



TEN, Ltd.

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Press Release
March 27, 2024

TEN LTD. REPORTS RECORD PROFITS FOR YEAR-END AND FOURTH QUARTER 2023 RESULTS AND DIVIDEND OF \$0.60 PER COMMON SHARE

Record annual profits in excess of \$300 million – an increase of 60% - EPS of \$9.93

EBITDA of \$490 million

100% increase of common dividend

Dynamic growth and fleet renewal with green ship initiative

Market fundamentals remain strong

Athens, Greece – March 27, 2024- TEN, Ltd. (TEN) (NYSE: TNP) (the “Company”) reports results (unaudited) for the fourth quarter and the year ended December 31, 2023.

FINANCIAL RESULTS FOR THE YEAR 2023

TEN celebrated its 30th year as a public company, with another record year performance. In 2023 it generated \$890 million in revenues resulting to a net income of \$327 million before impairment charges, a significant increase from last year.

Adjusted EBITDA for the year reached \$490 million, \$95 million higher than in 2022, a 24% increase.

Average TCE per ship per day for 2023 amounted to \$36,822, 21% higher from the 2022 level while vessel utilization climbed to 96.3% in 2023 from 94.7% the prior year.

Depreciation and amortization combined for 2023 remained relatively stable compared to 2022 at \$144 million.

The Company’s total debt obligations were reduced from the 2022 level and settled at \$1.56 billion at December 31, 2023.

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Interest and finance costs continued to be impacted by higher rates globally and reached \$101 million for the year ended December 31, 2023. This elevated rate environment resulted to an increase of interest income from \$2 million in 2022 to \$15 million in 2023.

Vessel overhead costs per ship per day in 2023 were at \$1,535 from \$1,248 in the 2022 equivalent period while operating expenses settled at \$9,617 in 2023 from \$8,467 in 2022 impacted by the global inflationary pressures evident in world economies for most of 2023.

Cash balances, as on December 31, 2023 remained solid at \$377 million, \$67 million higher the December 31, 2022, levels after approximately \$138 million of preferred shares redemptions and common stock dividends, from cash reserves, that took place during the year.

FINANCIAL RESULTS FOR THE FOURTH QUARTER OF 2023

The fourth quarter of 2023 was a transitional period for TEN, as it operated six fewer vessels than the same period in 2022 due to vessel sales and before the add-on of the five new vessel acquisitions. This resulted to an adjusted EBITDA of \$124 million from \$159 million in the 2022 fourth quarter and an operating income of \$83 million before impairment charges.

This reduction in the number of vessels led to equivalent decreases in voyage, charter hire and operating expenses when compared to the 2022 fourth quarter with the most notable decrease being in voyage expenses which were \$9 million lower than the 2022 level.

Depreciation and amortization remained largely unchanged at \$38 million in the 2023 fourth quarter.

As a result of this reduced fleet, operating income in the fourth quarter of 2023, amounted to \$83 million with a resulting net income at \$58 million, or \$1.74 per share before impairment charges.

Fleet utilization reached 98.3% in the fourth quarter of 2023 from a still high 97.4% in the 2022 fourth quarter due to the increase of vessels in time-charter employment.

The average daily Time Charter Equivalent (TCE) rate per vessel in the fleet reached \$35,565 with vessel operating expenses per ship per day at \$9,607 during the fourth quarter of 2023.

DIVIDEND – CORPORATE AFFAIRS

Reflecting its strong performance and positive market fundamentals, the Company will pay \$0.60 per common share semi-annual dividend in June 2024 which is double the amount distributed in 2023 for the same period. Management intends to distribute a second semi-annual dividend to holders of its common shares in December 2024.

SUBSEQUENT EVENTS

In February 2024, TEN signed a newbuilding contract with a major South Korean yard for the construction of one option one suezmax DP2 Shuttle Tanker with expected delivery in 2026. The vessel has a 10-year employment with a major energy concern with embedded charterer options to increase the duration of the charter to a maximum of 20 years. The expected gross revenues over the maximum life of this contract are about \$500 million.

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Under the recently announced agreement to acquire five-modern eco-friendly tankers employed on term contracts, the first vessel, the DF Montmartre, a 2023-built LNG-powered LR2 Aframax tanker was delivered to the Company on March 26, 2024. The other four are expected to join the fleet between early April 2024 and June 2024.

STRATEGY & OUTLOOK

TEN celebrated its 30th year with a record performance and is on a springboard for future growth. Following its tried and tested strategy of vessel renewal, it has sold nine vessels of an average age of 18.5 years and replaced them with 16 vessels with an average of 1.3 years, whilst increasing its dwt by 1.5 million tonnes.

It has used the strong market fundamentals to extend and secure new employments with profit-sharing arrangements for 32 of its vessels, resulting to \$2 billion of minimum contracted revenues. “Strong balance sheet, high utilization, operational excellence and our environmentally friendly fleet secures visibility of growing earnings and allows TEN to further reward its shareholders going forward”, said Mr. George Saroglou, President and COO of TEN.

TEN’s CURRENT NEWBUILDING PROGRAM

#	Name	Type	Delivery	Status	Employment
1	Paris 24	DP2 Shuttle Tanker	Q2 2025*	Under Construction	Yes
2	Athens 04	DP2 Shuttle Tanker	Q2 2025*	Under Construction	Yes
3	TBN	Suezmax – Scrubber Fitted	Q2 2025*	Under Construction	Under Discussion
4	TBN	Suezmax – Scrubber Fitted	Q4 2025*	Under Construction	Under Discussion
5	TBN	MR – Scrubber Fitted	Q1 2026*	Under Construction	Under Discussion
6	TBN	MR – Scrubber Fitted	Q1 2026*	Under Construction	Under Discussion
7	TBN	DP2 Shuttle Tanker	Q3 2026*	Under Construction	Yes
8	TBN	DP2 Shuttle Tanker	Q4 2026*	Option TBC	Under Discussion

**Expected delivery as per shipbuilding contracts*

ABOUT TSAKOS ENERGY NAVIGATION

TEN, founded in 1993 and is one of the first and most established public shipping companies in the world. TEN’s diversified energy fleet currently consists of 74 double-hull vessels, including four DP2 shuttle tankers, two scrubber-fitted suezmax vessels and two scrubber-fitted MR product tankers under construction, constituting a mix of crude tankers, product tankers and LNG carriers, totaling 9.1 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.

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Conference Call Details:

As announced previously, today, Wednesday, March 27, 2024 at 12:00 p.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 13745387. Click here for the 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.

For further information, please contact:

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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		Year ended	
	December 31 (unaudited)		December 31 (unaudited)	
	2023	2022	2023	2022
Voyage revenues	\$ 220,241	\$ 270,255	\$ 889,566	\$ 860,400
Voyage expenses	36,674	46,137	155,724	209,890
Charter hire expense	6,079	6,642	24,680	32,774
Vessel operating expenses	49,300	50,033	194,914	190,268
Depreciation and amortization	37,540	37,409	144,241	140,821
General and administrative expenses	7,502	7,616	33,339	29,854
(Gain) Loss on sale of vessels	-	-	(81,198)	440
Impairment charges	26,367	-	26,367	-
Total expenses	163,462	147,837	498,067	604,047
Operating income	56,779	122,418	391,499	256,353
Interest and finance costs, net	(27,928)	(20,893)	(100,821)	(50,253)
Interest income	4,472	1,155	14,582	2,000
Other, net	(149)	196	(176)	366
Total other expenses, net	(23,605)	(19,542)	(86,415)	(47,887)
Net income	33,174	102,876	305,084	208,466
Less: Net income attributable to the noncontrolling interest	(1,412)	(1,740)	(4,902)	(4,232)
Net income attributable to Tsakos Energy Navigation Limited	\$ 31,762	\$ 101,136	\$ 300,182	\$ 204,234
Effect of preferred dividends	(6,750)	(8,673)	(30,184)	(34,724)
Undistributed income to Series G participants	-	-	-	(1,250)
Deemed dividend on Series D preferred shares	-	-	(3,256)	-
Net income attributable to common stockholders of Tsakos Energy Navigation Limited	\$ 25,012	\$ 92,463	\$ 266,742	\$ 168,260
Earnings per share, basic	\$ 0.85	\$ 3.17	\$ 9.04	\$ 6.02
Earnings per share, diluted	\$ 0.85	\$ 3.17	\$ 9.04	\$ 6.01
Weighted average number of common shares, basic	29,505,603	29,188,716	29,505,603	27,970,799
Weighted average number of common shares, diluted	29,505,603	29,188,716	29,505,603	28,188,064

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BALANCE SHEET DATA

	December 31	December 31
	2023	2022
Cash	376,694	309,439
Other assets	236,800	371,911
Vessels, net	2,600,021	2,580,575
Advances for vessels under construction and acquisitions	150,575	46,650
Total assets	\$ 3,364,090	\$ 3,308,575
Debt and other financial liabilities, net of deferred finance costs	1,562,657	1,577,877
Other liabilities	148,786	207,779
Stockholders' equity	1,652,647	1,522,919
Total liabilities and stockholders' equity	\$ 3,364,090	\$ 3,308,575

OTHER FINANCIAL DATA	Three months ended		Year ended	
	December 31		December 31	
	2023	2022	2023	2022
Net cash provided by operating activities	\$ 92,204	\$ 132,836	\$ 395,279	\$ 288,529
	(83,600)	(100,198)	(137,441)	(301,814)
Net cash used in investing activities	\$)	\$)	\$)	\$)
Net cash (used in) provided by financing activities	(25,415)	75,376	(190,583)	195,527
	\$)	\$)	\$)	\$)
TCE per ship per day	\$ 35,565	\$ 39,776	\$ 36,822	\$ 30,399
Operating expenses per ship per day	\$ 9,607	\$ 8,827	\$ 9,617	\$ 8,467
Vessel overhead costs per ship per day	\$ 1,365	\$ 1,263	\$ 1,535	\$ 1,248
	10,972	10,090	11,152	9,715

FLEET DATA

Average number of vessels during period		59.7	65.6	59.5	65.5
Number of vessels at end of period		60.0	66.0	60.0	66.0
Average age of fleet at end of period	Years	10.7	10.4	10.7	10.4
Dwt at end of period (in thousands)		7,408	7,570	7,408	7,570
Time charter employment - fixed rate	Days	2,641	2,282	9,703	8,337
Time charter and pool employment - variable rate	Days	1,424	2,168	6,311	8,131
Period employment coa at market rates	Days	83	84	230	386
Spot voyage employment at market rates	Days	1,253	1,344	4,659	5,786
Total operating days		5,401	5,878	20,903	22,640
Total available days		5,495	6,032	21,713	23,919
Utilization		98.3%	97.4%	96.3%	94.7%

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Non-GAAP Measures
Reconciliation of Net income to Adjusted EBITDA

	Three months ended		Year ended	
	December 31		December 31	
	2023	2022	2023	2022
Net income attributable to Tsakos Energy Navigation Limited	\$ 31,762	\$ 101,136	\$ 300,182	\$ 204,234
Depreciation and amortization	37,540	37,409	144,241	140,821
Interest Expense	27,928	20,893	100,821	50,253
(Gain) Loss on sale of vessels	-	-	(81,198)	440
Impairment charges	<u>26,367</u>	<u>-</u>	<u>26,367</u>	<u>-</u>
Adjusted EBITDA	<u>\$ 123,597</u>	<u>\$ 159,438</u>	<u>\$ 490,413</u>	<u>\$ 395,748</u>

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 136 days lost for the fourth quarter and 577 days for the twelve-month of 2023 and 151 days for the prior year quarter of 2022 and 761 days for twelve-month period of 2022, 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.

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.