

Teekay Tankers

First Quarter 2022 Earnings Presentation

May 12, 2022

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: the Company's expectations regarding tanker charter-in contracts, including the timing of commencement, expiry or extensions thereof; the Company's expectations regarding the extension or refinancing of its credit facilities, its drydock and off-hire schedules and its forecasted revenues and expenses; 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 markets, and the impact thereon of various factors; the outlook for the global economy and oil demand driven by various factors; forecasts of worldwide tanker fleet growth or contraction and newbuilding tanker orders; the anticipated future unwinding of OPEC+ crude oil supply cuts, 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 pandemic (including new variants such as Omicron) and related developments on the Company's business and tanker and oil market fundamentals (including the near-term tanker market outlook); the impact of the invasion of Ukraine by Russia on the economy, our industry and our business, including as a result of sanctions on Russian or Belarusian companies and individuals and the persistence of altered trade patterns; the Company's liquidity and market position; and the Company's ability to benefit from an expected spot 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, including spot tanker market rate fluctuations; changes in the production of, or demand for, oil or refined products; changes in trading patterns significantly affecting overall vessel tonnage requirements; OPEC+ production and supply levels; the duration and extent of the COVID-19 pandemic (including new variants such as Omicron) 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 of geopolitical tensions and changes in global economic conditions; Russia's invasion of Ukraine; 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, 2021. 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 \$17.5 million, up from \$9.7 million in Q4-21

Adjusted net loss⁽¹⁾ of \$(14.0) million, or \$(0.41) per share, compared to \$(25.0) million, or \$(0.74) per share, in Q4-21

Balance Sheet Strength

Completed refinancings of 13 vessels with low-cost, flexible sale-leasebacks

Pro forma liquidity of approximately \$231 million as at March 31, 2022⁽²⁾

Net debt to capitalization of 42% as at March 31, 2022

Market Activity

Mid-size tanker rates spiked in late Q1-22 due to the impact of the Russia-Ukraine conflict

Significant improvement in Q2-22 to-date spot rates

Sold three 2004/2005-built vessels for approximately \$44 million

(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q1-22 earnings release for definitions and reconciliations to the comparable GAAP measures.

(2) Pro forma liquidity includes a \$32 million increase in liquidity from the \$114 million refinancing of 5 vessels completed in April 2022, which were previously financed under a corporate revolving credit facility, and a \$21 million increase in liquidity from the sale of two vessels which were delivered in April 2022.



Volatility Rises After a Weak Start to 2022

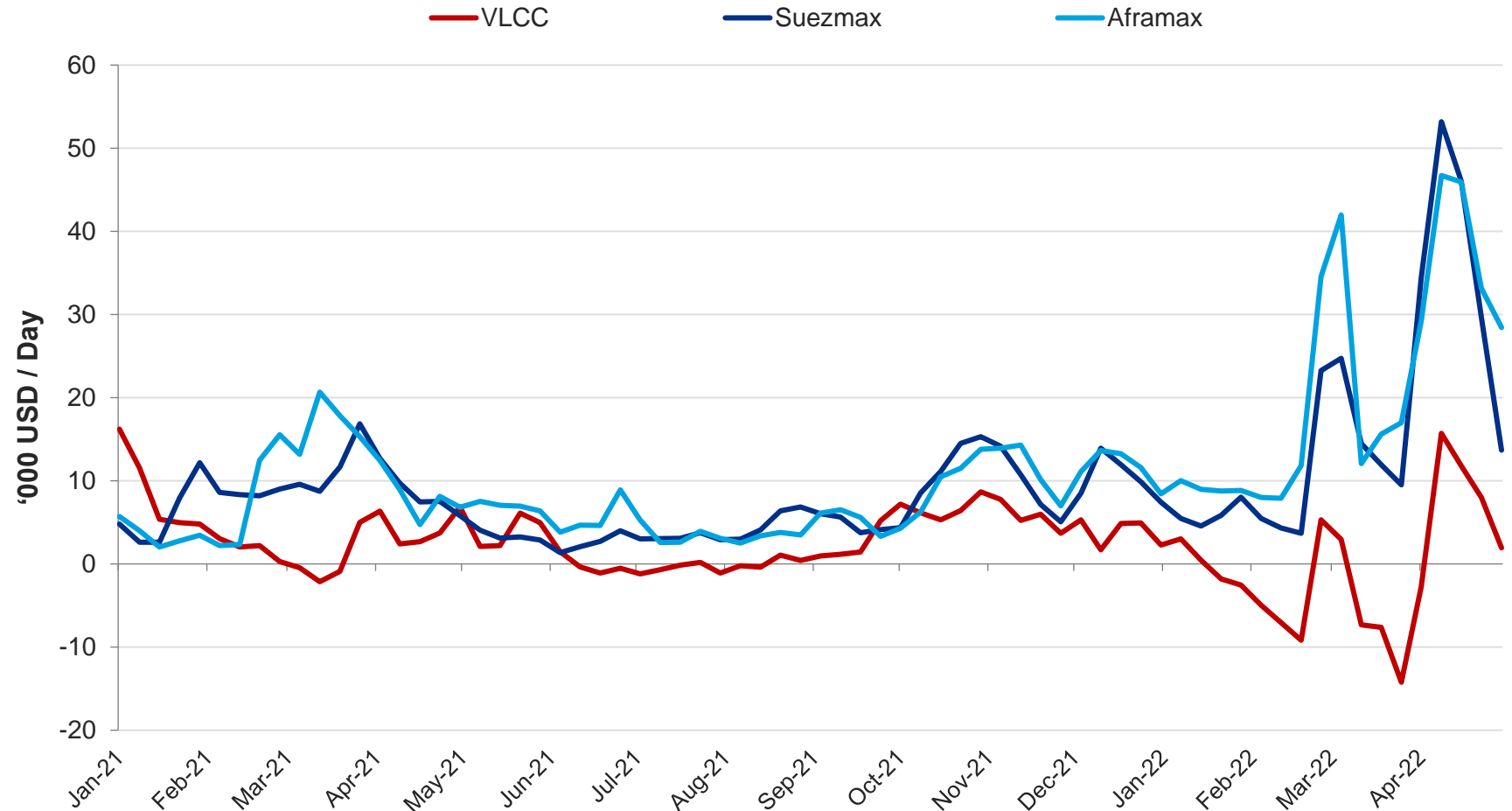
Rates were weak at the start of 2022 due to a number of factors:

- Omicron COVID-19 variant impact on global mobility and oil demand
- Temporary oil supply outages
- Continued drawdown in oil inventories as supply lagged demand
- Oil prices at a 7-year high leading to higher bunker costs

Rates strengthened in late Q1-22 following Russia's invasion of Ukraine and remain volatile in Q2-22:

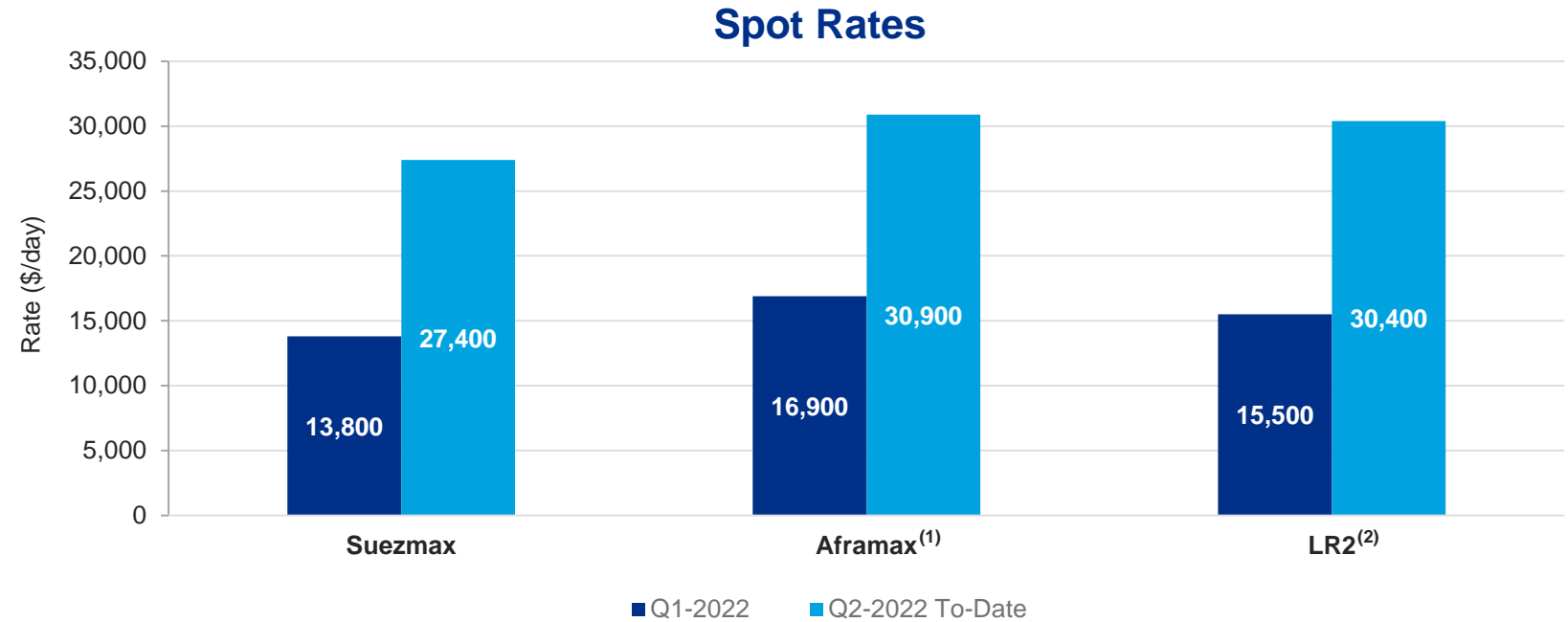
- Many owners / charterers unwilling to lift Russian cargoes
- European buyers turning away from Russian crude oil imports
- Reduced utilization of the Russian-owned tanker fleet (approx. 5-6% of global Aframax tonnage)

Benchmark Crude Tanker Spot Rates



Source: Clarksons (basis 2010-built, excludes Black Sea and Baltic Sea routes)

Q2-22 To-Date Spot Rates



	Suezmax	Aframax ⁽¹⁾	LR2 ⁽²⁾
Q2-22 spot ship days available	2,193	977	903
Q2-22 % spot ship days booked to-date	52%	45%	43%

(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.

Russian Invasion of Ukraine Leading to Longer Voyages and Higher Tonne-Miles

Russian Black Sea and Baltic Sea crude oil exports have held steady since Russia's invasion of Ukraine

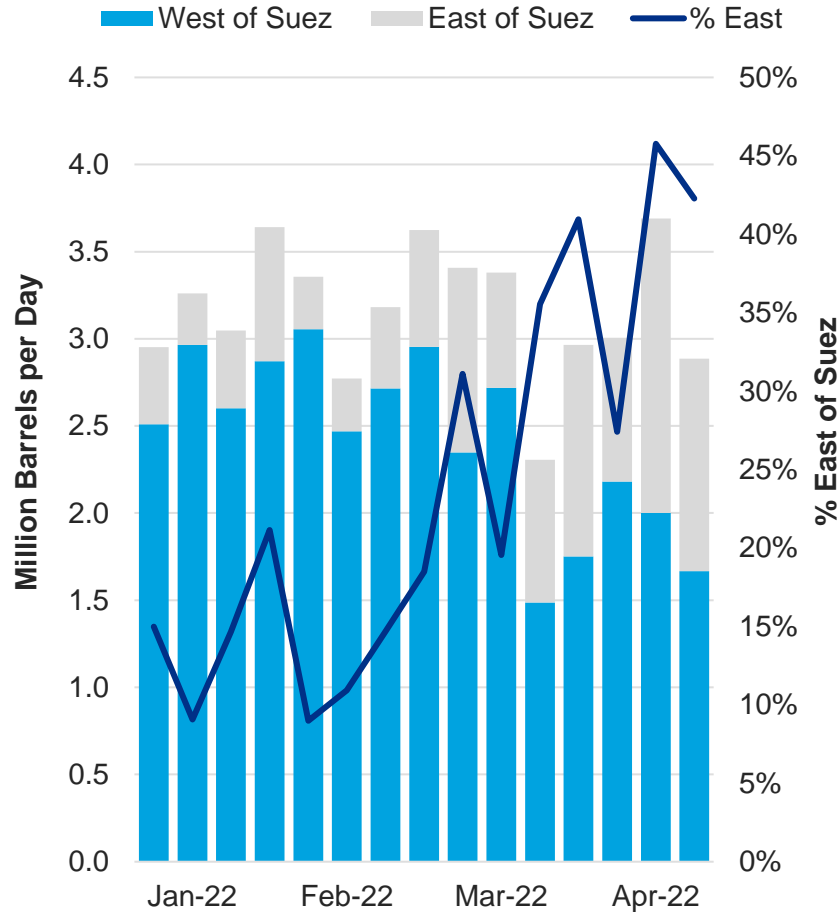
Russian crude oil exports to Europe have fallen while volumes to India have risen

Europe, in turn, has had to increase its imports from other sources such as the US Gulf, West Africa, and the Middle East

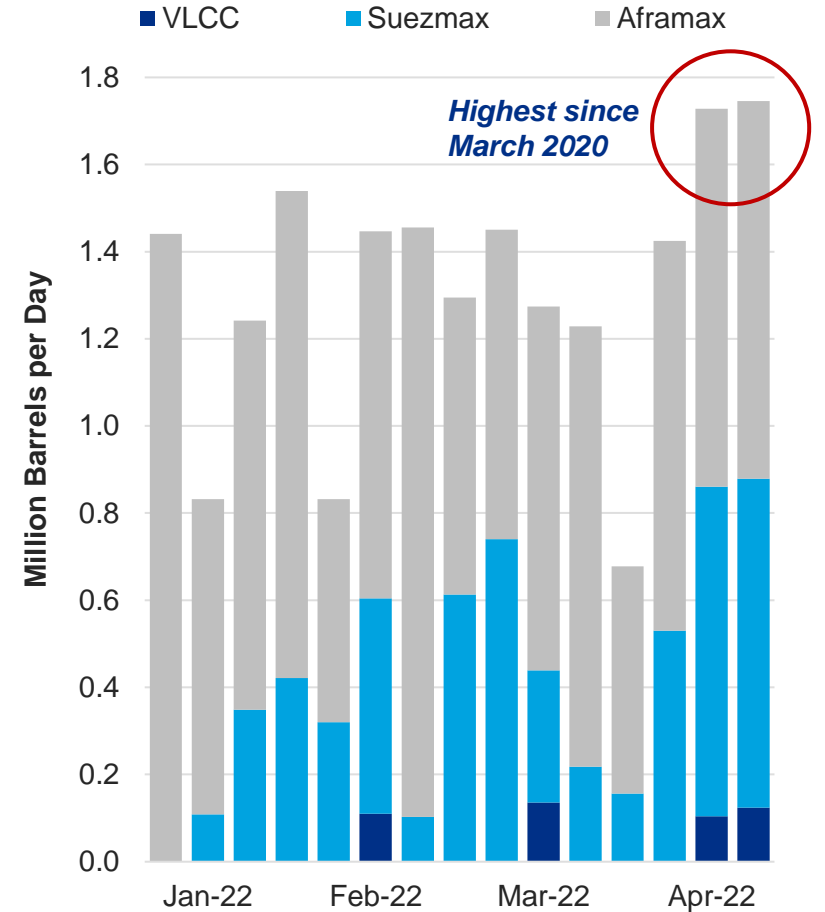
These changes have been positive for mid-size tanker tonne-mile demand due to longer average voyage distances

VLCCs not seeing as much benefit as the regions impacted are largely restricted to Aframax and Suezmax

Russian Baltic and Black Sea Crude Oil Exports



US Gulf Crude Oil Exports to Europe



Source: Kpler



Low Fleet Supply Growth Set to Drive Market Recovery

Tanker newbuild prices are the highest since 2009 due to cost inflation and record containership and LNG carrier orders

This has led to a slowdown in tanker newbuild orders:

- 0.2 mdwt of orders placed in Q1-22, the lowest since at least 1996
- No VLCC or Suezmax orders placed since June 2021

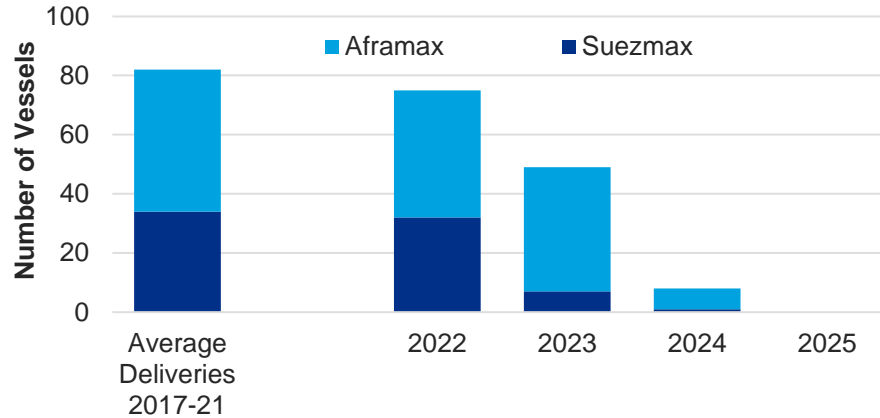
Shipyards are largely full through 2024 and an estimated 60% full through 2025

The tanker orderbook is currently 6.4% of the existing fleet size, the lowest since at least 1996

There are a large number of tankers due to reach age 20 in the coming years which could face phase-out

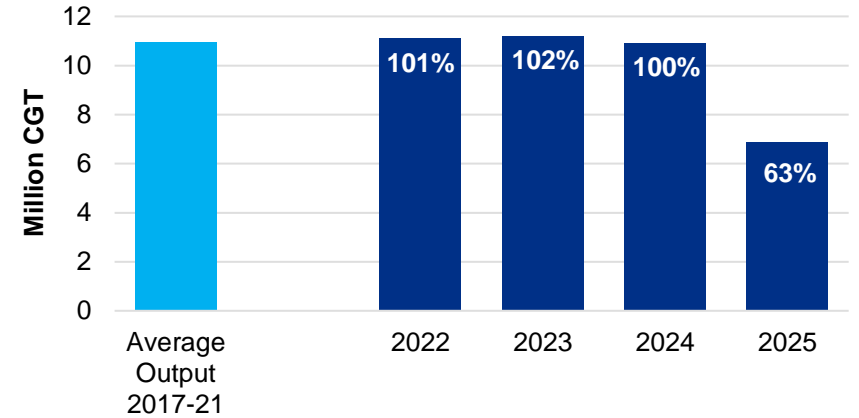
Few Tankers On Order Past 2023

Mid-Size Deliveries (as per Current Orderbook)



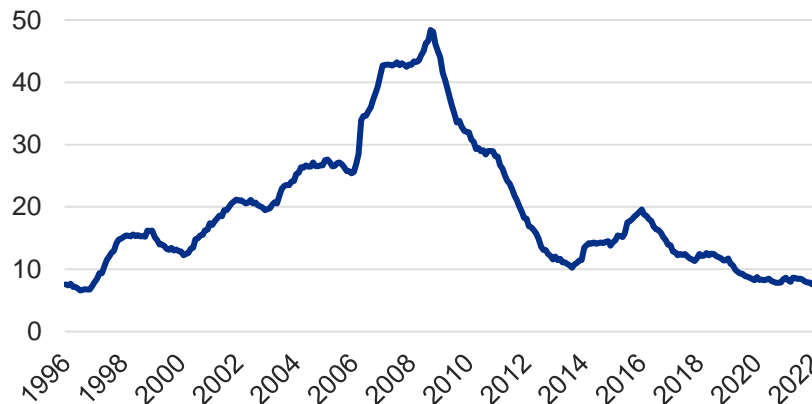
Shipyards Are Full Through 2H-2025

Shipyards Orderbook (All Sectors) vs. Capacity



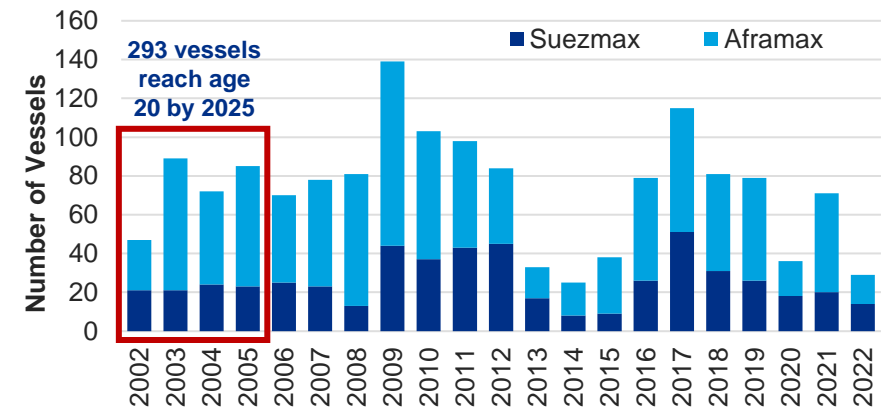
The Tanker Orderbook is at a Historic Low

Tanker Orderbook as a % of the Fleet



Aging Tanker Fleet

Mid-Size Tanker Fleet Age Profile



Source for all charts: Clarksons / Internal Estimates

Healthy Financial Position with High Operating Leverage

Balance Sheet and Fleet Management

\$288 million refinancing of 13 vessels increased liquidity by \$75 million

Sales of 3 older vessels in 2022 further increased liquidity by \$36 million

Resilient Financial Position

Pro forma liquidity of \$231 million at end of Q1-22⁽¹⁾

Sale-leaseback refinancings extend debt repayment profile; no significant debt maturities through 2026

Net debt to capitalization of 42% as at March 31, 2022

High Operating Leverage

46 vessels (94% of the fleet) trading in spot market; well-positioned to generate significant cash flow in strengthening rate environment

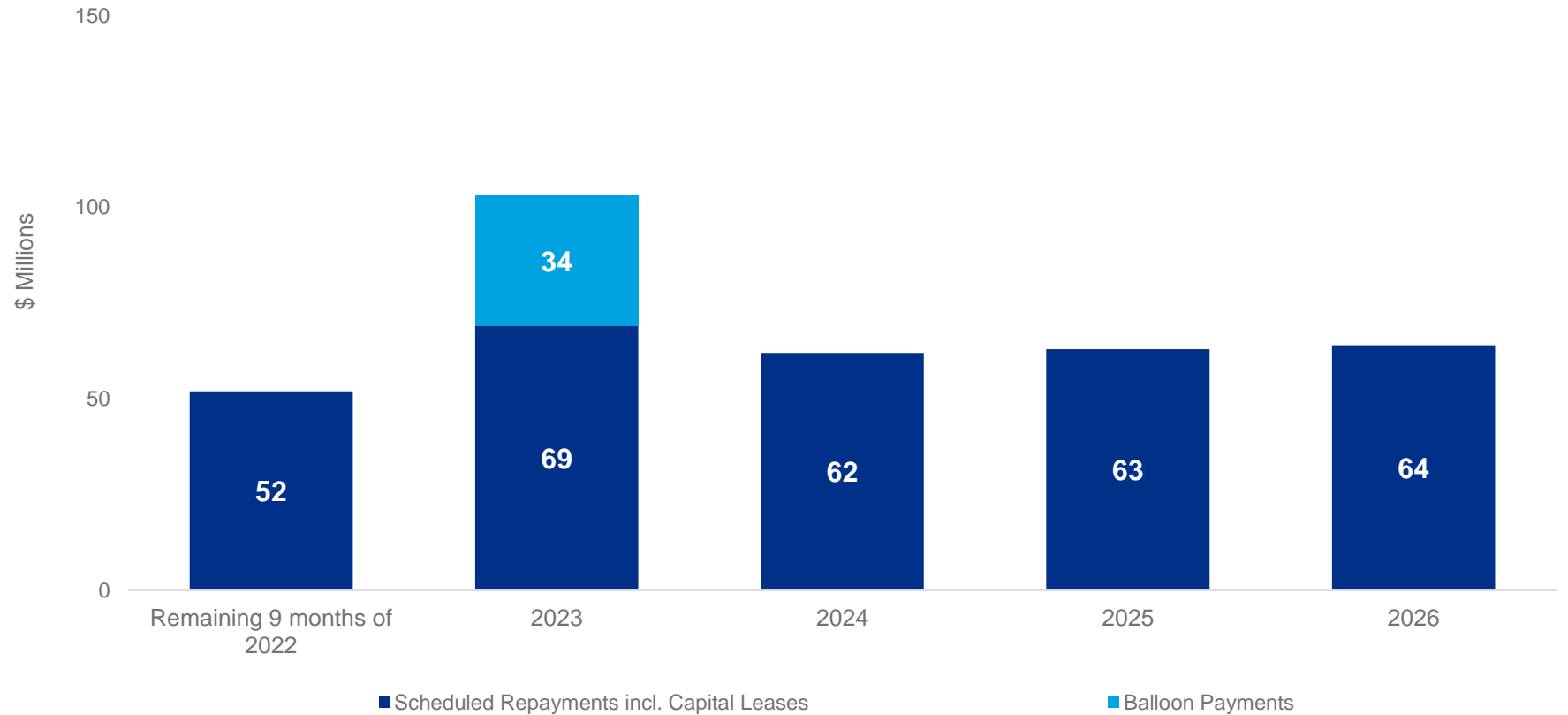


(1) Pro forma liquidity includes a \$32 million increase in liquidity from the \$114 million refinancing of 5 vessels completed in April 2022, which were previously financed under a corporate revolving credit facility, and a \$21 million increase in liquidity from the sale of two vessels which were delivered in April 2022.

Appendix

Manageable Debt Repayments

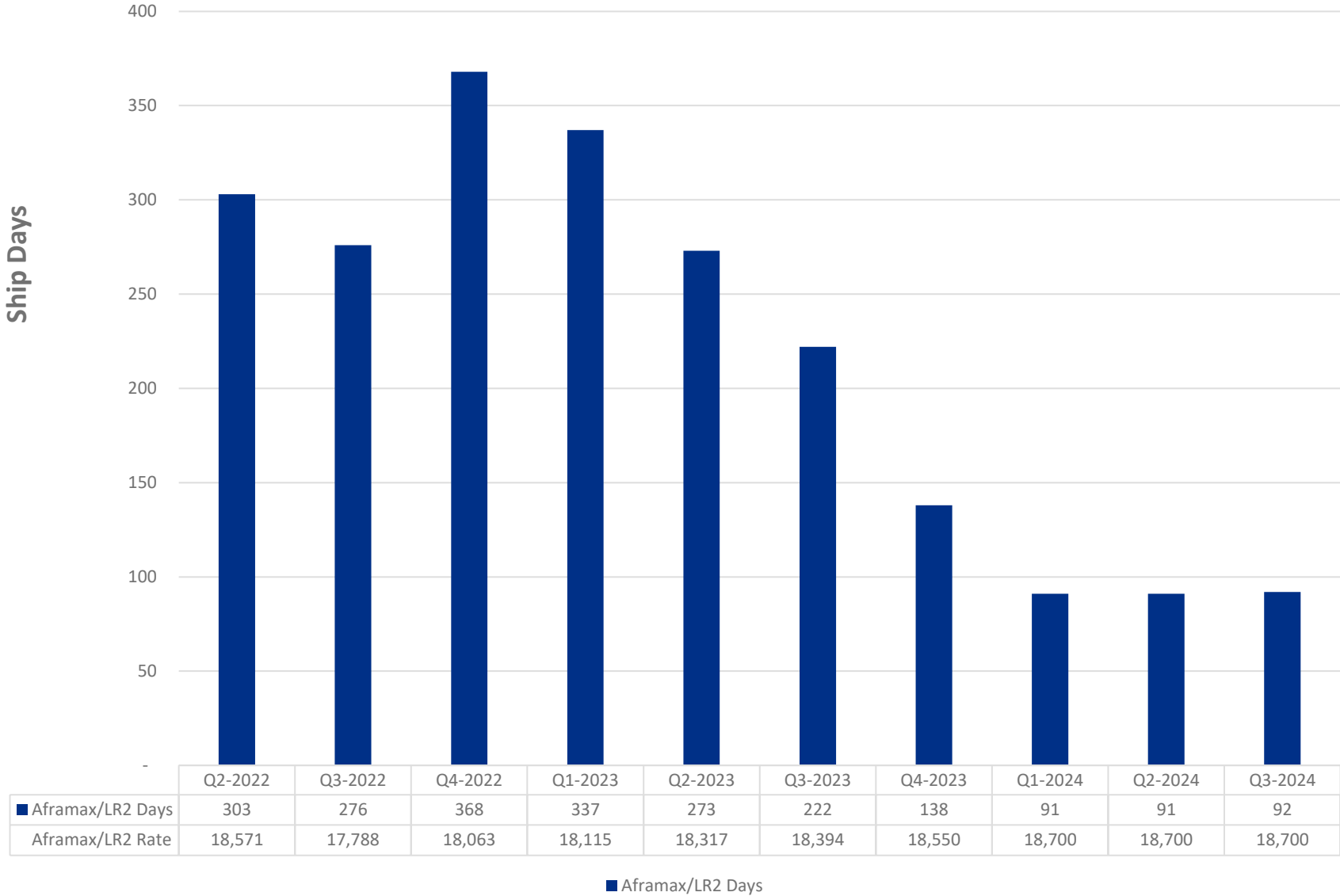
Debt Repayment Profile^(1,2)



(1) Excludes working capital loan facility which is expected to be continually extended for periods of six months

(2) Repayment profile based on current drawn amounts

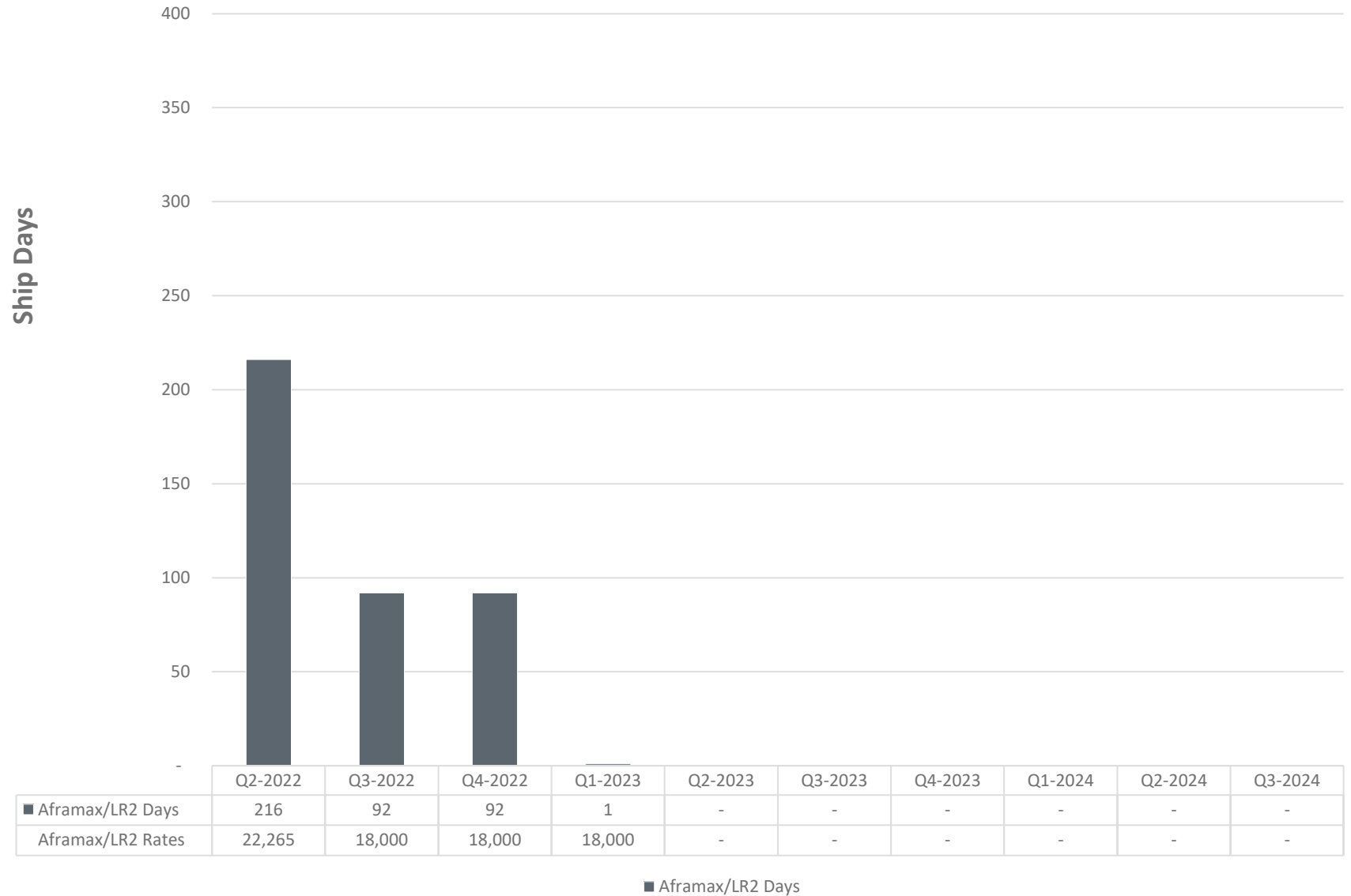
Fleet In-Charters⁽¹⁾



(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 16



Q2-22 Outlook

Income Statement Item	Q1-22 in thousands adjusted basis ⁽¹⁾	Q2-22 Outlook ⁽¹⁾ (expected changes from Q1-22)
Net revenues ⁽²⁾	72,373	Decrease of approximately 135 net revenue days, comprised of a reduction of 60 spot days and 75 fixed days, primarily due to the sale of three tankers in Q1-22 and Q2-22, more dry-docking days in Q2-22 compared to Q1-22, partially offset by an additional calendar day in Q2-22 and one 30-day in-chartered tanker that was delivered in Q2-22. Refer to Slide 5 for Q2-22 booked to-date spot tanker rates. Refer to Slide 12 for a summary of fleet out-charter employment.
Time-charter hire expenses	(5,550)	Increase of approximately \$1 million, primarily due to one 30-day in-chartered tanker that was delivered in Q2-22.
General and administrative expenses	(9,971)	Increase of approximately \$1 million, primarily due to the timing of expenditures.

(1) Changes described are after adjusting Q1-22 for items included in Appendix A of Teekay Tankers' Q1-22 Earnings Release and realized gains and losses on derivatives (see slide 15 of this earnings presentation for the Consolidated Adjusted Line Items for Q1-22).

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q1-22 Earnings Release for a definition of this term.



Adjusted Net Loss⁽¹⁾

Q1-22 vs Q4-21

(In thousands of U.S. dollars)

Statement Item	Q1-2022 (unaudited)	Q4-2021 (unaudited)	Variance	Comments
Revenues	173,995	160,155	13,840	
Voyage expenses	(101,622)	(95,968)	(5,654)	
Net revenues ⁽²⁾	72,373	64,187	8,186	Increase primarily due to higher overall spot TCE rates in Q1-22, partially offset by the sales of two vessels in Q1-22 and Q4-21, and fewer calendar days in Q1-22.
Vessel operating expenses	(39,001)	(40,095)	1,094	Decrease primarily due to the sale of two vessels in Q1-22 and Q4-21, and the timing of maintenance activities.
Time-charter hire expenses	(5,550)	(5,161)	(389)	
Depreciation and amortization	(25,080)	(26,668)	1,588	Decrease primarily due to the classification of three vessels as held-for-sale in Q4-21.
General and administrative expenses	(9,971)	(9,470)	(501)	
Loss from operations	(7,229)	(17,207)	9,978	
Interest expense	(6,894)	(7,161)	267	
Interest income	35	34	1	
Equity loss	(754)	(462)	(292)	
Other income	21	128	(107)	
Income tax recovery (expense)	820	(291)	1,111	Increase primarily due to vessel trading activities and regular assessment of tax positions.
Adjusted net loss	(14,001)	(24,959)	10,958	

(1) Refer to slide 15 for the Q1-22 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (GAAP). For the Q4-21 reconciliation, please refer to the Q4-21 earnings presentation.

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q1-22 Earnings Release for a definition of this term.

Consolidated Adjusted Statement of Loss

Q1-22

(In thousands of U.S. dollars)

Statement Item	As Reported	Appendix A Items ⁽¹⁾	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	174,018	-	(23)	173,995
Voyage expenses	(101,622)	-	-	(101,622)
Net revenues ⁽²⁾	72,396	-	(23)	72,373
Vessel operating expenses	(39,001)	-	-	(39,001)
Time-charter hire expenses	(5,550)	-	-	(5,550)
Depreciation and amortization	(25,080)	-	-	(25,080)
General and administrative expenses	(10,120)	149	-	(9,971)
Write-down of assets	(421)	421	-	-
Loss from operations	(7,776)	570	(23)	(7,229)
Interest expense	(8,162)	1,335	(67)	(6,894)
Interest income	35	-	-	35
Realized and unrealized gain on derivative instruments	2,028	(2,118)	90	-
Equity loss	(754)	-	-	(754)
Other (expense) income	(133)	154	-	21
Income tax recovery	820	-	-	820
Net loss	(13,942)	(59)	-	(14,001)

(1) Please refer to Appendix A in Teekay Tankers Q1-22 Earnings Release for a description of Appendix A items.

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q1-22 Earnings Release for a definition of this term



Drydock & Off-hire Schedule⁽¹⁾⁽²⁾⁽³⁾

Teekay Tankers Segment	March 31, 2022 (A)		June 30, 2022 (E)		September 30, 2022 (E)		December 31, 2022 (E)		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
Spot Tanker	2	118	4	128	6	211	1	33	13	490
Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-
Other - Unplanned Offhire	-	22	-	37	-	52	-	52	-	163
	2	140	4	165	6	263	1	85	13	653

(1) Includes vessels scheduled for drydocking, ballast water treatment system installation, 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) Vessel count only reflects the vessels with drydock and/or ballast water treatment system installation related off-hire.

