



GIBSON ENERGY

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

SEPTEMBER 30, 2024 & 2023

TSX:GEI

Gibson Energy Inc.

Condensed Consolidated Balance Sheet (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| As at | Note | September 30, 2024 | December 31, 2023 |
|--|------|-----------------------|----------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | | 55,584 | 143,758 |
| Trade and other receivables | | 687,310 | 660,820 |
| Inventories | 4 | 122,081 | 246,709 |
| Prepaid and other assets | | 15,593 | 14,145 |
| Net investment in finance leases | | 1,963 | 1,480 |
| | | 882,531 | 1,066,912 |
| Non-current assets | | | |
| Property, plant and equipment | 5 | 3,008,212 | 2,937,138 |
| Right-of-use assets | 6 | 42,229 | 52,355 |
| Other assets | | 162 | 153 |
| Net investment in finance leases | | 184,015 | 185,543 |
| Investment in equity accounted investees | 7 | 136,027 | 161,127 |
| Deferred income tax assets | | 12,596 | 17,396 |
| Intangible assets | | 99,302 | 116,026 |
| Goodwill | | 412,088 | 410,225 |
| | | 3,894,631 | 3,879,963 |
| Total assets | | 4,777,162 | 4,946,875 |
| Liabilities and equity | | | |
| Current liabilities | | | |
| Trade payables and accrued charges | | 772,022 | 753,508 |
| Dividends payable | | 66,730 | 63,048 |
| Contract liabilities | | 85,683 | 112,003 |
| Current portion of long-term debt | 8 | 325,000 | — |
| Lease liabilities | 9 | 20,322 | 28,014 |
| | | 1,269,757 | 956,573 |
| Non-current liabilities | | | |
| Long-term debt | 8 | 2,203,454 | 2,711,543 |
| Lease liabilities | 9 | 29,924 | 33,991 |
| Provisions | 10 | 192,126 | 194,242 |
| Other long-term liabilities | | 2,569 | 2,412 |
| Deferred income tax liabilities | | 152,840 | 135,644 |
| | | 2,580,913 | 3,077,832 |
| Total liabilities | | 3,850,670 | 4,034,405 |
| Equity | | | |
| Share capital | 11 | 2,366,482 | 2,341,267 |
| Contributed surplus | | 58,961 | 65,113 |
| Accumulated other comprehensive income | | 85,749 | 48,525 |
| Accumulated deficit | | (1,584,700) | (1,542,435) |
| | | 926,492 | 912,470 |
| Total liabilities and equity | | 4,777,162 | 4,946,875 |

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statements of Operations (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| | <i>Note</i> | Three months ended September 30, | | Nine months ended September 30, | |
|---|-------------|---|-------------|--|-------------|
| | | 2024 | 2023 | 2024 | 2023 |
| Revenue | 12 | 2,900,494 | 3,225,787 | 9,422,174 | 8,205,161 |
| Cost of sales | | 2,786,119 | 3,112,908 | 9,052,447 | 7,851,715 |
| Gross profit | | 114,375 | 112,879 | 369,727 | 353,446 |
| Share of profit from equity accounted investees | 7 | (6,514) | (6,243) | (18,793) | (14,723) |
| General and administrative expenses | | 20,046 | 42,962 | 75,189 | 81,283 |
| Other (gains) losses, net | | (191) | (2,373) | 5,104 | (5,245) |
| Operating income | | 101,034 | 78,533 | 308,227 | 292,131 |
| Finance costs, net | 8 | 32,545 | 50,222 | 104,285 | 80,357 |
| Income before income taxes | | 68,489 | 28,311 | 203,942 | 211,774 |
| Current income tax | | 10,582 | 1,860 | 23,633 | 23,800 |
| Deferred income tax | | 3,991 | 5,818 | 22,572 | 27,064 |
| Income tax expense | | 14,573 | 7,678 | 46,205 | 50,864 |
| Net income | | 53,916 | 20,633 | 157,737 | 160,910 |
| Earnings per share | 11 | | | | |
| Basic earnings per share | | 0.33 | 0.11 | 0.97 | 1.10 |
| Diluted earnings per share | | 0.33 | 0.11 | 0.96 | 1.09 |

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.

Condensed Consolidated Statements of Comprehensive Income (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| | Three months ended September 30, | | Nine months ended September 30, | |
|--|-------------------------------------|--------|------------------------------------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | 53,916 | 20,633 | 157,737 | 160,910 |
| Other comprehensive (loss) income | | | | |
| <i>Items that may be reclassified subsequently to statement of operations</i> | | | | |
| Exchange differences from translating foreign operations | (22,751) | 49,343 | 37,224 | 41,553 |
| <i>Items that will not be reclassified subsequently to statement of operations</i> | | | | |
| Remeasurement of post-employment benefit obligation, net of tax | — | — | — | 246 |
| Other comprehensive (loss) income, net of tax | (22,751) | 49,343 | 37,224 | 41,799 |
| Comprehensive income | 31,165 | 69,976 | 194,961 | 202,709 |

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.
Condensed Consolidated Statements of Changes in Equity (unaudited)
(Amounts in thousands of Canadian dollars, except per share amounts)

| | Share Capital (Note 11) | Contributed Surplus | Accumulated Other Comprehensive Income | Accumulated Deficit | Total Equity |
|---|-------------------------------|------------------------|---|------------------------|--------------|
| Balance – January 1, 2023 | 1,964,515 | 60,399 | 48,233 | (1,500,131) | 573,016 |
| Net income | — | — | — | 160,910 | 160,910 |
| Other comprehensive income, net of tax | — | — | 41,799 | — | 41,799 |
| Comprehensive income | — | — | 41,799 | 160,910 | 202,709 |
| Share-based compensation | — | 13,546 | — | — | 13,546 |
| Tax effect of equity settled awards | 463 | (356) | — | — | 107 |
| Proceeds from exercise of stock options | 1,535 | — | — | — | 1,535 |
| Net proceeds from the issuance of common shares, after tax effects | 389,951 | — | — | — | 389,951 |
| Reclassification of contributed surplus on issuance of awards under equity incentive plan | 13,630 | (13,630) | — | — | — |
| Dividends on common shares (\$0.39 per common share) | — | — | — | (173,859) | (173,859) |
| Repurchase of common shares under normal course issuer bid ("NCIB") | (28,743) | — | — | (19,608) | (48,351) |
| Balance – September 30, 2023 | 2,341,351 | 59,959 | 90,032 | (1,532,688) | 958,654 |
| Balance – January 1, 2024 | 2,341,267 | 65,113 | 48,525 | (1,542,435) | 912,470 |
| Net income | — | — | — | 157,737 | 157,737 |
| Other comprehensive income, net of tax | — | — | 37,224 | — | 37,224 |
| Comprehensive income | — | — | 37,224 | 157,737 | 194,961 |
| Share-based compensation | — | 13,354 | — | — | 13,354 |
| Tax effect of equity settled awards | 174 | 234 | — | — | 408 |
| Proceeds from exercise of stock options | 5,301 | — | — | — | 5,301 |
| Reclassification of contributed surplus on issuance of awards under equity incentive plan | 19,740 | (19,740) | — | — | — |
| Dividends on common shares (\$0.41 per common share) | — | — | — | (200,002) | (200,002) |
| Balance – September 30, 2024 | 2,366,482 | 58,961 | 85,749 | (1,584,700) | 926,492 |

See accompanying notes to the condensed consolidated financial statements

Gibson Energy Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)
(Amounts in thousands of Canadian dollars, except per share amounts)

| | | Three months ended | | Nine months ended | |
|---|-------------|---------------------------|--------------------|--------------------------|--------------------|
| | | September 30, | | September 30, | |
| | <i>Note</i> | 2024 | 2023 | 2024 | 2023 |
| Cash flows from operating activities | | | | | |
| Net income | | 53,916 | 20,633 | 157,737 | 160,910 |
| Adjustments | 15 | 92,614 | 107,962 | 308,821 | 243,423 |
| Changes in items of working capital | 15 | 267,447 | 64,320 | 91,282 | 40,165 |
| Income tax payment, net | 15 | (9,183) | (2,900) | (26,662) | (25,244) |
| Net cash inflow from operating activities | | 404,794 | 190,015 | 531,178 | 419,254 |
| Cash flows from investing activities | | | | | |
| Purchase of property, plant and equipment and intangible assets | 5 | (51,505) | (41,465) | (127,169) | (87,521) |
| Acquisition, net of cash acquired | | — | (1,458,596) | — | (1,458,596) |
| Realized loss on financial instrument | | — | (6,842) | — | (6,842) |
| Investment in equity accounted investees | 7 | — | — | — | (765) |
| Proceeds from sale of assets | | — | — | 7,304 | 26 |
| Proceeds from sale of equity investment | 7 | — | — | 23,258 | — |
| Net cash outflow from investing activities | | (51,505) | (1,506,903) | (96,607) | (1,553,698) |
| Cash flows from financing activities | | | | | |
| Payment of shareholder dividends | | (66,653) | (55,235) | (196,320) | (163,711) |
| Finance costs paid, net | | (56,237) | (25,082) | (123,477) | (56,993) |
| Proceeds from exercise of stock options | | 45 | 30 | 5,301 | 1,535 |
| Lease payments | 9 | (8,144) | (8,575) | (24,178) | (26,268) |
| Repayment of credit facility, net | 8 | (214,740) | (85,000) | (185,000) | (90,000) |
| Proceeds from issuance of long-debt, net of issuance costs | | — | 1,088,042 | — | 1,088,042 |
| Proceeds from issuance of common shares, net of issuance costs | | — | 385,883 | — | 385,883 |
| Repurchase of shares under NCIB | 11 | — | — | — | (48,351) |
| Net cash (outflow) inflow from financing activities | | (345,729) | 1,300,063 | (523,674) | 1,090,137 |
| Net increase (decrease) in cash and cash equivalents | | 7,560 | (16,825) | (89,103) | (44,307) |
| Effect of exchange rate on cash and cash equivalents | | (970) | 16,074 | 929 | 15,175 |
| Cash and cash equivalents – beginning of year | | 48,994 | 55,215 | 143,758 | 83,596 |
| Cash and cash equivalents – end of quarter | | 55,584 | 54,464 | 55,584 | 54,464 |

See accompanying notes to the condensed consolidated financial statements

See note 15 for supplemental disclosures.

Note 1 Description of Business and Segmented Disclosure

Gibson Energy Inc. (the "Company") was incorporated pursuant to the Business Corporations Act (Alberta) on April 11, 2011. The Company is incorporated in Alberta and domiciled in Canada. The address of the Company's principal place of business is 1700, 440 Second Avenue S.W., Calgary, Alberta, Canada. The Company's common shares are traded on the Toronto Stock Exchange under the symbol "GEI".

The Company is a leading North American liquids infrastructure company with its principal businesses consisting of storage, optimization, processing, and gathering of liquids and refined products.

The Company's reportable segments are:

Infrastructure, which includes a network of liquids infrastructure assets that include terminals, rail loading and unloading facilities, gathering pipelines, a crude oil processing facility and other small terminals. 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 Western Canadian Sedimentary Basin; the Gateway Terminal, a liquids export terminal located in Ingleside, Texas, in the United States ("U.S."), which connects the Permian and Eagle Ford basins to global exports; the DRU which is located adjacent to the Hardisty Terminal; a crude oil processing facility in Moose Jaw, Saskatchewan (the "Moose Jaw Facility"); and gathering pipelines in Canada and U.S. The Infrastructure segment also includes the Company's share of equity pickup from equity accounted investees. Select assets are impacted by maintenance turnarounds typically occurring every few years.

Marketing, which is involved in 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 and heavy straight run distillates. The Marketing segment sources the majority of its hydrocarbon products from Western Canada as well as the Permian basin and markets those products throughout Canada and the U.S. The Moose Jaw Facility business is impacted by certain seasonality of operations specific to the oil and gas industry and asphalt product demand.

This reporting structure provides a direct connection between the Company's operations, the services it provides to customers and the ongoing strategic direction of the Company. These reportable segments of the Company have been derived because they are the segments: (a) that engage in business activities from which revenues are earned and expenses are incurred; (b) whose operating results are regularly reviewed by the Company's chief operating decision maker to make decisions about resources to be allocated to each segment and assess its performance; and (c) for which discrete financial information is available. The Company has aggregated certain operating segments into the above noted reportable segments through examination of the Company's performance which is based on the similarity of the goods and services provided and economic characteristics exhibited by these operating segments.

Accounting policies used for segment reporting are consistent with the accounting policies used for the preparation of the Company's consolidated financial statements. Inter-segmental transactions are eliminated upon consolidation and the Company does not recognize margins on inter-segmental transactions.

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

*(Amounts in thousands of Canadian dollars, except per share amounts)***a) Statement of operations**

| Three months ended September 30, 2024 | Infrastructure | Marketing | Total |
|--|-----------------------|------------------|--------------|
| Revenue | | | |
| External | 128,341 | 2,772,153 | 2,900,494 |
| Inter-segmental | 53,038 | 20,696 | 73,734 |
| External and inter-segmental | 181,379 | 2,792,849 | 2,974,228 |
| Segment profit | 150,271 | 14,183 | 164,454 |
| Corporate and other reconciling items: | | | |
| Depreciation and impairment of property, plant and equipment | | | 31,443 |
| Depreciation and impairment of right-of-use assets | | | 5,661 |
| Amortization and impairment of intangible assets | | | 7,185 |
| General and administrative | | | 13,004 |
| Stock based compensation | | | 4,747 |
| Corporate financial instrument gain <i>(note 13)</i> | | | (1,759) |
| Corporate foreign exchange loss | | | 3,139 |
| Finance cost, net | | | 32,545 |
| Net income before income tax | | | 68,489 |
| Income tax expense | | | 14,573 |
| Net income | | | 53,916 |

| Three months ended September 30, 2023 | Infrastructure | Marketing | Total |
|--|-----------------------|------------------|--------------|
| Revenue | | | |
| External | 111,180 | 3,114,607 | 3,225,787 |
| Inter-segmental | 54,877 | 19,022 | 73,899 |
| External and inter-segmental | 166,057 | 3,133,629 | 3,299,686 |
| Segment profit | 137,727 | 17,900 | 155,627 |
| Corporate and other reconciling items: | | | |
| Depreciation and impairment of property, plant and equipment | | | 25,581 |
| Depreciation and impairment of right-of-use assets | | | 7,095 |
| Amortization and impairment of intangible assets | | | 5,866 |
| General and administrative | | | 14,258 |
| Acquisition and integration costs | | | 19,959 |
| Stock based compensation | | | 6,455 |
| Corporate financial instrument loss <i>(note 13)</i> | | | 430 |
| Corporate foreign exchange gain | | | (2,550) |
| Finance cost, net | | | 50,222 |
| Net income before income tax | | | 28,311 |
| Income tax expense | | | 7,678 |
| Net income | | | 20,633 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| Nine months ended September 30, 2024 | Infrastructure | Marketing | Total |
|--|-----------------------|------------------|--------------|
| Revenue | | | |
| External | 395,754 | 9,026,420 | 9,422,174 |
| Inter-segmental | 158,037 | 61,087 | 219,124 |
| External and inter-segmental | 553,791 | 9,087,507 | 9,641,298 |
| Segment profit | 446,566 | 69,391 | 515,957 |
| Corporate and other reconciling items: | | | |
| Depreciation and impairment of property, plant and equipment | | | 90,505 |
| Depreciation and impairment of right-of-use assets | | | 19,513 |
| Amortization and impairment of intangible assets | | | 21,434 |
| General and administrative | | | 51,920 |
| Acquisition and integration costs | | | 1,371 |
| Share-based compensation | | | 15,158 |
| Corporate financial instrument loss <i>(note 13)</i> | | | 6,882 |
| Corporate foreign exchange loss | | | 947 |
| Finance costs, net | | | 104,285 |
| Net income before income tax | | | 203,942 |
| Income tax expense | | | 46,205 |
| Net income | | | 157,737 |

| Nine months ended September 30, 2023 | Infrastructure | Marketing | Total |
|--|-----------------------|------------------|--------------|
| Revenue | | | |
| External | 268,639 | 7,936,522 | 8,205,161 |
| Inter-segmental | 163,343 | 53,226 | 216,569 |
| External and inter-segmental | 431,982 | 7,989,748 | 8,421,730 |
| Segment profit | 336,483 | 123,962 | 460,445 |
| Corporate and other reconciling items: | | | |
| Depreciation and impairment of property, plant and equipment | | | 64,212 |
| Depreciation and impairment of right-of-use assets | | | 20,241 |
| Amortization and impairment of intangible assets | | | 10,335 |
| General and administrative | | | 38,677 |
| Acquisition and integration costs | | | 19,959 |
| Share-based compensation | | | 15,344 |
| Corporate financial instrument loss <i>(note 13)</i> | | | 430 |
| Corporate foreign exchange gain | | | (884) |
| Finance costs, net | | | 80,357 |
| Net income before income tax | | | 211,774 |
| Income tax expense | | | 50,864 |
| Net income | | | 160,910 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

The breakdown of additions to property, plant and equipment, investment in equity accounted investees, goodwill and intangible assets by reportable segment is as follows:

| Additions | Nine months ended September 30, | |
|----------------|---------------------------------|-----------|
| | 2024 | 2023 |
| Infrastructure | 122,009 | 1,563,667 |
| Marketing | 17,180 | — |
| Corporate | 5,097 | 4,974 |
| | 144,286 | 1,568,641 |

b) Geographic Data

| Revenue | Nine months ended September 30, | |
|----------------------|---------------------------------|------------------|
| | 2024 | 2023 |
| Canada | 8,208,331 | 6,970,281 |
| United States | 1,213,843 | 1,234,880 |
| Total revenue | 9,422,174 | 8,205,161 |

| Non-current assets | As at September 30, | |
|---|---------------------|------------------|
| | 2024 | 2023 |
| Canada | 1,886,251 | 1,810,735 |
| United States | 1,675,742 | 1,727,365 |
| Total non-current assets⁽¹⁾ | 3,561,993 | 3,538,100 |

(1) Excludes investment in finance leases, investments in equity accounted investees and deferred tax assets.

Note 2 Basis of Preparation

These condensed consolidated financial statements have been prepared in compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"), as set out in IAS 34, "Interim Financial Reporting".

These condensed consolidated financial statements are presented in Canadian dollars, the Company's functional currency, and all values are rounded to the nearest thousands of dollars, except where indicated otherwise. All references to \$ are to Canadian dollars and references to US\$ are to U.S. dollars. These statements do not include all disclosures required for the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the years ended December 31, 2023 and 2022.

These condensed consolidated financial statements were approved for issuance by the Company's board of directors ("Board") on October 29, 2024.

Note 3 Changes in Accounting Policies and Disclosures

New and amended standards adopted by the Company:

The Company adopted the following amendment during the period in accordance with applicable transitional provisions:

- o IAS 1 – Presentation of Financial Statements ("IAS 1"), has been amended to clarify how to classify debt and other liabilities as either current or non-current and how to determine that an entity has the right to defer settlement of a liability arising from a loan arrangement, which contains covenant(s), for at least twelve months after the reporting period. The amendments to IAS 1 were effective for the year beginning on January 1, 2024. There was no impact on the Company's consolidated financial statements at the adoption date.

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 statement. The standard is effective for financial statements beginning on January 1, 2027, including interim financial statements and requires retrospective application. The Company continues to assess the impact of this standard on its consolidated financial statements.

Note 4 Inventories

| | A at September 30, | As at December 31, |
|--|---------------------------|---------------------------|
| | 2024 | 2023 |
| Crude oil, natural gas liquids and diluent | 70,392 | 195,535 |
| Asphalt | 39,962 | 36,555 |
| Wellsite fluids and distillate | 11,727 | 14,619 |
| | 122,081 | 246,709 |

The cost of the inventory sold included in cost of sales was \$8,760.5 million and \$7,664.6 million for the nine months ended September 30, 2024, and 2023, respectively.

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 5 Property, Plant and Equipment

| | Land and Buildings | Pipelines and Connections | Storage | Facilities and Equipment | Assets under Construction | Total |
|---|-----------------------|---------------------------------|------------------|--------------------------------|---------------------------------|------------------|
| Cost: | | | | | | |
| As at January 1, 2024 | 318,544 | 538,065 | 1,273,579 | 1,717,436 | 155,817 | 4,003,441 |
| Additions and adjustments | 684 | 3,662 | 56,420 | 45,012 | 35,089 | 140,867 |
| Disposals | (4,940) | (13,591) | (3,738) | (14,463) | — | (36,732) |
| Change in decommissioning provision | (24) | (193) | (383) | (2,111) | — | (2,711) |
| Effect of movements in exchange rates | 3,904 | 2,463 | 9,534 | 19,079 | 242 | 35,222 |
| As at September 30, 2024 | 318,168 | 530,406 | 1,335,412 | 1,764,953 | 191,148 | 4,140,087 |
| Accumulated depreciation and impairment: | | | | | | |
| As at January 1, 2024 | 62,374 | 193,262 | 271,894 | 538,773 | — | 1,066,303 |
| Depreciation and adjustments | 5,832 | 11,108 | 27,126 | 46,419 | — | 90,485 |
| Disposals | (4,051) | (7,890) | (2,504) | (11,559) | — | (26,004) |
| Effect of movements in exchange rates | 37 | 380 | 147 | 527 | — | 1,091 |
| As at September 30, 2024 | 64,192 | 196,860 | 296,663 | 574,160 | — | 1,131,875 |
| Carrying amounts: | | | | | | |
| As at January 1, 2024 | 256,170 | 344,803 | 1,001,685 | 1,178,663 | 155,817 | 2,937,138 |
| As at September 30, 2024 | 253,976 | 333,546 | 1,038,749 | 1,190,793 | 191,148 | 3,008,212 |

Amounts in relation to infrastructure assets are under operating lease arrangements.

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 6 Right-of-use Assets

| | Buildings | Rail Cars | Other | Total |
|---|---------------|---------------|--------------|----------------|
| Cost: | | | | |
| As at January 1, 2024 | 44,748 | 90,441 | 12,051 | 147,240 |
| Additions and adjustments | 2,832 | 1,573 | 4,958 | 9,363 |
| Disposals | — | (23,628) | (7,578) | (31,206) |
| Effect of movements in exchange rates | 27 | — | 130 | 157 |
| As at September 30, 2024 | 47,607 | 68,386 | 9,561 | 125,554 |
| Accumulated depreciation and impairment: | | | | |
| As at January 1, 2024 | 29,572 | 57,336 | 7,977 | 94,885 |
| Depreciation and adjustments | 3,647 | 12,922 | 2,944 | 19,513 |
| Disposals | — | (23,628) | (7,578) | (31,206) |
| Effect of movements in exchange rates | 21 | — | 112 | 133 |
| As at September 30, 2024 | 33,240 | 46,630 | 3,455 | 83,325 |
| Carrying amounts: | | | | |
| As at January 1, 2024 | 15,176 | 33,105 | 4,074 | 52,355 |
| As at September 30, 2024 | 14,367 | 21,756 | 6,106 | 42,229 |

Note 7 Investment in Equity Accounted Investees

| | Ownership % | Share of Profit (Loss) for the period ended | | Investment in Equity Accounted Investees as at | |
|--|----------------|--|-----------------------|---|----------------------|
| | | September 30, 2024 | September 30, 2023 | September 30, 2024 | December 31, 2023 |
| Hardisty Energy Terminal Limited Partnership ("HET") | 50% | 18,587 | 15,863 | 136,027 | 138,762 |
| Zenith Energy Terminals Joliet Holdings LLC ("Zenith") | 36% | 206 | (1,140) | — | 22,365 |
| | | 18,793 | 14,723 | 136,027 | 161,127 |

The Company, as the operator, holds a 50 percent interest in HET, operating a Diluent Recovery Unit adjacent to the Company's Hardisty Terminal.

On June 17, 2024, the Company sold its 36 percent interest in Zenith, which owns and operates a crude-by-rail and storage terminal and a pipeline connection to a common carrier crude oil pipeline in Joliet, Illinois for proceeds of \$23.4 million.

The Company's share of profit or loss from these investments is included within the Infrastructure segment's profit.

The Company received distributions for the nine months ended September 30, 2024, of \$21.7 million (nine months ended September 30, 2023 – \$19.0 million).

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 8 Long-Term Debt

| | Coupon Rate | Year of Maturity | September 30, 2024 | December 31, 2023 |
|---|----------------|---------------------|-----------------------|----------------------|
| Unsecured revolving credit facility | floating | 2029 | 45,000 | 230,000 |
| Senior unsecured notes | 2.45% | 2025 | 325,000 | 325,000 |
| Senior unsecured notes | 5.80% | 2026 | 350,000 | 350,000 |
| Senior unsecured notes | 2.85% | 2027 | 325,000 | 325,000 |
| Senior unsecured notes | 3.60% | 2029 | 500,000 | 500,000 |
| Senior unsecured notes | 5.75% | 2033 | 350,000 | 350,000 |
| Senior unsecured notes | 6.20% | 2053 | 200,000 | 200,000 |
| Unsecured hybrid notes | 5.25% | 2080 | 250,000 | 250,000 |
| Unsecured hybrid notes | 8.70% | 2083 | 200,000 | 200,000 |
| Unamortized issue discount and debt issue costs | | | (16,546) | (18,457) |
| | | | 2,528,454 | 2,711,543 |
| Less: current portion | | | (325,000) | — |
| Long-term debt | | | 2,203,454 | 2,711,543 |

The senior unsecured notes with a 2.45% coupon rate are due for repayment within the next twelve months, and as a result, the long-term liability has been classified as a current liability as at September 30, 2024.

On April 22, 2024, the Company amended its unsecured revolving credit facility and extended the maturity date from February 2028 to April 2029.

The Company had \$45.0 million drawn on its \$1,000.0 million unsecured revolving credit facility as of September 30, 2024 (December 31, 2023 – \$230.0 million). In addition, the Company has two bilateral demand facilities, which are available for use for general corporate purposes or letters of credit, totaling \$150.0 million under which it had issued letters of credit totaling \$36.7 million as at September 30, 2024 (December 31, 2023 – \$38.0 million).

The Company is required to meet certain specific and customary affirmative and negative financial covenants under various debt agreements. As at September 30, 2024, the Company was in compliance with all of its covenants.

The components of finance costs are as follows:

| | Note | Three months ended September 30, | | Nine months ended September 30, | |
|---|------|-------------------------------------|---------|------------------------------------|---------|
| | | 2024 | 2023 | 2024 | 2023 |
| Interest expense | | 36,152 | 34,044 | 108,600 | 70,352 |
| Capitalized interest | 5 | (3,551) | (509) | (4,396) | (1,225) |
| Interest expense, finance lease | 9 | 692 | 803 | 2,102 | 2,152 |
| Interest income | | (748) | (4,633) | (2,021) | (5,568) |
| Dividend equivalent payment on subscription receipts | | — | 7,804 | — | 7,804 |
| Unrealized foreign currency financial instrument loss | | — | 5,871 | — | — |
| Realized foreign currency financial instrument loss | | — | 6,842 | — | 6,842 |
| | | 32,545 | 50,222 | 104,285 | 80,357 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 9 Lease Liabilities

| | September 30, 2024 |
|--|-------------------------------|
| Opening balance | 62,005 |
| Additions | 9,363 |
| Interest expense | 2,102 |
| Lease payments | (24,178) |
| Effect of movements in exchange rates | 954 |
| Closing balance | 50,246 |
| Less: current portion | 20,322 |
| Closing balance – non-current portion | 29,924 |

The Company incurs lease payments primarily related to rail cars and buildings. Leases are entered into and exited in coordination with specific business requirements which includes the assessment of the appropriate durations for the related leased assets.

Note 10 Provisions

The aggregate carrying amounts of the obligation associated with decommissioning and site restoration on the retirement of assets and environmental costs are as follows:

| | Note | September 30, 2024 |
|---------------------------------------|-------------|-------------------------------|
| Opening balance | | 194,242 |
| Settlements | | (1,699) |
| Additions | 5 | 1,613 |
| Disposals | | (2,609) |
| Change in estimated future cash flows | 5 | 104 |
| Change in discount rate | 5 | (4,612) |
| Unwind of discount | | 3,867 |
| Effect of movements in exchange rates | | 1,220 |
| Closing balance | | 192,126 |

The Company currently estimates the total undiscounted future value amount, including an inflation factor of 4.0% for 2024 and 2.0% annually thereafter, of estimated cash flows to settle the future liability for asset retirement and remediation obligations. In order to determine the current provision related to these future values, the estimated future values were discounted using an average risk-free rate of 3.2% at September 30, 2024 (3.0% - December 31, 2023).

The change in the risk-free rate results in an adjustment in cost to the corresponding asset.

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 11 Share Capital and Share-based Compensation

Common Shares – Issued and Outstanding

| | Number of Common Shares | Amount |
|--|-------------------------------|-----------|
| At January 1, 2024 | 161,659,913 | 2,341,267 |
| Issuance in connection with the exercise of stock options | 239,106 | 5,301 |
| Tax effect of equity settled awards | — | 174 |
| Reclassification of contributed surplus on issuance of awards under equity incentive plans | 859,106 | 19,740 |
| At September 30, 2024 | 162,758,125 | 2,366,482 |

A dividend of \$0.41 per share, declared on July 29, 2024, was paid on October 17, 2024.

On September 18, 2024, the Company's NCIB was renewed for an additional one-year period, enabling the Company to repurchase and cancel up to 7.5% or 9,958,026 of the public float for the issued and outstanding common shares, in accordance with the applicable rules and policies of the TSX and applicable securities laws. The NCIB expires on the earlier of September 17, 2025, and the date on which the maximum number of common shares permitted to be acquired pursuant to the NCIB has been purchased. The Company did not repurchase any common shares under its NCIB for the nine months ended September 30, 2024.

Share Based Compensation

A summary activity under the equity incentive plan is as follows:

| | Number of Shares | Weighted Average Exercise Price (in dollars) | Restricted Share Units | Performance Share Units | Deferred Share Units |
|--|---------------------|---|---------------------------|----------------------------|-------------------------|
| | Stock Options | | Number of Shares | | |
| At January 1, 2024 | 351,103 | 21.98 | 740,141 | 802,952 | 941,645 |
| Granted | — | — | 513,550 | 275,276 | 137,694 |
| Exercised and released for common shares | (294,929) | 22.18 | (395,111) | (370,285) | (93,710) |
| Forfeited | (13,407) | 19.70 | (54,957) | (108,168) | — |
| At September 30, 2024 | 42,767 | 19.70 | 803,623 | 599,775 | 985,629 |
| Vested and exercisable at September 30, 2024 | 42,767 | 19.70 | — | — | 985,629 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

*(Amounts in thousands of Canadian dollars, except per share amounts)***Per Share Amounts**

The following table shows the number of shares used in the calculation of earnings per share:

| | Three months ended September 30, | | Nine months ended September 30, | |
|---|---|-------------|--|-------------|
| | 2024 | 2023 | 2024 | 2023 |
| Weighted average common shares outstanding – Basic | 162,671,380 | 154,687,779 | 162,437,472 | 146,397,265 |
| Dilutive effect of stock options and other awards | 1,556,359 | 1,364,162 | 1,489,538 | 1,403,827 |
| Weighted average common shares – Diluted | 164,227,739 | 156,051,941 | 163,927,010 | 147,801,092 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 12 Revenue

| | Three months ended | | Nine months ended | |
|---|--------------------|-----------|-------------------|-----------|
| | September 30, | | September 30, | |
| | 2024 | 2023 | 2024 | 2023 |
| Revenue from contracts with customers recognized at a point in time | 2,772,155 | 3,114,607 | 9,026,420 | 7,936,522 |
| Revenue from contracts with customers recognized over time | 78,390 | 65,248 | 242,442 | 143,538 |
| Total revenue from contracts with customers | 2,850,545 | 3,179,855 | 9,268,862 | 8,080,060 |
| Total revenue from lease arrangements | 49,949 | 45,932 | 153,312 | 125,101 |
| | 2,900,494 | 3,225,787 | 9,422,174 | 8,205,161 |

| Three months ended September 30, 2024 | Infrastructure | Marketing | Total |
|--|----------------|-----------|-----------|
| External Service Revenue | | | |
| Terminals storage and throughput / pipeline transportation | 74,366 | — | 74,366 |
| Rail and other | 4,024 | — | 4,024 |
| External Product Revenue | | | |
| Crude, diluent and other products | — | 2,631,323 | 2,631,323 |
| Refined products | — | 140,832 | 140,832 |
| Total revenue from contracts with customers | 78,390 | 2,772,155 | 2,850,545 |

| Three months ended September 30, 2023 | Infrastructure | Marketing | Total |
|--|----------------|-----------|-----------|
| External Service Revenue | | | |
| Terminals storage and throughput / pipeline transportation | 60,387 | — | 60,387 |
| Rail and other | 4,861 | — | 4,861 |
| External Product Revenue | | | |
| Crude, diluent and other products | — | 2,949,226 | 2,949,226 |
| Refined products | — | 165,381 | 165,381 |
| Total revenue from contracts with customers | 65,248 | 3,114,607 | 3,179,855 |

| Nine months ended September 30, 2024 | Infrastructure | Marketing | Total |
|--|----------------|-----------|-----------|
| External Service Revenue | | | |
| Terminals storage and throughput / pipeline transportation | 229,903 | — | 229,903 |
| Rail and other | 12,539 | — | 12,539 |
| External Product Revenue | | | |
| Crude, diluent and other products | — | 8,599,470 | 8,599,470 |
| Refined products | — | 426,950 | 426,950 |
| Total revenue from contracts with customers | 242,442 | 9,026,420 | 9,268,862 |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| Nine months ended September 30, 2023 | Infrastructure | Marketing | Total |
|--|-----------------------|------------------|------------------|
| External Service Revenue | | | |
| Terminals storage and throughput / pipeline transportation | 125,319 | — | 125,319 |
| Rail and other | 18,219 | — | 18,219 |
| External Product Revenue | | | |
| Crude, diluent and other products | — | 7,522,346 | 7,522,346 |
| Refined products | — | 414,176 | 414,176 |
| Total revenue from contracts with customers | 143,538 | 7,936,522 | 8,080,060 |

Note 13 Financial Instruments

Financial assets and financial liabilities consist of cash and cash equivalents, trade and other receivables, net investment in finance leases, risk management assets and liabilities, investments in equity investments, trade payables and accrued charges, lease liabilities, dividends payable, derivative financial instruments, long-term debt and other liabilities.

The value of the Company's derivative financial instruments is determined using inputs that are either readily available in public markets or are quoted by counterparties to these contracts. In situations where the Company obtains inputs via quotes from its counterparties, these quotes are verified for reasonableness via similar quotes from another source for each date for which financial statements are presented. The Company has consistently applied these valuation techniques in all periods presented and the Company believes it has obtained the most accurate information available for the types of financial instrument contracts held.

The Company has categorized the inputs for these contracts as Level 1, defined as observable inputs such as quoted prices in active markets; Level 2 defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; or Level 3 defined as unobservable inputs in which little or no market data exists therefore requiring an entity to develop its own assumptions. For the financial instruments categorized in Level 2, the Company used the forward exchange rates at the measurement date, with the resulting value discounted back to present values to determine the fair value of the foreign currency forward contracts.

For the financial instrument categorized in Level 3, the Company based its internal valuation model on broker pricing for the Alberta market some observable market prices, extrapolated market prices, and estimated production discount rates. Some of these assumptions are not directly or indirectly observable and the valuation is considered a Level 3 measurement. The fair value of the renewable power contract is determined internally by the Company's risk management team, experienced in fair value measurements.

The following tables present a summary of derivative financial instrument positions:

| As at September 30, 2024 | Carrying Amount | Level 1 | Fair Value | |
|--|----------------------------|----------------|-------------------|----------------|
| | | | Level 2 | Level 3 |
| Commodity futures | 424 | 424 | — | — |
| WTI differential futures | 587 | 587 | — | — |
| Foreign currency forwards | 587 | — | 587 | — |
| Foreign currency options | 779 | — | 779 | — |
| Financial assets (carried at fair value) | 2,377 | 1,011 | 1,366 | — |
| Commodity futures | 734 | 734 | — | — |
| WTI differential futures | 1,001 | 1,001 | — | — |
| Foreign currency forwards | 432 | — | 432 | — |
| Renewable power contracts | 8,122 | — | — | 8,122 |
| Financial liabilities (carried at fair value) | 10,289 | 1,735 | 432 | 8,122 |
| Long-term debt - current and long-term (carried at amortized cost) | 2,528,454 | | 2,548,666 | |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

| As at December 31, 2023 | Carrying Amount | Fair Value | | |
|--|-----------------|---------------|--------------|--------------|
| | | Level 1 | Level 2 | Level 3 |
| Commodity futures | 1,985 | 1,985 | — | — |
| Commodity swaps | 6,071 | 6,071 | — | — |
| WTI differential futures | 8,010 | 8,010 | — | — |
| Foreign currency forwards | 4,725 | — | 4,725 | — |
| Foreign currency options | 2,021 | — | 2,021 | — |
| Financial assets (carried at fair value) | 22,812 | 16,066 | 6,746 | — |
| Commodity futures | 5,892 | 5,892 | — | — |
| Commodity swaps | 6,817 | 6,817 | — | — |
| WTI differential futures | 5,507 | 5,507 | — | — |
| Foreign currency forwards | 1,517 | — | 1,517 | — |
| Renewable power contracts | 1,296 | — | — | 1,296 |
| Financial liabilities (carried at fair value) | 21,029 | 18,216 | 1,517 | 1,296 |
| Long-term debt (carried at amortized cost) | 2,711,543 | | 2,686,445 | |

The following table reconciles the movement of risk management assets and liabilities with unobservable inputs (level 3):

| | 2024 | 2023 |
|--|----------------|--------------|
| As at January 1, | (1,296) | — |
| Unrealized loss as a result of changes in fair value | (6,707) | (430) |
| Realized loss on settlement | (119) | — |
| | (6,826) | (430) |
| As at September 30, | (8,122) | (430) |

Renewable power contract

The fair value of the derivative instrument classified in level 3 has been primarily based on the comparative contracted prices relative to both current and expected future pricing of electricity in the province of Alberta. Changes in the fair value are recorded within other (gains) and losses, net in the condensed consolidated statement of operations and within the financial instrument loss on the statement of operations. The following table summarizes the impact to net income due to a change in the fair value of the power purchase agreement due to changes in forward power prices, leaving all other variables constant.

| | As at September 30, 2024 | As at December 31, 2023 |
|-----------------------------|-----------------------------|----------------------------|
| Forward power prices | | |
| Favorable 15% change | 9,285 | 11,648 |
| Unfavorable 15% change | (9,285) | (11,648) |

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Liquidity risk

Set out below is a maturity analyses of certain of the Company's financial contractual obligations as at September 30, 2024. The maturity dates are the contractual maturities of the obligations, and the amounts are the contractual undiscounted cash flows.

| | On demand or within one year | Between one and three years | Between three and five years | After five years | Total |
|---|---|--|---|-----------------------------|------------------|
| Trade payables and accrued charges ⁽¹⁾ | 738,315 | — | — | — | 738,315 |
| Dividend payable | 66,731 | — | — | — | 66,731 |
| Long-term debt | 325,000 | 675,000 | 545,000 | 1,000,000 | 2,545,000 |
| Interest on long-term debt | 117,248 | 195,998 | 162,100 | 1,982,035 | 2,457,381 |
| Financial instruments liabilities | 3,015 | 2,116 | 829 | 4,329 | 10,289 |
| Lease liabilities | 22,074 | 25,602 | 3,198 | 2,558 | 53,432 |
| | 1,272,383 | 898,716 | 711,127 | 2,988,922 | 5,871,148 |

1) Excludes accrued interest and financial instruments liabilities.

Note 14 Subsequent Events

On October 29, 2024, the Board declared a quarterly dividend on its outstanding common shares of \$0.41 per common share, for the fourth quarter of 2024. The common share dividend is payable on January 17, 2025, to shareholders of record at the close of business on December 31, 2024.

Gibson Energy Inc.

Notes to Condensed Consolidated Financial Statements (unaudited)

(Amounts in thousands of Canadian dollars, except per share amounts)

Note 15 Supplemental Cash Flow Information

| | | Three months ended | | Nine months ended | |
|---|------|--------------------|----------|-------------------|-----------|
| | | September 30, | | September 30, | |
| | Note | 2024 | 2023 | 2024 | 2023 |
| Cash flows from operating activities | | | | | |
| Net income | | 53,916 | 20,633 | 157,737 | 160,910 |
| Adjustments: | | | | | |
| Finance costs, net | | 32,545 | 50,222 | 104,285 | 80,357 |
| Income tax expense | | 14,573 | 7,678 | 46,205 | 50,864 |
| Depreciation and impairment of property, plant and equipment | 5 | 31,443 | 25,581 | 90,505 | 64,212 |
| Depreciation and impairment of right-of-use asset | 6 | 5,661 | 7,095 | 19,513 | 20,241 |
| Amortization and impairment of intangible assets | | 7,185 | 5,866 | 21,434 | 10,335 |
| Share-based compensation | 11 | 4,747 | 6,455 | 15,158 | 15,344 |
| Share of profit from investments in equity accounted investees | 7 | (6,514) | (6,243) | (18,793) | (14,723) |
| Distributions from equity accounted investees | 7 | 7,063 | 6,196 | 21,695 | 19,042 |
| Loss on sale of property, plant and equipment | 5 | — | — | 1,166 | 188 |
| Gain on sale of equity investment | | — | — | (131) | — |
| Provisions | 10 | 150 | (688) | (172) | 6,973 |
| Net (gain) loss on fair value movement of financial instruments | | (3,461) | 6,369 | 8,569 | (6,562) |
| Other | | (778) | (569) | (613) | (2,848) |
| | | 92,614 | 107,962 | 308,821 | 243,423 |
| Changes in items of working capital: | | | | | |
| Trade and other receivables | | 165,721 | (89,968) | 2,855 | (301,669) |
| Inventories | 4 | 167,869 | 21,996 | 125,119 | 68,769 |
| Other current assets | | (11,230) | (7,605) | (1,838) | (6,145) |
| Trade payables and accrued charges | | (97,643) | 154,712 | (8,064) | 272,620 |
| Contract liabilities | | 42,730 | (14,815) | (26,790) | 6,590 |
| | | 267,447 | 64,320 | 91,282 | 40,165 |
| Income tax payment, net | | (9,183) | (2,900) | (26,662) | (25,244) |
| Net cash inflow from operating activities | | 404,794 | 190,015 | 531,178 | 419,254 |

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