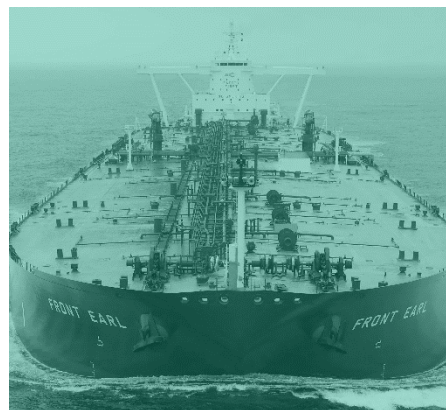


# FRONTLINE



Third Quarter Presentation Nov 2023

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.

## On its way to become the largest tanker owner in the public domain

Reported earnings basis load to discharge

	Q3 2023	Q4 2023 est.	% done
VLCC	\$42,500	\$48,100	81%
Suezmax	\$37,600	\$50,300	70%
LR2 / Aframax	\$33,900	\$51,300	70%



- Profit of \$107.7 million, or \$0.48 per basic and diluted share for the third quarter of 2023
- Adjusted profit of \$80.8 million, or \$0.36 per basic and diluted share for the third quarter of 2023
- Reported revenues of \$377.1 million for the third quarter of 2023



- Declared a cash dividend of \$0.30 per share for the third quarter of 2023



- Announced agreement for an integrated solution to the strategic and structural deadlock in Euronav NV
- Closed the sale of 13.7 million shares of Euronav to CMB NV for proceeds of \$252 million
- Entered into agreements with Euronav to purchase 24 VLCCs with an average age of 5.3 years, for an aggregate purchase price of \$2,350.0 million from Euronav. All agreements are effective, and a majority of the vessels are expected to be delivered in the fourth quarter of 2023 and the balance of the vessels are expected to be delivered in the first quarter of 2024
- Entered into a senior secured term loan facility with a group of our relationship banks in an amount of up to \$1410.0 million and a shareholder loan from Hemen in an amount up to \$539.9 million to partly finance the Acquisition



# Profit Statement – Highlights

	2023	2023	2022
<i>(in thousands of \$ except per share data)</i>	Jul - Sep	Apr - Jun	Jan - Dec
<b>Total operating revenues (net of voyage expenses)*</b>	<b>232 135</b>	<b>356 153</b>	<b>824 664</b>
Other income	400	9 391	8 040
Ship operating expenses	(44 102)	(43 772)	(175 164)
Administrative expenses	(15 298)	(11 701)	(47 374)
<b>EBITDA</b>	<b>200 339</b>	<b>315 466</b>	<b>682 164</b>
<b>EBITDA adj*</b>	<b>173 034</b>	<b>300 820</b>	<b>601 377</b>
Interest expense adj*	(37 724)	(38 102)	(95 081)
<b>Profit</b>	<b>107 743</b>	<b>230 674</b>	<b>475 537</b>
<b>Profit adj*</b>	<b>80 813</b>	<b>209 953</b>	<b>341 952</b>
<b>Basic and diluted earnings per share</b>	<b>0,48</b>	<b>1,04</b>	<b>2,22</b>
<b>Basic and diluted earnings per share adjusted</b>	<b>0,36</b>	<b>0,94</b>	<b>1,60</b>
<b>Dividend per share</b>	<b>0,30</b>	<b>0,80</b>	<b>1,22</b>

## Notes

- Adjusted net income in the third quarter decreased by \$129.2 million compared with the second quarter, primarily due to a decrease in our time charter equivalent earnings, due to lower TCE rates, partially offset by fluctuations in other income and expenses.
- The adjustments in the third quarter of 2023 consist of:
  - \$17.9 million gain on marketable securities,
  - \$1.7 million share of losses of associated companies,
  - \$0.4 million unrealized loss on derivatives and
  - \$11.1 million of dividends received.

Note: Diluted earnings per share is based on 222,623 and 222,623 weighted average shares (in thousands) outstanding for Q3 2023 and Q2 2023, respectively  
 \*See Appendix 1 for reconciliation to nearest comparable GAAP figures



# Balance Sheet - Highlights

	2023 Sep 30	2023 Jun 30	2022 Dec 31
<i>(in millions \$)</i>			
<b>Assets</b>			
Cash	285	307	255
Other current assets	570	591	627
<b>Non-current assets</b>			
Vessels and newbuildings	3 567	3 625	3 709
Goodwill	112	112	112
Other non-current assets	65	67	73
<b>Total assets</b>	<b>4 600</b>	<b>4 702</b>	<b>4 776</b>
<b>Liabilities and Equity</b>			
Short term debt and current portion of long term debt	365	363	258
Obligations under leases	1	1	1
Other current payables	111	104	132
<b>Non-current liabilities</b>			
Long term debt	1 890	1 933	2 112
Obligations under leases	2	2	2
Other non-current payables	5	3	2
Non-controlling interest	(0)	(0)	(0)
Frontline plc stockholders' equity	2 226	2 297	2 268
<b>Total liabilities and equity</b>	<b>4 600</b>	<b>4 702</b>	<b>4 776</b>

- **Strong liquidity** of \$715 million in cash and cash equivalents, including undrawn amount of senior unsecured revolving credit facility, marketable securities and minimum cash requirements bank as per 30.09.23
- Current portion of long term debt includes ~\$91 million from a loan facility due in Q1-24, which was refinanced in November 2023 and \$75.3 million related to the senior unsecured revolving credit facility which in October 2023 was extended to Q1-26
- **No remaining newbuilding commitments** and **no meaningful debt maturities** until 2027
- **Healthy leverage ratio** of 52%



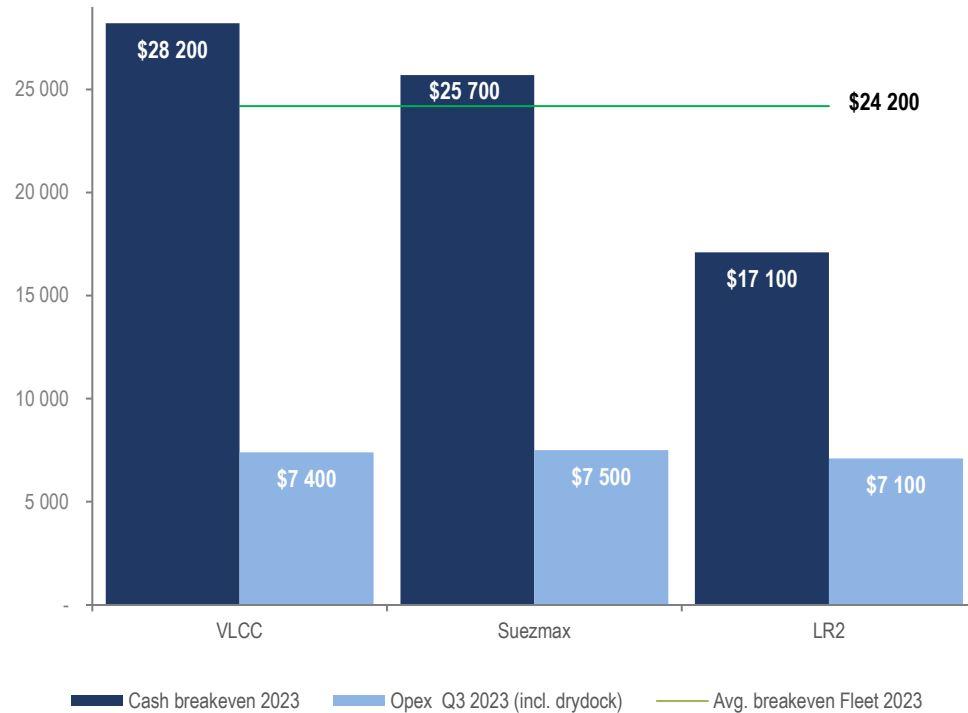


# Competitive cash breakeven rates and Opex



Competitive cash breakeven rates of \$24,200 fleet average, including dry dock costs for one VLCC and seven SMAX\* tankers in the fourth quarter of 2023 at estimated cost of \$2,000

Q3-23 fleet average opex excl. drydock \$7,400



Note: Daily cash breakeven in USD based on estimate for remainder of 2023.

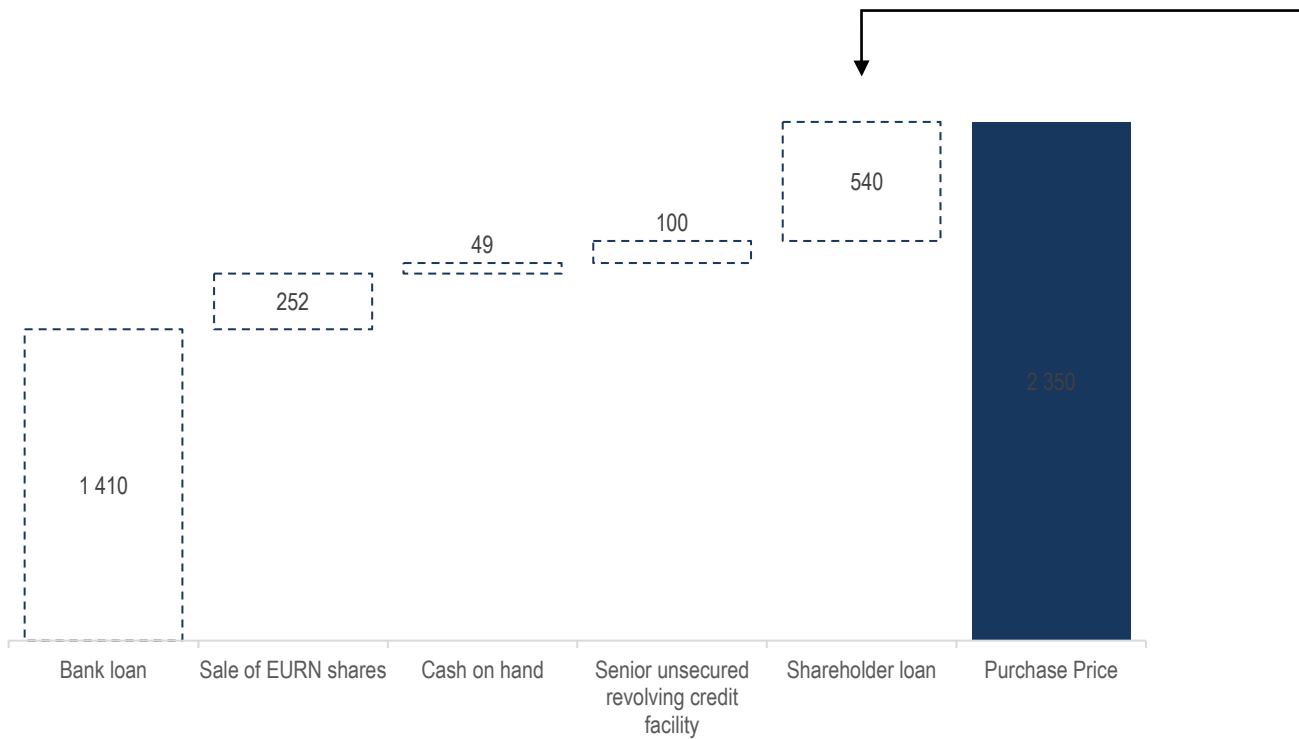
(\*) Seven Smax tankers whereof one vessel only includes 50% of its dry dock cost, due to docking in between two quarters

# Fully funded Acquisition of 24 modern VLCCs

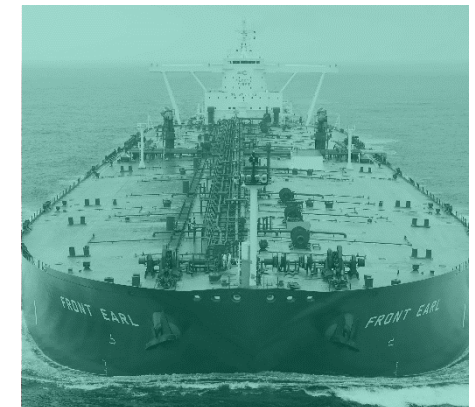
High-quality fleet on the water ensuring immediate cash flow generation into the winter season



Attractive debt package enabling for swift execution and low complexity

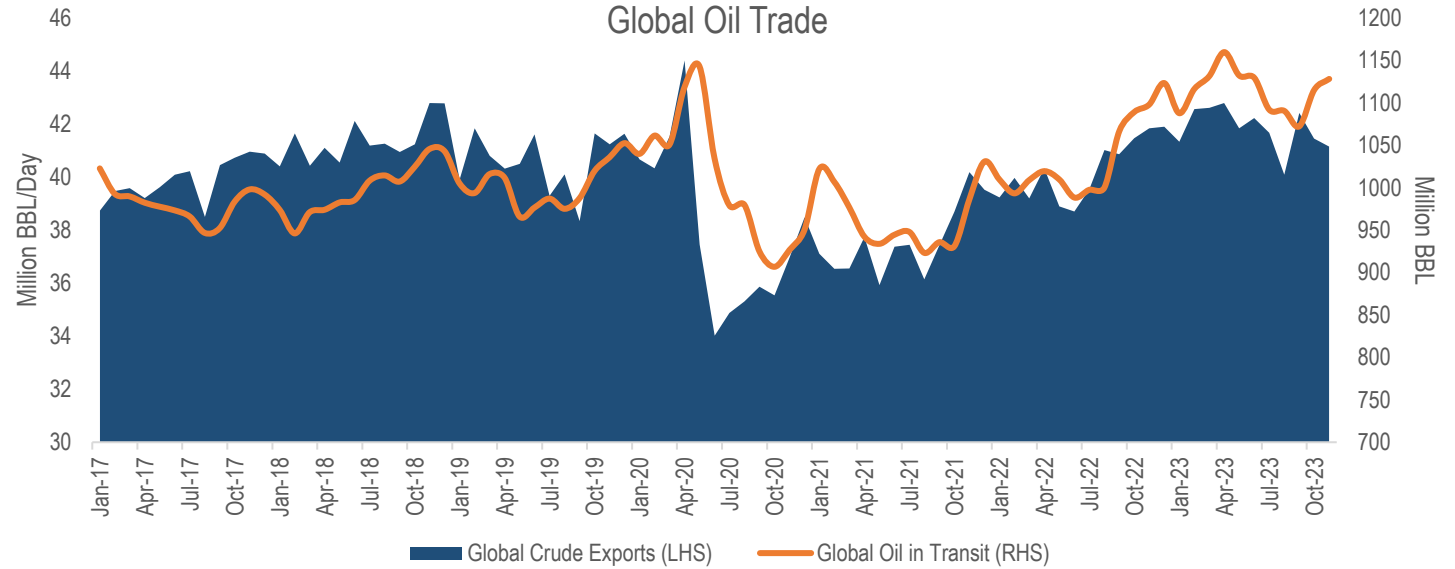


Ambition to minimize need for cash from shareholder loan through Frontlines capacity to re-leverage the existing fleet due to the historically low loan-to value and/or sale of older non-eco less efficient vessels.

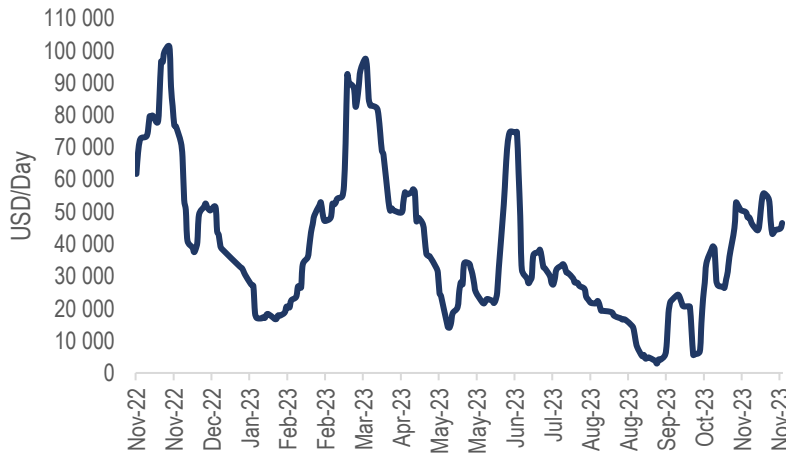


# Q3-23 and the Current Market

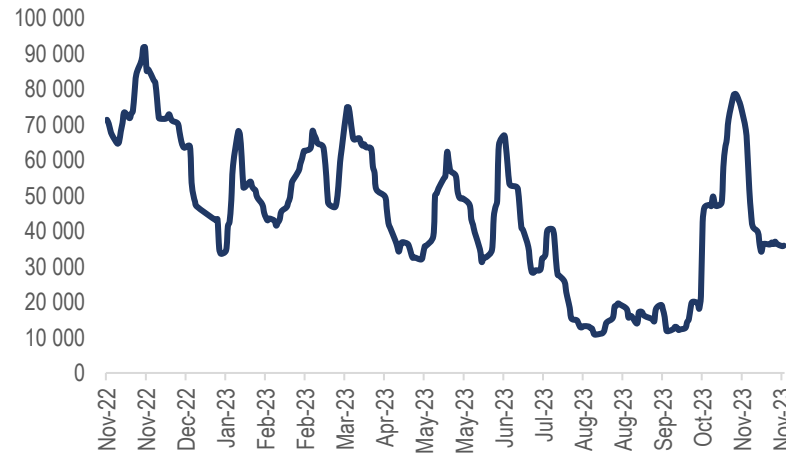
- G7 price cap and increased scrutiny on ex-Russia players
- China continue to grind record volumes, US exports surprise to the upside
- US sanctions on Venezuela lifted
- Growing political risk - Israel/Hamas conflict
- “Normal” seasonality at play
- OPEC action – balancing markets?



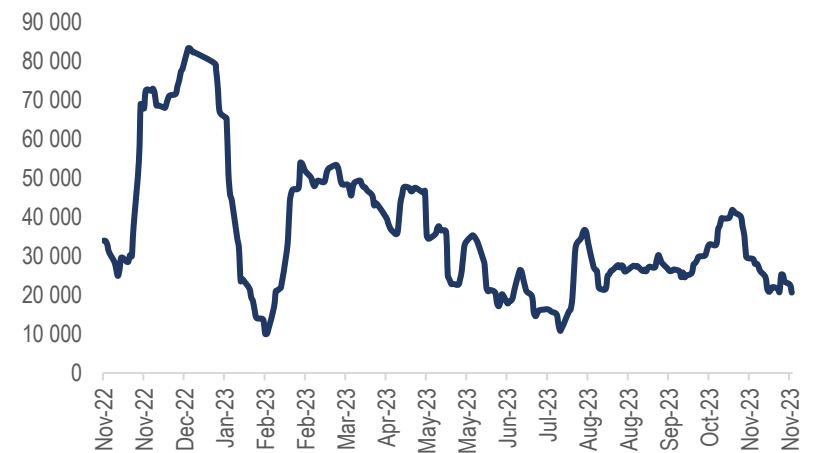
BDTI TD3C-TCE 270,000t Middle East Gulf to China



BDTI TD20-TCE 130,000t West Africa - Continent



BCTI TC1-TCE 75,000t Middle East Gulf to Japan

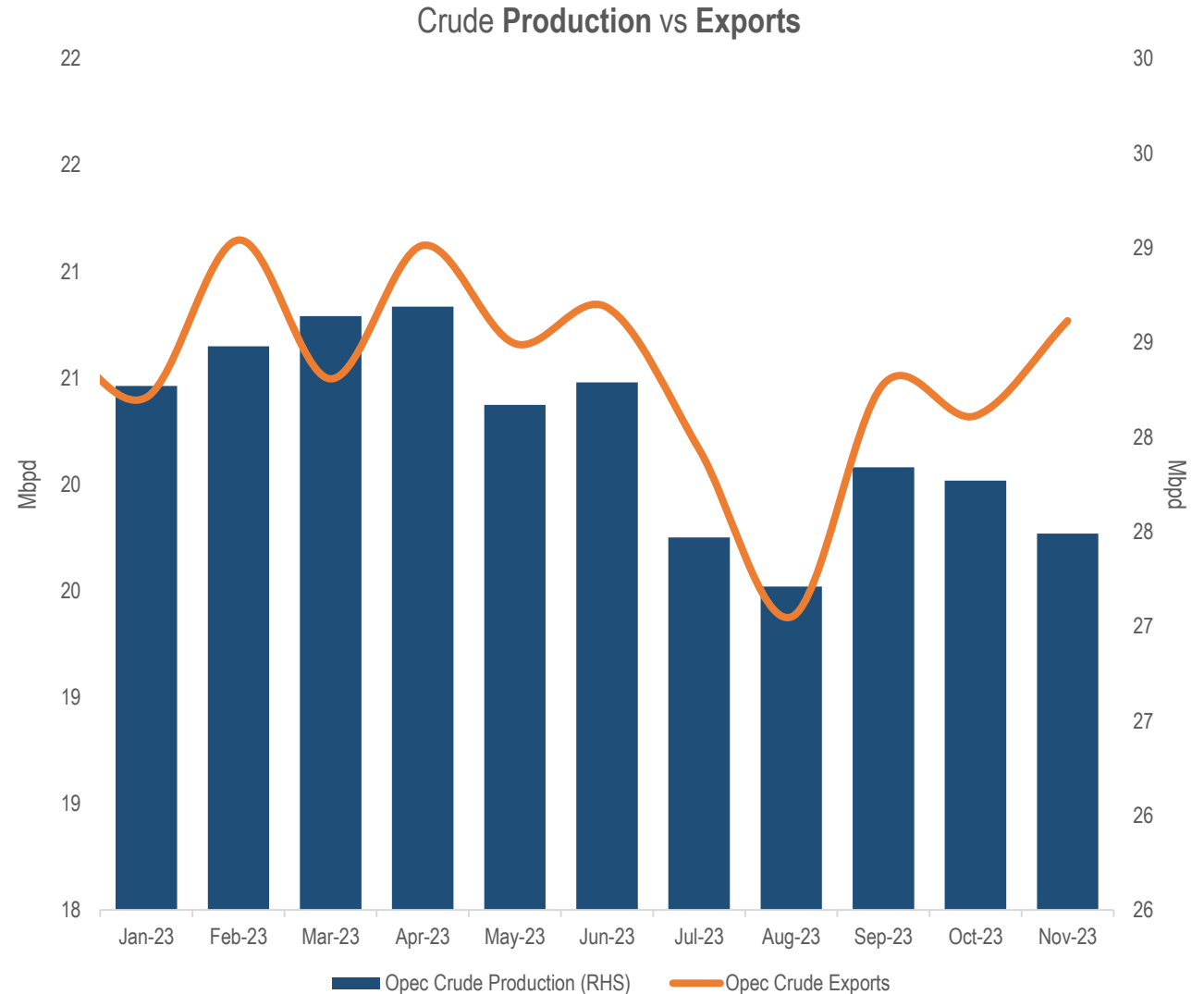
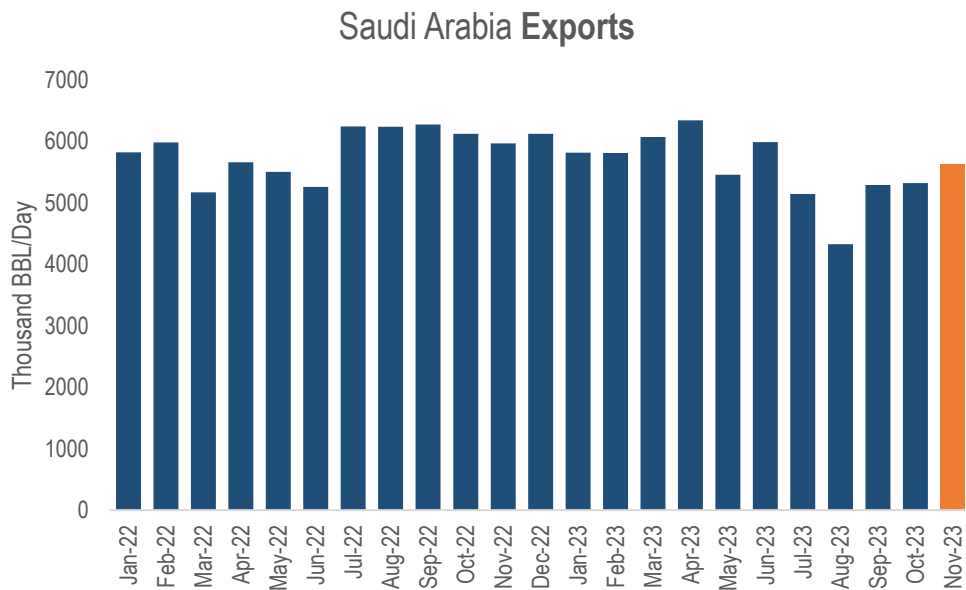


Source: KPLER, Bloomberg, Clarksons



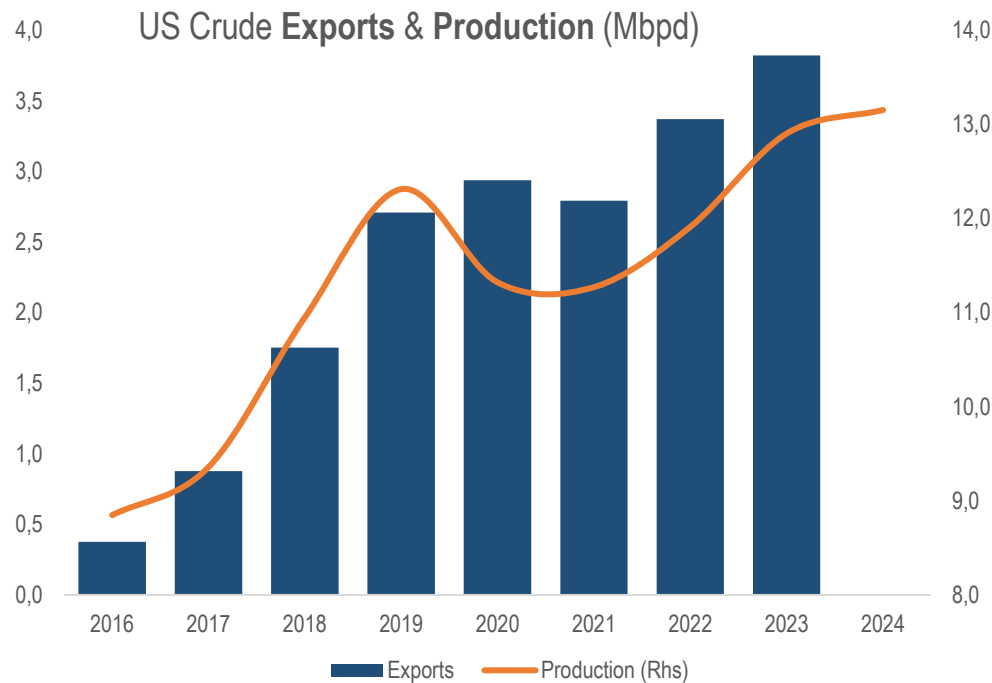
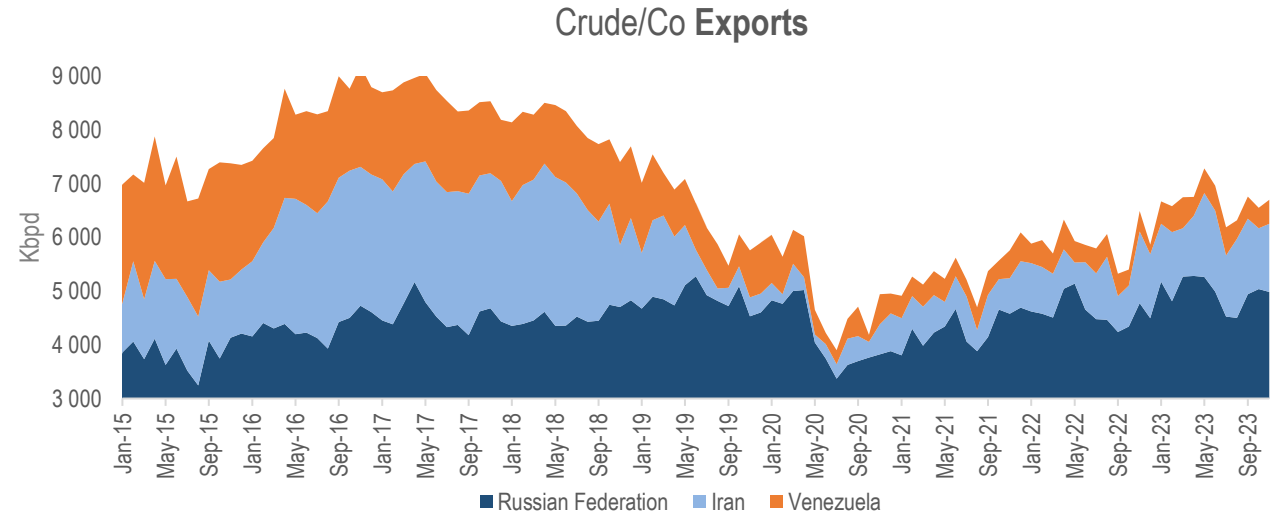
# OPEC – Output / Production / Exports

- Neither “Output” nor “Production” equals Exports
- Oil demand is firm, but OPEC not the only supplier
- Production targets leaves room for exports to be adjusted
- Exports more correlated to domestic demand amongst the large producers
- Oil revenue is maybe what really matters

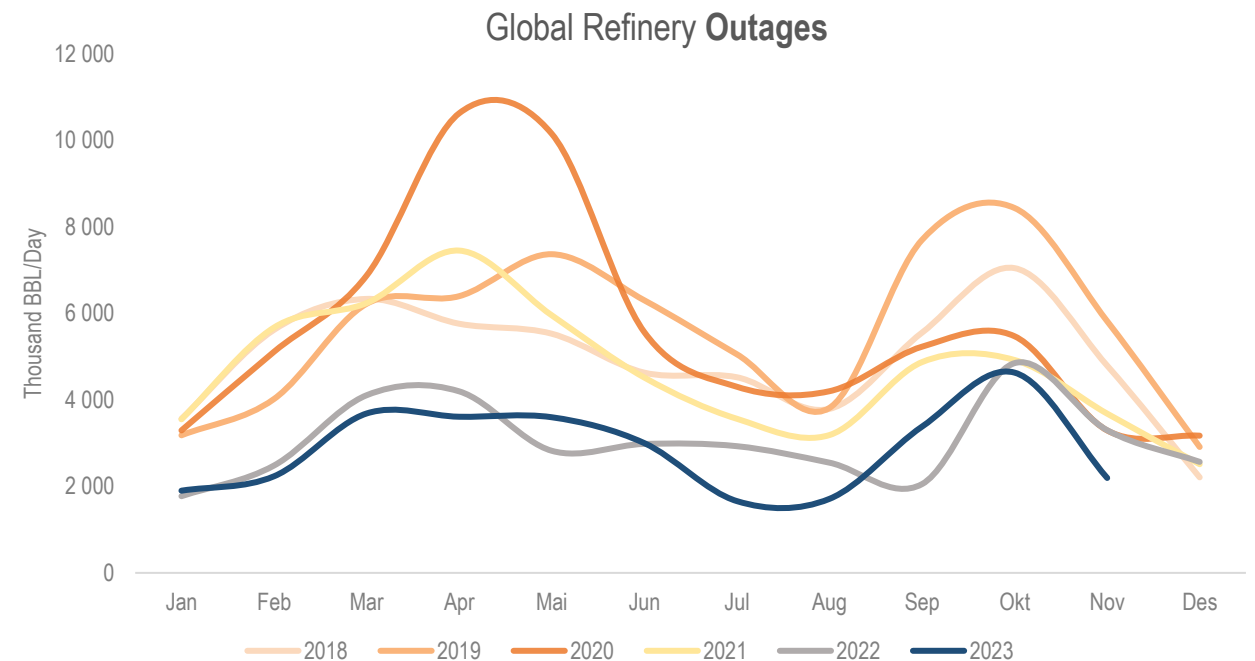


# Tanker narrative these days

- Russia, Iran and Venezuela resilient and growing exporters
- US exports at record highs and increasing
- Venezuela expected to increase exports by 300kpd short term to reach ~6-700kpd annually
- ~2.5 mbd of refinery capacity now back after fall maintenance, peak runs in January



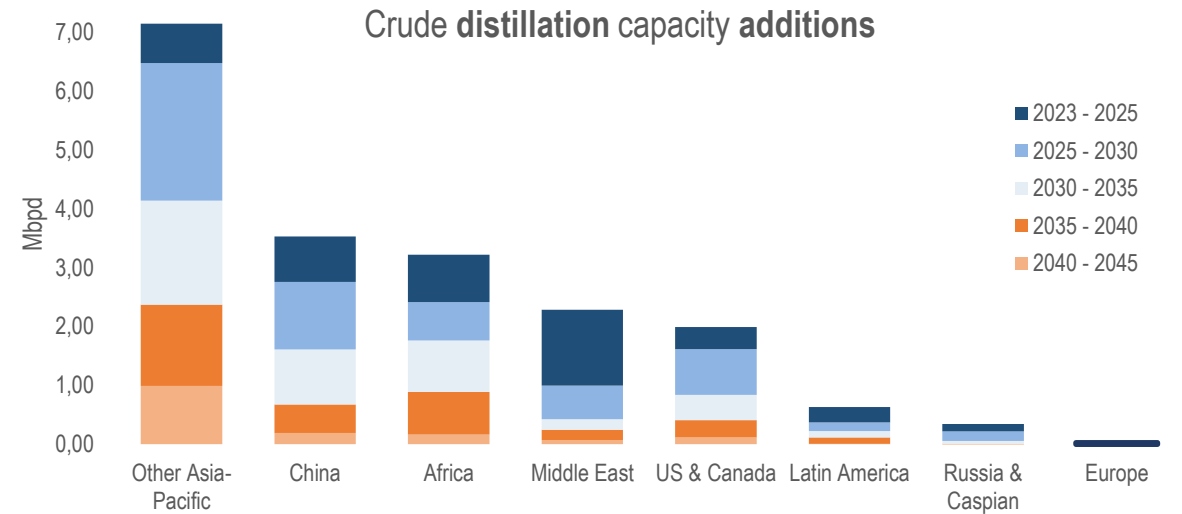
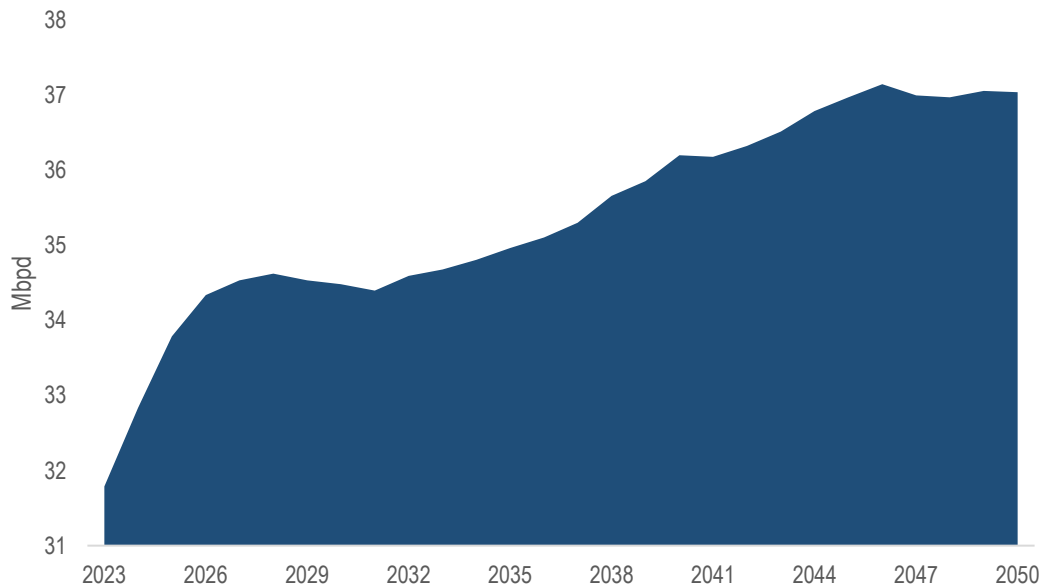
Source: KPLER, Bloomberg



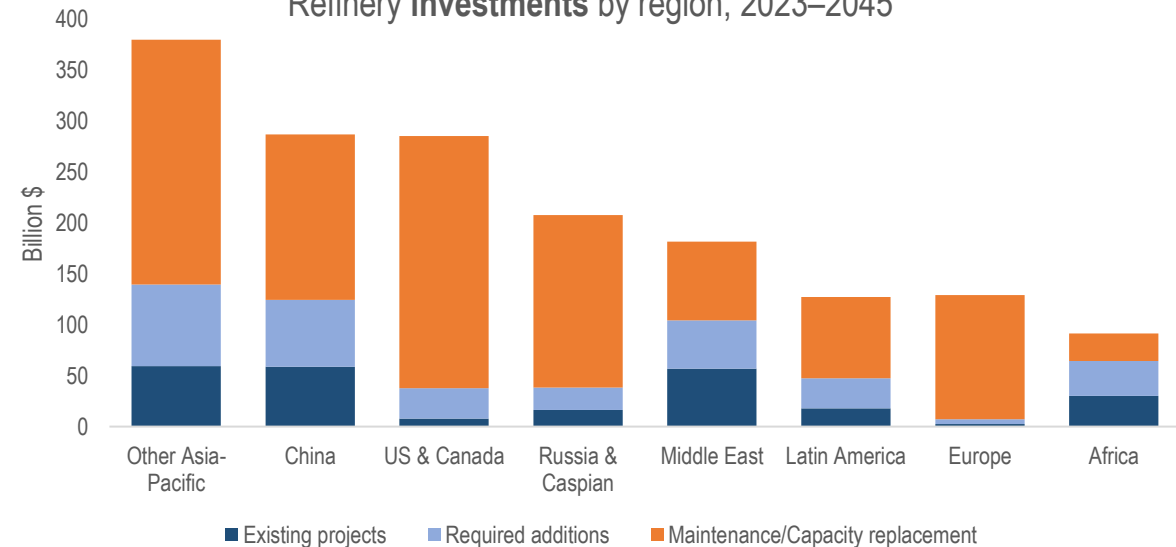
# The Very Long View

- East and West of Suez and the “pipelines” of the oceans
- New oil production capacity and shale oil contribution West of Suez
- Refinery capacity buildup East of Suez
- Both Crude transportation (feedstock) and Products trade benefit from this development
- Future tanker capacity not reflecting the projected trade extension

West of Suez **Production Forecast**



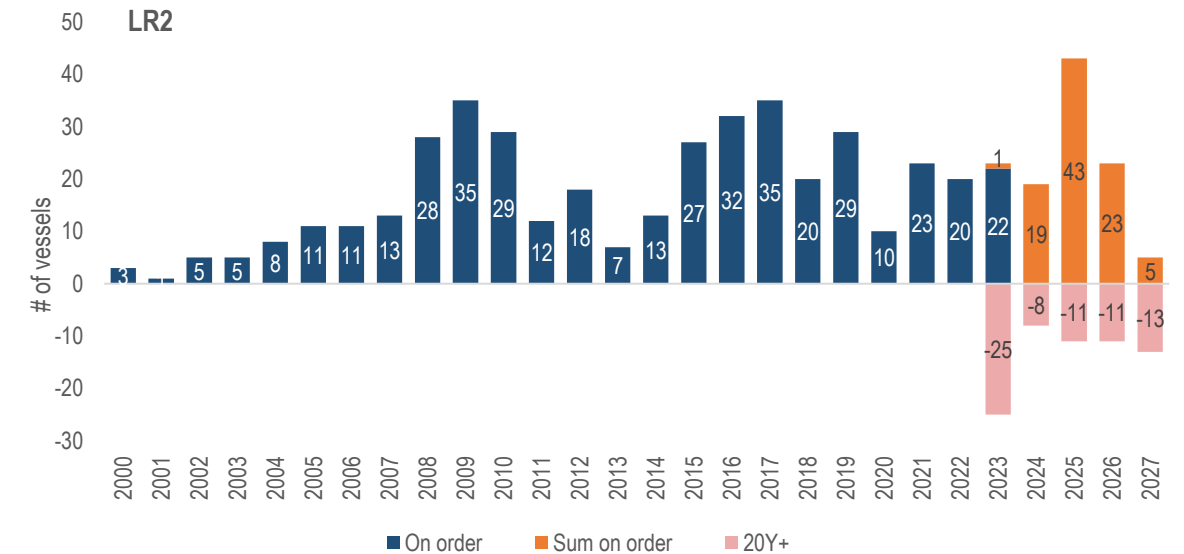
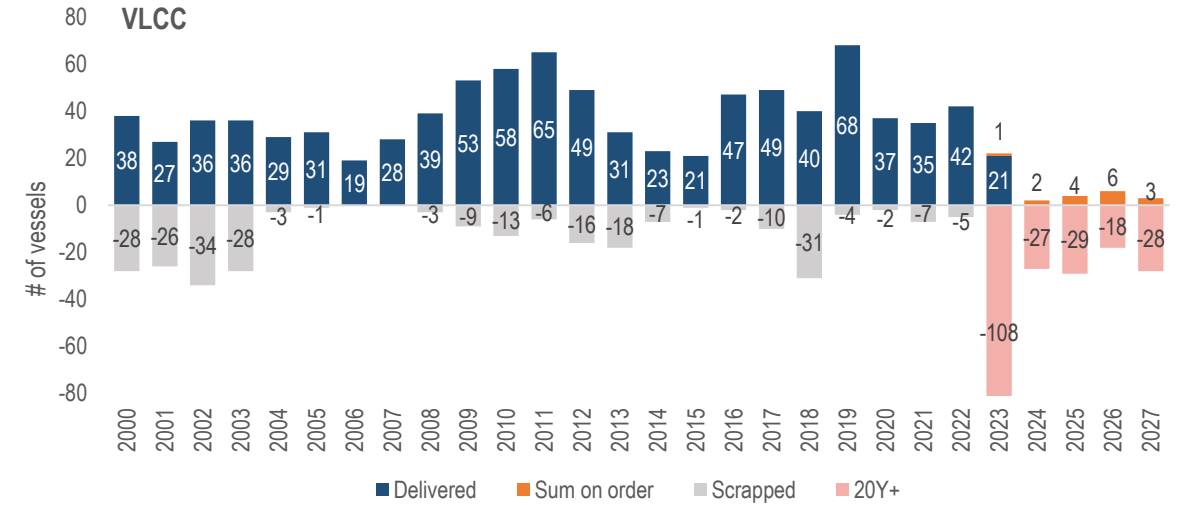
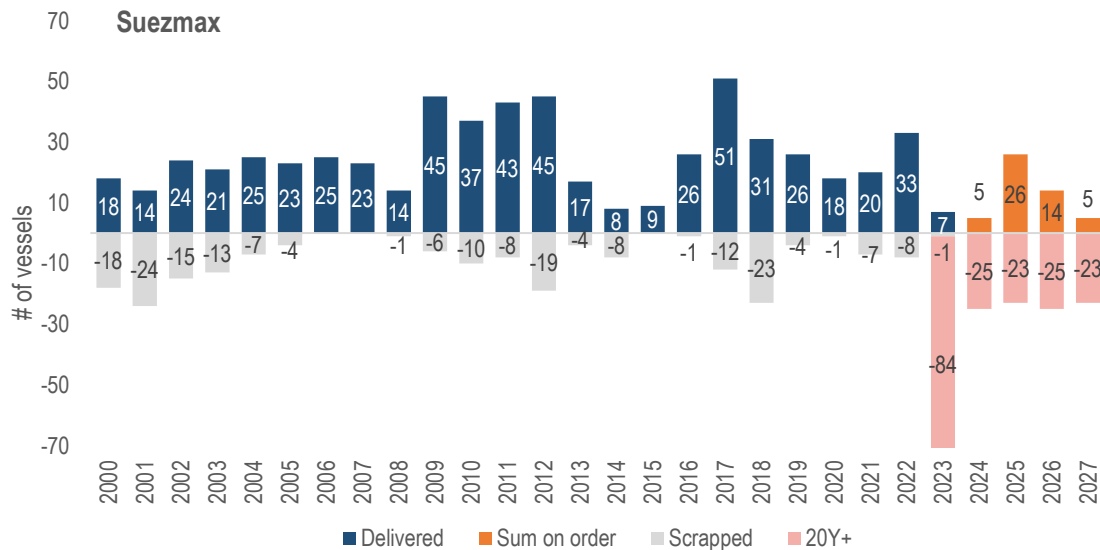
Refinery **investments** by region, 2023–2045



Source: EIA, OPEC. West of Suez includes: West Africa, Venezuela, US, Canada, Mexico, Brazil, Other non-OPEC Americas and Western Europe

# Orderbooks

NOV 2023	Fleet	15 +	% above 15	20 +	% above 20	Orderbook	% of Fleet
<b>VLCC</b>	<b>885</b>	<b>248</b>	<b>28.02 %</b>	<b>108</b>	<b>12.20 %</b>	<b>16</b>	<b>1.8 %</b>
<b>Suezmax</b>	<b>608</b>	<b>193</b>	<b>31.74 %</b>	<b>84</b>	<b>13.82 %</b>	<b>50</b>	<b>8.2 %</b>
<b>LR2</b>	<b>428</b>	<b>96</b>	<b>22.43 %</b>	<b>25</b>	<b>5.84 %</b>	<b>91</b>	<b>21.3 %</b>
<b>Total Fleet</b>	<b>1921</b>	<b>537</b>	<b>27.95 %</b>	<b>217</b>	<b>11.30 %</b>	<b>157</b>	<b>8.2 %</b>





## The scope of the EU ETS directive

- Shipping to be included from 1. January 2024.
- EUA exposure on current voyages going into 2024 are priced and accounted for.
- 100% of emissions on voyages within EU/EEA
- 50% of emissions on voyages into or out of the EU/EEA
- The scheme will cover 40% of emissions in 2024, 70% in 2025 and 100% in 2026.

2024

40%

2025

70%

2026

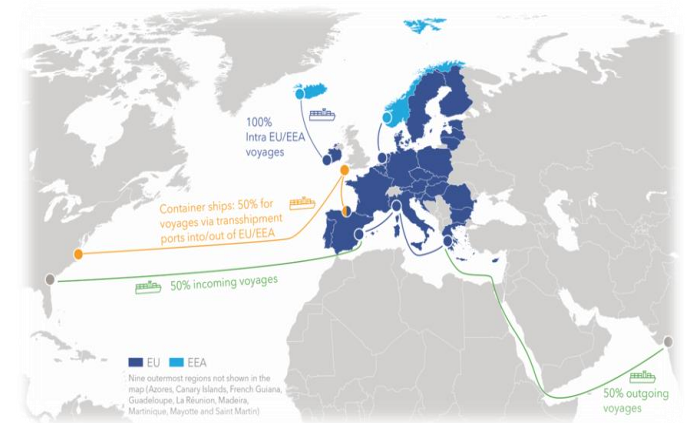
100%

- MT conventional fuel = ~3.2 tonne CO<sub>2</sub>/EUAs
- EUAs are easily available and can be traded through various exchanges
- European Union Monitoring, Reporting and Verification creates the base for EU ETS.
- Frontline has a robust MRV process in place to ensure compliance and effectively manage our EUA exposure on a voyage and fleet basis.



## Frontline's position

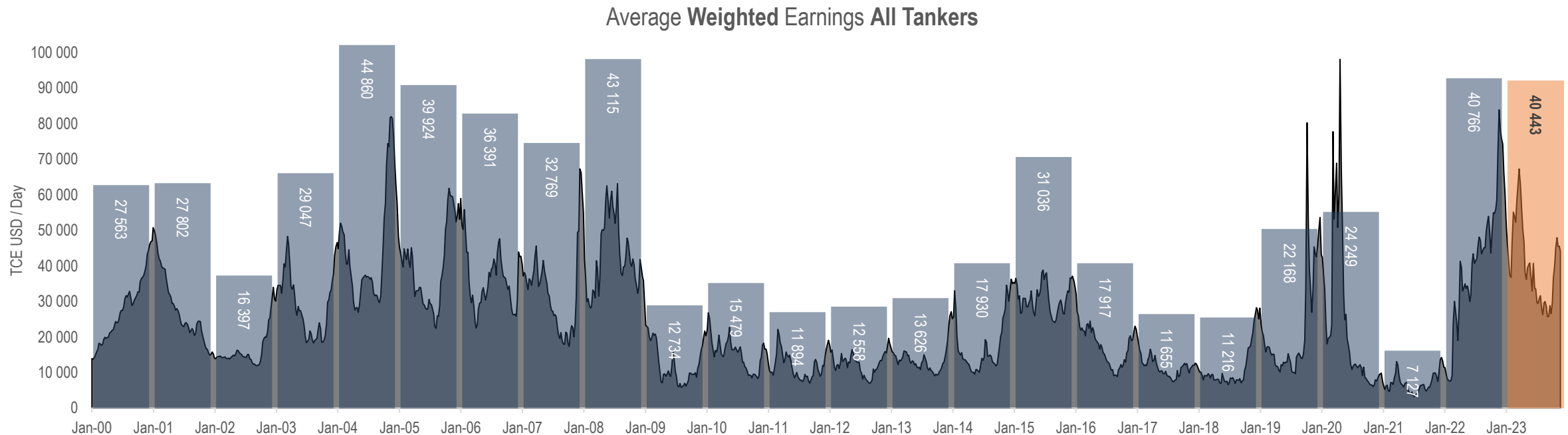
- Modern and energy efficient fleet.
- Competitiveness in a tightening regulatory environment.
- Treat EU ETS as an additional voyage cost.
- In 2022 16% of Frontline's fleet global CO<sub>2</sub> emissions were exposed to EU ETS.





## Tankers are performing... and now time for the VLCC to shine?

- Frontline more than doubles its VLCC position, gearing up for tighter fundamentals
- **The fundamental backdrop remains** - decades low orderbooks and extended lead times
- Increases operational leverage as global oil demand is expected to grow beyond pre-pandemic highs
- Short- and medium-term Oil demand expectations are good
- Political risk increases the tension in oil and freight markets
- Frontlines large modern fleet and efficient business model is ready as the next chapter unfolds



Source: Clarksons

## Questions & Answers

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FRONTLINE

 [www.frontlineplc.cy](http://www.frontlineplc.cy)

**Appendix 1**  
**Non-GAAP measures reconciliation**

<i>(in thousands of \$ except per share)</i>	Q3 2023	Q2 2023	Q1 2023	Q4 2022	FY 2022
<b>Total operating revenues net of voyage expenses and commission</b>					
Total operating revenues	377,085	512,763	497,332	530,141	1,430,208
Voyage expenses and commission	(145,051)	(156,610)	(158,827)	(177,295)	(605,544)
<b>Total operating revenues net of voyage expenses and commission</b>	<b>232,034</b>	<b>356,153</b>	<b>338,505</b>	<b>352,846</b>	<b>824,664</b>
<b>Adjusted profit</b>					
Profit	107,743	230,674	199,626	239,054	475,537
<i>Add back:</i>					
Loss on marketable securities	—	20,795	3,173	—	12,005
Share of losses of associated company	1,690	—	—	—	92
Unrealized loss on derivatives (1)	375	—	7,364	1,116	1,116
Loss on termination of leases	—	—	—	—	431
<i>Less:</i>					
Unrealized gain on derivatives (1)	—	(6,075)	—	—	(51,108)
Gain on marketable securities	(17,883)	—	—	(23,023)	(70,364)
Share of results of associated company	—	(1,217)	(3,738)	(2,632)	(14,335)
Amortization of acquired time charters	—	—	—	—	(2,806)
Gain on sale of vessels	—	(9,251)	(12,709)	—	(4,618)
Gain on settlement of insurance and other claims	—	—	(397)	—	(3,998)
Dividends received	(11,112)	(24,973)	(527)	(542)	(1,579)
<b>Adjusted profit</b>	<b>80,813</b>	<b>209,953</b>	<b>192,792</b>	<b>213,973</b>	<b>340,373</b>
Weighted average number of ordinary shares (basic and diluted)	222,623	222,623	222,623	222,623	214,011
Adjusted basic and diluted earnings per share	\$ 0.36	\$ 0.94	\$ 0.87	\$ 0.96	\$ 1.59
<b>EBITDA</b>					
Profit	107,743	230,674	199,626	239,054	475,537
<i>Add back:</i>					
Finance expense	38,110	32,390	45,417	33,446	45,330
Income tax expense	4	161	—	202	425
Depreciation	58,282	57,096	55,546	42,882	165,170
<i>Less:</i>					
Finance income	(3,800)	(4,855)	(2,873)	(1,097)	(1,479)
Income tax benefit	—	—	(186)	—	(13)
Amortization of acquired time charters	—	—	—	—	(2,806)
<b>EBITDA</b>	<b>200,339</b>	<b>315,466</b>	<b>297,530</b>	<b>314,487</b>	<b>682,164</b>
<b>Adjusted EBITDA</b>					
EBITDA	200,339	315,466	297,530	314,487	682,164
<i>Add back:</i>					
Loss on marketable securities	—	20,795	3,173	—	12,005
Share of losses of associated company	1,690	—	—	—	92
Loss on termination of leases	—	—	—	—	431
<i>Less:</i>					
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Share of results of associated company	—	(1,217)	(3,738)	(2,632)	(14,335)
Gain on sale of vessels	—	(9,251)	(12,709)	—	(4,618)
Gain on settlement of insurance and other claims	—	—	(397)	—	(3,998)
Dividend received	(11,112)	(24,973)	(527)	(542)	(1,579)
<b>Adjusted EBITDA</b>	<b>173,034</b>	<b>300,820</b>	<b>283,332</b>	<b>288,290</b>	<b>599,798</b>

This presentation describes: Total operating revenues net of voyage expenses and commission (“Total operating revenues (net of voyage expenses)”, Adjusted profit (loss) (“Profit (loss) adj”) and related per share amounts, Adjusted Earnings Before Interest, Tax, Depreciation & Amortisation (“Adjusted EBITDA” or “EBITDA adj”) and Adjusted Interest Expense (“Interest expense adj”), which are not measures prepared in accordance with IFRS (“non-GAAP”).

We believe the non-GAAP financial measures provide investors with a means of analyzing and understanding the Company’s ongoing operating performance.

The non-GAAP financial measures should not be considered in isolation from, as substitutes for, or superior to financial measures prepared in accordance with IFRS.

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

(1) Adjusted profit has been revised to only exclude the unrealized gain (loss) on derivatives to give effect to the economic benefit/cost provided by our interest rate swap agreements. A reconciliation of the gain (loss) on derivatives and adjusted interest expense is as follows:

<i>(in thousands \$)</i>	Q3 2023	Q2 2023	Q1 2023	Q4 2022	FY 2022
Unrealized gain (loss) on derivatives	(375)	6,075	(7,364)	(1,116)	49,992
Interest income on derivatives	6,116	5,551	4,964	3,697	3,631
Gain (loss) on derivatives	5,741	11,626	(2,400)	2,581	53,623
<b>Adjusted interest expense</b>					
Finance expense	38,110	32,390	45,417	33,446	45,330
Unrealized gain (loss) on derivatives	(375)	6,075	(7,364)	(1,116)	49,992
Other financial expenses	(11)	(363)	(69)	(170)	(241)
<b>Adjusted interest expense</b>	<b>37,724</b>	<b>38,102</b>	<b>37,984</b>	<b>32,160</b>	<b>95,081</b>