisdictions other than Norway, would require any prospectus, filing, registration or similar action, will, to the extent permitted by applicable law, receive non-tradable subscription rights based on their registered shareholdings as at the Record Date. The subscription price in the Subsequent Offering will be the same as the Subscription Price in the Private Placement. The Applicant acknowledges that it will not be given the right to participate in a Subsequent Offering, neither with respect to its holding of Offer Shares or other shares in the Company. The completion of the Subsequent Offering is subject to (i) relevant corporate resolutions including approval by the Board of the Company, and (ii) completion of the Private Placement. The commencement of the subscription period for the Subsequent Offering is also subject to the approval of a prospectus for the Subsequent Offering.
Managers	<ul style="list-style-type: none"> DNB Markets, a part of DNB Bank ASA, Pareto Securities AS, ABN AMRO Bank N.V., Arctic Securities AS, Fearnley Securities AS and Skandinaviska Enskilda Banken AB (publ), Oslo Branch (collectively the "Managers"). Pareto Securities Ltd. has been engaged by the Company's Board to provide a fairness opinion in respect of the Acquisition

Please note that this Term Sheet only represents a summary of the transaction details, and is qualified in its entirety by the more detailed information included in the Investor Documentation prepared in connection with this Private Placement. Any decision to invest should be based on a consideration of the Investor Documentation as a whole by the investor, in addition to available public information. This term sheet is confidential and not for general distribution and shall not constitute an offer to buy, sell or subscribe for any securities. The term sheet is not for distribution in the United States, except in certain circumstances to "qualified institutional buyers", as defined in rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act") as well as to "major U.S. institutional investors" as defined in SEC Rule 15a-6 under the U.S. Exchange Act of 1934 and will rely on an exemption from the prospectus requirement in Bermuda. No public solicitations relating to a possible transaction in connection with the term sheet are being made or will be made, directly or indirectly, in the United States. Any securities that may be delivered in connection with the term sheet will not be registered under the Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.