

FRONTLINE



Fourth Quarter Presentation Feb 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

	Q4 2021	Q1 2022 est.	% done
VLCC	\$16,500	\$21,300	58%
Suezmax	\$14,200	\$19,600	65%
LR2 / Aframax	\$13,900	\$18,800	56%



VLCC
Suezmax
LR2 / Aframax



- Net income of \$19.8 million, or \$0.10 per basic and diluted share
- Adjusted net loss of \$4.8 million, or \$0.02 per basic and diluted share



- Took delivery of one newbuilding LR2 tanker from SWS and two VLCCs, 2019 built at HHI
- Entered into term loan facilities for a total amount of up to \$390.0 million to partially finance the acquisition of the six resale VLCC newbuilding contracts
- Entered into an agreement to sell four of its oldest LR2 tankers for an aggregate sale price of \$160.0 million. The transaction will generate net cash proceeds of \$68.6 million, whereof \$35.1 million to be recorded in the first quarter of 2022
- Received a distribution from the Norwegian Shipowners Mutual War Risk Insurance Association of \$13.4 million, after tax



Large, diverse fleet of modern tankers

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

~5 years

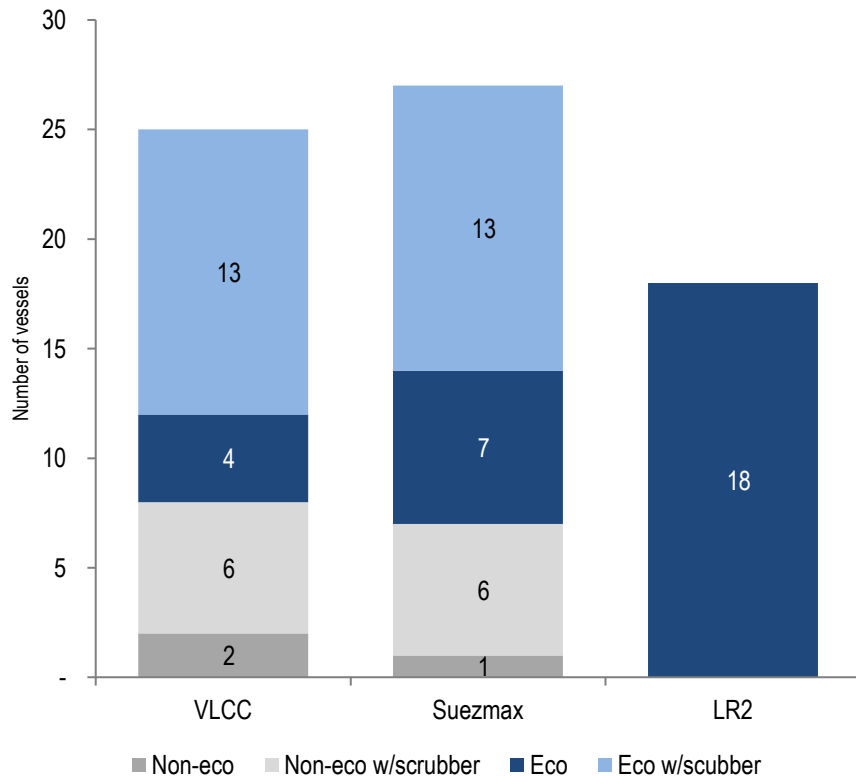
Average age (owned vessels)

~79 %

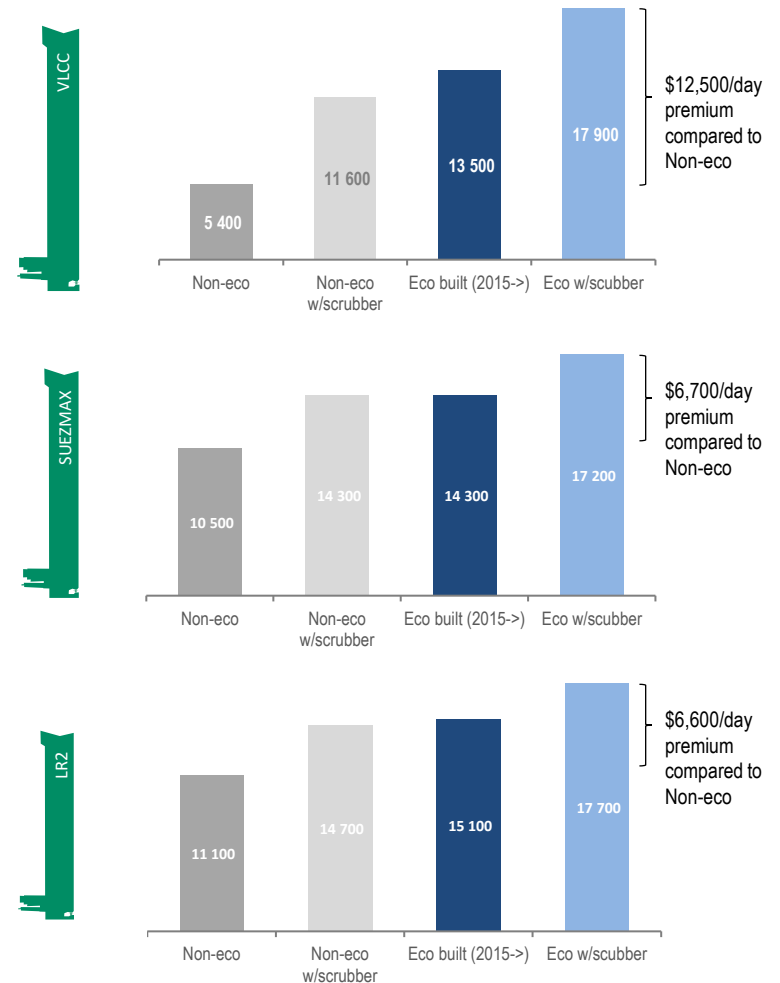
ECO vessels

~54 %

Scrubber installed



The average TCE (\$/day) for VLCCs, Suezmax and LR2s in Q4-2021, demonstrates the advantage of running a fleet with Eco and scrubber



Income Statement – Highlights

	2021 Oct - Dec	2021 Jul - Sep	2021 Jan - Dec	2020 Jan - Dec
<i>(in thousands of \$ except per share data)</i>				
Total operating revenues (net of voyage expenses)	100 656	68 961	356 684	868 089
Other operating gain	4 482	278	5 893	29 902
Contingent rental (income) expense	(991)	(991)	(3 606)	14 568
Ship operating expenses	41 902	45 562	175 607	183 063
Charter hire expenses	102	-	2 695	9 557
Administrative expenses	7 107	6 452	27 891	44 238
EBITDA	81 089	20 730	207 620	627 018
EBITDA adj (*)	50 707	16 777	154 187	632 407
Interest expense	(16 801)	(15 222)	(61 435)	(72 160)
Net income	19 783	(33 206)	(11 148)	412 875
Net income (loss) adj (*)	(4 758)	(35 914)	(55 077)	421 602
Diluted earnings per share	0,10	(0,17)	(0,06)	2,09
Diluted earnings (loss) per share adjusted	(0,02)	(0,18)	(0,28)	2,13

Adjustment items for Q4 2021:

- \$0.5 million loss on marketable securities
- \$5.3 million gain on derivatives
- \$1.3 million amortization of acquired time charters
- \$5.1 million gain on sale of vessels
- \$13.4 million distribution from DNK, after tax

Note: Diluted earnings per share is based on 202,404 and 198,028 weighted average shares (in thousands) outstanding for Q4 2021 and Q3 2021, respectively

*See Appendix 1 for reconciliation to nearest comparable GAAP figures



Balance Sheet - Highlights

(in millions \$)	2021 Dec 31	2021 Sep 30	2020 Dec 31
Assets			
Cash	113	122	190
Other current assets	220	198	189
Non-current assets			
Vessels and newbuildings	3 657	3 524	3 418
Goodwill	112	112	112
Prepaid consideration	-	18	-
Other long-term assets	15	13	10
Total assets	4 117	3 988	3 918
Liabilities and Equity			
Short term debt and current portion of long term debt	189	167	167
Obligations under finance and operational lease	9	9	12
Other current liabilities	95	92	102
Non-current liabilities			
Long term debt	2 127	2 092	1 969
Obligations under finance and operating lease	44	46	53
Other long-term liabilities	1	1	4
Noncontrolling interest	(0)	(0)	(0)
Frontline Ltd. stockholders' equity	1 653	1 583	1 612
Total liabilities and stockholders' equity	4 117	3 988	3 918

Notes

- \$181 million in cash and cash equivalents, including undrawn amount of unsecured facility, marketable securities and minimum cash requirements bank as per 31.12.21
- Remaining NB Capex as per December 31, 2021, of \$437.4 million is fully funded
- No debt maturities until 2023



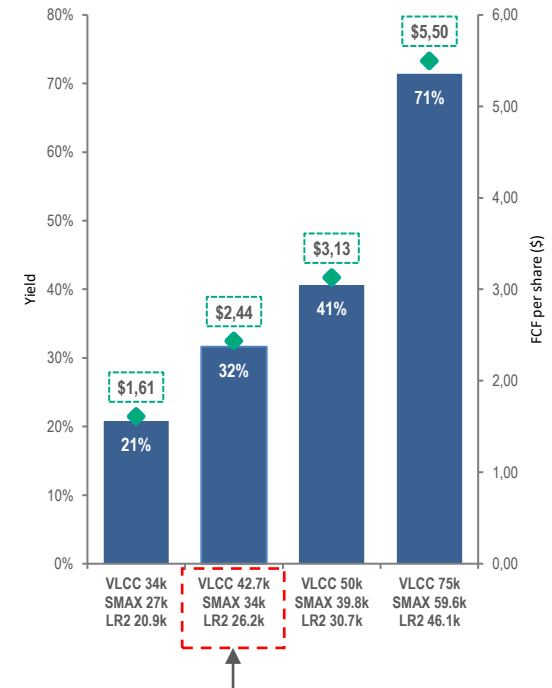
Cash Breakeven and Cash Generation Potential



Our industry leading cash break even rates are \$19,300 on average, even when including dry dock costs for 16 vessels in 2022*



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



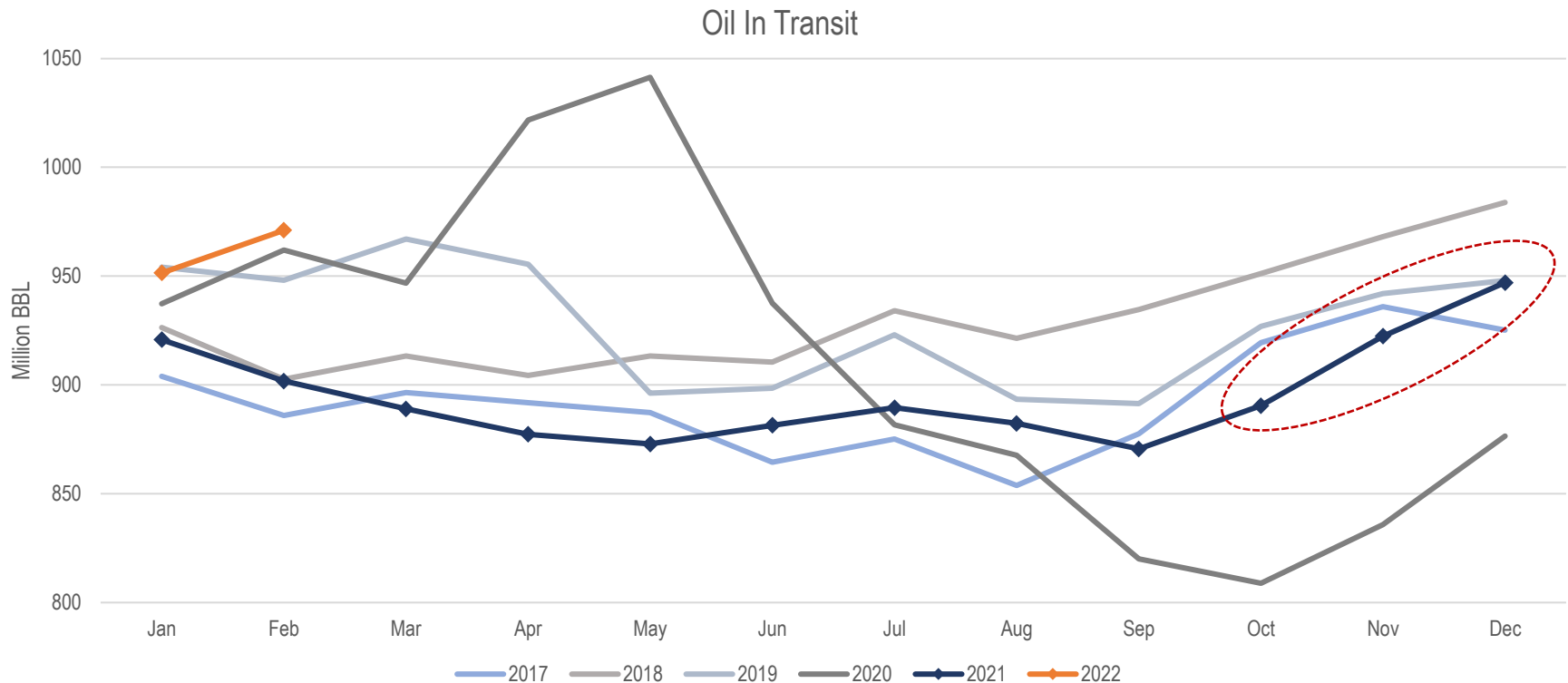
Avg. historical earnings for Non-Eco vessels for the period 2000-2021
Source: Clarkson Research

*Estimated dry dock of 5 VLCCs, 5 Suezmax tankers and 6 LR2s
Note: Daily cash breakeven in USD based on estimate for 2022

Free cash flow / yield (yearly) based on current fleet and closing price on 16th Feb. 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

Oil In Transit approaching the highs of 2018 and 2019

- Global oil demand was estimated to average 99.7 mbd in Q4-21, up 1.5 mbd compared to Q3-21
- We continued to draw on inventories to the tune of ~1.4 mbd during the fourth quarter, as demand outpaced supply
- Projected demand growth for 2022 will predominantly be Non-OECD as we reach ~103 mbd by end of year
- The oil price signals tightness in the market. There are production issues in Libya, Nigeria, Angola and OPEC+ over-compliance is a question mark
- Oil in transit has continuously risen since Oct-21, now up ~20% from lows - tanker utilization is improving
- Despite increased activity and growing volumes, we have yet to reach the turning point for rates

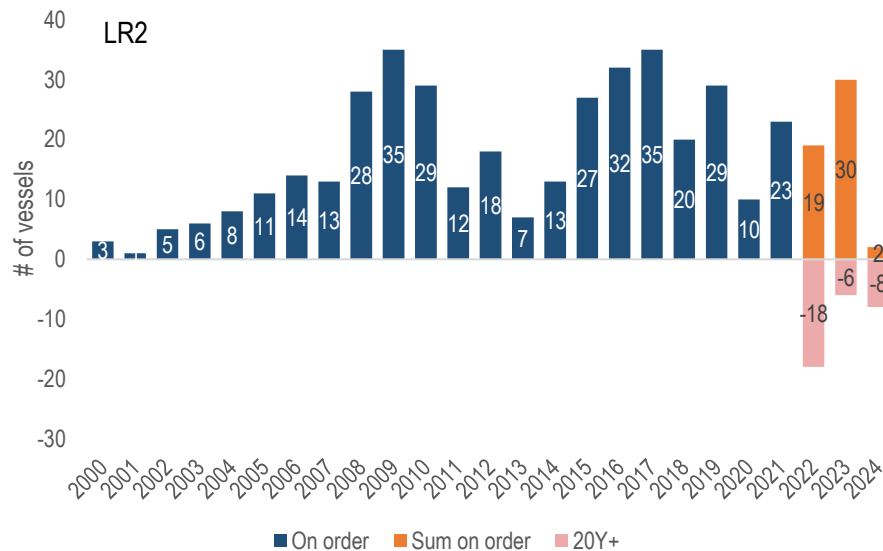
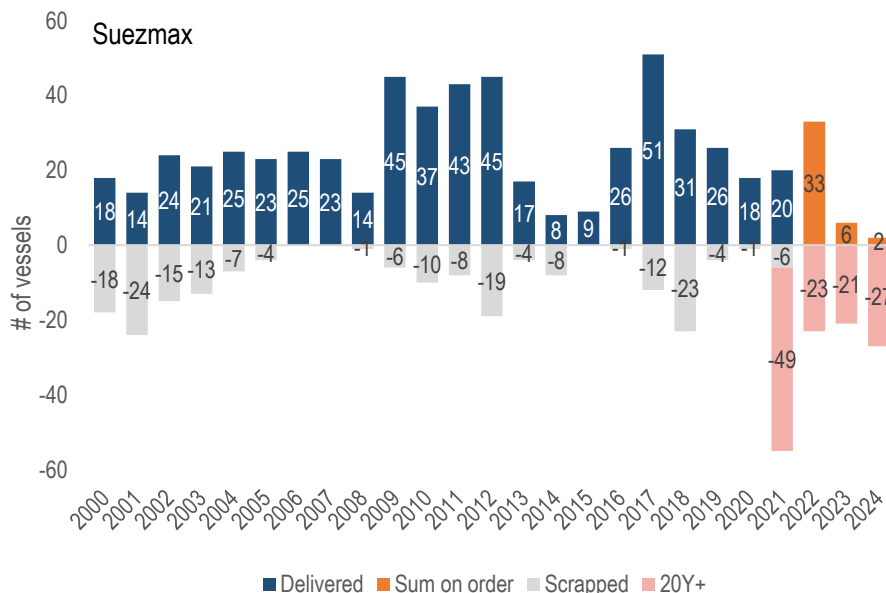
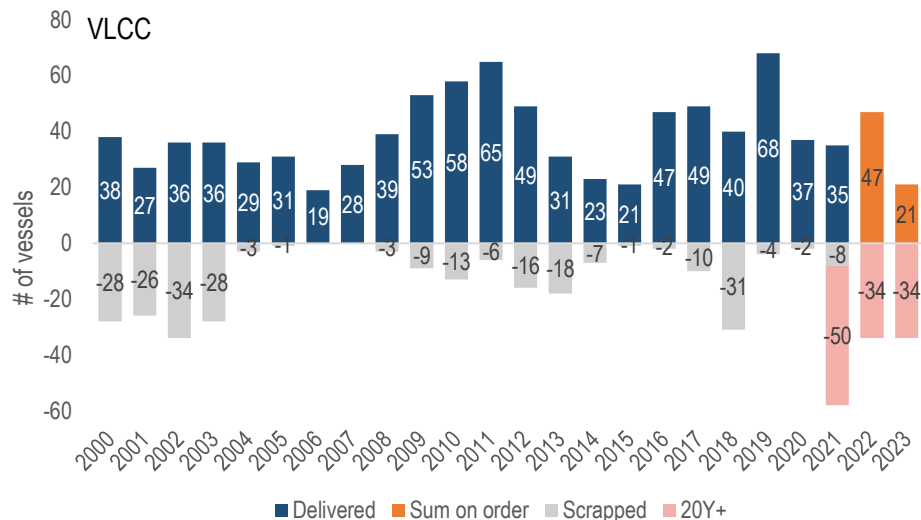


Source: EIA Jan 22, Clipper Data

Tanker Orderbooks

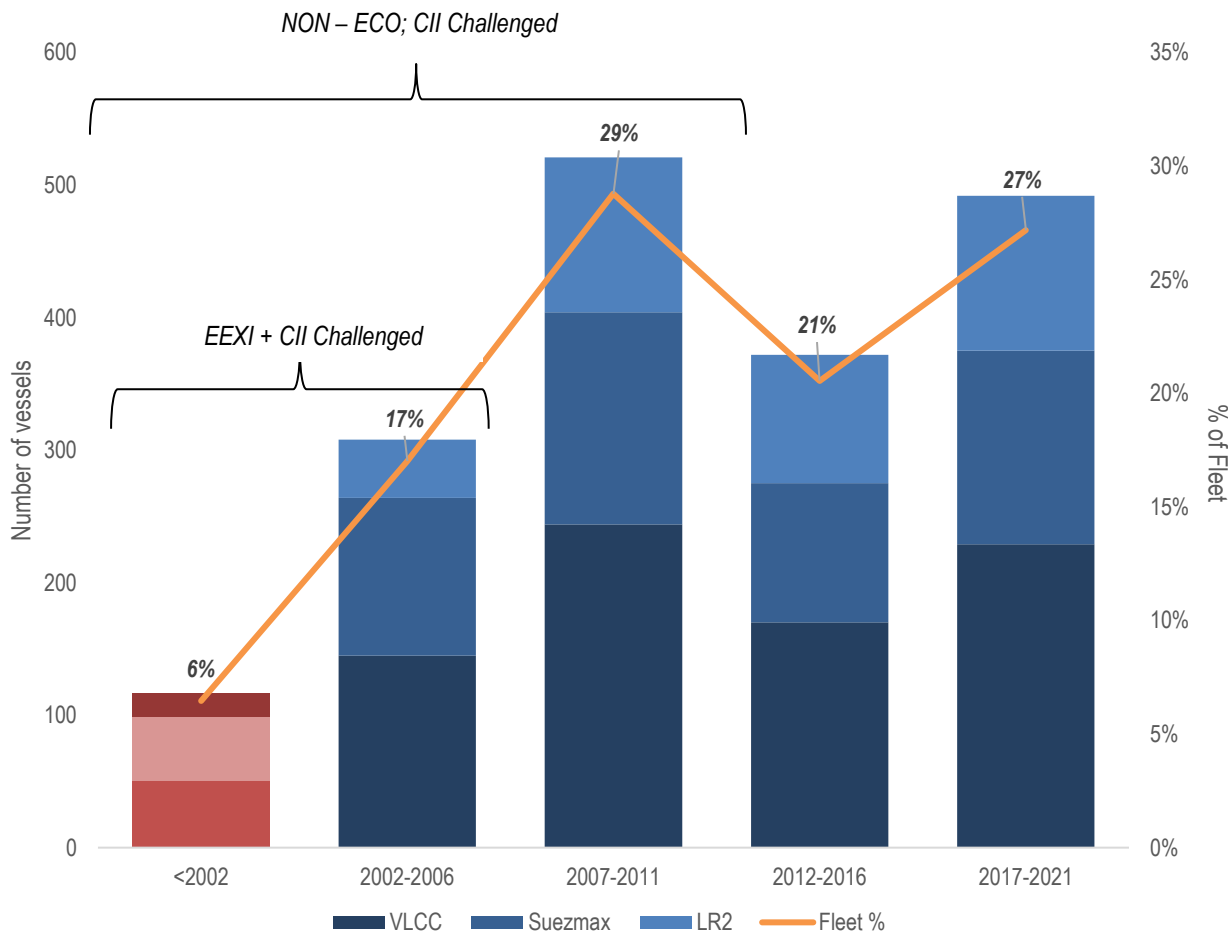
Tanker orderbooks are shrinking as vessels deliver

- 6% of the VLCC fleet is now over 20 years
- 2022 is a large delivery year, but with over 80 VLCC due for recycling in the same period, the question is net fleet growth in the end
- Suezmax same picture, but 12% of the fleet, or 72 vessels over, or passing 20 years in 2022
- LR2 orderbook is more populated, but 15% of the fleet will pass 15 years, and likely convert to crude
- VLCC, Suezmax and LR2 orderbooks stand at 8%, 7% and 13% respectively
- Meaningful capacity for new tanker orders – now 2025



New IMO measures from 2023 onwards challenges the fleet

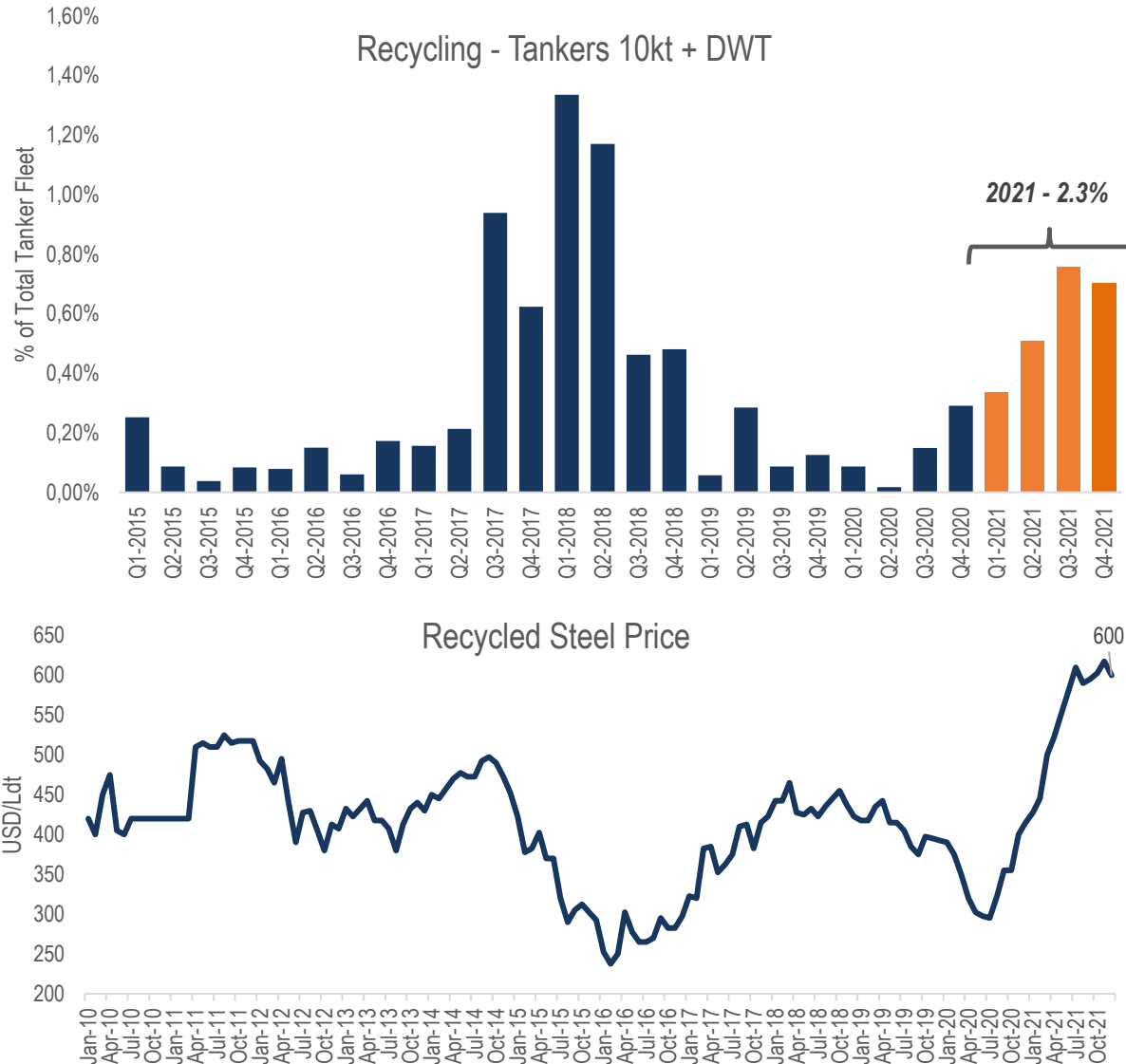
VLCC, Suezmax and LR2 Age Distribution



Commentary

- Refrigerator' energy efficiency rating will be introduced on all vessels by 2023
- EEXI rating lower than 'C' face losing ticket to trade
- **Frontline's owned fleet overall weighted carbon intensity rating is "A" basis 2021 data**
- CII is a measure for a vessels Carbon Intensity (average emission per volume transported)
- A vessels Carbon Intensity is important to charterers carbon footprint policies
- CII is also the measure relevant for Carbon Tax
- Vessel speed is the single most effective "CII" reducing measure
- To deal with EEXI, one would need to physically cap the speed

With record high recycle-steel prices, activity is finally accelerating



Commentary

- Recycling activity finally picked up during 2021
- 2017-2018 was the last big period for vessel retirement, in 2021 alone 2.3% of the global tanker fleet was sold for recycling
- We believe this trend will continue; the aging fleet is severely challenged in the compliant spot market
- Alternative use opportunities for older tankers, typically storage or conversion, virtually non existing
- The prices achieved for recycled steel is at multi decade highs

Decarbonization journey towards IMO 2030-2050



.... to provide us with a solid understanding of our options, both now and in the near future, on how to further optimize our fleet operations.

Energy Efficiency and Decarbonization



UN Sustainable Development Goals & Seafarers wellbeing



....as part of addressing sustainability in a broader perspective, we have identified three of the UN Sustainable Development Goals (SDGs) where we believe Frontline can contribute.

ESG Report published yearly



...increased effort to identify and address ESG issues. Our ESG reports presents our performance and management approach to those issues.

Commentary

- One of the youngest and most energy efficient fleets in the industry
- Compliance with increasing regulations
- Strategic initiatives towards decarbonization
- Successfully trials of a low carbon marine biofuel – TFG Marine
- Target 55 000 MT annual CO2 reduction
- **Increased earnings potential**

Sustainability Accounting



- CO₂ emissions
- EEDI & AER
- Other emissions to air
- Ballast water
- Marine casualties
- Spills and releases
- Conditions of class
- Port state control
- Marine protected areas
- Anti Corruption & Sanctions

- Demand, and supply of oil continues to rise, the Omicron version seemingly modest impact
- Tanker markets have recovered since Q3-21, but still challenged by oil supply not fully at pre pandemic levels
- Tanker recycling finally starting to make an impact on vessel supply
- US SPR releases, OPEC+ strategy going forward and **Iran nuclear talks** – lots of moving parts!
- Oil in transit continue to rise, energy prices at record highs – oil now flirting with \$100 bbl
- Frontline’s financial commitments are fully funded, with reduced over all financing cost and we are well positioned as the story of this market unfolds.



Questions & Answers





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Appendix 1

Reconciliation

(Million \$ except per share)

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	FY 2021	FY 2020
Total operating revenues net of voyage expenses						
Total operating revenues	214	172	170	194	749	1,221
Voyage expenses	(113)	(103)	(90)	(87)	(393)	(353)
Total operating revenues net of voyage expenses	101	69	80	107	357	868
Net income (loss) adj.						
Net income (loss) attributable to the Company	20	(33)	(27)	29	(11)	413
Add back:						
Loss on marketable securities	—	—	—	—	—	5
Share of losses of associated company	—	—	1	—	1	6
Loss on derivatives	—	—	5	—	5	22
Tax expense on dividend received	4	—	—	—	4	—
Less:						
Gain on sale of subsidiary	—	—	—	—	—	(7)
Gain on termination of lease (net of cash received)	—	—	—	—	—	(4)
Share of results of associated company	—	—	—	—	—	(1)
Gain on settlement of claim	—	—	—	—	—	(2)
Gain on marketable securities	—	—	(1)	(3)	(4)	(3)
Gain on sale of vessels	(5)	—	—	—	(5)	—
Dividend received	(18)	—	—	—	(18)	—
Gain on derivatives	(5)	(1)	—	(16)	(22)	(3)
Amortization of acquired time charters	(1)	(1)	(1)	(1)	(5)	(4)
Net income (loss) adj.	(5)	(36)	(23)	9	(55)	422
<i>(in thousands)</i>						
Weighted average number of ordinary shares (basic)	202,404	198,028	197,692	197,692	198,965	195,637
Weighted average number of ordinary shares (diluted)	202,404	198,028	197,692	197,775	198,965	197,808
<i>(in \$)</i>						
Basic earnings (loss) per share adjusted for certain non-cash items	(0.02)	(0.18)	(0.12)	0.04	(0.28)	2.16
Diluted earnings (loss) per share adjusted for certain non-cash items	(0.02)	(0.18)	(0.12)	0.04	(0.28)	2.13
EBITDA adj.						
Net income (loss) attributable to the Company	20	(33)	(27)	29	(11)	413
Add back:						
Interest expense	17	15	15	15	61	72
Depreciation and amortization	39	37	36	36	148	139
Income tax expense	5	—	—	—	5	—
Net income attributable to the non-controlling interest	—	—	—	—	—	—
Share of losses of associated company	—	—	1	—	1	6
Loss on marketable securities	—	—	—	—	—	5
Loss on derivatives	—	—	5	—	5	22
Less:						
Gain on sale of subsidiary	—	—	—	—	—	(7)
Gain on termination of lease (net of cash received)	—	—	—	—	—	(4)
Gain on marketable securities	—	—	(1)	(3)	(4)	(3)
Gain on settlement of claim	—	—	—	—	—	(2)
Share of results of associated company	—	—	—	—	—	(1)
Dividend received	(5)	—	—	—	(5)	—
Gain on derivatives	(18)	—	—	—	(18)	—
Gain on derivatives	(5)	(1)	—	(16)	(22)	(3)
Amortization of acquired time charters	(1)	(1)	(1)	(1)	(5)	(4)
EBITDA adj.	51	17	28	59	154	632

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.