Teekay Tankers

Second Quarter 2022 Earnings Presentation

August 4, 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; the occurrence and timing of closing of expected Aframax sale transactions; crude oil and refined product tanker market fundamentals, including the balance of supply and demand in the oil and tanker markets and the continued volatility of such markets (especially in the near-term); the Company's expectation of an increase in oil demand over the medium-term and the various contributing factors thereto; the future outlook on the crude tanker spot markets; the durability of any improvement in market fundamentals; the outlook for the global economy and oil demand driven by various factors, including rising interest rates, inflation, and potential further COVID-19 lockdowns; forecasts of worldwide tanker fleet growth or contraction and newbuilding tanker orders and the Company's general outlook on tanker supply and demand fundamentals; the continuing impact of the COVID-19 pandemic (including new variants or outbreaks) and related developments on the Company's business and tanker and oil market fundamentals; anticipated increased oil imports into China and forecasted increases in global oil supply; 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 and impact of altered trade patterns; the Company's expectations regarding the formalization of import restrictions and the impact thereof on Russian oil supply and exports; the Company's views regarding the impact of a potential recession; the Company's liquidity and market position and its ability to prioritize long-term financial strength, act opportunistically and maximize shareholder value; 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 or outbreaks) 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 and related sanctions; 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 $58.1 million, up $40.6 million from Q1-22

Adjusted net income[1] of $25.7 million, or $0.76 per share, compared to adjusted net loss[1] of $(14.0) million, or $(0.41) per share, in Q1-22

Balance Sheet

High operating leverage with 49 vessel trading in the spot market supports continued balance sheet improvements

- Pro forma liquidity of approximately $249 million as at June 30, 2022[2]
- Net debt to capitalization of 39% as at June 30, 2022

Market Activity

Oil supply chain disruptions related to Russia-Ukraine conflict are proving to be durable, driving average rates higher amid continued volatility

Positive medium-term outlook due to robust underlying tanker supply and demand fundamentals

Agreed to sell one 2005-built Aframax for approximately $24.8 million

In-chartered one Aframax for $23,000 per day for two years

(1) These are non-GAAP financial measures. Please see Teekay Tankers' Q2-22 earnings release for definitions and reconciliations to the comparable GAAP measures.
(2) Pro forma liquidity includes a $21 million increase in liquidity from the sale of one vessel expected to deliver in Q3-2022.

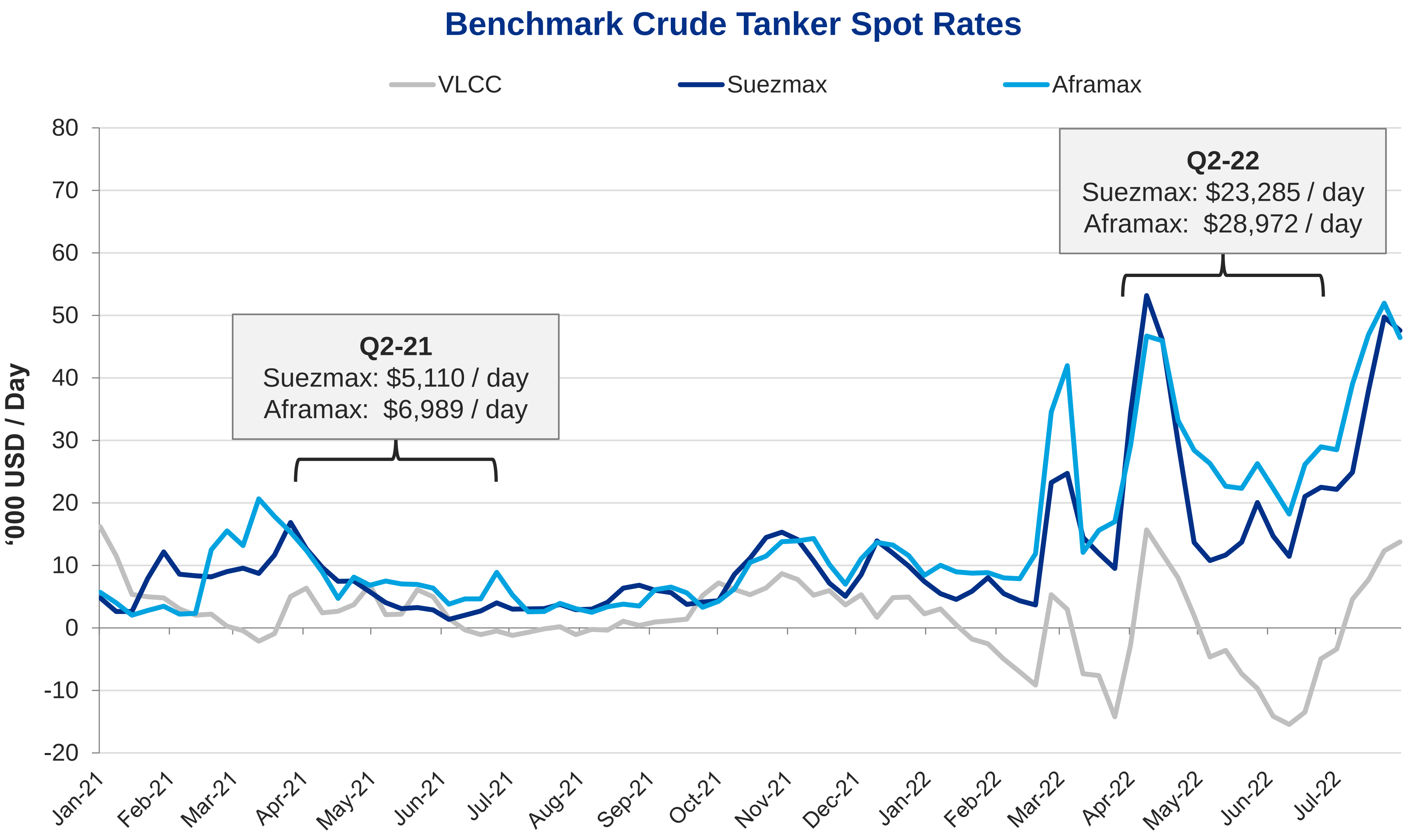
Significant Increase in Mid-Size Tanker Spot Rates in Q2-22

Return of spot rate volatility following Russia's invasion of Ukraine in late Feb-22 with rates in Q2-22 averaging significantly higher both quarter-on-quarter and year-on-year:

- Pronounced volatility, with troughs generally at or above 2021 peaks
- Increase in rates due to combined impact of limited supply growth and significantly lengthened voyages
- Changing trade patterns have disproportionately benefited mid-size tankers due to the load and discharge regions involved

Rates have remained strong in the early part of Q3-22:

- Russia-Ukraine impacts on tonne-mile appear to be durable

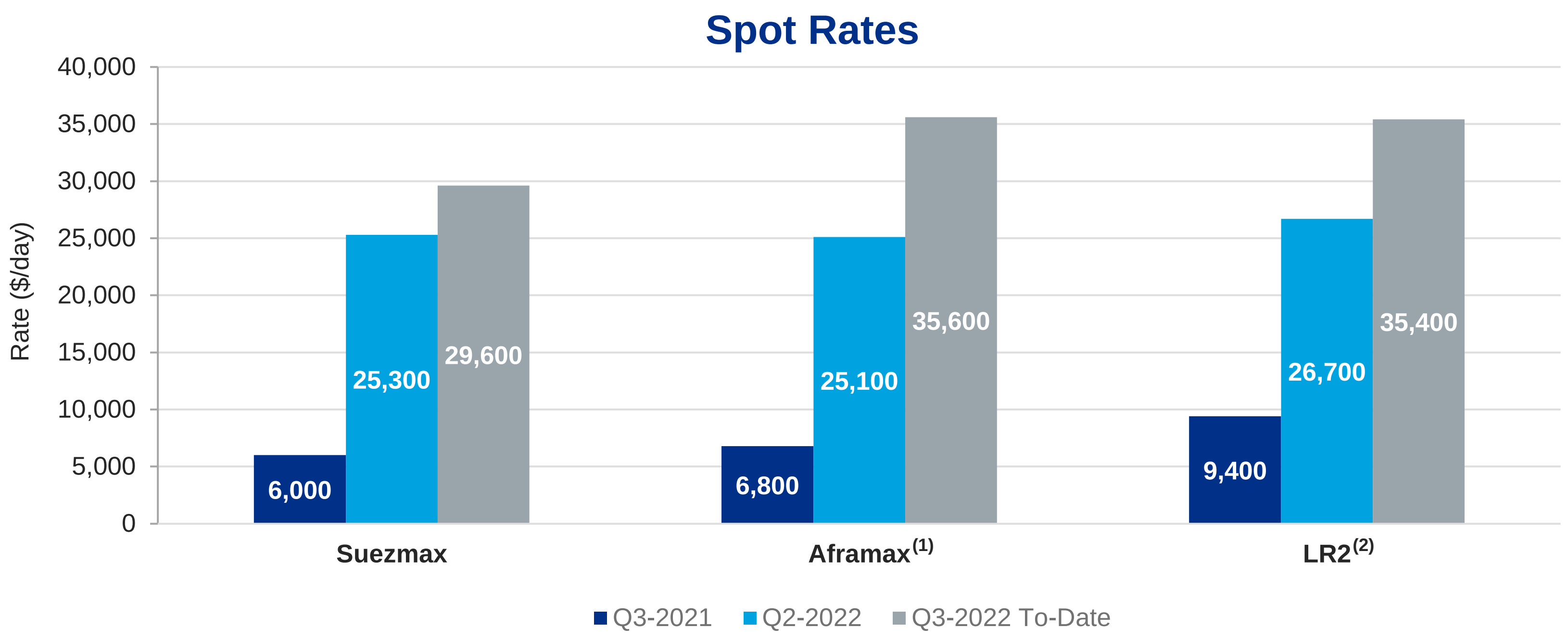


Source: Clarksons (basis 2010-built, excludes Black Sea and Baltic Sea routes)

Q3-22 To-Date Spot Rates

Q3-22 to-date rates are strong during what is traditionally a seasonally weak quarter

Q3-22 to-date rates are 3-5x higher compared to last year's Q3 rates.



	Suezmax	Aframax[1]	LR2[2]
Q3-22 spot ship days available	2,217	1,064	837
Q3-22 % spot ship days booked to-date	43%	37%	37%

(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.

Russia-Ukraine Tonne-Mile Impacts Proving to be Durable for Mid-Size Tankers

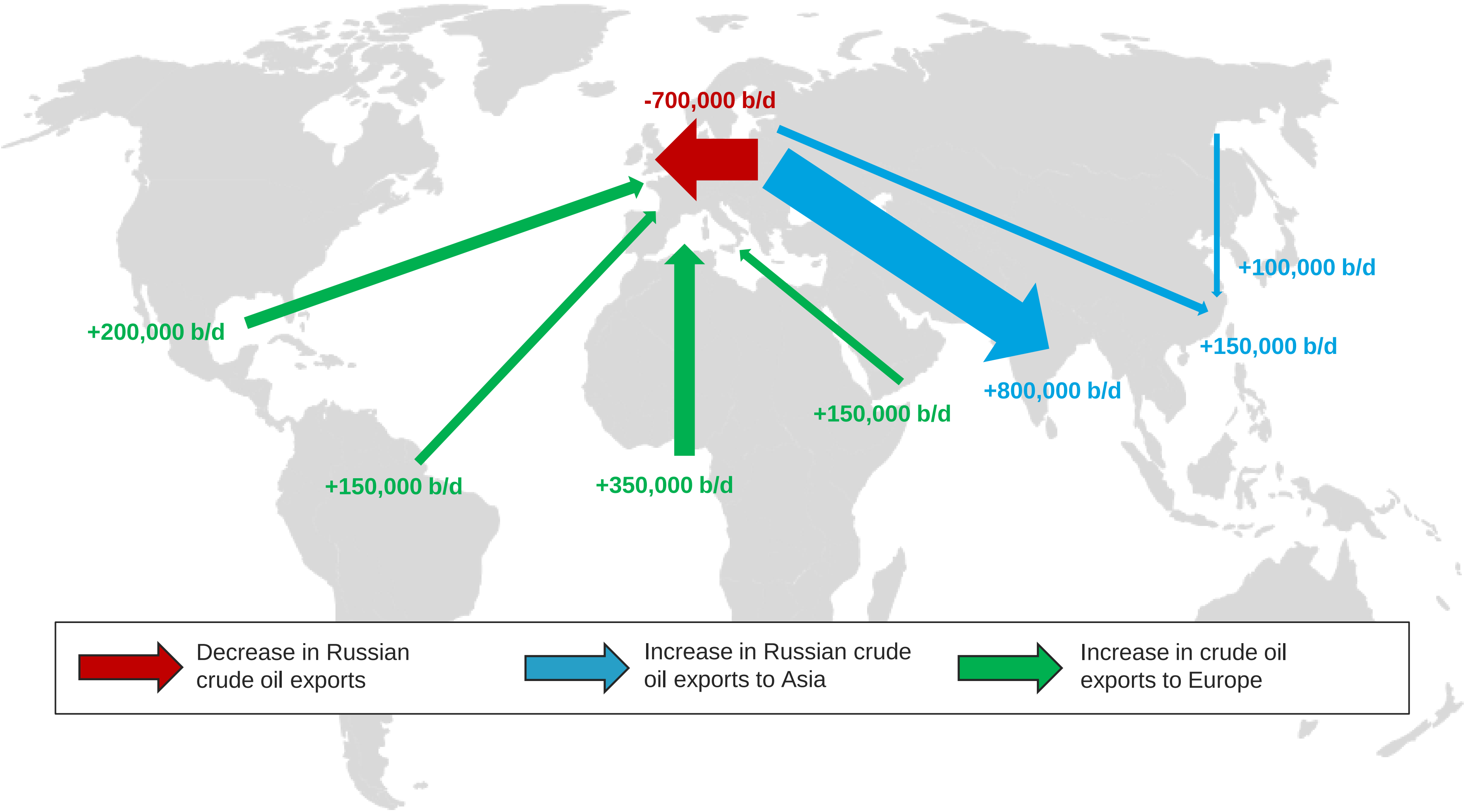
Short-haul movements of Russian crude oil into Europe have continued to fall and are expected to decline further once the EU's ban on Russian crude comes into force in late-2022

China, and in particular, India, have increased their purchases of Russian crude, which is driving tanker tonne-mile demand higher

In turn, Europe is having to turn to alternative sources of crude from further away in order to replace Russian barrels

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

Changing Crude Oil Trade Patterns Following Russia's Invasion of Ukraine



Source: Kpler – compares average seaborne crude oil flows in the 3 months prior to Russia's invasion of Ukraine vs. 3 months after

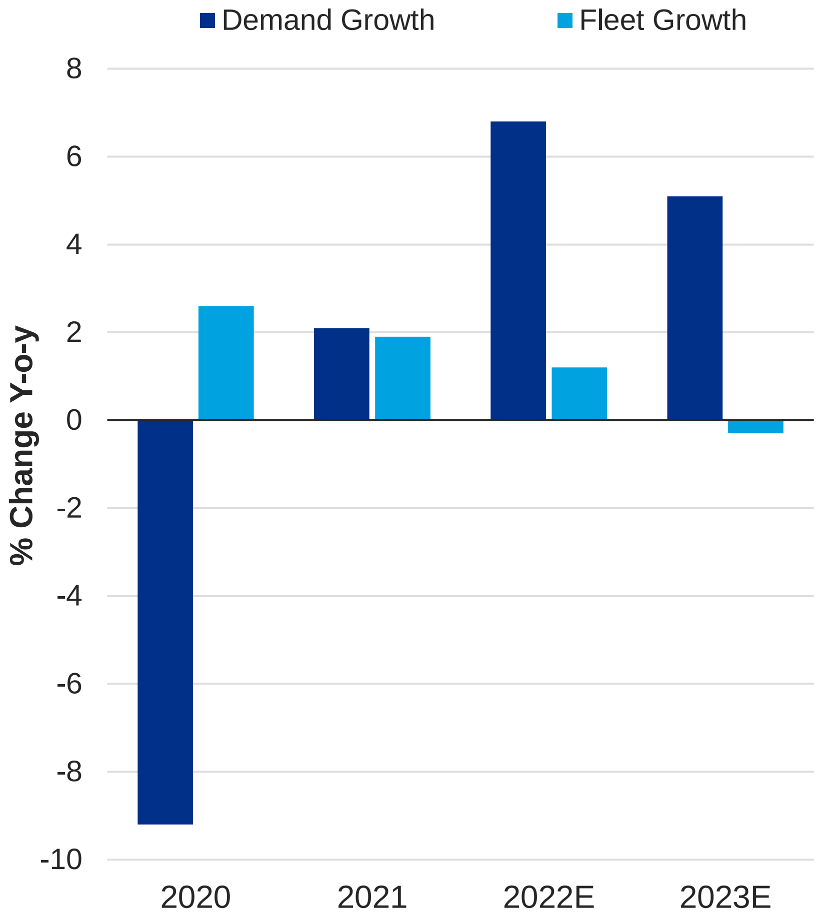
Robust Tanker Supply / Demand Fundamentals For Next 2-3 Years

Tanker demand growth is projected to significantly outstrip supply growth in both 2022 and 2023, leading to higher fleet utilization and a firmer spot rate environment

Fleet supply fundamentals are also very positive for 2024 and 2025 due to a lack of new tanker orders and a diminishing orderbook:

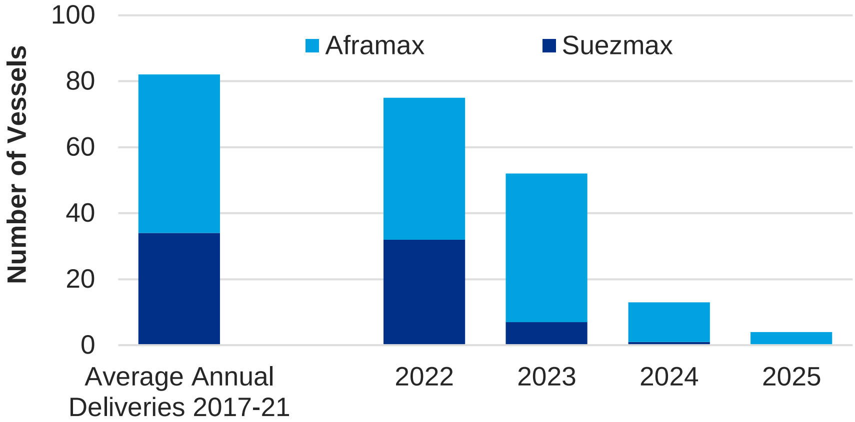
- Tanker orders in 1H-22 were the lowest since at least 1996 with no VLCC or Suezmax orders since June 2021 and very few Aframax orders
- The orderbook measured as a percentage of the existing fleet is currently at a record low of 5.2%
- Shipyards are now largely full through end-2025
- High newbuilding prices, a lack of shipyard capacity, and uncertainty over vessel technology is likely to keep the level of new tankers orders low in the near-term

Tanker Demand Set to Outstrip Fleet Growth in 2022 / 23



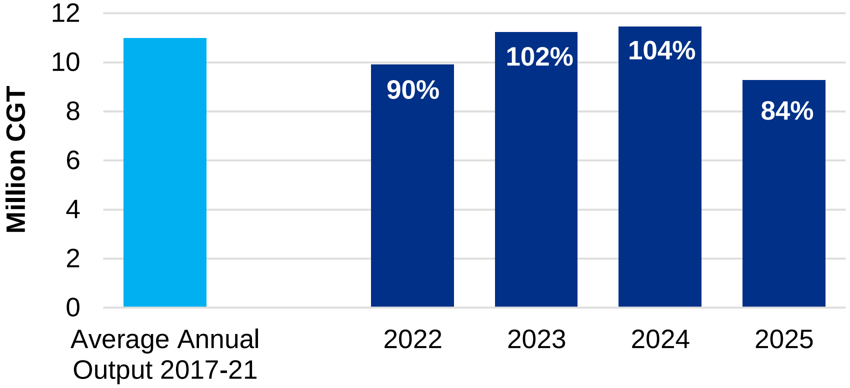
Source: Clarksons (Demand Growth);
Clarksons / Internal Estimates (Fleet Growth)

Mid-Size Deliveries (as per Current Orderbook)



Source : Clarksons

Shipyard Orderbook (All Sectors) vs. Capacity



Source: Clarksons / Internal Estimates

High Operating Leverage and Improved Rates Enable Balance Sheet Deleveraging

High operating leverage coupled with recent market strength enables balance sheet improvements after almost two-year downturn

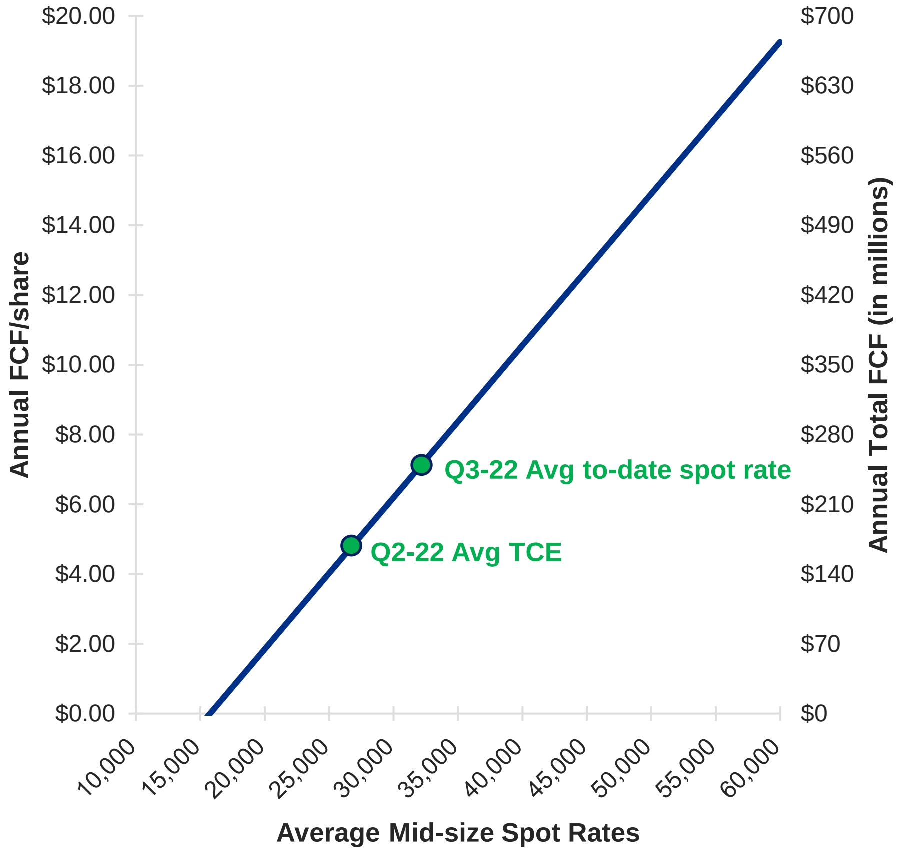
49 vessels (98% of the fleet) trading in spot market; well-positioned to generate significant cash flow in strong rate environment

Based on Q3-22 to-date rates, annualized FCF[(1)] would be approximately $7.04/share resulting in a FCF yield of 31%[(3)]

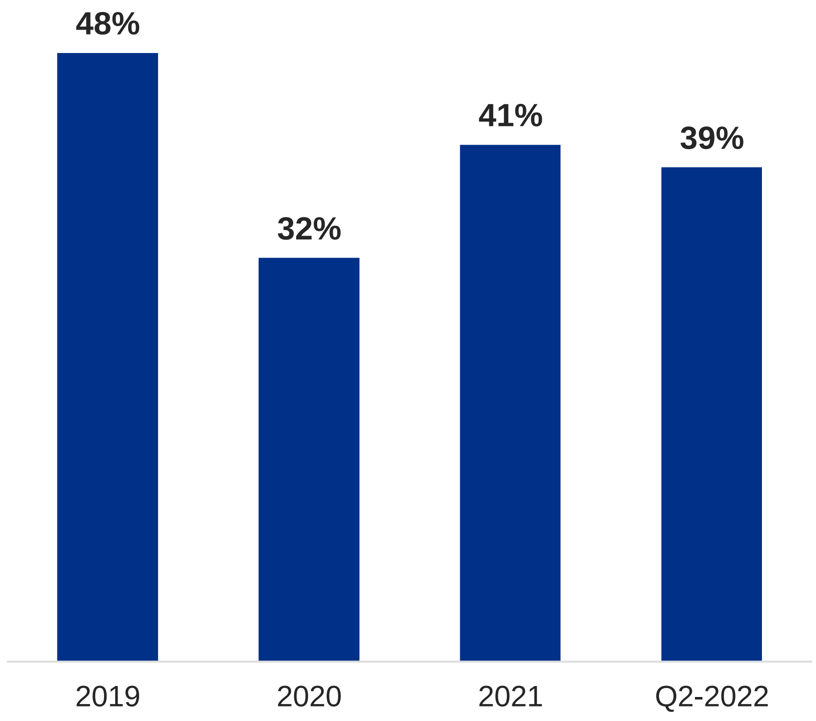
Pro forma liquidity of $249 million at end of Q2-22[(4)]

Net debt[(5)] to balance sheet capitalization of 39% as at June 30, 2022

FCF Per Share Spot Rate Sensitivity Next 12 Months[(1,2)]



Net Debt[(5)] to Balance Sheet Capitalization

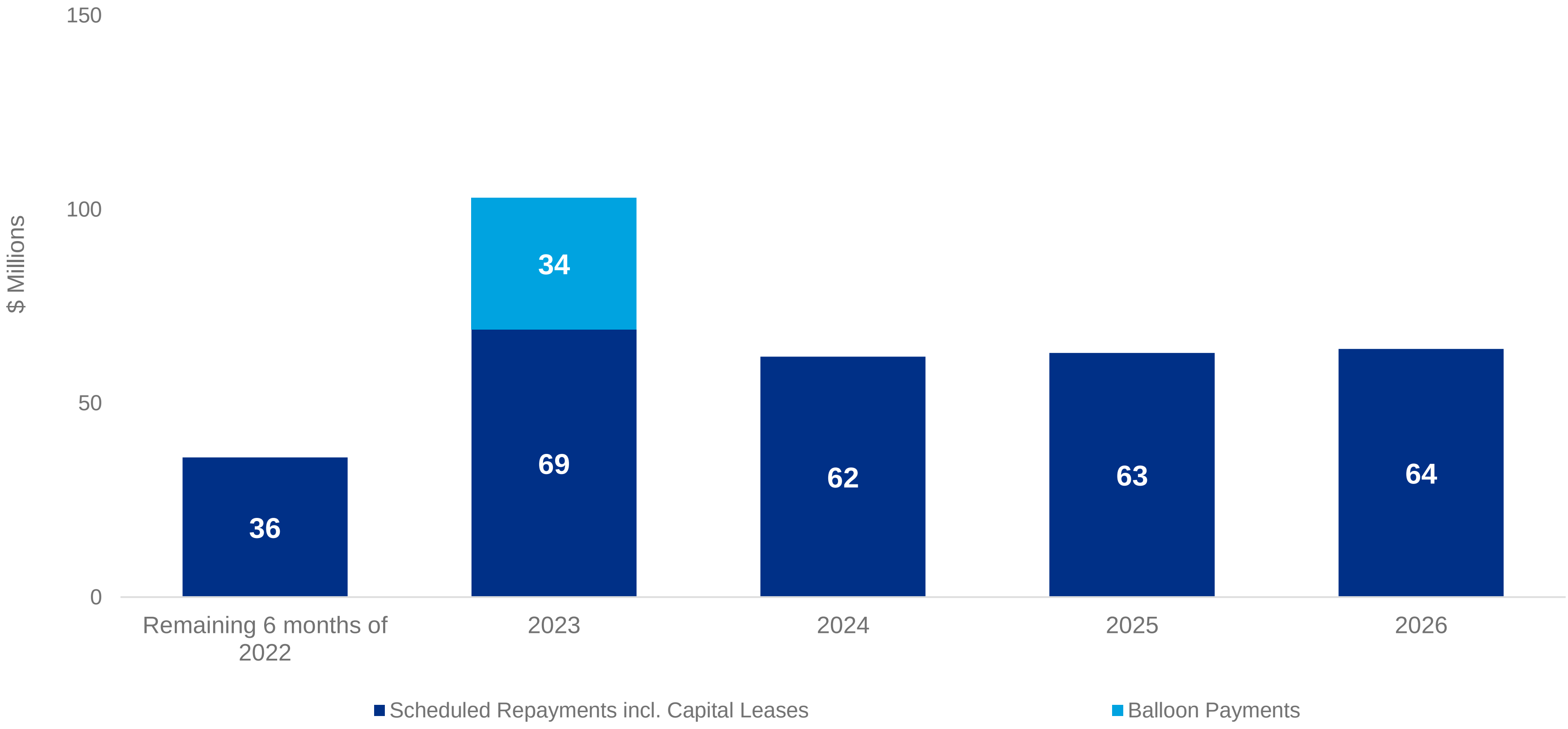


(1) Free cash flow (FCF) represents net income, plus depreciation and amortization, unrealized losses from derivatives, non-cash items, FCF from equity-accounted investments and any write-offs or other non-recurring items, less unrealized gains from derivatives, other non-cash items, dry docking expenditures and other capital expenditures.
(2) For 12 months ending June 30, 2023
(3) Free Cash Flow (FCF) yield is calculated based on annualizing free cash flow for a given quarter divided by TNK's closing share price on August 3, 2022 of $22.69
(4) Pro forma liquidity includes a $21 million increase in liquidity from the sale of one vessel expected to deliver in Q3-2022
(5) Net debt is a non-GAAP financial measure and represents short-term, current and long-term debt and current and long-term obligations related to finance leases less cash and cash equivalents and restricted cash

Appendix

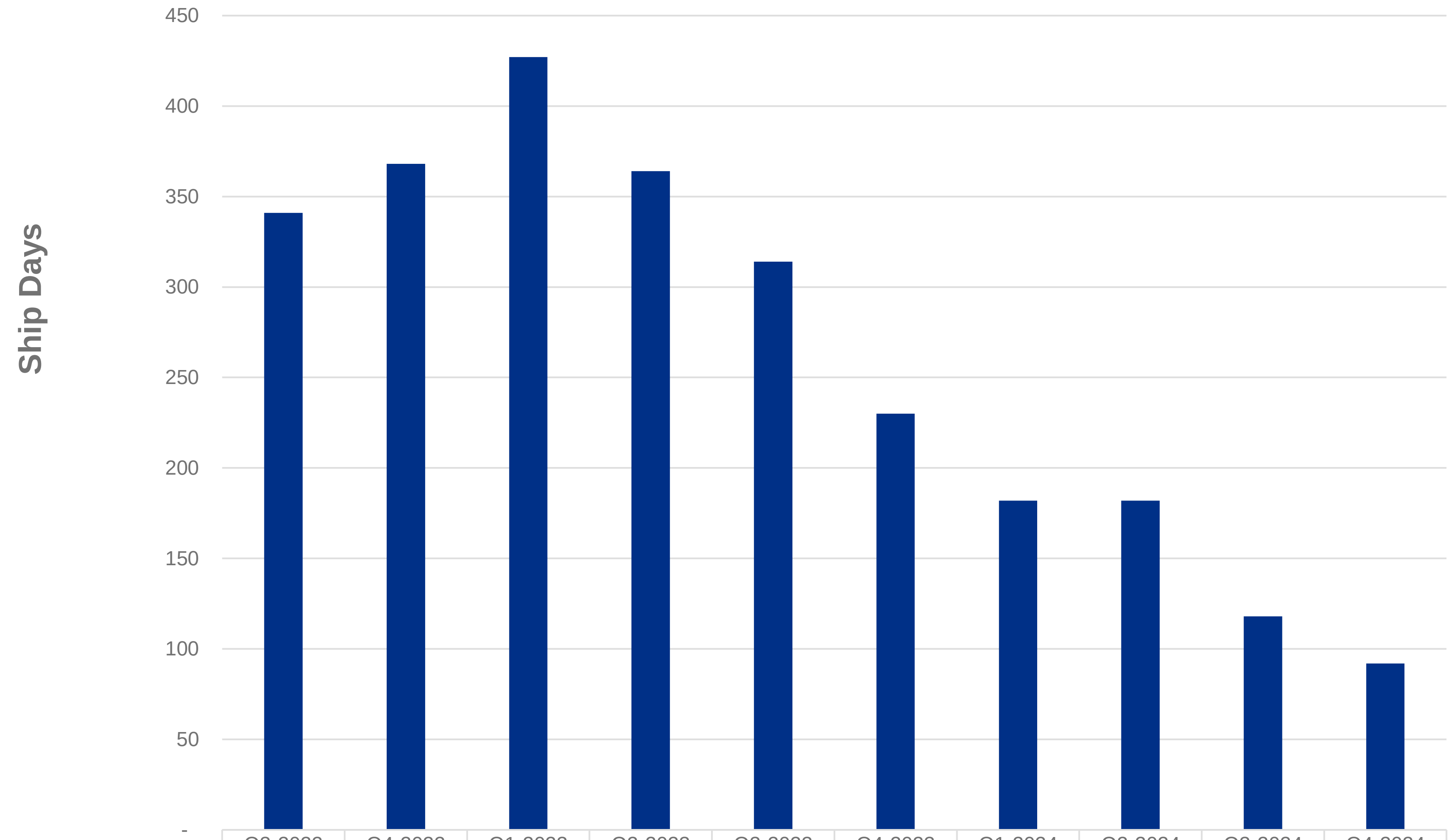
Manageable Debt Repayments

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)]

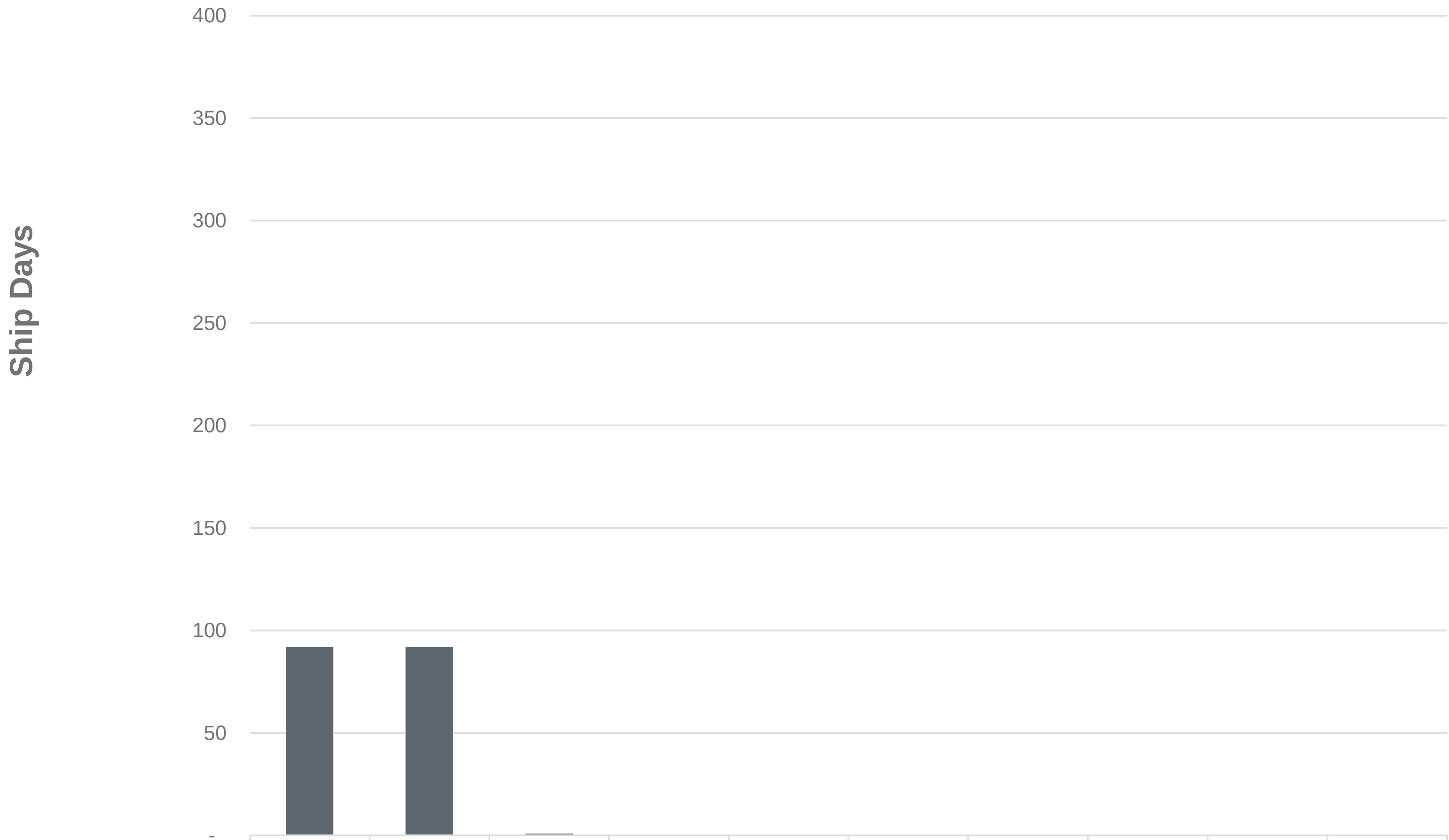


	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024
Aframax/LR2 Days	341	368	427	364	314	230	182	182	118	92
Aframax/LR2 Rate	18,782	19,138	19,144	19,488	19,743	20,330	20,850	20,850	19,647	18,700

Aframax/LR2 Days

(1) Based on existing charters excluding extension options

Fleet Out-Charters[(1)]



	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Q1-2024	Q2-2024	Q3-2024	Q4-2024
Aframax/LR2 Days	92	92	1	-	-	-	-	-	-	-
Aframax/LR2 Rates	18,000	18,000	18,000	-	-	-	-	-	-	-

■ Aframax/LR2 Days

(1) Based on existing charters excluding extension options and expected drydock / off-hire days noted on slide 16

Q3-22 Outlook

Income Statement Item	Q2-22 in thousands adjusted basis[1]	Q3-22 Outlook[1] (expected changes from Q2-22)
Net revenues [2]	115,709	Decrease of approximately 130 net revenue days, comprised of a reduction of 15 spot days and 115 fixed days, primarily due to more dry-docking days in Q3-22 compared to Q2-22, as well as the sale of two tankers and the redelivery of one 35-day in-chartered tanker in Q2-22, partially offset by one in-chartered tanker that was delivered in Q3-22 and an additional calendar day in Q3-22. Decrease of approximately $2 million due to an increase in voyage expenses related to off-hire bunker consumption for seven vessels being dry docked in Q3-22 compared to one vessel in Q2-22. Refer to Slide 5 for Q3-22 booked to-date spot tanker rates. Refer to Slide 12 for a summary of fleet out-charter employment.
Vessel operating expenses	(39,255)	Decrease of approximately $1 million, primarily due to the sale of two tankers in Q2-22 and the timing of maintenance activities.
Time-charter hire expenses	(6,553)	Increase of approximately $1 million, primarily due to one in-chartered tanker that was delivered in Q3-22, partially offset by the redelivery of one 35-day in-chartered tanker in Q2-22.
Depreciation and amortization	(25,243)	Decrease of approximately $1 million, primarily due to the classification of one tanker as held-for-sale in Q2-22.
Interest expense	(7,989)	Increase of approximately $0.5 million, primarily due to higher interest payments resulting from an increase in LIBOR.
Income tax recovery	822	Decrease of approximately $2 million due to vessel trading activities and regular assessment of tax positions.

(1) Changes described are after adjusting Q2-22 for items included in Appendix A of Teekay Tankers' Q2-22 Earnings Release and realized gains and losses on derivatives (see slide 15 of this earnings presentation for the Consolidated Adjusted Line Items for Q2-22).

(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q2-22 Earnings Release for a definition of this term.

Adjusted Net Income (Loss)[1]

Q2-22 vs Q1-22

(In thousands of U.S. dollars)

Statement Item	Q2-2022 (unaudited)	Q1-2022 (unaudited)	Variance	Comments
Revenues	242,689	173,995	68,694	
Voyage expenses	(126,980)	(101,622)	(25,358)	
Net revenues [2]	115,709	72,373	43,336	Increase primarily due to higher overall spot TCE rates in Q2-22, partially offset by the sales of one Suezmax vessel in Q1-22 and two Aframax vessels in Q2-22.
Vessel operating expenses	(39,255)	(39,001)	(254)	
Time-charter hire expenses	(6,553)	(5,550)	(1,003)	Increase primarily due to a 35-day in-charter of one Aframax vessel in Q2-22.
Depreciation and amortization	(25,243)	(25,080)	(163)	
General and administrative expenses	(11,020)	(9,971)	(1,049)	Increase primarily due to higher corporate expenses and the timing of expenditures.
Income (loss) from operations	33,638	(7,229)	40,867	
Interest expense	(7,989)	(6,894)	(1,095)	Increase primarily due to higher interest payments resulting from an increase in LIBOR.
Interest income	167	35	132	
Equity loss	(931)	(754)	(177)	
Other (expense) income	(50)	21	(71)	
Income tax recovery	822	820	2	
Adjusted net income (loss)	25,657	(14,001)	39,658	

(1) Refer to slide 15 for the Q2-22 reconciliations of non-GAAP financial measures to the most directly comparable financial measures under United States generally accepted accounting principles (*GAAP*). For the Q1-22 reconciliation, please refer to the Q1-22 earnings presentation.
(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q2-22 Earnings Release for a definition of this term.

Consolidated Adjusted Statement of Income

Q2-22

(In thousands of U.S. dollars)

Statement Item	As Reported	Appendix A Items (1)	Reclassification for Realized Gain/ Loss on Derivatives	As Adjusted
Revenues	242,389	-	300	242,689
Voyage expenses	(126,980)	-	-	(126,980)
Net revenues (2)	115,409	-	300	115,709
Vessel operating expenses	(39,255)	-	-	(39,255)
Time-charter hire expenses	(6,553)	-	-	(6,553)
Depreciation and amortization	(25,243)	-	-	(25,243)
General and administrative expenses	(11,020)	-	-	(11,020)
Gain on sale of vessels	1,153	(1,153)	-	-
Restructuring charge	(413)	413	-	-
Income from operations	34,078	(740)	300	33,638
Interest expense	(8,888)	867	32	(7,989)
Interest income	167	-	-	167
Realized and unrealized gain on derivative instruments	872	(540)	(332)	-
Equity loss	(931)	-	-	(931)
Other income (expense)	2,428	(2,478)	-	(50)
Income tax recovery	822	-	-	822
Net income	28,548	(2,891)	-	25,657

(1) Please refer to Appendix A in Teekay Tankers Q2-22 Earnings Release for a description of Appendix A items.
(2) Net revenues is a non-GAAP financial measure. Please refer to the Teekay Tankers Q2-22 Earnings Release for a definition of this term

Drydock & Off-hire Schedule[1][2][3]

Teekay Tankers	March 31, 2022 (A)		June 30, 2022 (A)		September 30, 2022 (E)		December 31, 2022 (E)		Total 2022 (E)	
Segment	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	1	65	7	230	2	66	12	479
Fixed-Rate Tanker	-	-	-	-	-	-	-	-	-	-
Other - Unplanned Offhire	-	22	-	30	-	43	-	52	-	147
	2	140	1	95	7	273	2	118	12	626

(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.