



GIBSON ENERGY
MANAGEMENT'S
DISCUSSION & ANALYSIS
2026 SECOND QUARTER REPORT

TSX:GEI



Table of Contents

BUSINESS OVERVIEW	1
CONSOLIDATED FINANCIAL RESULTS	2
Q2 2026 REVIEW	3
RESULTS OF OPERATIONS AND TRENDS IMPACTING THE BUSINESS	4
EXPENSES	8
SUMMARY OF QUARTERLY RESULTS	9
LIQUIDITY AND CAPITAL RESOURCES	10
CAPITAL EXPENDITURES AND EQUITY INVESTMENTS	14
OFF-BALANCE SHEET ARRANGEMENTS	15
OUTSTANDING SHARE DATA	15
QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	15
CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES	16
ACCOUNTING POLICIES	17
DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING	17
SPECIFIED FINANCIAL MEASURES	18
RISK FACTORS	25
FORWARD-LOOKING INFORMATION	26
TERMS AND ABBREVIATIONS	29

Basis of Presentation

The following MD&A was approved by the Board of Gibson Energy Inc. ("we", "our", "us", "Gibson", "Gibson Energy" or the "Company") as of July 27, 2026, and should be read in conjunction with the unaudited condensed consolidated financial statements and related notes of the Company for the three and six months ended June 30, 2026 and 2025, and the audited consolidated financial statements and related notes of the Company for the years ended December 31, 2025, and 2024, prepared under IFRS Accounting Standards. Amounts are stated in thousands of Canadian dollars except volumes and per share data, unless otherwise noted. The unaudited condensed consolidated financial statements do not include all the annual disclosures required by IFRS Accounting Standards and should be read in conjunction with the audited consolidated financial statements and related notes for the fiscal years ended December 31, 2025 and 2024. Additional information about Gibson, including the AIF, is available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.gibsonenergy.com. This MD&A contains forward-looking statements and specified financial measures and readers are cautioned that this MD&A should be read in conjunction with the Company's disclosures under "Forward-Looking Information" and "Specified Financial Measures". For a list of common terms or abbreviations used in this MD&A, refer to "Terms and Abbreviations".

Specified Financial Measures

The Company has identified certain specified financial measures that management believes provide meaningful information in assessing the Company's underlying performance. Readers are cautioned that these measures do not have a standardized meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities. Refer to the "Specified Financial Measures" section of this MD&A for a list and description of each measure, including, where applicable, reconciliations to the most directly comparable GAAP measure.

BUSINESS OVERVIEW

Gibson is a leading liquids infrastructure company providing storage, optimization, processing, gathering and waterborne vessel loading services for liquids and refined products. Headquartered in Calgary, Alberta, the Company's operations are located across North America, with core terminal assets in Hardisty and Edmonton, Alberta, Ingleside and Wink, Texas, and a facility in Moose Jaw, Saskatchewan.



CONSOLIDATED FINANCIAL RESULTS

(\$ thousands, except where noted)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
Revenue	4,833,890	2,759,642	2,074,248	7,588,783	5,507,352	2,081,431
Segment profit	213,435	165,708	47,727	333,528	333,647	(119)
Adjusted EBITDA ⁽¹⁾	168,524	146,415	22,109	307,579	288,602	18,977
Net income	82,890	60,699	22,191	81,532	110,652	(29,120)
Cash flow from operating activities	187,492	99,380	88,112	217,183	221,232	(4,049)
Distributable cash flow ⁽¹⁾	96,083	81,280	14,803	169,985	172,054	(2,069)
Growth capital, acquisitions and equity investments ⁽²⁾	421,594	43,391	378,203	427,882	77,325	350,557
Basic income per share (\$/share)	0.49	0.37	0.12	0.48	0.68	(0.20)
Diluted income per share (\$/share)	0.48	0.37	0.11	0.47	0.67	(0.20)
Dividends declared	77,621	70,394	7,227	155,232	140,786	14,446
Dividends (\$/share)	0.45	0.43	0.02	0.90	0.86	0.04
				Trailing twelve months ended June 30,		
				2026	2025	Change
Ratios						
Net debt to adjusted EBITDA ⁽³⁾				4.2	4.0	0.2
Infrastructure leverage ⁽³⁾				4.4	4.1	0.3
Dividend payout ⁽³⁾				88%	83%	5%
Infrastructure-only payout ⁽³⁾				83%	79%	4%
Cash flow from operating activities per share (\$/share) – basic				3.03	4.24	(1.21)
Distributable cash flow per share (\$/share) – basic ⁽³⁾				2.01	2.02	(0.01)

(1) Adjusted EBITDA and distributable cash flow are non-GAAP financial measures. See the "Specified Financial Measures" section of this MD&A for information on each non-GAAP financial measure.

(2) Growth capital, acquisitions and equity investments is a supplementary financial measure. See the "Specified Financial Measures" section of this MD&A for more information.

(3) Net debt to adjusted EBITDA, Infrastructure leverage, dividend payout, Infrastructure-only payout and distributable cash flow per share are non-GAAP financial ratios. See the "Specified Financial Measures" section of this MD&A for more information on each non-GAAP financial ratio. The Company expects that the net debt to adjusted EBITDA ratio will be temporarily elevated until twelve-months of adjusted EBITDA from the Chauvin acquisition is reflected in the Company's net debt to adjusted EBITDA ratio.



Q2 2026 REVIEW

- o Segment profit of \$213.4 million and \$333.5 million increased by \$47.7 million and decreased by \$0.1 million for the three and six months ended June 30, 2026, compared to \$165.7 million and \$333.6 million for the three and six months ended June 30, 2025. The increase for the three months period was due to higher levels of Marketing activity, as well as higher average commodity prices as a result of Iran/U.S. conflict, higher Infrastructure segment profit, and the result of relative movement in unrealized gains and losses on financial instruments. The six months period was largely consistent, due to higher Infrastructure segment profit, primarily due to higher contribution from Gateway Terminal, as well as from the Chauvin Acquisition, largely offset by decrease in Marketing segment profit, primarily due to the unrealized gains and losses on financial instruments.
- o Adjusted EBITDA of \$168.5 million and \$307.6 million increased by \$22.1 million and \$19.0 million for the three and six months ended June 30, 2026, compared to \$146.4 million and \$288.6 million for the three and six months ended June 30, 2025, primarily due to the factors impacting segment profit as noted above and the impact of removing unrealized gains and losses on financial instruments recorded in both periods.
- o Net income of \$82.9 million and \$81.5 million increased by \$22.2 million and decreased by \$29.2 million for the three and six months ended June 30, 2026, compared to \$60.7 million and \$110.7 million for the three and six months ended June 30, 2025. The increase in the three months was primarily due to the factors affecting segment profit as noted above, partially offset by higher general and administrative costs, acquisition and integration costs from the Chauvin Acquisition, unrealized gains and losses in relation in corporate financial instruments, higher finance costs and higher income tax expense. The decrease in the six months was primarily due to the factors affecting segment profit as noted above, higher general and administrative costs, restructuring costs, acquisition and integration costs and higher finance costs, partially offset by lower income tax expense.
- o Cash inflow from operating activities of \$187.5 million and \$217.2 million increased by \$88.1 million and decreased by \$4.0 million for the three and six months ended June 30, 2026, compared to cash inflows of \$99.4 million and \$221.2 million for the three and six months ended June 30, 2025. The increase was primarily due to the factors contributing to higher adjusted EBITDA as noted above, and changes in working capital items, partially offset by higher income taxes paid.
- o Distributable cash flow of \$96.1 million and \$170.0 million increased by \$14.8 million and decreased by \$2.1 million for the three and six months ended June 30, 2026, compared to \$81.3 million and \$172.1 million for the three and six months ended June 30, 2025. The increase in the three months was primarily due to the factors contributing to higher adjusted EBITDA as noted above, partially offset by higher finance cost, and higher current income tax expense. The six months period was largely consistent, due to the factors contributing adjusted EBITDA as above, as well as higher finance cost, and higher current income tax expense.
- o Net debt to adjusted EBITDA ratio was 4.2x for the twelve months ended June 30, 2026, compared to 4.0x for the twelve months ended June 30, 2025. The Company expects that the net debt to adjusted EBITDA ratio will be temporarily elevated until twelve-months of adjusted EBITDA from the Chauvin Acquisition is reflected in the Company's net debt to adjusted EBITDA ratio.
- o Growth capital, acquisition and equity investments was \$427.9 million for the six months ended June 30, 2026, primarily due to the Chauvin Acquisition.
- o The Company declared quarterly dividends in the aggregate of \$0.90 per common share in the six months ended June 30, 2026, compared to \$0.86 per common share in the six months ended June 30, 2025. Total dividends declared for the three and six months ended June 30, 2026, were \$77.6 million and \$155.2 million, compared to \$70.4 million and \$140.8 million for the three and six months ended June 30, 2025.
- o On May 1, 2026, the Company closed the previously announced Chauvin Acquisition for \$400.0 million, subject to customary closing adjustments, extending its footprint at Hardisty. Concurrent with the acquisition, the Company sanctioned the Hardisty Connection growth project which will directly connect the Chauvin Acquisition to the Company's core terminal with enhanced connectivity.
- o On June 30, 2026, the Company amended its revolving credit facility and extended the maturity date from June 2030 to June 2031.



SUBSEQUENT EVENTS

- o On July 9, 2026, the Company closed its offering of \$400.0 million 4.45% senior unsecured medium-term notes due January 9, 2034.
- o On July 27, 2026, the Board declared a quarterly dividend on its outstanding common shares of \$0.45 per common share, for the third quarter of 2026. The common share dividend is payable on October 16, 2026, to shareholders of record at the close of business on September 29, 2026.

RESULTS OF OPERATIONS AND TRENDS IMPACTING THE BUSINESS

Gibson regularly evaluates its long-range strategic plan in order to assess the implications of emerging macroeconomic, societal, political and industry trends, and how these trends have the potential to affect Gibson's business and prospects over the short-term and the medium to long-term. Management has identified risk factors that could have a material impact on the financial results and operations of the Company. Such risk factors are described in the "Risk Factors" section of the 2025 year end MD&A and AIF. Also see the "Risk Factors" section of this MD&A. The Company's financial and operational performance is potentially affected by a number of factors, including, but not limited to, the factors described within the "Forward-Looking Information" section of this MD&A. This MD&A contains forward-looking statements based on the Company's current expectations, estimates, projections and assumptions. This information is provided to assist readers in understanding the Company's future plans and expectations and may not be appropriate for other purposes.

Senior management evaluates segment performance based on a variety of measures depending on the segment being evaluated, including segment profit, segment revenue and volumes. The Company defines segment profit as revenue less cost of sales (excluding depreciation, amortization and impairment charges) and operating expenses. Segment profit also includes the Company's share of equity pick up from equity accounted investee. Segment revenue presented in the tables below includes inter-segment revenue, as this is considered more indicative of the level of each segment's activity. Segment profit excludes depreciation, amortization, accretion, impairment charges, share-based compensation, and corporate expenses such as income taxes, interest, acquisition and integration costs and general and administrative expenses, as senior management looks at each period's earnings before corporate expenses and non-cash items as one of the Company's important measures of segment performance. The exclusion of depreciation, amortization and impairment expense could be viewed as limiting the usefulness of segment profit as a performance measure because it does not take into account, in current periods, the implied reduction in value of the Company's capital assets (primarily storage, pipelines, facilities and equipment) caused by use, aging and wear and tear. Repair and maintenance expenditures that do not extend the useful life, improve the efficiency or expand the operating capacity of the Company's capital assets are charged to operating expense as incurred. Adjusted EBITDA is a non-GAAP financial measure that adjusts for certain one-time or non-cash items that are not reflective of ongoing operations while still being included in segment profit. See the "Specified Financial Measures" section of this MD&A.

The Company's segment analysis involves an element of judgment relating to the allocations between segments. Inter-segment sales, cost of sales and operating expenses are eliminated on consolidation. Transactions between segments and within segments are valued at prevailing market rates. The Company believes that the estimates with respect to these allocations and rates are reasonable.

The following is a discussion of the Company's segmented results of operations for the three and six months ended June 30, 2026, and 2025:



INFRASTRUCTURE

The Infrastructure segment is composed of a network of liquids infrastructure assets that include terminals, rail loading and unloading facilities, gathering pipelines and a crude oil processing facility. The primary facilities within this segment include the Hardisty and Edmonton Terminals, which are the principal hubs for aggregating and exporting crude oil and refined products out of the WCSB; the Gateway Terminal, a liquids export terminal located in Ingleside, Texas, which connects the Permian Basin and Eagle Ford Shale crude oil plays to global markets; the DRU which is located adjacent to the Hardisty Terminal; the Moose Jaw Facility, a crude oil processing facility located in Moose Jaw, Saskatchewan; the Wink Terminal, a crude oil aggregating hub, located in Wink, Texas; and gathering pipelines in the U.S. and Canada, including the Chauvin Acquisition. Select assets are impacted by maintenance turnarounds typically occurring every few years.

The Company is consistently evaluating strategic opportunities including advancing select projects that enhance the Company's crude oil infrastructure portfolio and investing in new technologies. Shifts in customer demand and the need for incremental egress, alongside heightened competition, may influence the nature of services offered as the Company advances its plans. Geopolitical instability in certain regions of the world and concern regarding energy security may have short and medium term impacts on the desirability of North American oil and gas, impacting the demand for the Company's infrastructure. Recent additions to crude oil pipeline egress to the U.S. and waterborne markets have reduced demand for storage and other services at certain locations, but demand for those services are expected to recover over time as improved market access supports WCSB crude oil production increases. The Infrastructure segment primarily derives revenue from stable long-term take-or-pay agreements with investment grade counterparties. The trends described above could also impact the Company's ability to renew or renegotiate these contracts and may impact operational and financial results of the Infrastructure segment.

The following table sets forth the operating results from the Company's Infrastructure segment for the three and six months ended June 30, 2026, and 2025:

(\$ thousands, except volumes)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
Volumes (in thousands of bbls)	200,808	192,678	8,130	422,057	386,510	35,547
Revenue	190,747	173,063	17,684	361,239	349,745	11,494
Operating expenses and other ⁽¹⁾	26,782	16,423	10,359	44,357	39,026	5,331
Segment profit	163,965	156,640	7,325	316,882	310,719	6,163
Unrealized loss (gain) on financial instruments	3,783	(5,225)	9,008	5,379	(5,680)	11,059
Adjustments to share of profit from equity accounted investee	1,562	1,174	388	3,122	2,347	775
Adjusted EBITDA ⁽²⁾	169,310	152,589	16,721	325,383	307,386	17,997

(1) Includes the Company's share of equity pick up from equity accounted investee.

(2) Adjusted EBITDA is a non-GAAP financial measure. See the "Specified Financial Measures" section of this MD&A for more information.

Operational Performance

In the three and six months ended June 30, 2026, compared to the three and six months ended June 30, 2025:

Infrastructure volumes increased by 8.1 million barrels or 4% and 35.5 million barrels or 9%, primarily driven by increased throughput at the Gateway and Edmonton Terminals, as well as the Chauvin Acquisition.

Financial Performance

In the three and six months ended June 30, 2026, compared to the three and six months ended June 30, 2025:

- Revenue increased by \$17.7 million or 10% and \$11.5 million or 3% for the three and six months, primarily driven by the new Chauvin Acquisition as well as a higher contribution from the Gateway Terminal, due to the stabilization of demand for certain services at the Company's facilities, which were disrupted during the first quarter of 2026.
- Operating expenses and other increased by \$10.4 million or 63% and \$5.3 million or 14%. The increases in the three and six months primarily resulted from unrealized losses on financial instruments, as described below. In addition, the second quarter of 2025 included a turnaround at the DRU, and 2026 has benefited from the Company's restructuring efforts, as well as certain expense reversals and recoveries.
- As a result of the factors discussed above, adjusted EBITDA and segment profit increased by \$16.7 million and \$7.3 million for the three months and by \$18.0 million and \$6.2 million for the six months, respectively. Adjusted EBITDA was also

impacted by non-cash adjustments related to the Company's share of profit from equity accounted investee. Unrealized gains or losses on financial instruments relate to foreign currency financial derivatives undertaken primarily in relation to the Gateway Terminal to mitigate the Company's increased exposure to changes in the USD to CAD exchange rates over time.

MARKETING

The Marketing segment involves the purchasing, selling, storing and optimizing of hydrocarbon products as part of supplying the Moose Jaw Facility and marketing its refined products as well as helping to drive volumes through the Company's key infrastructure assets, primarily in the province of Alberta and the state of Texas. The Marketing segment also engages in optimization opportunities which are typically location, quality and/or time-based. The hydrocarbon products include crude oil, natural gas liquids, road asphalt, roofing flux, light, heavy straight run distillates and gas oils. The Marketing segment sources its hydrocarbon product from North American sources, the majority from Western Canada as well as the Permian basin and markets those products throughout Canada and the U.S.

The Marketing segment is exposed to commodity price fluctuations arising between the time contracted volumes are purchased and the time they are sold, as well as being exposed to pricing differentials between different geographic markets and/or hydrocarbon qualities. These risks are managed by purchasing and selling products at prices based on the same or similar indices or benchmarks, and through physical and financial contracts that include energy-related forward contracts, swaps, futures, options and other hedging instruments. Fair values of these derivative contracts fluctuate depending on the commodity prices and can impact segment profit in the form of realized or unrealized gains and losses, often offset by physical inventories, that can change significantly period over period. For Crude Marketing, the Trans Mountain pipeline expansion entering into service in 2024 without corresponding production growth, has limited available opportunities as Canadian inventories have decreased significantly. The incremental egress and stronger global medium/heavy sour prices has drawn substantial crude oil flows away from certain assets. Production in the WCSB is expected to grow steadily in the longer term and opportunities are expected to return in the foreseeable future. Crack spreads have narrowed for the Refined Products business in recent years as WCS differentials have moved tighter to WTI and global prices. Volatile interest rates, geopolitical events including tariffs levels, persistent but weakening inflation levels and other factors may still induce or exacerbate a period of declining economic activity in a number of countries and/or globally and have added uncertainty and volatility to commodity prices. Geopolitical developments in the middle east, including the partial closure of the Strait of Hormuz, have also contributed to shifts in global crude flows and pricing dynamics, further influencing market conditions during the period. Volatility and commodity prices increased in March 2026 and decreased significantly in June 2026, creating certain opportunities and widening differentials and crack spreads. For more information about the risks associated with the Company's use of financial instruments please refer to "Quantitative and Qualitative Disclosures about Market Risks" and "Risk Factors" within this document and the AIF.

Road asphalt activity, related to refined products, is affected by the impact of weather conditions on road construction. Road asphalt demand peaks during the summer months when most of the road construction activity in North America takes place. In the off-peak demand months for road asphalt, the demand for roofing flux continues. Demand for wellsite fluids is dependent on overall well drilling and completion activities, with activity normally the busiest in the winter months. Demand for natural gas liquids is also highest in the colder months of the year.

The following table summarizes average crude oil prices, as well as average foreign exchange rates, for the three and six months ended June 30, 2026 and 2025:

(\$, except where noted)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
WTI average price (USD\$/bbl)	92.79	63.74	29.05	82.36	67.58	14.78
WCS average differential (USD\$/bbl)	14.61	10.20	4.41	14.37	11.43	2.94
Average foreign exchange rates (CAD\$/USD\$)	1.39	1.37	0.02	1.38	1.41	(0.03)



The following table sets forth operating results from the Company's Marketing segment for the three and six months ended June 30, 2026 and 2025:

(\$ thousands, except volumes)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
Volumes (in thousands of bbls)	81,362	65,168	16,194	140,996	132,217	8,779
Revenue	4,742,980	2,654,657	2,088,323	7,419,311	5,316,596	2,102,715
Cost of sales and other expenses	4,693,510	2,645,589	2,047,921	7,402,665	5,293,668	2,108,997
Segment profit	49,470	9,068	40,402	16,646	22,928	(6,282)
Unrealized (gain) loss on financial instruments	(34,304)	(1,409)	(32,895)	1,238	(15,155)	16,393
Adjusted EBITDA ⁽¹⁾	15,166	7,659	7,507	17,884	7,773	10,111

(1) Adjusted EBITDA is a non-GAAP financial measure. See the "Specified Financial Measures" section of this MD&A for more information.

Operational Performance

In the three months and six months ended June 30, 2026, compared to the three months and six months ended June 30, 2025, Marketing volumes were increased by 16.2 million barrels or 25% and increased by 8.8 million barrels or 7%, primarily due to increases in activity within the Crude Marketing business due to volatility caused by the U.S./Iran conflict, creating more time and location-based opportunities.

Financial Performance

In the three months and six months ended June 30, 2026, compared to the three months and six months ended June 30, 2025:

- o Revenue increased by \$2,088.3 million or 79% and cost of sales and other expenses increased by \$2,047.9 million or 77% in the three month period, due to increased sales volume, as well as higher average prices for crude oil, refined and other products offset by the timing of product sales. Revenue increased by \$2,102.7 million or 40% and cost of sales and other expenses increased by \$2,109.0 million or 40% for the year, due to the same factors affecting the three month period.
- o Adjusted EBITDA increased by \$7.5 million or 98% and \$10.1 million or 130%, primarily due to improved margins from refined products, as well as improved opportunities for the Crude Marketing business in the three month period.
- o Segment profit increased by \$40.4 million or 446% and decreased by \$6.3 million or 27%, respectively, due to the same factors contributing to the changes in adjusted EBITDA as noted above, as well as unrealized gains of \$34.3 million and unrealized loss of \$1.2 million compared to unrealized gains of \$1.4 million and \$15.2 million in the comparative periods.



EXPENSES

(\$ thousands)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
General and administrative	15,930	13,017	2,913	34,671	27,340	7,331
Restructuring costs	—	—	—	8,125	—	8,125
Acquisition and integration costs	5,192	—	5,192	5,192	—	5,192
Depreciation and impairment	33,550	30,971	2,579	70,643	61,549	9,094
Right-of-use depreciation and impairment	6,247	5,269	978	12,280	10,284	1,996
Amortization and impairment	7,332	6,753	579	14,032	13,692	340
Share-based compensation	5,610	4,594	1,016	9,096	7,722	1,374
Corporate financial instruments (gain) loss	(3,716)	(13,715)	9,999	922	(6,122)	7,044
Foreign exchange (gain) loss	(1,573)	3,446	(5,019)	(1,854)	6,154	(8,008)
Finance costs, net	38,132	34,577	3,555	73,946	68,235	5,711
Income taxes	23,841	20,097	3,744	24,943	34,141	(9,198)

In the three and six months ended June 30, 2026, compared to the three and six months ended June 30, 2025:

General and administrative, excluding depreciation and amortization

General and administrative expenses increased by \$2.9 million and \$7.3 million for the three and six months ended June 30, 2026, primarily reflecting continued investments in technology, changes in cost allocations resulting from the restructuring initiative described below and the strengthening of our commercial teams.

Restructuring costs

During the three months ended March 31, 2026, the Company completed a restructuring initiative to better align its cost structure and operations, resulting in an overall headcount reduction.

Acquisition and integration costs

Acquisition and integration costs were incurred in relation to the Chauvin Acquisition.

Depreciation and impairment

Depreciation and impairment expense increased by \$2.6 million and \$9.1 million for the three and six months ended June 30, 2026, primarily resulting from the Chauvin Acquisition, as well as certain non-core asset impairments during the three months ended March 31, 2026.

Right-of-use asset depreciation and impairment

Right-of-use asset depreciation and impairment expense increased by \$1.0 million and \$2.0 million for the three and six months ended June 30, 2026, primarily due to incremental depreciation from the new head office lease agreement affecting the current periods, as well as renewal of rail car leases at a higher market rate.

Amortization and impairment

Amortization and impairment expenses increased by \$0.6 million and \$0.3 million for the three and six months ended June 30, 2026, primarily due to assets recognized in the Chauvin Acquisition.

Share-based compensation

Share-based compensation expense increased by \$1.0 million and \$1.4 million for the three and six months ended June 30, 2026, primarily due to a higher number of outstanding units, partially offset by the relative movement of the Company's share price in the comparable quarters.

Corporate financial instrument (gain)/loss not affecting segment profit

Corporate financial instrument (gain)/loss not affecting segment profit resulted in a gain of \$3.7 million for the three months and a loss of \$0.9 million for the six months ended June 30, 2026, representing changes in the value of the Company's virtual renewable power purchase agreement, primarily due to changes in power price forecasts over the remaining contract term compared to the prior periods.



Foreign exchange (gain) loss not affecting segment profit

Foreign exchange (gain) loss not affecting segment profit decreased by \$5.0 million and \$8.0 million for the three and six months ended June 30, 2026, primarily due to USD\$ strengthening against CAD\$ through 2026.

Finance costs, net

Finance costs increased by \$3.6 million and \$5.7 million for the three and six months ended June 30, 2026, primarily due to higher draws on the unsecured revolving credit facility as well as higher rates on the Company's senior unsecured notes refinanced in 2025.

Income taxes

Income tax expense increased by \$3.7 million and decreased by \$9.2 million for the three and six months ended June 30, 2026.

The effective tax rate was 22.3% and 23.4% for the three and six months ended June 30, 2026, compared to 24.9% and 23.6% for the three and six months ended June 30, 2025. The changes in effective tax rates for the three and six months ended were primarily due to movements in temporary tax differences.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth a summary of the Company's quarterly results for each of the last eight quarters:

(\$ thousands, except per share amounts)	2026		2025				2024	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Revenue	4,833,890	2,754,893	2,304,995	2,876,899	2,759,642	2,747,710	2,357,775	2,900,494
Net income (loss)	82,890	(1,358)	41,292	45,694	60,699	49,953	(5,563)	53,916
Adjusted EBITDA ⁽¹⁾	168,524	139,055	145,008	147,077	146,415	142,187	129,682	151,164
Earnings (loss) per share								
Basic (\$/share)	0.49	(0.01)	0.25	0.28	0.37	0.31	(0.03)	0.33
Diluted (\$/share)	0.48	(0.01)	0.25	0.28	0.37	0.30	(0.03)	0.33

(1) Adjusted EBITDA is a non-GAAP financial measure. See "Specified Financial Measures" section of this MD&A for information on each non-GAAP financial measure.

For more details on the specific factors driving the periodic movements, refer to "Results of Operations and Trends Impacting the Business". The following identifies the key drivers in segment profitability over the last eight quarters:

Infrastructure – The Infrastructure segment has progressively commissioned or acquired new storage capacity and related infrastructure, typically underpinned by long-term, stable fee-based contracts.

Select significant drivers and/or select projects put into service over the past eight quarters include:

- o The Chauvin Acquisition in the second quarter of 2026
- o Global crude market volatility and elevated freight costs weighed on performance, particularly in the first quarter of 2026
- o Cactus II pipeline connection and dredging projects at the Gateway Terminal were completed in 2025
- o Turnarounds at the Moose Jaw Facility and DRU were completed in the second quarter of 2025
- o Incremental egress from the WCSB to global markets without corresponding production increases have temporarily reduced demand for crude oil storage, primarily in Hardisty
- o The contribution from two additional tanks at the Edmonton Terminal with Cenovus Energy in the fourth quarter of 2024

Marketing – The Marketing segment's activities, including its location, quality and time-based strategies as well as the sale of refined products, are highly impacted by various factors that often fluctuate quarter over quarter. While certain of these variables, including exposure to the underlying commodity, are actively managed, the specific profit drivers for the Marketing segment generally vary from period to period. The Trans Mountain pipeline entering commercial operation narrowed certain differentials between liquids products structurally altering markets. Increased egress capacity from western Canada has shifted crude oil markets, limiting arbitrage opportunities for the Marketing business in Canada. Refined Products margins narrowed in the second half of 2024 and into early 2026, as crude oil differentials tightened and the price of refined products further softened. Crude oil prices spiked and refined products differentials widened in the second quarter of 2026, leading to certain opportunities. Volatility is expected to continue to impact Canadian crude oil and refined products markets, due to a variety of factors, including the uncertain implementation of tariffs and recent geopolitical events disrupting markets.



Corporate – Corporate includes Company-wide general and administrative expenses, financing costs, corporate foreign exchange and financial instruments fluctuation, executive transition and restructuring costs and other corporate expenses.

Over the past eight quarters, the following trends or events have affected the Company's net income and earnings per share:

- o In the first quarter of 2026, the Company's workforce was restructured, incurring costs of \$8.1 million.
- o The 15-year renewable virtual power purchase agreement commenced in the third quarter of 2024, measured at fair value including non-observable inputs. The value is primarily affected by the price of electricity over the term of the contract, and significant volatility from the electricity forward market will be reflected in the Company's net income.



LIQUIDITY AND CAPITAL RESOURCES

Liquidity Sources

(\$ thousands)	Coupon Rate	Maturity	June 30, 2026	December 31, 2025
Unsecured revolving credit facility	floating	2031	399,700	169,400
Senior unsecured notes	2.85 %	2027	325,000	325,000
Senior unsecured notes	3.60 %	2029	500,000	500,000
Senior unsecured notes	4.45 %	2031	350,000	350,000
Senior unsecured notes	4.45 %	2032	375,000	375,000
Senior unsecured notes	5.75 %	2033	350,000	350,000
Senior unsecured notes	6.20 %	2053	200,000	200,000
Unsecured hybrid notes ⁽¹⁾	5.25 %	2080	250,000	250,000
Unsecured hybrid notes ⁽¹⁾	8.70 %	2083	200,000	200,000
Unamortized issue discount and debt issue costs			(16,198)	(17,058)
Total debt outstanding			2,933,502	2,702,342
Lease liability			90,863	79,064
Cash and cash equivalents			(39,972)	(55,846)
			2,984,393	2,725,560
Total share capital			2,609,368	2,388,151
Total capital			5,593,761	5,113,711

(1) The unsecured hybrid notes are included in the above total capital calculation in accordance with the Company's view of its capital structure which includes shareholders' equity and long-term debt, lease liabilities and working capital. The unsecured hybrid notes and associated interest payments are excluded from the definition of consolidated debt for the purposes of debt to capitalization as well as the consolidated interest coverage covenant ratios.

The Company's primary liquidity and capital resource needs are to fund ongoing capital expenditures, acquisitions, its working capital needs and its dividend. In addition, the Company must service its debt, including interest payments. The Company expects to source funds required to service its debt from cash and cash equivalents, cash flow from operations, its revolving credit facility and by accessing the capital markets. The Company currently anticipates its cash flow from operations to be sufficient to meet its operating obligations, fund capital expenditures and pay its dividend. Where the Company generates cash flow in excess of its dividends and capital investment opportunities, and its financial position is deemed sufficiently strong by the Company, common share repurchases may occur to return cash to shareholders.

The Company remains confident in its ability to refinance its current and long-term debt expiring in the near term, as reinforced with the refinancing completed in the prior year and subsequent to June 30, 2026. With continued changes in the macro environment and geopolitical volatility, the Company's ability to access financing in the capital markets at attractive terms in the future could be adversely impacted. Refer to "Risk Factors" within this MD&A and the AIF for more information. The Company continues to monitor the macro environment and remains satisfied that its disciplined approach employed with respect to its capital structure is appropriate given the characteristics and operations of the underlying asset base. The Company may also adjust its capital structure as a result of changes in current or expected economic and/or market conditions or its underlying business. Adjustments to the capital structure may result in refinancing or renegotiating its existing debt, issuance of new debt, issuance of equity or hybrid securities and the repurchase of common shares.

The Company's normal course issuer bid ("NCIB") permits the Company to repurchase and cancel up to 7.5% of its public float, representing a maximum of 10,182,288 of the issued and outstanding common shares. The NCIB expires on the earlier of September 17, 2026 and the date on which the maximum number of common shares permitted to be acquired has been purchased. No common shares were repurchased under the NCIB during the six months ended June 30, 2026.

Unsecured revolving credit facility

The revolving credit facility is available to provide financing for working capital, fund capital expenditures and other general corporate purposes.



During the second quarter of 2026, the Company amended its revolving credit facility and extended the maturity date from June 2030 to June 2031, amongst other amendments.

As at June 30, 2026, the Company had a cash balance of \$40.0 million and had the ability to utilize borrowings under the revolving credit facility of \$600.3 million. The Company has two bilateral demand facilities, available for general corporate purposes or letters of credit, totaling \$150.0 million under which it had issued letters of credit totaling \$37.3 million (June 30, 2025 - \$36.8 million).

Senior unsecured notes

On July 9, 2026, the Company closed its offering of \$400.0 million 4.45% senior unsecured medium-term notes due January 9, 2034.

The indentures governing the terms of the Company's senior unsecured notes, as supplemented, contain certain redemption options whereby the Company can redeem all or part of the senior unsecured notes at such prices and on such dates as set forth therein. In addition, the holders of the notes have the right to require the Company to repurchase the notes at the purchase prices set forth in the applicable indenture in the event of a change of control triggering event, being both a change in control of the Company and ratings decline of the applicable notes to below an investment grade rating, as such terms are defined in the applicable indenture.

Cash Flow Summary

The Company's operating cash flow is generally impacted by the overall profitability and working capital requirements within the Company's segments, the Company's ability to invoice and collect from customers in a timely manner and the Company's ability to efficiently implement the Company's growth strategy and manage costs.

The following table summarizes the Company's sources and uses of funds for the three and six months ended June 30, 2026, and 2025:

Statement of cash flows (\$ thousands)	Three months ended June 30,			Six months ended June 30,		
	2026	2025	Change	2026	2025	Change
Cash inflow (outflow)						
Operating activities	187,492	99,380	88,112	217,183	221,232	(4,049)
Investing activities	(421,314)	(92,246)	(329,068)	(447,355)	(126,577)	(320,778)
Financing activities	150,410	(9,285)	159,695	207,072	(107,677)	314,749
Net decrease in cash and cash equivalents	(83,412)	(2,151)	(81,261)	(23,100)	(13,022)	(10,078)

Cash Inflow from Operating Activities

Cash inflow from operating activities was \$187.5 million and \$217.2 million for the three and six months ended June 30, 2026, compared to cash inflows of \$99.4 million and \$221.2 million for the three and six months ended June 30, 2025. The changes were primarily driven by the following:

- o Cash inflow from operations before income taxes and working capital changes of \$156.5 million and \$284.4 million for the three and six months ended June 30, 2026, compared to \$142.3 million and \$279.6 million, primarily due to factors contributing to higher adjusted EBITDA for the current periods;
- o Cash inflow (outflow) from changes in working capital of \$44.4 million and \$44.6 million for the three and six months ended June 30, 2026 compared to cash outflow of \$37.3 million and \$45.4 million for the three and six months ended June 30, 2025, primarily driven by volatility in commodity prices, the impact of inventory changes and the timing of the related settlements; and
- o Taxes paid of \$13.4 million and \$22.7 million for the three and six months ended June 30, 2026 compared to \$5.6 million and \$13.0 million for the three and six months ended June 30, 2025, primarily due to higher earnings for the three and six months ended June 30, 2026.

Cash inflow and outflow from operating activities and working capital requirements for the Marketing segment are strongly influenced by the amount of inventory purchased and subsequently held in storage, as well as by the commodity prices at which inventory is bought and sold. Commodity prices and inventory demand fluctuate over the course of the year in relation to general market forces and seasonal demand for certain products, and, accordingly, working capital requirements related to inventory also fluctuate with changes in commodity prices and demand. The primary drivers of working capital requirements are the collection of amounts related to sales of products such as crude oil, asphalt and other products and fees for services associated with the Company's Infrastructure segment. Offsetting these collections are payments for purchases of crude oil and other products, primarily within the Marketing segment, and other expenses. Historically, the Marketing segment has been the most variable with respect to generating cash flows and working capital due to the impact of crude oil price levels and the volatility that price changes



and crude oil grade basis changes have on the cash flows and working capital requirements of this segment (refer to "Results of Operations and Trends Impacting the Business" for more details).

Cash Outflow from Investing Activities

Cash outflow from investing activities was \$421.3 million and \$447.4 million for the three and six months ended June 30, 2026, compared to cash outflow of \$92.2 million and \$126.6 million for the three and six months ended June 30, 2025. The increase in the three and six month period primarily relates to the \$410.3 million net cash outflow in conjunction with the Chauvin Acquisition. For a summary of capital projects representing most of the remaining cash outflows, see the "Capital Expenditures and Equity Investment" discussion included in this MD&A.

Cash Inflow (Outflow) from Financing Activities

Cash inflows from financing activities was \$150.4 million and \$207.1 million for the three and six months ended June 30, 2026 compared to cash outflows of \$9.3 million and \$107.7 million for the three and six months ended June 30, 2025. The changes in the three month period are primarily due to the net draw on the Company's revolving credit facility of \$253.1 million related to the Chauvin Acquisition compared to \$85.0 million, payment of dividends of \$77.6 million compared to \$70.4 million, and payment of finance costs of \$18.7 million compared to \$17.2 million. Changes in the six month period are primarily due to the equity offering of \$206.2 million in the first quarter, the net draw on the Company's revolving credit facility of \$230.3 million compared to repayment of \$105.0 million, and payment of dividends of \$148.1 million compared to \$137.2 million and payment of finance costs of \$68.3 million compared to \$62.6 million.

Credit Risk

The Company actively monitors the financial strength of its customers and, in select cases, has tightened credit terms to minimize the risk of default on trade receivables. A significant portion of the Company's trade receivables are due from entities in the oil and gas industry. Concentration of credit risk is mitigated by having a broad customer base and by dealing with credit-worthy counterparties in accordance with established credit approval practices. The Company assesses all counterparties before entering into agreements, and actively monitors exposure and credit limits across the business. The Company establishes guidelines for customer credit limits and terms. The Company review includes financial statements and external ratings when available. The carrying amount of the Company's net trade and other receivables represents the maximum counterparty credit exposure, without taking into account any security held.

Credit Ratings and Covenants

The Company's ability to access debt in the capital markets depends, in part, on the credit ratings determined by rating agencies for the Company's debt. A downgrade could increase the interest rates applicable to borrowings under the revolving credit facility or increase the interest rate applicable on any new or restructured debt issuances. Credit ratings are intended to provide investors with an independent measure of credit quality of an issue of securities. Credit ratings are not recommendations to purchase, hold or sell securities and do not address the market price or suitability of a specific security for a particular investor.

There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by a rating agency in the future if, in its judgment, circumstances so warrant.

Rating agencies will regularly evaluate the Company's financial strength. A credit rating downgrade could impair the Company's ability to enter into arrangements with suppliers or counterparties and could limit its access to private and public credit markets in the future and increase the cost of borrowing. The Company's senior unsecured notes are rated by DBRS Limited as 'BBB (low)' and by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, as 'BBB-'. For a fulsome discussion of credit ratings and their impact on the Company, refer to the AIF.

The Company is also required to meet certain specific and customary affirmative and negative financial covenants under its revolving credit facility, including the maintenance of certain financial ratios. The consolidated total debt to capitalization ratio represents the ratio of all debt obligations on the financial statements to total capitalization (total debt plus total shareholders' equity, including certain adjustments). The consolidated interest coverage ratio represents the ratio of Consolidated EBITDA (as defined by the revolving credit facility) to consolidated cash interest expense calculated in accordance with the revolving credit facility. The covenant tests exclude all of the unsecured hybrid notes, and the interest thereon, in the calculations. An event of default resulting from a breach of a financial covenant may result, at the option of the lenders holding a majority of the indebtedness, in an acceleration of the repayment of the principal and interest outstanding and a termination of the revolving credit facility.

The following table outlines each financial covenant requirement and its current value:



	Covenant	As at June 30, 2026
Consolidated debt to capitalization ratio	No greater than 65%	56%
Consolidated interest coverage ratio	No less than 2.5 to 1.0	5.6 to 1.0

The senior unsecured notes, unsecured hybrid notes and revolving credit facility contain non-financial covenants that restrict, subject to certain thresholds, some of the Company's activities, including the Company's ability to dispose of assets, incur additional debt, pay dividends, create liens, make investments and engage in specified transactions with affiliates. They also contain customary events of default, including defaults based on bankruptcy and insolvency, non-payment of principal, interest and fees when due, breach of covenants, change in control and material inaccuracy of representations and warranties, subject to specified grace periods.

As at June 30, 2026, the Company was in compliance with all existing covenants under the senior unsecured notes, unsecured hybrid notes and revolving credit facility. For additional information regarding these financial covenants, refer to the Company's various debt agreements available on SEDAR+ at www.sedarplus.ca.

Dividends

The Company is currently paying quarterly dividends to holders of common shares. The amount and timing of any future dividends payable by the Company will be at the discretion of the Board and established on the basis of, among other items, the Company's earnings, funding requirements for operations, the satisfaction of a solvency calculation, and the terms of the Company's debt agreements and indentures. In addition, in connection with Company's dividend policy, after each fiscal year end the Board will formally review the annual dividend amount. During the second quarter of June 30, 2026, the Board declared dividends of \$0.45 per common share.

Contractual Obligations and Contingencies

The following table presents, as at June 30, 2026, the Company's obligations, and commitments to make future payments under contracts and contingent commitments:

(\$ thousands)	Total	Payments due by period			
		Less than 1 year	1-3 years	3-5 years	More than 5 years
Long-term debt	2,949,700	—	325,000	899,700	1,725,000
Interest payments on long-term debt	2,442,755	122,576	227,397	195,125	1,897,657
Lease and other commitments ⁽¹⁾	149,813	23,132	35,127	24,473	67,081
Total contractual obligations	5,542,268	145,708	587,524	1,119,298	3,689,738

(1) Lease and other commitments relate to office leases, rail cars, various equipment leases, terminal services, third party contractual obligations related to assets under construction, and power purchase arrangements.

Contingencies

The Company is involved in various claims and actions arising in the course of operations and is subject to various legal actions and exposures. Accruals for litigation, claims and assessments are recognized if the Company determines that the loss is probable, and the amount can be reasonably estimated. The Company believes it has made adequate provisions for such legal claims. Although the outcome of these claims is uncertain, the Company does not expect these matters to have a material adverse effect on the Company's financial position, cash flows or operational results. If an unfavorable outcome were to occur, there exists the possibility of a material adverse impact on the Company's consolidated net income or loss in the period in which the outcome is determined. While fully supportable in the Company's view, some of these positions, if challenged, may not be fully sustained on review.

The Company is subject to various regulatory and statutory requirements relating to the protection of the environment. These requirements, in addition to the contractual agreements and management decisions, result in the recognition of estimated decommissioning obligations and environmental remediation. Estimates of decommissioning obligations and environmental remediation costs can change significantly based on such factors as operating experience and changes in legislation and regulations.



CAPITAL EXPENDITURES AND EQUITY INVESTMENTS

	Three months ended June 30, 2026	Six months ended June 30, 2026
(\$ thousands)		
Infrastructure	10,772	16,911
Marketing	170	292
Corporate and other projects	336	363
Growth capital ⁽¹⁾	11,278	17,566
Acquisition	410,316	410,316
Replacement capital ⁽¹⁾	13,225	22,819
Total capital expenditures, acquisitions and equity investments	434,819	450,701

(1) Growth capital, acquisition and equity investments and replacement capital are supplementary financial measures. See the "Specified Financial Measures" section of this MD&A for information on each supplementary financial measure.

The Company primarily invests capital in constructing or acquiring infrastructure for the storage, transportation and optimization of liquids. The strategy has been focused on expanding and augmenting existing terminals and associated infrastructure at the Hardisty Terminal, the Edmonton Terminal, the Gateway Terminal and the Moose Jaw Facility and also looking for growth opportunities that align with the Company's strategy, including strategic acquisition opportunities. Expansion and improvement of existing terminals and facilities continues, especially when underpinned by long-term take-or-pay contracts with investment grade or secured counterparties.

Chauvin Acquisition

On May 1, 2026, the Company closed the previously announced Chauvin Acquisition for \$400.0 million, subject to customary closing adjustments. The Chauvin Acquisition consist of a crude oil gathering pipeline system and associated truck terminal and treating infrastructure connecting the Chauvin area of Alberta and Saskatchewan to the Hardisty oil hub.

The acquisition strengthens the Company's position as a leading liquids infrastructure provider by extending its strategic platform at Hardisty and expanding its footprint of high-quality Canadian pipeline and gathering assets. Underpinned by long-term take-or-pay and area-of-dedication agreements with Teine Energy, the Chauvin Acquisition provide stable, contracted cash flows that are consistent with the Company's core infrastructure strategy. The assets' direct connectivity to the Hardisty oil hub enhances the Company's aggregation capabilities within the Western Canadian Sedimentary Basin and supports incremental throughput growth at the Company's core terminal facilities.

Growth Capital

The following represents key activities with respect to major growth projects during the six months ended June 30, 2026:

- o The Wink-to-Gateway Integration project continued with an additional storage tank under construction at the Wink Terminal ongoing and a connector pipeline at the Gateway Terminal placed in-service subsequent to the end of the quarter.
- o The Hardisty Connection growth project, sanctioned concurrent with the closing of the Chauvin Acquisition on May 1, 2026, commenced during the second quarter of 2026. The project will directly connect the Chauvin Acquisition to the Company's core Hardisty Terminal, expanding connectivity and market access for customers.

Marketing growth capital represents the capitalization of line fill and tank bottoms for operational requirements of the Marketing business. Corporate and other projects represent spending on information technology initiatives at the corporate and business unit level.

Replacement capital expenditures are intended to keep the Company's existing infrastructure operating safely and reliably. These expenditures include replacement of existing infrastructure, maintenance work which extends the economic life, and scheduled tank and pipeline inspections.



Significant turnarounds planned in 2026 are presented in the table below:

Planned Turnaround	Timing
Select Terminal assets	Q2 - Q4

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial performance or financial condition.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares and preferred shares issuable in series. No preferred shares of any series may be issued if, after giving effect to the issuance: (i) the number of preferred shares outstanding would exceed 50% of the number of common shares outstanding; (ii) the maximum number of common shares issuable upon conversion of all outstanding preferred shares would exceed 20% of the common shares outstanding; or (iii) the aggregate number of votes attached to outstanding preferred shares would exceed 20% of the number of votes attached to outstanding common shares.

As at June 30, 2026, there were 172.5 million common shares outstanding and no preferred shares outstanding. In addition, under the Company's equity incentive plan, there were an aggregate of 2.2 million restricted share units, performance share units, deferred share units and stock options outstanding as at June 30, 2026.

As at June 30, 2026, awards available to grant under the equity incentive plan were approximately 4.7 million.

As at July 24, 2026, 172.6 million common shares and an aggregate \$2.1 million restricted share units, performance share units, deferred share units and stock options were outstanding.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is involved in various commodity related marketing activities that are intended to enhance the Company's operations and increase profitability. These activities often create exposure to price risk between the time contracted volumes are purchased and sold and to foreign exchange risk when contracts are in different currencies (Canadian dollars versus U.S. dollars). The Company is also exposed to various market risks, including volatility in (i) crude oil, refined products, natural gas and NGL prices, (ii) interest rates, and (iii) currency exchange rates. The Company utilizes various derivative instruments from time to time to manage commodity price, interest rate, currency exchange rate, and, in certain circumstances, to realize incremental margin during volatile market conditions. The Company's commodity trading and risk management policies and procedures are designed to establish and manage to an approved level of risk. The Company has a Commodity Risk Management Committee that has direct responsibility to establish and oversee the Company's risk policies, trading controls and procedures. The Company's risk policies, trading controls and procedures are intended to mitigate risks that are inherent in the Company's marketing business. To manage these risks, the Company engages in risk management activities, which it categorizes by type or activity. The following discussion addresses each category of risk.

Commodity Price Risk. The Company typically hedges its exposure to price fluctuations with respect to crude oil, refined products, natural gas, differentials and NGLs, and expected purchases and sales of these commodities (relating primarily to crude oil, roofing flux and NGLs). The derivative instruments utilized consist primarily of futures and option contracts traded on the New York Mercantile Exchange, the Intercontinental Exchange and over-the-counter transactions. The Company's policy is to transact only in commodity derivative products for which the Company physically transacts, and to structure the Company's hedging activities so that price fluctuations for those products do not materially affect the net cash the Company ultimately receives from its commodity related marketing activities.

Although the Company generally seeks to maintain a position that is substantially balanced within the Company's various commodity purchase and sales activities, the Company may experience net unbalanced positions as a result of a strategy to take advantage of anticipated market opportunities and/or production, transportation and delivery variances as well as logistical issues associated with inclement weather conditions.

The intent of the Company's risk management strategy is to hedge the Company's margin. However, the Company has not applied nor attempted to qualify for hedge accounting. Thus, changes in the fair values of the Company's derivatives are recognized in earnings and result in greater potential for earnings volatility.

The fair value of futures contracts is based on quoted market prices obtained from the Intercontinental Exchange (ICE) and Chicago Mercantile Exchange (CME). For positions where independent quotations are not available, an estimate is provided, or the prevailing market price at which the positions could be liquidated is used. All derivative positions offset existing or anticipated



physical exposures. Price-risk sensitivities were calculated by assuming 15% volatility in crude oil, differentials and NGL related prices, regardless of term or historical relationships between the contractual price of the instruments and the underlying commodity price. In the event of an increase or decrease in prices, the fair value of the Company's derivative portfolio would typically increase or decrease, offsetting changes in the Company's physical positions. A 15% favorable change in crude oil and NGL prices would increase the Company's net income by \$5.5 million and \$7.7 million as of June 30, 2026, and 2025. A 15% unfavorable change in crude oil and NGL prices would decrease the Company's net income by \$5.5 million and \$7.7 million as of June 30, 2026, and 2025. However, these changes may be offset by the use of one or more risk management strategies.

Power price risk. The Company has a renewable virtual power purchase agreement, which requires the Company to compensate a producer for renewable electricity produced at a fixed rate over a 15-year period, resulting in a derivative financial instrument. Pursuant to the agreement, the Company will purchase power and receive environmental attributes. The contract's power component represents an embedded derivative, assessed at fair value, in accordance with the requirements of IFRS Accounting Standards. Valuing an embedded derivative, without observable inputs, involves judgment including the estimation of future power prices, and is subject to significant volatility as power price forecasts vary. Spot and forward prices for power vary over time, and as forward prices for the entire contract period are not actively traded, extrapolation is required. The value has been primarily based on the comparative contracted prices relative to both current and expected future pricing of electricity in the Province of Alberta. A 15% increase in the expected future price of power would increase the Company's net income by \$4.7 million and \$8.3 million as of June 30, 2026, and 2025. A 15% decrease in the expected future price of electricity would decrease the Company's net income by \$4.7 million and \$8.3 million as of June 30, 2026, and 2025.

Interest rate risk. The Company's long-term debt, excluding the revolving credit facility, accrues interest at fixed interest rates and accordingly, changes in market interest rates do not expose the Company to future interest cash outflow variability. At June 30, 2026, the Company had \$399.7 million (June 30, 2025 – \$220.0 million) drawn under the revolving credit facility which is subject to interest rate risk, as borrowings bear interest at a rate equal to, at the Company's option, either the Canadian Prime Rate, U.S. Secured Overnight Financing Rate, U.S. Base Rate or Canadian Bankers' Acceptance Rate, plus an applicable margin based on the Company's total leverage ratio. A 1% increase or decrease in interest rates would, based on current rates and balances, decrease or increase the Company's net income by \$4.0 million (as at June 30, 2025 – \$2.2 million).

Currency exchange risks. The Company's monetary assets and liabilities in foreign currencies are translated at the period-end rate. Exchange differences arising from this translation are recorded in the Company's statement of operations. In addition, currency exposures can arise from revenue and purchase transactions denominated in foreign currencies. Generally, transactional currency exposures are naturally hedged for the Company's Canadian operations (i.e. revenue and expenses are approximately matched), but, where appropriate, are covered using forward exchange contracts or currency swaps. The foreign currency forward exchange contracts including currency swaps entered into by the Company, although effective hedges from an economic perspective, have not been designated as hedges for accounting purposes, and therefore any gains and losses on such forward exchange contracts impact the Company's earnings. The Company has several derivative contracts intended to economically hedge its exposure to USD\$ generated by the Gateway Terminal over the next several years. A 5% increase or decrease in foreign exchange rates between USD\$ and CAD\$, based on current balances, would increase or decrease the Company's net income by \$14.5 million (June 30, 2025 – \$12.1 million).

As at June 30, 2026, the Company had no U.S. dollar denominated debt as part of its draw on its revolving credit facility.

CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of condensed consolidated financial statements in conformity with IFRS Accounting Standards requires management to make estimates and assumptions. Predicting future events is inherently an imprecise activity and, as such, requires the use of judgment especially in times of increased volatility and uncertainty. Actual results may vary from estimates in amounts that may be material. An accounting policy is deemed to be critical if it requires an accounting estimate to be made based on assumptions about matters that are highly uncertain at the time the estimate is made, and if different estimates that reasonably could have been used, or changes in the accounting estimates that are reasonably likely to occur periodically, could materially impact the Company's condensed consolidated financial statements or the Infrastructure or Marketing segments individually. Further details on the basis of preparation and our material accounting estimates and judgments can be found in the notes to the audited consolidated financial statements of the Company for the years ended December 31, 2025, and 2024.

There have been no significant changes to critical accounting policies, judgments and estimates during the three months ended June 30, 2026, from those disclosed in the Company's 2025 year end consolidated financial statements and MD&A.



ACCOUNTING POLICIES

New interpretations and amended standards adopted by the Company:

- o Certain amendments to IFRS 9 – *Financial Instruments* (“IFRS 9”) and IFRS 7 – *Financial Instruments: Disclosures* (“IFRS 7”) were made for the classification and measurement of financial instruments. These amendments are effective for annual periods starting on or after January 1, 2026. The following are the key impacts and the Company’s assessments:
 - o For contracts referencing nature-dependent electricity, the amendment relates to accounting for contracts to purchase or sell electricity from nature-dependent sources such as wind and solar power, including clarifying the application of own-use requirements and requiring new disclosure in certain circumstances. There was no material effect on the Company's consolidated financial statements on adoption.
 - o The amendments also introduce a practical exemption for the derecognition of financial liabilities settled through electronic payment systems, permitting entities to continue derecognizing a financial liability at the point an electronic payment instruction is initiated, provided specified criteria are met. The Company has adopted and applied this exemption to its electronic payment processes. The adoption of these amendments did not have a material effect on the Company’s consolidated financial statements.

New and amended standards and interpretations issued but not yet adopted:

- o IFRS 18 – *Presentation and Disclosure in Financial Statements* (“IFRS 18”), has been issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, impacts the presentation of primary financial statements and notes, mainly the income statement where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. IFRS 18 will require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements. The standard is effective for financial statements beginning on January 1, 2027, including interim financial statements and requires retrospective application. The Company acknowledges the pervasive presentation and disclosure impact the new standard will have on the Consolidated Statement of Operations, while not affecting net income, enhanced disclosures to meet disaggregation requirements, as well as new disclosures related to management-defined performance measures. As a result of its assessment, the Company identified Adjusted EBITDA as a management-defined performance measure, and continues to make progress in accordance with its implementation plan.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Based on the evaluation of the design and operating effectiveness of the Company’s DC&P and ICFR the Chief Executive Officer and the Chief Financial Officer concluded that the Company’s DC&P and ICFR were effective as at June 30, 2026. There have been no changes in ICFR that occurred during the period beginning January 1, 2026, and ending on June 30, 2026, that has materially affected or is reasonably likely to materially affect the Company’s ICFR.

SPECIFIED FINANCIAL MEASURES

The Company uses several financial measures when assessing its results and measuring overall performance. Some of these financial measures are not calculated in accordance with GAAP. NI 52-112 prescribes disclosure requirements that apply to non-GAAP financial measures, non-GAAP ratios, supplementary financial measures, capital management measures, and total of segments measures.

NON-GAAP FINANCIAL MEASURES

The Company uses non-GAAP financial measures that do not have standardized meanings under GAAP and that therefore may not be comparable to similar measures used by other companies. Presenting non-GAAP financial measures helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Company's operations. The non-GAAP financial measures used by the Company are adjusted EBITDA and distributable cash flow. Management considers these to be important supplemental measures of the Company's performance and believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in industries with similar capital structures. Readers are encouraged to evaluate each adjustment and the reasons the Company considers it appropriate for supplemental analysis. Readers are cautioned, however, that these measures should not be construed as an alternative to net income, cash flow from operating activities, segment profit, gross profit or other measures of financial results determined in accordance with GAAP as an indication of the Company's performance.

Noted below is the additional information about the composition of these non-GAAP financial measures:

a) Adjusted EBITDA

Adjusted EBITDA helps readers to better understand how management analyzes results, shows the impacts of specified items on the results of the reported periods, and allows readers to assess results without the specified items if they consider such items not to be reflective of the underlying performance of the Company's operations. Adjusted EBITDA is defined as earnings before net interest, tax, depreciation, amortization and impairment charges, reorganization, executive transition and specific non-cash charges, including but not limited to unrealized gain/loss on derivative financial instruments, non-operating non-cash provision charges, share-based compensation, adjustment for equity accounted investee (to remove non-cash charges), and corporate foreign exchange gain/loss. These adjustments are made to exclude non-cash charges and other items that are not reflective of ongoing earning capacity of the operations.

Noted below is the reconciliation to the most directly comparable GAAP measures of the Company's segmented and consolidated adjusted EBITDA for the three and six months ended June 30, 2026, and 2025:

Three months ended June 30, (\$ thousands)	Infrastructure		Marketing		Corporate and Adjustments		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Segment profit	163,965	156,640	49,470	9,068	—	—	213,435	165,708
Unrealized loss (gain) on derivative financial instruments	3,783	(5,225)	(34,304)	(1,409)	—	—	(30,521)	(6,634)
General and administrative	—	—	—	—	(15,930)	(13,017)	(15,930)	(13,017)
Adjustments to share of profit from equity accounted investee	1,562	1,174	—	—	—	—	1,562	1,174
Renewable power purchase agreement	—	—	—	—	(22)	(816)	(22)	(816)
Adjusted EBITDA	169,310	152,589	15,166	7,659	(15,952)	(13,833)	168,524	146,415



Six months ended June 30, (\$ thousands)	Infrastructure		Marketing		Corporate and Adjustments		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
Segment profit	316,882	310,719	16,646	22,928	—	—	333,528	333,647
Unrealized loss (gain) on derivative financial instruments	5,379	(5,680)	1,238	(15,155)	—	—	6,617	(20,835)
General and administrative	—	—	—	—	(34,671)	(27,340)	(34,671)	(27,340)
Adjustments to share of profit from equity accounted investee	3,122	2,347	—	—	—	—	3,122	2,347
Executive transition costs	—	—	—	—	—	2,405	—	2,405
Renewable power purchase agreement	—	—	—	—	(1,017)	(1,622)	(1,017)	(1,622)
Adjusted EBITDA	325,383	307,386	17,884	7,773	(35,688)	(26,557)	307,579	288,602

(\$ thousands)	Three months ended June 30,	
	2026	2025
Net Income	82,890	60,699
Income tax expense	23,841	20,097
Depreciation, amortization, and impairment charges	47,129	42,993
Finance costs, net	38,132	34,577
Unrealized gain on derivative financial instruments	(30,521)	(6,634)
Unrealized gain on power purchase agreement	(3,738)	(14,531)
Share-based compensation	5,610	4,594
Acquisition and integration costs	5,192	—
Adjustments to share of profit from equity accounted investee	1,562	1,174
Corporate foreign exchange (gain) loss and other	(1,573)	3,446
Adjusted EBITDA	168,524	146,415



(\$ thousands)	Six months ended June 30,	
	2026	2025
Net Income	81,532	110,652
Income tax expense	24,943	34,141
Depreciation, amortization, and impairment charges	96,955	85,525
Finance costs, net	73,946	68,235
Unrealized loss (gain) on derivative financial instruments	6,617	(20,835)
Unrealized gain on renewable power purchase agreement	(95)	(7,744)
Share-based compensation	9,096	7,722
Restructuring costs	8,125	—
Acquisition and integration costs	5,192	—
Adjustments to share of profit from equity accounted investee	3,122	2,347
Corporate foreign exchange (gain) loss and other	(1,854)	6,154
Executive transition costs	—	2,405
Adjusted EBITDA	307,579	288,602

b) Distributable Cash Flow

Distributable cash flow is used to assess the level of cash flow generated and to evaluate the adequacy of internally generated cash flow to fund dividends and is frequently used by securities analysts, investors, and other interested parties. Changes in non-cash working capital are excluded from the determination of distributable cash flow because they are primarily the result of fluctuations in product inventories or other temporary changes. Replacement capital expenditures and lease payments are deducted from distributable cash flow as there is an ongoing requirement to incur these types of expenditures. The Company may deduct or include additional items in its calculation of distributable cash flow. These items would generally, but not necessarily, be items of an unusual, non-recurring, or non-operating in nature. The following is a reconciliation of distributable cash flow from operations to its most directly comparable GAAP measure, cash flow from operating activities:

(\$ thousands)	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Cash flow from operating activities	187,492	99,380	217,183	221,232
Adjustments:				
Changes in non-cash working capital and taxes paid	(30,971)	42,935	67,243	58,352
Replacement capital	(13,225)	(14,655)	(22,819)	(20,463)
Cash interest expense, including capitalized interest	(36,088)	(32,379)	(69,588)	(63,928)
Acquisition and integration costs	5,192	—	5,192	—
Restructuring costs ⁽¹⁾	2,000	—	6,125	—
Executive transition costs ⁽¹⁾	—	—	—	2,405
Lease payments	(6,381)	(6,778)	(13,109)	(13,095)
Current income tax	(11,936)	(7,223)	(20,242)	(12,449)
Distributable cash flow	96,083	81,280	169,985	172,054

(1) Costs adjusted on an incurred basis.



	Twelve months ended June 30,	
(\$ thousands)	2026	2025
Cash flow from operating activities	506,110	693,302
Adjustments:		
Changes in non-cash working capital and taxes paid	61,823	(145,934)
Replacement capital	(50,196)	(45,213)
Cash interest expense, including capitalized interest	(137,332)	(129,904)
Acquisition and integration costs ⁽¹⁾	5,192	—
Restructuring costs ⁽¹⁾	6,125	—
Executive transition costs ⁽¹⁾	—	16,142
Lease payments	(25,632)	(27,302)
Current income tax	(31,059)	(29,716)
Distributable cash flow	335,031	331,375

(1) Costs adjusted on an incurred basis.

NON-GAAP FINANCIAL RATIOS

The Company uses non-GAAP ratios that do not have standardized meanings under GAAP and that therefore may not be comparable to similar measures used by other companies. A non-GAAP ratio is a ratio in which at least one component is a non-GAAP financial measure. The Company uses non-GAAP ratios to present aspects of its financial performance or financial position, including dividend payout ratio, net debt to adjusted EBITDA ratio and distributable cash flow per share ratio. Noted below is additional information about the composition of these ratios.

a) Dividend Payout and Infrastructure-only payout

Dividend payout is a non-GAAP ratio defined as dividends declared divided by distributable cash flow, on a rolling 12-month basis. This measure is used by securities analysts, investors and others as an indication of the Company's ability to generate cash flows to continue to pay dividends, and the proportion of cash generated that is used to pay dividends to shareholders.

	Twelve months ended June 30,	
(\$ thousands)	2026	2025
Distributable cash flow	335,031	331,375
Dividends declared	296,142	274,372
Dividend payout ratio	88%	83%

Infrastructure-only payout is a non-GAAP ratio defined as dividends declared divided by Infrastructure segment EBITDA less general & administrative expenses and adjustments, replacement capital, cash interest expense, and current income tax, on a rolling 12-month basis. This measure is used by the Company, securities analysts, investors and others as an indication of the Infrastructure segments ability to generate cash flows to continue to pay dividends, and the proportion of cash generated that is used to pay dividends to shareholders.

	Twelve months ended June 30,	
(\$ thousands)	2026	2025
Infrastructure segment EBITDA	640,034	604,199
Less:		
General and administrative	(63,339)	(58,410)
Renewable power purchase agreement	(2,267)	(2,510)
Replacement capital	(50,196)	(45,213)
Cash interest expense, including capitalized interest	(137,332)	(129,904)
Current income tax	(31,059)	(29,716)
	355,841	347,405
Dividends declared	296,142	274,372
Infrastructure-only payout	83%	79%



b) Net Debt to Adjusted EBITDA and Infrastructure leverage

Net debt to adjusted EBITDA and Infrastructure leverage are non-GAAP ratios, which use net debt divided by adjusted EBITDA or Infrastructure adjusted EBITDA less general & administrative expenses and adjustments. The Company, lenders, investors and analysts use these ratios to monitor the Company's capital structure, financing requirements and measuring its ability, or the ability of the Infrastructure segment alone, to cover debt obligations over time. Net debt is not a standardized financial measure under GAAP and may not be comparable with measures disclosed by other companies and is a capital management measure.

Net debt is total borrowings (including current and non-current borrowings and lease liabilities), less unsecured hybrid notes and cash and cash equivalents. Unsecured hybrid notes are considered by the Company as equity and therefore excluded.

(\$ thousands)	Twelve months ended June 30,	
	2026	2025
Current and long-term debt	2,933,502	2,704,585
Lease liabilities	90,863	55,120
Less: unsecured hybrid notes	(450,000)	(450,000)
Less: cash and cash equivalents	(39,972)	(41,570)
Net debt	2,534,393	2,268,135
Adjusted EBITDA	599,664	569,448
Net debt to adjusted EBITDA ratio	4.2	4.0
Infrastructure segment EBITDA	640,034	604,199
Less:		
General and administrative	(63,339)	(58,409)
Executive transition costs	—	16,142
Renewable power purchase agreement	(2,267)	(2,510)
	574,428	559,422
Infrastructure leverage	4.4	4.1

c) Distributable Cash Flow per share

Distributable cash flow per share is a non-GAAP financial ratio, which is not a standardized financial measure under GAAP and may not be comparable with measures disclosed by other companies. Distributable cash flow per share is calculated by dividing distributable cash flow by the weighted average number of shares outstanding on a rolling 12-month basis. The Company believes that investment analysts, investors and other interested parties use distributable cash flow per share to evaluate the Company's ability to grow its distributable cash flow on a non-diluted basis.

(\$ thousands)	Twelve months ended June 30,	
	2026	2025
Cash flow from operating activities	506,110	693,302
Distributable cash flow	335,031	331,375
Weighted average common shares outstanding - basic (<i>thousands of shares</i>)	166,936	163,643
Cash flow from operating activities per share (\$/share)	3.03	4.24
Distributable Cash Flow per share (\$/share)	2.01	2.02

d) Adjusted EBITDA per share

Adjusted EBITDA per share is a non-GAAP financial ratio, which is not a standardized financial measure under GAAP and may not be comparable with measures disclosed by other companies. Adjusted EBITDA per share is calculated by dividing adjusted EBITDA by the weighted average number of shares outstanding on a rolling 12-month basis. The Company believes that investment analysts,



investors and other interested parties use adjusted EBITDA per share to evaluate the Company's ability to grow its adjusted EBITDA on a non-diluted basis.

(\$ thousands)	Twelve months ended June 30,	
	2026	2025
Adjusted EBITDA	599,664	569,448
Weighted average common shares outstanding - basic (<i>thousands of shares</i>)	166,936	163,643
Adjusted EBITDA per share (\$/share)	3.59	3.48

Supplementary Financial Measures

A supplementary financial measure is a financial measure that: (a) is not reported in the Company's condensed consolidated financial statements, and (b) is, or is intended to be, reported periodically to represent historical or expected financial performance, financial position, or cash flows. The supplementary financial measures the Company uses are identified below:

- o Growth capital expenditures reflect projects intended to improve the Company's profitability directly or indirectly.
- o Growth capital, acquisitions and equity investments include growth capital expenditures, mergers and acquisitions, and amounts invested in the Company's equity investments intended to improve the investments' profitability directly or indirectly.
- o Replacement capital expenditures intend to keep the Company's existing infrastructure operating safely and reliably. These expenditures include scheduled tank and pipeline inspections, replacement of existing infrastructure, maintenance work which extends the economic life and safe operation of the assets.

Capital Management Measures

The financial reporting framework used to prepare the financial statements requires disclosure that help readers assess the Company's capital management objectives, policies, and processes, as set out in IFRS Accounting Standards IAS 1 – Presentation of Financial Statements. The Company has its own methods for managing capital and liquidity, and IFRS Accounting Standards do not prescribe any particular calculation method. In addition to GAAP measures, the Company uses capital management measures of net debt and total capital.

The composition, usefulness and quantitative reconciliation of capital management measures are presented in "Liquidity and Capital Resources" section of this MD&A.

Total of Segments Measures

The Company uses the sum of the total segment revenue and the segment profit of its business segments (namely, Infrastructure and Marketing) in the analysis performed under the "Results of Operations and Trends Impacting the Business" section within this MD&A. Using this method to analyze results, that is, by reflecting inter-segment revenue and profit within segment metrics, the Company can evaluate the relative performance of each segment on a standalone basis.

The Company defines segment profit as revenue less cost of sales (excluding depreciation, amortization and impairment charges) and operating expenses. Segment profit also includes the Company's share of equity pick up from equity accounted investee. Segment profit excludes depreciation, amortization, accretion, impairment charges, share-based compensation, and corporate expenses such as income taxes, interest and general and administrative expenses, as senior management looks at each period's earnings before corporate expenses and non-cash items, as one of the Company's important measures of segment performance. The exclusion of depreciation, amortization and impairment expense could be viewed as limiting the usefulness of segment profit as a performance measure because it does not take into account, in current periods, the implied reduction in value of the Company's capital assets (such as, tanks, pipelines and connections, and plant, equipment and other assets) caused by use, aging and wear and tear. Repair and maintenance expenditures that do not extend the useful life, improve efficiency or expand the operating capacity of the Company's capital assets are charged to operating expenses as incurred.



(\$ thousands)	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Segment revenue				
Infrastructure	190,747	173,063	361,239	349,745
Marketing	4,742,980	2,654,657	7,419,311	5,316,596
Total segment revenue	4,933,727	2,827,720	7,780,550	5,666,341
Revenue – inter-segmental	(99,837)	(68,078)	(191,767)	(158,989)
Total revenue – external	4,833,890	2,759,642	7,588,783	5,507,352

Segment profit (loss)				
Infrastructure	163,965	156,640	316,882	310,719
Marketing	49,470	9,068	16,646	22,928
Segment profit	213,435	165,708	333,528	333,647

(\$ thousands)	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Gross profit	163,460	119,379	229,035	239,336
Share of profit from equity accounted investee	6,627	3,444	13,607	10,316
Depreciation, amortization and impairment	43,867	40,548	90,503	80,647
Loss on sale of assets	(124)	—	(120)	(3)
Other income	2	735	4	1,381
Foreign exchange (loss) gain	(397)	1,602	499	1,970
Segment profit	213,435	165,708	333,528	333,647



RISK FACTORS

Shareholders and prospective investors should carefully evaluate risk factors noted by the Company before investing in the Company's securities, as each of these risks may negatively affect the trading price of the Company's securities, the amount of dividends paid to shareholders and the ability of the Company to fund its debt obligations, including debt obligations under its outstanding notes and any other debt securities that the Company may issue from time to time. Other than those risk listed below there have been no material changes to the risk factors presented in the Company's AIF and MD&A for the year ended December 31, 2025, available on SEDAR+ at www.sedarplus.ca and on the Company's website at www.gibsonenergy.com.

Canada-United States-Mexico Agreement ("CUSMA") Renewal

Risks associated with the refusal of the U.S. to renew the Canada-United States-Mexico Agreement ("CUSMA") by the July 1, 2026 deadline, including the risk that the U.S. ultimately withdraws from CUSMA, which could result in a significant increase in trade barriers, which could in turn have a material adverse effect on the Canadian and U.S. economies, and by extension the Canadian oil and natural gas industry and the Company.



FORWARD-LOOKING INFORMATION

Certain statements and information included or referred to in this MD&A constitute forward-looking information (as such term is defined under applicable Canadian securities laws). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking information. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "remain", "future", "intend", "may", "will", "project", "should", "could", "would", "believe", "forecast", "long-term", "potential", "strategy", "seek", "opportunity", "probable" and similar expressions of future outcomes or statements regarding an outlook are intended to identify forward-looking information. Forward-looking information, included or referred to in this MD&A includes, but is not limited to statements with respect to:

- the Company's plans, targets, timing and the achievement thereof, including but not limited to its restructuring initiative, growth and replacement capital expenditure, acquisitions and equity investments, including the amount expected amounts and allocation thereof allocations;
- the planned turnarounds, maintenance and timing thereof for the Company's assets and the impact thereof on operations and results;
- the acquisition, integration and operation of assets and changes in the services to be offered by the Company, including as a result of shifts in customer demand, pipeline egress and competitive dynamics;
- fluctuations in the Company's net debt to adjusted EBITDA ratio, infrastructure leverage, interest coverage ratio and other capital structure metrics, and the timing and drivers thereof;
- the anticipated benefits of the Chauvin Acquisition, including the opportunity to expand the Company's asset base, contracted cash flows, aggregation capabilities within the Western Canadian Sedimentary Basin, incremental throughput growth and connectivity to Hardisty;
- the anticipated benefits, timing and results of major growth projects, including the Wink-to-Gateway Integration project and Hardisty Connection growth project;
- the potential impact of exchange rate fluctuations on the Company's results and the Company's ability to minimize such impact through the use of financial derivatives;
- the impact of macroeconomic conditions, increased interest rates, geopolitical events, inflation, technology and other factors on economic activity, commodity prices and the Company, including its ability to access capital;
- the Company's ability to generate segment profit, cash flow from operations and distributable cash flow, and the stability of cash flows generated from long-term take-or-pay contracts;
- the Company's investment in equipment, technology, facilities and personnel;
- the Company's continued capital investment and the expansion and augmentation of existing terminals and associated infrastructure;
- long-term contracts and the terms, counterparties and impacts thereof;
- the Company's ability to execute its current business strategy and related milestones;
- the Company's response to the energy transition and the strategic opportunities available to the Company and potential changes to the services offered by the Company;
- the desirability of North American oil and gas and the impact on the demand for the Company's storage and infrastructure services;
- the Company's ability to renew or renegotiate contracts and the effects thereof;
- the Company's ability to extend or refinance its long-term debt expiring in the near term;
- the effect of the Company's credit ratings and any changes thereto, including evaluations by credit rating agencies, and the impact on the Company's borrowing costs and ability to access private and public credit markets;
- the anticipated benefits and impact of the Company's renewable virtual power purchase agreement;
- the impact of pipeline projects, pipeline egress, WCSB production levels, storage demand and waterborne market access on the Company's business;
- the availability of sufficient capital and liquidity for planned growth;
- uncertainty and volatility relating to crude oil prices, refined products, natural gas, NGL, electricity/power, WTI, WCS differentials and other commodity prices;
- the effect of market volatility on the Company's marketing revenue and activities;
- the timing and extent of marketing and optimization opportunities, including location, quality and time-based opportunities;
- the sufficiency and sources of funding to service the Company's debt and to pay down and retire indebtedness;
- the Company's ability to meet its operating obligations, fund capital expenditures and pay dividends;

- *the appropriateness of the Company's approach to its capital structure, possible changes thereto, the reasons therefor and the effects thereof;*
- *the potential effects of tariffs on markets;*
- *the adequacy of the Company's provisions for decommissioning and environmental costs and legal claims or actions, the materiality and timing thereof and anticipated impact on the Company if any such claims or actions are successful;*
- *the Company's plans for capital expenditures or other growth opportunities, including the costs, timing and completion thereof;*
- *the Company's planned hedging and risk management activities;*
- *the Company's commodity purchase and sales activities;*
- *the continued safe and reliable operation of the Company's infrastructure and the uses of replacement capital expenditure;*
- *inflation and currency and interest rate fluctuations and their impact on, among other things, the Company's business, results of operations, and ability to access financing on acceptable terms or at all;*
- *the sources of the Company's cash flows;*
- *the anticipated impact of IFRS 18 and the Company's implementation plan in advance of its effective date;*
- *the Company's NCIB and share repurchases; and*
- *the Company's dividend policy and the timing and payment of dividends thereunder.*

With respect to forward-looking information contained in this MD&A, assumptions and estimates have been made regarding, among other things:

- *Gibson's ability to obtain the anticipated benefits from the Chauvin Acquisition and the renewable virtual power purchase agreement, including the anticipated contracted cash flows, operational performance and integration of the Chauvin Infrastructure Assets;*
- *the Company's ability to execute and complete the Hardisty Connection growth project substantially as currently contemplated, including the availability of construction resources, materials, equipment, permits, access rights, co-owner or counterparty approvals and no material cost overruns or delays;*
- *the accuracy of historical and forward-looking operational and financial information and estimates, including that provided by the sellers of the Chauvin Acquisition;*
- *the accuracy of financial and operational projections of Gibson following completion of the Chauvin Acquisition;*
- *general economic and industry conditions, including, without limitation, macroeconomic, societal, political and industry trends, tariffs, trade restrictions and supply chain conditions;*
- *continued availability of pipeline egress, waterborne market access and storage demand, and expected growth in WCSB production;*
- *the impact of international conflict and geopolitical instability in certain regions of the world and concern regarding energy security or international or global events, including government responses related thereto on demand for crude oil and petroleum products and the Company's operations generally;*
- *future growth in demand for crude oil and petroleum products, including demand in North American and waterborne markets;*
- *commodity prices;*
- *no material defaults by the counterparties to agreements with the Company;*
- *the Company's ability to attract and retain qualified personnel and to obtain required equipment and services in a timely and cost-efficient manner or at all;*
- *the regulatory framework governing taxes and environmental matters in the jurisdictions in which the Company conducts and will conduct its business;*
- *the Company's ability to obtain regulatory approvals, permits and licenses;*
- *the energy transition and the strategic opportunities available to the Company as the world shifts toward a lower-carbon economy, and the impact thereof on the Company;*
- *the development, performance and expected benefits of technology initiatives and new technologies;*
- *the Company's relationships with the communities in which it operates;*
- *environmental and decommissioning estimates, including the cost of compliance with environmental laws and regulations and the impact thereof on the Company;*
- *the impact of climate-change related risks, including the increased frequency or severity of extreme weather events;*
- *the Company's ability to maintain and update its information technology systems and infrastructure and the adequacy of security measures to mitigate cyber security risks;*

- *the impact of emerging regulations on the nature of oil and gas operations, expenditures in the oil and gas industry, and demand for products and services;*
- *continued access to credit facilities and capital markets on acceptable terms and continued compliance with covenants under the Company's debt agreements;*
- *credit ratings applicable to the Company;*
- *the Company's ability to achieve its sustainability targets, the timing thereof and the impact thereof on the Company;*
- *operating and borrowing costs, including those related to the Company's sustainability programs;*
- *future capital expenditures to be made by the Company, and, as applicable, its partner(s), including its ability to place assets into service and the associated costs of such projects;*
- *the effectiveness of the Company's hedging and risk management activities;*
- *construction, turnaround and maintenance activities proceeding substantially on current scope, schedule and budget;*
- *the Company's ability to obtain financing on acceptable terms;*
- *the Company's ability to maintain a strong balance sheet and financial position;*
- *the Company's ability to obtain required approvals from co-owners on acceptable terms for the Company's jointly-owned facilities;*
- *the Company's future debt levels;*
- *inflation and changes to interest rates and their impact on the Company;*
- *the impact of increasing competition on the Company;*
- *the impact of changes in government policies on the Company;*
- *the Company's ability to generate sufficient cash flow to meet the Company's current and future obligations;*
- *the Company's dividend policy;*
- *product supply and demand and demand for the services offered by the Company;*
- *the impact of supply chain disruptions, including those caused by labour shortages, transportation constraints, geopolitical events, trade restrictions or supplier insolvency;*
- *the impact of pandemics, epidemics or other widespread public health events;*
- *the Company's ability to successfully establish critical accounting judgments and estimates;*
- *the likelihood of success of any claim or action against the Company and the impact thereof;*
- *the Company's ability to renegotiate contracts for its services on terms favorable to the Company;*
- *the impact of future changes in accounting policies on the Company's consolidated financial statements; and*
- *the Company's ability to successfully implement the plans and programs disclosed in the Company's strategy.*

In addition, this MD&A may contain forward-looking information attributed to third party industry sources. This forward-looking information speaks only as of the date of this MD&A and the Company does not undertake any obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable Canadian securities laws. Actual results could differ materially from those anticipated in forward-looking information as a result of numerous risks and uncertainties including, but not limited to, the risks and uncertainties described this MD&A, including under the heading "Risk Factors" herein. Readers should also refer to "Forward-Looking Information" and "Risk Factors" in the Company's current AIF, to the risk factors described in other documents the Company files from time to time with securities regulatory authorities, available on the Company's profile at www.sedarplus.ca and on the Company's website at www.gibsonenergy.com. No assurance can be given that these expectations will prove to be correct. As such, forward-looking information included or referred to in this MD&A and the Company's other filings with Canadian securities regulatory authorities should not be unduly relied upon.

Information on, or connected to, the Company's website www.gibsonenergy.com does not form part of this MD&A.

The forward-looking information included or referred to in this MD&A is expressly qualified by this cautionary statement.



TERMS AND ABBREVIATIONS

AIF: the Company's Annual Information Form for the year ended December 31, 2025

barrel: one barrel of petroleum, each barrel representing 34.972 Imperial gallons or 42 U.S. gallons

Board: Gibson's Board of Directors

Cactus II pipeline: a 26-inch diameter, 700,000 barrel-per-day oil pipeline that runs from the Delaware basin in West Texas to Corpus Christi, with further connectivity to Ingleside, Texas

CAD: Canadian dollars

Chauvin Acquisition: The Company's crude oil infrastructure assets acquired on May 1, 2026, consisting of a crude oil pipeline system connected to the Hardisty oil hub, together with truck terminal and treating facilities in the Chauvin area of Alberta and Saskatchewan

Crude Marketing: the aggregated Canadian and U.S. liquids marketing business

DC&P: disclosure controls and procedures as defined in *National instrument 52-109 Certification of disclosure in Issuers' Annual and Interim Filings*

DRU: Diluent Recovery Unit, a facility that separates diluent from heavier petroleum stock, owned by the Company's equity accounted for investee, Hardisty Energy Terminal LP

EBITDA: earnings before interest, taxes, depreciation and amortization

Edmonton Terminal: The Company's terminal located in Edmonton, Alberta, with crude oil storage capacity that has receipt and delivery connections to most major pipelines in the area

GAAP or IFRS Accounting Standards: International Financial Reporting Standards as set out in the Handbook of the Canadian Institute of Chartered Professional Accountants and as issued by the International Accounting Standards Board, also referred to as IFRS Accounting Standards

Gateway Terminal: the Company's liquids export terminal, located in Ingleside, Texas, acquired on August 1, 2023

Hardisty Terminal: The Company's terminal located at Hardisty, Alberta, with crude oil storage capacity that has receipt and delivery connections to most major pipelines in the area and to the Hardisty Unit Train Facility

ICFR: Internal Controls over Financial Reporting as defined in *National instrument 52-109 Certification of disclosure in Issuers' Annual and Interim Filings*

MD&A: Management Discussion and Analysis

Moose Jaw Facility: Gibson's crude oil processing facility located at Moose Jaw, Saskatchewan, that produces asphaltic and lighter distillate products that are generally sold into specialized markets

Morningstar DBRS: collectively the companies of DBRS Limited, DBRS Inc., DBRS Ratings Limited and DBRS Ratings GmbH

Refined Products: the Company's business division that markets the outputs of the Moose Jaw Facility

NCIB: normal course issuer bid

NGL: Natural Gas Liquids, including ethane, propane, butane and natural gasoline

NI 52-112: National instrument 52-112 – Non-GAAP and Other Financial Measures Disclosure

Shareholders: the holders of issued and outstanding common shares from time to time

Turnaround: A planned, temporary shutdown of a facility or unit, to complete work that cannot be conducted while operational

U.S.: United States of America

USD: United States Dollar

WCS: Western Canadian Select, a type of heavy crude oil commonly produced in the WCSB

WCSB: Western Canadian Sedimentary Basin

Wink Terminal: The Company's terminal located at Wink, Texas, U.S.

WTI: West Texas Intermediate, a type of crude oil used as a benchmark in crude oil pricing



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