

Trans Mountain

Corporate Update
Q2 2025

TRANSMOUNTAIN

Disclosure

This presentation contains certain information that is forward-looking and is subject to important risks and uncertainties (such statements are usually accompanied by words such as "anticipate", "expect", "believe", "may", "will", "should", "estimate", "intend" or other similar words). Forward-looking statements in this document are intended to provide Trans Mountain security holders and potential investors with information regarding Trans Mountain and its subsidiaries and affiliates, including management's assessment of Trans Mountain's and its subsidiaries' and affiliates' future plans and financial outlook. All forward-looking statements reflect Trans Mountain's beliefs and assumptions based on information available at the time the statements were made and as such, are not guarantees of future performance. As actual results could vary significantly from the forward-looking information, you should not put undue reliance on forward-looking information and should not use future-oriented information or financial outlooks for anything other than their intended purpose. We do not update our forward-looking information due to new information or future events, unless we are required to by law. For additional information on the assumptions made, and the risks and uncertainties which could cause actual results to differ from the anticipated results, refer to the most recent Quarterly and Annual Reports posted on Trans Mountain's website at https://www.transmountain.com/corporate-reports.

Corporate Overview

890kbpd crude oil and refined products pipeline system

- Direct access to international markets via West Coast
- Economically attractive, fast trade route to Pacific Rim and Northern Asia
- ~80% of volumes are long-term ship-or-pay contracts, and all volumes are at stated tolls – No direct commodity price exposure

70+ years of operating history. The system today

- Line 1: 350 kbpd (light/refined products) primarily to land destinations in B.C. and WA
- Line 2: 540 kbpd (heavy crude) accessing International markets via Westridge dock in B.C.

Generating significant value for Canada

- Returned $313M to owner in Q2/25 for a year-to-date total of $729 M
- Expanded operations began May 2024 and contributed to a narrowing of the WCS differential



Q2 2025 Highlights

703,000 BPD | **74** Vessels Loaded | **$558 Million** EBITDA | **$313 Million** Returned to the owner

Q2 2025 financial results reflect several significant changes over Q2 2024

- TMEP began May 1, 2024, which increased capacity from 300,000bpd to 890,000bpd and adoption of the expanded system tariff and tolls
- Recapitalization of balance sheet in December 2024 repaid the third-party syndicated revolving facility and lowered the overall outstanding debt balance
- Distributions to owner included $150 million of interest, $105 million in fees and $163 million of dividends.

Q2 Financial Highlights

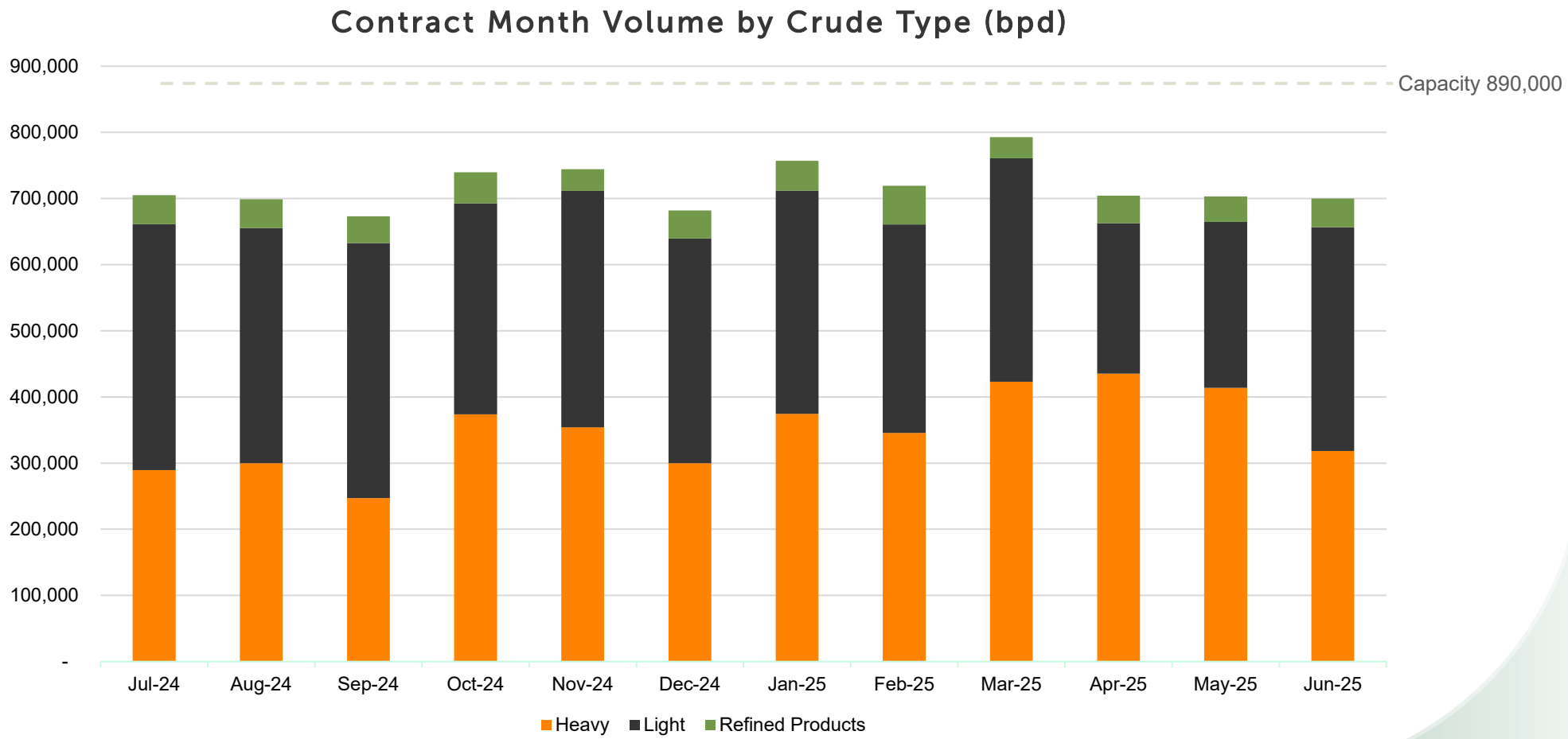
	Three months ended June 30		Six months ended June 30	
(C$ millions)	**2025**	**2024**	**2025**	**2024**
Volumes (kbpd)	703	471	730	403
Revenues	719	396	1,448	521
Adj. EBITDA	558	283	1,126	319
Net Income (loss)	150	(48)	298	110
AFFO	395	(26)	797	(185)
Payments to Owner	313	-	729	-

- Volumes reflect 82%of pipeline capacity year to date
- Stated tolls escalate by 2.5% annually throughout the contract life

Volume Profile

By Crude Type July 1, 2024 – June 30, 2025

Light & refined products are predominantly directed to land destinations



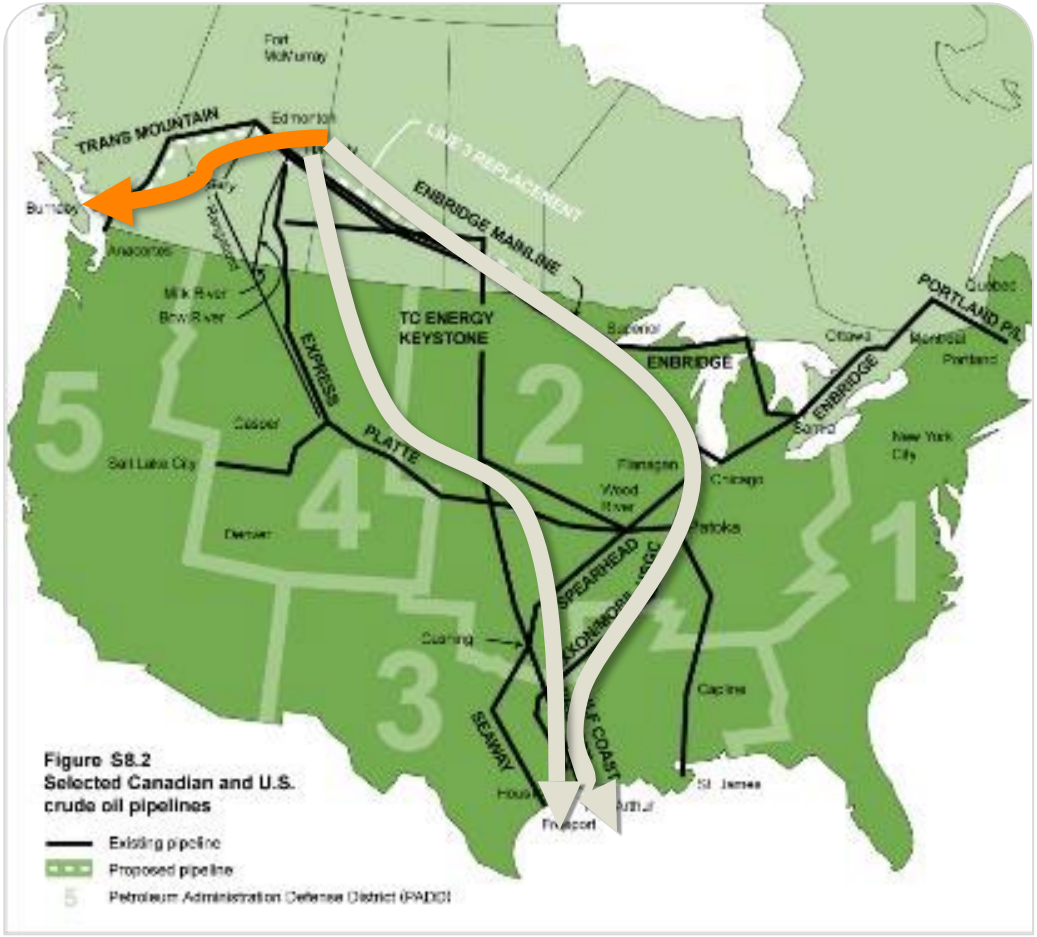
Tidewater Access

Markets for Canada

Canada's only sovereign route to West Coast for Western Canadian Sedimentary Basin (WCSB) production

- WCSB access to Pacific Rim markets
- Provides access to Asia and California (third largest refining market in U.S.)
- Shorter transit time to tidewater than other alternatives
  - Edmonton to Westridge is ~10 days
  - Edmonton to US Gulf Coast (USGC) is ~30 days

Trans Mountain represents ~20% of egress capacity from WCSB as pipeline and rail export capacity from the WCSB was 4,600kbpd in 09/24 (Source: CAPP 1/25)



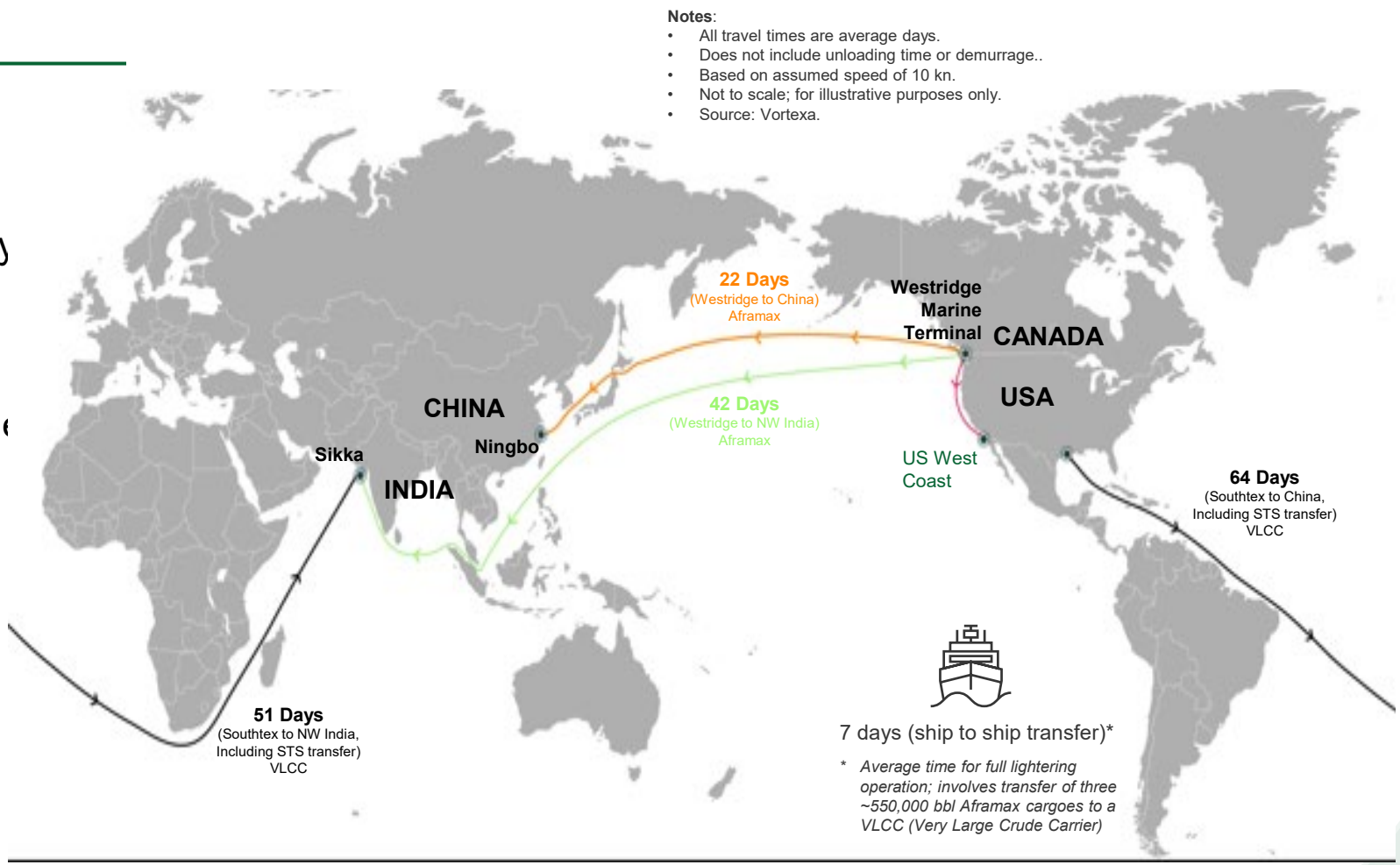
Source: Alberta Energy Regulator (2023)

Seaborne Transit

Markets for Canada

The Westridge advantage

- Westridge to US West Coast ~4 day
- Westridge to China ~22 days
- USGC coast takes three times longe to reach China than export from Westridge
- Seaborne transit times to India are comparable with transit times from the USGC
- Competitive transit times to Asia



Once on the water, Trans Mountain gains strategic advantage to China versus re-exports from the USGC

Competitiveness to Asia

Faster
Fewer days in transit on land and sea

+

Improved Logistics
One pipeline versus several transitions

=

Preferred Route
USGC re-exports to China have stopped

Advantages for committed and uncommitted volumes

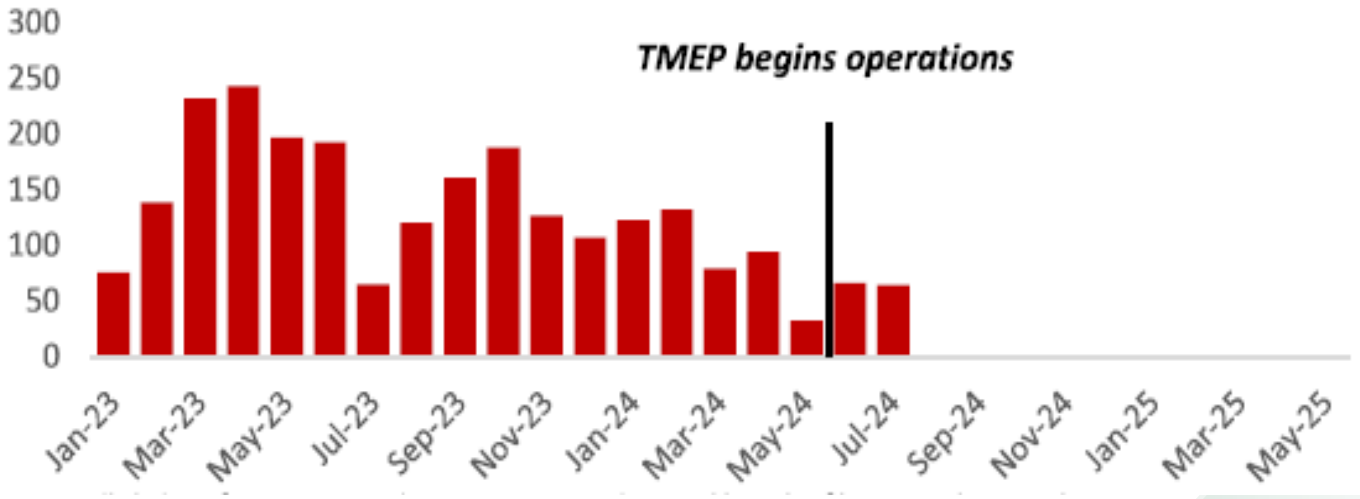
Pipeline advantages:

- Faster
  - Edmonton to Westridge is ~10 days
  - Edmonton to USGC ~ 30 days
- Simpler
  - Edmonton to Westridge is 1 pipeline
  - Edmonton to USGC requires multiple pipelines

Shipping advantages:

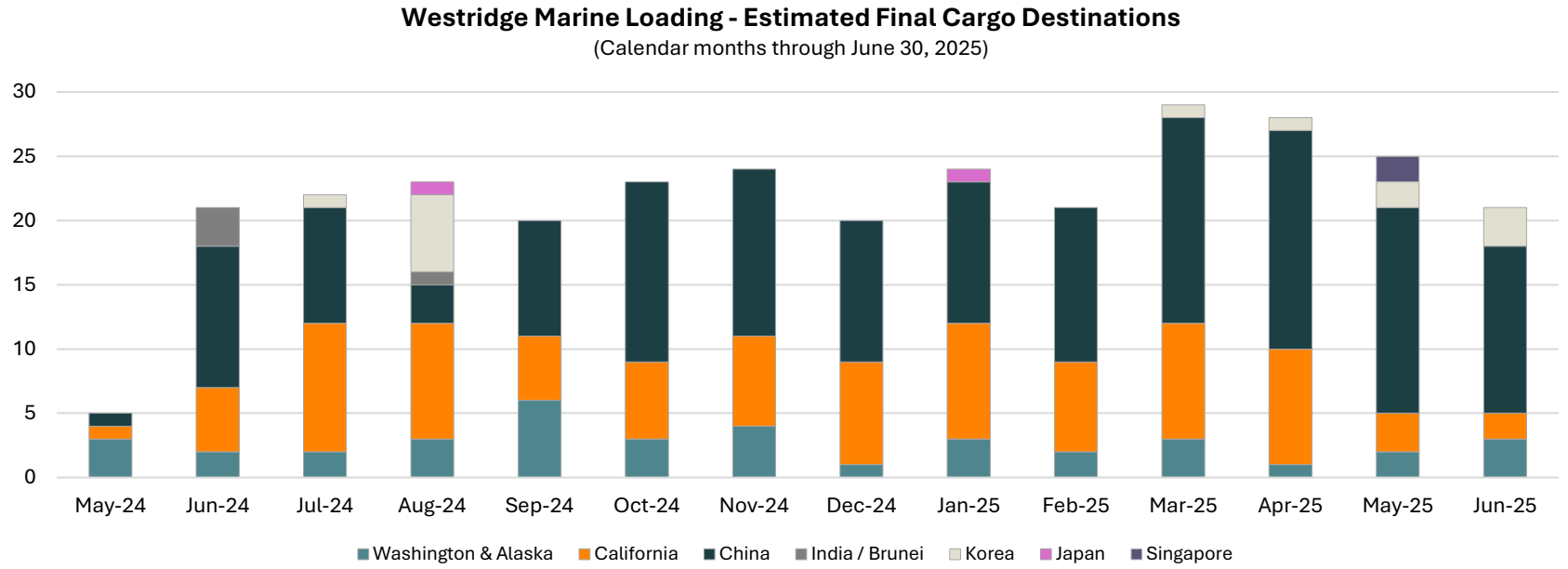
- Shorter – unimpeded, direct route
  - Westridge to China ~5,200 nautical miles
    USGC to China ~15,000 nautical miles
- Cost reduction
  - Shorter shipping time generates an estimated $0.72/bbl reduction in working capital costs

US re-exports to China 2023-Q1 2025 (From USGC)
Thousand barrels per day



Source: Rystad Energy research and analysis

Westridge Marine: Loading Destinations



~60%
Of seaborne exports headed to Asian markets

25
Terminals in Asia received shipments from Westridge

WESTRIDGE MARINE LOADING
Estimated Final Cargo Destinations (May 1, 2024 – June 30, 2025)

Washington & Alaska	California	China	Korea	India / Brunei	Japan	Singapore	TOTAL
38	90	156	14	4	2	2	**306**

Trans Mountain estimated cargo destinations based on third party and internal analysis. Westridge loadings are primarily via Aframax vessels that are ~70% ladened due to harbor limitations.

Optimization Opportunities
(Total: 200kbpd-300kbpd)

Trans Mountain Initiatives

- Potential volume increase with Drag Reducing Agent (DRA)
  - Benefit: ~5-10% volume increase
  - Timing: ~12-18 months
  - Complexity: Largely addition of DRA skids

- Exploring opportunities to optimize existing system to increase throughput
  - Benefit: ~250kbpd
  - Timing: ~5 years
  - Complexity: limited pipeline; adding pumping capacity



Trans Mountain Value Proposition

Generating significant value and annual cash flow for Canada

Value will increase over time as company advances strategic initiatives

- Conclusion of CER toll hearing
- Indigenous ownership participation
- Increased utilization of uncommitted volumes
- Advancement of optimization initiatives
- Ongoing operational excellence performance

Government projected to collect over $11 billion of interest and dividends between 2025 through 2029 ($311M in Q1/25)



Key Takeaways

- Economically attractive, fast trade route to Pacific Rim and Northern Asia for WCSB crude
- ~60% of seaborne shipments have been to Asia
- Since May 2024, price differential on Canadian crude narrowed with expanded system in service
- Strong baseload revenue from long-term, firm contracts with 20% uncontracted capacity available to spot shippers
- 70+ year track record of reliability and customer focus
- $729M returned to the owner since the start of 2025, which is expected to grow annually
- Optimization opportunities to increase throughput volumes by 200-300kbpd over the next 2-5 years