

International Seaways, Inc.

Investor Presentation
December 2021

International Seaways, Inc.

INSW
LISTED
NYSE

Disclaimer

Forward-Looking Statements

During the course of this presentation, the Company (International Seaways, Inc. (INSW)) may make forward-looking statements or provide forward-looking information. All statements other than statements of historical facts should be considered forward-looking statements. Some of these statements include words such as ‘‘outlook,’’ ‘‘believe,’’ ‘‘expect,’’ ‘‘potential,’’ ‘‘continue,’’ ‘‘may,’’ ‘‘will,’’ ‘‘should,’’ ‘‘could,’’ ‘‘seek,’’ ‘‘predict,’’ ‘‘intend,’’ ‘‘plan,’’ ‘‘estimate,’’ ‘‘anticipate,’’ ‘‘target,’’ ‘‘project,’’ ‘‘forecast,’’ ‘‘shall,’’ ‘‘contemplate’’ or the negative version of those words or other comparable words. Although they reflect INSW’s current expectations, these statements are not guarantees of future performance, but involve a number of risks, uncertainties, and assumptions which are difficult to predict. Some of the factors that may cause actual outcomes and results to differ materially from those expressed in, or implied by, the forward-looking statements include, but are not necessarily limited to, the Company’s planned merger with Diamond S, plans to issue dividends, vessel acquisitions, general economic conditions, competitive pressures, the nature of the Company’s services and their price movements, and the ability to retain key employees. The Company does not undertake to update any forward-looking statements as a result of future developments, new information or otherwise.

Non-GAAP Financial Measures

Included in this presentation are certain non-GAAP financial measures, including Time Charter Equivalent (“TCE”) revenue, EBITDA, Adjusted EBITDA, and total leverage ratios, designed to complement the financial information presented in accordance with generally accepted accounting principles in the United States of America because management believes such measures are useful to investors. TCE revenues, which represents shipping revenues less voyage expenses, is a measure to compare revenue generated from a voyage charter to revenue generated from a time charter. EBITDA represents net (loss)/income before interest expense, income taxes and depreciation and amortization expense. Adjusted EBITDA consists of EBITDA adjusted for the impact of certain items that we do not consider indicative of our ongoing operating performance. Total leverage ratios are calculated as total debt divided by Adjusted EBITDA. We present non-GAAP measures when we believe that the additional information is useful and meaningful to investors. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See Appendix for a reconciliation of certain non-GAAP measures to the comparable GAAP measures.

This presentation also contains estimates and other information concerning our industry that are based on industry publications, surveys and forecasts. This information involves a number of assumptions and limitations, and we have not independently verified the accuracy or completeness of the information.

Additional Information

You should read the Company’s Annual Report on Form 10-K for 2020 for the Company, the Quarterly Report on Form 10-Q for the quarter ended September 30, 2021, the Company’s Amended Registration Statement on Form S-4 dated June 3, 2021, and in similar sections of other filings made by the Company with the SEC for additional information regarding the Company, its operations and the risks and uncertainties it faces. You may obtain these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov, or from the Company’s website at www.intlseas.com.

About Us

International Seaways, Inc.

International Seaways: Largest US-Based Tanker Owner

- Leading international tanker owner with 85 vessels in key crude and product sectors
- Focus on efficient capital allocation through fleet expansion at cyclical lows, dividends and share repurchases
- Total liquidity(1) approximately $300m (including $40m undrawn revolver) at Q3 21
- Market cap approximately $800-900m
- ESG leader: ranked top 3 among all US listed shipping companies in Webber Research ESG Scorecard(2)

Our Diverse Fleet(3)

Class	Ships	DWT (m)
Crude Fleet		
VLCC	13	3.9
Suezmax	13	2.1
Aframax	4	0.5
Panamax	3	0.2
Product Fleet		
LR2	1	0.1
LR1	6	0.4
MR	41	2.1
Handy	4	0.1
Total Tankers	**85**	**9.4**

Includes three dual fuel LNG VLCCs to be delivered in 2023

Other Ventures

Joint Venture: 2 Ships

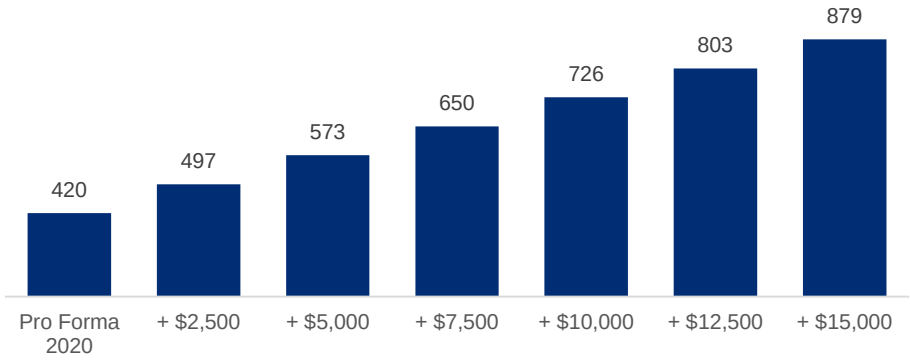
International Seaways, Inc.
FSO JV
2 Converted ULCCs

Lightering Operations

lightering llc

Strong Operating Leverage

Every $5,000 improvement in the Time Charter Equivalent daily rate (TCE) provides over $150m in incremental EBITDA and over $3.00 EPS per annum



(1) Proforma for refinancing of six VLCCs completed in November 2021
(2) The rankings include all 52 US listed shipping companies: https://webberresearch.com/wp-content/uploads/2021/06/Webber-2021-ESG-Scorecard.pdf
(3) All vessels wholly owned except for 2x FSO owned 50/50 with Euronav and 2x TC-In LR1s. Include 3x VLCC newbuilidings as of December 13, 2021. Includes bareboat, leasebacks under commercial and technical management.
(4) Calculated using 360 revenue days times tanker fleet vessels times $5,000 per day. EPS reflects share count as of Nov 5.

International Seaways, Inc.

History

1948 — Overseas Shipholding Group originally founded in 1948

1999 — Established as the International Flag trade of OSG operating in the transportation of crude oil and petroleum products

2000 — Leading VLCC pool founded together with: Maersk, Euronav, Frontline, Tankers International

2008-2010 — Converted 2x ULCCs into the worlds largest FSOs together with the JV-partner Euronav against long-term contracts



2016 — International Seaways begins operating as an independent, publicly traded company listed on NYSE with the ticker INSW. Lois Zabrocky who previously led OSG's International Flag business continues as CEO of INSW

OSG completed the spin-off of its international business

2017 — 5-year contract extension for the FSOs

Acquired 2x Suezmax newbuilding resales and 1x VLCC

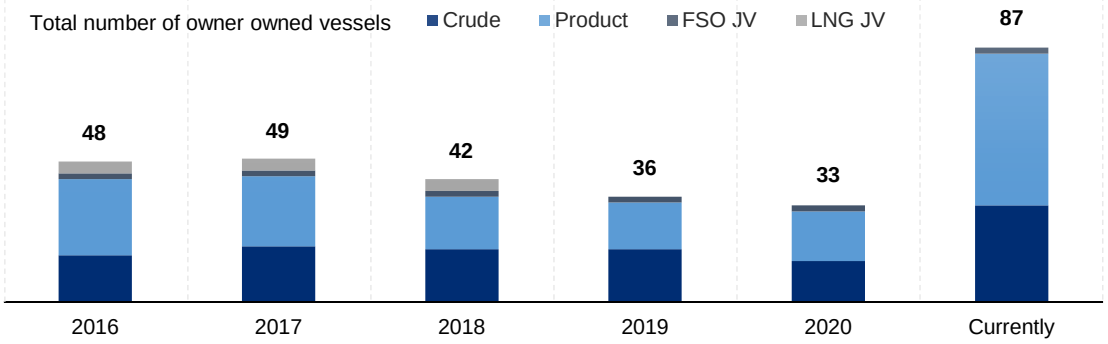
2018 — Acquired 6x VLCCs

2019 — Sold its 49.9% ownership interest in its 4x LNG carrier JV with Nakilat to the JV partner for USD 123 million in cash. The proceeds were principally used to reduce debt

First US listed shipping company to place a sustainability-linked loan (Sustainalytics, Poseidon Principles)

2020 — Strategic transformational combination through merger with DSSI creating a world leading international diversified tanker sector bellwether

2021 — Placed order for 3x highly efficient dual-fuel LNG newbuilds with 7-year charters with Shell (DSME, Shell)



Source: Company data, as of Dec 13, 2021

Why Invest in International Seaways?

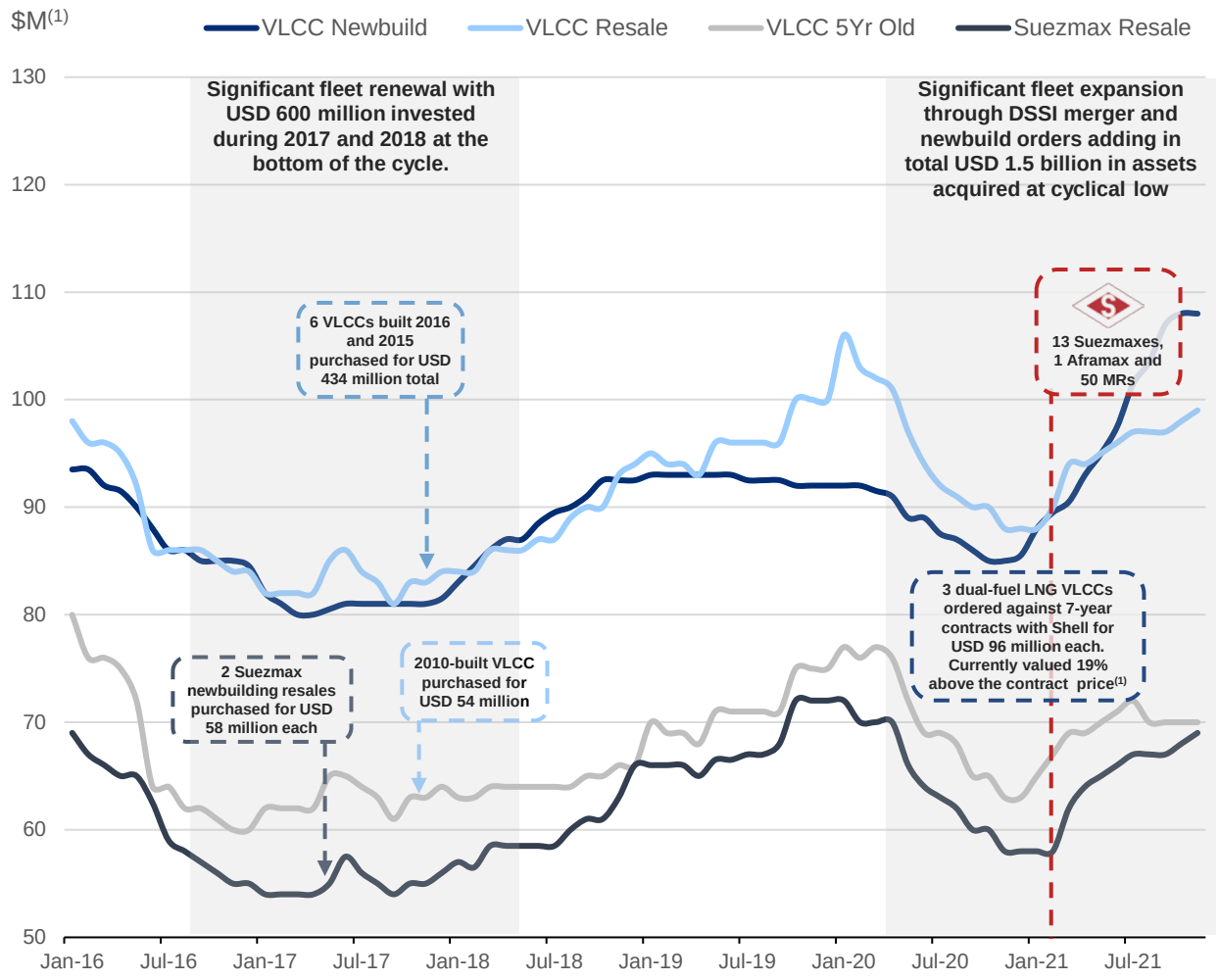
Disciplined Capital Allocator	• Transformed company from spin-off in 2016 through today into the top 3 US publicly traded tanker companies by DWT, expanding scale and earnings power • Acquired Diamond S Shipping in July 2021, bringing fleet to 100 ships • Returned $75 million to shareholders in share repurchases and dividends in last 2 years • Purchased $900m in ships at cycle lows without issuing equity
Industry Leader in ESG	• Majority independent and diverse board • Top 3 in Webber Research ESG rankings four years running • Published inaugural ESG report in December 2020 • Commitment to environment demonstrated by $288m dual-fuel VLCC order
Best in Class Commercial & Technical Operations	• Best in class safety and environmental performance • Sector leading commercial pools, many with INSW ownership • Founding member of Tankers International with office in INSW's NY HQ
Attractive Leverage Ratios and Balance Sheet	• 45.7% Net Loan to Asset Value(1) • Low cost of debt; weighted average margin across all debt 320 bps(2) • Liquidity approximately $300 million(2)
Upside to Tanker Cycle	• Presently at low point of COVID-driven tanker cycle • 85 tankers offer significant operating leverage to tanker market • Every $5,000 improvement in the Time Charter Equivalent daily rate (TCE) provides over $150m in incremental EBITDA and over $3 EPS per annum

(1) Includes value of FSO joint ventures
(2) Proforma for refinancing of six VLCCs completed in November 2021

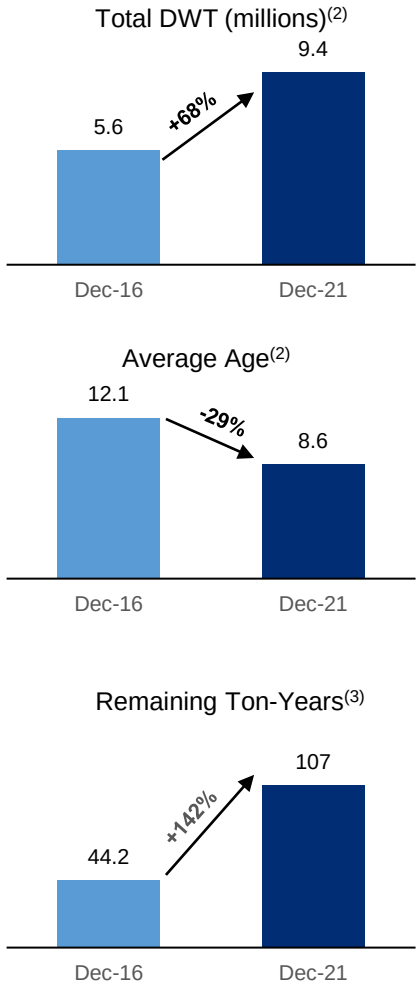
International Seaways, Inc.

Capital Allocation: Fleet Renewal at Cyclical Lows

Disciplined Approach to Fleet Renewal and Expansion



Fleet Development since 2016



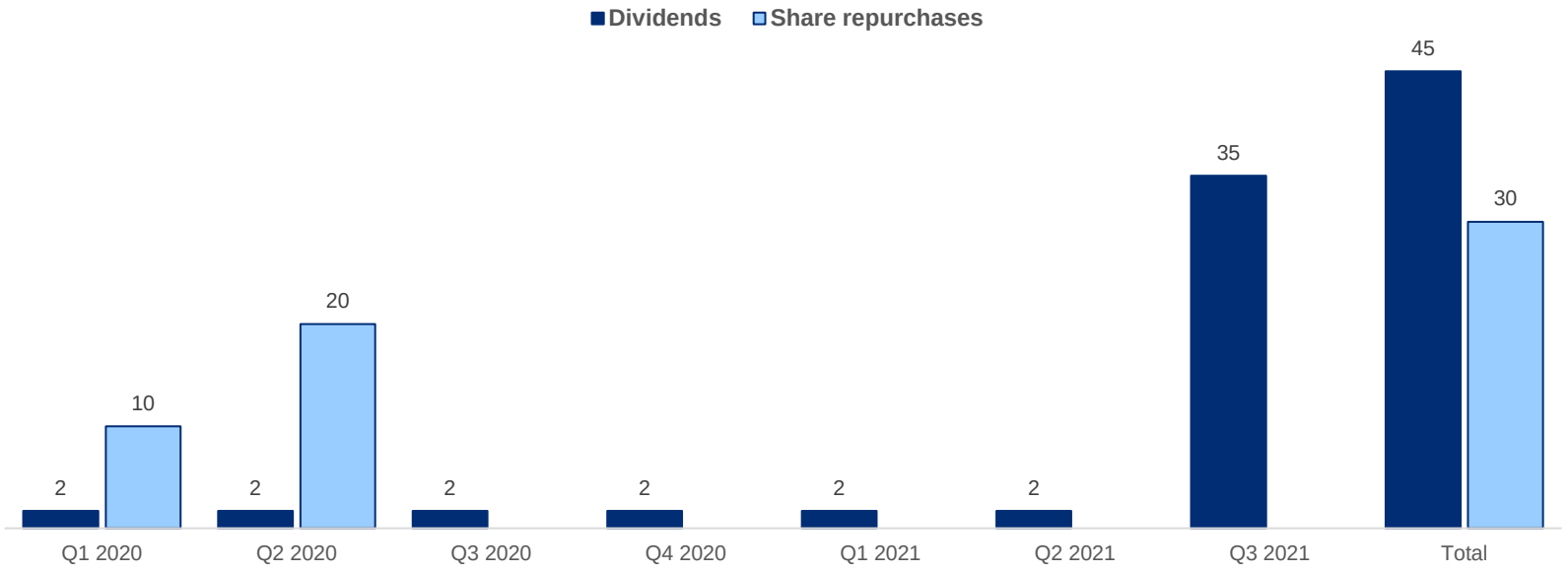
(1) Vessels Value (vv.com) as of December 2021
(2) Includes 3x VLCC newbuilidings as of December 2021
(3) DWT x remaining life of fleet (Ton-Years). 20-year life for illustrative purposes only. INSW accounting policy is 25-year ship life

International Seaways, Inc.

Capital Allocation: $75 Million Cash Returned to Shareholders

Summary of $75 Million in Total Cash to Shareholders since Q1 2020

2021	
$31.5 million	Special Dividend paid prior to closing of the Diamond S merger
6.4 million	Regular $0.06 per share dividend
2020	
$30.0 million	Repurchased 5% of all outstanding shares. Another $50 million repurchase program authorized
6.8 million	Regular $0.06 per share dividend since instituted



International Seaways, Inc.

Industry Leading ESG Footprint

Environmental

- Reduce resource consumption, both fuel and consumables
- Fleet improvements such as dual-fuel newbuilds, Mewis ducts and BWTS compliance
- Sustainability-linked financing
- Committed to responsible recycling

Social

- First priority is always safety
- Promotion of employee and seafarer welfare, growth and development
- Actively supporting the seafaring community

Governance

- Diverse and independent Board with split CEO/Chairman roles
- Strong corporate cultural of ethics and integrity
- No conflicts of interest with management

Select Awards and Accomplishments

1	**First US listed Shipping Company to place a sustainability-linked loan. Winner of Marine Money's Green Finance Deal of the Year award 2020**
2	**NAMEPA Marine Environmental Protection award, 2019**
3	**CEO on the board of ITOPF**
4	**Signatory of the Gulf of Guinea Declaration on Suppression of Piracy**
5	**Member of the Marine Anti-Corruption Network**
6	**Signed the Neptune Declaration on Seafarer Wellbeing and Crew Change in a worldwide call to action to end the unprecedented cred change crisis caused by COVID-19**
7	**Top 3 in Webber Research / Wells Fargo ESG Rankings, 2018-2021**

Source: International Seaways

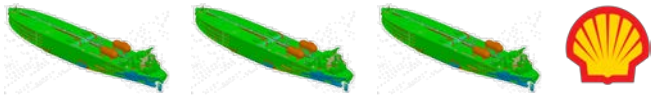
ESG: Initiatives in Place to Accelerate Decarbonization Further

Get to Green

Investing in the Newest Technology

- Recently placed orders for 3x state-of-the-art dual fuel LNG VLCC's
- The Ships are extremely efficient, 20% more efficient than modern VLCCs and 40% more efficient than 10-year-old VLCCs
- The ships will be delivered in Q1 2023
- Improved emissions profile through fleet upgrades as newer vessels are ECO efficient and more environmentally sound:
  - 5 new VLCCs in 2016 and 1 new VLCC in 2015
  - 2 new Suezmaxes in 2018
- Efforts around the biggest vessels offer the biggest opportunities for improvements
- **Other initiatives:**
  - Better hull paints
  - Improvement devices (e.g. Mewis ducts)
  - More efficient hull cleanings
  - Less idle time
  - Fewer slack tanks
  - Slower steaming

DSME



"Get To Green" Initiative

- Continuous monitoring and reporting of equipment performance metrices in order to improve vessel efficiencies
- Significant improvements already achieved with fleet's propulsion efficiency improving with 5.8% between October 2018 and September 2019, equivalent to reducing fuel consumption by 8,500 MT or approximately 26,500 MT of CO2
- Propulsion efficiency, or actual vs. ideal ship performance, is a key metric reported to our Board and considered in compensation
- Campaign to reduce single use plastics
- Committed to responsible ship recycling
- Transparency in C02 Emissions Reporting

2019 Key Metrics	
# of Vessels in Fleet Dec. 31, 2019: **36**	# of Vessel Days: **13,485**
Deadweight Tonnage: **7,016,969 DWT**	Energy Consumed: **13,723,272 GJ**
Distance travelled: **2,117,087 NM**	CO2 Produced: **1,192,801 MT**

Source: International Seaways

International Seaways, Inc.

Best in Class Commercial and Technical Operations

Commercial Pools

- All of our spot ships operate in commercial pools
- Pools provide economies of scale by increasing scheduling flexibility and allowing us to do business with larger charterers that require larger fleets
- Three of the pools we operate in are co-owned by us and operate on a non-profit basis, reducing our daily costs

Technical Management

- All of INSW's legacy ships are managed by V.Ships, part of V.Group, the world's largest independent ship management company
- Vessels acquired from Diamond S are currently managed by Diamond Anglo Ship Management, Anglo Eastern Ship Management, Executive Ship Management, Fleet Management Ltd. and Capital Ship Management[1]
- Outsourcing of technical management allows us to share best practices, benchmark performance and leverage expertise

(1) All vessels previously under Capital Ship Management have been or are transitioning to V.Ships

Strong Financial Position: Balance Sheet

Strong balance sheet protects INSW during low portions of tanker cycle

September 30, 2021 ($ M)			
Assets		**Liabilities & Equity**	
Cash and Equivalents	$109	AP, Accruals and other current liabilities	$53
Restricted Cash	7	Current Portion of Operating Lease Liabilities	7
Other Current Assets	113	Current Portion of Long-Term Debt	221
Total Current Assets	**$229**	**Total Current Liabilities**	**$281**
Restricted Cash	$17	Long-Term Debt	888
Vessels	1,982	Long-Term Portion of Operating Lease Liabilities	13
Right of Use Assets	22	Other Long-Term Liabilities	15
Other Long Term Assets	192	Total Equity	$1,245
Total Assets	**$2,442**	**Total Liabilities and Equity**	**$2,442**

	Balance Sheet at 6/30/21	Balance Sheet at 9/30/21	*Change*
Vessels	$1,139	$1,982	*$843*
Other Assets	$380	$459	*$79*
Total Assets	**$1,519**	**$2,442**	***$923***
Debt	$506	$1,109	*$603*
Other Liabilities	$66	$88	*$22*
Total Liabilities	**$571**	**$1,197**	***$626***
Equity	$947	$1,245	*$298*
Total Liabilities & Equity	**$1,519**	**$2,442**	***$923***

INSW Book Value of FSO JV as of September 30, 2021: $139 million

- Net Debt to Total Capitalization: 43.9%
- Net Loan to Asset Value (including FSO): 45.7%
- Portion of debt fixed or hedged: 58%

Strong Financial Position: Proforma INSW Debt

Proforma INSW Debt				
	Principal Balance ($M)	Maturity	Rate	Quarterly Amortization ($M)
8.5% Senior Notes	$ 25.0	June 2023	8.50%	-
DSSI $360m Facility	175.5	March 2024	LIBOR +265 bps	$10.21
DSSI $525m Facility	378.5	December 2024	LIBOR +250 bps	18.00
Core Facility	243.1	January 2025	LIBOR +260 bps[1]	9.50
Macquarie Facility[2]	20.0	March 2025	LIBOR +383 bps	0.59
ING Facility[3]	25.0	November 2026	LIBOR +200 bps	0.52
Ocean Yield SLBs	374.6	November 2031	LIBOR +405 bps	7.40
Total Debt Balance	**$1,241.7**			
	Weighted average interest rate[4]	**3.31%**		
		Total Quarterly Amortization		**$46.2**
Undrawn Revolver	$ 40.0		LIBOR +~260 bps	

1. The margin on the Core Facilities may adjust by 0.20%, based on whether the Company meets certain leverage ratios.

2. Amortization for the Maquarie facility shown above is the average quarterly amortization over the life of the facility. The actual amortization changes each year.

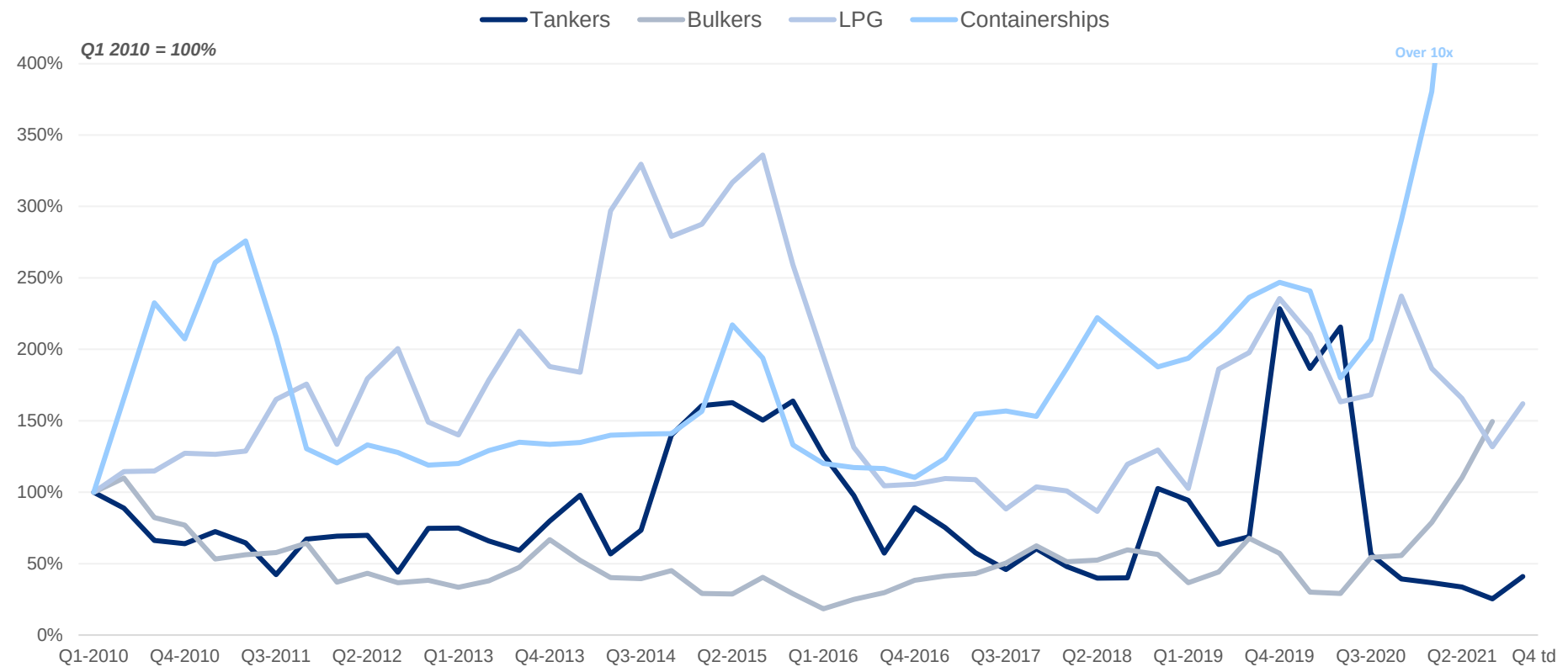
3. The ING Facility replaced the NTHC Facility, which was repaid up the split of the NTHC JV on November 12, 2021. Represents single-vessel financing.

4. The weighted average interest rate assume a 3-month LIBOR rate of 13 bps

Upside to Tankers: Its Time

Every other shipping segment has rallied,
we believe that the tanker market is poised for a strong market soon.

Earnings Index of Selected Shipping Segments



Source: Clarksons

International Seaways, Inc.

Our Market

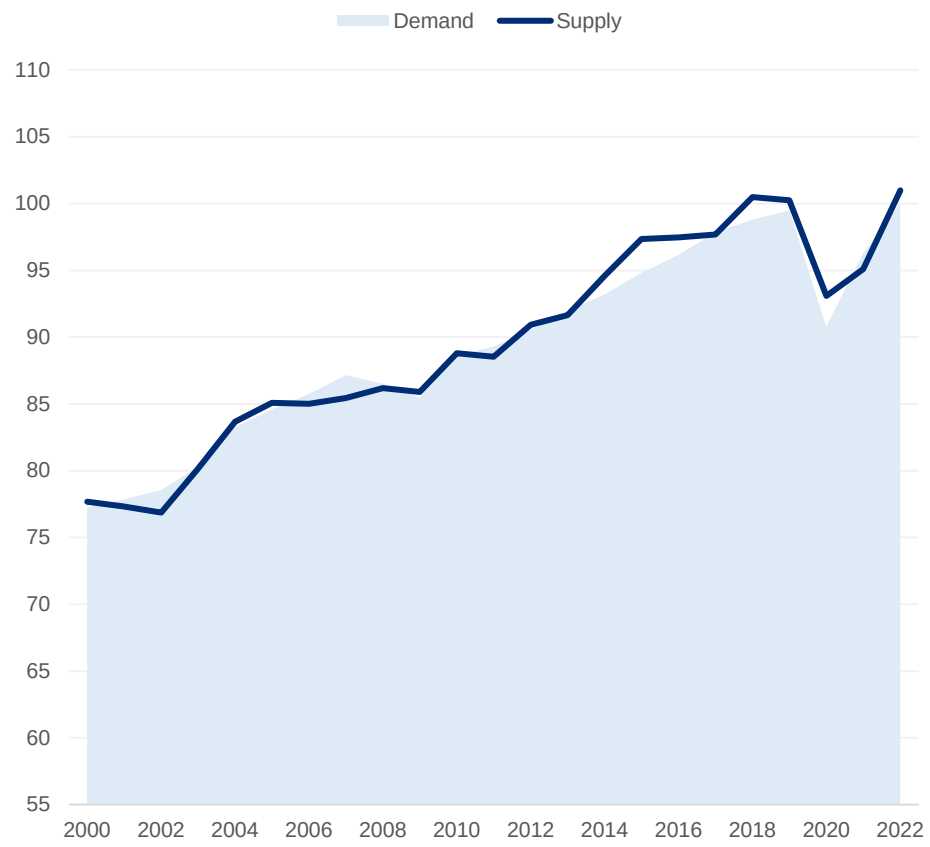
International Seaways, Inc.

Market Outlook Summary

Recovery in tanker markets is gradual in next few months	Near	• Oil demand recovering to pre-pandemic levels; uncertainty of impact from Omicron variant • Inventories drawn to below 5 yr average • Global energy crisis has added approximately 0.5 mbpd • Tanker revenue rates have seen gradual recovery
Disconnect of oil supply growth & oil demand growth creates further demand for tankers	Medium	• Oil production growth driven largely from Americas • Oil demand growth principally from Far East • Displaced tonnage from WAF/EU establishes more ton-miles from Americas • Additional distance creates higher tanker utilization
Changes to the refinery landscape establishes further regional imbalances	Medium	• Simple, less complex refineries unable to compete with high conversion capacity • Upgrading and grass roots growth mostly from East of Suez • Mothball or conversion candidates likely West of Suez • New capacity building for export purposes
Tanker fleet under pressure as aging vessels face removal from commercial trading	Medium	• Average fleet ages have grown substantially over last 10 yrs • Vessels aged 15+ face different trading patterns, nearly 30% of tanker fleet • Scrapping, recycling, removal candidates significant over next few years • Candidates substantially higher to scheduled newbuildings
Lack of investment in fleet growth due to decarbonization	Long	• Uncertainty remains on the next viable fuel alternative on a vessel that trades nearly 25 years • Shipping industry, due to its worldwide reach, facing attention in global environmental efforts • Strength of other shipping sectors has led to further consumption of newbuild yard capacity • Weakness in tankers has created lack of investment

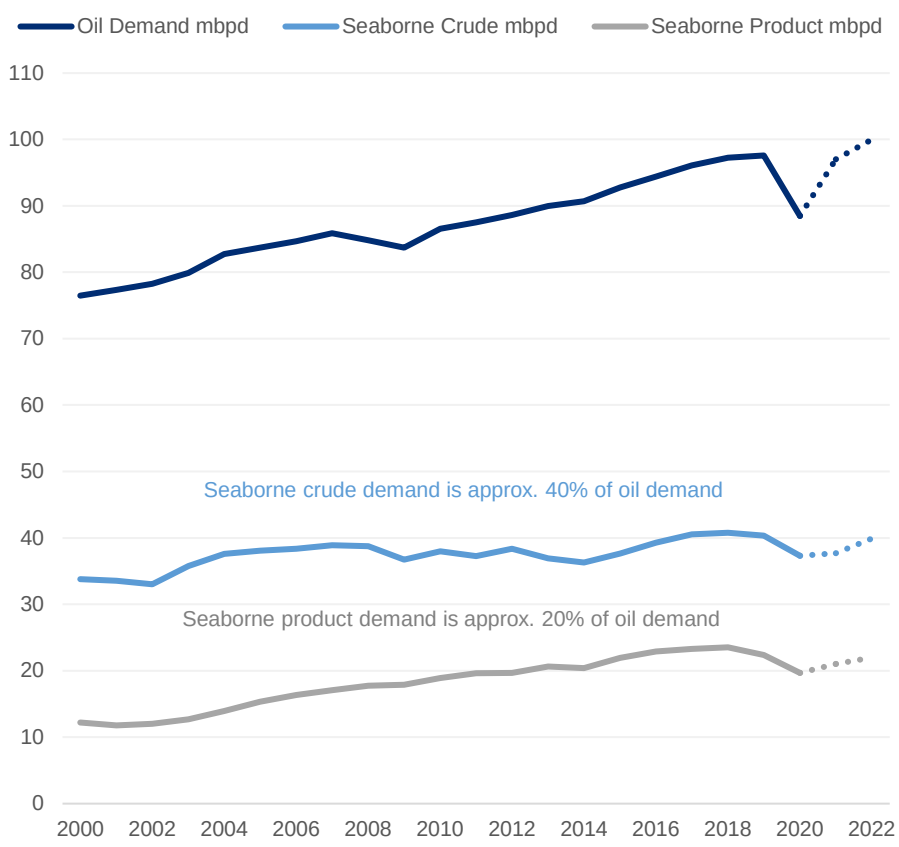
Recovery in Tanker Markets: Supply/Demand

Oil Production can be tempered with Demand due to OPEC+



Source: IEA

Seaborne Oil Trade is a portion of Oil demand



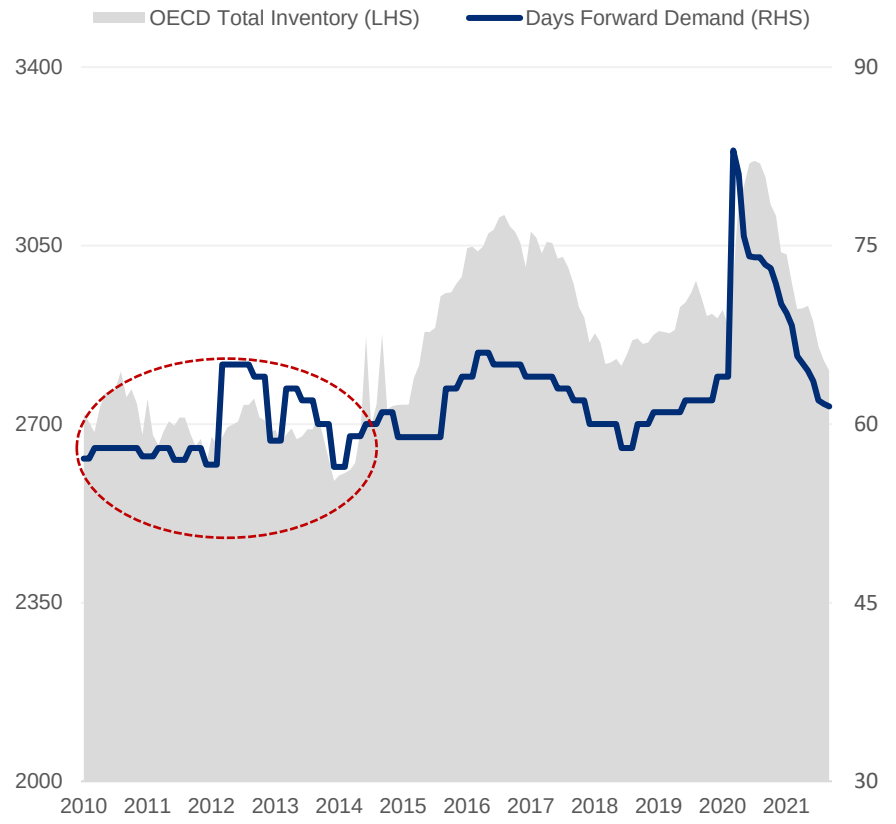
Source: BP Statistical Review 2021, Clarksons

International Seaways, Inc.

Recovery in Tanker Markets: Oil Inventories

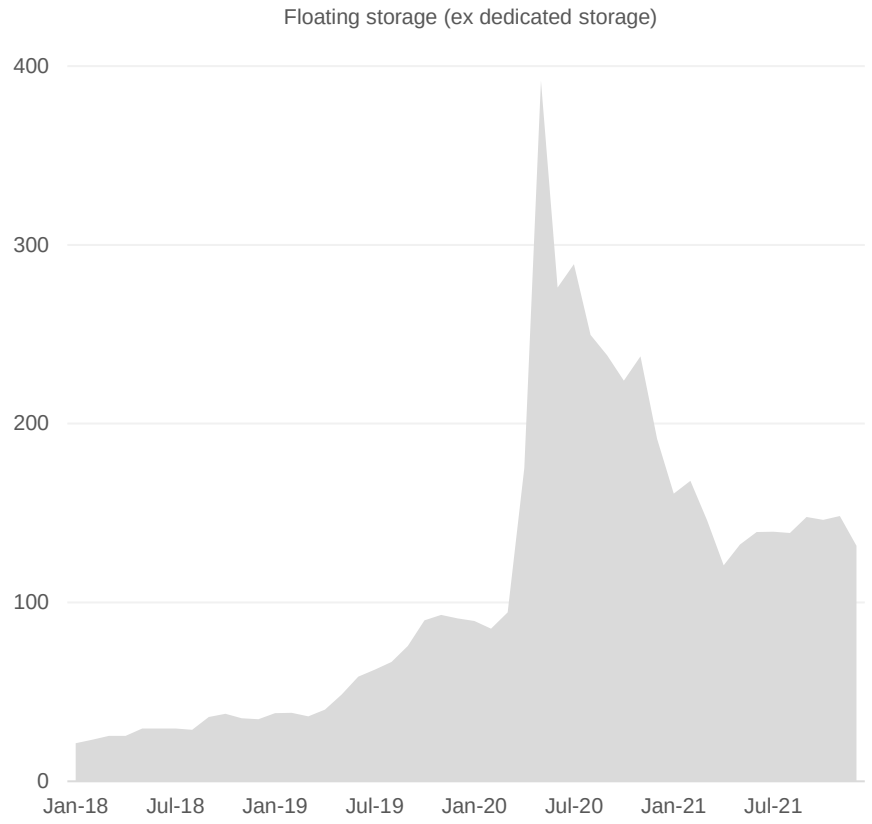
Oil Inventories are declining as demand is beginning to outpace supply into the commercial markets.

Onshore inventories are below the 5yr average



Source: OPEC Monthly Report November 2021

Floating Storage have declined significantly

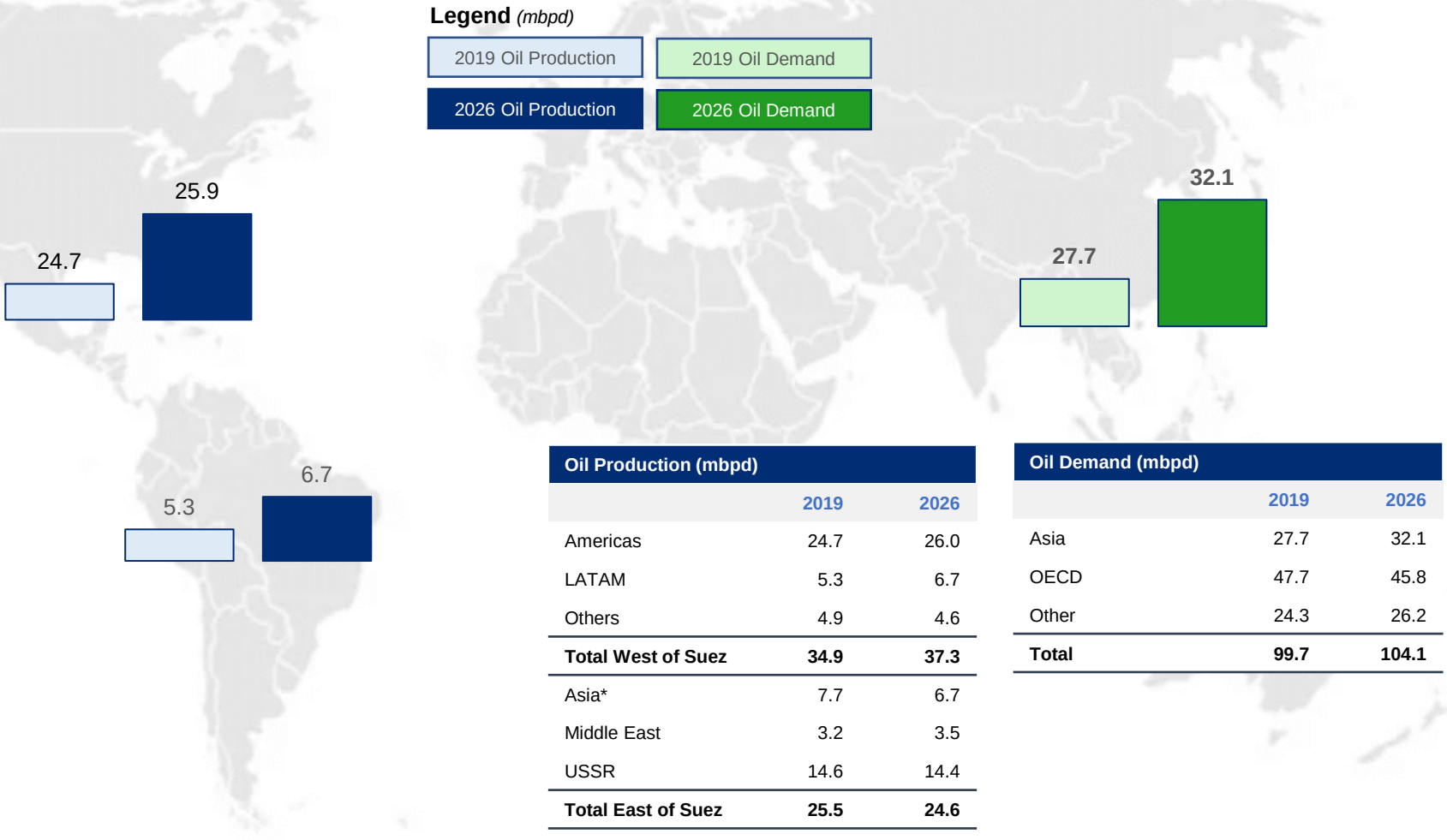


Source: Clarksons

International Seaways, Inc.

Disconnect: Regional Imbalances in Oil Impact Tanker Demand

Growing disconnect between oil production growth and oil consumption growth should lead to greater demand for tankers



Oil Production (mbpd)	2019	2026
Americas	24.7	26.0
LATAM	5.3	6.7
Others	4.9	4.6
Total West of Suez	**34.9**	**37.3**
Asia*	7.7	6.7
Middle East	3.2	3.5
USSR	14.6	14.4
Total East of Suez	**25.5**	**24.6**

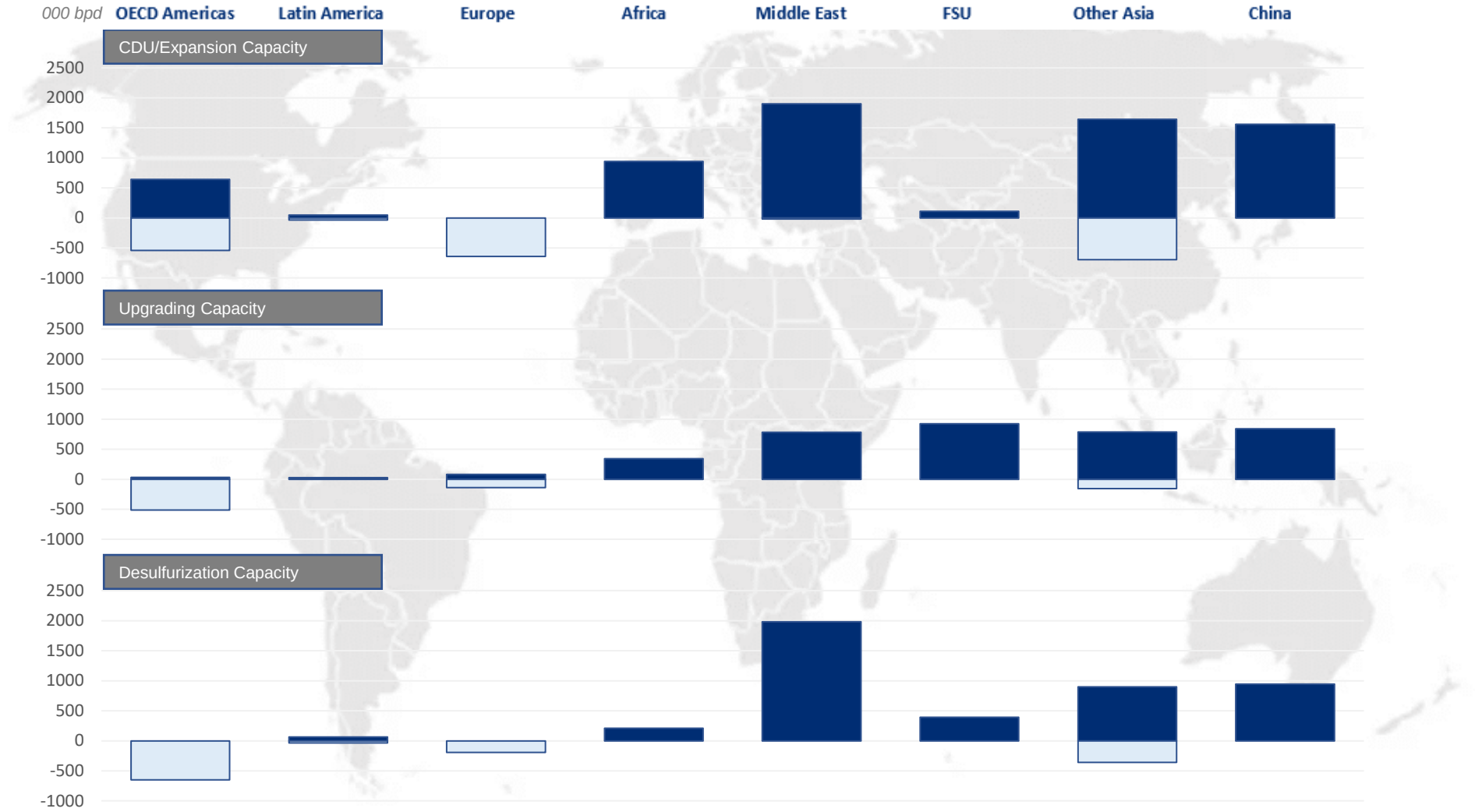
Oil Demand (mbpd)	2019	2026
Asia	27.7	32.1
OECD	47.7	45.8
Other	24.3	26.2
Total	**99.7**	**104.1**

Source: IEA Mar 2021

International Seaways, Inc.

Disconnect: Changes in Refinery Capacity

Refining landscape is likely to shift product trade patterns as expansion largely in the East is partially offset by smaller, less upgrading capacity in the West.



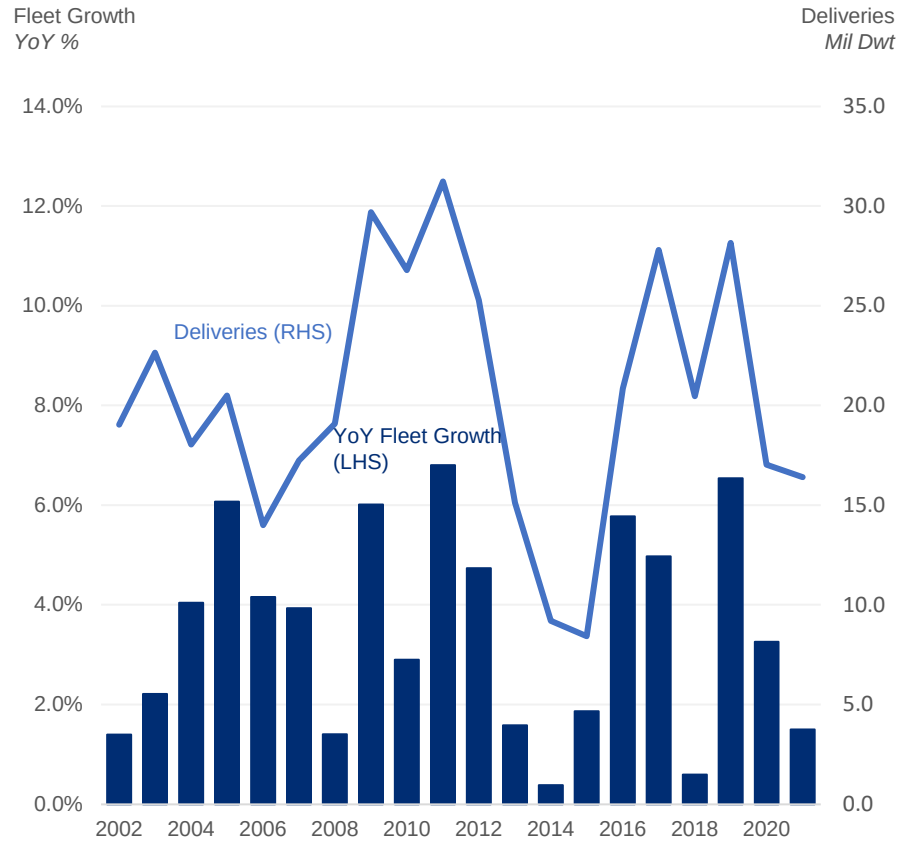
Source: IEA Mar 2021

International Seaways, Inc.

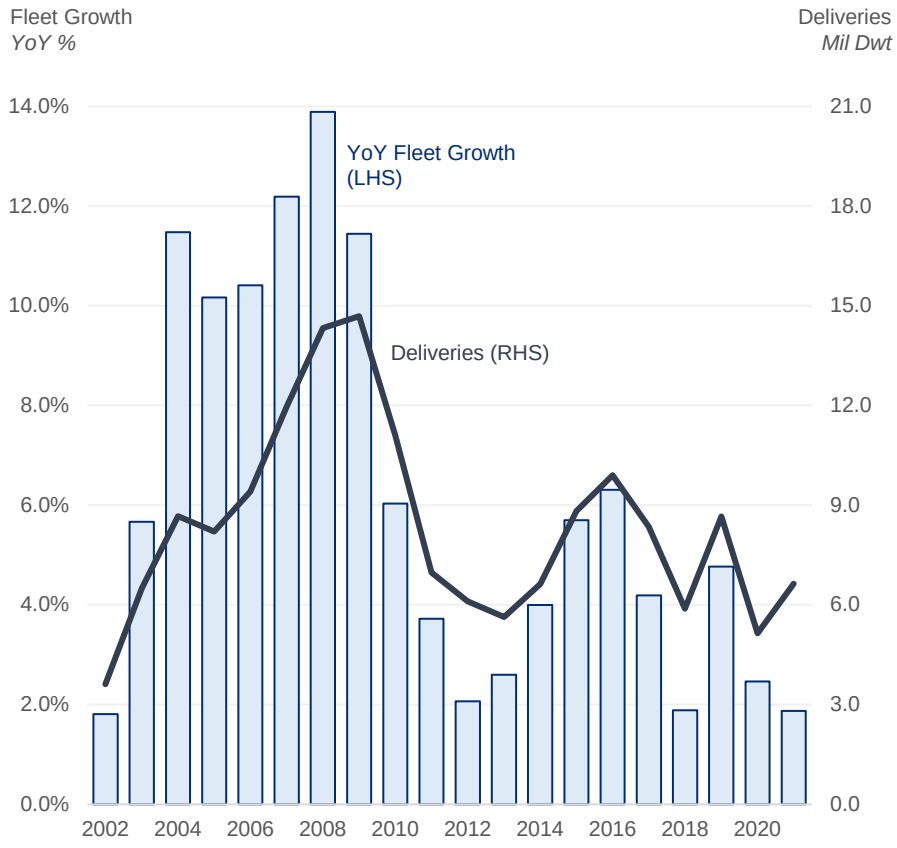
Tanker Supply: Fleet Development

While the tanker fleet has grown exponentially over the last twenty years, much of the fleet growth came from the early part of the 21st century.

Crude Fleet Development



Product Fleet Development



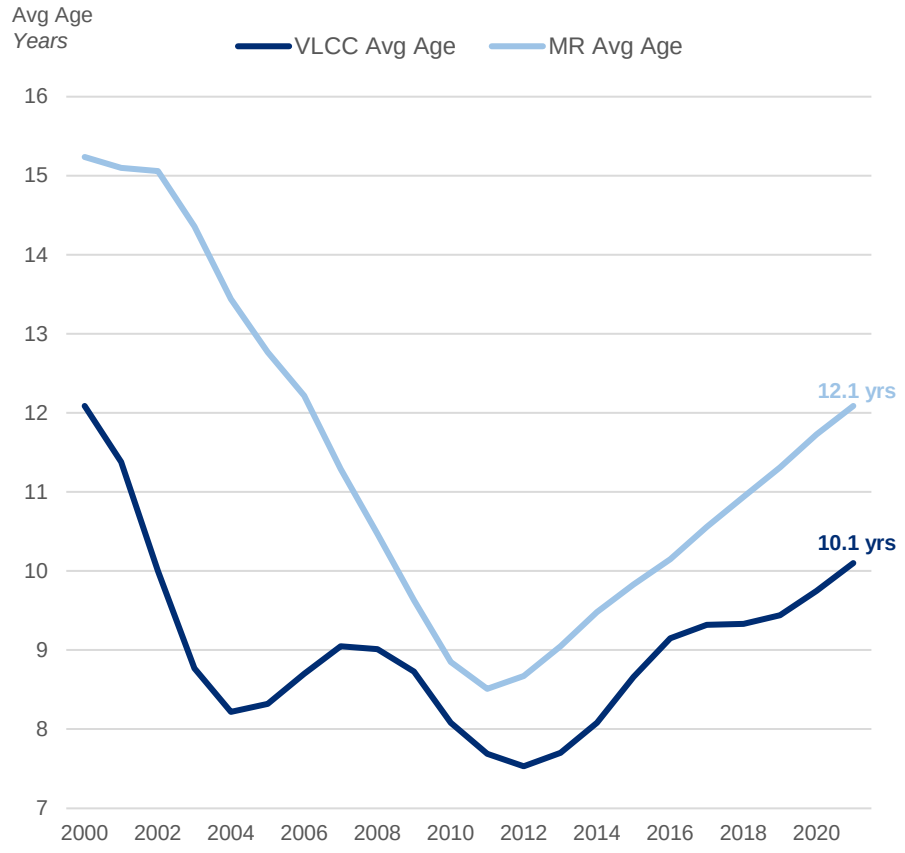
Source: Clarksons

International Seaways, Inc.

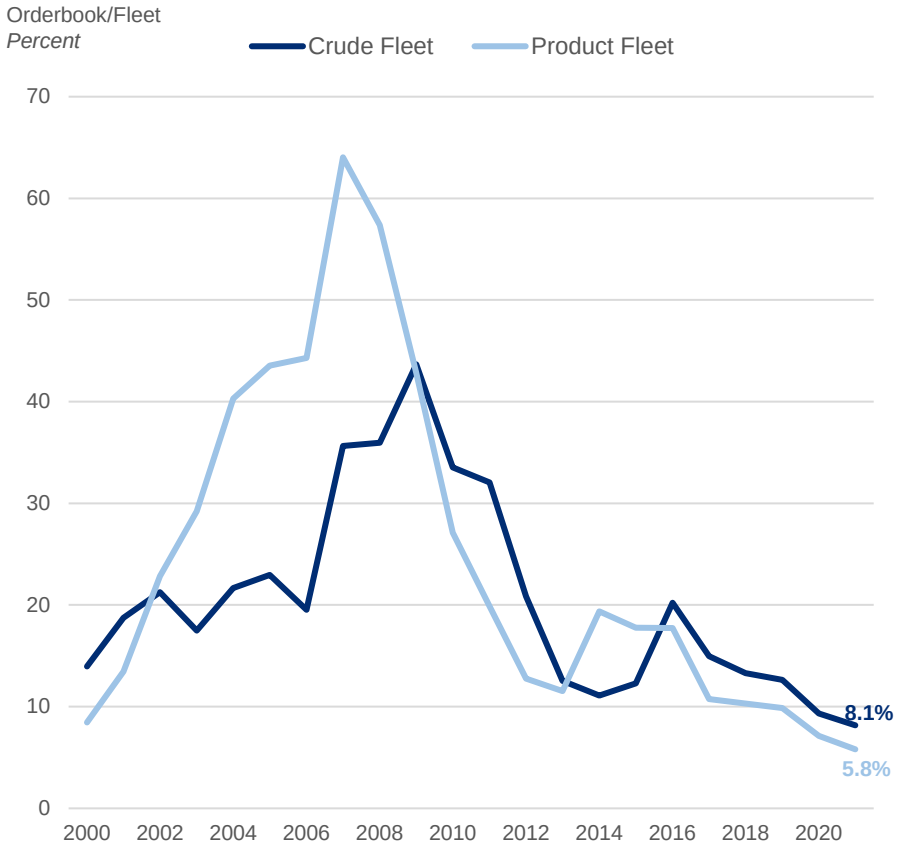
Tanker Supply: Age & Newbuilds

The average age of the tanker fleet continues to grow as orders are tempered by the focus on decarbonization, creating strong near-term supply/demand dynamics.

Tanker Fleet Ages at 20 Yr Highs



And Orderbook is at 20 Yr Lows



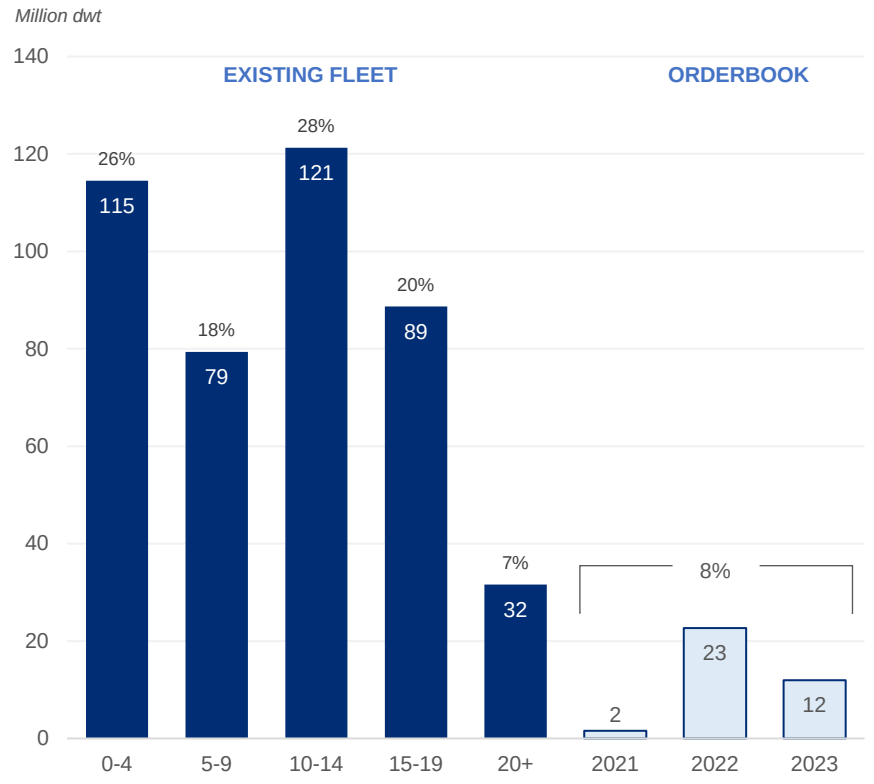
Source: Clarksons

International Seaways, Inc.

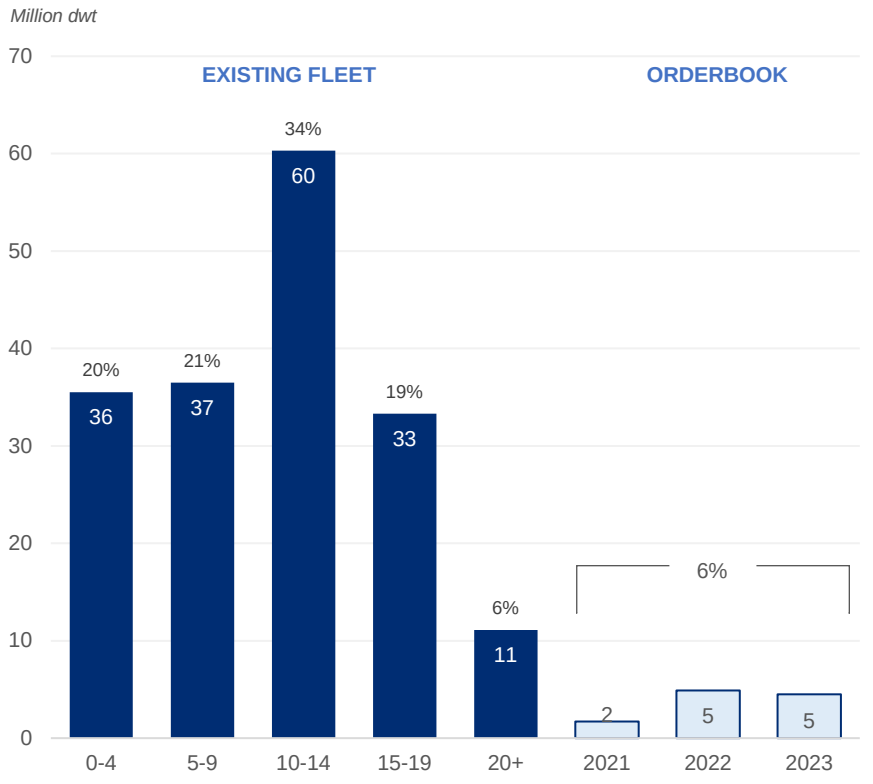
Tanker Supply: Potential Removals & Newbuild Orders

An aging fleet increases potential for recycling as vessels become less economical for commercial trading.

Crude Fleet Ages & Orderbook



Product Fleet Ages & Orderbook



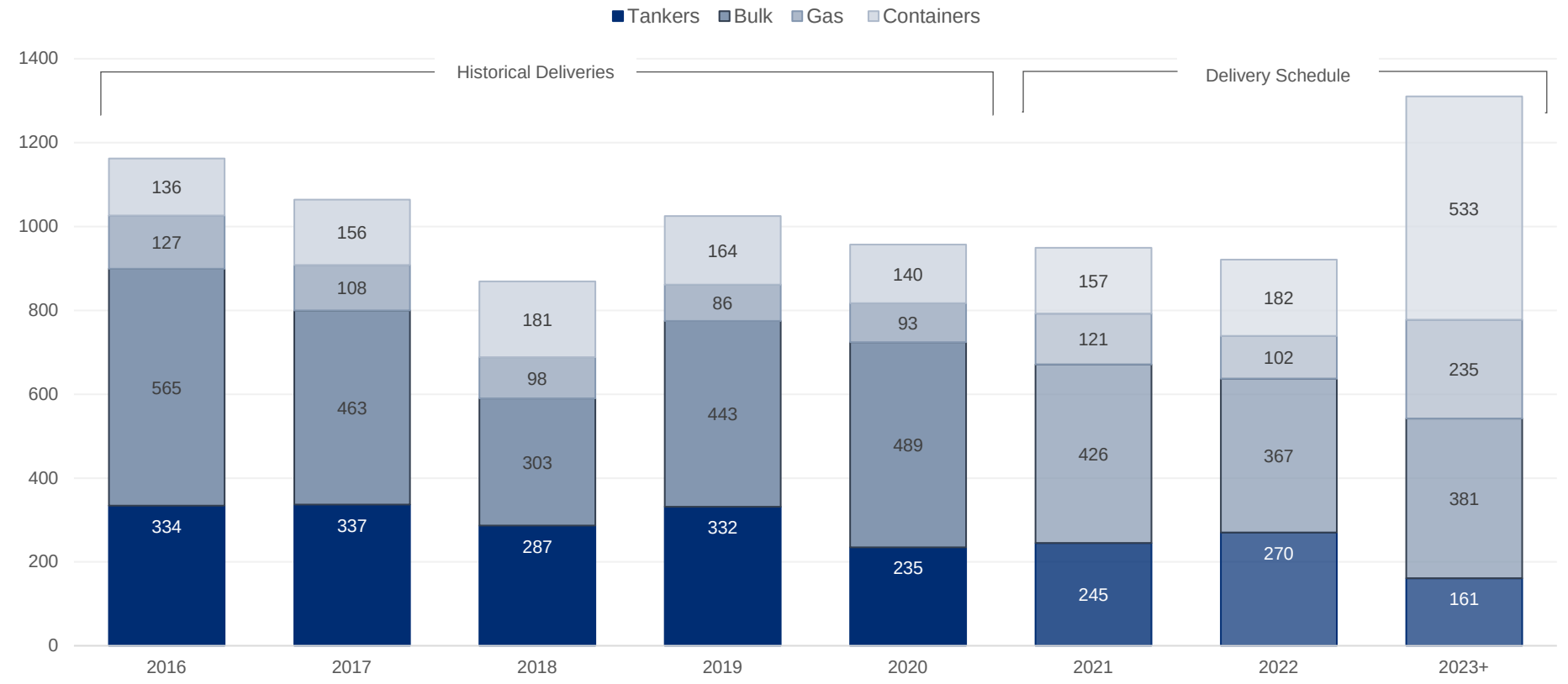
Source: by dwt, Clarksons

International Seaways, Inc.

Tanker Supply: Limited Capacity for Newbuilds

New orders in the tanker fleet are likely for yard slots in 2024 and beyond.

Number of Vessels on Order In The Shipping Industry



Source: Clarksons

Tankers include major asset classes: VLCC, Suezmax, Aframax, Panamax, MR/Handy

International Seaways, Inc.



International Seaways, Inc.

THANK YOU

International Seaways, Inc.

INSW
LISTED
NYSE