



Scorpio Tankers Inc.  
Pareto Securities Conference Presentation

September 12, 2024

# Disclaimer and Forward-looking Statements

This presentation includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect Scorpio Tankers Inc.’s (“Scorpio’s”) current views with respect to future events and financial performance. The words “believe,” “anticipate,” “intend,” “estimate,” “forecast,” “project,” “plan,” “potential,” “may,” “should,” “expect” and similar expressions identify forward-looking statements. The forward-looking statements in this presentation 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 Scorpio’s records and other data available from third parties. Although Scorpio 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 Scorpio’s control, Scorpio cannot assure you that it will achieve or accomplish these expectations, beliefs, projections or future financial performance.

Risks and uncertainties include, but are not limited to, the failure of counterparties to fully perform their contracts with Scorpio, the strength of world economies and currencies, general market conditions, including fluctuations in charter hire rates and vessel values, changes in demand in the tanker vessel markets, changes in Scorpio’s operating expenses, including bunker prices, drydocking and insurance costs, the fuel efficiency of our vessels, the market for Scorpio’s vessels, availability of financing and refinancing, charter counterparty performance, ability to obtain financing and comply with covenants in such financing arrangements, changes in governmental and environmental rules and regulations or actions taken by regulatory authorities including those that may limit the commercial useful lives of tankers, potential liability from pending or future litigation, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, and other important factors described from time to time in the reports Scorpio files with, or furnishes to, the Securities and Exchange Commission, or the Commission, and the New York Stock Exchange, or NYSE. Scorpio undertakes no obligation to update or revise any forward-looking statements. These forward-looking statements are not guarantees of Scorpio’s future performance, and actual results and future developments may vary materially from those projected in the forward-looking statements.

This presentation describes time charter equivalent revenue, or TCE revenue, adjusted net income, and adjusted EBITDA, which are not a measures prepared in accordance with IFRS (i.e. a "Non-IFRS" measure). These measures are presented here because we believe that they provides investors with a means of evaluating and understanding how the Company's management evaluates the Company's operating performance. These Non-IFRS measures should not be considered in isolation from, as a substitute for, or superior to financial measures prepared in accordance with IFRS.

The Company believes that the presentation of TCE revenue, adjusted net income, and adjusted EBITDA is useful to investors because they facilitate the comparability and the evaluation of companies in the Company’s industry. In addition, the Company believes that TCE revenue is useful in evaluating its operating performance compared to that of other companies in the Company’s industry. The Company’s definition of TCE revenue may not be the same as reported by other companies in the shipping industry or other industries. See the Company’s recently issued earnings press release under the section entitled “Non-IFRS Measures” for a reconciliation of these amounts.

Unless otherwise indicated, information contained in this presentation concerning Scorpio’s industry and the market in which it operates, including its general expectations about its industry, market position, market opportunity and market size, is based on data from various sources including internal data and estimates as well as third party sources widely available to the public such as independent industry publications, government publications, reports by market research firms or other published independent sources. Internal data and estimates are based upon this information as well as information obtained from trade and business organizations and other contacts in the markets in which Scorpio operates and management’s understanding of industry conditions. This information, data and estimates involve a number of assumptions and limitations, are subject to risks and uncertainties, and are subject to change based on various factors, including those discussed above. You are cautioned not to give undue weight to such information, data and estimates. While Scorpio believes the market and industry information included in this presentation to be generally reliable, it has not independently verified any third-party information or verified that more recent information is not available.

# Scorpio Tankers At a Glance

## Key Facts

- Scorpio Tankers Inc. (“Scorpio”) is the world’s largest product tanker owner, providing marine transportation of refined petroleum products (gasoline, diesel, jet fuel and naphtha)
- Vessels employed in well-established Scorpio pools with a strong track record of outperforming the market
- Headquartered in Monaco, Scorpio is incorporated in the Marshall Islands and is not subject to US income tax
- Diversified blue-chip customer base

## Our Customers



NYSE Ticker

**STNG**

Fleet Vessels<sup>(1)</sup>

NUMBER

**102**

Average Age<sup>(1)</sup>

YEARS

**8.4**

LR2

NUMBER



**39**

Scrubber Fitted Vessels

NUMBER

**81**

MR

NUMBER



**49**

Chartered- Out Vessels

NUMBER

**16**

Handymax

NUMBERS



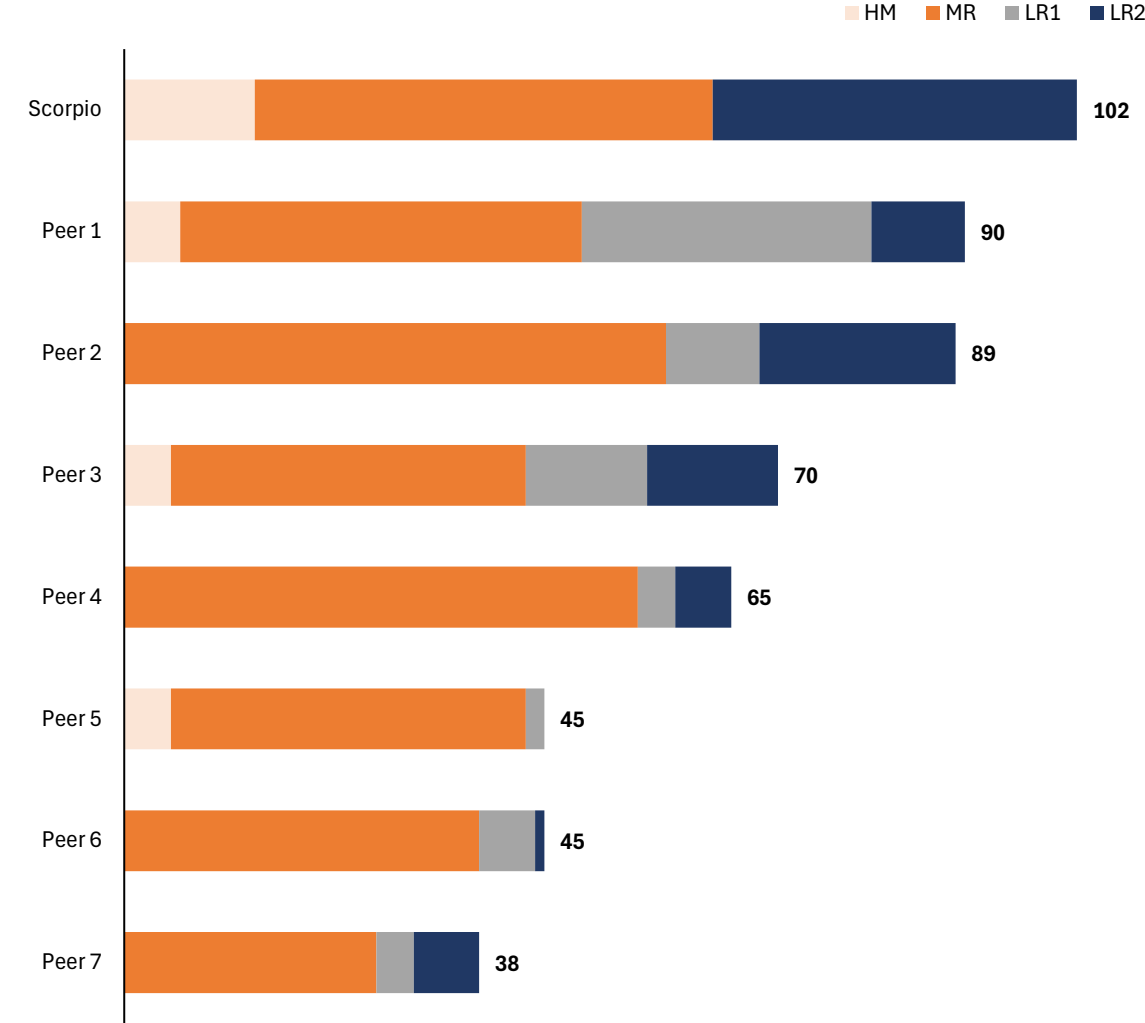
**14**

1) As of September 9, 2024 and includes two vessels which are held for sale.

# Largest and Most Modern Product Tanker Fleet in the World

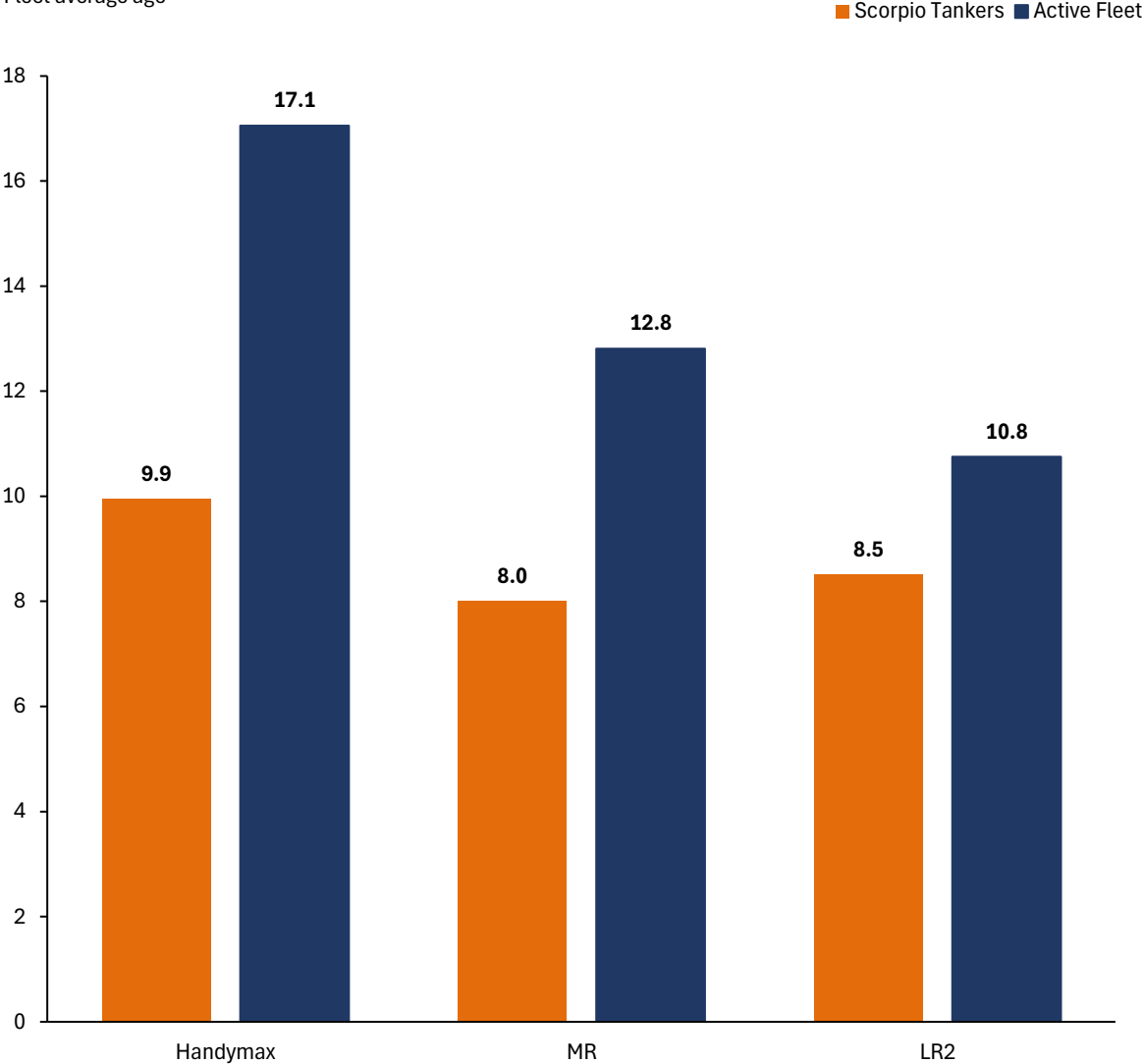
## Scorpio's Fleet vs. Peers

Number of vessels



## Scorpio Average Age vs Worldwide Fleet

Fleet average age



Clarksons Shipping Intelligence, September 2024. Figures exclude newbuild vessels on order and chemical tankers. Scorpio fleet includes two vessels which are held for sale.



# Investment Highlights



## Company

- One of the largest product tanker fleets in the world
  - **102 Eco** (fuel-efficient) vessels on the water <sup>(1)</sup>
- Fully delivered fleet with an average age of **8.4** years <sup>(1)</sup>
  - No newbuildings on order = \$0 newbuild capex
- Significant Operating Leverage
  - A \$10,000/day increase in average daily freight rates could generate **~\$365 million** of incremental annualized cash flow

## Industry & Outlook

- Significant increase in product tanker rates since Q1-22
- Robust product demand and low inventories has led to record levels of seaborne **exports**
- Refinery closures and additions continue to reshape global trade flows and **increase ton miles**
- Limited fleet growth with low orderbook and aging fleet
- Seaborne exports and ton mile demand expected to **outpace supply**

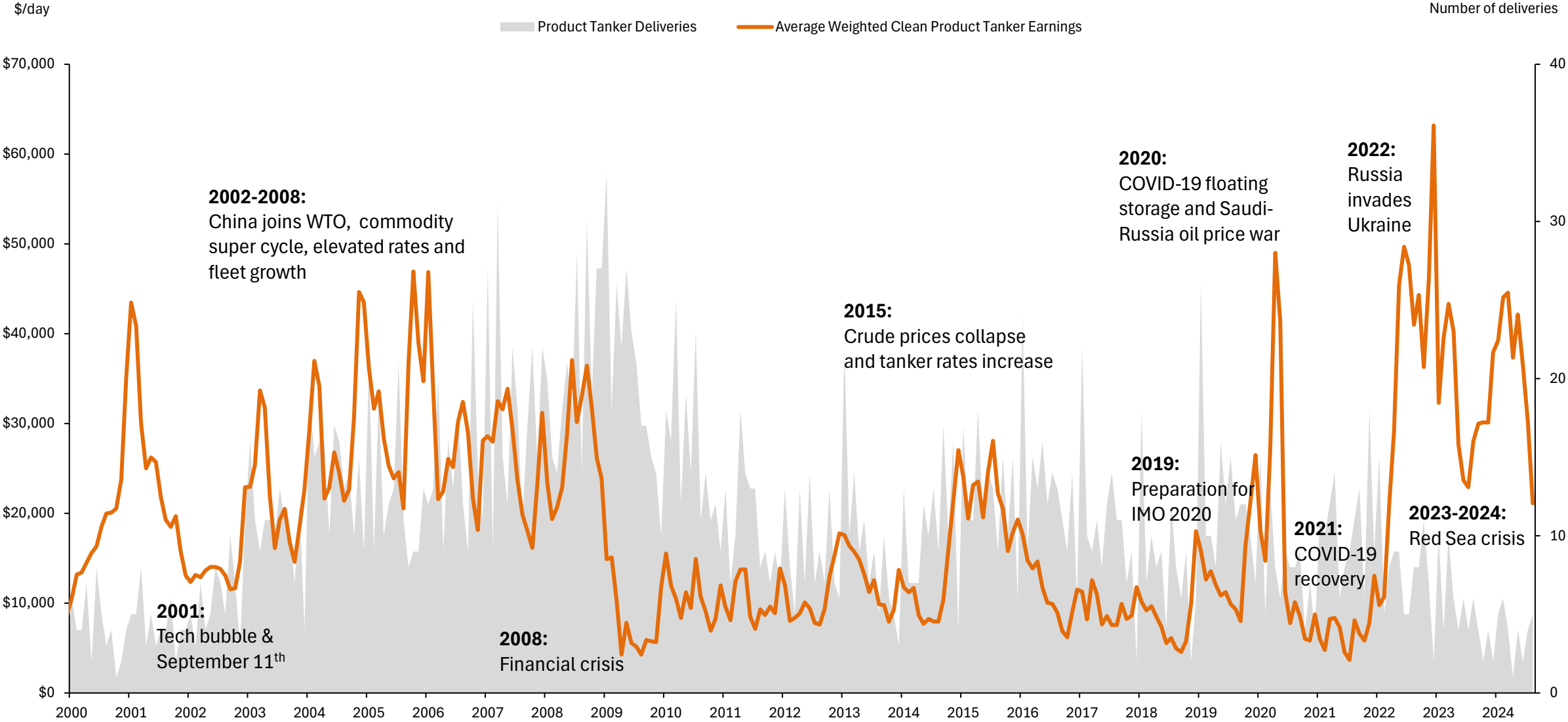
## Strategy

- Reduce leverage, maintain liquidity and return capital to shareholders
- Strong Balance Sheet
  - Reduced overall indebtedness by **~\$2.2 billion** from Dec 31, 2021, through June 30, 2024
- Share Repurchases & Dividends
  - From January 1, 2023 through September 6, 2024 the Company repurchased **\$774 million** of its shares and paid **\$101 million** in dividends

1) Includes two vessels which are held for sale.

# Product Tanker Earnings Remain at Historically High Levels

Product Tanker Earnings (LHS) vs. Product Tanker 10k+ DWT Deliveries (RHS)

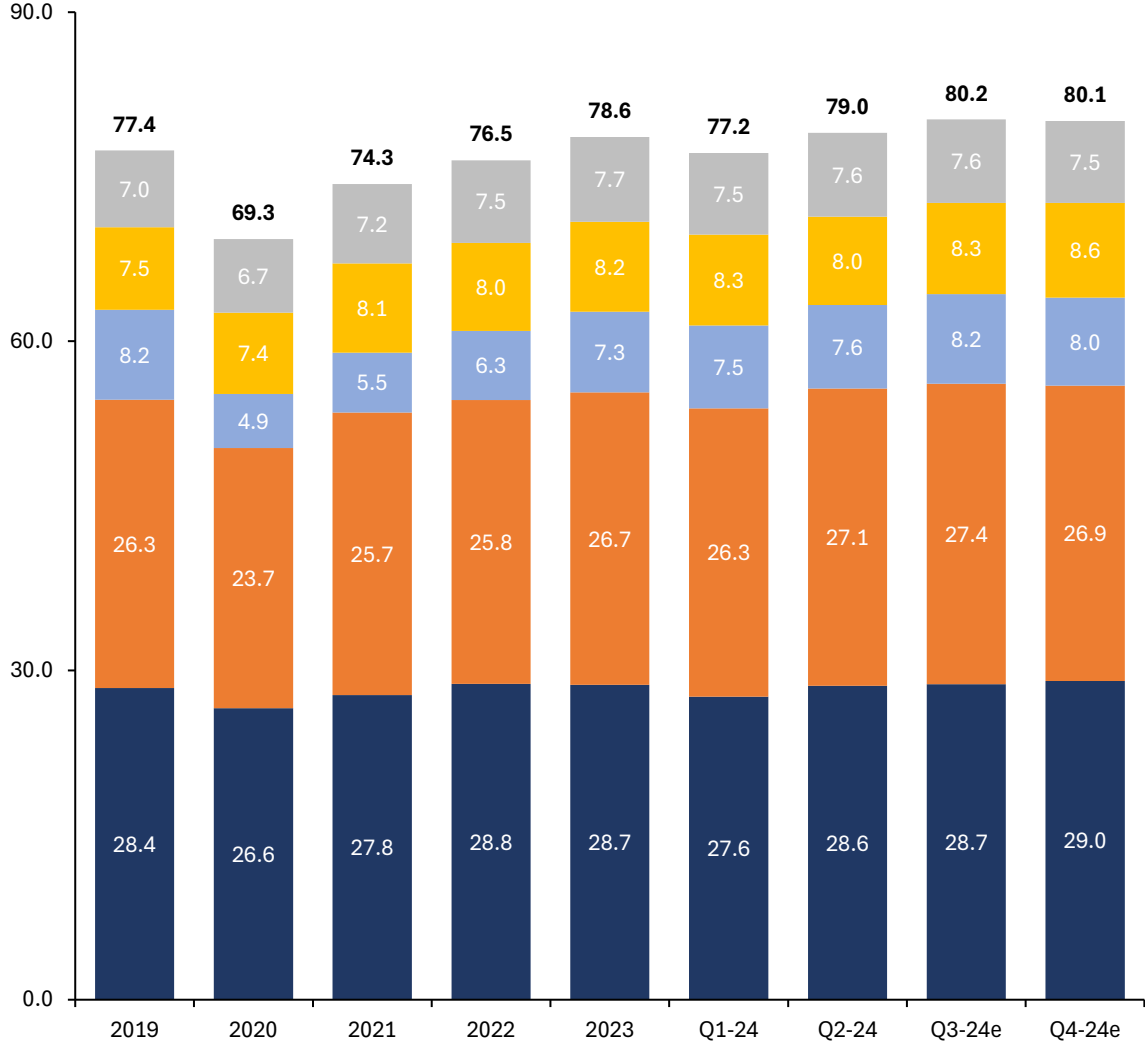


# Refined Products Demand and Seaborne Exports Exceed Pre-Pandemic Levels

## Refined Product Demand (1)

Million barrels per day

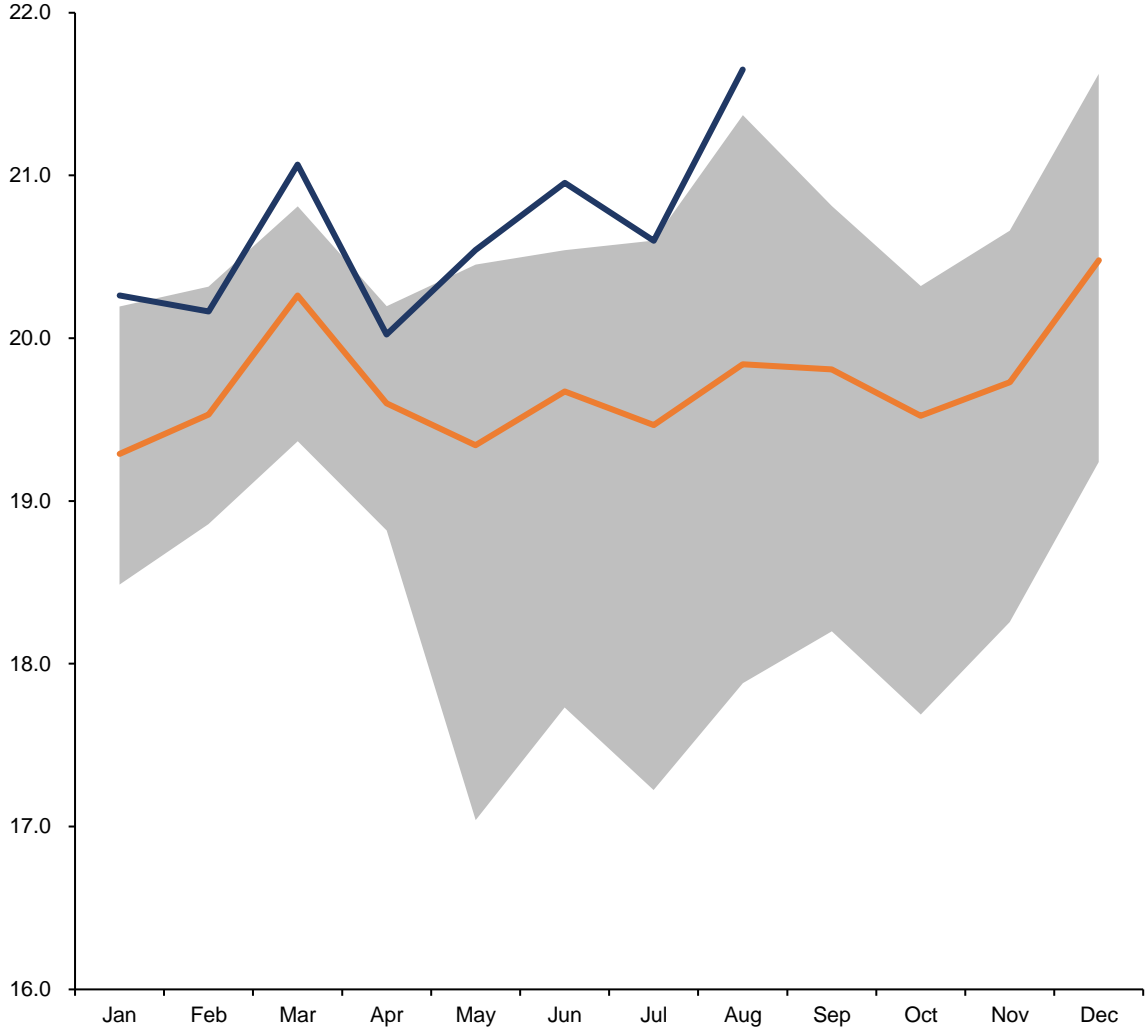
■ Diesel ■ Gasoline ■ Jet ■ Naphtha ■ Fuel Oil



## Seaborne Refined Product Exports (2)

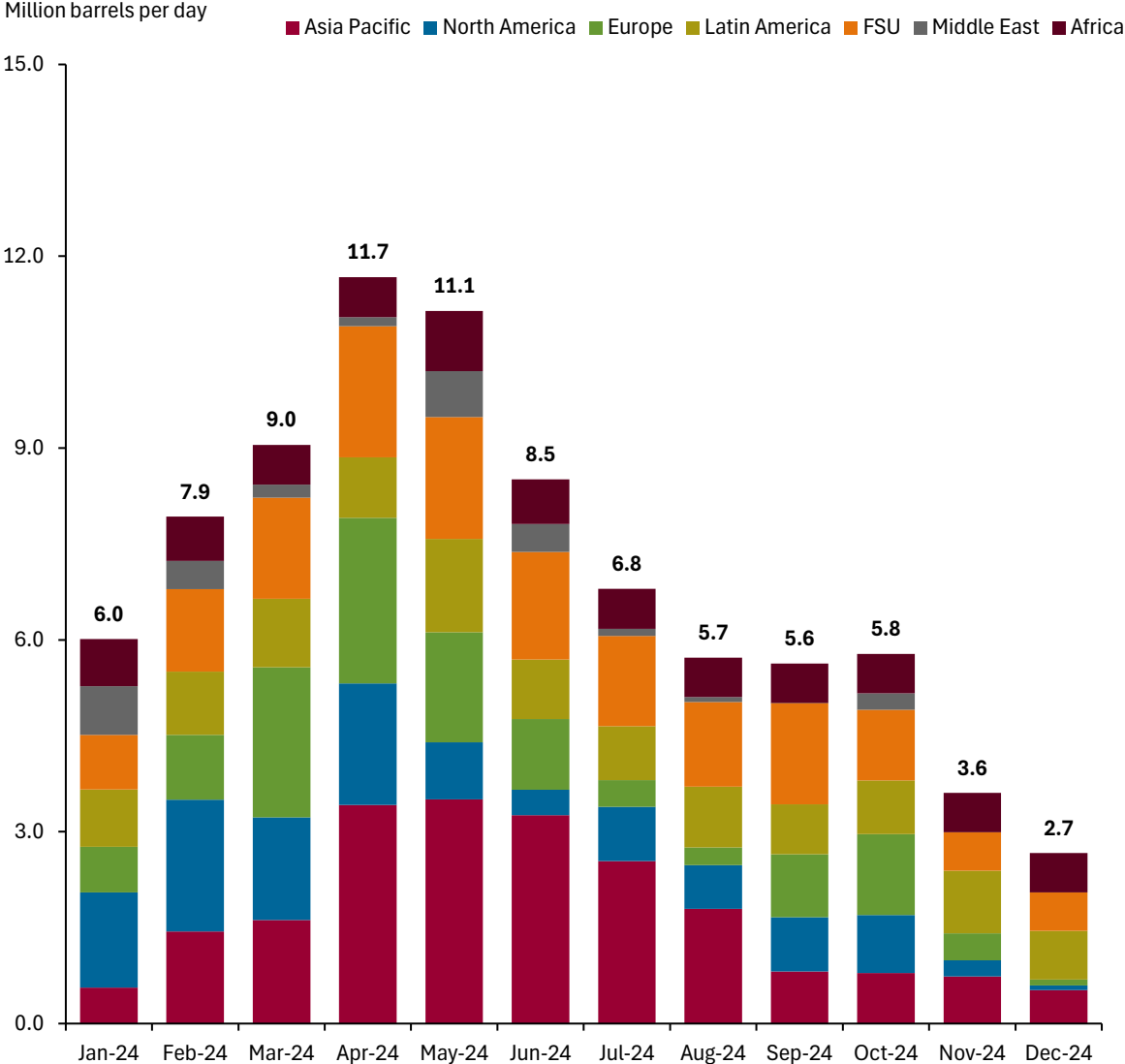
Million barrels per day

■ Previous 5Y Range ■ 2024 CPP Exports ■ Previous 5Y AVG

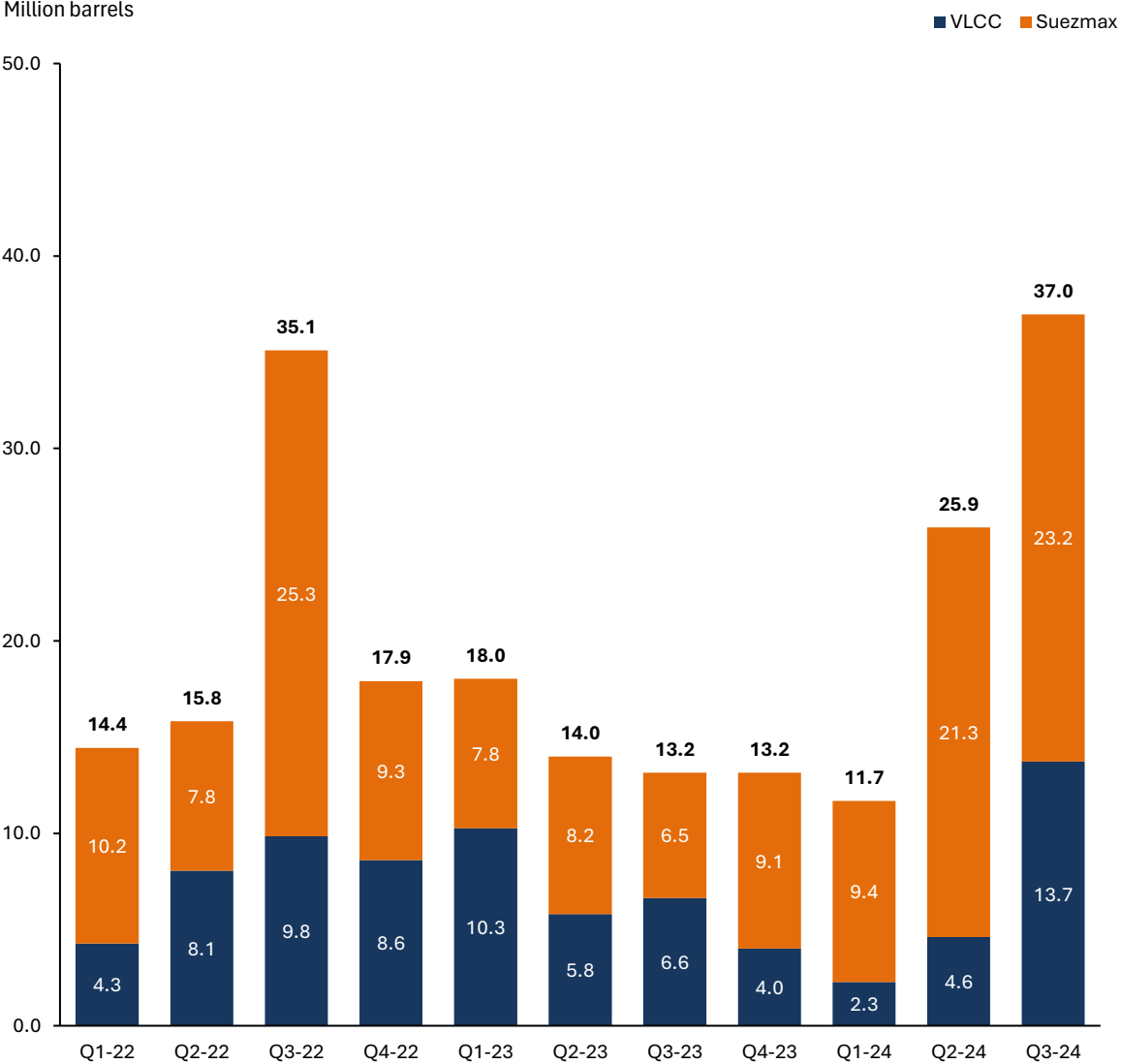


# Short Term Market Update

## Refinery Maintenance



## Crude Tankers Carrying Clean Products is Expected to Slow



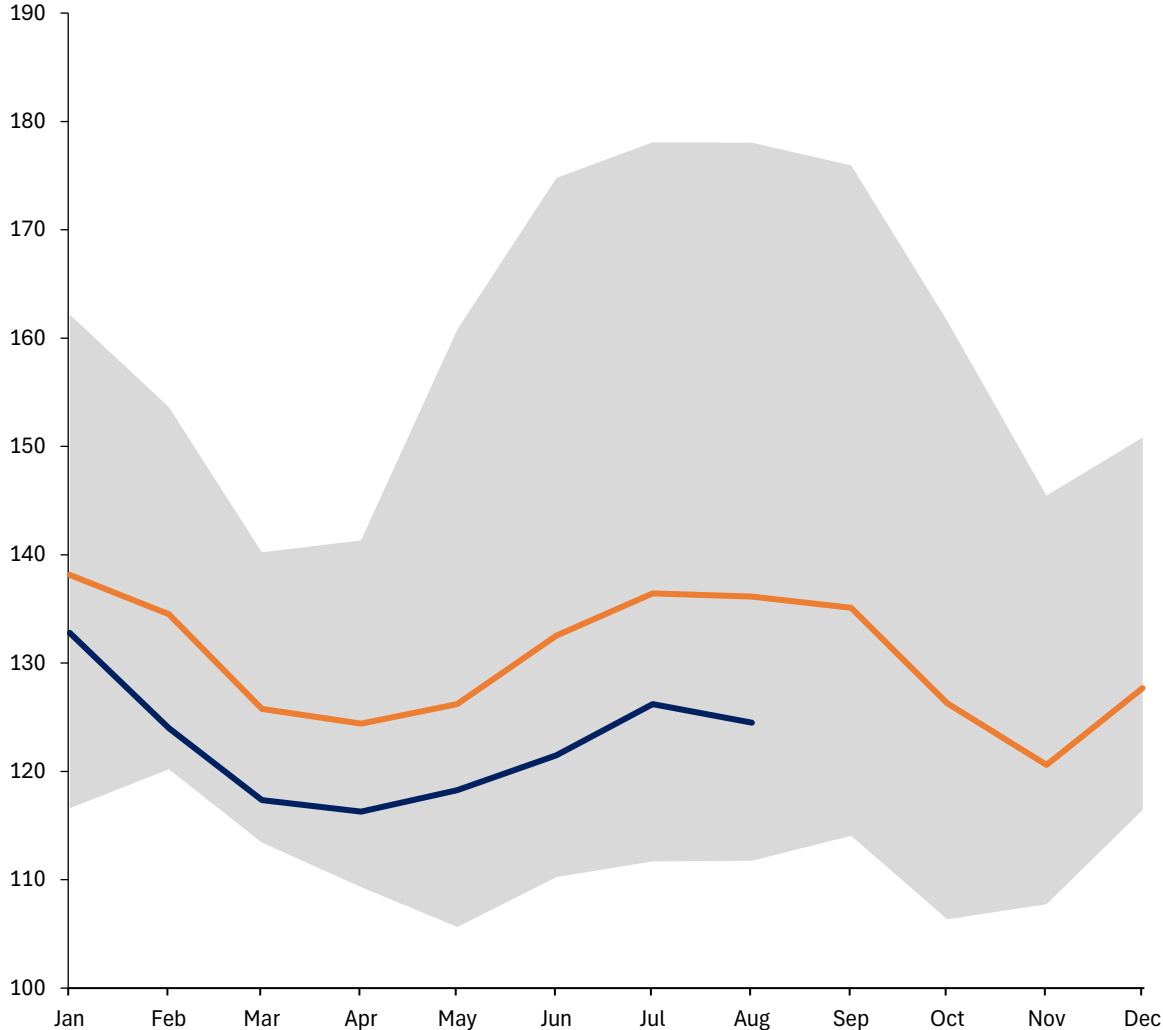


# Inventories Below Historical Averages

## US Diesel Inventories

Million barrels

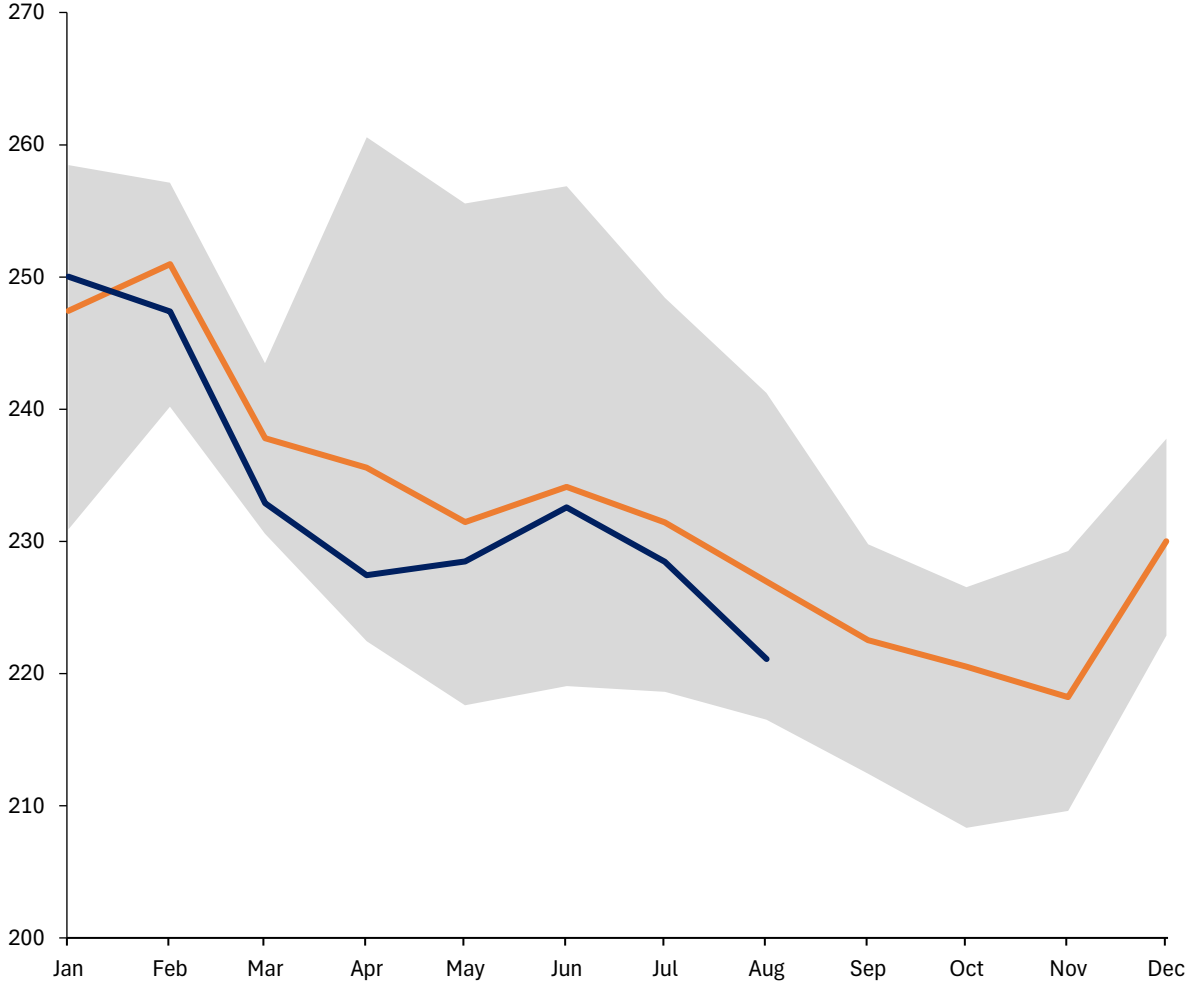
5Y Range Previous 5Y AVG YTD



## US Gasoline Inventories

Million barrels

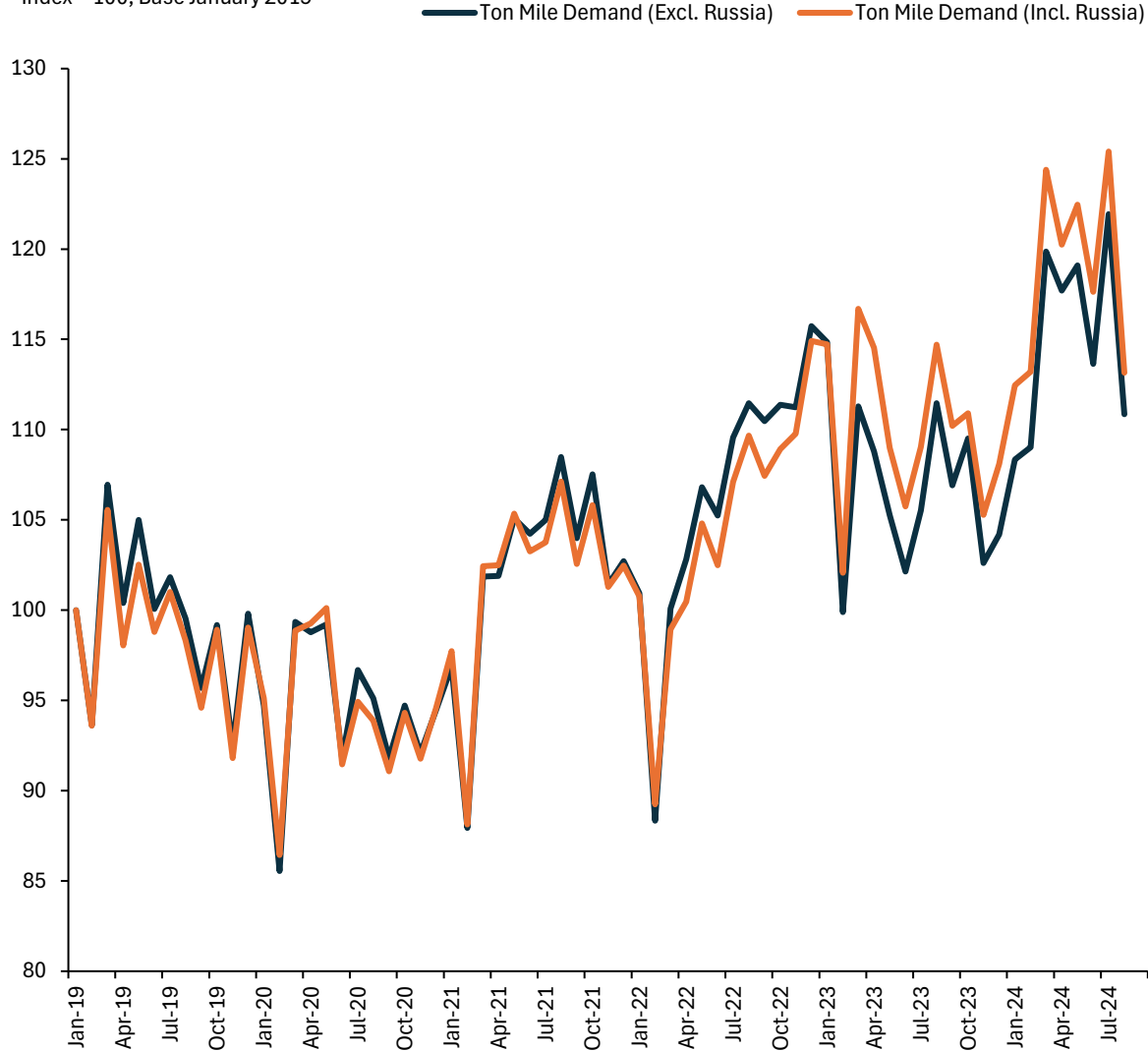
5Y Range Previous 5Y AVG YTD



# Disruptions Exacerbate Strong Supply & Demand Fundamentals

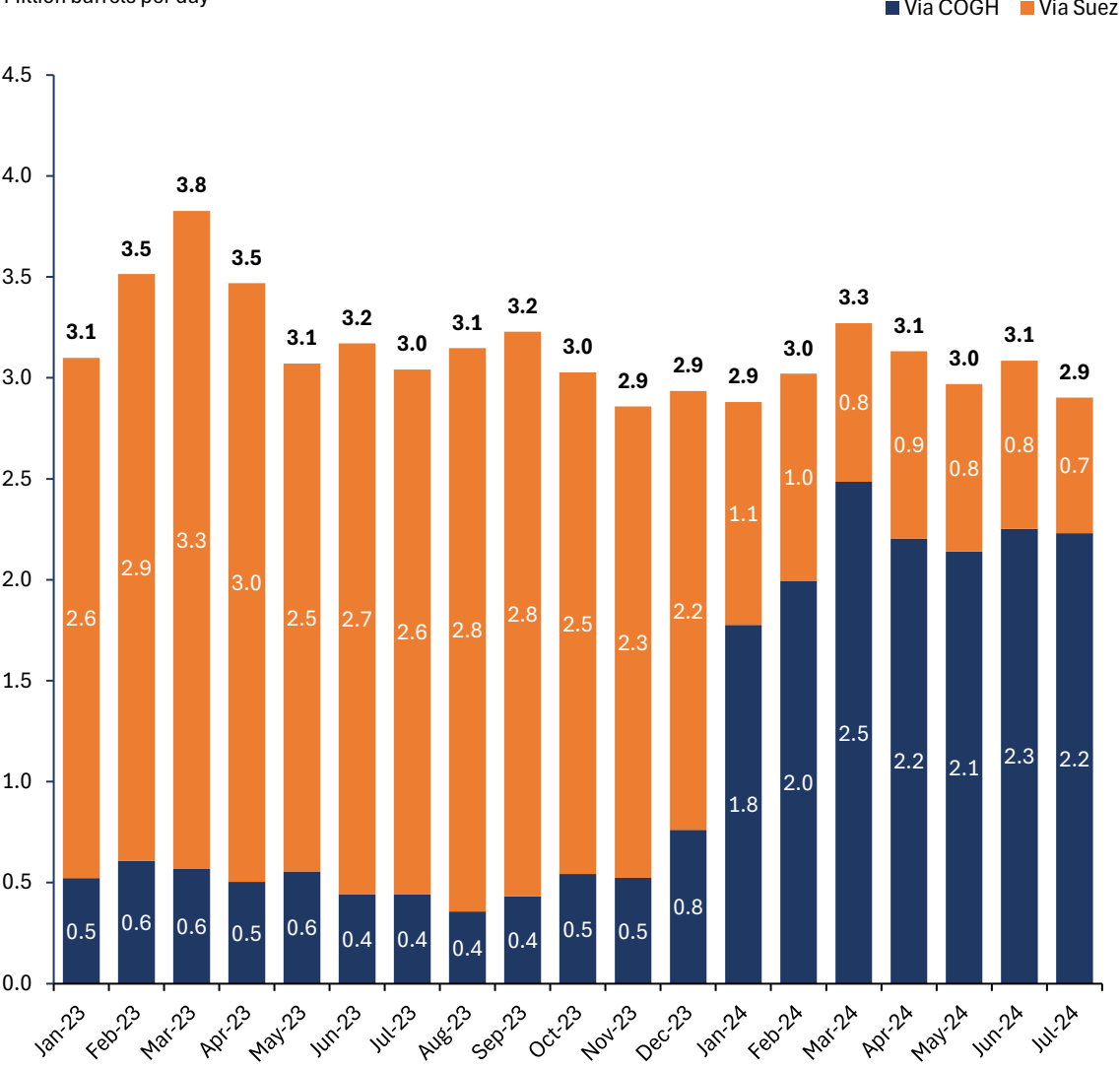
## Ton Mile Demand Since 2019

Index = 100, Base January 2019



## Product Tankers Continue to Transit Around the Cape of Good Hope

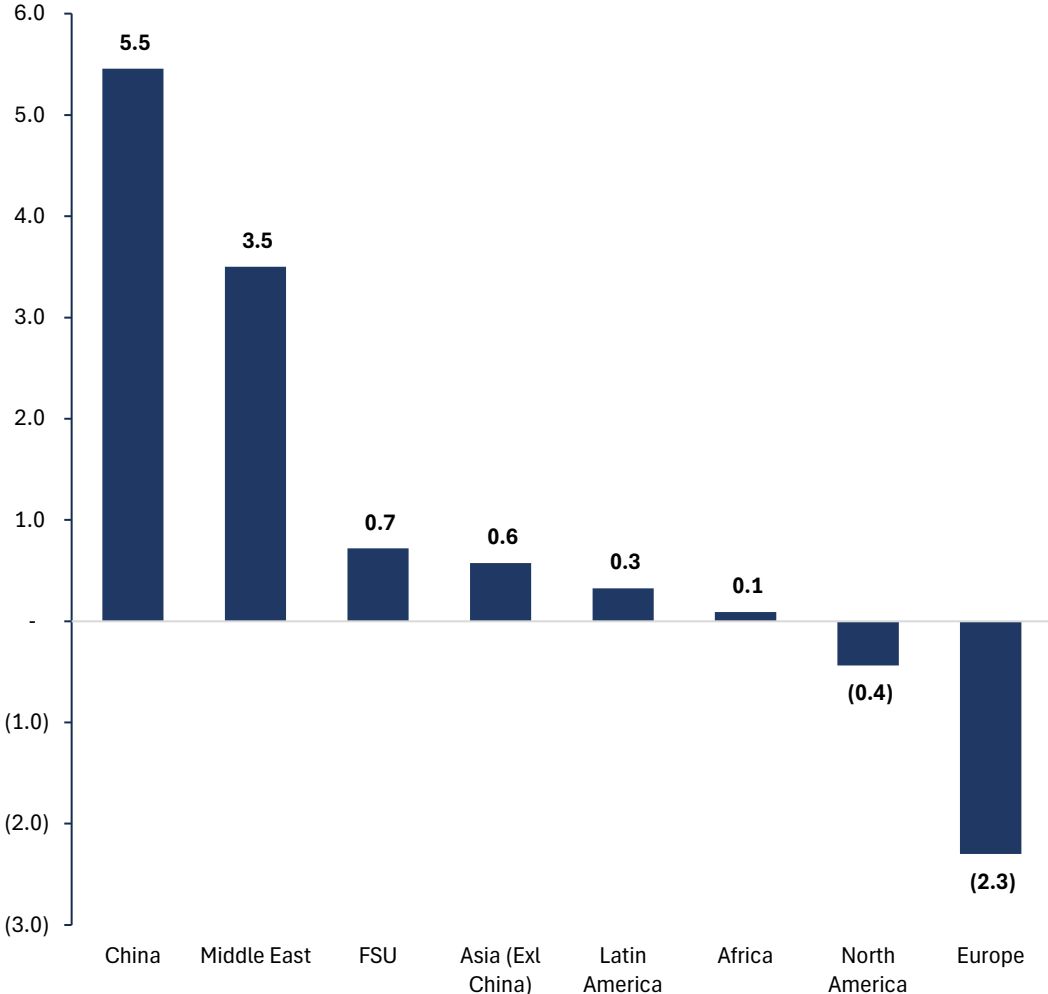
Million barrels per day



# Refining Capacity Changes Increase Seaborne Exports, Trading & Ton Miles

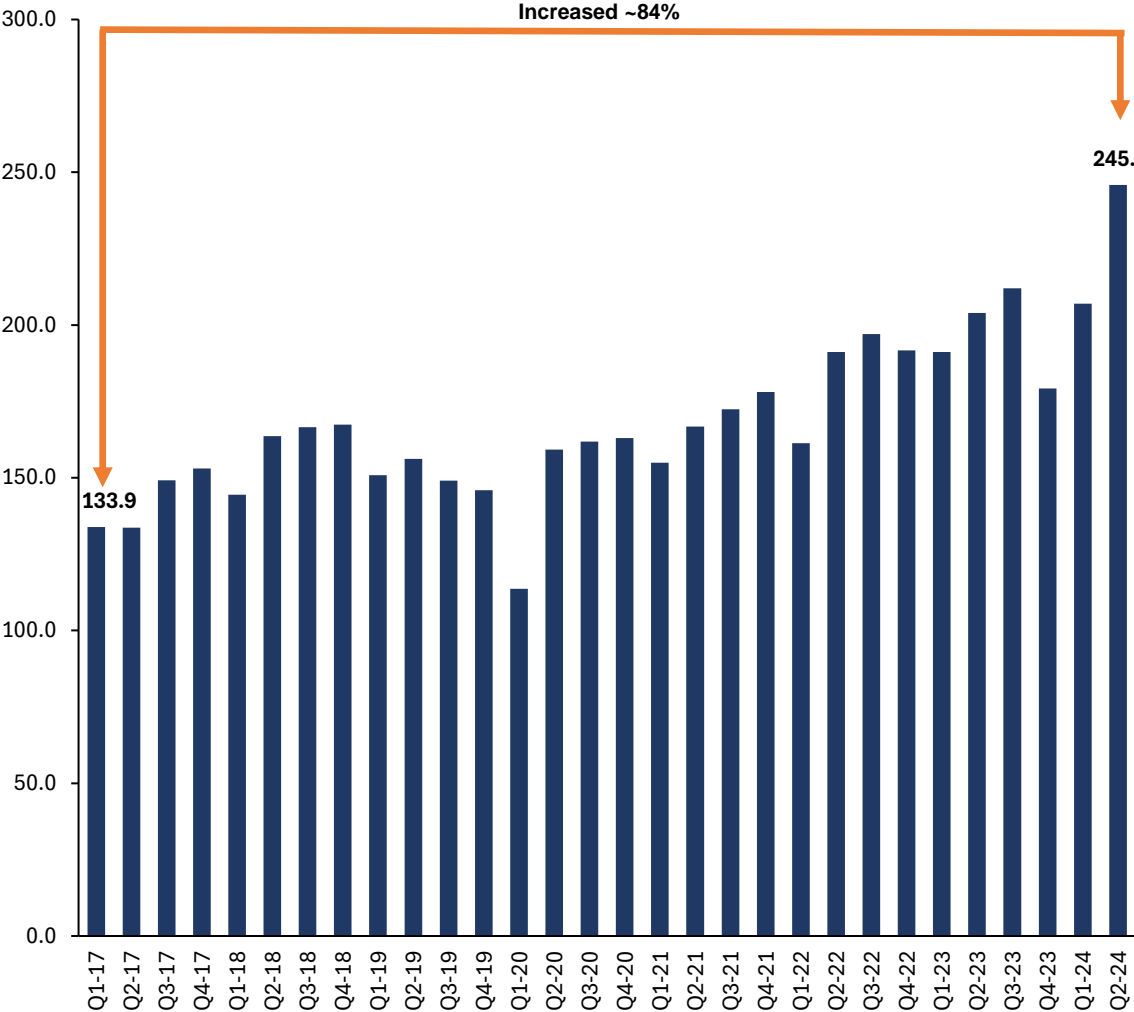
**Net CDU Additions From 2013 to 2025 By Region (1)**

Million barrels per day



**Middle East CPP Ton Miles Have Increased ~84% Since 2017 (2)**

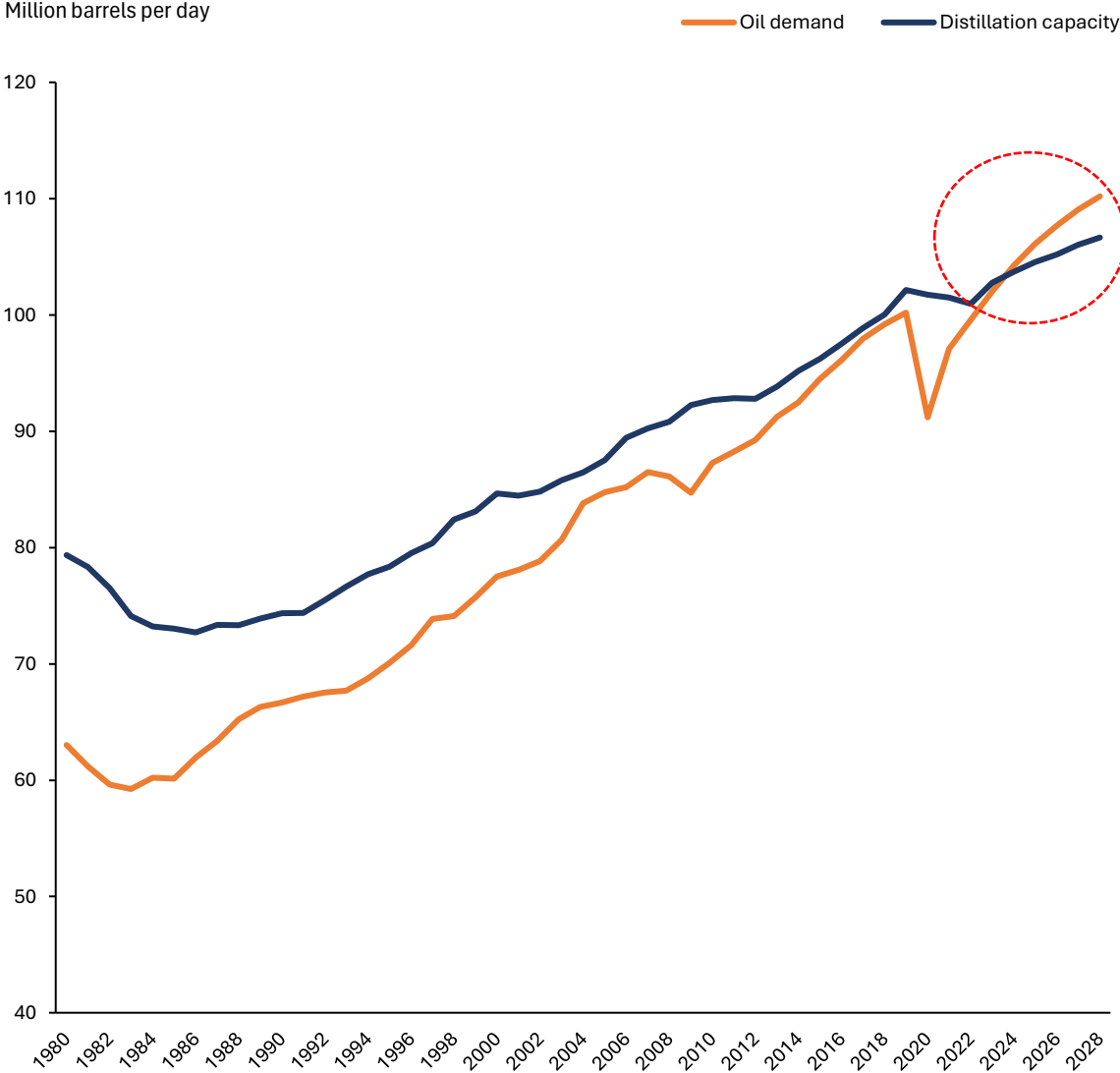
Billion ton miles



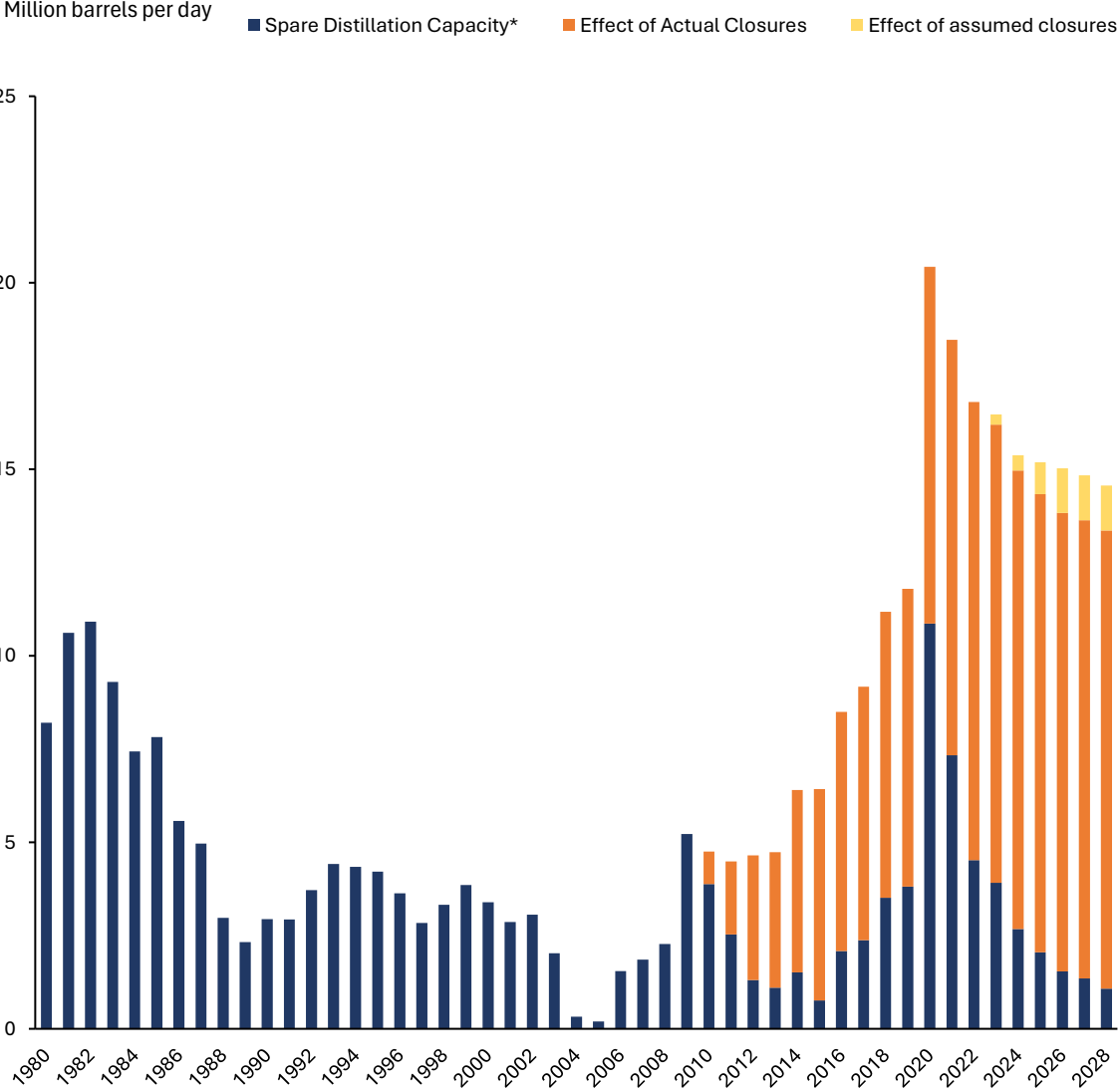
1) Energy Aspects, September 2024  
 2) Vortexa, September 2024

# Crude Oil Demand Could Outpace Distillation Capacity

## Crude Oil Demand vs Refining Distillation Capacity



## Spare Distillation Capacity & Impact of Refinery Closures

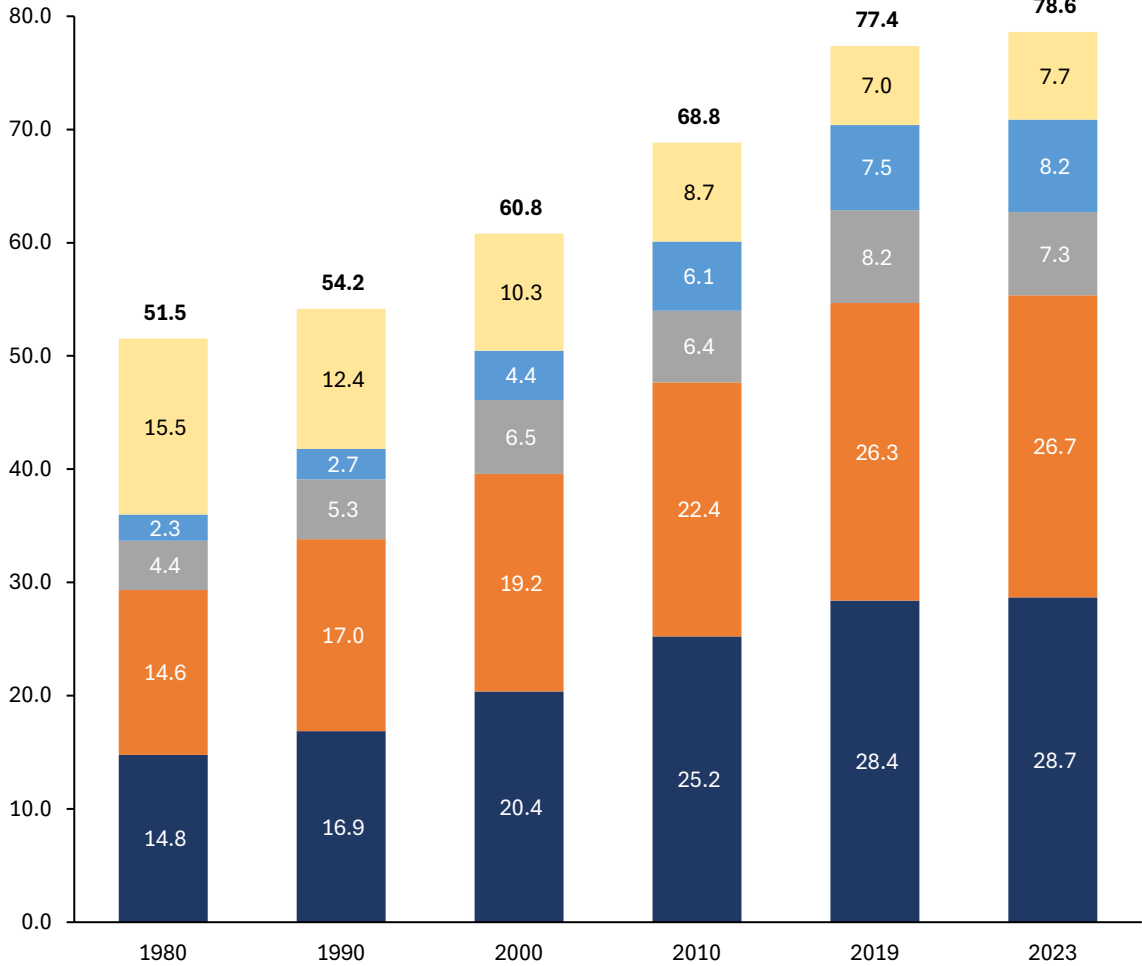


# Refined Product Demand Has Been Resilient

## Global Refined Product Demand

Million barrels per day

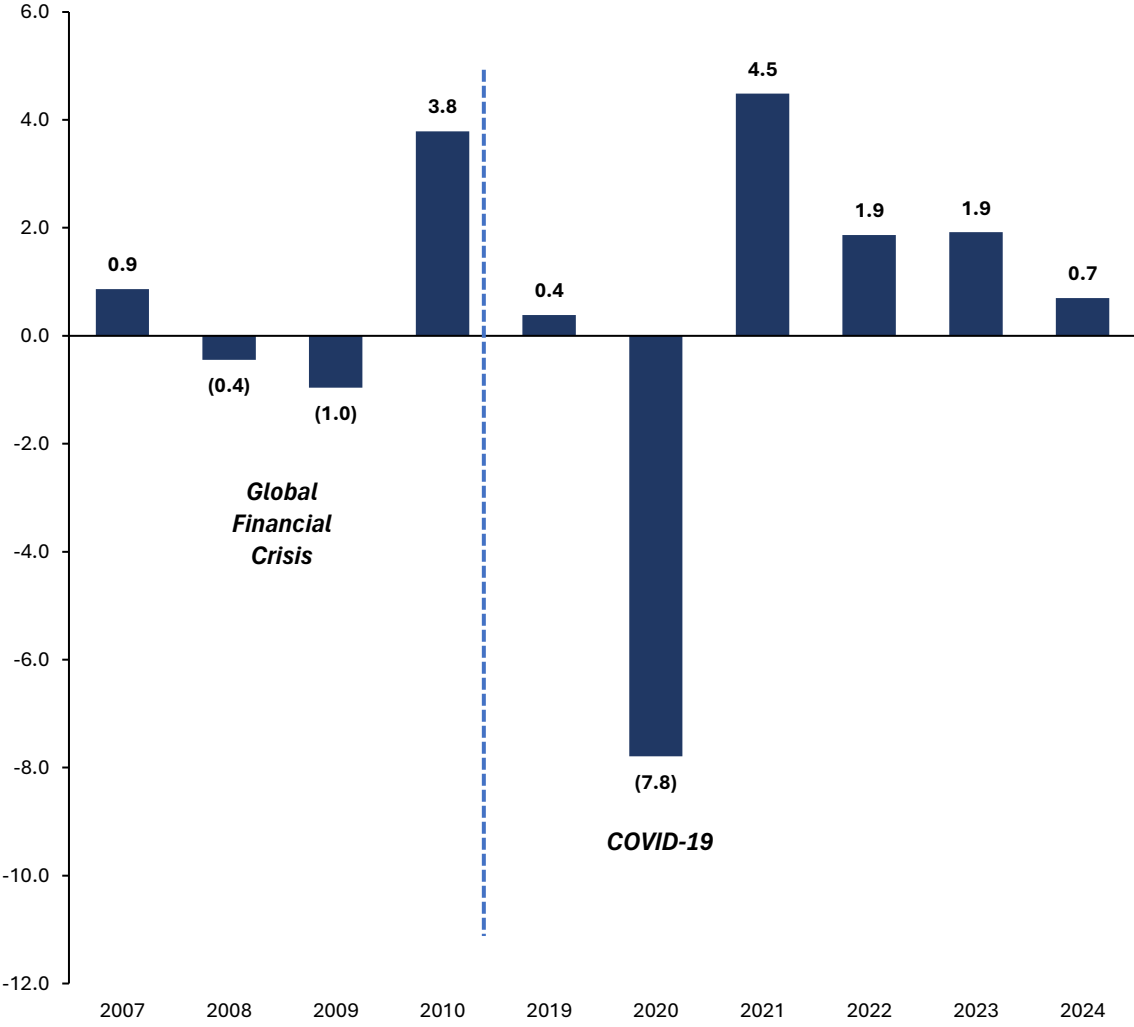
■ Diesel ■ Gasoline ■ Jet ■ Naptha ■ Fuel Oil



## Global Product Demand - Global Financial Crisis & COVID-19

YoY change, million barrels per day

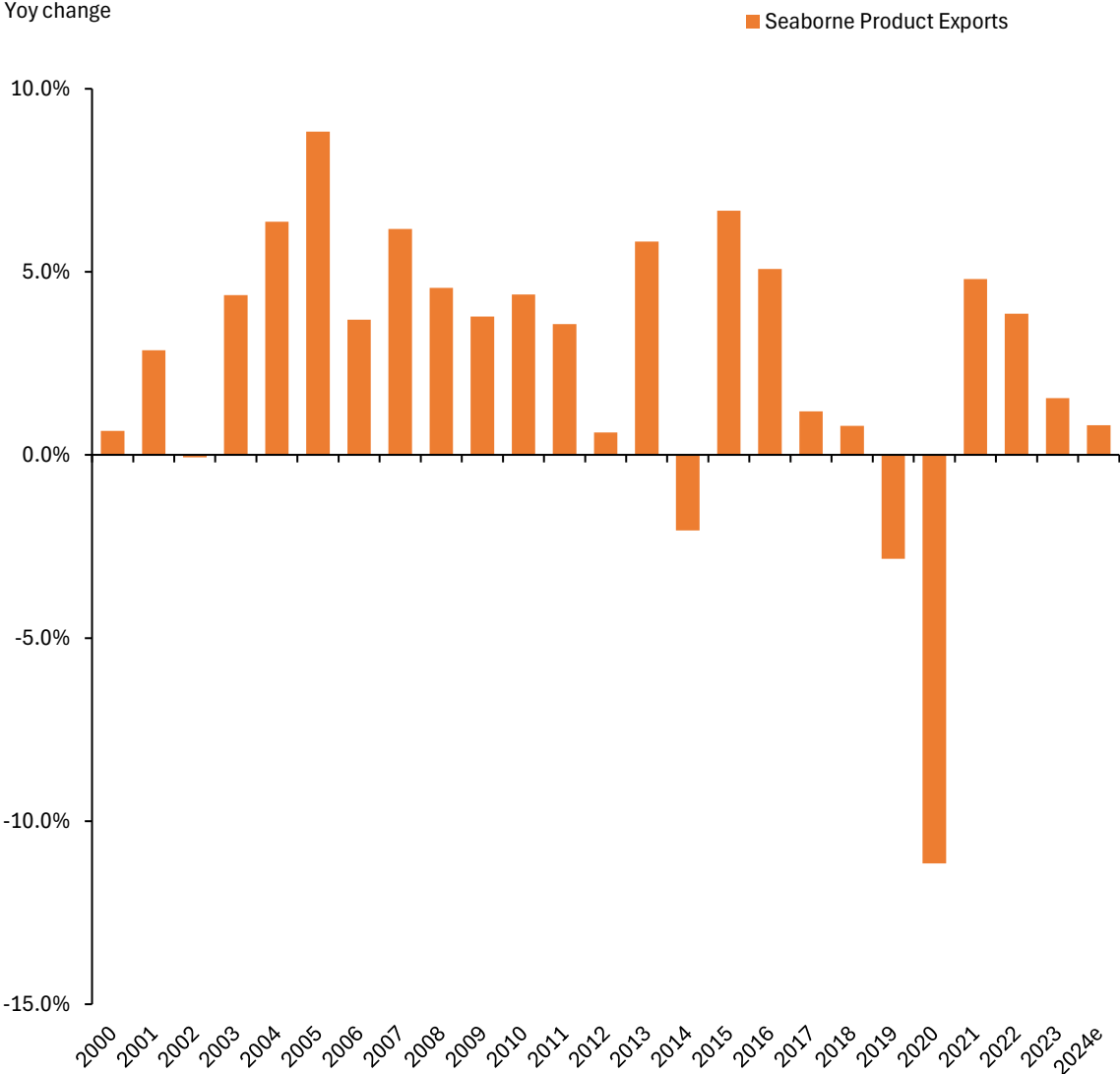
■ Change Excl Fue Oil



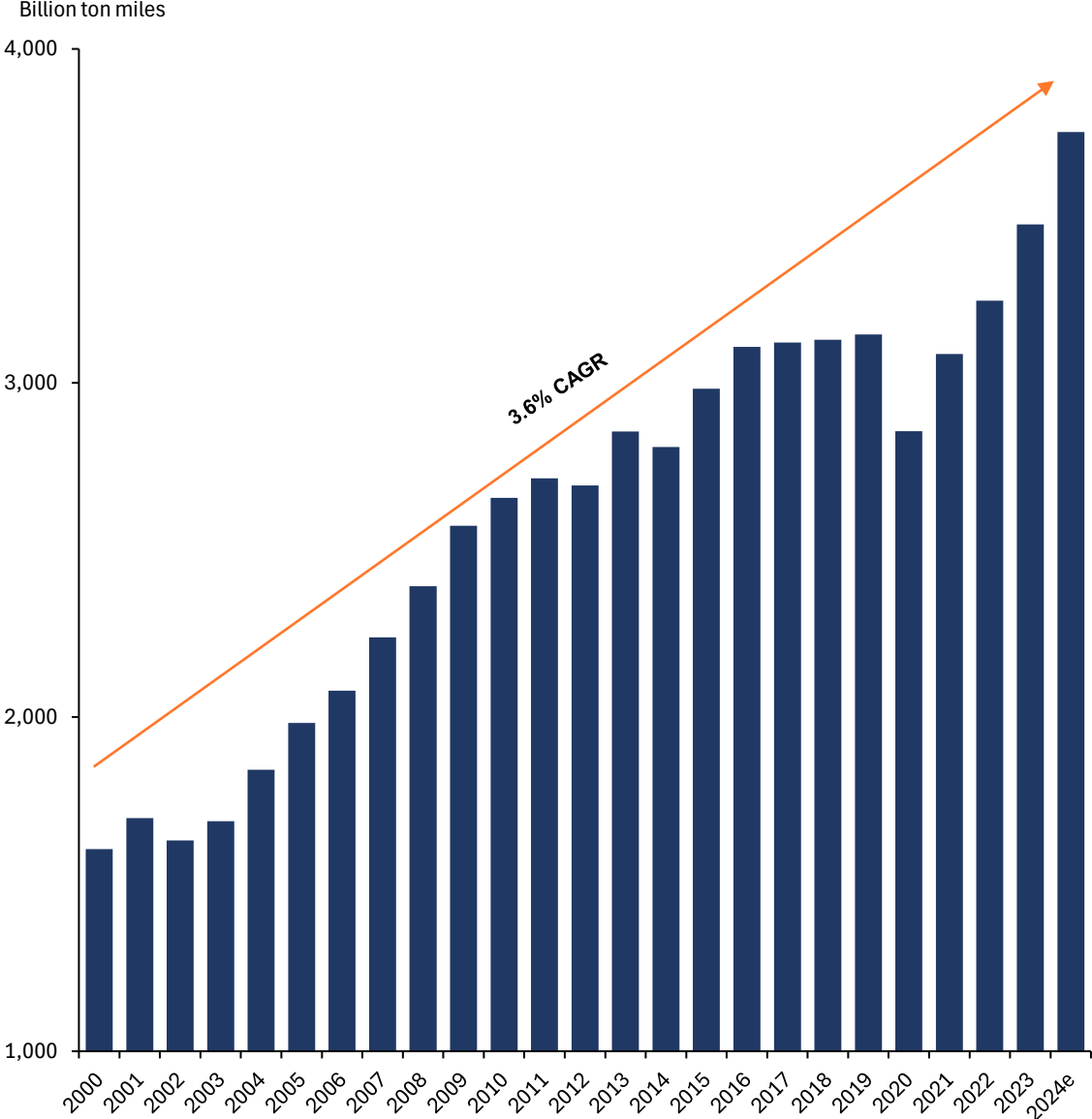


# Seaborne Exports & Ton Mile Demand

**Seaborne Product Exports Have Increased in 21 of the Last 25 Years**

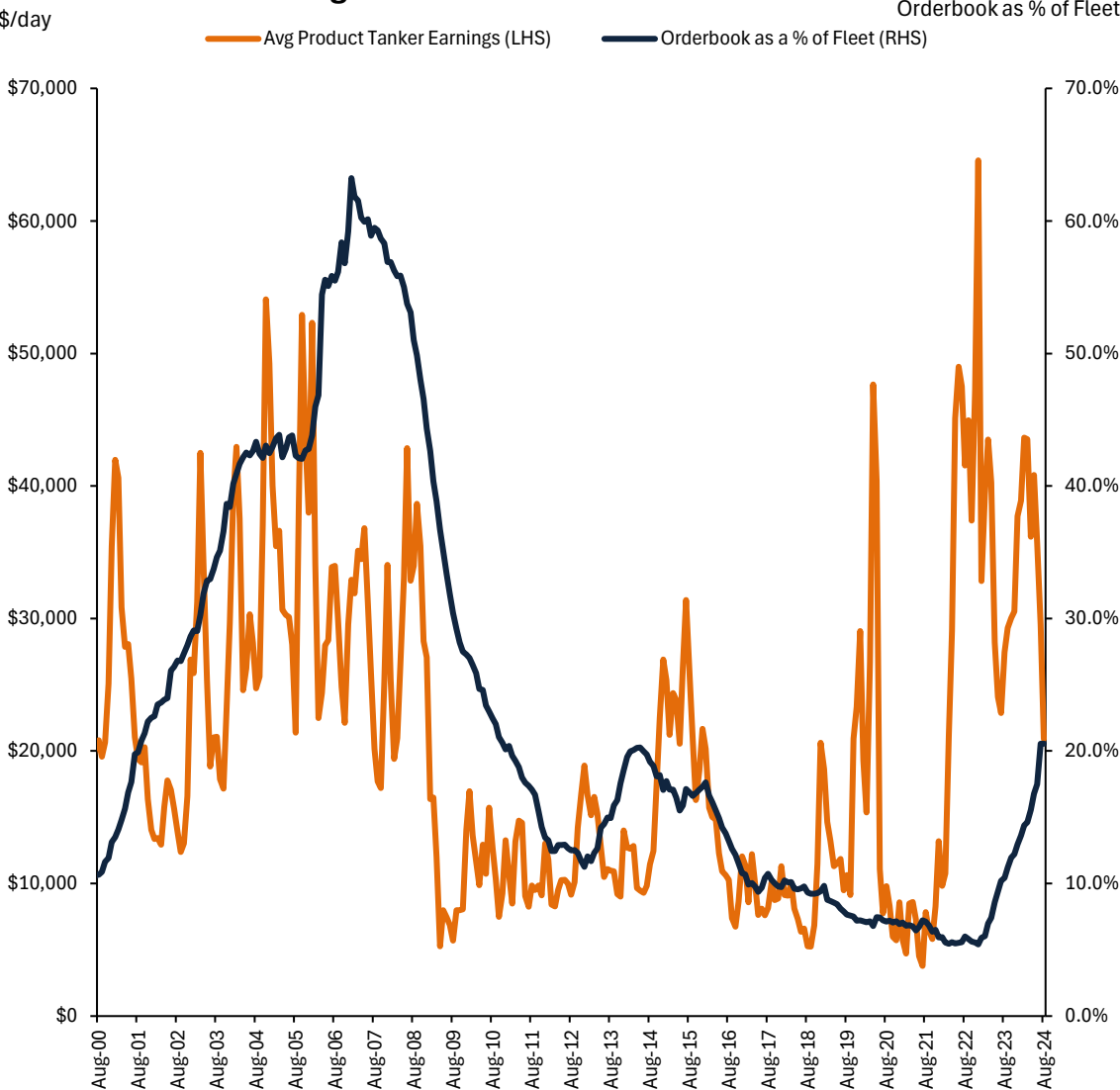


**Ton Mile Demand Has Grown at a 3.6% CAGR Since 2000**

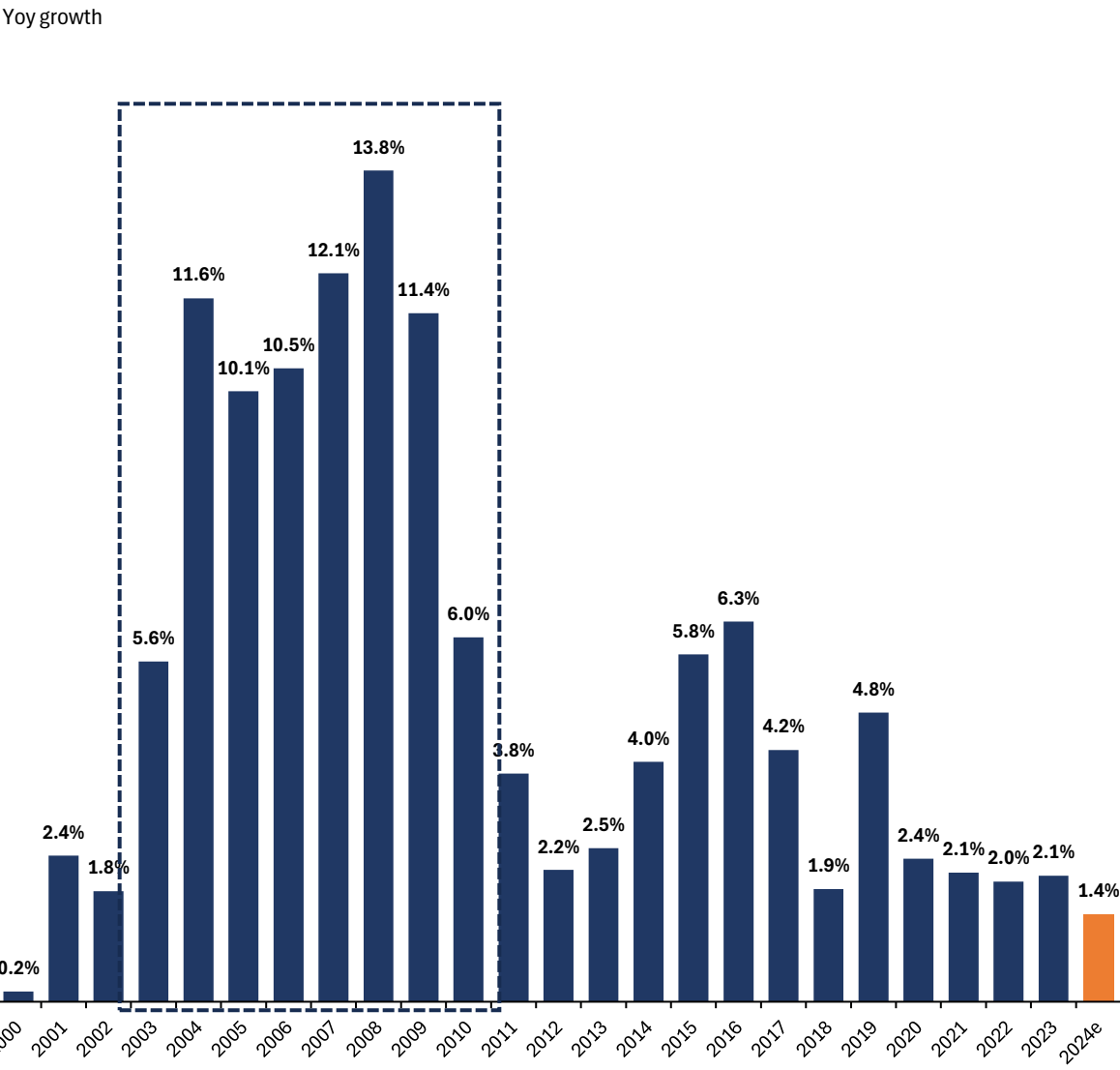


# Orderbook & Historical Product Tanker Fleet Growth

**Product Tanker Earnings vs Orderbook as % of Fleet**

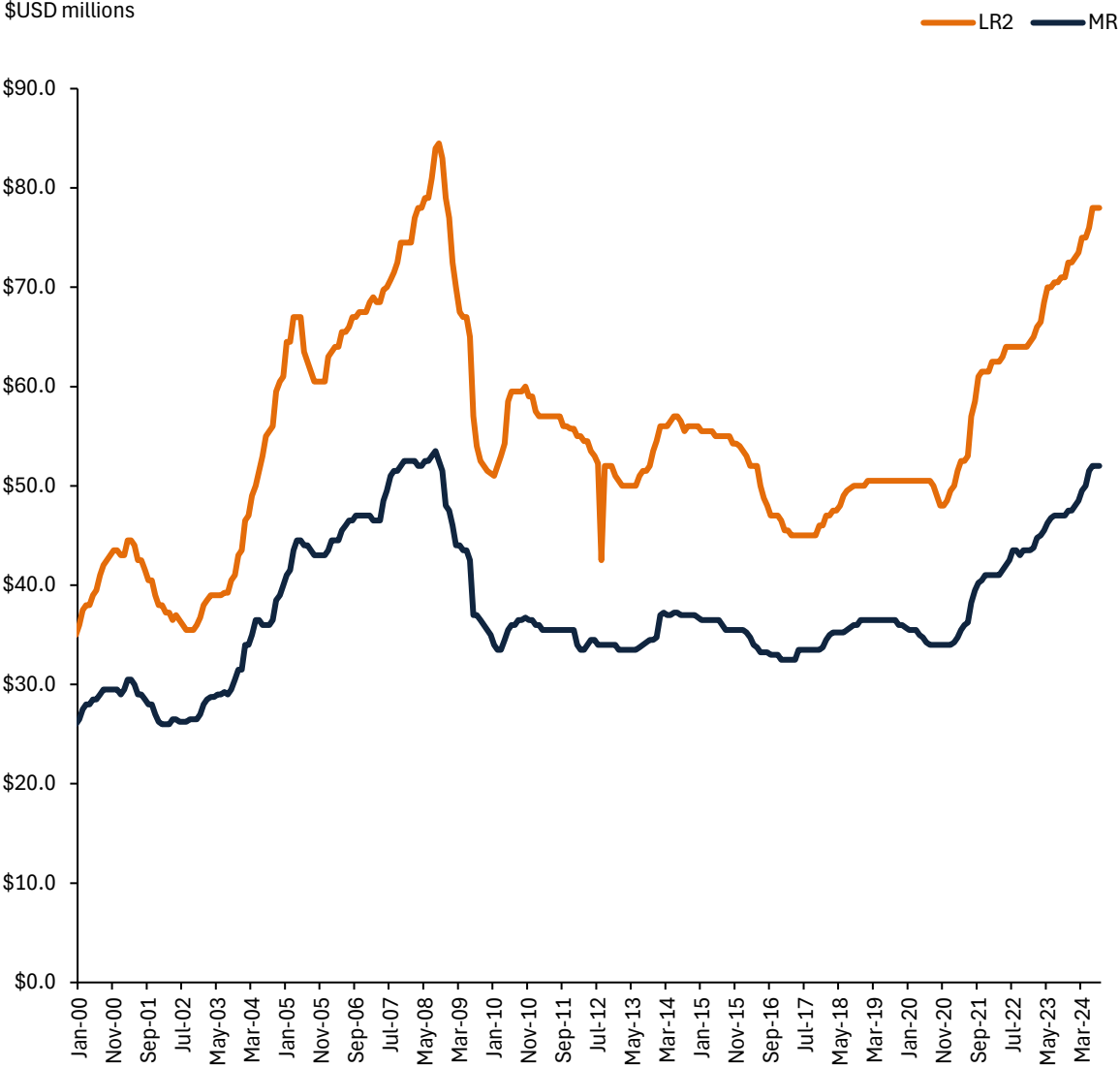


**Product Tanker Fleet Growth**

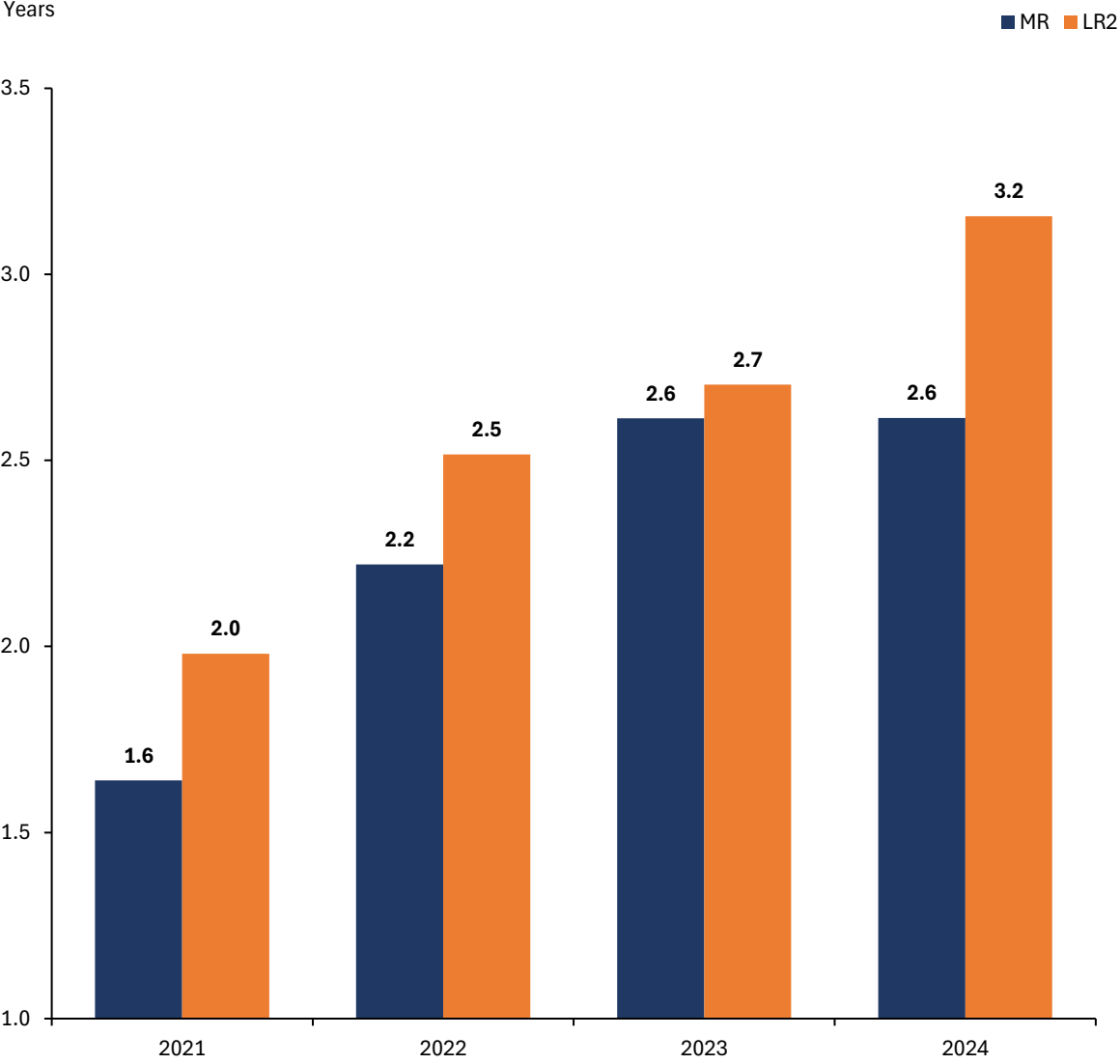


# Newbuild Prices & Delivery Lead Times Continue to Increase

## Newbuilding Prices

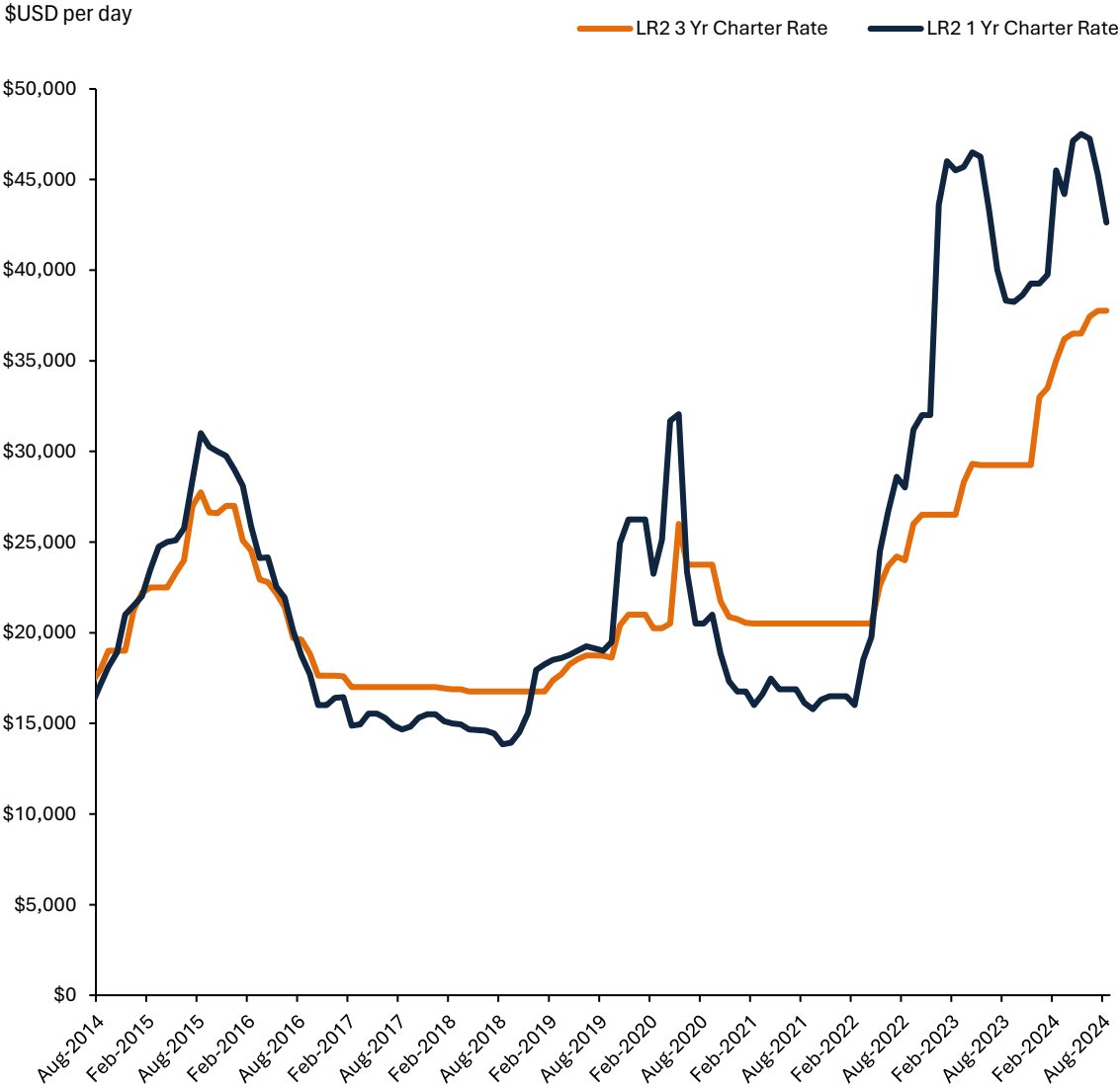


## Average Time Between Vessel Order & Delivery

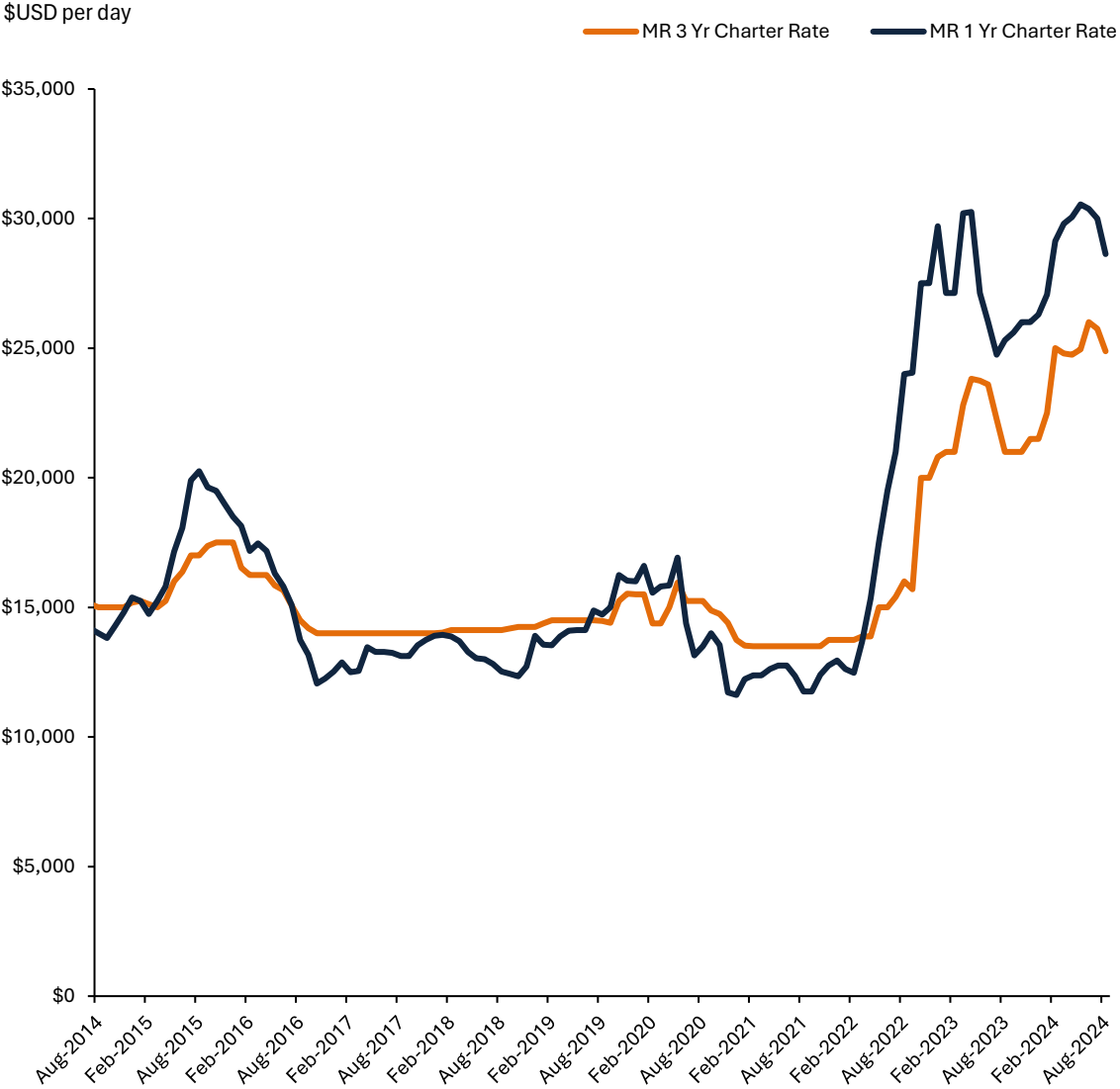


# Time Charter Rates Remain Strong

## LR2 Time Charter Rates

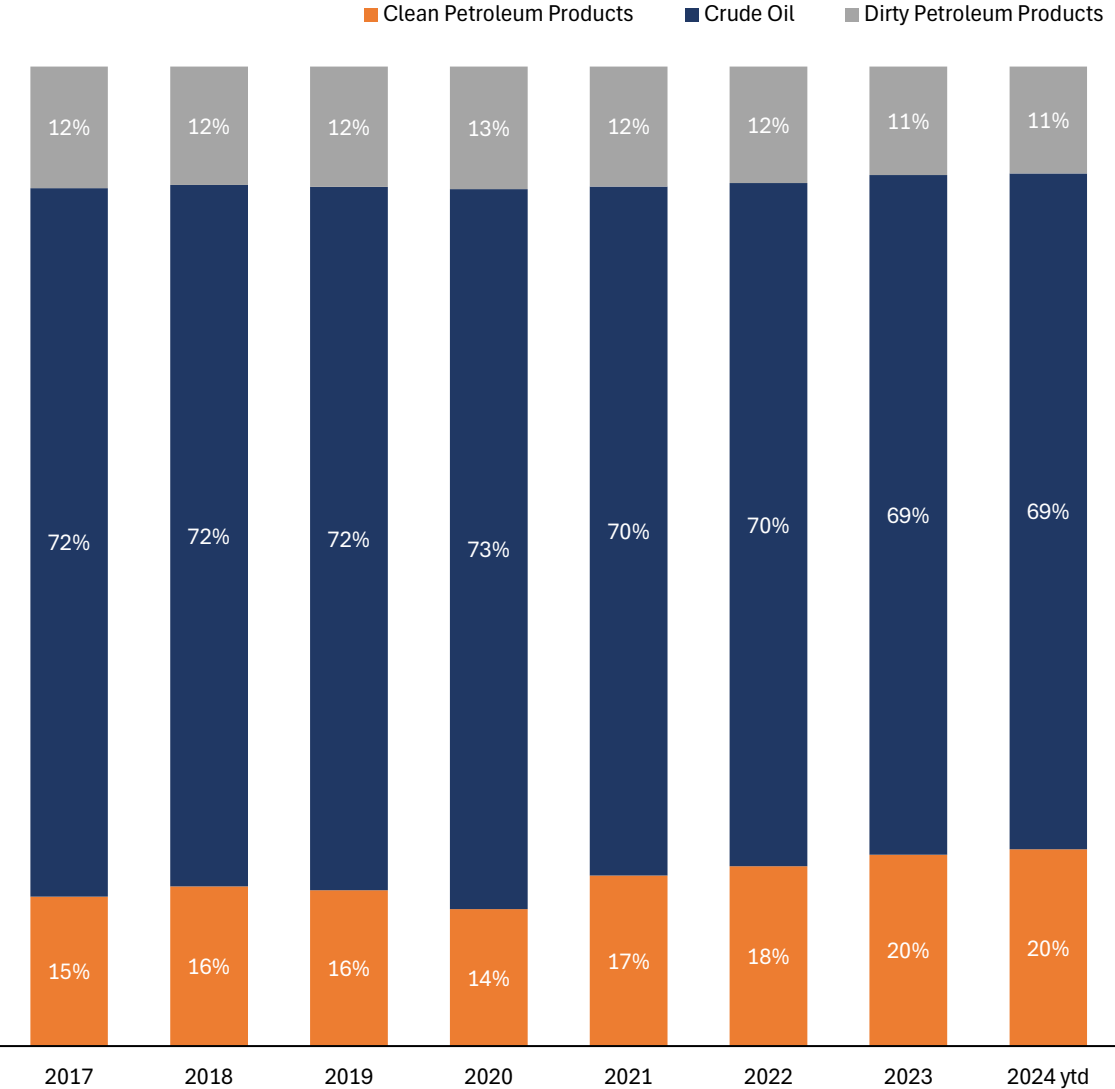


## MR Time Charter Rates

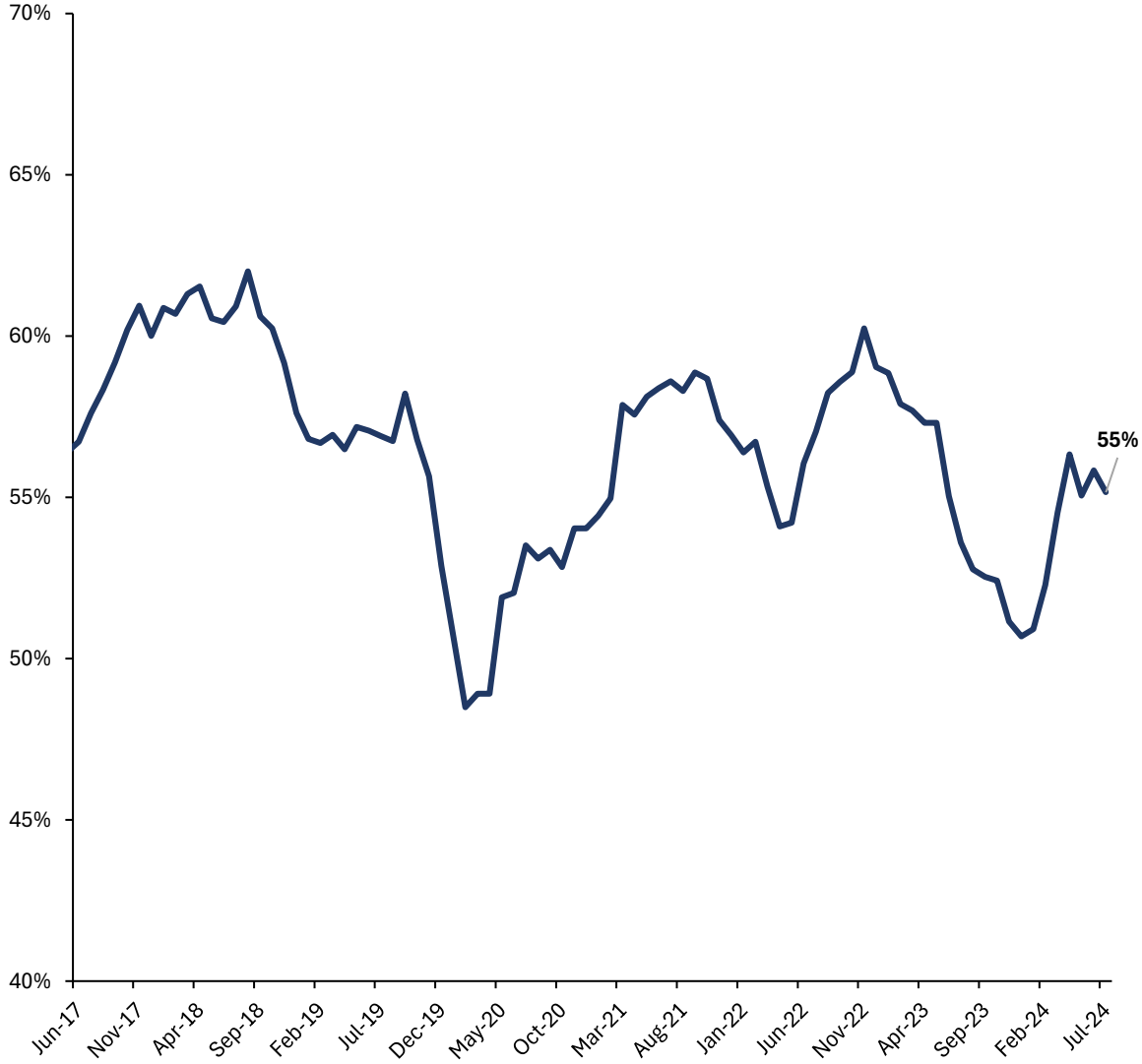


# Majority of Aframax & LR2 Market is Focused on Crude & Dirty Products

Aframax & LR2 Cargo Breakdown (1)



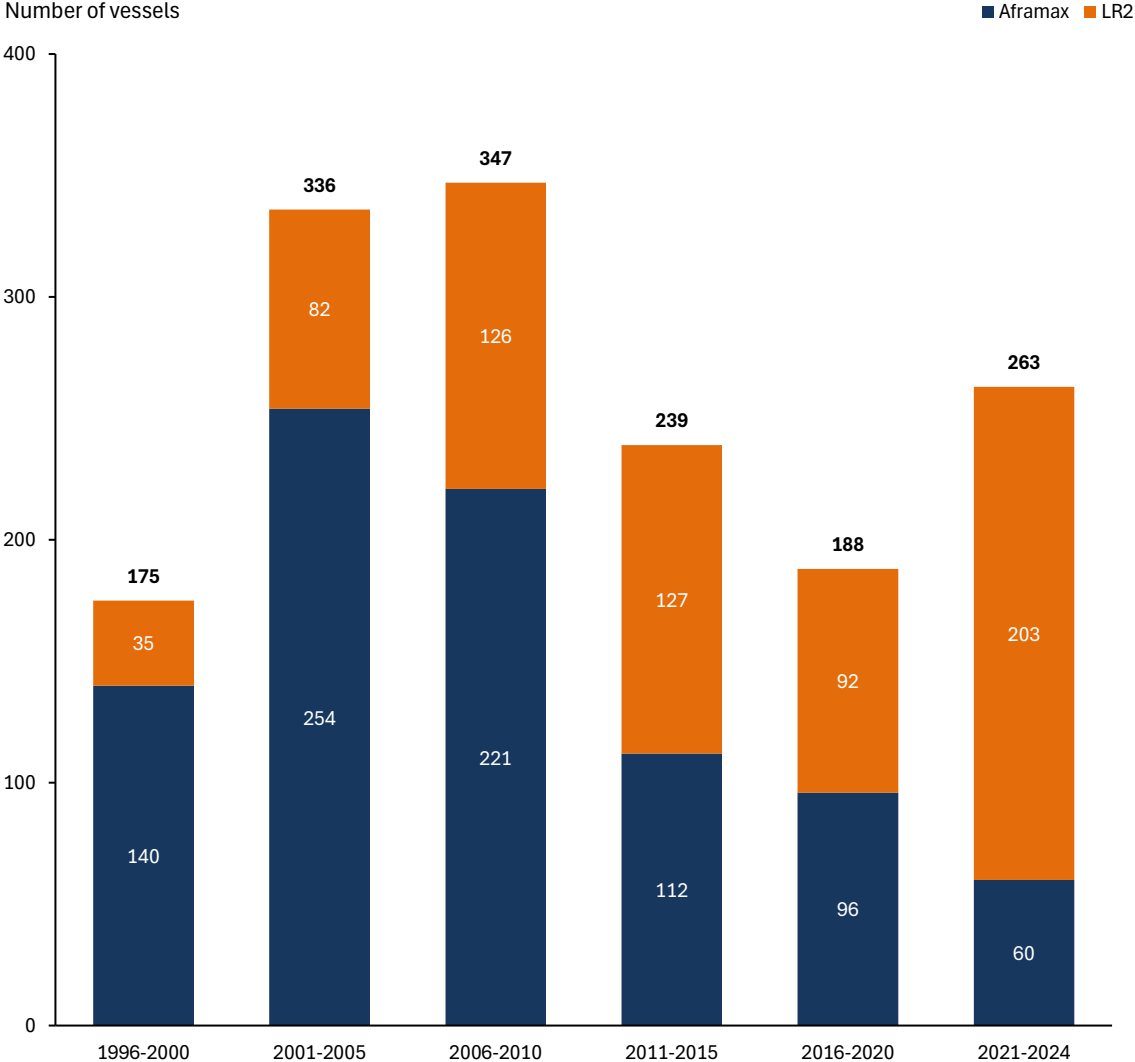
% of LR2 Vessels Trading Clean Products (2)



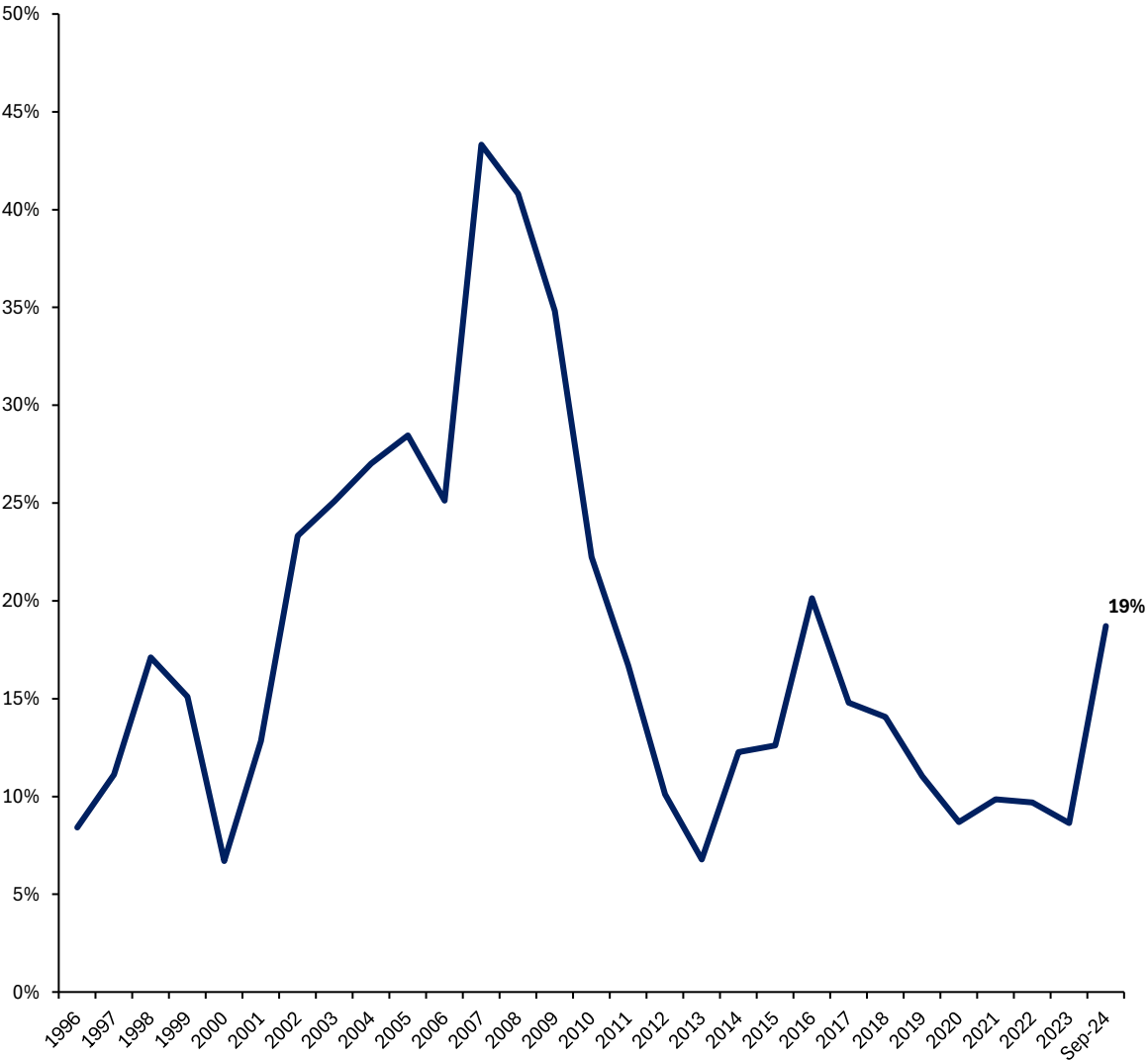


# Aframax & LR2 Orderbook

## Aframax & LR2 Newbuild Orders



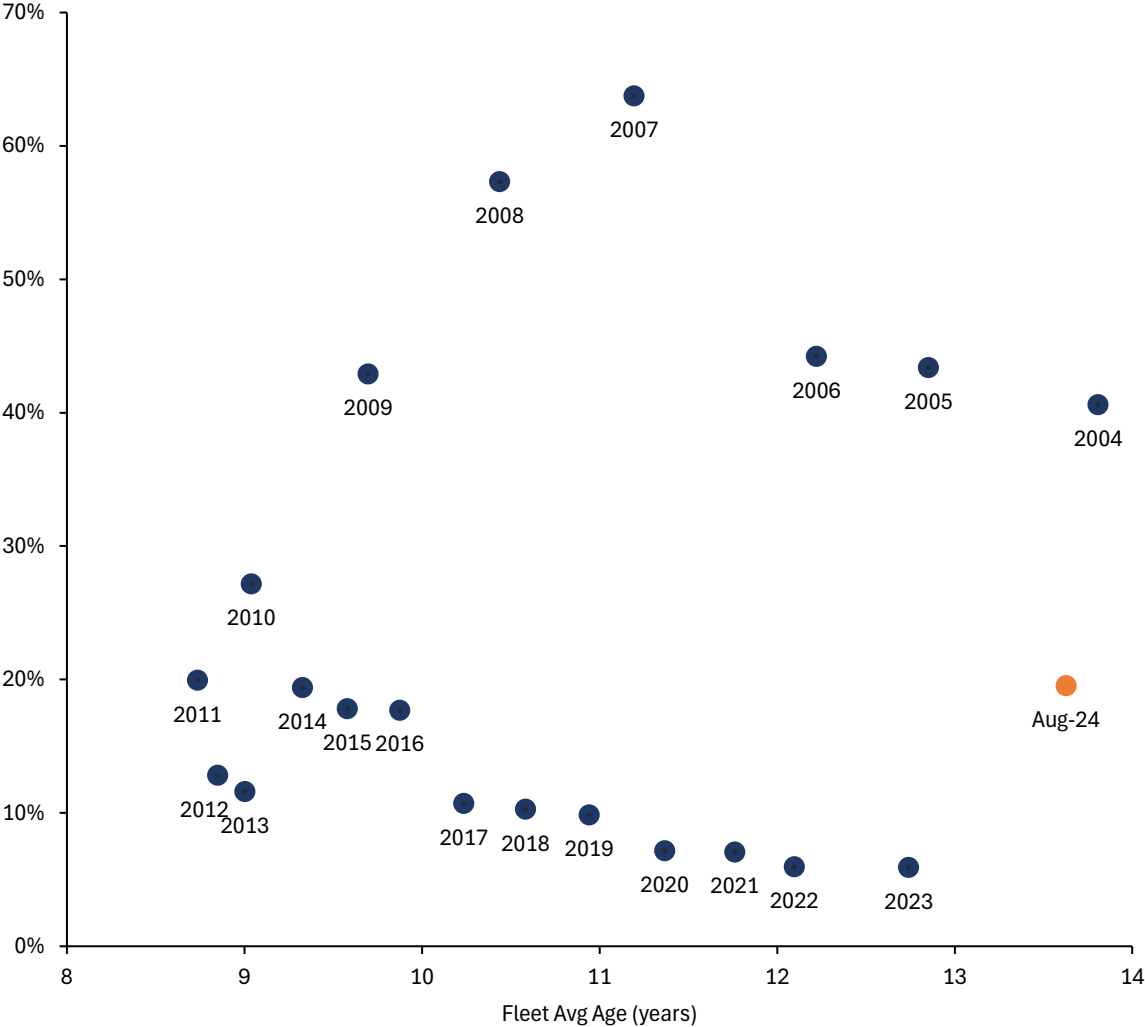
## Aframax & LR2 Orderbook as a % of Fleet



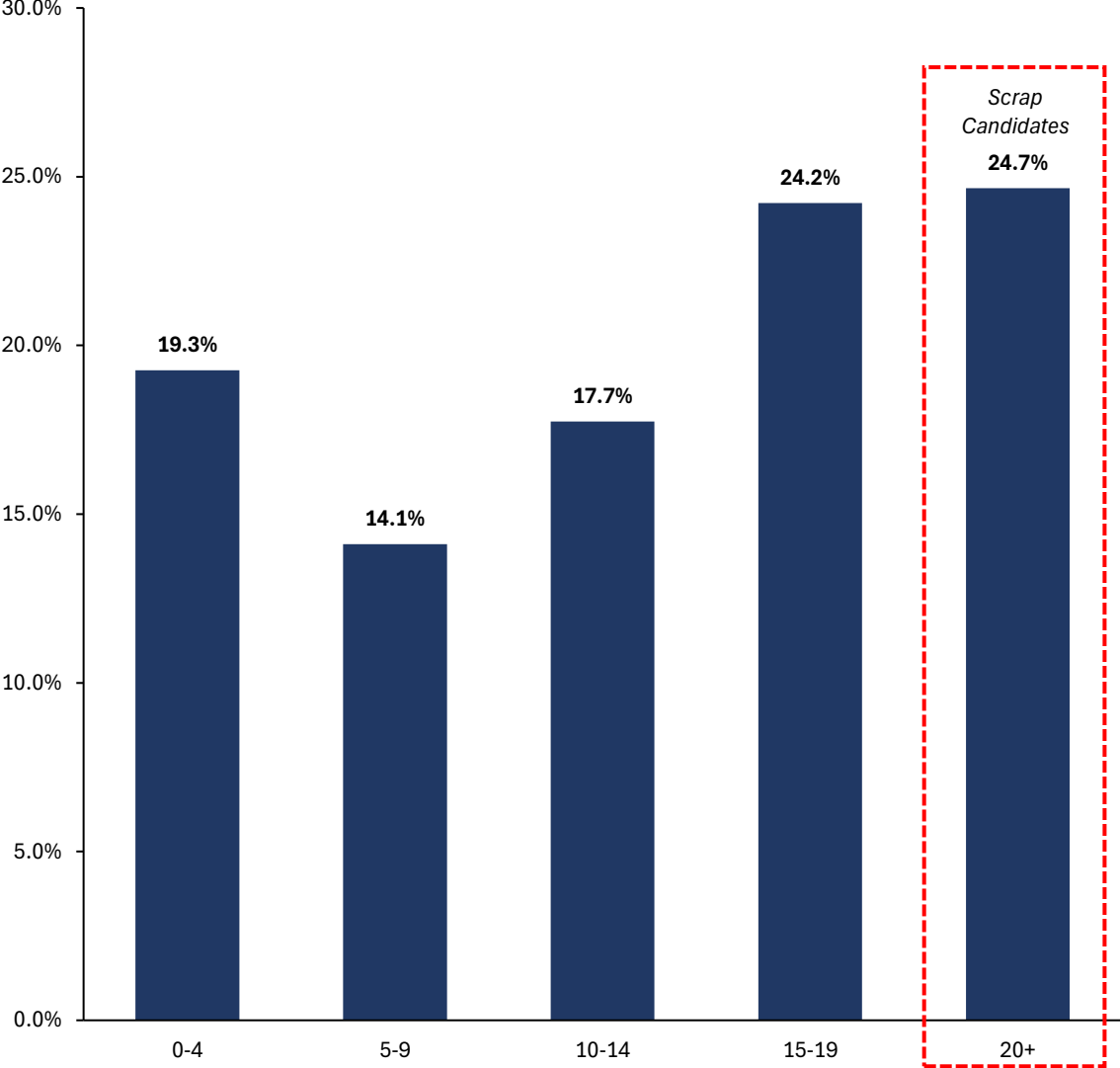
# Product Tanker Orderbook & Fleet Average Age

Orderbook as % of Global Fleet vs Avg Fleet Age

Orderbook as % of Fleet



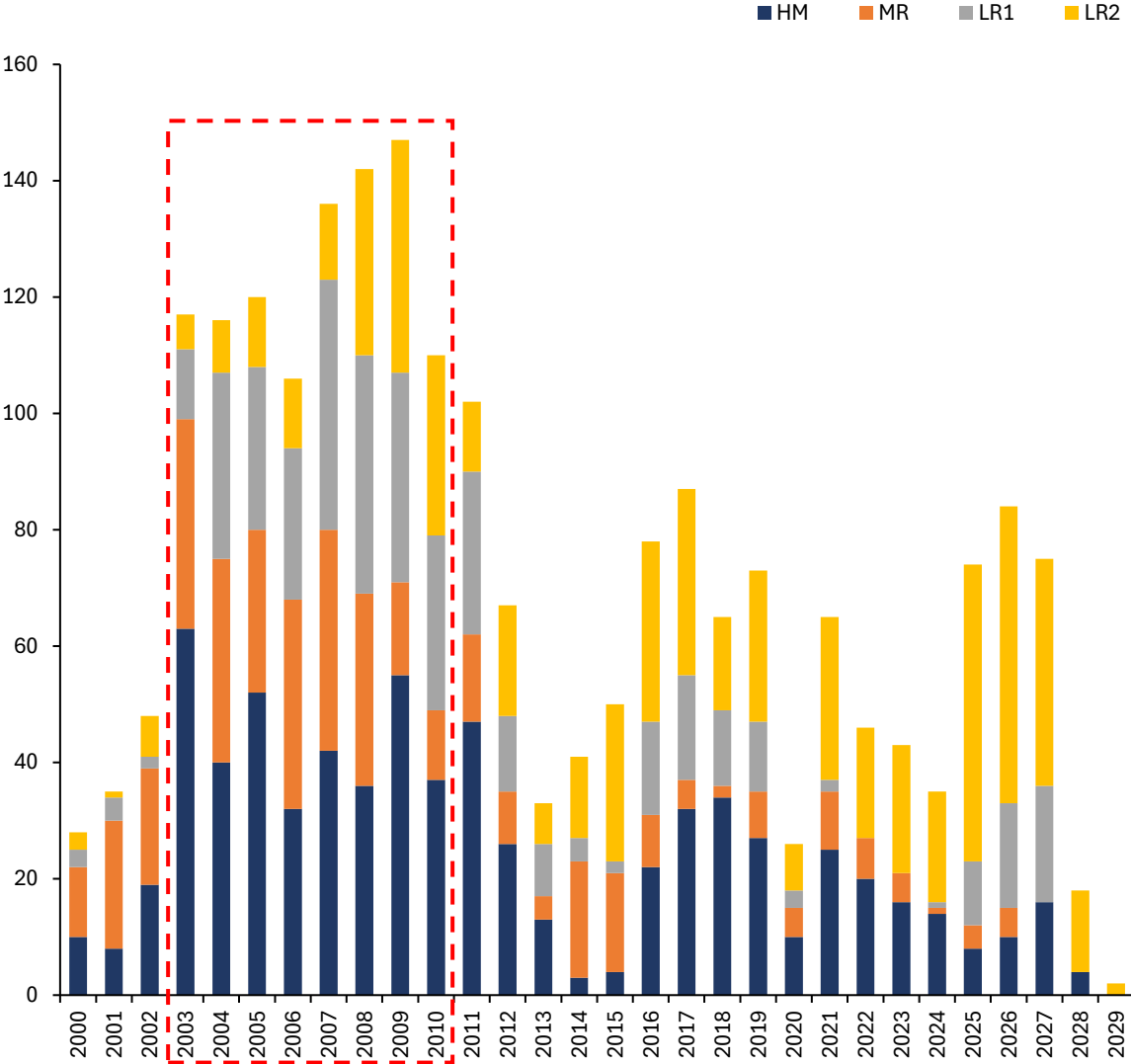
Global Fleet Age Breakdown by 2027 (Including Newbuildings)



# Significant 2000's Fleet Growth Expected to be Phased Out

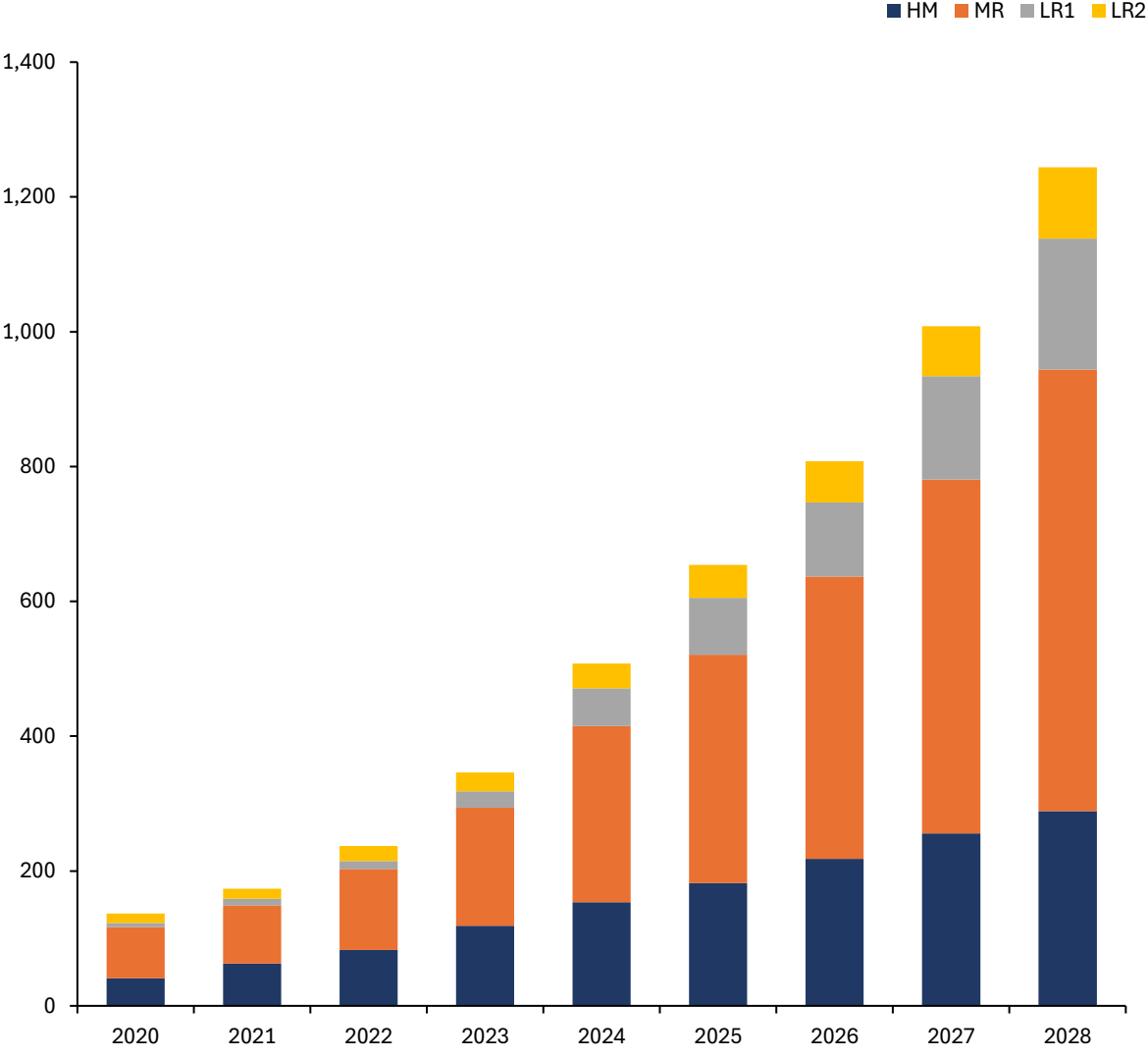
## Historical Deliveries and Projected Orderbook

Number of vessels



## Vessels At or Above 20 Years Old

Cumulative number of vessels

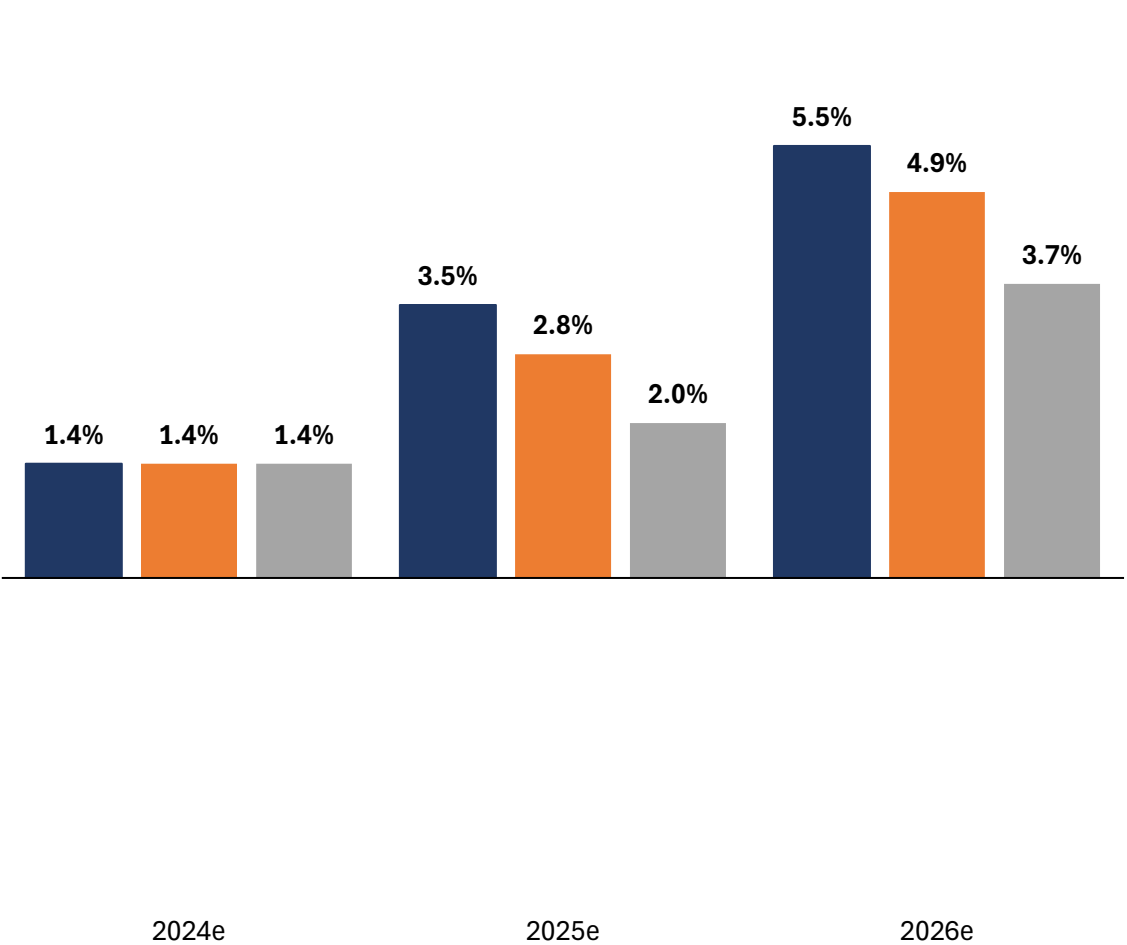


# Seaborne Exports & Ton Mile Demand to Outpace Fleet Growth

## Product Tanker Fleet Growth (1)

Number of vessels

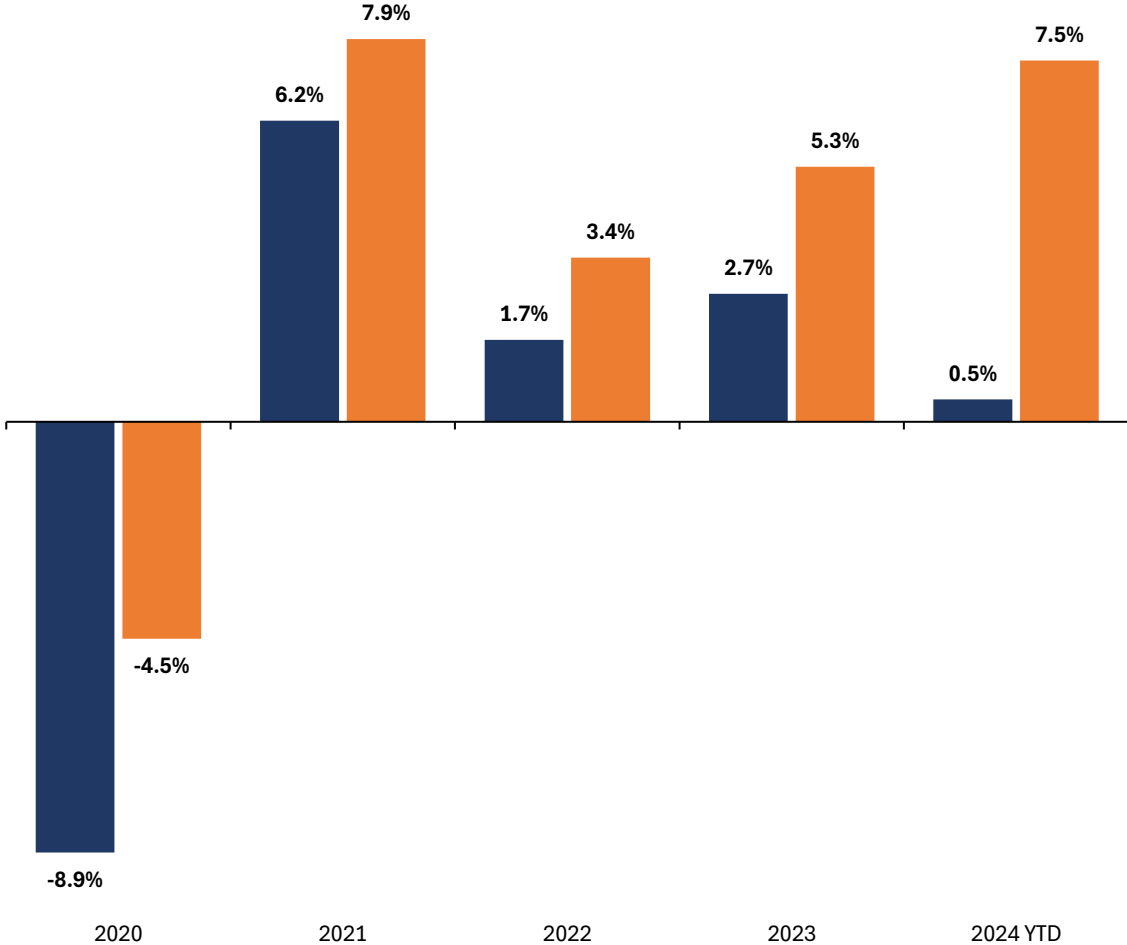
■ Scenario 1 ■ Scenario 2 ■ Scenario 3



## Seaborne Ton Mile Demand & Exports (2)

Yoy change

■ Refined Product Exports ■ Ton Mile Demand



1) Clarkson's Shipping Intelligence, September 2024. Supply slippage on scheduled newbuilding deliveries of 20% for 2024 and 30% for 2025-2027. Scenario 1 scrapping assumptions: 2024 (2-year average of 0.5% of the fleet or 0.91 million dwt) and 2025-2027 (20-year average of 1.6% of the fleet per year or 3.0 million dwt per year). Scenario 2 scrapping assumptions: 2024 (2-year average of 0.5% of the fleet or 0.91 million dwt) and 2025-2027 (25-year average of 2.0% of the fleet per year or average 3.8 million dwt per year). Scenario 3 assumes scenario 2 assumptions and 60% of LR2 newbuilds trade in clean petroleum products. 2) Vortexa, September 2024



# Financials



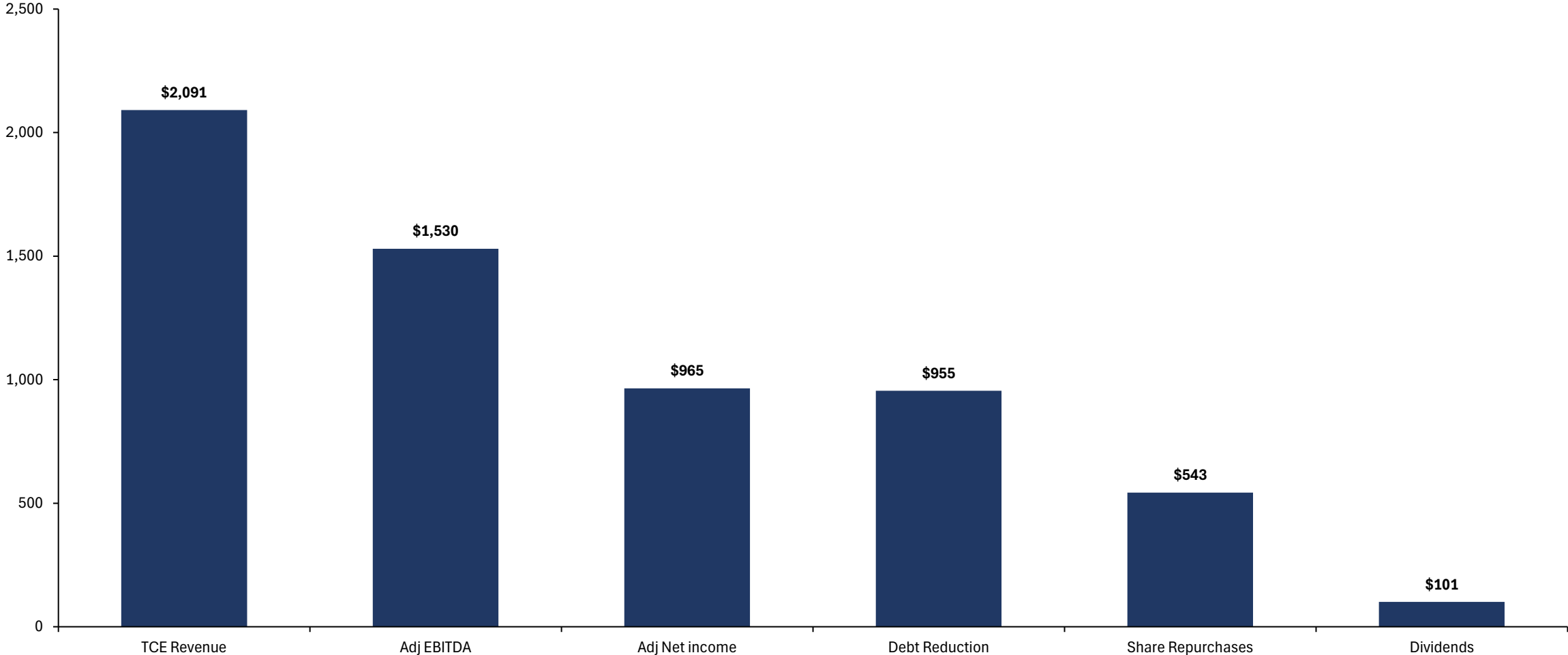
# Financial Highlights

<b>Q2-24 Financial Results</b>	Adj EBITA of <b>\$278.0 million</b> Adj net income of <b>\$188.4 million</b> or \$3.77 basic and \$3.60 diluted earnings per share <sup>(1)</sup>
<b>Significant Debt Repayment</b>	From January 1, 2024, through July 29, 2024, the Company made <b>\$603.8 million</b> in unscheduled debt and lease repayments
<b>Lowering Cash Break Even</b>	In June, the Company prepaid <b>\$223.6 million</b> on its 2023 \$1 billion Credit Facility which is expected to decrease the Company's cash break even by approximately <b>\$3,500 per day</b>
<b>Converted Term Loan to Revolving Credit Facility</b>	In July, reached an agreement with the lenders on the 2023 <b>\$225.0 Million Credit Facility</b> to convert the credit facility from a term loan to a revolving credit facility
<b>Share Repurchases</b>	Since April 1, 2024, the Company has <b>repurchased 3.8 million</b> of its shares for \$284.2 million
<b>Increased Share Repurchase Program</b>	In July 2024, the Company replenished and increased the 2023 Securities Repurchase Program to purchase up to an aggregate of <b>\$400 million</b>
<b>Quarterly Dividend</b>	The Company declared quarterly dividend of <b>\$0.40 per share</b>
<b>Vessel Sales</b>	The Company has completed the sale of four MR product tankers (four 2012 built and one 2013 built) for <b>\$179.1 million</b> in aggregate.  In September 2024, The Company entered into agreements to sell two 2014 built scrubber fitted MR product tankers for <b>\$42.5 million per vessel</b> .

# Financial Highlights

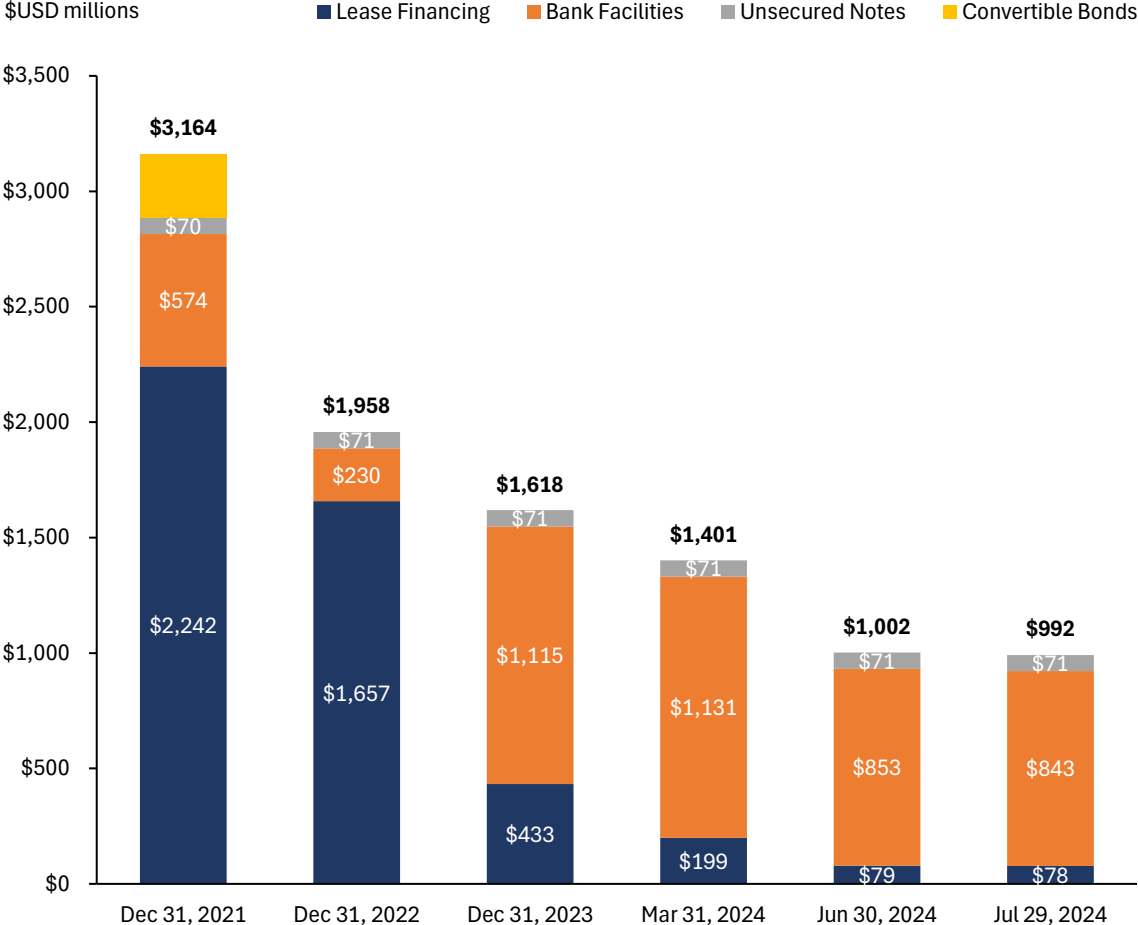
## Financial Highlights Over Last Six Quarters (Q1-23 through Q2-24)

\$USD millions

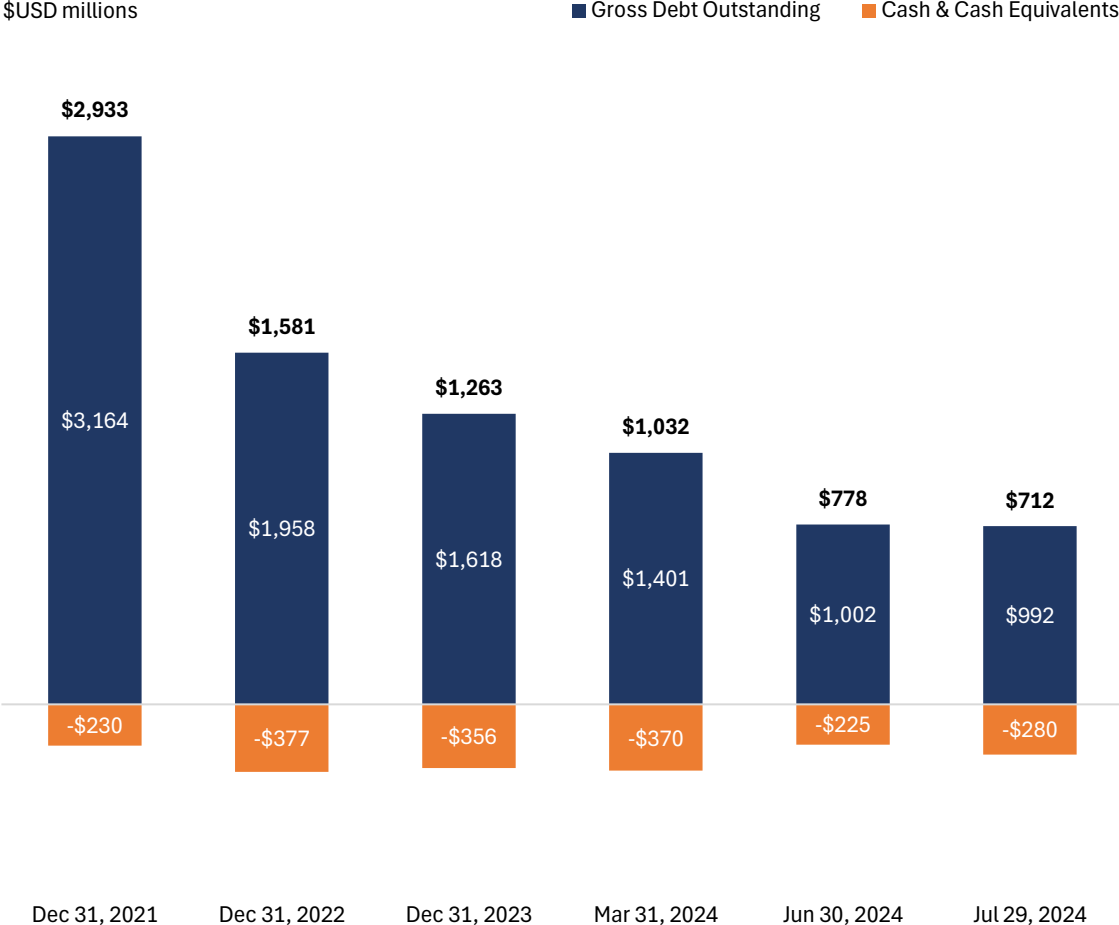


# Continued Reduction In Leverage & Expensive Lease Financing

## Outstanding Indebtedness by Type



## Net Debt



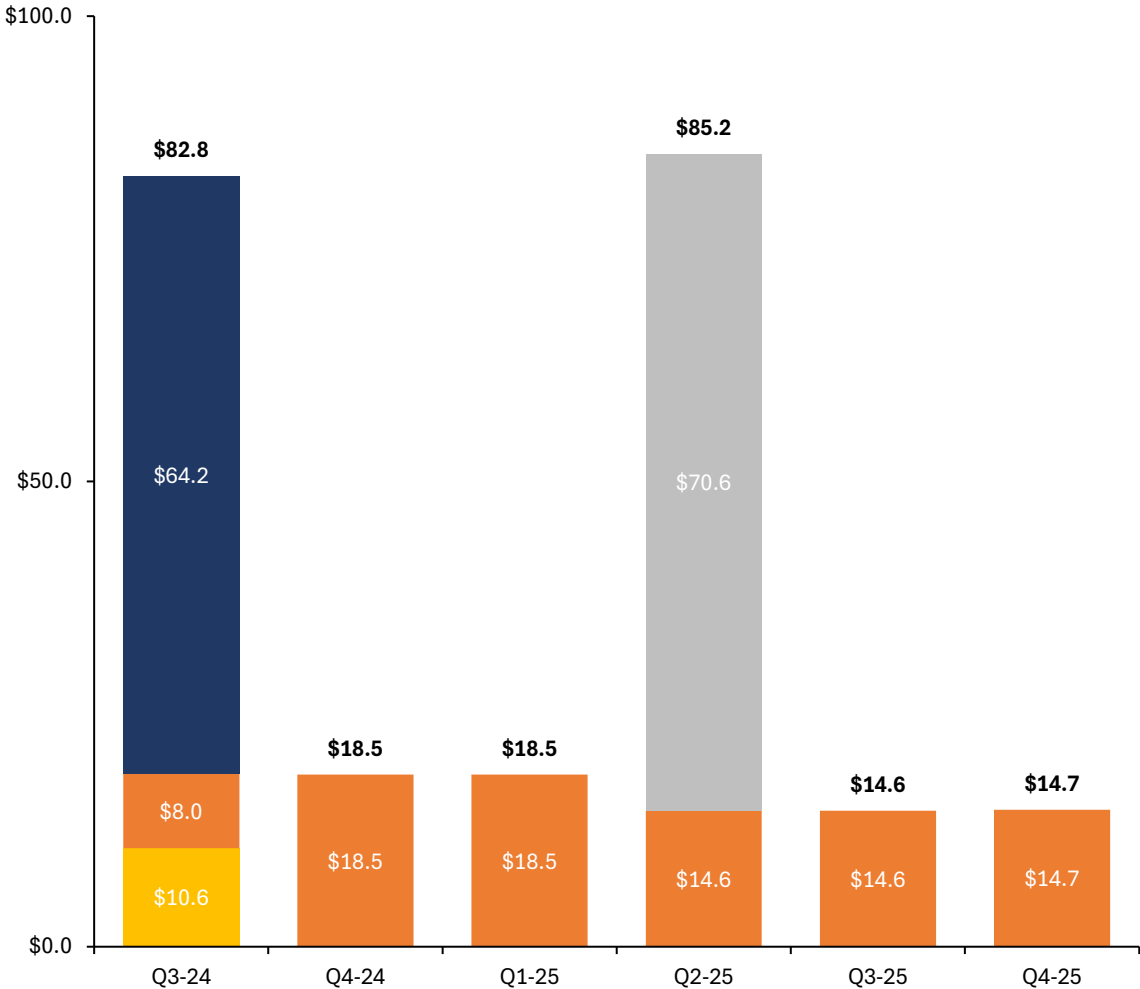
**From Dec 31, 2021 through June 30, 2024, Reduced Overall Indebtedness by ~\$2.2 billion (net of new drawdowns) including ~\$2.2 billion of Lease Financing**

# Debt Repayment Schedule

## Debt Repayment Schedule <sup>(1)</sup>

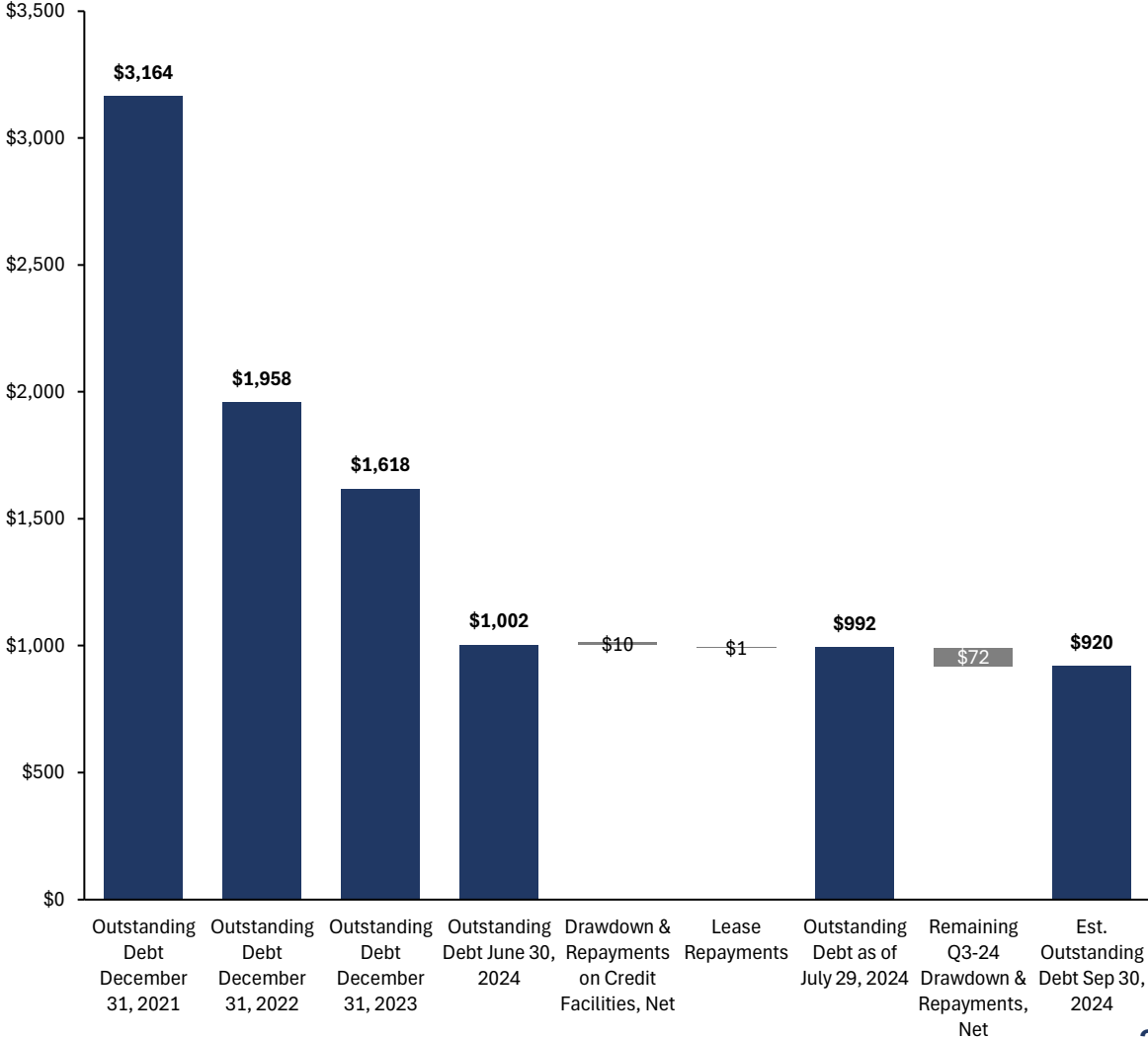
\$USD millions

- Payments made through July 29, 2024
- Scheduled repayments
- Unsecured Notes
- Prepayment of Credit Facility



## Debt Repayment from December 31, 2021, through September 30, 2024

\$USD millions

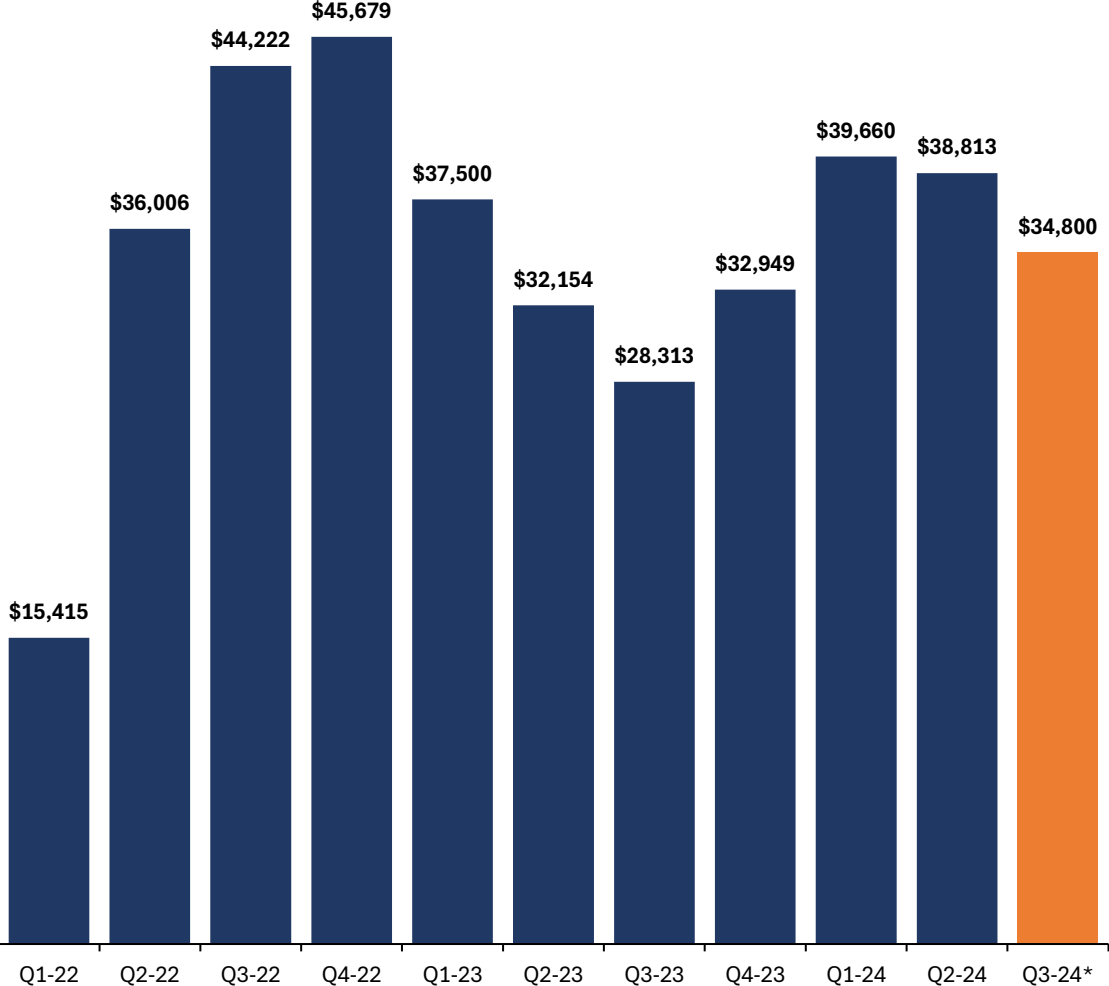


1) Pro-forma for prepayment of BNPP Sinosure Credit Facility in Q3 2024

# Significant Operating Leverage & Earnings Potential

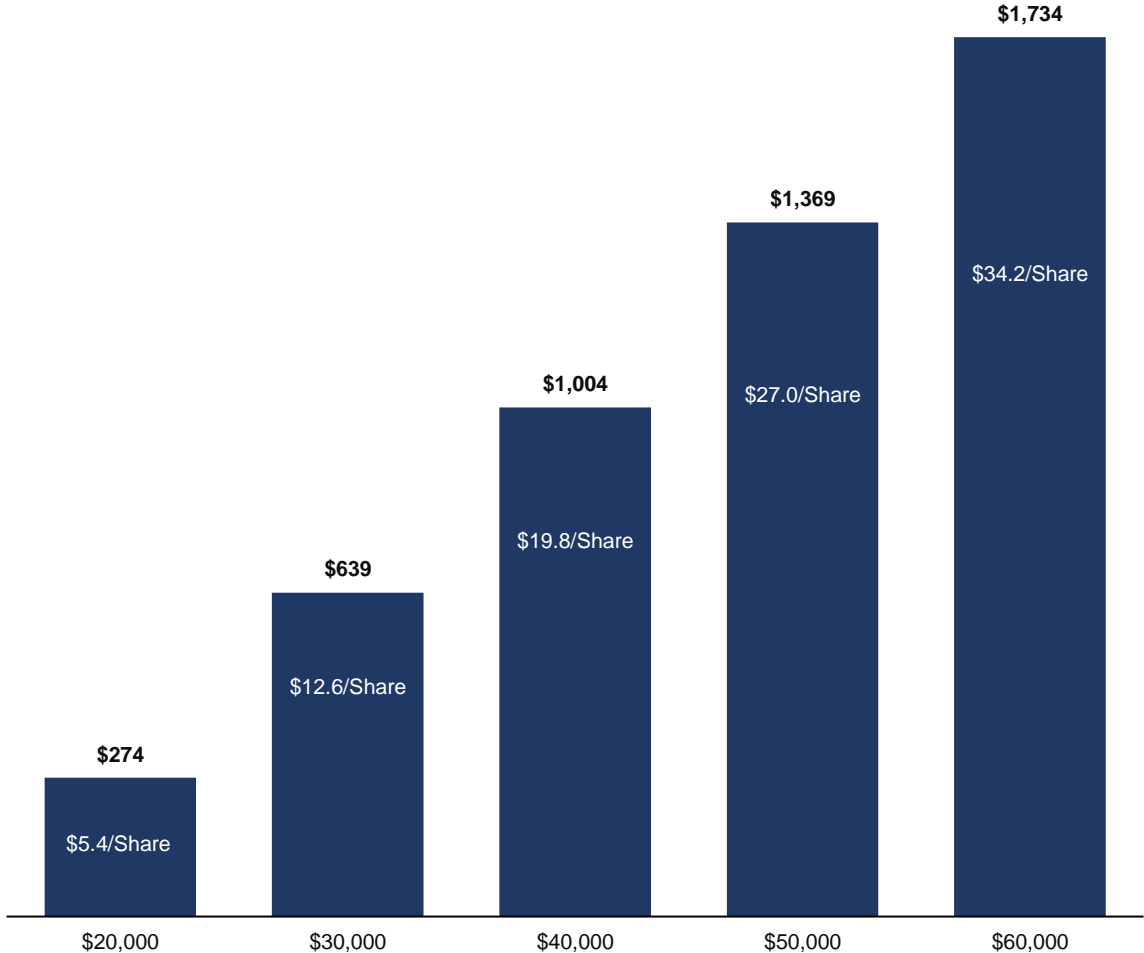
## Company Fleet TCE Rates

\$USD/day



## Potential Annual Cash Flow Generation After Debt Repayment (1)

\$USD millions



\*) Q3-24 spot and time charter vessel earnings booked through July 29, 2024, and subject to change  
 Annual cash flow generation is calculated as TCE Rate x 365 days x 100 vessels less vessel cash breakeven. Estimated cash breakeven of \$12,500 per day. The cash flow per share is based upon 50.8 million shares outstanding as of September 6, 2024  
 1) Includes \$66.2m in scheduled secured debt repayments from Q4-24 to Q3-25 which is in the Company's Q2-24 earnings release. Excludes two vessels held for sale.





Q&A



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