



Pyxis Tankers Announces Financial Results for the Three Months Ended September 30, 2022

Maroussi, Greece, November 14, 2022 – Pyxis Tankers Inc. (NASDAQ Cap Mkts: PXS) (the “Company” or “Pyxis Tankers”), an international pure play product tanker company, today announced its unaudited results for the three and nine month periods ended September 30, 2022.

Summary

For the three months ended September 30, 2022, our Revenues, net were \$17.0 million. For the same period, our time charter equivalent (“TCE”) revenues were \$12.0 million, representing an increase of approximately \$8.5 million or 248% over the comparable period in 2021. Our net income attributable to common shareholders for the three months ended September 30, 2022 was \$5.1 million, representing an increase of \$8.8 million from a net loss of \$3.7 million in the comparable period of 2021. For the third quarter of 2022, the net income per share was \$0.48 basic and \$0.42 diluted compared to net loss \$0.39 (basic and diluted) for the same period in 2021. Our Adjusted EBITDA for the three months ended September 30, 2022 was \$8.0 million, which represented an increase of \$9.2 million over the third quarter of 2021. Please see “Non-GAAP Measures and Definitions” below.

Valentios Valentis, our Chairman and CEO commented:

“We are pleased to report the continuation of strong financial results for our third fiscal quarter in 2022 with Revenue, net of \$17 million and Net Income of \$5.3 million. Expanding mobility in many parts of the world has resulted in solid demand for transportation fuels. Low inventories of many petroleum products combined with the war in the Ukraine has led to further market dislocation, including arbitrage opportunities, shifting trade patterns and ton-mile expansion of seaborne cargoes that continued to support robust chartering activity for product tankers and allowed us to effectively capture the strong market.

We continue to employ our five Eco- MR’s under a mixed chartering strategy of short-term time charters and spot voyages. During the three months ended September 30, 2022, our daily TCE rate almost grew by a factor of four to \$29,062 compared to the same period in 2021. As of November 10th, 82% of the available days in Q4, 2022 for our MR’s were booked at an estimated average TCE of \$36,800 per vessel, including three vessels contracted under short-term time charters at an average rate of \$32,600 and two MR’s employed in the spot market at an average rate of \$47,700.

We expect charter rates to stay elevated due to seasonal demand which should be amplified by the impact of the EU ban on Russian refined products effective early February, 2023 as well as the Chinese government authorization for its refineries to export approximately 120 million barrels of diesel, gasoline and jet fuel starting this month. A leading research analyst recently estimated that EU embargo could result in an incremental 8% growth in vessel demand. The additional Chinese exports can be viewed in context of the magnitude of the 180 Mb aggregate release from the Strategic Petroleum Reserve by the US government starting May of this year. Our positive outlook is further supported by longer-term supply/demand sector fundamentals, such as, the historically low order book for MR’s. We expect MR tanker supply to grow about 2% net in 2023. However, we do have concerns about the potential negative impacts of rising global inflation, higher interest rates, possible global recession and, of course, the ongoing war.

Given the recent high asset value environment, it continues to be very challenging to develop opportunities for fleet expansion, especially for the purchase of modern eco-efficient MR’s. In view of this, we maintain our disciplined approach to capital allocation until more attractive situations materialize which may further enable us to maximize shareholder value. In the meantime, we expect to continue to use free cash flow to enhance our balance sheet liquidity and reduce leverage.”

Results for the three months ended September 30, 2021 and 2022

For the three months ended September 30, 2022, we reported Revenues, net of \$17.0 million, or 143% higher than \$7.0 million in the comparable 2021 period. Our net income attributable to common shareholders was \$5.1 million,

or \$0.48 basic and \$0.42 diluted net income per share, compared to a net loss of \$3.7 million, or \$0.39 basic and diluted loss per share, for the same period in 2021. The weighted average number of basic share count had increased by 1.0 million shares from 9.6 million common shares in the third quarter of 2021 to approximately 10.6 million common shares in the same period of 2022. The average MR daily TCE rate during the third quarter of 2022 was \$29,062 or 297% higher than the \$7,326 MR daily TCE rate for the same period in 2021, due to improved market conditions. The revenue mix for the third quarter of 2022, was 35% from short-term time charters and 65% from spot market employment. Our Adjusted EBITDA increased by \$9.2 million to \$8.0 million for the three months ended September 30, 2022.

Results for the nine months ended September 30, 2021 and 2022

For the nine months ended September 30, 2022, we reported Revenues, net, of \$40.0 million, an increase of \$22.7 million, or 132%, from \$17.2 million in the comparable period of 2021 primarily due to higher spot charter rates. The revenue mix for the nine months of 2022, was 29% from short-term time charters and 71% from spot market employment, resulting in an overall MR daily TCE rate for our fleet of \$23,079.

Our net income attributable to common shareholders for the nine months ended September 30, 2022, was \$6.0 million, or \$0.57 basic and \$0.53 diluted net income per share, compared to a net loss of \$7.3 million, or a loss of \$0.83 per share (basic and diluted) for the same period in 2021. Higher MR daily TCE rate of \$23,079 and lower MR fleet utilization of 86.4% for our MR's during the nine months ended September 30, 2022, were compared to a MR daily TCE rate of \$10,729 and MR fleet utilization of 95.3%, respectively, during the same period in 2021. Operating expenses and vessel management fees were comparatively higher in 2022 as a result of the vessel additions of the "Pyxis Karteria" and "Pyxis Lamda" during the second half of 2021, partly offset by the sales of the two small tankers during the first quarter of 2022. Our Adjusted EBITDA of \$14.5 million represented an increase of \$14.7 million from an Adjusted EBITDA loss of \$0.1 million for the same nine month period in 2021.

	Three months ended September 30,		Nine months ended September 30,	
	2021	2022	2021	2022
<i>(Amounts in thousands of U.S. dollars, except for daily TCE rates)</i>				
MR Revenues, net ¹	\$ 4,808	\$ 16,998	\$ 11,914	\$ 39,371
MR Voyage related costs and commissions ¹	(2,500)	(5,024)	(2,752)	(12,437)
MR Time charter equivalent revenues ^{1, 2}	\$ <u>2,308</u>	\$ <u>11,974</u>	\$ <u>9,162</u>	\$ <u>26,934</u>
MR Total operating days ¹	315	412	854	1,167
MR Daily time charter equivalent rate ^{1, 2}	\$7,326	\$29,062	\$10,729	\$23,079

¹ Our non-core small tankers, "Northsea Alpha" and "Northsea Beta", which were sold on January 28, 2022 and March 1, 2022 respectively, have been excluded in the above table. Both vessels were under spot employment for approximately 7 and 36 days, respectively, in 2022 as of the delivery date to their buyer. For the nine months ended September 30, 2022, "Revenues, net" attributable to these vessels was \$595 thousands and "Voyage related costs and commissions" was \$386 thousands.

² Subject to rounding; please see "Non-GAAP Measures and Definitions" below.

Management's Discussion and Analysis of Financial Results for the Three Months ended September 30, 2021 and 2022

(Amounts are presented in million U.S. dollars, rounded to the nearest one hundred thousand, except as otherwise noted)

Amounts relating to variations in period-on-period comparisons shown in this section are derived from the unaudited interim consolidated financials presented below.

Revenues, net: Revenues, net of \$17.0 million for the three months ended September 30, 2022, represented an increase of \$10.0 million, or 143%, from \$7.0 million in the comparable period of 2021 as a result of significantly higher charter rates and higher spot employment for our MR's. In the third quarter of 2022, our MR daily TCE rate for our fleet was \$29,062, a \$21,736 per day increase from the same period in 2021 as a result of the improvement in charter rates, partly offset by a \$1.5 million increase in the voyage related costs and commissions discussed below.

Voyage related costs and commissions: Voyage related costs and commissions of \$5.0 million in the third quarter of 2022, represented an increase of \$1.5 million, or 40.6%, from \$3.6 million in the same period of 2021, primarily as a result of increased spot employment for our MR's and substantially higher average bunker fuel costs. Under spot charters, all voyage expenses are typically borne by us rather than the charterer and an increase in spot employment results in increased voyage related costs and commissions.

Vessel operating expenses: Vessel operating expenses of \$3.1 million for the three months ended September 30, 2022, represented a decrease of \$0.6 million, or 15.2%, compared to the same period in 2021, which was mainly attributed to more normalized operating costs of the Pyxis Karteria which was acquired in the third quarter of 2021 and the sales of "Northsea Alpha" and "Northsea Beta" which occurred during the first quarter of 2022. Fleet ownership days for the three months ended September 30, 2022 was 460 days, compared to 537 days for the same period in 2021.

General and administrative expenses: General and administrative expenses for the quarter ended September 30, 2022 were \$0.6 million, compared to \$0.7 million in the comparable period in 2021, represented a decrease of \$0.1 million 2021, primarily attributed to higher legal fees in the prior period.

Management fees: For the three months ended September 30, 2022, management fees charged from our ship manager, Pyxis Maritime Corp. ("Maritime"), an entity affiliated with our Chairman and Chief Executive Officer, Mr. Valentis, and to International Tanker Management Ltd. ("ITM"), our fleet's technical manager, remained relatively flat at \$0.4 million from the comparable period in 2021.

Amortization of special survey costs: Amortization of special survey costs of \$0.1 million for the quarter ended September 30, 2022, remained relatively flat compared to the same period in 2021.

Depreciation: Depreciation of \$1.5 million for the quarter ended September 30, 2022, increased by \$0.2 million or 15.3% compared to \$1.3 million in the same period of 2021. The increase was attributed to the acquisition of vessels "Pyxis Karteria" and "Pyxis Lamda" during the second half of 2021 partly offset by the ceasing of depreciation for vessels "Northsea Alpha" and "Northsea Beta" which were classified as held for sale at the end of 2021 and were sold during the first quarter of 2022.

Gain from financial derivative instruments: During the three months ended September 30, 2022, we recorded a gain from financial derivative instruments of \$0.2 million related to the valuation of the interest rate cap purchased in July 2021, for the amount of \$9.6 million at a cap rate of 2% with a termination date of July 8, 2025.

Interest and finance costs, net: Interest and finance costs, net, for the quarter ended September 30, 2022, were \$1.2 million, compared to \$0.7 million in the comparable period in 2021, an increase of \$0.5 million, or 62.3%. This increase was primarily attributable to higher debt balances accompanying the acquisition of vessels "Pyxis Karteria" and "Pyxis Lamda" and higher LIBOR rates paid on all the floating rate bank debt.

Management's Discussion and Analysis of Financial Results for the Nine Months ended September 30, 2021 and 2022

(Amounts are presented in million U.S. dollars, rounded to the nearest one hundred thousand, except as otherwise noted)

Amounts relating to variations in period-on-period comparisons shown in this section are derived from the unaudited interim consolidated financials presented below.

Revenues, net: Revenues, net of \$40.0 million for the nine months ended September 30, 2022, represented an increase of \$22.7 million, or 132%, from \$17.2 million in the comparable period of 2021 as a result of significantly higher spot market rates and greater spot employment for our MR's, including a 535-day increase in spot operating days, from 161 days during the same period in 2021. The increase in Revenues, net was partially offset by a decrease of 8.9% in fleet utilization from 95.3% in the same period of 2021 to 86.4% for the nine months ended September 30, 2022. In the nine months of 2022, our MR daily TCE rate for our fleet was \$23,079, a \$12,350 per day increase from the same 2021 period as a result of higher charter rates, partly offset by a \$7.4 million increase in the voyage related costs and commissions discussed below.

Voyage related costs and commissions: Voyage related costs and commissions of \$12.8 million for the nine months ended September 30, 2022, represented an increase of \$7.4 million, or 139%, from \$5.4 million in the same period in 2021. For the nine months ended September 30, 2022, our MR's were on spot charters for 696 days in total, compared to 161 days for the respective period in 2021. This higher spot chartering activity for our MR's contributed higher voyage costs which are typically borne by us rather than the charterer, thus an increase in spot employment results in increased voyage related costs and commissions.

Vessel operating expenses: Vessel operating expenses of \$9.4 million for the nine months ended September 30, 2022, represented a \$0.4 million or 4.8% increase compared to \$9.0 million for the same period in 2021. This increase mainly attributed to the addition of the "Pyxis Karteria" and "Pyxis Lamda" to our fleet in the second half of 2021, partially offset by the sales of "Northsea Alpha" and "Northsea Beta" which occurred during the first quarter, 2022.

General and administrative expenses: General and administrative expenses of \$1.9 million for the nine months ended September 30, 2022, remained flat compared to the same period in 2021.

Management fees: For the nine months ended September 30, 2022, management fees payable to Maritime and ITM of \$1.3 million in the aggregate, represented an increase of \$0.2 million compared to the nine months ended September 30, 2021, as a result of the vessel additions in our fleet and the increase in the daily management fees paid to Maritime which increases annually in line with the inflation rate in Greece.

Amortization of special survey costs: Amortization of special survey costs of \$0.3 million for the nine months ended September 30, 2022, remained flat compared to the same period in 2021.

Depreciation: Depreciation of \$4.6 million for the nine months ended September 30, 2022, increased by \$1.0 million or 29.3% compared to \$3.5 million in the comparable period of 2021. The increase was attributed to the acquisition of vessels "Pyxis Karteria" and "Pyxis Lamda" after the second half of 2021 partly offset by the ceasing of depreciation for vessels "Northsea Alpha" and "Northsea Beta" which were classified as held for sale at the end of 2021 and were sold during the first quarter of 2022.

Loss from the sale of vessels, net: During the nine months ended September 30, 2022, we recorded a transaction loss from the sale of the "Northsea Alpha" and "Northsea Beta" of \$0.5 million related to the reposition costs for the delivery of the vessels to their buyer on January 28, 2022 and March 1, 2022, respectively. No such expense was recorded for the comparable period in 2021.

Loss from debt extinguishment: During the nine months ended September 30, 2022, we recorded a loss from debt extinguishment of approximately \$34 thousand reflecting the write-off of the remaining unamortized balance of deferred financing costs, which were associated with the repayment of the "Northsea Alpha" and "Northsea Beta" loans during the first quarter of 2022. For the nine months ended September 30, 2021 we recorded a loss from debt

extinguishment of \$0.5 million primarily reflecting a prepayment fee and the write-off of the remaining unamortized balance of deferred financing costs, both of which were associated with the loan on the “Pyxis Epsilon” that was refinanced at the end of the first quarter in 2021.

Gain from financial derivative instruments: During the nine months ended September 30, 2022, we recorded a gain from financial derivative instruments amounted to \$0.5 million related to the valuation of the \$9.6 million interest rate cap purchased in July 2021.

Interest and finance costs, net: Interest and finance costs, net, was \$3.0 million for the nine months ended September 30, 2022, compared to \$2.5 million in the comparable period in 2021. This increase was primarily attributable to higher average outstanding debt balances in 2022 accompanying the acquisition of vessels “Pyxis Karteria” and “Pyxis Lamda” and higher LIBOR rates paid on all the floating rate bank debt.

Unaudited Interim Consolidated Statements of Comprehensive Income/Loss

For the three months ended September 30, 2021 and 2022

(Expressed in thousands of U.S. dollars, except for share and per share data)

	Three months ended September 30,	
	2021	2022
Revenues, net	\$ 7,009	\$ 16,998
Expenses:		
Voyage related costs and commissions	(3,570)	(5,021)
Vessel operating expenses	(3,648)	(3,095)
General and administrative expenses	(673)	(574)
Management fees, related parties	(179)	(154)
Management fees, other	(227)	(200)
Amortization of special survey costs	(103)	(91)
Depreciation	(1,334)	(1,538)
Bad debt provisions	—	50
Allowance for credit losses	—	(45)
Operating income / (loss)	(2,725)	6,330
Other expenses:		
Gain/(Loss) from financial derivative instrument	(18)	191
Interest and finance costs, net	(735)	(1,193)
Total other expenses, net	(753)	(1,002)
Net income / (loss)	\$ (3,478)	\$ 5,328
Dividend Series A Convertible Preferred Stock	(228)	(218)
Net income / (loss) attributable to common shareholders	\$ (3,706)	\$ 5,110
Income / (loss) per common share, basic	\$ (0.39)	\$ 0.48
Income / (loss) per common share, diluted	\$ (0.39)	\$ 0.42
Weighted average number of common shares, basic	9,579,214	10,613,424
Weighted average number of common shares, diluted	9,579,214	12,641,229

Unaudited Interim Consolidated Statements of Comprehensive Income/Loss

For the nine months ended September 30, 2021 and 2022

(Expressed in thousands of U.S. dollars, except for share and per share data)

	Nine months ended September 30,	
	2021	2022
Revenues, net	\$ 17,237	\$ 39,966
Expenses:		
Voyage related costs and commissions	(5,374)	(12,823)
Vessel operating expenses	(8,990)	(9,419)
General and administrative expenses	(1,899)	(1,886)
Management fees, related parties	(479)	(548)
Management fees, other	(614)	(716)
Amortization of special survey costs	(306)	(266)
Depreciation	(3,528)	(4,562)
Allowance for credit losses	(9)	(49)
Loss from the sale of vessels, net	—	(466)
Operating income / (loss)	(3,962)	9,231
Other expenses, net:		
Loss from debt extinguishment	(458)	(34)
Gain/(Loss) from financial derivative instruments	(18)	511
Interest and finance costs, net	(2,485)	(3,022)
Total other expenses, net	(2,961)	(2,545)
Net income / (loss)	\$ (6,923)	\$ 6,686
Dividend Series A Convertible Preferred Stock	(381)	(667)
Net income / (loss) attributable to common shareholders	\$ (7,304)	\$ 6,019
Income / (loss) per common share, basic	\$ (0.83)	\$ 0.57
Income / (loss) per common share, diluted	\$ (0.83)	\$ 0.53
Weighted average number of common shares, basic	8,752,328	10,613,424
Weighted average number of common shares, diluted	8,752,328	12,641,229

Consolidated Balance Sheets

As of December 31, 2021 and September 30, 2022 (unaudited)
(Expressed in thousands of U.S. dollars, except for share and per share data)

Consolidated Balance Sheets	December 31, 2021	September 30, 2022 (unaudited)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 6,180	\$ 4,250
Restricted cash, current portion	944	350
Inventories	1,567	2,819
Trade accounts receivable, net	1,716	9,035
Vessels held-for-sale	8,509	—
Prepayments and other current assets	186	315
Insurance claim receivable	—	1,894
Total current assets	19,102	18,663
FIXED ASSETS, NET:		
Vessels, net	119,724	115,717
Total fixed assets, net	119,724	115,717
OTHER NON-CURRENT ASSETS:		
Restricted cash, net of current portion	2,750	2,250
Financial derivative instrument	74	585
Deferred dry dock and special survey costs, net	912	835
Total other non-current assets	3,736	3,670
Total assets	\$ 142,562	\$ 138,050
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term debt, net of deferred financing costs	\$ 11,695	\$ 5,823
Trade accounts payable	3,084	3,486
Due to related parties	6,962	5,564
Hire collected in advance	—	918
Accrued and other liabilities	1,089	867
Total current liabilities	22,830	16,658
NON-CURRENT LIABILITIES:		
Long-term debt, net of current portion and deferred financing costs	64,880	60,508
Promissory note	6,000	6,000
Total non-current liabilities	70,880	66,508
COMMITMENTS AND CONTINGENCIES	—	—
STOCKHOLDERS' EQUITY:		
Preferred stock (\$0.001 par value; 50,000,000 shares authorized; of which 1,000,000 authorized Series A Convertible Preferred Shares; 449,673 Series A Convertible Preferred Shares issued and outstanding as at December 31, 2021 and September 30, 2022)	—	—
Common stock (\$0.001 par value; 450,000,000 shares authorized; 10,613,424 shares issued and outstanding as at December 31, 2021 and September 30, 2022, respectively)	42	42
Additional paid-in capital	111,840	111,840
Accumulated deficit	(63,030)	(56,998)
Total stockholders' equity	48,852	54,884
Total liabilities and stockholders' equity	\$ 142,562	\$ 138,050

Unaudited Interim Consolidated Statements of Cash Flows

For the nine months ended September 30, 2021 and 2022
(Expressed in thousands of U.S. dollars)

	Nine months ended September 30,	
	2021	2022
Cash flows from operating activities:		
Net income / (loss)	\$ (6,923)	\$ 6,686
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	3,528	4,562
Amortization and write-off of special survey costs	306	266
Allowance for credit losses	—	49
Amortization and write-off of financing costs	171	229
Loss from debt extinguishment	458	34
Gain/Loss from financial derivative instruments	18	(511)
Issuance of common stock under the promissory note	55	—
Changes in assets and liabilities:		
Inventories	(385)	(1,252)
Due to related parties	2,428	1,596
Trade accounts receivable, net	(1,282)	(7,368)
Prepayments and other assets	(127)	(129)
Insurance claim receivable	—	(1,894)
Special survey cost	—	(442)
Trade accounts payable	(933)	655
Hire collected in advance	(726)	918
Accrued and other liabilities	(11)	(222)
Net cash provided by / (used in) operating activities	\$ (3,423)	\$ 3,177
Cash flow from investing activities:		
Proceeds from the sale of vessel, net	—	8,509
Payments for vessel acquisition	(20,000)	(2,995)
Ballast water treatment system installation	(155)	(555)
Vessel additions	(3)	—
Net cash provided by / (used in) investing activities	\$ (20,158)	\$ 4,959
Cash flows from financing activities:		
Proceeds from long-term debt	30,500	—
Repayment of long-term debt	(27,150)	(10,505)
Gross proceeds from issuance of common stock	25,000	—
Common stock offering costs	(1,860)	—
Gross proceeds from the issuance of Series A Convertible Preferred units	6,170	—
Preferred shares offering costs	(512)	—
Proceeds from exercise of warrants into common shares	202	—
Repayment of promissory note	(1,000)	—
Financial derivative instrument	(74)	—
Payment of financing costs	(625)	(1)
Preferred stock dividends paid	(318)	(654)
Net cash (used in) / provided by financing activities	\$ 30,333	\$ (11,160)
Net (decrease) / increase in cash and cash equivalents and restricted cash	6,752	(3,024)
Cash and cash equivalents and restricted cash at the beginning of the period	4,037	9,874
Cash and cash equivalents and restricted cash at the end of the period	\$ 10,789	\$ 6,850
SUPPLEMENTAL INFORMATION:		
Cash paid for interest	\$ 2,298	\$ 2,773
Unpaid portion of vessel additions	28	—
Non-cash financing activities-issuance of common stock under the promissory note	1,055	—
Unpaid portion for common stock offering costs and financing cost	153	—
Unpaid portion of financing costs	40	—

Liquidity, Debt and Capital Structure

Pursuant to our loan agreements, as of September 30, 2022, we were required to maintain a minimum liquidity of \$2.25 million. Total cash and cash equivalents, including the minimum liquidity amount and the retention account of \$0.35 million for one of our loans, aggregated \$6.85 million as of September 30, 2022.

Total funded debt (in thousands of U.S. dollars), net of deferred financing costs:

	December 31, 2021	September 30, 2022 (unaudited)
Funded debt, net of deferred financing costs	\$ 76,575	\$ 66,331
Promissory Note - related party	6,000	6,000
Total funded debt	\$ 82,575	\$ 72,331

Our weighted average interest rates on our total funded debt for the three and nine month periods ended September 30, 2022 were 5.9% and 4.8%, respectively.

Following the Company's Annual Shareholder Meeting of May 11, 2022, the board of directors of the Company approved the implementation of a reverse-split of our Common Shares at the ratio of one share for four existing Common Shares, effective May 13, 2022 (the "Reverse Stock Split"). After the Reverse Stock Split, we had 10,613,424 Common Shares (the "Common Shares") outstanding and trading continued on the Nasdaq Capital Markets under its existing symbol, "PXS". The Reverse Stock Split was undertaken with the objective of meeting the minimum \$1.00 per share requirement for maintaining the listing of the Common Shares on the Nasdaq Capital Markets. Furthermore, following the Reverse Stock Split, (a) the Conversion Price, as defined in the Certification of Designation of the Company's 7.75% Series A Cumulative Convertible Preferred Shares (NASDAQ Cap Mkts: PXSAP), was adjusted from \$1.40 to \$5.60 and (b) the Exercise Price, as defined in the Company's Warrants to purchase Common Shares (NASDAQ Cap Mkts: PXSAP), was adjusted from \$1.40 to \$5.60. All the share and per share information for all periods presented has been adjusted to reflect the one for four Reverse Stock Split.

On September 30, 2022, we had a total of 10,613,424 Common Shares issued and outstanding of which Mr. Valentis beneficially owned 54.0%.

Non-GAAP Measures and Definitions

Earnings before interest, taxes, depreciation and amortization ("EBITDA") represents the sum of net income / (loss), interest and finance costs, depreciation and amortization and, if any, income taxes during a period. Adjusted EBITDA represents EBITDA before certain non-operating or non-recurring charges, such as vessel impairment charges, gain or loss from debt extinguishment, gain or loss on sale of vessel and gain or loss from financial derivative instruments. EBITDA and Adjusted EBITDA are not recognized measurements under U.S. GAAP.

EBITDA and Adjusted EBITDA are presented in this press release as we believe that they provide investors with means of evaluating and understanding how our management evaluates operating performance. These non-GAAP measures have limitations as analytical tools, and should not be considered in isolation from, as a substitute for, or superior to financial measures prepared in accordance with U.S. GAAP. EBITDA and Adjusted EBITDA do not reflect:

- our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- changes in, or cash requirements for, our working capital needs; and
- cash requirements necessary to service interest and principal payments on our funded debt.

In addition, these non-GAAP measures do not have standardized meanings and are therefore unlikely to be comparable to similar measures presented by other companies. The following table reconciles net income, as reflected in the Unaudited Interim Consolidated Statements of Comprehensive Income/(Loss) to EBITDA and Adjusted EBITDA:

(Amounts in thousands of U.S. dollars)	Three months ended September 30,		Nine months ended September 30,	
	2021	2022	2021	2022
Reconciliation of Net loss to Adjusted EBITDA				
Net income / (loss)	\$ (3,478)	\$ 5,328	\$ (6,923)	\$ 6,686
Depreciation	1,334	1,538	3,528	4,562
Amortization of special survey costs	103	91	306	266
Interest and finance costs, net	735	1,193	2,485	3,022
EBITDA	\$ (1,306)	\$ 8,150	\$ (604)	\$ 14,536
Loss from debt extinguishment	—	—	458	34
(Gain)/loss from financial derivative instrument	18	(191)	18	(511)
Loss from the sale of vessels, net	—	—	—	466
Adjusted EBITDA	\$ (1,288)	\$ 7,959	\$ (128)	\$ 14,525

Daily TCE is a shipping industry performance measure of the average daily revenue performance of a vessel on a per voyage basis. Daily TCE is not calculated in accordance with U.S. GAAP. We utilize daily TCE because we believe it is a meaningful measure to compare period-to-period changes in our performance despite changes in the mix of charter types (i.e. spot charters, time charters and bareboat charters) under which our vessels may be employed between the periods. Our management also utilizes daily TCE to assist them in making decisions regarding the employment of the vessels. We calculate daily TCE by dividing Revenues, net after deducting Voyage related costs and commissions, by Operating days for the relevant period. Voyage related costs and commissions primarily consist of brokerage commissions, port, canal and fuel costs that are unique to a particular voyage, which would otherwise be paid by the charterer under a time charter contract.

Vessel operating expenses (“Opex”) per day are our vessel operating expenses for a vessel, which primarily consist of crew wages and related costs, insurance, lube oils, communications, spares and consumables, tonnage taxes as well as repairs and maintenance, divided by the Ownership days in the applicable period.

We calculate fleet utilization by dividing the number of Operating days during a period by the number of Available days during the same period. We use fleet utilization to measure our efficiency in finding suitable employment for our vessels and minimizing the amount of days that our vessels are off-hire for reasons other than scheduled repairs or repairs under guarantee, vessel upgrades, special surveys and intermediate dry-dockings or vessel positioning. Ownership days are the total number of days in a period during which we owned each of the vessels in our fleet. Available days are the number of ownership days in a period, less the aggregate number of days that our vessels were off-hire due to scheduled repairs or repairs under guarantee, vessel upgrades or special surveys and intermediate dry-dockings and the aggregate number of days that we spent positioning our vessels during the respective period for such repairs, upgrades and surveys. Operating days are the number of available days in a period, less the aggregate number of days that our vessels were off-hire or out of service due to any reason, including technical breakdowns and unforeseen circumstances.

EBITDA, Adjusted EBITDA and daily TCE are not recognized measures under U.S. GAAP and should not be regarded as substitutes for Revenues, net and Net income. Our presentation of EBITDA, Adjusted EBITDA and daily TCE does not imply, and should not be construed as an inference, that our future results will be unaffected by unusual or non-recurring items and should not be considered in isolation or as a substitute for a measure of performance prepared in accordance with U.S. GAAP.

Recent Daily Fleet Data:

(Amounts in U.S. dollars per day)		Three months ended September 30,		Nine months ended September 30,	
		2021	2022	2021	2022
Eco-Efficient MR2: (2022: 4 vessels)					
	(2021: 3 vessels)				
	Daily TCE :	6,982	27,050	10,892	20,539
	Opex per day:	7,869	6,890	7,086	6,624
	Utilization % :	90.8%	91.3%	95.5%	86.8%
Eco-Modified MR2: (1 vessel)					
	Daily TCE :	8,372	37,958	10,353	33,372
	Opex per day:	7,017	6,294	6,762	7,408
	Utilization % :	84.4%	82.6%	94.9%	84.6%
Fleet: (2022: 5 vessels) *					
	(2021: 4 vessels) *				
	Daily TCE :	7,326	29,062	10,729	23,079
	Opex per day:	7,647	6,771	6,987	6,781
	Utilization % :	89.2%	89.6%	95.3%	86.4%

As of September 30, 2022 our fleet consisted of four eco-efficient MR2 tankers, “Pyxis Lamda”, “Pyxis Theta”, “Pyxis Karteria” and “Pyxis Epsilon”, and one eco-modified MR2, “Pyxis Malou”. During 2021 and 2022, the vessels in our fleet were employed under time and spot charters.

- * a) On December 20, 2021, we took delivery from a related party the “Pyxis Lamda”, a 50,145 dwt medium range product tanker built in 2017 at SPP Shipbuilding in South Korea. After her first special survey, the “Pyxis Lamda” launched commercial employment in early January, 2022. For 2021, the vessel contributed nil Available days, and, consequently, voyage and related costs of \$10 have been excluded from the above data.
- b) “Pyxis Karteria” was acquired on July 15, 2021 and commenced commercial activities at that time.
- c) Our two small tankers “Northsea Alpha” and “Northsea Beta” were sold on January 28, and March 1, 2022, respectively. Both vessels had been under spot employment for approximately 7 and 36 days, respectively, in 2022 as of the delivery date to their buyer. The small tankers have been excluded in the table calculations for the nine months ended September 30, 2022 and the comparative period.
- d) In February, 2022, the Pyxis Epsilon experienced a brief grounding at port which resulted in minor damages to the vessel. The vessel was off-hire for 43 days including shipyard repairs and returned to commercial employment at the end of March, 2022.

Conference Call and Webcast

Today, Monday, November 14, 2022, at 4:30 p.m. Eastern Time, the Company's management will host a conference call to discuss the results.

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: +1 877 405 1226 (US Toll-Free Dial In) or +1 201 689 7823 (US and Standard International Dial In). Please quote "Pyxis Tankers" to the operator and/or conference ID 13734223. [Click here for additional 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.](#)

A webcast of the conference call will be available through our website (<http://www.pyxistankers.com>) under our Events Presentations page. A telephonic replay of the conference and accompanying slides will be available following the completion of the call and will remain available until Monday, November 21, 2022.

Webcast participants of the live conference call should register on the website approximately 10 minutes prior to the start of the webcast and can also access it through the following link:

<https://events.q4inc.com/attendee/124064640>

About Pyxis Tankers Inc.

We own a modern fleet of five tankers engaged in seaborne transportation of refined petroleum products and other bulk liquids. We are focused on prudently growing our fleet of medium range product tankers, which provide operational flexibility and enhanced earnings potential due to their "eco" features and modifications. We are positioned to opportunistically expand and maximize our fleet due to competitive cost structure, strong customer relationships and an experienced management team whose interests are aligned with those of its shareholders. For more information, visit: <http://www.pyxistankers.com>. The information discussed contained in, or that can be accessed through, Pyxis Tankers Inc.'s website, including the conference call and Webcast information, is not incorporated into, and does not constitute part of this report.

Pyxis Tankers Fleet (as of November 10, 2022)

Vessel Name	Shipyard	Vessel type	Carrying Capacity (dwt)	Year Built	Type of charter	Charter ⁽¹⁾ Rate (per day)	Anticipated Earliest Redelivery Date
<i>Pyxis Lamda</i> ⁽²⁾	SPP / S. Korea	MR	50,145	2017	Time	\$ 40,000	Apr 2023
<i>Pyxis Epsilon</i> ⁽³⁾	SPP / S. Korea	MR	50,295	2015	Time	\$ 30,000	Sep 2023
<i>Pyxis Theta</i>	SPP / S. Korea	MR	51,795	2013	Spot	n/a	n/a
<i>Pyxis Karteria</i> ⁽⁴⁾	Hyundai / S. Korea	MR	46,652	2013	Time	\$ 30,000	Jan 2023
<i>Pyxis Malou</i>	SPP / S. Korea	MR	50,667	2009	Spot	n/a	n/a

249,554

1) Charter rates are gross in U.S. \$ and do not reflect any commissions payable.

2) "Pyxis Lamda" is fixed on a time charter for 6 months, +/- 15 days at \$40,000 per day.

3) "Pyxis Epsilon" is fixed on a time charter for 12 months, +/- 30 days at \$30,000 per day.

4) "Pyxis Karteria" is fixed on a time charter for min 4, max 6 months at \$30,000 per day.

Forward Looking Statements

This press release contains forward-looking statements and forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995 applicable securities laws. The words “expected”, “estimated”, “scheduled”, “could”, “should”, “anticipated”, “long-term”, “opportunities”, “potential”, “continue”, “likely”, “may”, “will”, “positioned”, “possible”, “believe”, “expand” and variations of these terms and similar expressions, or the negative of these terms or similar expressions, are intended to identify forward-looking information or statements. But the absence of such words does not mean that a statement is not forward-looking. All statements that are not statements of either historical or current facts, including among other things, our expected financial performance, expectations or objectives regarding future and market charter rate expectations and, in particular, the effects of COVID-19 or any variant thereof, or the war in the Ukraine, on our financial condition and operations and the product tanker industry in general, are forward-looking statements. Forward-looking information is based on the opinions, expectations and estimates of management of Pyxis Tankers Inc. (“we”, “our” or “Pyxis”) at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Although we believe that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, those are not guarantees of our future performance and you should not place undue reliance on the forward-looking statements and information because we cannot give any assurance that they will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties and actual results and future events could differ materially from those anticipated or implied in such information. Factors that might cause or contribute to such discrepancy include, but are not limited to, the risk factors described in our Annual Report on Form 20-F for the year ended December 31, 2021 and our other filings with the Securities and Exchange Commission. The forward-looking statements and information contained in this presentation are made as of the date hereof. We do not undertake any obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, except in accordance with U.S. federal securities laws and other applicable securities laws.

Company

Pyxis Tankers Inc.
59 K. Karamanli Street
Maroussi 15125 Greece
info@pyxistankers.com

Visit our website at www.pyxistankers.com

Company Contact

Henry Williams
Chief Financial Officer
Tel: +30 (210) 638 0200 / +1 (516) 455-0106
Email: hwilliams@pyxistankers.com

Source: Pyxis Tankers Inc.