

TEN, Ltd. Reports Profits for the Second Quarter and First Half 2024 and Declares Second Semi-Annual Dividend of \$0.90 Per Common Share Bringing Total Distributions for 2024 Operations to \$1.50 Per Share

2024-09-11

50% increased dividend from amount paid for 2023 operations

Dynamic growth and renewal - 21 vessels contracted/acquired within 2024

Minimum contracted revenues of \$2.0 billion

TST inaugurates first private naval academy in Greece

Tanker market fundamentals remain solid

ATHENS, Greece, Sept. 11, 2024 (GLOBE NEWSWIRE) -- TEN, Ltd (TEN) (NYSE: TEN) (the "Company") today reported results (unaudited) for the six months and the second quarter ended June 30, 2024.

FIRST HALF 2024 SUMMARY RESULTS

In the first half of 2024, TEN's fleet generated \$416 million in gross revenues and \$179 million in operating profits which included capital gains of \$49 million.

The resulting net income for the first half of 2024 reached \$130.4 million or \$3.96 per share.

The average Time Charter Equivalent (TCE) per ship per day for the 2024 first half was a solid \$33,830.

Adjusted EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) for the first half of 2024 reached \$214 million.

Depreciation and amortization combined were at \$77 million, an increase of \$6.6 million from last year's first half.

Vessel operating expenses experienced a modest increase to \$98 million, reflecting the higher number of vessels and larger vessel sizes in the fleet.

Interest and finance costs for the 2024 first six months were at \$55.2 million, as a result of new loans for the acquisition of five modern vessels during that period as well as the delivery of four modern dual-fuel LNG powered new-buildings during the fourth quarter of 2023 and the first quarter of 2024.

Total operating expenses per ship per day, despite persisting inflationary pressures, remained almost identical to 2023 first half levels at \$9,367.

At the end of June 2024, TEN's cash position reached \$476 million, almost \$100 million higher from year-end 2023.

Q2 2024 SUMMARY RESULTS

With three vessels undergoing scheduled dry dockings and special surveys, fleet utilization dropped to 92% and gross revenues reached \$214 million.

Operating income, which included \$32 million of capital gains in the second quarter of 2024 were at \$103 million resulted in a net income of \$76.4 million for the same period.

Average TCE per ship per day in the 2024 second quarter, which was impacted by vessel repositionings, reached \$34,235 leading to an adjusted EBITDA of \$113 million for the same period.

Fleet operating expenses were modestly higher from the 2023 second quarter levels, reaching \$49.7 million in the 2024 second quarter again reflecting the larger sizes of vessels in the fleet. Despite that, and largely due to efficient vessel management, operating expenses per ship per day for the second quarter of 2024 dropped to \$9,347 from \$9,492 in the 2023 equivalent period.

Depreciation and amortization during the second quarter of 2024 was in line with the increased number of vessels in the fleet at \$39.5 million.

Interest and finance costs for the second quarter of 2024 reached \$30.0 million reflecting the aforementioned loans and continued elevated global interest rates.

SUBSEQUENT EVENTS

TEN, during the summer of 2024, triggered the repurchase of two sister vessels, the 2006-built suezmaxes Alaska and Archangel, by exercising, in-the-money, purchase options. With the termination of this leasing arrangement, TEN generated approximately \$5.0 million in forward hire savings. These two vessels continue to operate in the fleet, unencumbered, and are currently on charter to significant oil concerns at attractive rates.

NAVAL ACADEMY

On 7th September 2024, TST, our technical managers, inaugurated a non-profit private naval academy on the seafaring island of Chios. This will result to more than 100 students graduating on an annual basis with an exceptionally high standard, technologically advanced and environmentally friendly workforce for TEN's ever-growing, modern, innovative fleet going forward. We expect this to provide us with a competitive advantage in running safe and efficient vessels for our clients.

CORPORATE AFFAIRS - DIVIDEND

TEN is pleased to announce that it will distribute to common shareholders a second semi-annual dividend of \$0.90 per share following the \$0.60 per share paid in July, bringing the total dividend for 2024 operations to \$1.50, representing a 50% increase over the amount distributed for 2023 operations. Dividend date to be announced.

Since the Company's NYSE listing in 2002, TEN has consistently demonstrated its commitment to enhancing shareholder value, having distributed well over \$820 million in common and preferred share dividends.

CORPORATE STRATEGY

The underlying market fundamentals continue to be favorable as the newbuilding orderbook is well in check, spurred by ongoing debates on alternative fuels, and global oil demand on the increase. The various geopolitical events around the globe continue unabated with freight rates and asset prices on solid ground. The recent incidents in the Red Sea have also added an additional layer of complexity to the geopolitical landscape, causing most vessels, particularly product tankers, enroute to Europe, to divert their trip via the Cape of Good Hope. Such diversions have caused an inevitable increase in ton-mile demand and further reduction in vessel supply, assisting charter rates to remain elevated.

On top of this, the recent announcement from OPEC+ to unwind approximately 2.2 million bpd of voluntary production cuts is expected to provide an added boost to seaborne trade and, ultimately, tanker demand.

In this environment, TEN has embarked on a dynamic growth and renewal program and has acquired/contracted 21 fuel efficient environmentally friendlier vessels to adhere to the increasing transportation needs of its blue-chip clientele.

With a solid balance sheet, \$2.0 billion in minimum contracted revenues and a fleet generating healthy cash flows, TEN continues to expand in the sectors it operates. The increasing appetite for longer-term contracts from new and particularly existing clients is being effectively met by the Company's current vessels in the water and those under construction.

"We are pleased to report another profitable quarter which despite being impacted by various repositioning voyages and three drydockings, allowed TEN to reward its shareholders with a dividend payment 50% higher than the one paid for 2023 operations," Mr. George Saroglou, President & COO of TEN, commented. "With a fleet continuing to reap the rewards of the solid tanker market and receiving encouraging signs from our clients for attractive long-term business, we remain confident that we will continue to generate healthy cash flows and reward shareholders in order to elevate TEN in the forefront of their investment consideration," Mr. Saroglou concluded.

TEN's CURRENT NEWBUILDING PROGRAM

#	Name	Type	Expected Delivery	Status	Employment
1	Athens 04	DP2 Shuttle Tanker	Q2 2025	Under Construction	Yes
2	Paris 24	DP2 Shuttle Tanker	Q2 2025	Under Construction	Yes
3	Anfield	DP2 Shuttle Tanker	Q3 2026	Under Construction	Yes
4	TBN	Suezmax – Scrubber Fitted	Q2 2025	Under Construction	Yes
5	TBN	Suezmax – Scrubber Fitted	Q4 2025	Under Construction	Under Discussion
6	TBN	MR – Scrubber Fitted	Q1 2026	Under Construction	Under Discussion
7	TBN	MR – Scrubber Fitted	Q1 2026	Under Construction	Under Discussion
8	TBN	Panamax LR1	Q3 2027	Under Construction	Under Discussion
9	TBN	Panamax LR1	Q3 2028	Under Construction	Under Discussion
10	TBN	Panamax LR1	Q1 2028	Under Construction	Under Discussion
11	TBN	Panamax LR1	Q3 2028	Under Construction	Under Discussion
12	TBN	Panamax LR1	Q3 2028	Under Construction	Under Discussion

ABOUT TSAKOS ENERGY NAVIGATION

TEN, founded in 1993 and celebrating this year 31-years as a public company, is one of the first and most established public shipping companies in the world. TEN's diversified energy fleet currently consists of 74 vessels, including three DP2 shuttle tankers, two scrubber-fitted suezmax vessels, two scrubber-fitted MR product tankers and five scrubber-fitted LR1 tankers under construction, consisting of a mix of crude tankers, product tankers and LNG carries, totaling 8.9 million dwt.

ABOUT FORWARD-LOOKING STATEMENTS

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. TEN undertakes no obligation to publicly update any forward-

looking statement, whether as a result of new information, future events, or otherwise.

Conference Call Details:

As announced previously, today, Wednesday, September 11, 2024 at 10:00 a.m. Eastern Time, TEN will host a conference call to review the results as well as management's outlook for the business. The call, which will be hosted by TEN's senior management, may contain information beyond what is included in the earnings press release. Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 877-405-1226 (US Toll-Free Dial In) or +1 201-689-7823 (US and Standard International Dial In). Please quote "Tsakos" to the operator and/or conference ID 13748715. **Click here for additional participant International Toll-Free access numbers.**

Alternatively, participants can register for the call using the call me option for a faster connection to join the conference call. You can enter your phone number and let the system call you right away. **Click here for the call me option.**

Simultaneous Slides and Audio Webcast:

There will also be a live, and then archived, webcast of the conference call and accompanying slides, available through the Company's website. To listen to the archived audio file, visit our website **www.tenn.gr** and click on Webcasts & Presentations under our Investor Relations page. Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

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TSAKOS ENERGY NAVIGATION LIMITED AND SUBSIDIARIES
Selected Consolidated Financial and Other Data
(In Thousands of U.S. Dollars, except share, per share and fleet data)

STATEMENT OF OPERATIONS DATA	Three months ended June 30 (unaudited)		Six months ended June 30 (unaudited)	
	2024	2023	2024	2023
Voyage revenues	\$ 214,055	\$ 221,454	\$ 415,644	\$ 482,667
Voyage expenses	41,403	38,892	83,423	84,789
Charter hire expense	5,095	5,731	11,108	12,522
Vessel operating expenses	49,704	46,669	98,328	94,943
Depreciation and amortization	39,494	35,264	77,020	70,403
General and administrative expenses	7,904	12,336	15,230	19,493
Gain on sale of vessels	(32,495)	-	(48,662)	(81,198)
Total expenses	111,105	138,892	236,447	200,952
Operating income	102,950	82,562	179,197	281,715
Interest and finance costs, net	(30,053)	(24,334)	(55,198)	(48,848)
Interest income	4,687	4,125	7,935	6,888
Other, net	4	(241)	75	(180)
Total other expenses, net	(25,362)	(20,450)	(47,188)	(42,140)
Net income	77,588	62,112	132,009	239,575
Less: Net income attributable to the noncontrolling interest	(1,202)	(1,471)	(1,587)	(2,379)
Net income attributable to Tsakos Energy Navigation Limited	\$ 76,386	\$ 60,641	\$ 130,422	\$ 237,196
Effect of preferred dividends	(6,750)	(8,673)	(13,500)	(17,346)
Deemed dividend on Series D preferred shares	-	(3,256)	-	(3,256)
Net income attributable to common stockholders of Tsakos Energy Navigation Limited	\$ 69,636	\$ 48,712	\$ 116,922	\$ 216,594
Earnings per share, basic and diluted	\$ 2.36	\$ 1.65	\$ 3.96	\$ 7.34
Weighted average number of common shares, basic and diluted	29,505,603	29,505,603	29,505,603	29,505,603
BALANCE SHEET DATA	June 30 2024	December 31 2023		
Cash	476,426	376,694		
Other assets	240,513	236,800		
Vessels, net	2,930,160	2,600,021		
Advances for vessels under construction	124,686	150,575		
Total assets	\$ 3,771,785	\$ 3,364,090		
Debt and other financial liabilities, net of deferred finance costs	1,781,379	1,562,657		
Other liabilities	238,946	148,786		
Stockholders' equity	1,751,460	1,652,647		
Total liabilities and stockholders' equity	\$ 3,771,785	\$ 3,364,090		
OTHER FINANCIAL DATA	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 84,651	\$ 143,496	\$ 160,222	\$ 258,502
Net cash (used in) provided by investing activities	\$ (104,991)	\$ (49,298)	\$ (302,007)	\$ 37,025
Net cash provided by (used in) financing activities	\$ 112,772	\$ (35,786)	\$ 201,517	\$ (70,872)
TCE per ship per day	\$ 34,235	\$ 38,353	\$ 33,830	\$ 40,182
Operating expenses per ship per day	\$ 9,347	\$ 9,492	\$ 9,367	\$ 9,349
Vessel overhead costs per ship per day	\$ 1,392	\$ 2,337	\$ 1,358	\$ 1,793
	10,739	11,829	10,725	11,142
FLEET DATA				
Average number of vessels during period	62.4	58.0	61.6	60.1
Number of vessels at end of period	62.0	58.0	62.0	58.0
Average age of fleet at end of period	9.7	10.5	9.7	10.5
Dwt at end of period (in thousands)	7,612	7,178	7,612	7,178
Time charter employment - fixed rate	Days 2,855	2,308	5,485	4,585
Time charter and pool employment - variable rate	Days 1,361	1,554	2,753	3,355
Period employment coa at market rates	Days 0	86	0	147

Spot voyage employment at market rates	Days	<u>1,033</u>	<u>1,024</u>	<u>2,068</u>	<u>2,276</u>
Total operating days		5,249	4,972	10,306	10,363
Total available days		5,678	5,278	11,217	10,872
Utilization		92.4%	94.2%	91.9%	95.3%

Non-GAAP Measures
Reconciliation of Net income to Adjusted EBITDA

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Net income attributable to Tsakos Energy Navigation Limited	\$ 76,386	\$ 60,641	\$ 130,422	\$ 237,196
Depreciation and amortization	39,494	35,264	77,020	70,403
Interest Expense	30,053	24,334	55,198	48,848
Gain on sale of vessels	(32,495)	-	(48,662)	(81,198)
Adjusted EBITDA	\$ 113,438	\$ 120,239	\$ 213,978	\$ 275,249

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP measures used within the financial community may provide users of this financial information additional meaningful comparisons between current results and results in prior operating periods as well as comparisons between the performance of Shipping Companies. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. We are using the following Non-GAAP measures:

(i) TCE which represents voyage revenue less voyage expenses is divided by the number of operating days less 99 days lost for the second quarter and 270 days for the first half of 2024 and 117 days for the prior year quarter of 2023 and 281 days for first half of 2023, respectively, as a result of calculating revenue on a loading to discharge basis.

(ii) Vessel overhead costs are General & Administrative expenses, which also include Management fees, Stock compensation expense and Management incentive award.

(iii) Operating expenses per ship per day which exclude Management fees, General & Administrative expenses, Stock compensation expense and Management incentive award.

(iv) Adjusted EBITDA. See above for reconciliation to net income.

(v) Cash includes Restricted cash and Time deposits under and over 90 days.

Non-GAAP financial measures should be viewed in addition to and not as an alternative for, the Company's reported results prepared in accordance with GAAP.

The Company does not incur corporation tax.

Source: Tsakos Energy Navigation