

# Q3 2016 Financial Results

November 14, 2016



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### Q3 2016 Financial & Operational Highlights

#### Difficult chartering environment hurt profitability

- ▶ Time charter equivalent revenues of \$5.0 million\*
- ▶ Net loss of \$1.5 million, or \$0.08 loss per share
- ▶ EBITDA of \$0.8 million\*\*
- ▶ 64% of voyage revenues derived from time charters
- ▶ At September 30, 2016, total cash (including restricted cash) of \$6.0 million and net debt / total capitalization of 54.1%

### MR Product Tanker Update

#### Seasonal weakness, exacerbated by several factors

- ▶ Charter rate softness occurred during slower summer period
- ▶ High levels of refined product inventories caused by moderating demand for transportation fuels and limited arbitrage opportunities
- ▶ Additions to the global medium range tanker ("MR") fleet peaked during the summer
- ▶ Outlook is more positive for late fourth quarter of 2016 and beyond

\* Time charter equivalent ("TCE") revenues are voyage revenues less voyage related costs and commissions; please see Exhibit I – Non-GAAP Measures and Definitions

\*\* Please see Exhibit I – Non-GAAP Measures and Definitions



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# COMPANY & MARKET UPDATE

Q3 2016

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# FLEET & EMPLOYMENT OVERVIEW

POSITIONED FOR UPSIDE OPPORTUNITIES



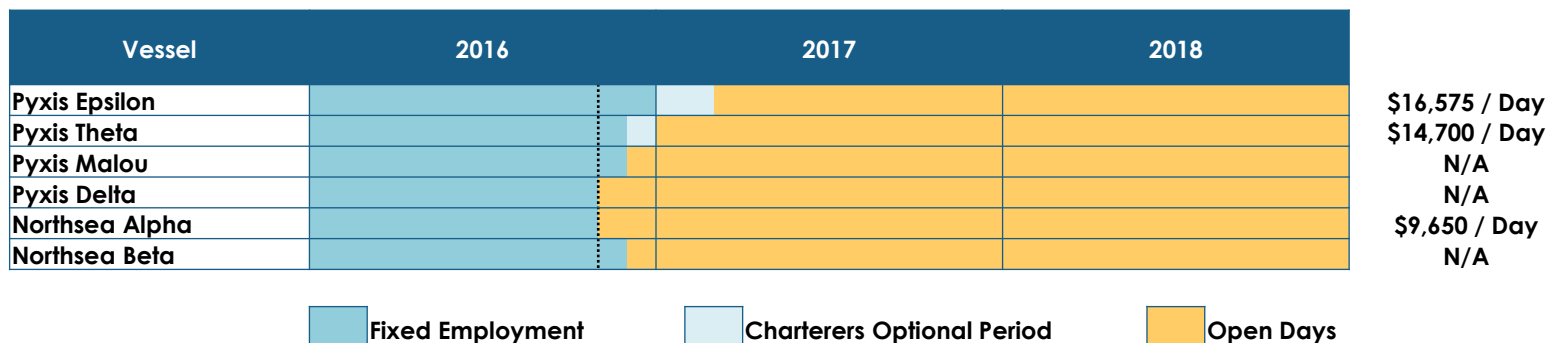
Mixed chartering strategy provides **stable, visible cash flows** from time charters and **upside opportunities** through spot trading when rates improve

## Fleet Details

Vessel	Shipyard	Vessel Type	Size (dwt)	Year Built	Type of Charter	Anticipated Redelivery Date <sup>(1)</sup>
Pyxis Epsilon	SPP / S.Korea	MR	50,295	2015	Time	Dec. 2016
Pyxis Theta	SPP / S.Korea	MR	51,795	2013	Time	Dec. 2016
Pyxis Malou	SPP / S.Korea	MR	50,667	2009	Spot	Nov. 2016
Pyxis Delta	Hyundai / S.Korea	MR	46,616	2006	Spot	Nov. 2016
Northsea Alpha	Kejin / China	Small Tanker	8,615	2010	Time	Nov. 2016
Northsea Beta	Kejin / China	Small Tanker	8,647	2010	Spot	Nov. 2016

As of November 1, 2016, 39% of anticipated available days for the remainder of 2016 are fixed.

## Fleet Employment Overview



(1) These tables are dated as of November 4, 2016 and show gross rates and do not reflect commissions payable.

### Softer chartering conditions

- ▶ Spot rates have substantially declined since peak of Fall, 2015
- ▶ One year time charter rates down to ~\$12,000/d since beginning of year, well below last 10 year peak of ~ \$26,800/d
- ▶ Major reasons: higher inventories of refined products worldwide, lack of arbitrage opportunities and new tonnage additions
- ▶ Charter rates expected to rebound in latter Q4 due to seasonal factors in northern hemisphere – demand for heating oil and possible port delays

### Declining newbuild order book

- ▶ MR2 order book – lowest level in 20+ years; substantially delivered by the end of 2017
- ▶ No material new ordering of product tankers
- ▶ Access to capital continues to be very challenging; difficulties continue for mixed fleet owners

### Historically low MR2 asset values create attractive entry point (\$ millions):

Type	Recent Broker Indications	Avg. 2005-15*
New Build (del. '18)	\$33	\$40.3
5 yr. old	22-23	34.7

\* Source: Drewry – July 31, 2016, excludes Jones Act vessels



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**PYXIS TANKERS**  
FINANCIAL SUMMARY – Q3 2016

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# UNAUDITED FINANCIAL HIGHLIGHTS

THREE MONTHS ENDED SEPTEMBER 30, 2015 & 2016



Remaining time  
charters mitigated  
poor spot  
environment

	Three Months ended	
	September 30, 2015	September 30, 2016
<i>In '000 USD except for daily TCE rates</i>		
Time / spot charter revenue mix	85% / 15%	64% / 36%
Voyage revenues	\$8,239	\$7,197
Voyage related costs and commissions	—(832)	—(2,234)
<b>Time charter equivalent revenues*</b>	<b>\$ 7,407</b>	<b>\$ 4,963</b>
Total operating days	548	477
Daily time charter equivalent rate*	\$ 13,514	\$ 10,406
Fleet Utilization	99.3%	86.4%

\* Subject to rounding; Please see Exhibit I – Non-GAAP Measures and Definitions



# UNAUDITED INCOME STATEMENT

THREE MONTHS ENDED SEPTEMBER 30, 2015 & 2016



Disciplined fixed  
cost structure  
creates operating  
leverage when  
charter rates  
improve

	Three Months ended	
	September 30, 2015	September 30, 2016
<i>In '000 USD except per share data</i>		
<b>Voyage revenues</b>	<b>\$8,239</b>	<b>\$7,197</b>
<b>Expenses:</b>		
Voyage related costs and commissions	(832)	(2,234)
Vessel operating expenses	(3,266)	(3,211)
General & administrative expenses	(442)	(581)
Management fees, related parties	(151)	(169)
Management fees, other	(263)	(252)
Amortization of special survey costs	(63)	(61)
Depreciation	<u>(1,405)</u>	<u>(1,449)</u>
<b>Operating income / (loss)</b>	<b>1,817</b>	<b>(760)</b>
<b>Other expenses:</b>		
Interest and finance costs, net	<u>(558)</u>	<u>(703)</u>
<b>Total other expenses, net</b>	<b>(558)</b>	<b>(703)</b>
<b>Net income / (loss)</b>	<b>\$1,259</b>	<b>(\$1,463)</b>
<b>Earnings / (loss) per share (basic &amp; diluted)</b>	<b>\$0.07</b>	<b>(\$0.08)</b>
<b>EBITDA*</b>	<b>\$3,285</b>	<b>\$750</b>

\* Please see Exhibit I – Non-GAAP Measures and Definitions

# RECENT DAILY FLEET DATA

THREE & NINE MONTHS ENDED SEPTEMBER 30, 2015 and 2016



Relatively  
Low Opex

<i>(amounts in \$)</i>		Three Months Ended		Nine Months Ended	
		September 30,		September 30,	
		2015	2016	2015	2016
<b>Eco-Efficient MR2: (2 units)</b>					
Average	TCE *	15,727	14,830	15,606	15,442
	Opex *	6,078	5,624	6,658	5,798
	Utilization %	100.0%	96.2%	99.2%	98.5%
<b>Eco-Modified MR2: (1 unit)</b>					
	TCE	14,829	4,847	18,102	12,447
	Opex	6,277	6,199	6,539	6,484
	Utilization %	95.7%	85.9%	97.4%	93.4%
<b>Standard MR2: (1 unit)</b>					
	TCE	19,412	11,540	16,642	16,291
	Opex	7,196	6,635	6,388	6,862
	Utilization %	100.0%	79.3%	100.0%	92.7%
<b>Small Tankers: (2 units)</b>					
Average	TCE	7,722	7,523	7,432	8,271
	Opex	4,933	5,412	5,454	5,365
	Utilization %	100.0%	80.4%	99.0%	87.4%
<b>Fleet: (6 units)</b>					
	TCE	13,514	10,406	13,599	12,835
	Opex	5,916	5,818	6,188	5,945
	Utilization %	99.3%	86.4%	99.0%	93.0%

\* Please see Exhibit I – Non-GAAP Measures and Definitions

# TOTAL DAILY OPERATIONAL COSTS/ECO-VESSELS

THREE MONTHS ENDED SEPTEMBER 30, 2016



Our Eco MR2 Total  
Daily Operational  
Costs are Competitive

		Eco	
	Three Months ended September 30, 2016	Modified	Efficient
	<i>(amounts in \$/day)</i>		
Opex*		\$6,199	\$5,624
Technical & commercial management fees		757	757
G&A expenses		<u>1,053</u>	<u>1,053</u>
<b>Total daily operational costs per vessel</b>		<b>\$8,009</b>	<b>\$7,434</b>

\* Please see Exhibit I - Non-GAAP Measures and Definitions

# CAPITALIZATION

AT SEPTEMBER 30, 2016

	At September 30, 2016	
	<i>In '000 USD</i>	
Moderate Leverage at Low Interest Costs  No balloon payments until 2018	Cash and cash equivalents, including restricted cash	\$ 6,034
	Bank debt, net of deferred financing fees	74,902
	Promissory note	2,500
	<b>Total debt</b>	<b>\$ 77,402</b>
	Stockholders' equity	54,585
	<b>Total capitalization</b>	<b>\$ 131,987</b>
	<b>Net debt</b>	<b>\$ 71,368</b>
	<b>Total debt / total capitalization</b>	<b>58.6%</b>
	<b>Net debt / total capitalization</b>	<b>54.1%</b>

Weighted average interest rate of the total debt for the nine months ended September 30, 2016 was 3.24%

# COMPANY HIGHLIGHTS

EMERGING GROWTH - PURE PLAY PRODUCT TANKER COMPANY



## Attractive, Modern Fleet

- ▶ Focus on modern medium range (“MR”) product tankers with “eco” features
- ▶ Young tanker fleet of 6 IMO-certified vessels with weighted average age of 5.7 years (dwt)
- ▶ Potential for an additional MR to be acquired

## Reputable Customer Base & Diversified Chartering Strategy

- ▶ Long-standing relationships with reputable, first-class customers worldwide
- ▶ As of November 1, 2016, 39% of remaining available chartering days in 2016 covered
- ▶ Positioned to capitalize when spot rates improve

## Competitive Cost Structure & Solid Balance Sheet

- ▶ Competitive total daily operational costs to peer group
- ▶ Moderate capitalization with low cost, long-lived bank debt

## Experienced, Incentivized Management & Board

- ▶ Strong management team with 100+ years of combined industry and capital markets experience
- ▶ Founder/CEO has proven track record and is a substantial shareholder
- ▶ Board Members consist of prominent industry figures and/or with significant experience



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# NON-GAAP MEASURES AND DEFINITIONS

## EXHIBIT I

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<i>(in thousands of U.S. Dollars)</i>	<b>Three months ended</b>	
	<b>September 30,</b>	
	2015	2016
<b>Reconciliation of Net income to EBITDA</b>		
Net income / (loss)	\$ 1,259	\$ (1,463)
Depreciation	1,405	1,449
Amortization of special survey costs	63	61
Interest and finance costs, net	<u>558</u>	<u>703</u>
<b>EBITDA</b>	<b>\$ 3,285</b>	<b>\$ 750</b>

## Continued

EBITDA represents the sum of net income, interest and finance costs, depreciation and amortization, and, if any, interest taxes during a period. EBITDA is not a recognized measurement under U.S. GAAP. EBITDA is presented as we believe that it provides investors with a means of evaluating and understanding how our management evaluates operating performance. This non-GAAP measure should not be considered in isolation from, as substitutes for, or superior to financial measures prepared in accordance with U.S. GAAP. In addition, this non-GAAP measure does not have a standardized meaning, and is therefore, unlikely to be comparable to similar measures presented by other companies.

Daily time charter equivalent ("TCE") is a standard shipping industry performance measure of the average daily revenue performance of a vessel on a per voyage basis. TCE is not calculated in accordance with U.S. GAAP. We utilize 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 TCE to assist them in making decisions regarding employment of the vessels. We believe that our method of calculating TCE is consistent with industry standards and is determined by dividing voyage revenues after deducting voyage expenses, including commissions by operating days for the relevant period. Voyage expenses 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 per day ("Opex") are our vessel operating expenses for a vessel, which consist primarily 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. The shipping industry uses fleet utilization to measure a company's efficiency in finding suitable employment for its vessels and minimizing the amount of days that its 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. 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. 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. Ownership days are the total number of days in a period during which we owned each of the vessels in our fleet.



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