

Teekay Tankers

Third Quarter 2021 Earnings Presentation

November 4, 2021

Forward Looking Statement

This presentation 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: estimated impacts of seasonal factors and increased oil demand due to higher coal and natural gas prices on the crude tanker market; the Company's expectations regarding potential interest savings as a result of its refinancing of certain sale-leaseback transactions; the Company's expectations regarding tanker charter-in contracts, including the timing of commencement, expiry or extensions thereof; 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; forecasts of a potential recovery in the tanker market, as well as expected growth in global oil demand driven by various factors and the expected impact thereof; the impact of increased global crude oil trade volumes on the tanker market; forecasts of worldwide tanker fleet growth or contraction (including as a result of higher newbuilding prices) and newbuilding tanker orders and vessel scrapping; future OPEC+ production cuts and non-OPEC+ oil production increases, the timing thereof and the resulting impact on oil and tanker demand, as well as tanker fleet utilization and crude spot tanker rates; the continuing impact of the COVID-19 global pandemic and related developments on the Company's business and tanker and oil market fundamentals (including the near-term tanker market outlook); the Company's liquidity and market position; and the Company's 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 global pandemic 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 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 and others that may further regulate greenhouse gas emissions; 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 (\$15.8) million, down from \$(6.8) million in Q2-21

Adjusted net loss⁽¹⁾ of (\$50.1) million, or (\$1.48) per share, compared to (\$41.5) million, or (\$1.23) per share, in Q2-21

Balance Sheet Strength

Pro forma Liquidity of \$209 million as at September 30, 2021⁽²⁾

Net debt to capitalization of 39% as at September 30, 2021

Completed refinancing of eight vessels with lower-cost sale-leasebacks

Market Activity

Weak freight market conditions in Q3-21, but a modest improvement seen in early Q4-21 with upside potential over the winter months

Tanker supply and demand fundamentals continue to trend in a positive direction

Sold 2003-built Aframax vessel for \$11.7 million

(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q3-21 earnings release for definitions and reconciliations to the comparable GAAP measures.

(2) Pro forma for the \$69 million financing of four unencumbered vessels completed in November 2021 that were previously under higher-cost sale-leaseback arrangements.

Weak Spot Rates in Q3, but Signs of Life at the Start of Q4

Spot tanker rates remained under pressure in Q3-21

- Ongoing OPEC+ supply cuts
- Impact of Delta COVID-19 variant on oil demand, particularly in Asia
- Weak Chinese crude import demand
- High bunker fuel prices

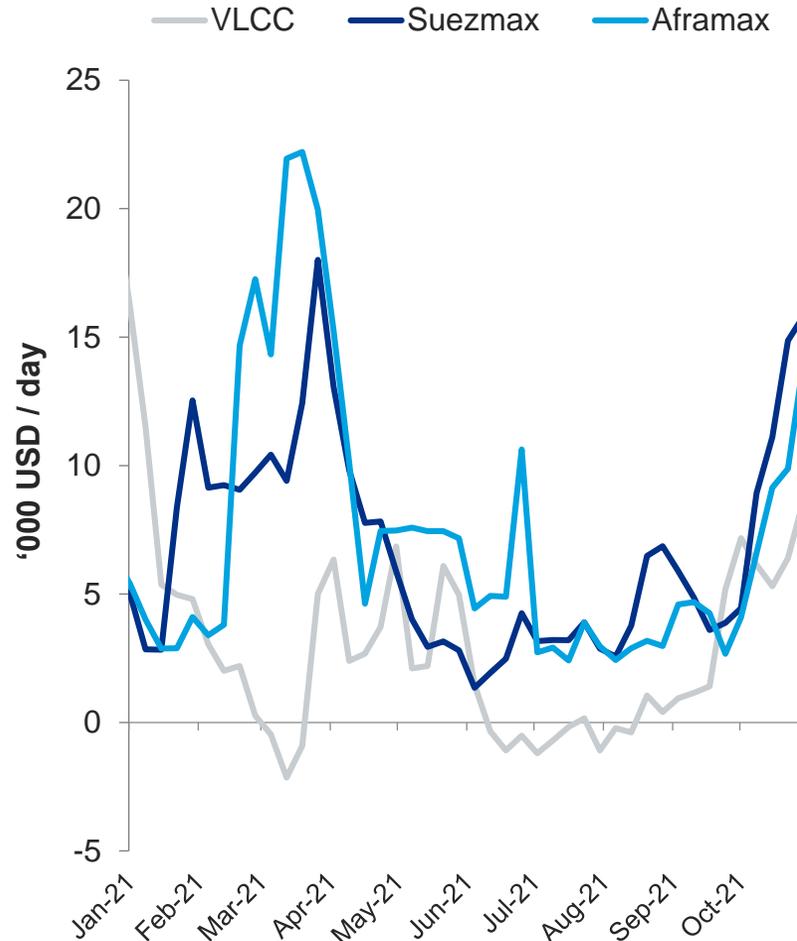
Rates have improved at the start of Q4-21

- OPEC+ export volumes rising
- Increasing oil demand as Delta variant impacts subsides

Global energy crunch could further boost tanker demand this winter

- Record high natural gas, LNG, and coal prices prompting a switch to oil for power generation and industrial use
- Expected additional oil demand lift of 0.5 – 1.0 mb/d through March 2022

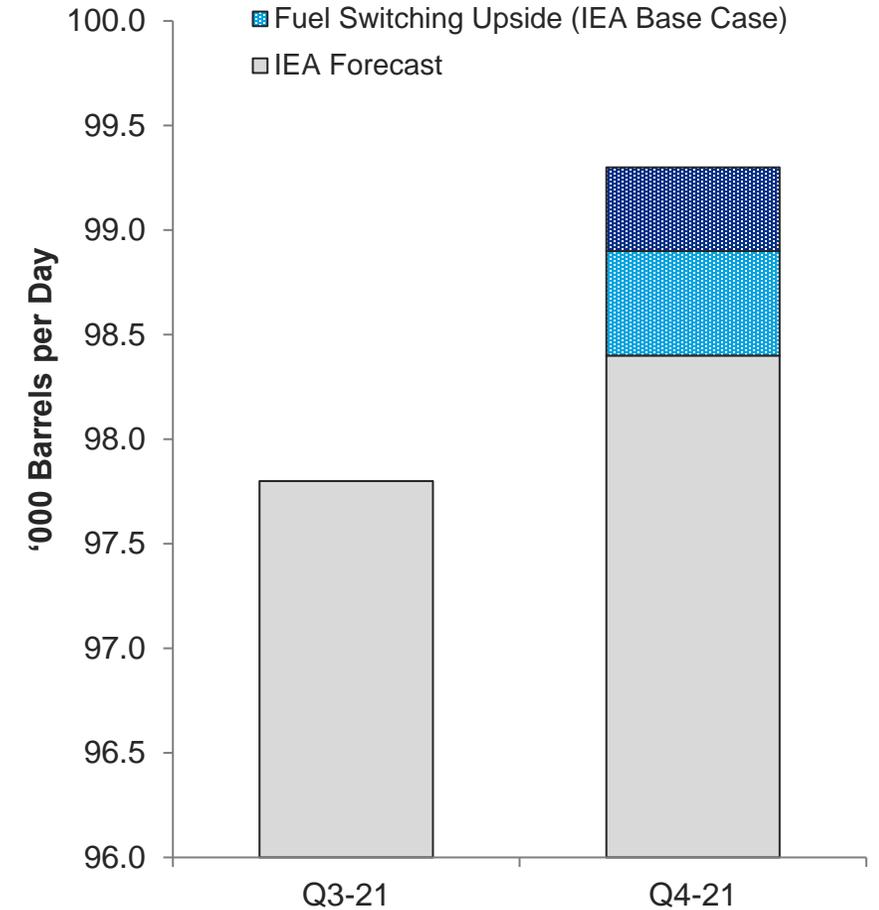
Benchmark Crude Tanker Spot Rates



Source: Clarksons

Q4-21 Oil Demand Forecast

- Fuel Switching Upside (High Case)*
- Fuel Switching Upside (IEA Base Case)
- IEA Forecast



Source: IEA, Goldman Sachs

*High case assumes colder than normal winter

Q4-21 To-Date Spot Rates



	Suezmax	Aframax ⁽¹⁾	LR2 ⁽²⁾
Q4-21 spot ship days available	2,283	1,175	904
Q4-21 % spot ship days booked to-date	50%	37%	35%

(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 Remain on Track For a Tanker Market Recovery

Oil demand is recovering and approaching pre-COVID levels

OECD oil inventories are well below 5-year average levels

OPEC+ to fully unwind remaining supply cuts at a rate of 0.4 mb/d per month

- Pressure on OPEC+ to increase production faster to alleviate high oil prices

Fleet supply fundamentals remain positive

- Small orderbook (orderbook as % of fleet the lowest since 1996)
- Increase in tanker scrapping (Q3-21 the highest in 3 years)
- Decline in new tanker orders due to rising newbuild prices (Q3-21 the lowest in 12 years)

	Q1-21 Earnings Release (Feb'21)	Current	Trend (Feb-Nov)
Global Oil Demand Relative to pre-COVID Levels ⁽¹⁾	-7.4 mb/d	-1.9 mb/d	✓
OECD Oil Inventories Relative to 5-year Average ⁽²⁾	+138 mb	-215 mb	✓
OPEC+ Crude Oil Production ⁽²⁾	35.6 mb/d	38.0 mb/d	✓
Tanker Orderbook as a % of Total Fleet ⁽³⁾	8.6%	7.7%	✓
Tanker Scrapping (prior 3 months) ⁽³⁾	2.1 mdwt	4.7 mdwt	✓
Tanker Newbuild Ordering (prior 3 months) ⁽³⁾	8.7 mdwt	0.8 mdwt	✓

(1) Source: Rystad Energy

(2) Source: IEA

(3) Source: Clarksons

Strong Financial Foundation

\$209 million of pro forma liquidity⁽¹⁾ provides financial resilience in weak spot market environment

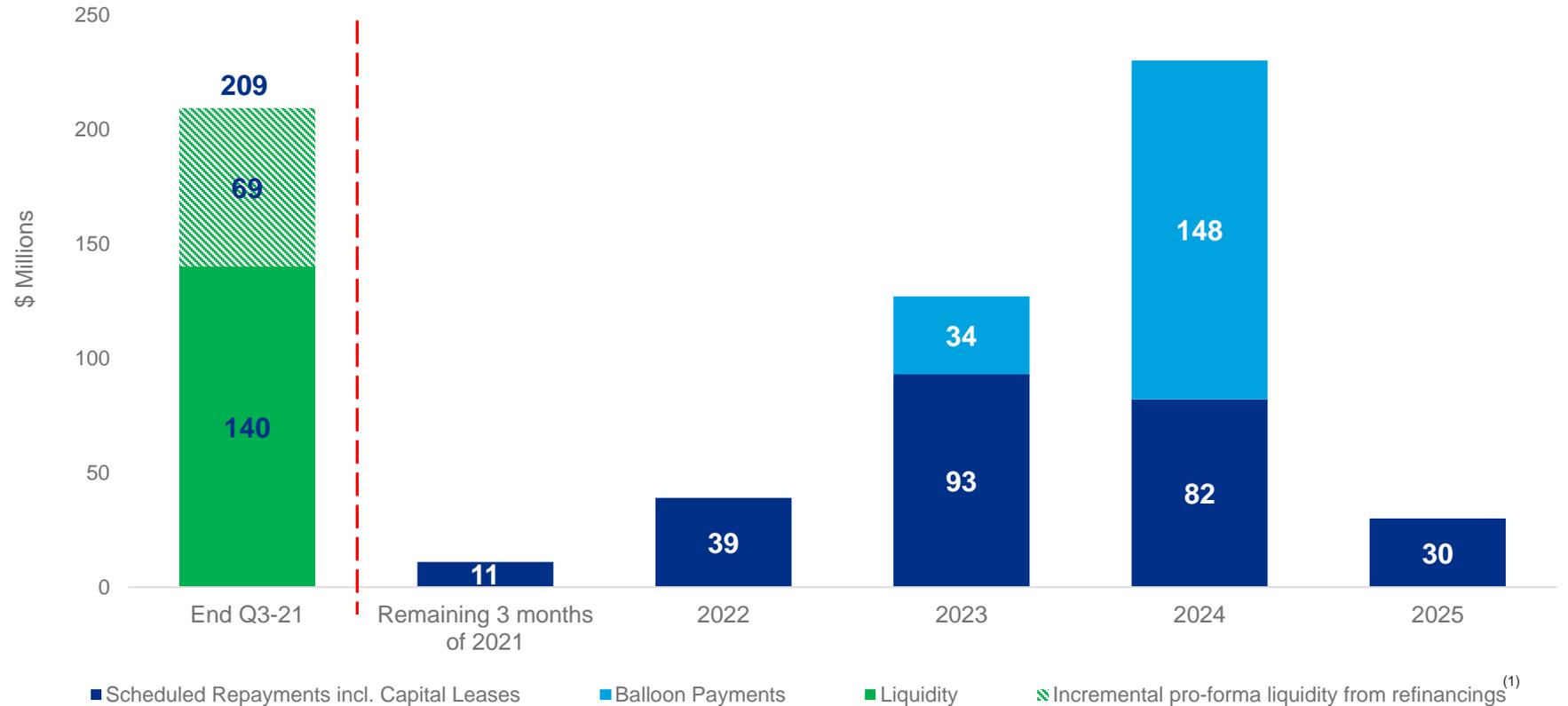
Completed sale-leaseback refinancings of eight vessels at lower interest rates

- Refinancings decreased Q-o-Q pro forma liquidity by \$30 million
- Refinancings result in forecast interest savings of \$11 million in the first 12 months⁽⁴⁾

Net debt to capitalization of 39% as at September 30, 2021

No significant debt maturities until 2024

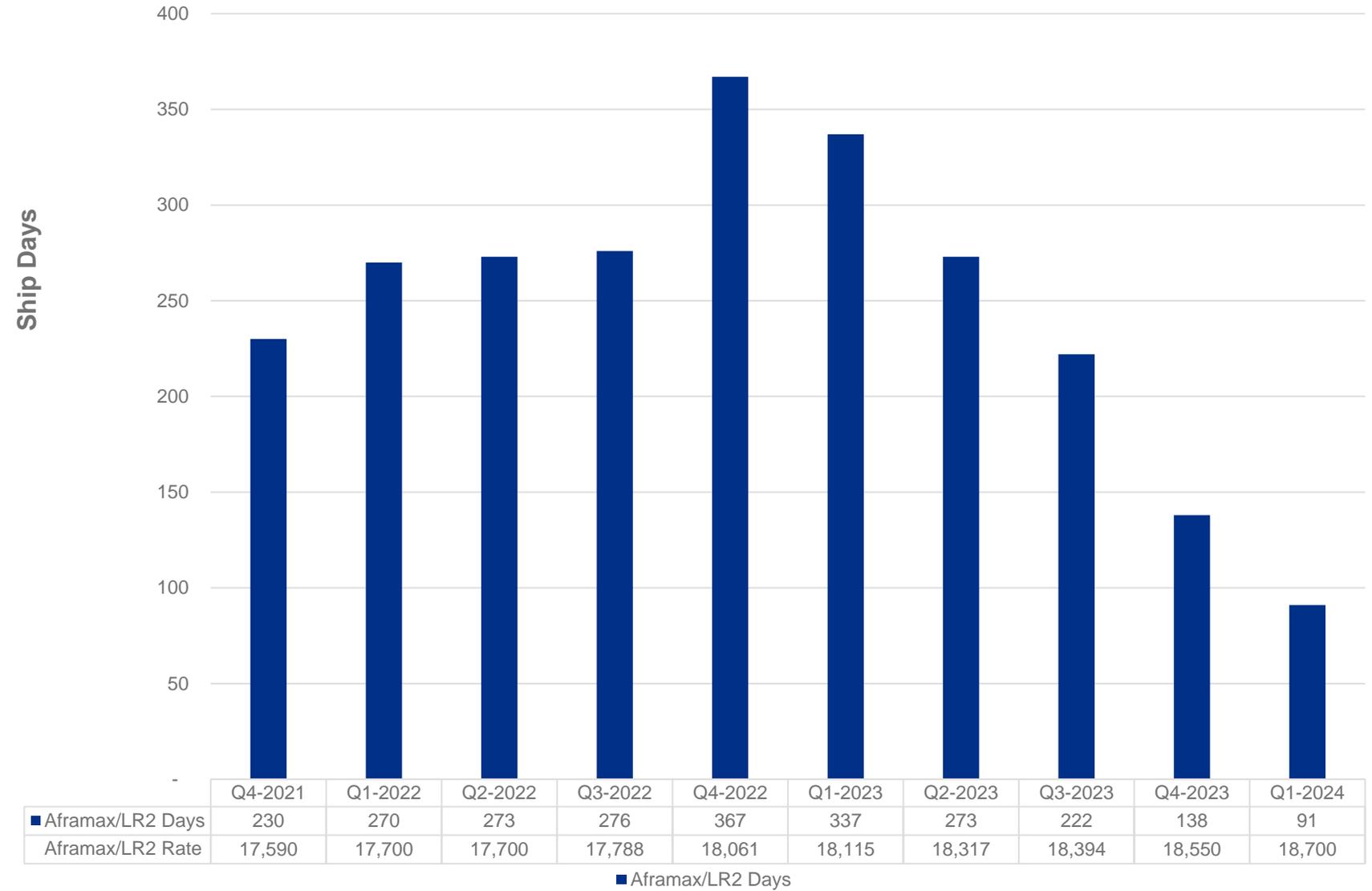
Pro forma Liquidity & Debt Repayment Profile^(1,2,3)



- (1) Pro forma for the \$69 million financing of four unencumbered vessels completed in November 2021 that were previously under higher-cost sale-leaseback arrangements.
- (2) 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
- (3) Repayment profile based on current drawn amounts
- (4) Assumes LIBOR of 0.15% in 2021 and 0.30% in 2022

Appendix

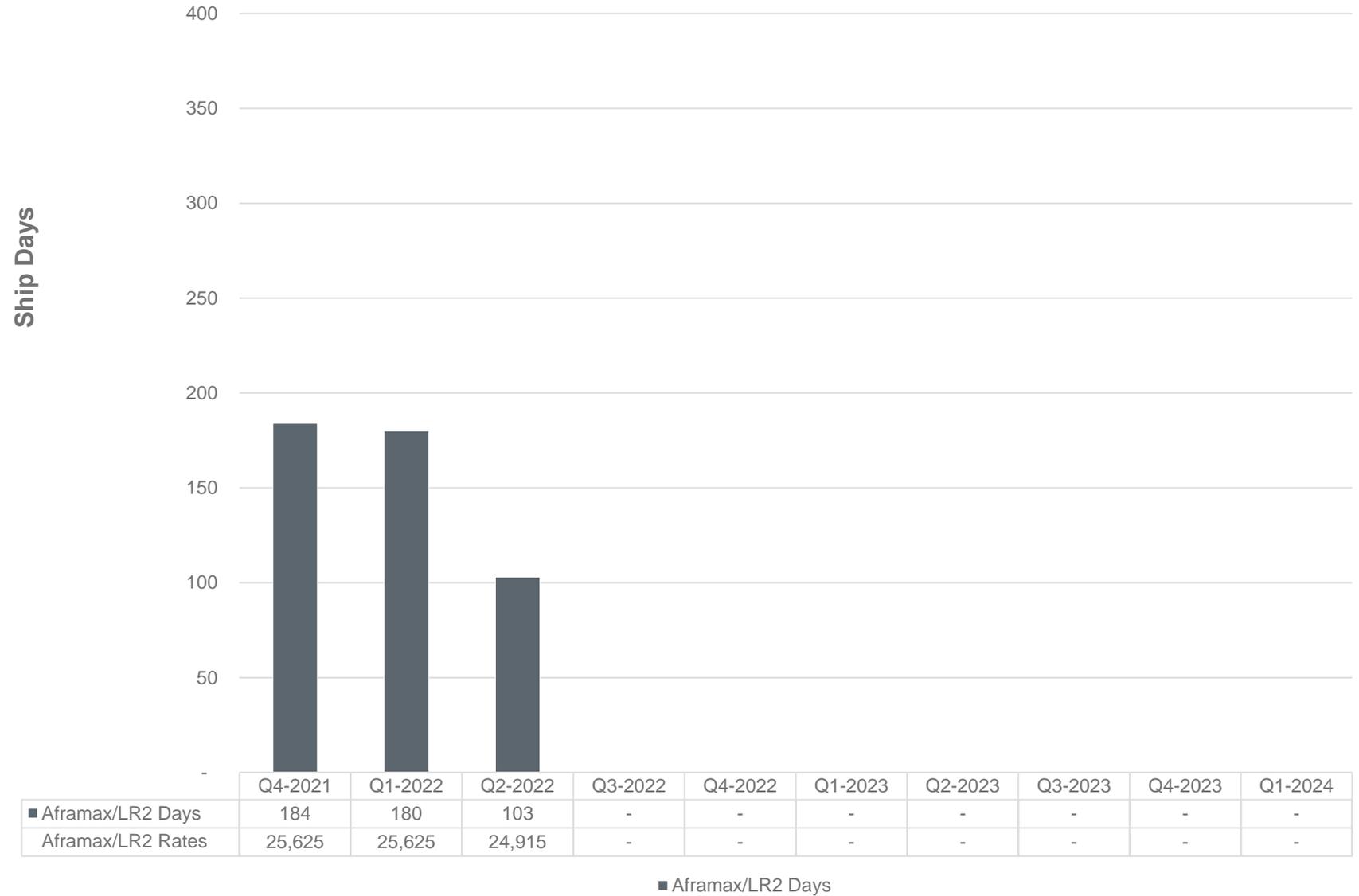
Fleet In-Charters⁽¹⁾



(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



Q4-21 Outlook

Income Statement Item	Q3-21 in thousands adjusted basis ⁽¹⁾	Q4-21 Outlook ⁽¹⁾ (expected changes from Q3-21)
Net revenues ⁽²⁾	37,196	Increase of approximately 110 net revenue days, comprised of an increase of 180 spot days and a reduction of 70 fixed days, primarily due to one in-chartered tanker that was delivered in Q3-21 and another in-chartered tanker that is expected to be delivered in Q4-21, as well as fewer dry-docking days in Q4-21 compared to Q3-21, partially offset by the sale of one tanker in Q3-21. Refer to Slide 5 for Q4-21 booked to-date spot tanker rates. Refer to Slide 10 for a summary of fleet out-charter employment.
Vessel operating expenses	(39,103)	Increase of approximately \$1 million, primarily due to the timing of maintenance activities.
Time-charter hire expenses	(2,870)	Increase of approximately \$2 million, primarily due to one in-chartered tanker that was delivered in Q3-21 and another in-chartered tanker that is expected to be delivered in Q4-21.
Depreciation and amortization	(25,837)	Increase of approximately \$1 million, primarily due to the timing of dry dockings.
Interest expense	(8,662)	Decrease of approximately \$2 million, primarily due to lower interest payments related to eight sale-leaseback vessels that were repurchased during Q2-21 and Q3-21, and subsequently refinanced under new lower-cost sale-leaseback transactions in Q3-21 and Q4-21.
Income tax recovery	674	Decrease of approximately \$1 million due to vessel trading activities and regular assessment of tax positions.

(1) Changes described are after adjusting Q3-21 for items included in Appendix A of Teekay Tankers' Q3-21 Earnings Release and realized gains and losses on derivatives (see slide 13 of this earnings presentation for the Consolidated Adjusted Line Items for Q3-21).

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q3-21 Earnings Release for a definition of this term.



Adjusted Net Loss⁽¹⁾

(In thousands of U.S. dollars)

Q3-21 vs Q2-21

Statement Item	Q3-2021 (unaudited)	Q2-2021 (unaudited)	Variance	Comments
Revenues	115,531	123,332	(7,801)	Decrease primarily due to lower overall spot TCE rates in Q3-21 and a number of vessels returning from time-charter out contracts earning lower spot rates compared to previous fixed rates.
Voyage expenses	(78,335)	(71,773)	(6,562)	Increase consistent with more spot revenue days resulting from vessels returning from time-charter out contracts during Q2-21 and Q3-21.
Net revenues ⁽²⁾	37,196	51,559	(14,363)	
Vessel operating expenses	(39,103)	(43,129)	4,026	Decrease primarily due to the timing of repair and maintenance activities.
Time-charter hire expenses	(2,870)	(2,138)	(732)	
Depreciation and amortization	(25,837)	(26,895)	1,058	Decrease primarily due to the write-down of eight vessels and the classification of one vessel as held-for-sale in Q2-21.
General and administrative expenses	(10,542)	(12,233)	1,691	Decrease primarily due to the timing of stock-based compensation and lower corporate expenses.
Loss from operations	(41,156)	(32,836)	(8,320)	
Interest expense	(8,662)	(9,371)	709	
Interest income	29	29	-	
Equity loss	(873)	(829)	(44)	
Other expense	(159)	(593)	434	
Income tax recovery	674	2,119	(1,445)	Decrease primarily due to vessel trading activities and regular assessment of tax positions.
Adjusted net loss	(50,147)	(41,481)	(8,666)	

(1) Refer to slide 13 for the Q3-21 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (GAAP). For the Q2-21 reconciliation, please refer to the Q2-21 earnings presentation.

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q3-21 Earnings Release for a definition of this term.

Consolidated Adjusted Statement of Loss

Q3-21

(In thousands of U.S. dollars)

Statement Item	As Reported	Appendix A Items (1)	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	115,890	-	(359)	115,531
Voyage expenses	(78,335)	-	-	(78,335)
Net revenues (2)	37,555	-	(359)	37,196
Vessel operating expenses	(39,103)	-	-	(39,103)
Time-charter hire expenses	(2,870)	-	-	(2,870)
Depreciation and amortization	(25,837)	-	-	(25,837)
General and administrative expenses	(10,542)	-	-	(10,542)
Write-down and gain on sale of vessel	(697)	697	-	-
Loss from operations	(41,494)	697	(359)	(41,156)
Interest expense	(8,583)	-	(79)	(8,662)
Interest income	29	-	-	29
Realized and unrealized loss on derivative instruments	(227)	(211)	438	-
Equity loss	(873)	-	-	(873)
Other expense	(1,581)	1,422	-	(159)
Income tax recovery	674	-	-	674
Net loss	(52,055)	1,908	-	(50,147)

(1) Please refer to Appendix A in Teekay Tankers Q3-21 Earnings Release for a description of Appendix A items.

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q3-21 Earnings Release for a definition of this term



Drydock & Off-hire Schedule⁽¹⁾⁽²⁾⁽³⁾

Teekay Tankers Segment	March 31, 2021 (A)		June 30, 2021 (A)		September 30, 2021 (A)		December 31, 2021 (E)		Total 2021		Total 2022 (E)	
	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	Vessels	Total Off-hire Days
Spot Tanker	-	-	4	189	5	244	5	151	14	584	15	497
Fixed-Rate Tanker	-	-	1	41	-	-	-	-	1	41	-	-
Other - Unplanned Offhire	-	100	-	45	-	9	-	43	-	197	-	205
	-	100	5	275	5	253	5	194	15	822	15	702

(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 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.

