

# FRONTLINE



Third Quarter Presentation November 2024

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

	Q3 2024	Q4 2024 spot TCE currently contracted	% done
VLCC	\$39,600	\$44,300	77%
Suezmax	\$39,900	\$39,600	70%
LR2 / Aframax	\$36,000	\$34,800	60%



- Profit of \$60.5 million, or \$0.27 per basic and diluted share for the third quarter of 2024
- Adjusted profit of \$75.4 million, or \$0.34 per basic and diluted share for the third quarter of 2024
- Reported revenues of \$490.3 million for the third quarter of 2024
- Declared a cash dividend of \$0.34 per share for the third quarter of 2024
- Sold its oldest Suezmax tanker, built in 2010, for a net sales price of \$48.5 million and delivered the vessel to its new owner in October 2024. The transaction generated net cash proceeds of \$36.5 million after repayment of existing debt
- Fully repaid the shareholder loan with Hemen Holding Limited (“Hemen”), and the \$275.0 million senior unsecured revolving credit facility with an affiliate of Hemen for an aggregate amount of \$470.0 million
- Entered into a sale-and-leaseback agreement in an amount of up to \$512.1 million to refinance 10 Suezmax tankers. The refinancing is expected to generate net cash proceeds of approximately \$101.0 million in the fourth quarter of 2024



# Profit Statement – Highlights

	2024	2024	2023
<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>295 333</b>	<b>358 231</b>	<b>1 183 589</b>
Other income	45	51 487	24 080
Ship operating expenses	(59 446)	(57 519)	(176 533)
Administrative expenses	(6 965)	(12 566)	(53 528)
<b>EBITDA</b>	<b>226 794</b>	<b>340 562</b>	<b>1 040 832</b>
<b>EBITDA adj*</b>	<b>228 967</b>	<b>288 146</b>	<b>955 251</b>
Interest expense adj*	(69 368)	(70 295)	(155 585)
<b>Profit</b>	<b>60 457</b>	<b>187 574</b>	<b>656 414</b>
<b>Profit adj*</b>	<b>75 436</b>	<b>138 189</b>	<b>585 708</b>
<b>Basic and diluted earnings per share</b>	<b>0,27</b>	<b>0,84</b>	<b>2,95</b>
<b>Basic and diluted earnings per share adjusted</b>	<b>0,34</b>	<b>0,62</b>	<b>2,63</b>
<b>Dividend per share</b>	<b>0,34</b>	<b>0,62</b>	<b>2,17</b>

## Notes

- The adjustments in the third quarter of 2024 consist of:
  - \$2.8 million loss on marketable securities
  - \$12.8 million unrealized loss on derivatives
  - \$0.6 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 2024 and Q2 2024, respectively  
 \*See Appendix 1 for reconciliation to nearest comparable GAAP figures



# Balance Sheet - Highlights

<i>(in millions \$)</i>	2024 Sep 30	2024 Jun 30	2023 Dec 31
<b>Assets</b>			
Cash	321	359	308
Other current assets	461	500	420
<b>Non-current assets</b>			
Vessels and newbuildings	5 356	5 437	4 635
Goodwill	112	112	112
Prepaid consideration	-	-	349
Other non-current assets	33	42	58
<b>Total assets</b>	<b>6 284</b>	<b>6 451</b>	<b>5 883</b>
<b>Liabilities and Equity</b>			
Short term debt and current portion of long term debt	402	455	262
Obligations under leases	1	1	1
Other current payables	144	166	146
<b>Non-current liabilities</b>			
Long term debt	3 387	3 402	3 194
Obligations under leases	1	1	1
Other non-current payables	0	0	0
Non-controlling interest	(0)	(0)	(0)
Frontline plc stockholders' equity	2 348	2 426	2 278
<b>Total liabilities and equity</b>	<b>6 284</b>	<b>6 451</b>	<b>5 883</b>

- **Strong liquidity** of \$526 million in cash and cash equivalents, including undrawn amount of senior unsecured revolving credit facility, marketable securities and minimum cash requirements bank as per 30.09.24
- **No meaningful debt maturities** until 2027



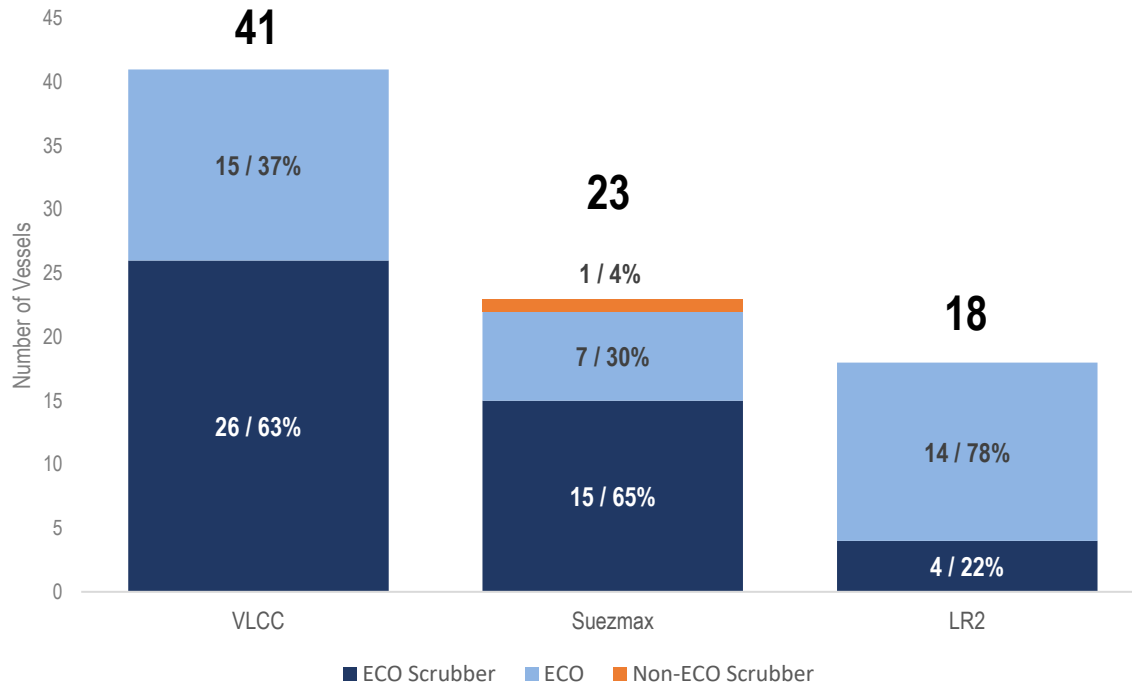
# Fleet Composition and Cash breakeven / Opex

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

**~ 6 Years**  
Average age

**99%**  
ECO vessels

**56%**  
Scrubber fitted

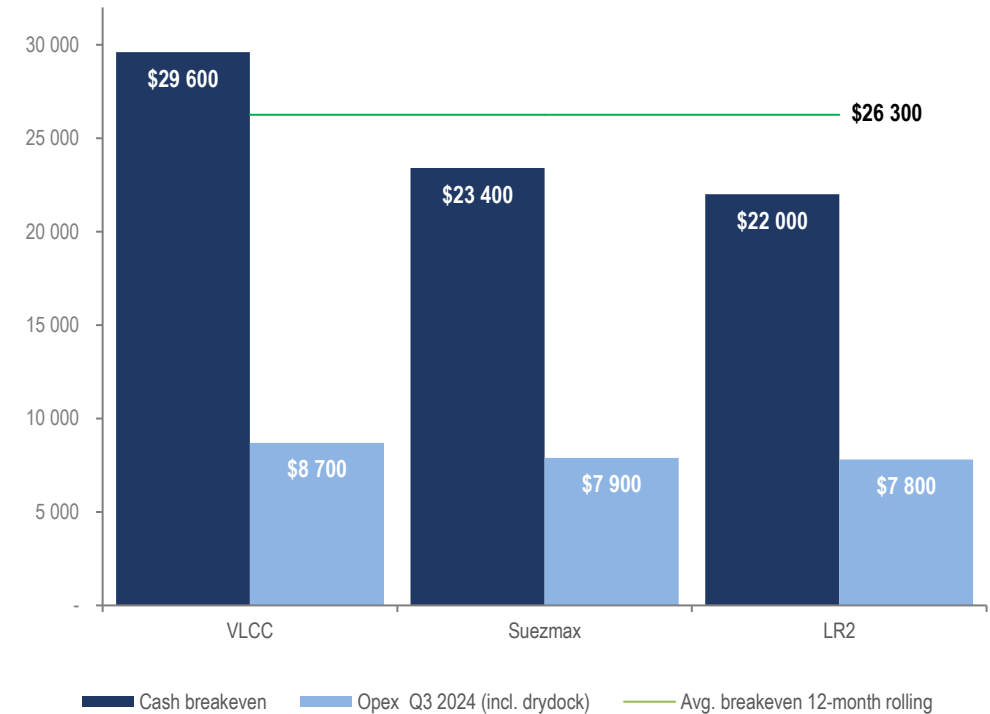


Note: Fleet as of 30.09.2024.

## Cash breakeven rates and Opex

Cash breakeven rates of \$26.300 fleet average for the next 12 months, including dry dock costs for five VLCCs and two Suezmax tankers

Q3-24 fleet average opex excl. drydock \$7.900



Note: Daily cash breakeven in USD based on 12-month rolling period

# Cash Generation

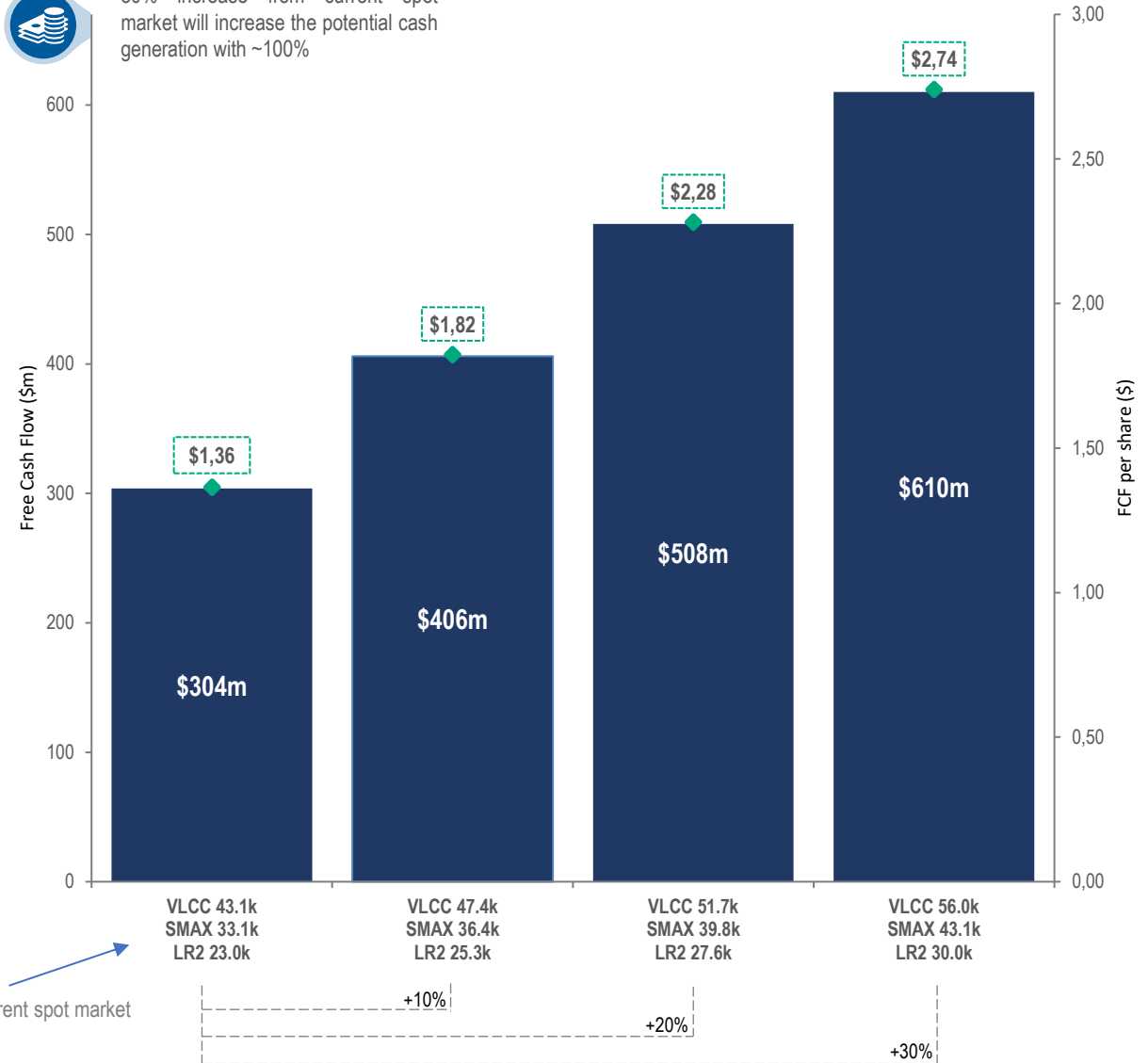
- Despite current challenged spot market, Frontline generates decent positive cash flow.
- With ~30,000 earnings days annually, Frontline has a substantial upside potential.

## Daily Overview - Average Earnings

Crude Tankers 2011 built	Last	Prev	Scrubber premium
VLCC	\$34,400	\$33,100	\$3,700
Suezmax	\$29,500	\$29,600	\$1,300
Aframax	\$25,100	\$26,500	\$1,200
Crude Tankers 2015 built			
VLCC Eco	\$41,600	\$40,600	\$2,400
Suezmax Eco	\$32,600	\$32,800	\$1,000
Aframax Eco	\$28,000	\$29,400	\$900
Product Tankers 2011 built			
LR2	\$19,400	\$18,500	\$2,100
LR1	\$15,700	\$14,900	\$1,900
MR	\$24,100	\$22,600	\$900
Product Tankers 2015 built			
LR2 Eco	\$22,800	\$22,000	\$1,500
LR1 Eco	\$18,400	\$17,700	\$1,400
MR Eco	\$27,400	\$26,000	\$500



30% increase from current spot market will increase the potential cash generation with ~100%



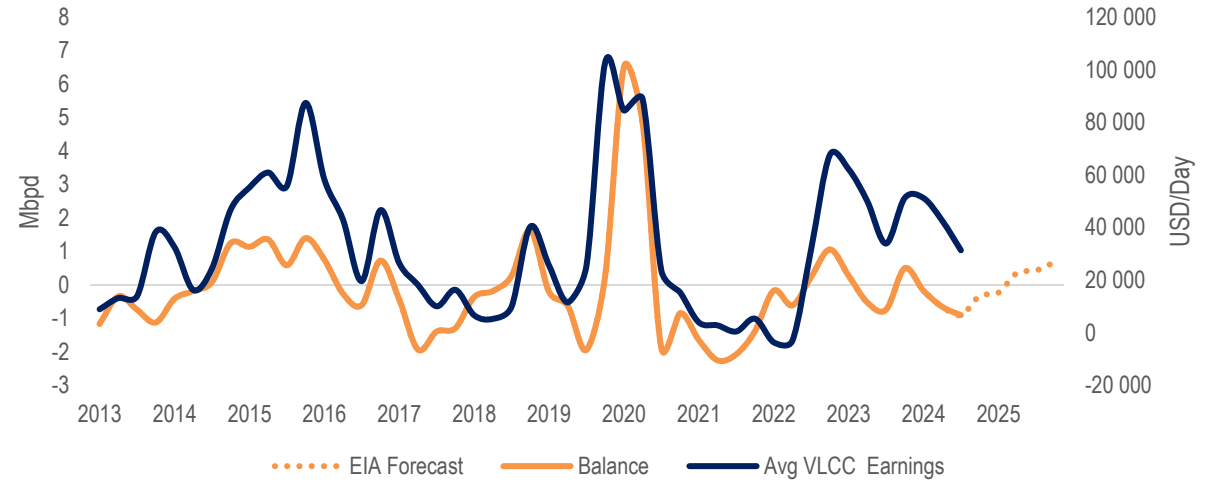
Based on current spot market

Note: Free cash flow based on current fleet and spot market earnings from Clarkson Research (Nov 26<sup>th</sup>, 2024), assumed all spot LR2s / Aframax tankers trading clean  
Source: Clarkson Research

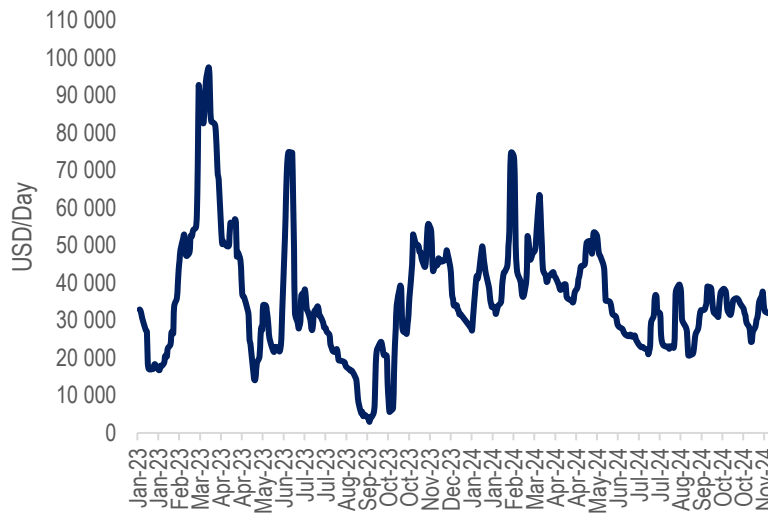
# Current Market narrative

- Global oil supply increasing, demand growth muted and trading patterns changing
- Geopolitical risk linked to the Middle East continues, US policy important going forward
- ~ 17% of shipped oil is sanctioned, ~ 6% of Global Consumption
- Tariffs on Canada and Mexico may increase inefficiencies in oil flows
- Orderbook stopped growing for tankers and containers taking centre stage (again)
- World oil trade is serviced by the oldest fleet in more than two decades

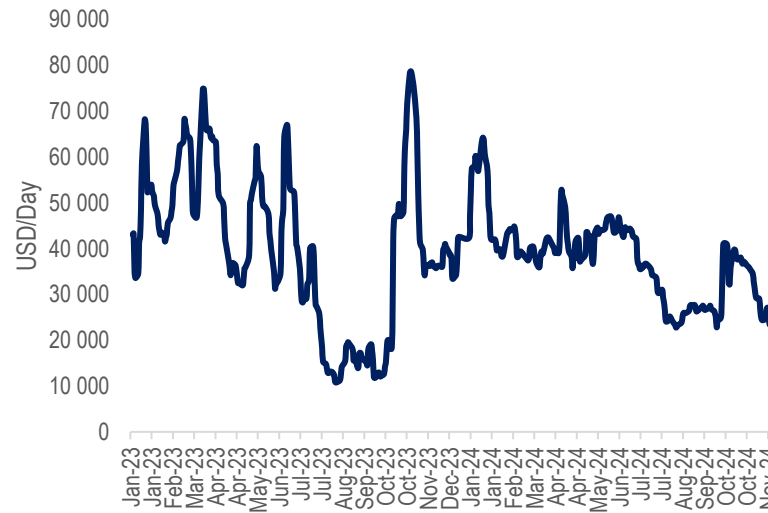
Earnings vs Supply/Demand Balance



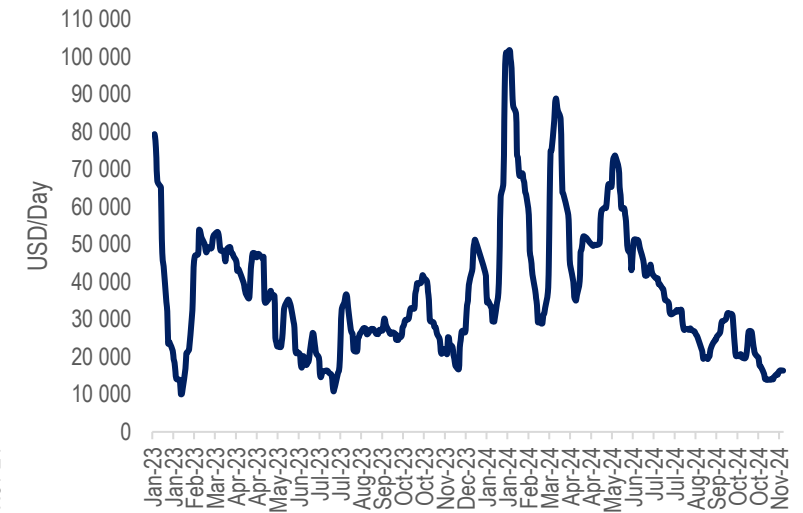
BDTI TD3C-TCE 270,000t Middle East Gulf to China



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



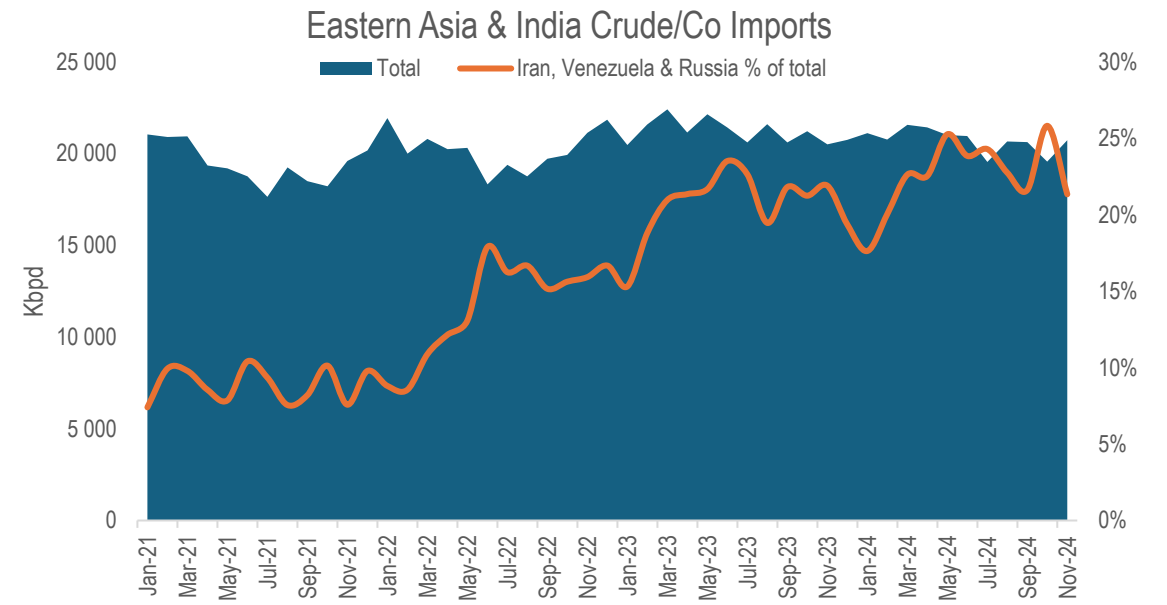
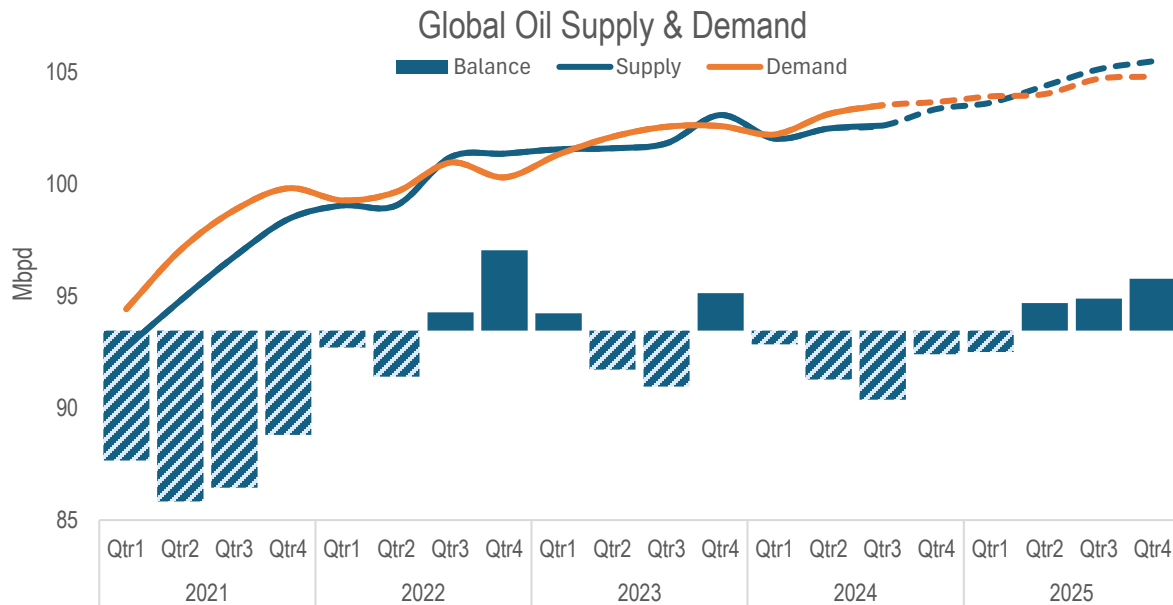
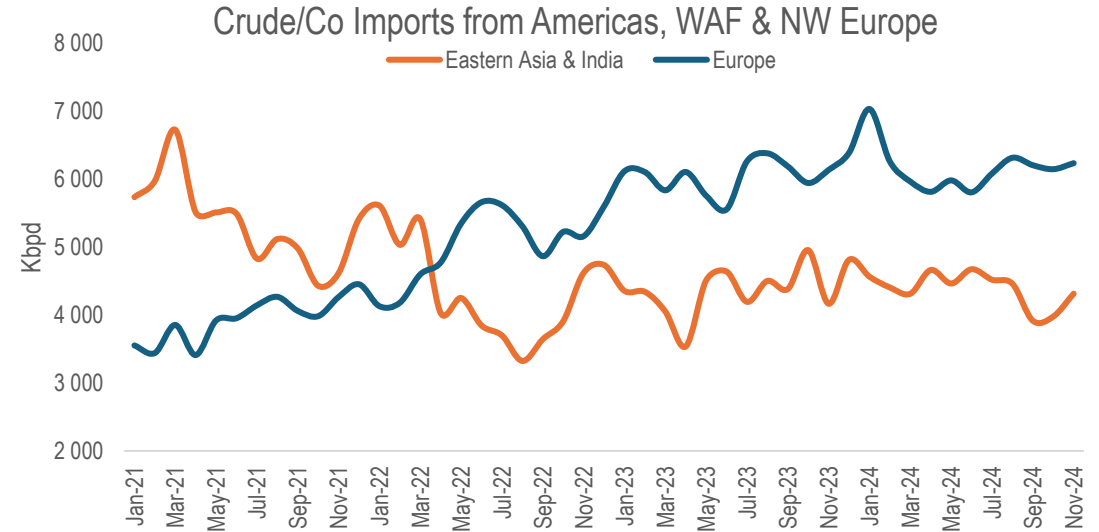
BCTI TC1-TCE 75,000t Middle East Gulf to Japan





# Key Oil Flows

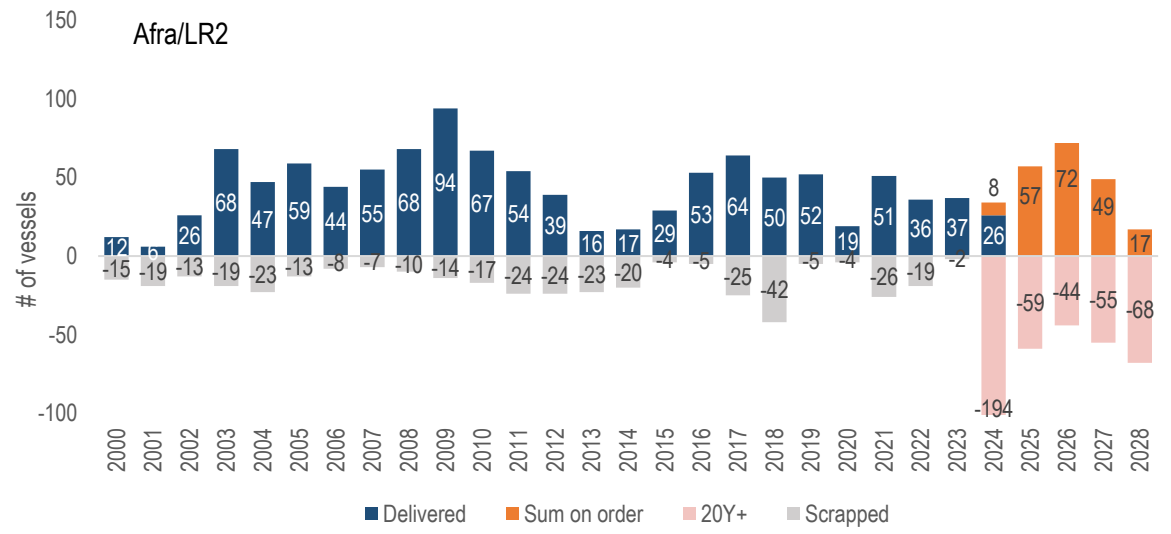
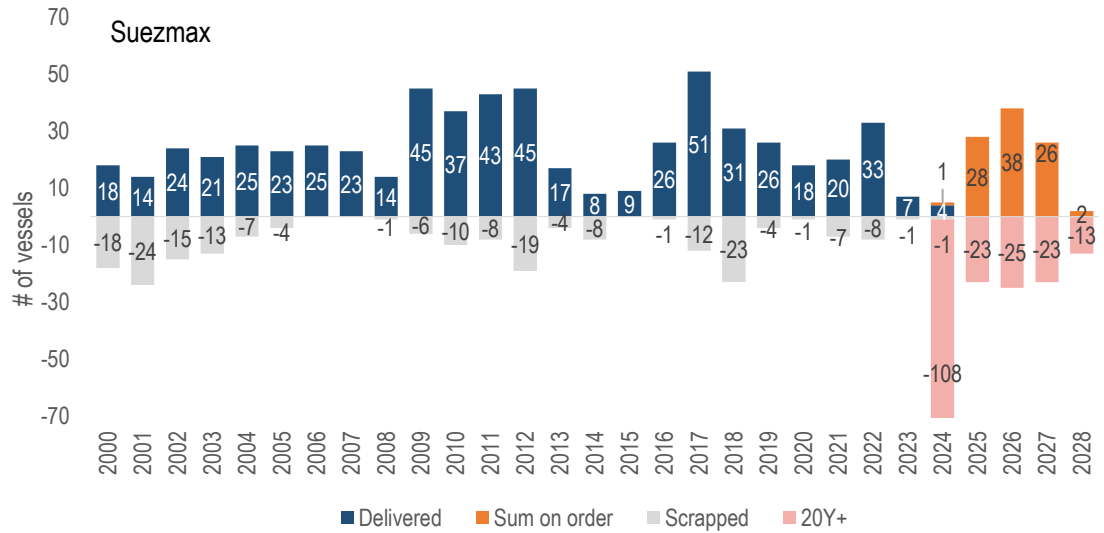
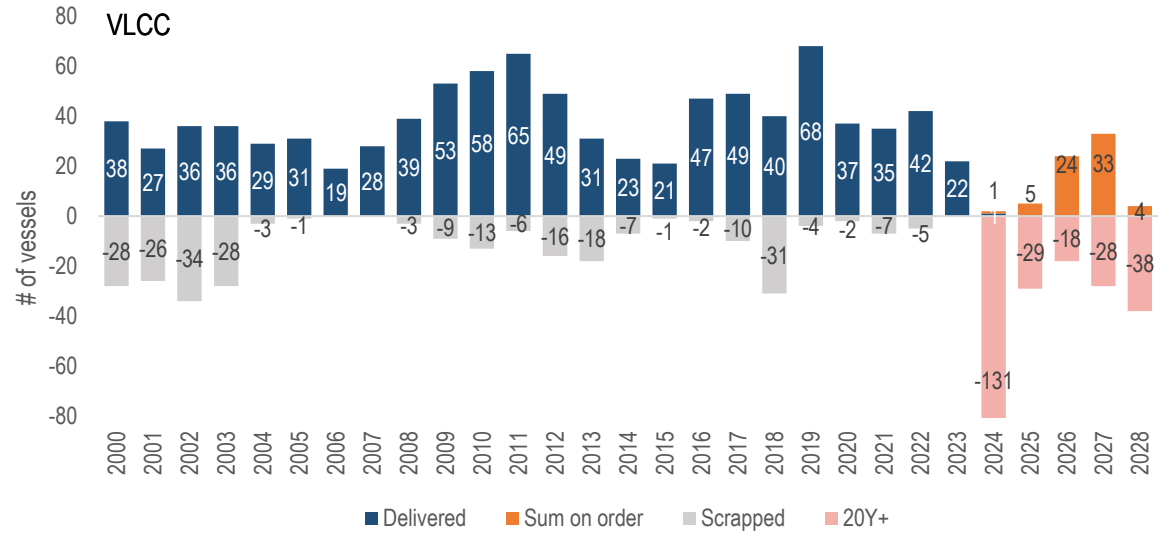
- Overall Global demand growth muted year to date, across all regions
- Oil supply continues to rise, after inventory draws through 2024, we look to build in 2025
- Non-Opec production growth stays 'local' - incurring shorter ton-miles
- Atlantic Basin to Far East (ex-Russia) - flat year over year
- Sanctions-exposed oil market share of Asian demand reached ~25% in Q3-24
- Tanker market increasingly exposed to any changes in sanction policies



Source: EIA, KPLER

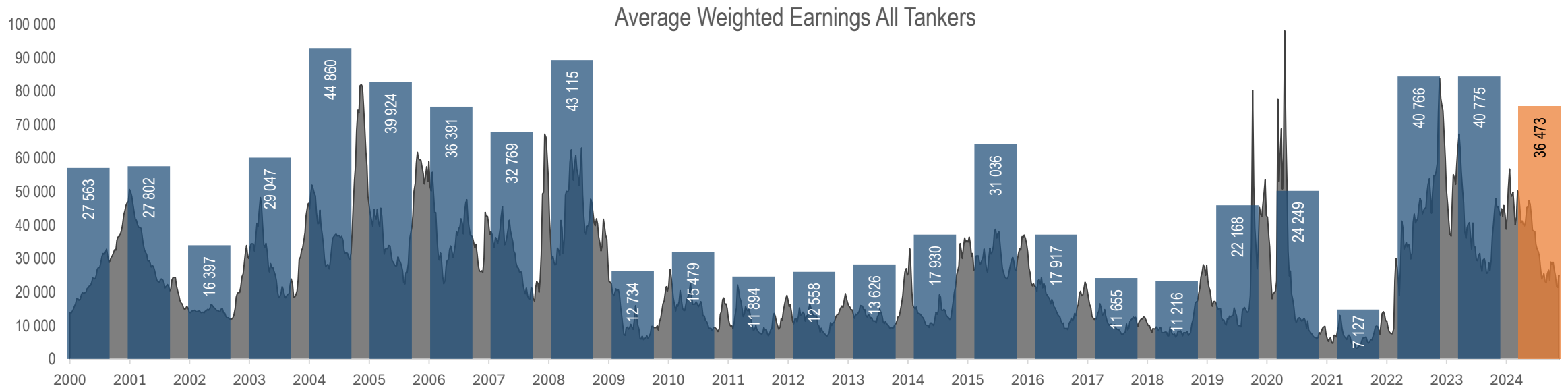
# Orderbooks

Nov 2024	Fleet	15 +	% above 15	20 +	% above 20	Orderbook	% of Fleet
VLCC	883	295	33.4 %	131	14.8 %	67	7.6 %
Suezmax	611	236	38.6 %	108	17.7 %	95	15.5 %
LR2	445	129	29.0 %	31	7.0 %	167	37.5 %
Aframax	679	385	56.7 %	163	24.0 %	36	5.3 %
<b>Total Fleet</b>	<b>2 618</b>	<b>1 045</b>	<b>39.9 %</b>	<b>433</b>	<b>16.5 %</b>	<b>365</b>	<b>13.9 %</b>



## Rolle-coaster bull market

- **Modern fleet** and **strong balance** sheet with upside retained
- **Oil Supply** expected to outpace demand in 2025
- Current trade **flow developments** challenging as sanctions “bite”
- Policy changes on Middle East with “**Maximum pressure 2.0**” as we proceed
- **Orderbook growth** has stopped, modern asset values **remain firm**
- **World oil trade** is now serviced by the **oldest fleet** in more than two decades



## Questions & Answers

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FRONTLINE

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

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

*(in thousands of \$ except per share)*

	Q3 2024	Q2 2024	Q1 2024	FY 2023	Q4 2023
<b>Total operating revenues net of voyage expenses and commission</b>					
Revenues	490,318	556,026	578,397	1,802,184	415,004
Voyage expenses and commission	(194,985)	(197,795)	(207,188)	(618,595)	(158,107)
<b>Total operating revenues net of voyage expenses and commission</b>	<b>295,333</b>	<b>358,231</b>	<b>371,209</b>	<b>1,183,589</b>	<b>256,897</b>

<b>Adjusted profit</b>					
Profit	60,457	187,574	180,819	656,414	118,371
<i>Add back:</i>					
Loss on marketable securities	2,817	—	1,273	23,968	—
Share of losses of associated company	—	2,134	—	1,690	—
Unrealized loss on derivatives (1)	12,806	3,385	—	20,950	13,211
Debt extinguishment losses	—	—	936	—	—
<i>Less:</i>					
Unrealized gain on derivatives (1)	—	—	(815)	(6,075)	—
Gain on marketable securities	—	(2,088)	—	(46,957)	(29,074)
Share of results of associated company	(42)	—	(1,214)	(5,073)	(118)
Gain on sale of vessels	—	(51,487)	(42,742)	(21,960)	—
Gain on settlement of insurance and other claims	—	—	—	(397)	—
Debt extinguishment gains	—	(354)	—	—	—
Dividends received	(602)	(975)	(308)	(36,852)	(240)
<b>Adjusted profit</b>	<b>75,436</b>	<b>138,189</b>	<b>137,949</b>	<b>585,708</b>	<b>102,150</b>

Weighted average number of ordinary shares (basic and diluted)	222,623	222,623	222,623	222,623	222,623
Adjusted basic and diluted earnings per share	\$ 0.34	\$ 0.62	\$ 0.62	\$ 2.63	\$ 0.46

<b>EBITDA</b>					
Profit	60,457	187,574	180,819	656,414	118,371
<i>Add back:</i>					
Finance expense	82,439	73,380	71,376	171,336	55,419
Income tax expense	4,796	1,541	1,548	391	226
Depreciation	84,156	83,714	88,012	230,942	60,018
<i>Less:</i>					
Finance income	(5,054)	(5,647)	(2,227)	(18,065)	(6,537)
Income tax benefit	—	—	—	(186)	—
<b>EBITDA</b>	<b>226,794</b>	<b>340,562</b>	<b>339,528</b>	<b>1,040,832</b>	<b>227,497</b>

<b>Adjusted EBITDA</b>					
EBITDA	226,794	340,562	339,528	1,040,832	227,497
<i>Add back:</i>					
Loss on marketable securities	2,817	—	1,273	23,968	—
Share of losses of associated company	—	2,134	—	1,690	—
<i>Less:</i>					
Gain on marketable securities	—	(2,088)	—	(46,957)	(29,074)
Share of results of associated company	(42)	—	(1,214)	(5,073)	(118)
Gain on sale of vessels	—	(51,487)	(42,742)	(21,960)	—
Gain on settlement of insurance and other claims	—	—	—	(397)	—
Dividend received	(602)	(975)	(308)	(36,852)	(240)
<b>Adjusted EBITDA</b>	<b>228,967</b>	<b>288,146</b>	<b>296,537</b>	<b>955,251</b>	<b>198,065</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") (2), 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 excludes the unrealized gain (loss) on derivatives to give effect to the economic benefit/cost provided by our interest rate swap agreements. The components of the gain (loss) on derivatives are as follows:

<i>(in thousands \$)</i>	Q3 2024	Q2 2024	Q1 2024	FY 2023	Q4 2023
Unrealized gain (loss) on derivatives	(12,806)	(3,385)	815	(14,875)	(13,211)
Interest income on derivatives	6,267	6,254	6,164	22,914	6,283
<b>Gain (loss) on derivatives</b>	<b>(6,539)</b>	<b>2,869</b>	<b>6,979</b>	<b>8,039</b>	<b>(6,928)</b>

(2) A reconciliation of finance expense to adjusted interest expense is as follows:

<b>Finance expense</b>	<b>82,439</b>	<b>73,380</b>	<b>71,376</b>	<b>171,336</b>	<b>55,419</b>
Unrealized gain (loss) on derivatives	(12,806)	(3,385)	815	(14,875)	(13,211)
Debt extinguishment gains (losses)	—	354	(936)	—	—
Other financial expenses	(265)	(54)	(613)	(876)	(433)
<b>Adjusted interest expense</b>	<b>69,368</b>	<b>70,295</b>	<b>70,642</b>	<b>155,585</b>	<b>41,775</b>