

FRONTLINE



Second Quarter Presentation Aug 2022

Forward Looking Statements

MATTERS DISCUSSED IN THIS DOCUMENT 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.

FRONTLINE 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," "ANTICIPATE," "INTENDS," "ESTIMATE," "FORECAST," "PROJECT," "PLAN," "POTENTIAL," "MAY," "SHOULD," "EXPECT" "PENDING" AND SIMILAR EXPRESSIONS IDENTIFY FORWARD-LOOKING STATEMENTS.

THE FORWARD-LOOKING STATEMENTS IN THIS DOCUMENT 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 FRONTLINE'S RECORDS AND OTHER DATA AVAILABLE FROM THIRD PARTIES. ALTHOUGH FRONTLINE 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 FRONTLINE'S CONTROL, YOU CANNOT BE ASSURED THAT FRONTLINE WILL ACHIEVE OR ACCOMPLISH THESE EXPECTATIONS, BELIEFS OR PROJECTIONS. THE INFORMATION SET FORTH HEREIN SPEAKS ONLY AS OF THE DATES SPECIFIED AND FRONTLINE UNDERTAKES NO DUTY TO UPDATE ANY FORWARD-LOOKING STATEMENT TO CONFORM THE STATEMENT TO ACTUAL RESULTS OR CHANGES IN EXPECTATIONS OR CIRCUMSTANCES.

IMPORTANT FACTORS THAT, IN FRONTLINE'S VIEW, COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE DISCUSSED IN THE FORWARD-LOOKING STATEMENTS INCLUDE, WITHOUT LIMITATION: THE STRENGTH OF WORLD ECONOMIES AND CURRENCIES, GENERAL MARKET CONDITIONS, INCLUDING FLUCTUATIONS IN CHARTERHIRE RATES AND VESSEL VALUES, CHANGES IN DEMAND IN THE TANKER MARKET, INCLUDING BUT NOT LIMITED TO CHANGES IN OPEC'S PETROLEUM PRODUCTION LEVELS AND WORLD WIDE OIL CONSUMPTION AND STORAGE, CHANGES IN FRONTLINE'S OPERATING EXPENSES, INCLUDING BUNKER PRICES, DRYDOCKING AND INSURANCE COSTS, THE MARKET FOR FRONTLINE'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 US, CHANGES IN GOVERNMENTAL RULES AND REGULATIONS OR ACTIONS TAKEN BY REGULATORY AUTHORITIES, 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, INSTANCES OF OFF-HIRE AND OTHER IMPORTANT FACTORS. FOR A MORE COMPLETE DISCUSSION OF THESE AND OTHER RISKS AND UNCERTAINTIES ASSOCIATED WITH FRONTLINE'S BUSINESS, PLEASE REFER TO FRONTLINE'S FILINGS WITH THE SECURITIES AND EXCHANGE COMMISSION, INCLUDING, BUT NOT LIMITED TO, ITS ANNUAL REPORT ON FORM 20-F.

THIS PRESENTATION IS NOT AN OFFER TO PURCHASE OR SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE OR SELL, ANY SECURITIES OR A SOLICITATION OF ANY VOTE OR APPROVAL.

Reported earnings basis load to discharge

	Q2 2022	Q3 2022 est.	% done
VLCC	\$16,400	\$28,100	73%
Suezmax	\$26,500	\$45,000	73%
LR2 / Aframax	\$38,600	\$46,200	62%



VLCC
Suezmax
LR2 / Aframax



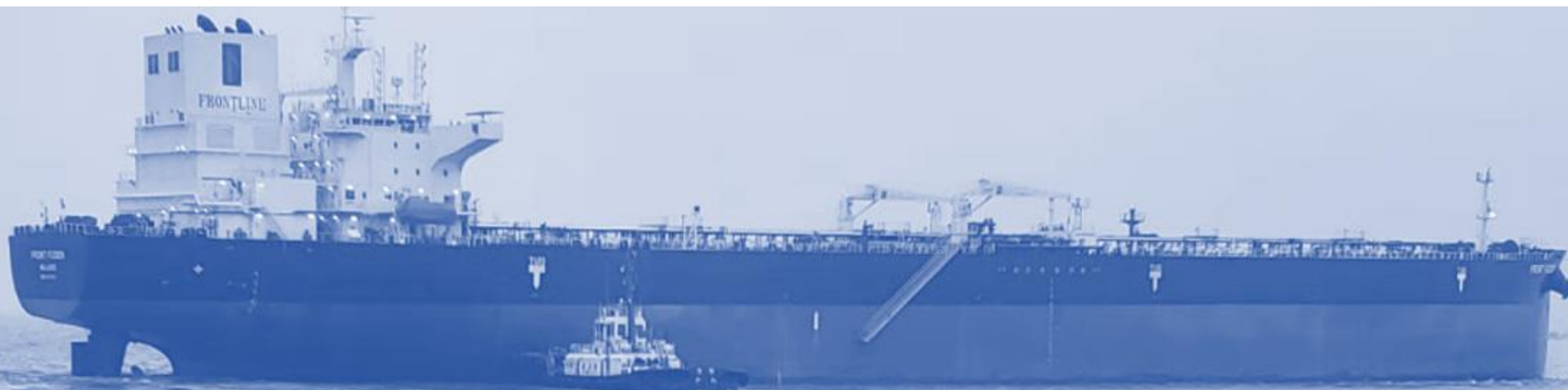
- Net income of \$47.1 million, or \$0.23 per basic and diluted share
- Adjusted net income of \$42.5 million, or \$0.21 per basic and diluted share



- Declared a cash dividend of \$0.15 per share



- Took delivery of two newbuilding VLCC tankers from HHI
- Entered into two term loan facilities at attractive terms for a total amount of up to \$356.4 million to refinance existing loan facilities
- Announced the signing of a definitive combination agreement for a stock-for-stock combination between Frontline and Euronav to create a leading global independent oil tanker operator which on a combined basis would own and operate 68 VLCCs and 56 Suezmax tankers, and 20 LR2/Aframax tankers



Large, diverse fleet of modern tankers

One of the youngest and most energy efficient fleets in the industry

~5 years

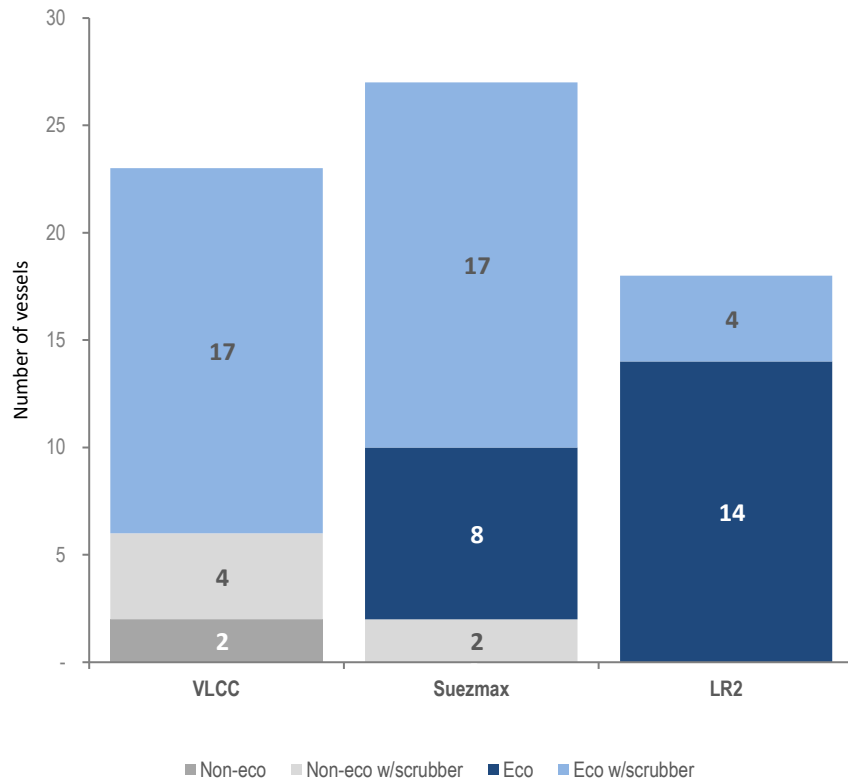
Average age

~88 %

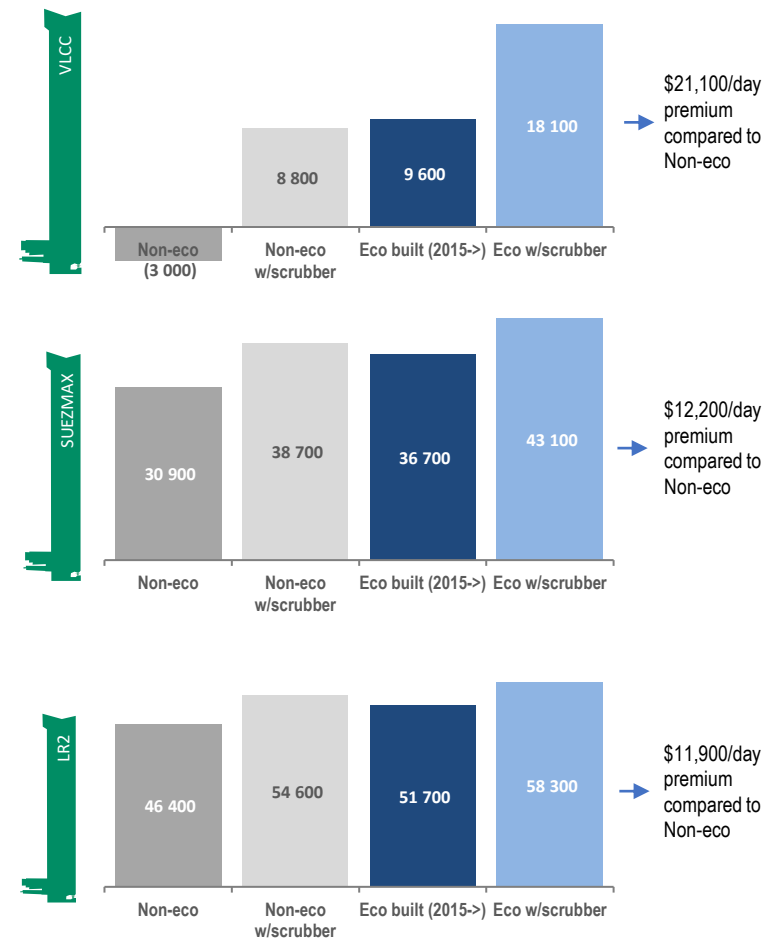
ECO vessels

~65 %

Scrubber installed*



The average TCE (\$/day) for VLCCs, Suezmax and LR2s in Q2-2022, demonstrates the advantage of running a fleet with Eco and scrubber



*Scrubber planned to be installed on five vessels in 2022 and one vessel in 2023
Source: Frontline, Clarkson Research

Income Statement – Highlights

	2022	2022	2021
(in thousands of \$ except per share data)	Apr - Jun	Jan - Mar	Jan - Dec
Total operating revenues (net of voyage expenses)	159 185	103 790	356 684
Other operating gain	264	6 818	5 893
Contingent rental (income) expense	(72)	(551)	(3 606)
Ship operating expenses	51 156	43 680	175 607
Charter hire expenses	-	-	2 695
Administrative expenses	9 098	7 142	27 891
EBITDA	101 149	84 267	197 677
EBITDA adj (*)	97 817	52 752	154 187
Interest expense	(18 928)	(16 966)	(61 435)
Net income	47 097	31 148	(11 148)
Net income adj (*)	42 507	(1 611)	(55 077)
Diluted earnings per share	0,23	0,15	(0,06)
Diluted earnings per share adjusted	0,21	(0,01)	(0,28)

Adjustment items for Q2 2022:

- \$8.9 million gain on derivatives
- \$6.1 million share of results of associated companies
- \$1.3 million amortization of acquired time charters
- \$0.8 million gain on insurance claim
- \$12.0 million loss on marketable securities
- \$0.4 million loss on termination of leases

Note: Diluted earnings per share is based on 206,965 and 203,531 weighted average shares (in thousands) outstanding for Q2 2022 and Q1 2022, respectively

*See Appendix 1 for reconciliation to nearest comparable GAAP figures



Balance Sheet - Highlights

	2022 Jun 30	2022 Mar 31	2021 Dec 31
<i>(in millions \$)</i>			
Assets			
Cash	120	111	113
Other current assets	454	245	220
Non-current assets			
Vessels and newbuildings	3 628	3 560	3 657
Goodwill	112	112	112
Prepaid consideration	-	-	-
Other long-term assets	51	33	15
Total assets	4 365	4 061	4 117
Liabilities and Equity			
Short term debt and current portion of long term debt	417	434	189
Obligations under finance and operational lease	1	9	9
Other current liabilities	125	94	95
Non-current liabilities			
Long term debt	1 912	1 796	2 127
Obligations under finance and operating lease	3	42	44
Other long-term liabilities	1	1	1
Noncontrolling interest	(0)	(0)	(0)
Frontline Ltd. stockholders' equity	1 907	1 684	1 653
Total liabilities and stockholders' equity	4 365	4 061	4 117

Notes

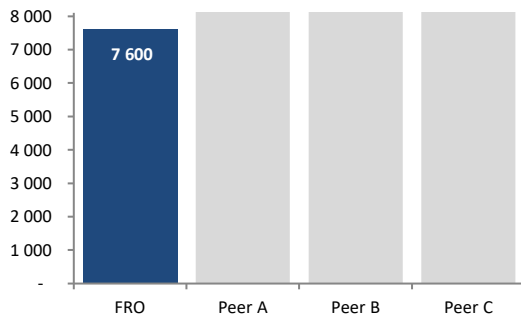
- \$351 million in cash and cash equivalents, including undrawn amount of unsecured facility, marketable securities and minimum cash requirements bank as per 30.06.22



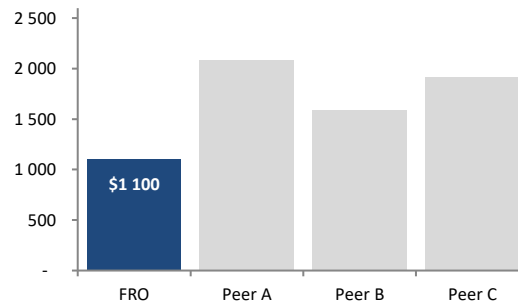
Significantly lower costs than Peers

Keeping costs down has always been in Frontline's DNA

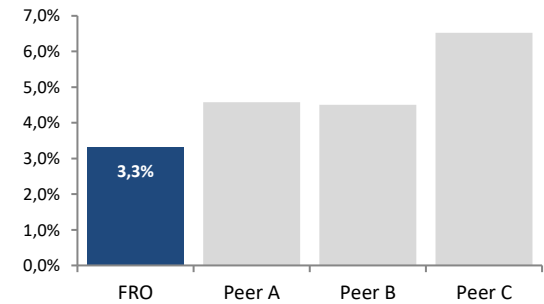
Opex*
(\$ per vessel days)



G&A**
(\$ per vessel days)



Finance expense
(% of debt)



* Excl. Dry dock
** After Recharges
Note: All numbers based on Q2-2022. Source: Frontline, Company reports (peers)



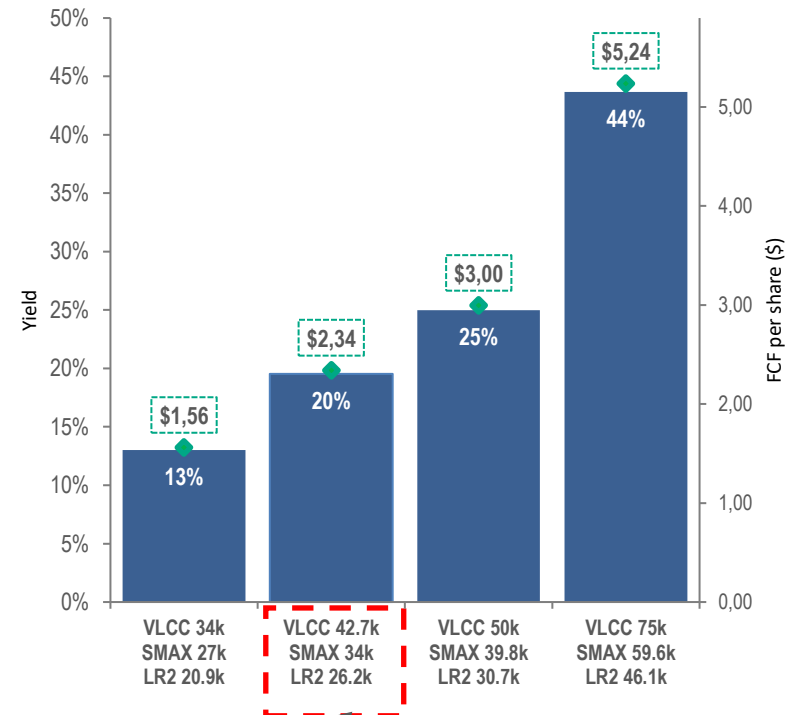
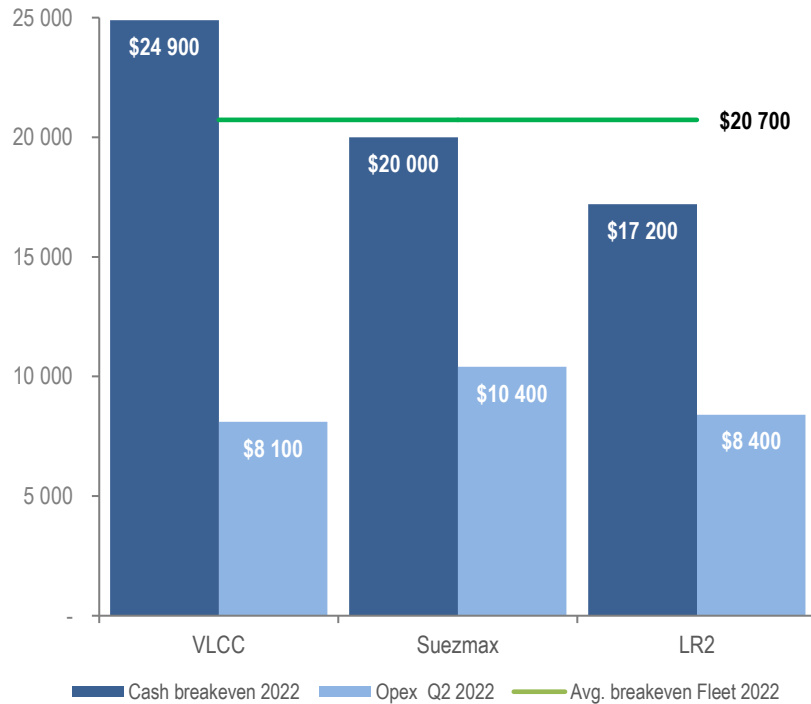
Cash Breakeven and Cash Generation Potential



Our industry leading cash break even rates are \$20.700 on average, even when including dry dock costs for six vessels for the remainder of 2022*



Huge cash generation potential – Free Cash Flow Yield (%) and Free Cash Flow per share (\$) indicates strong potential return

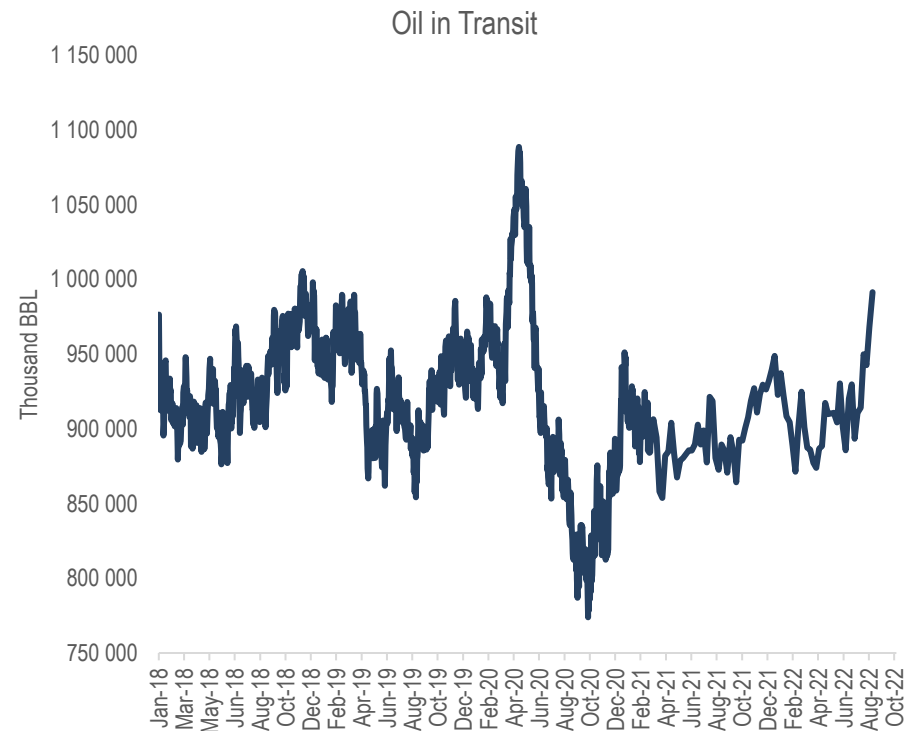
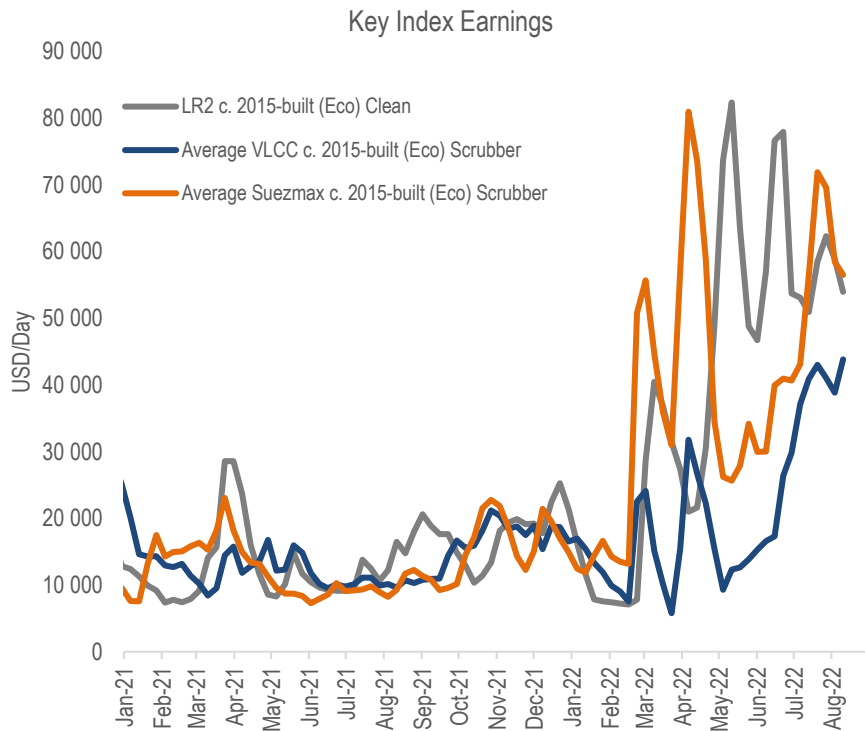


Avg. historical earnings for Non-Eco vessels for the period 2000-2021
Source: Clarkson Research

*Estimated dry dock of two VLCCs, one Suezmax tankers and three LR2s
Note: Daily cash breakeven in USD based on estimate for remainder of 2022
Free cash flow / yield (yearly) based on current fleet and closing price on 24th Aug 2022. TCE rates based on Clarkson Research for the period 2000-2021 and used same relative performance as historical average between the three segments. Also adjusted for Eco / Scrubber and Newbuilding deliveries

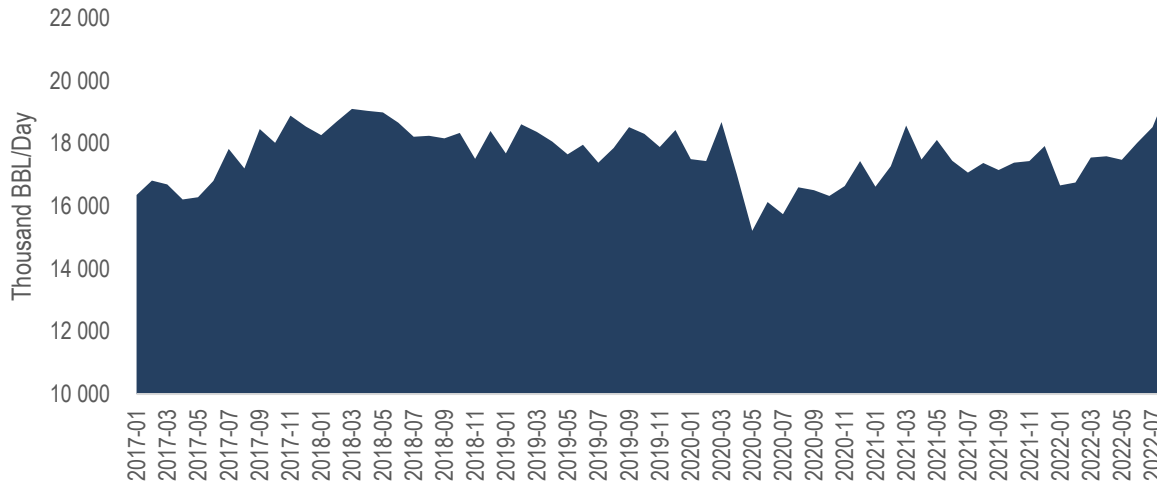
A pivotal point for tankers?

- Global oil demand 0.7 mbd lower in Q2-22, averaging 98.4 mbd
- Supply came in at 99.1 mbd, up a modest 0.2 mbd in the quarter
- The ton-mile story, we are currently reaping the benefits of - started in Q2
- Highly inefficient trading patterns developed, to the benefit of oil in transit and utilization
- Towards the end of the quarter, we saw all asset classes, including the VLCC move up
- Asian, and in particular Chinese demand still subdued - current level of activity paints an interesting picture

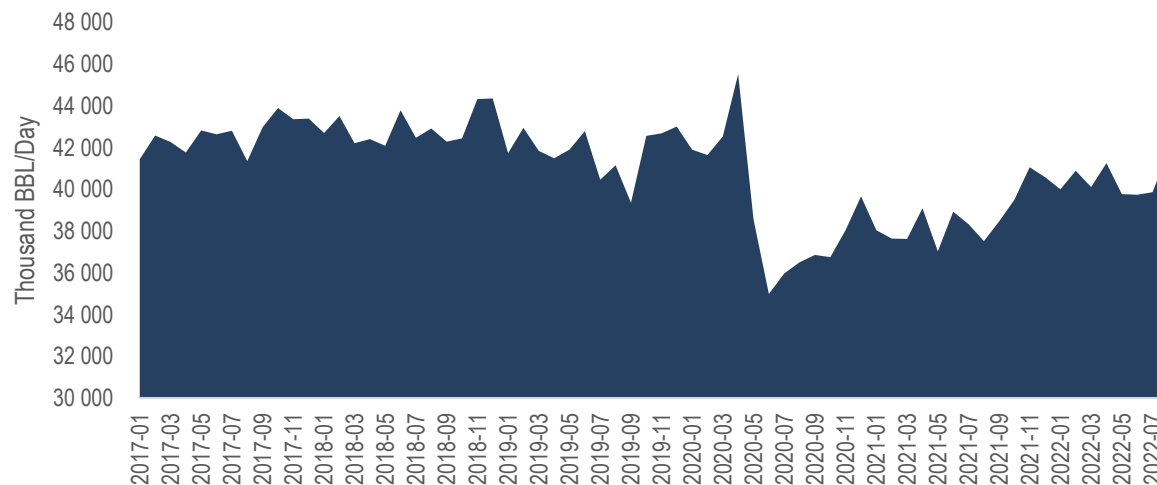


Both crude and clean volumes on the rise

Global Clean Product Exports



Global Crude oil Exports

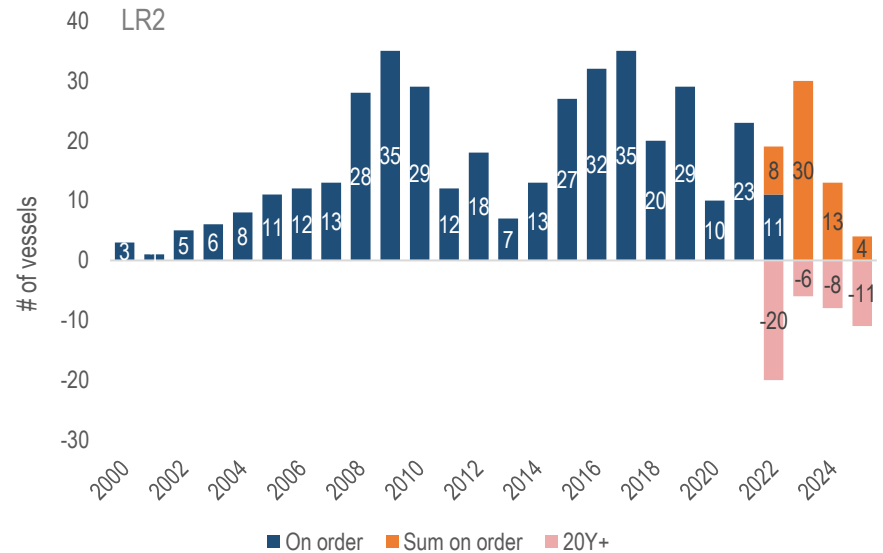
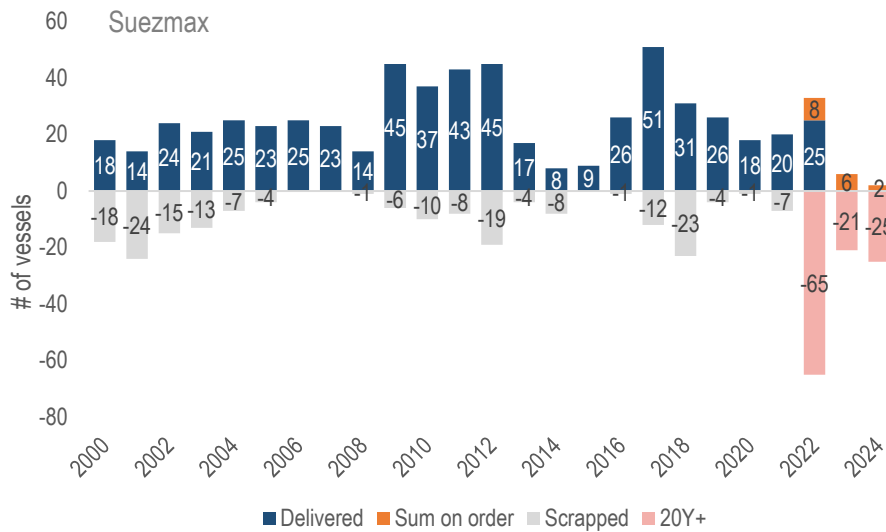
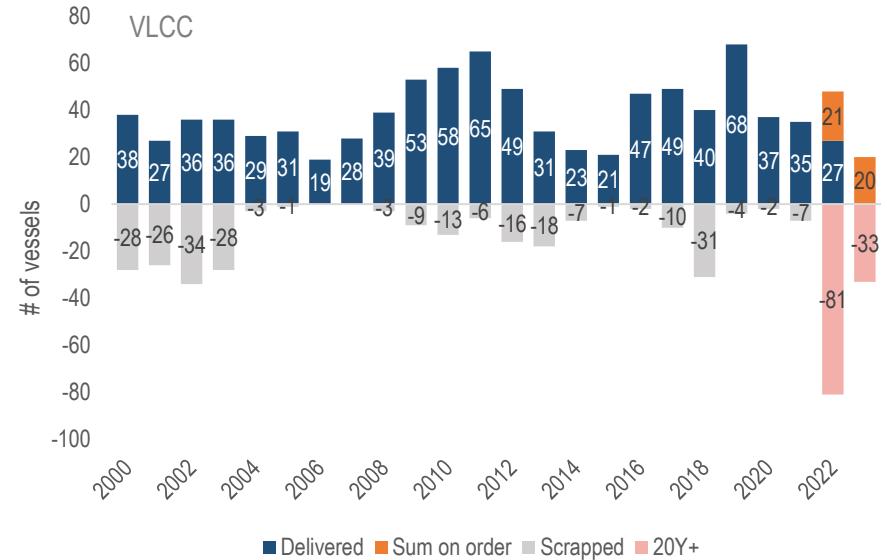
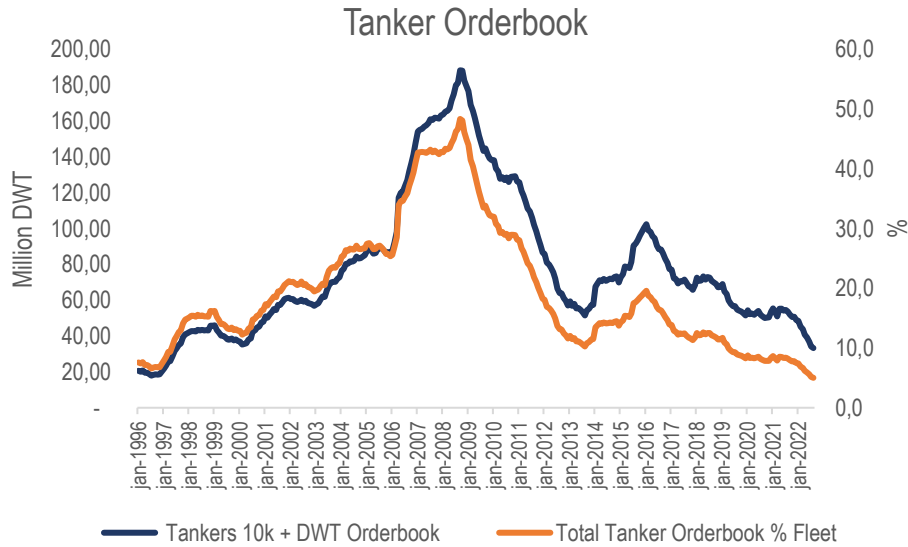


Commentary

- A dramatic change in demand and trading patterns for refined products developed in Q2-22
- Russian product traveled further, but Covid-19 has created a structural change in refining capacity both in Europe and US
- Asia refinery capacity is growing
- Global crude oil exports is lagging, but US SPR releases in addition to production growth means USG export capabilities are growing
- We currently see high demand for tonnage in both Middle East and USG, indicating the positive development (for freight) looks to continue

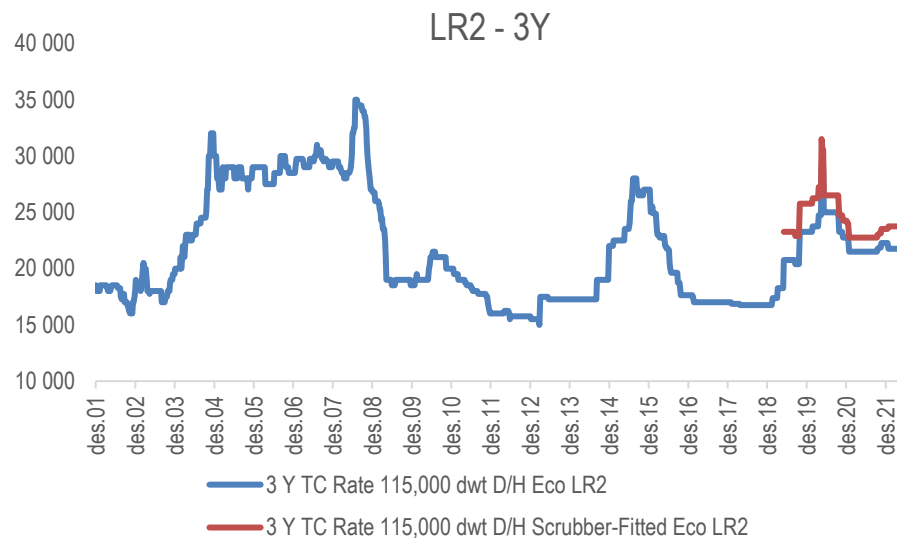
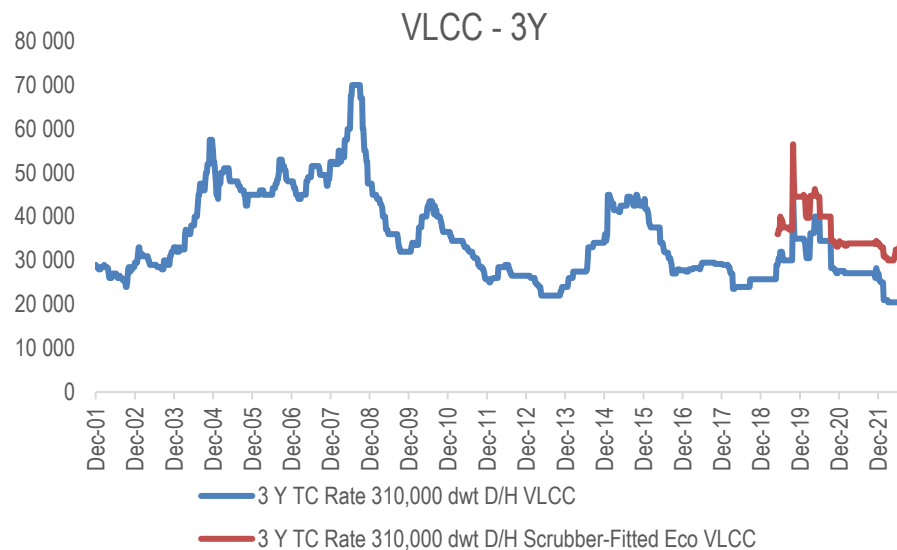
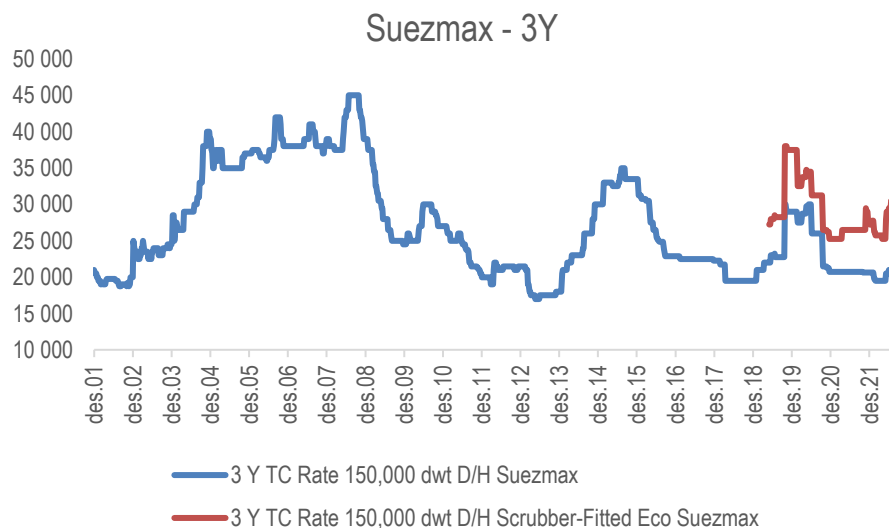
Tanker Orderbooks

Orderbooks continue to dwindle on crude

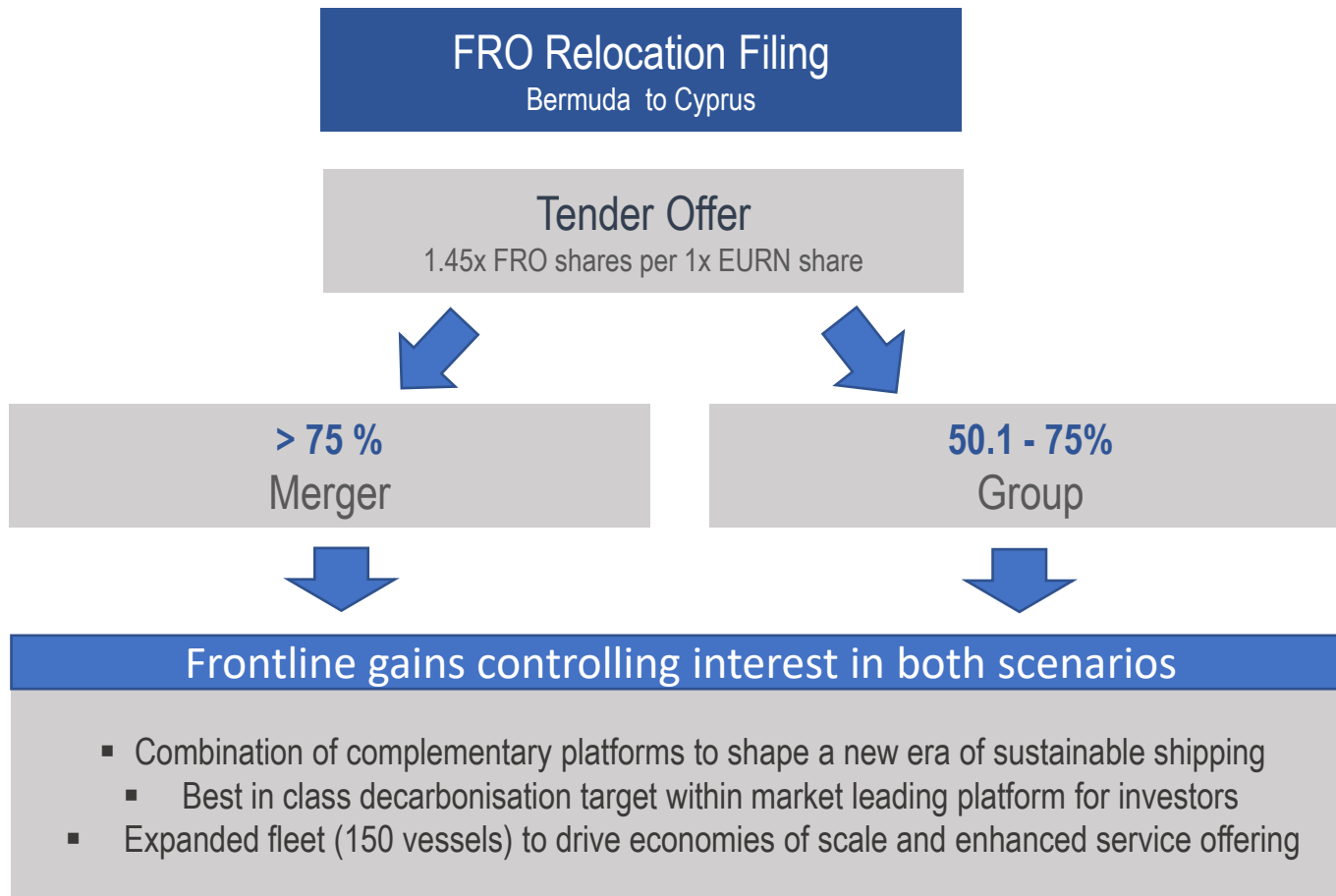


Period markets are on the move

- The time-charter, or period market is an old school bellwether for large oil transporters expectations
- A three-year commitment is significant, even to an oil major
- In line with developments in the spot, the demand for period business has increased dramatically
- Frontline will remain a spot focused owner, with the objective to offer our investors spot market returns
- A certain degree of secured revenue and margin plays a part of our long-term vision

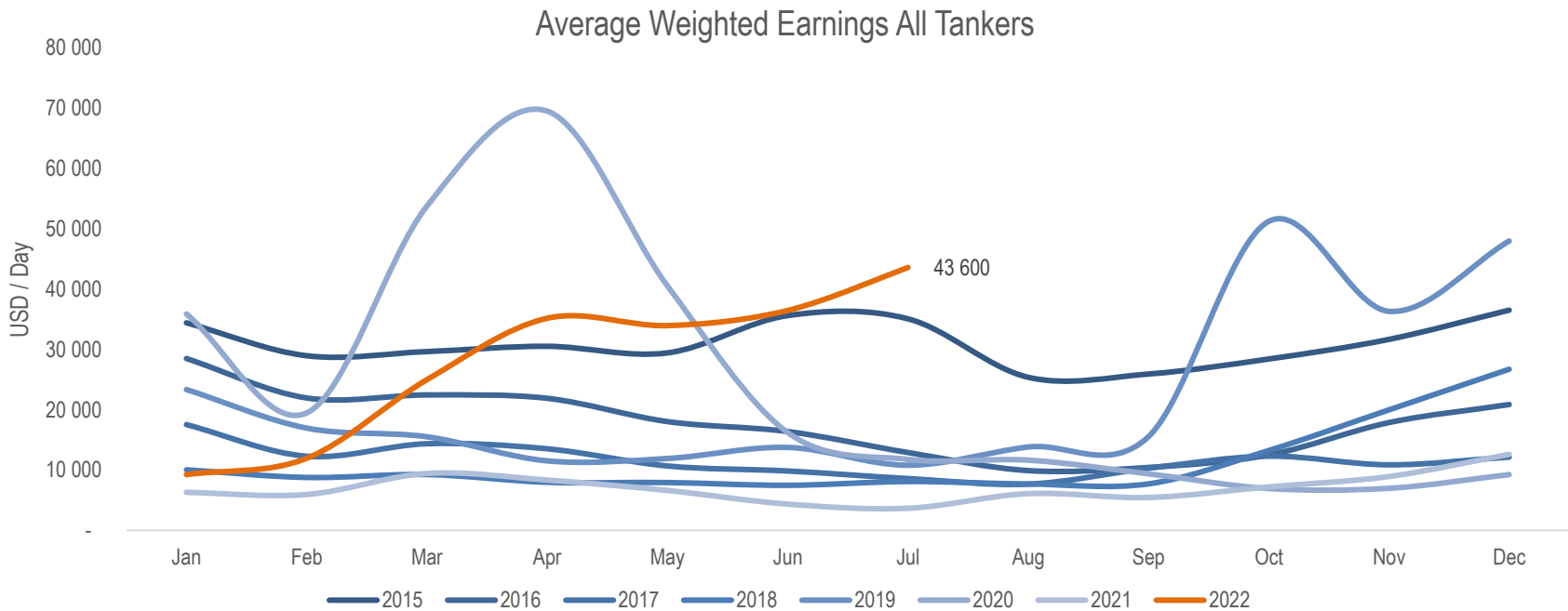


Next Steps



Frontline intends to formally launch the Tender Offer, in which case it will deposit a file for this purpose with the Belgian Financial Services and Markets Authority (FSMA), including a draft prospectus. The Euronav Supervisory Board will then examine the draft prospectus and present its detailed opinion in a response memorandum. If Frontline decides not to proceed with the Tender Offer, it will report about this in accordance with its legal obligations.

- Q2-22 was a 'shoulder quarter' in terms of oil demand
- This is currently a ton-mile story, with sanctions on Russia being the catalyst
- Global crude oil exports approaching pre-covid levels, oil in transit already there
- Orderbooks continue to dwindle, and no incentives present to invest in new capacity – yet
- Are we starting to feel the structural bottlenecks oil transportation may become?
- Frontline has a modern, efficient, spot exposed fleet – as the stars look to align!
- ... and winter is coming



Questions & Answers





FRONTLINE

www.frontline.bm



Appendix

Appendix 1

Non-GAAP measures reconciliation

(Million \$ except per share)

	Q2 2022	Q1 2022	Q4 2021	FY 2021
Total operating revenues net of voyage expenses and commission				
Total operating revenues	300	217	214	749
Voyage expenses and commission	(141)	(114)	(113)	(393)
Total operating revenues net of voyage expenses and commission	159	104	101	357

Adjusted net income (loss)

Net income (loss)	47	31	20	(11)
Add back:				
Loss on marketable securities	12	—	—	—
Share of losses of associated company	—	—	—	1
Loss on derivatives	—	—	—	5
Tax expense on dividend received	—	—	4	4
Loss on termination of leases	—	—	—	—
Less:				
Share of results of associated company	(6)	—	—	—
Gain on settlement of claim	(1)	—	—	—
Gain on marketable securities	—	—	—	(4)
Gain on sale of vessels	—	(6)	(5)	(5)
Dividend received	—	—	(18)	(18)
Gain on derivatives	(9)	(25)	(5)	(22)
Amortization of acquired time charters	(1)	(1)	(1)	(5)
Adjusted net income (loss)	43	(2)	(5)	(55)

(in thousands)

Weighted average number of ordinary shares (basic)	206,965	203,531	202,404	198,965
Weighted average number of ordinary shares (diluted)	206,965	203,531	202,404	198,965

(in \$)

Adjusted basic earnings (loss) per share	0.21	(0.01)	(0.02)	(0.28)
Adjusted diluted earnings (loss) per share	0.21	(0.01)	(0.02)	(0.28)

EBITDA

Net income (loss)	47	31	20	(11)
Add back:				
Interest expense	19	17	17	61
Depreciation	36	37	39	148
Income tax benefit (expense)	—	—	5	5
Less:				
Amortization of acquired time charters	(1)	(1)	(1)	(5)
EBITDA	101	84	79	198

Adjusted EBITDA

EBITDA	101	84	79	198
Add back:				
Loss on marketable securities	12	—	—	—
Share of losses of associated company	—	—	—	1
Loss on derivatives	—	—	—	5
Loss on termination of leases	—	—	—	—
Less:				
Share of results of associated company	(6)	—	—	—
Gain on settlement of claim	(1)	—	—	—
Gain on marketable securities	—	—	—	(4)
Gain on sale of vessels	—	(6)	(5)	(5)
Dividend received	—	—	(18)	(18)
Gain on derivatives	(9)	(25)	(5)	(22)
Adjusted EBITDA	98	53	51	154

This presentation describes: total operating revenues net of voyage expenses, net income (loss) attributable to the Company adjusted for certain non-cash items ("Net income (loss) adj.") and related per share amounts and Earnings Before Interest, Tax, Depreciation & Amortisation adjusted for the same non-cash items ("EBITDA adj."), which are not measures prepared in accordance with US GAAP ("non-GAAP").

We believe the non-GAAP financial measures presented in this press release provides investors with a means of evaluating and understanding how the Company's management evaluates the Company's operating performance.

These non-GAAP financial measures should not be considered in isolation from, as substitutes for, nor superior to financial measures prepared in accordance with GAAP.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided.