

FRONTLINE



“World leader in the seaborne transportation of crude oil and refined products”



Third Quarter Presentation November 2019

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.

Q3 2019 Highlights

Financial highlights

- Reports a net loss of \$10.0 million, or \$0.06 per share, for the third quarter of 2019.
- Reported an estimated spot average daily time charter equivalent (“TCE”):

| | Q3 2019 | Q4 2019 est. | % done |
|-------------|----------------|---------------------|---------------|
| VLCC | \$22,900 | \$64,800 | 78% |
| Suezmax | \$16,200 | \$49,400 | 71% |
| LR2/Aframax | \$15,900 | \$29,900 | 74% |

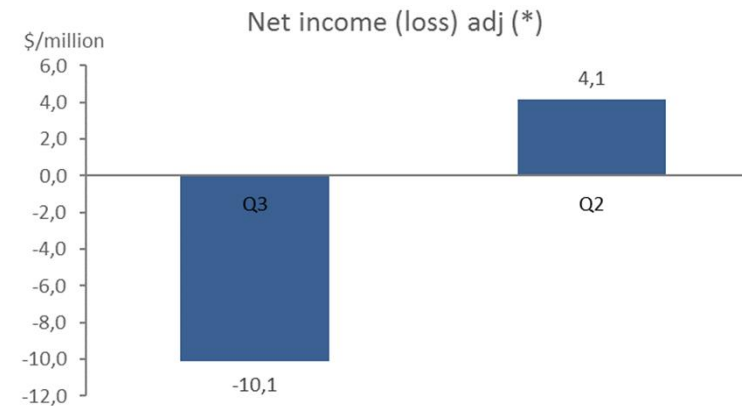
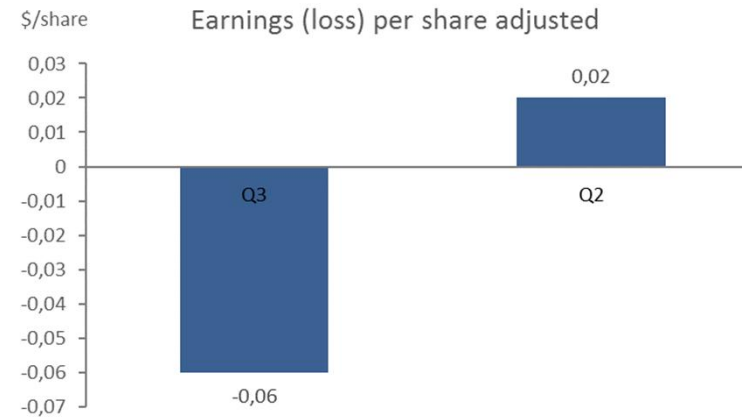
- In October 2019, the Company extended its senior unsecured revolving credit facility of up to \$275.0 million with an affiliate of Hemen Holding Ltd. to May 2021.
- In November 2019, the Company secured a commitment from ICBC Financial Leasing Co., Ltd (“ICBCL”) for a sale-and-leaseback agreement in an amount of up to \$544.0 million, which is subject to execution of final transaction documents to both parties' satisfaction.
- Declared a cash dividend of \$0.10 per share for the third quarter of 2019.

Q3 2019 Financial Highlights

| (Million \$ except per share) | Q3 2019 | Q2 2019 | Q1 2019 | 2019 YTD |
|---|---------|---------|---------|----------|
| Total operating revenues (net of voyage expenses) (*) | 94 | 103 | 141 | 338 |
| Net Income (loss) | -10 | 1,1 | 40 | 31 |
| Net income (loss) adj (*) | -10 | 4,1 | 46 | 40 |
| EBITDA adj (*) | 43 | 56 | 96 | 195 |
| Earnings (loss) per share | -0,06 | 0,01 | 0,24 | 0,18 |
| Earnings (loss) per share adjusted | -0,06 | 0,02 | 0,27 | 0,23 |
| Cash | 109 | 92 | 97 | |
| Interest bearing debt | 1 723 | 1 752 | 1 721 | |

(*) See Appendix 1 for reconciliation to nearest comparable GAAP figure

Note: Earnings per share is based on 173,282 and 170,069 weighted average shares (in thousands) outstanding for Q3 2019 and Q2 2019, respectively



Income Statement

| | 2019 Jul - Sep | 2019 Apr - Jun | 2018 Jan-Dec |
|--|-------------------|-------------------|-----------------|
| <i>(in thousands of \$ except per share data)</i> | | | |
| Total operating revenues | 187 640 | 193 408 | 742 266 |
| Other operating gain (loss) | 3 841 | 1 711 | 10 206 |
| Voyage expenses and commission | 93 480 | 90 664 | 377 772 |
| Contingent rental (income) expense | (1 255) | (1 524) | (19 738) |
| Ship operating expenses | 44 233 | 37 693 | 130 623 |
| Charter hire expenses | 2 063 | 2 140 | 21 244 |
| Administrative expenses | 11 016 | 10 988 | 37 294 |
| Depreciation | 29 829 | 28 318 | 122 566 |
| Total operating expenses | 179 366 | 168 279 | 669 761 |
| Net operating income | 12 115 | 26 840 | 82 711 |
| Interest income | 342 | 413 | 843 |
| Interest expense | (23 082) | (23 244) | (93 275) |
| Gain on sale of shares | - | - | 1 026 |
| Unrealized gain (loss) on marketable securities | 677 | 1 683 | (3 526) |
| Share of result of associated company | 1 968 | - | 246 |
| Foreign currency exchange gain (loss) | 623 | (27) | (869) |
| Gain (loss) on derivatives | (2 615) | (5 582) | 4 256 |
| Other non-operating items | 22 | 55 | 506 |
| Net income (loss) before income taxes and non-controlling interest | (9 950) | 980 | (8 082) |
| Income tax expense | (18) | 25 | (316) |
| Net income (loss) | (9 968) | 1 005 | (8 398) |
| Net (income) loss attributable to non-controlling interest | 6 | 77 | (482) |
| Net income (loss) attributable to the Company | (9 962) | 1 082 | (8 880) |
| Basic earnings (loss) per share attributable to the Company (\$) | (0,06) | 0,01 | (0,05) |
| Weighted average number of ordinary shares (in thousands) | 173 282 | 170 069 | 169 810 |

Non-cash items in the third quarter of 2019

- \$2.6 million loss on derivatives
- \$0.7 million unrealized gain on marketable securities
- \$ 2.0 million in share of result of associated company

Balance Sheet

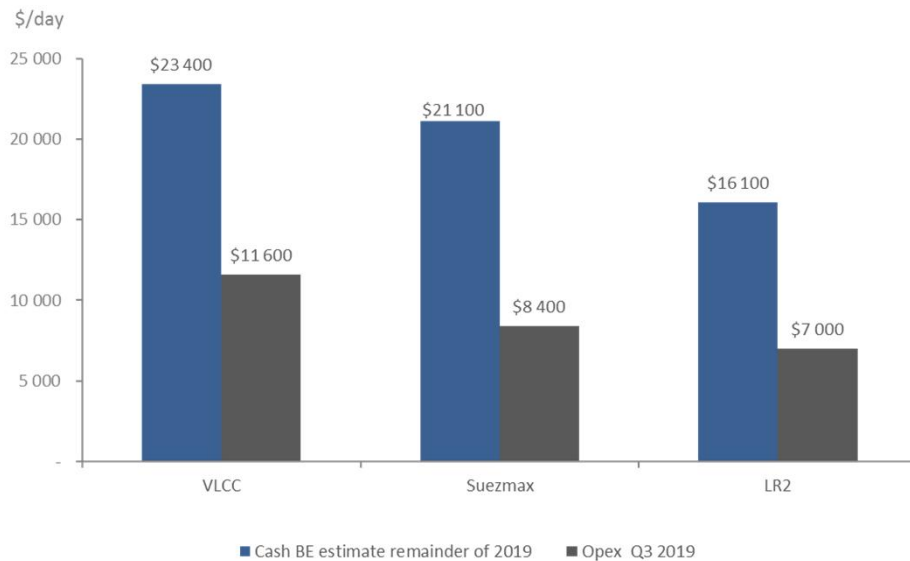
| (in million \$) | 2019 Sep 30 | 2019 Jun 30 | 2018 Dec 31 |
|---|----------------|----------------|----------------|
| Current assets | | | |
| Cash | 109 | 92 | 68 |
| Marketable securities | 10 | 10 | 9 |
| Other current assets | 198 | 192 | 231 |
| Non-current assets | | | |
| Newbuildings | 30 | 26 | 52 |
| Vessels | 3 041 | 2 718 | 2 578 |
| Goodwill | 112 | 112 | 112 |
| Other long-term assets | 88 | 18 | 26 |
| Total assets | 3 588 | 3 169 | 3 078 |
| Liabilities and Equity | | | |
| Current liabilities | | | |
| Short term debt | 129 | 128 | 120 |
| Obligations under finance and operational lease | 294 | 20 | 12 |
| Other current liabilities | 103 | 90 | 82 |
| Non-current liabilities | | | |
| Long term debt | 1 594 | 1 624 | 1 610 |
| Obligations under finance and operational lease | 87 | 91 | 88 |
| Other long-term liabilities | 1 | 1 | 1 |
| Frontline Ltd. stockholders' equity | 1 380 | 1 215 | 1 164 |
| Total liabilities and stockholders' equity | 3 588 | 3 169 | 3 078 |

- \$274 million in cash and cash equivalents including undrawn amount of unsecured facility, marketable securities and minimum cash requirements bank
- \$222 million in remaining NB Capex and \$175 million in estimated debt capacity
- No near term debt maturities

Cash Breakeven and Cash Generation Potential

Well positioned to generate significant cash flow with market rates above current breakeven rates

Daily cash breakeven and OPEX



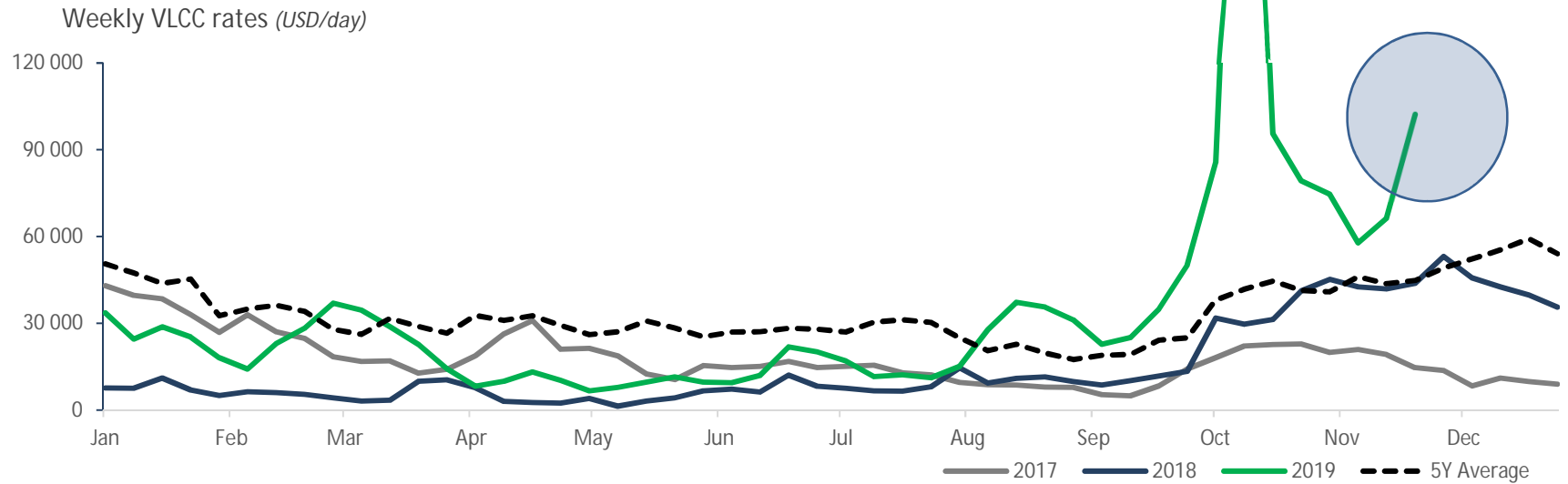
Cash generation above breakeven rates



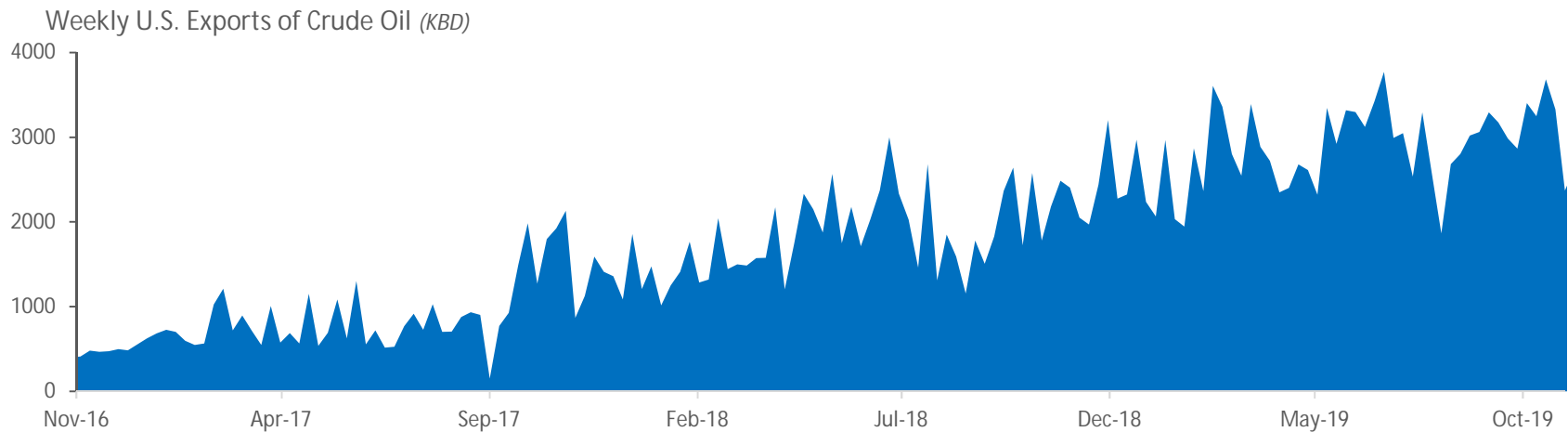
Key Market Developments In Play

Freight market observations

1 After an extreme spike, rates remain strong
The market has strengthened since May 2019 proving growing underlying freight demand

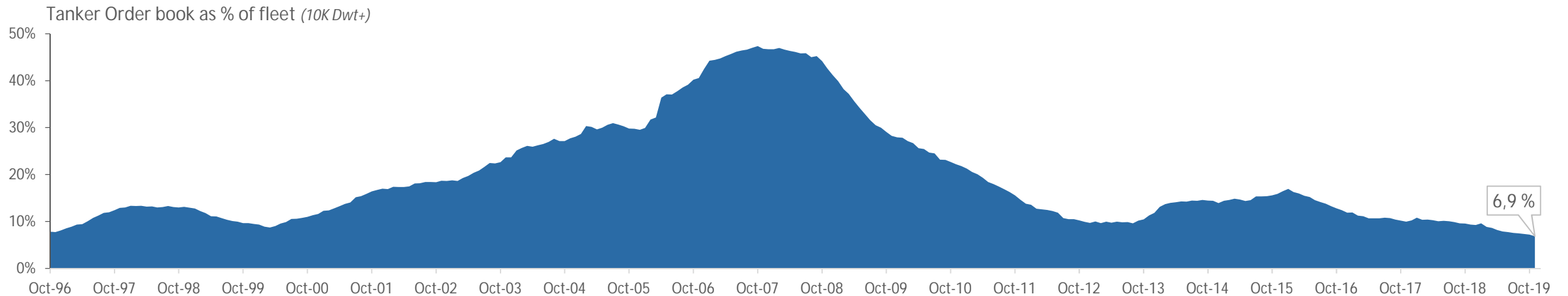
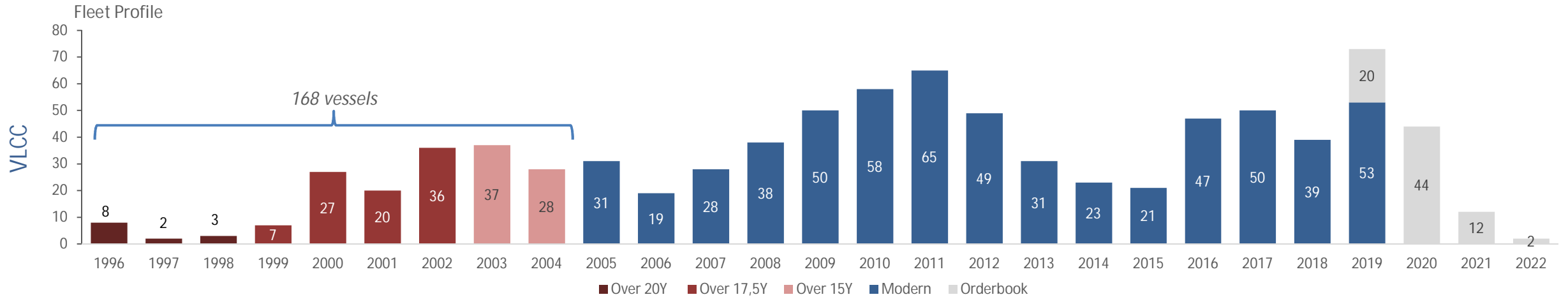


2 US Export continue to grow
US production growth expected slow, but export growth continues with improved capacity



Deliveries Decline After 2019; Older Vessels Facing Surveys

The pace of recycling has slowed, but the 168 VLCCs older than 15 years is double the current order book



Summary

Positive market outlook

Crude demand set to increase

- ✓ Month-to-month volatility in 2020, but positive trend
- ✓ Demand for compliant fuels increases crude oil input requirement

Tonne-mile expansion continues

- ✓ US export growth amidst OPEC production cuts increases tonne-mile demand
- ✓ Geopolitical tensions in the Middle East continue to encourage import diversity

Fleet growth outlook is favorable

- ✓ Deliveries decline significantly after 2020
- ✓ Effective capacity impacted by dry dockings and storage of fuels

Risks to market outlook / mitigating factors

Macro risks are creating uncertainty

- Higher oil price could cause demand destruction
- Impact of trade tensions and tariffs are unknown
- Global GDP growth may slow demand

IMO 2020 implementation doesn't go as expected

- Short-term exemptions granted
- HSFO / LSFO spread could diminish scrubber economics

Questions & Answers





 www.frontline.bm

Appendix

| Appendix 1 Reconciliation | | | | |
|--|--------------|---------------|-------------|-------------|
| <i>(Million \$ except per share)</i> | | | | |
| | Q3 2019 | Q2 2019 | Q1 2019 | YTD 2019 |
| Total operating revenues net of voyage expenses | | | | |
| Total operating revenues | 188 | 193 | 238 | 619 |
| Voyage expenses | -93 | -91 | -98 | -282 |
| Total operating revenues net of voyage expenses | 94 | 103 | 141 | 338 |
| Net income adj. | | | | |
| Net income (loss) attributable to the Company | -10 | 1 | 40 | 31 |
| Add back: | | | | |
| Loss on termination of vessel lease, net of cash paid | 0 | 0 | 0 | 0 |
| Unrealized loss on marketable securities | 0 | 0 | 1 | 1 |
| Loss on derivatives | 3 | 6 | 4 | 12 |
| Less: | | | | |
| Share of results of associated company | -2 | -1 | 0 | -3 |
| Unrealized gain on marketable securities | -1 | -2 | 0 | -2 |
| Net income adj. | -10.1 | 4,1400 | 46 | 40 |
| (in thousands) | | | | |
| Weighted average number of ordinary shares | 173 282 | 170 069 | 169 821 | 170 837 |
| (in \$) | | | | |
| Basic (loss) earnings per share adjusted for certain non-cash charges | -0,06 | 0,02 | 0,27 | 0,23 |
| EBITDA adj. | | | | |
| Net income attributable to the Company | -10 | 1 | 40 | 31 |
| Add back: | | | | |
| Interest expense | 23 | 23 | 23 | 70 |
| Depreciation | 30 | 28 | 27 | 86 |
| Unrealized loss on marketable securities | 0 | 0 | 1 | 1 |
| Loss on derivatives | 3 | 6 | 4 | 12 |
| Less: | | | | |
| Unrealized gain on marketable securities | -1 | -2 | 0 | -2 |
| Share of results of associated company | -2 | -1 | 0 | -3 |
| EBITDA adj. | 43 | 56 | 96 | 195 |

This presentation describes: total operating revenues net of voyage expenses, net income attributable to the Company adjusted for certain non-cash items ("Net income 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.