

Teekay Tankers

First Quarter 2021 Earnings Presentation

May 13, 2021

Forward Looking Statement

This release contains forward-looking statements (as defined in Section 21E of the Securities Exchange Act of 1934, as amended) which reflect management's current views with respect to certain future events and performance, including, among other things, statements regarding: the Company's plans to finance, and the timing of closing, the repurchase of sale-and-leaseback vessels, and the impact of such repurchases on the Company's cost of capital; crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the oil and tanker markets and the volatility of such markets; the future outlook on the crude tanker spot and charter markets, and the impact thereon of various factors; the future outlook on the global economy; forecasts of a potential recovery in the tanker market, as well as expected growth in global oil demand; forecasts of worldwide tanker fleet growth or contraction (including as a result of higher newbuilding prices and ongoing uncertainty over vessel technology) and newbuilding tanker deliveries and vessel scrapping; estimated fluctuations in global oil demand and supply levels, including anticipated future fluctuations in global oil inventories and the timing thereof; future OPEC+ oil production increases, the timing thereof and the resulting impact on oil and tanker demand, as well as tanker fleet utilization; expected changes in global refinery throughput, and the impact thereof on crude tanker demand; the impact of the COVID-19 outbreak and related developments on the Company's business and tanker and oil market fundamentals, including the timing and impact of coronavirus vaccination programs; the Company's liquidity and market position; the anticipated impact of the Company's financial position on its ability to reduce its cost of capital; and the Company's high operating leverage and ability to benefit from an expected tanker market recovery.

The following factors are among those that could cause actual results to differ materially from the forward-looking statements, which involve risks and uncertainties, and that should be considered in evaluating any such statement: changes in tanker rates; changes in the production of, or demand for, oil or refined products; changes in trading patterns significantly affecting overall vessel tonnage requirements; OPEC+ and non-OPEC production and supply levels; the duration and extent of the COVID-19 outbreak and any resulting effects on the markets in which the Company operates; the impact of the COVID-19 outbreak on the Company's ability to maintain safe and efficient operations; the impact and timing of coronavirus vaccination programs; the impact of geopolitical tensions and changes in global economic conditions; greater or less than anticipated levels of tanker newbuilding orders and deliveries and greater or less than anticipated rates of tanker scrapping; the potential for early termination of charter contracts on existing vessels in the Company's fleet; the inability of charterers to make future charter payments; the inability of the Company to renew or replace charter contracts or to finance the repurchase of sale-and-leaseback vessels within anticipated timeframes; changes in global oil prices; changes in applicable industry laws and regulations and the timing of implementation of new laws and regulations and the impact of such changes, including IMO 2030; increased costs; and other factors discussed in Teekay Tankers' filings from time to time with the United States Securities and Exchange Commission, including its Annual Report on Form 20-F for the fiscal year ended December 31, 2020. The Company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with respect thereto or any change in events, conditions or circumstances on which any such statement is based.

Recent Highlights

Financial Results

Total adjusted EBITDA⁽¹⁾ of \$15.9 million, up \$6.1 million from Q4-20

Adjusted net loss⁽¹⁾ of (\$22.0) million, or (\$0.65) per share, compared to (\$40.7) million, or (\$1.21) per share, in Q4-20

Maintaining Strong Balance Sheet

Liquidity of \$372 million as at March 31, 2021

Net debt to capitalization of 32% as at March 31, 2021

Further reducing cost of capital by declaring purchase options for 6 additional vessels on higher-cost sale-leasebacks for \$129 million; redelivery in Sep 2021

Market Activity

Weak freight market in Q1-21, but mid-size tanker spot rates saw spikes in March on the back of bad weather and Suez Canal blockage

Despite near-term headwinds, positive signals indicate a market rebound starting in 2H-2021



(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q1-21 earnings release for definitions and reconciliations to the comparable GAAP measures.

Weak Spot Rates in Q1-21, but Spikes Late in the Quarter

Spot rates remained generally weak in Q1-21:

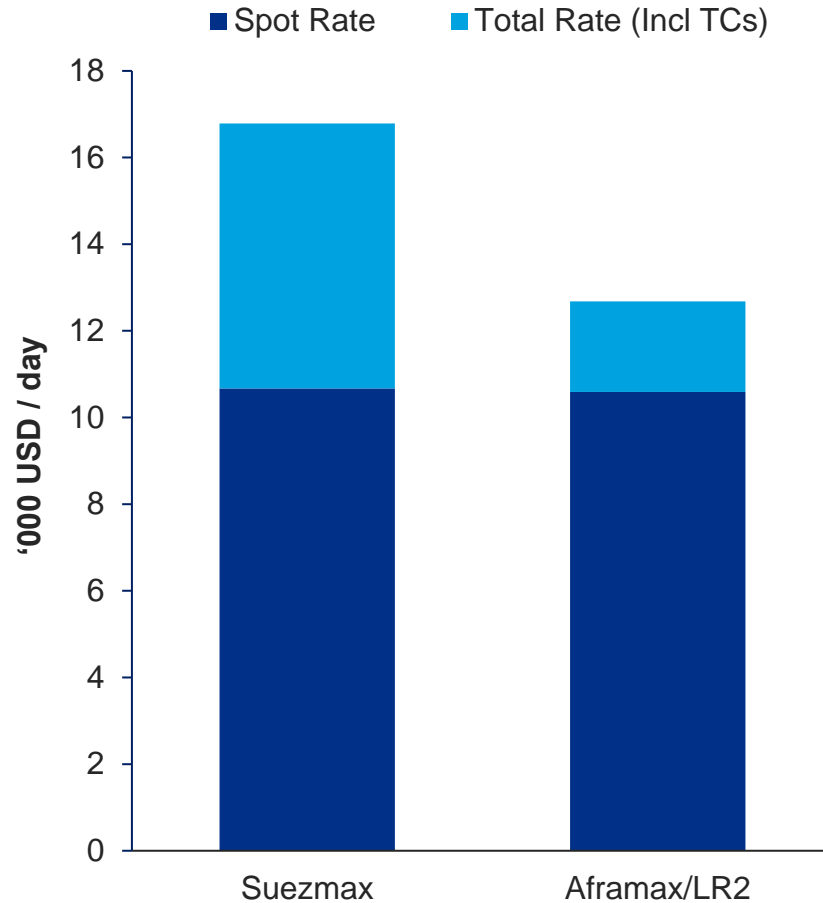
- Ongoing impact of COVID-19 on oil demand and refinery throughput
- OPEC+ supply freeze and Saudi voluntary cut of 1 mb/d
- Return of ships from floating storage

However, mid-size tankers saw rate spikes in March:

- Bad weather in the US Gulf and the Mediterranean
- Suez Canal blockage

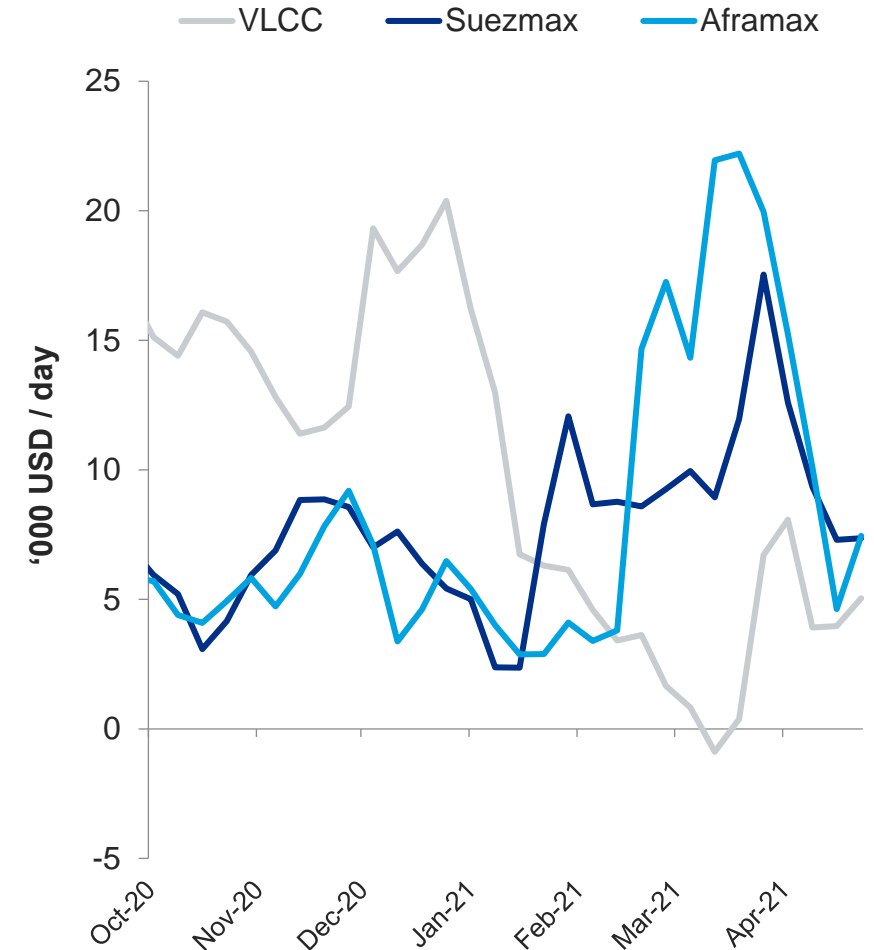
TNK's Q1-21 rates increased by fixed-rate time charters

TNK Q1-21 Rates



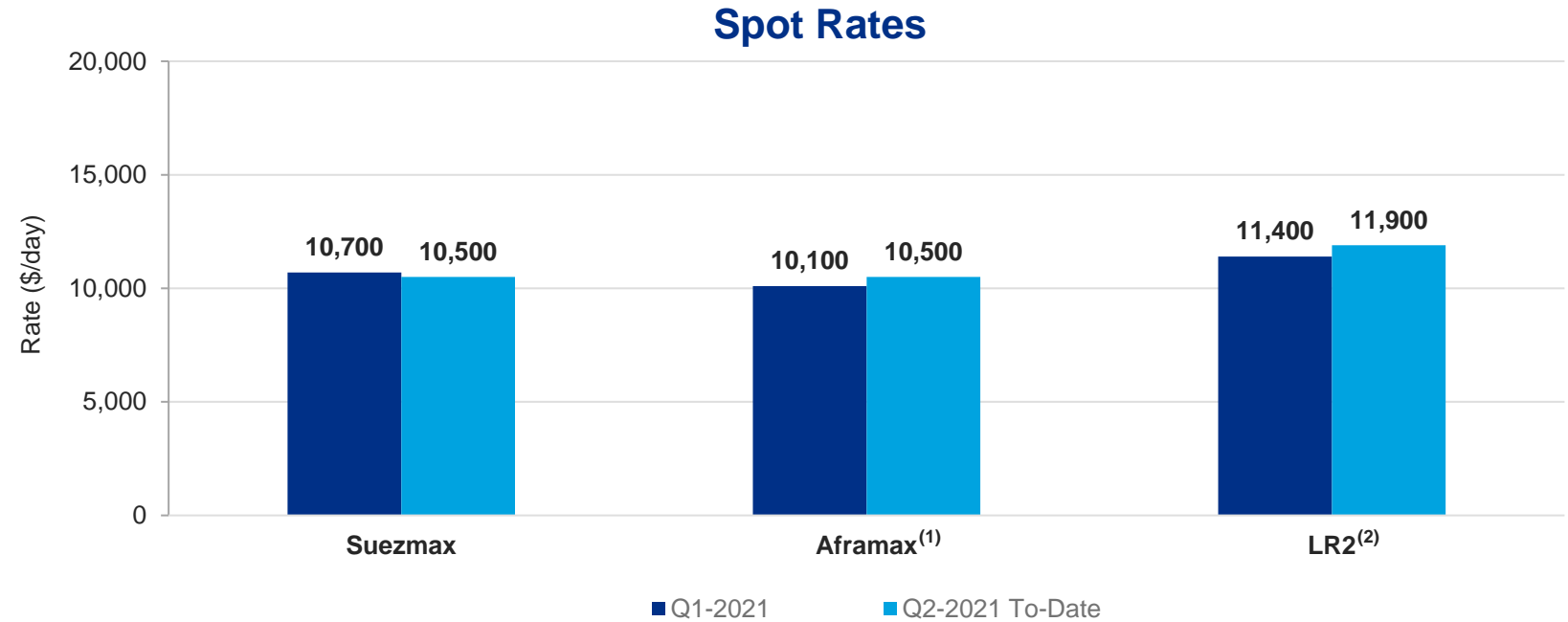
Source: Teekay Tankers

Benchmark Crude Tanker Spot Rates



Source: Clarksons

Q2-21 To-Date Spot Charter Rates



	Suezmax	Aframax ⁽¹⁾	LR2 ⁽²⁾
Q2-21 spot ship days available	2,241	1,139	696
Q2-21 % spot ship days booked to-date	55%	49%	49%

(1) Earnings and percentage booked to-date include Aframax RSA, full service lightering (FSL) and non-RSA voyage charters for all Aframax vessels.

(2) Earnings and percentage booked to-date include Aframax RSA, FSL and non-RSA voyage charters for all LR2 vessels, whether trading in the clean or dirty spot market.

Key Indicators Point to a Tanker Market Recovery

Still some near-term uncertainty due to COVID-19 and potential impact on demand as fresh outbreaks occur

However, stronger oil demand outlook, normalization of oil inventories, and rising oil supply set to increase tanker demand in 2H-2021

Tanker fleet fundamentals continue to look very positive due to a small orderbook, limited ordering, and an aging world fleet

Rising asset values and time charter rates are a sign of improved market sentiment

	Jan-21	May-21	Trend
2021 Global GDP Growth (IMF)	5.5%	6.0%	✓
2H-2021 Global Oil Demand (IEA)	98.6 mb/d	98.9 mb/d	✓
OECD Oil Inventories vs. 5-year Average (IEA)	+167 mb	+2 mb	✓
OPEC+ Production Policy	Flat	+2.1 mb/d	✓
Tanker Orderbook as % of Fleet ⁽¹⁾	8.5%	8.1%	✓
Aframax 5-year Old Price ⁽¹⁾	\$33m	\$40m	✓
Aframax 1-year TC Rate ⁽¹⁾	\$14.5 kpd	\$16 kpd	✓

(1) Source: Clarksons

Maintaining Strong Financial Foundation

\$372 million of liquidity provides financial strength and flexibility

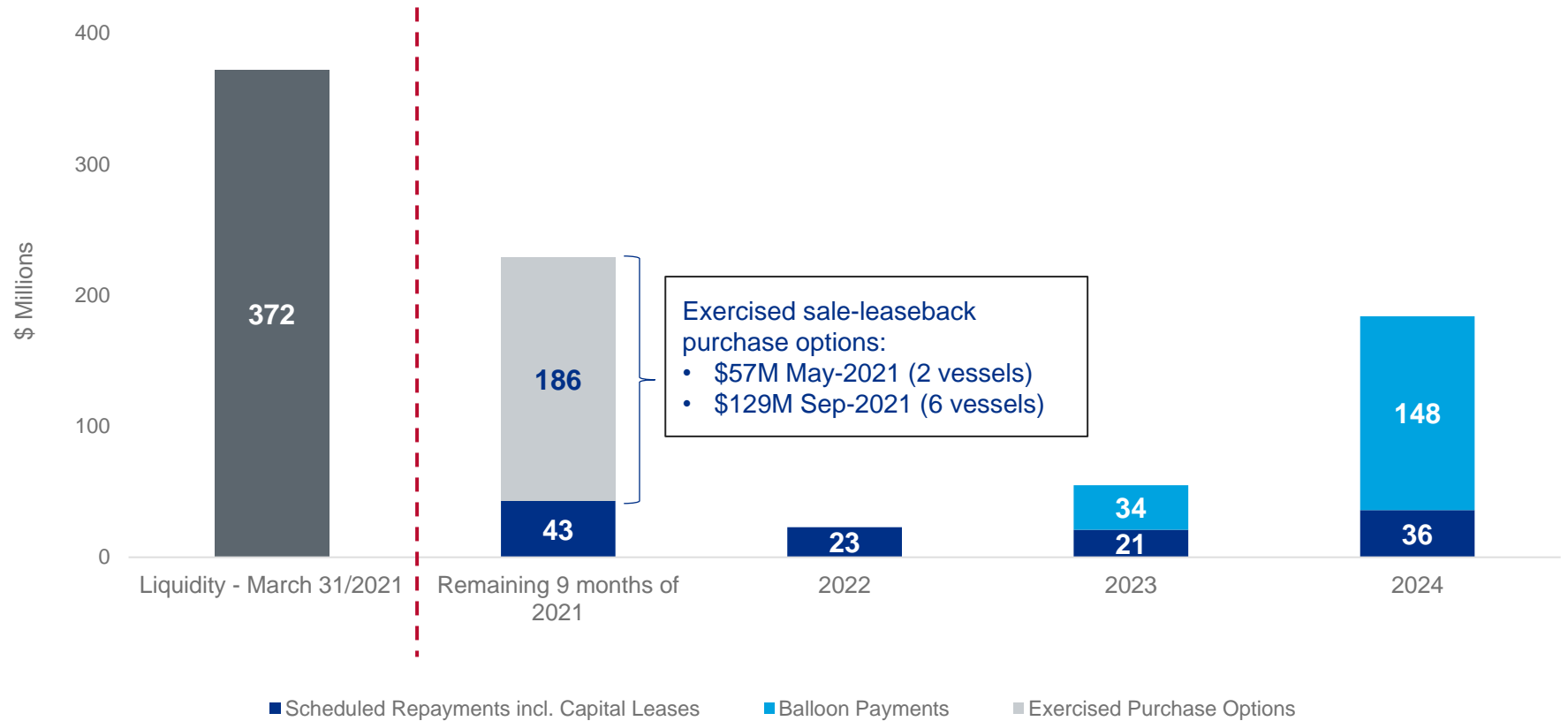
Net debt to capitalization of 32% as at March 31, 2021

Exercised 6 additional purchase options on more expensive sale-leaseback financings, further reducing cost of debt

- Since Oct-2020, exercised purchase options on a total of 8 vessels redelivering in May and Sep-2021 for \$186M
- Negotiating term sheets to refinance 8 vessels with lower-cost sale-leasebacks

No significant debt maturities until 2024

Liquidity & Debt Repayment Profile^(1,2)

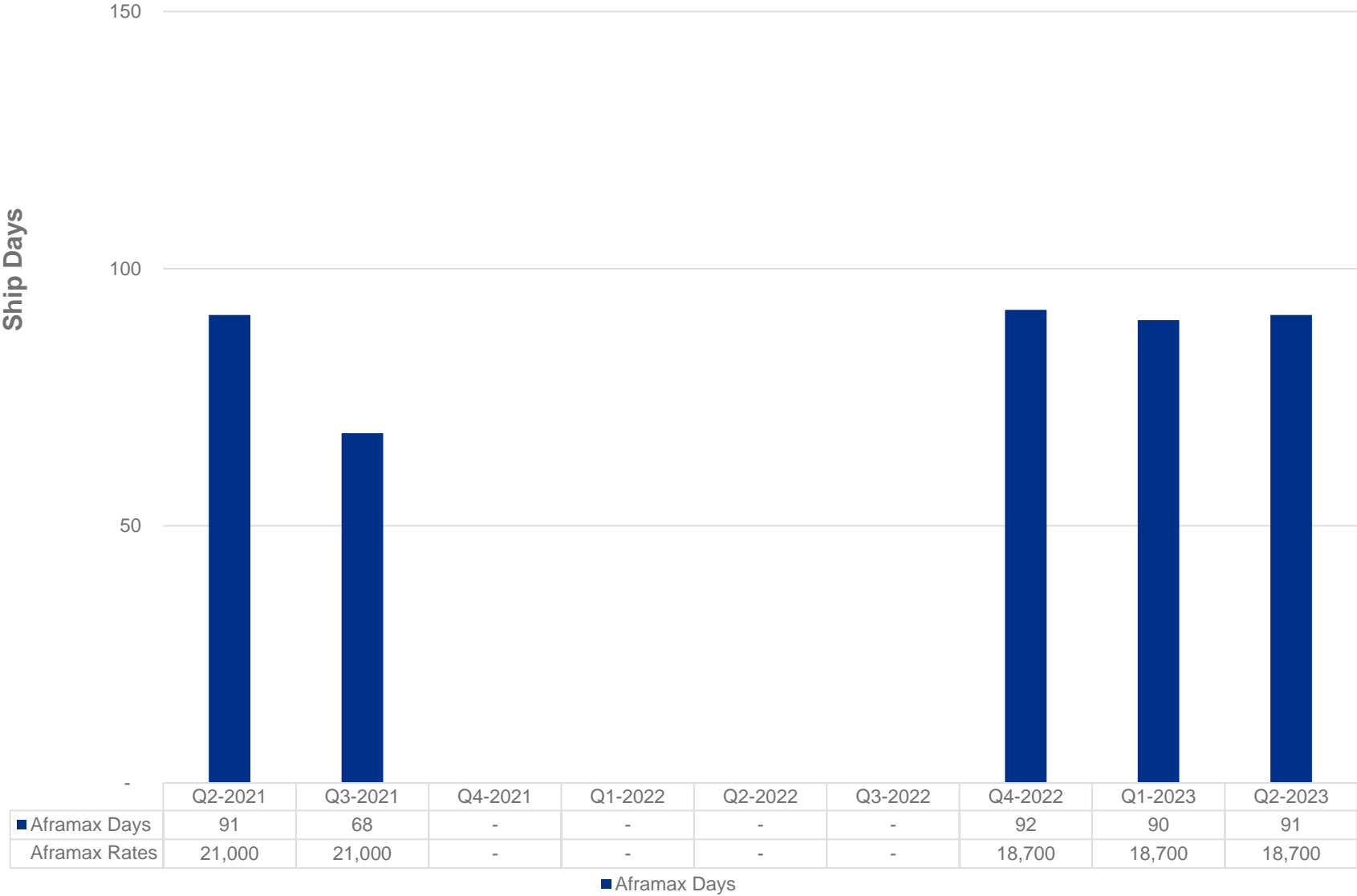


(1) Excludes working capital loan facility which is expected to be continually extended for periods of six months unless and until the lender gives notice that no further extensions shall occur

(2) Repayment profile based on current drawn amounts

Appendix

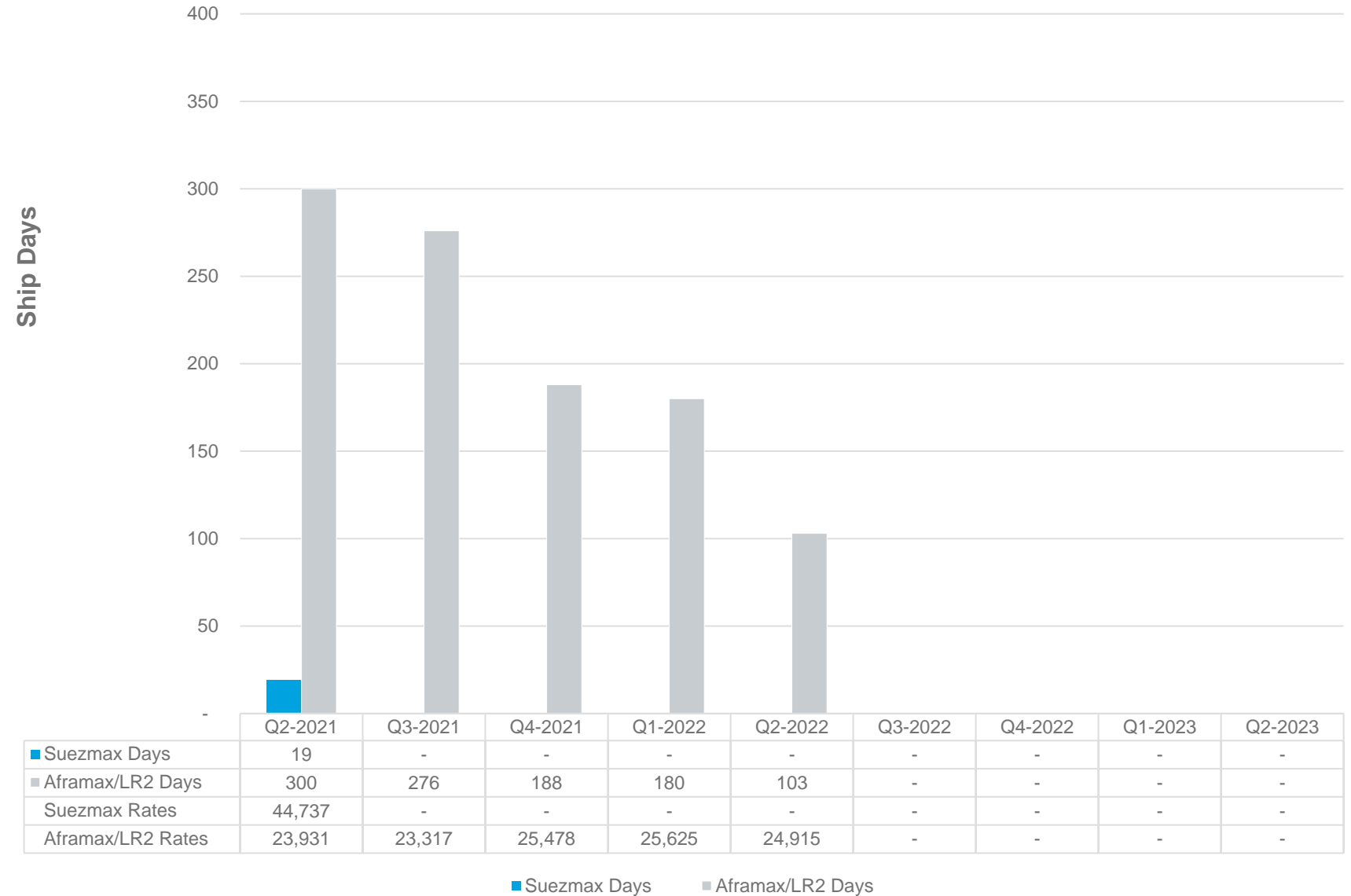
Fleet In-Charters⁽¹⁾



(1) Based on existing charters excluding extension options



Fleet Out-Chartering⁽¹⁾



(1) Based on existing charters excluding extension options and expected drydock/ off-hire days noted on slide 14

Q2-21 Outlook

Income Statement Item	Q2-21 Outlook ⁽¹⁾ (expected changes from Q1-21)
Revenues	<p>Decrease of approximately 320 net revenue days, comprised of a reduction of 490 fixed-rate revenue days and an increase of 170 spot revenue days, primarily due to more scheduled dry dockings in Q2-21 compared to Q1-21, the sale of two tankers and the redelivery of two in-chartered tankers in Q1-21, partially offset by an additional calendar day in Q2-21.</p> <p>Refer to Slide 5 for Q2-21 booked to-date spot tanker rates. Refer to Slide 10 for a summary of fleet out-charter employment.</p>
Vessel operating expenses	<p>Increase of approximately \$1 million, primarily due to the timing of repair and maintenance activities, partially offset by the sale of two tankers in Q1-21.</p>
Time-charter hire expenses	<p>Decrease of approximately \$1 million, primarily due to the redelivery of two in-chartered tankers and one ship-to-ship support vessel during Q1-21 and early Q2-21.</p>
Interest expense	<p>Decrease of approximately \$1 million, primarily due to lower balances on obligations related to finance leases and the Q2-21 repurchase of two tankers currently under sale-leaseback arrangements.</p>
Income tax expense	<p>Decrease of approximately \$2 million due to vessel trading activities and regular assessment of tax positions.</p>

(1) Changes described are after adjusting Q1-21 for items included in Appendix A of Teekay Tankers' Q1-21 Earnings Release and realized gains and losses on derivatives (see slide 13 of this earnings presentation for the Consolidated Adjusted Line Items for Q1-21).

Adjusted Net Loss⁽¹⁾

Q1-21 vs Q4-20

(In thousands of U.S. dollars)

Statement Item	Q1-2021 (unaudited)	Q4-2020 (unaudited)	Variance	Comments
Revenues	142,777	126,992	15,785	Increase primarily due to higher overall spot TCE rates in Q1-21, as well as fewer scheduled dry dockings and off-hire days in Q1-21, partially offset by a number of vessels returning from time-charter out contracts earning lower spot rates compared to previous fixed rates.
Voyage expenses	(69,045)	(58,649)	(10,396)	Increase consistent with more spot revenue days resulting from vessels returning to the spot fleet from their time-charter out contracts in Q1-21.
Vessel operating expenses	(43,048)	(41,030)	(2,018)	Increase primarily due to the timing of repair and maintenance activities and the timing of certain crewing-related costs.
Time-charter hire expenses	(3,630)	(8,096)	4,466	Decrease primarily due to the redelivery of three in-chartered vessels to their owners during Q4-20 and early Q1-21, as well as impairment recorded for two in-chartered vessels in Q4-20.
Depreciation and amortization	(26,684)	(28,042)	1,358	Decrease primarily due to the write-down of four vessels and the classification of two vessels as held-for-sale in Q4-20.
General and administrative expenses	(11,470)	(10,049)	(1,421)	Increase primarily due to the timing of incentive compensation expenses and annual systems-related costs.
Loss from operations	(11,100)	(18,874)	7,774	
Interest expense	(10,133)	(10,414)	281	
Interest income	30	39	(9)	
Equity loss	(359)	(74)	(285)	
Other income	131	128	3	
Income tax expense	(571)	(11,471)	10,900	Decrease primarily due to a non-recurring freight tax accrual adjustment in Q4-20.
Adjusted net loss	(22,002)	(40,666)	18,664	

(1) Refer to slide 13 for the Q1-21 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (GAAP). For the Q4-20 reconciliation, refer to the Q4-20 earnings presentation.

Consolidated Adjusted Statement of Loss

(In thousands of U.S. dollars)

Q1-21

Statement Item	As Reported	Appendix A Items ⁽¹⁾	Reclassification for Realized Gain/Loss on Derivatives	As Adjusted
Revenues	142,749	-	28	142,777
Voyage expenses	(69,045)	-	-	(69,045)
Vessel operating expenses	(43,048)	-	-	(43,048)
Time-charter hire expenses	(3,630)	-	-	(3,630)
Depreciation and amortization	(26,684)	-	-	(26,684)
General and administrative expenses	(11,470)	-	-	(11,470)
Write-down of asset	(715)	715	-	-
Loss from operations	(11,843)	715	28	(11,100)
Interest expense	(10,068)	-	(65)	(10,133)
Interest income	30	-	-	30
Realized and unrealized gain on derivative instruments	703	(740)	37	-
Equity loss	(359)	-	-	(359)
Other income	743	(612)	-	131
Income tax expense	(571)	-	-	(571)
Net loss	(21,365)	(637)	-	(22,002)

(1) Please refer to Appendix A in Teekay Tankers Q1-21 Earnings Release for a description of Appendix A items.



Drydock & Off-hire Schedule⁽¹⁾⁽²⁾⁽³⁾

Teekay Tankers Segment	March 31, 2021 (A)		June 30, 2021 (E)		September 30, 2021 (E)		December 31, 2021 (E)		Total 2021	
	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days	Vessels	Total Off-hire Days
Spot Tanker	-	-	6	188	6	225	-	-	12	413
Fixed-Rate Tanker	-	-	1	36	-	-	-	-	1	36
Other - Unplanned Offhire	-	100	-	58	-	66	-	65	-	289
	-	100	7	282	6	291	-	65	13	738

(1) Includes vessels scheduled for drydocking and an estimate of unscheduled off-hire.

(2) In the case that a vessel drydock & off-hire straddles between quarters, the drydock & off-hire has been allocated to the quarter in which majority of drydock days occur.

(3) Only owned vessels are accounted for in this schedule and vessel count only reflects the vessels with drydock related off-hire.

