



CAPITAL

PRODUCT PARTNERS L.P.

Second Quarter 2023 Earnings Presentation

July 28, 2023

Capital Product Partners L.P.

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Important Notice

○ This presentation contains forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). These statements can be identified by the fact that they do not relate only to historical or current facts. In particular, forward-looking statements include all statements that express forecasts, expectations, plans, outlook, objectives and projections with respect to future matters, including, among other things, the expected financial performance of CPLP's business following the acquisition, CPLP's expectations or objectives regarding future distributions, and market and charter rate expectations. These forward-looking statements involve risks and uncertainties that could cause the stated or forecasted results to be materially different from those anticipated. For a discussion of factors that could materially affect the outcome of forward-looking statements and other risks and uncertainties, see "Risk Factors" in CPLP's annual report on Form 20-F filed with the SEC on April 26, 2023. Any forward-looking statements made by or on behalf of CPLP speak only as of the date they are made. Unless required by law, CPLP expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in its views or expectations, to conform them to actual results or otherwise. CPLP does not assume any responsibility for the accuracy and completeness of the forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements.

○ **Non-GAAP Measures**

This presentation contains non-GAAP measures, including Operating Surplus and Operating Surplus after Reserves. Operating Surplus and Operating Surplus after Reserves are quantitative measures used in the publicly traded partnership investment community to assist in evaluating a partnership's financial performance and ability to make quarterly cash distributions. It should not be considered a measure of profitability or liquidity. These measures are not required by accounting principles generally accepted in the United States and should not be considered a substitute for net income, cash flow from operating activities and other operations or cash flow statement data prepared in accordance with accounting principles generally accepted in the United States. Please refer to slide 4 for a reconciliation of this non-GAAP measure with net income.



Second Quarter 2023 Highlights

- **Took delivery of the M/V Buenaventura Express, a 13,696 TEU container vessel, on a 10-year charter with Hapag Lloyd**
- **Agreed to sell the 179,221 DWT dry cargo vessel M/V Cape Agamemnon**
- **Completed the drydock and energy efficiency upgrades to the M/V Athos, the M/V Athenian and the M/V Aristomenis**
- **Financial Performance & Operating Highlights:**
 - Net income for 2Q2023: \$7.4 million
 - Declared common unit distribution of \$0.15 for the quarter
 - Partnership's operating surplus: \$38.2 million or \$3.2 million after the quarterly allocation to the capital reserve
 - Repurchased 156,560 of the Partnership's common units at an average cost of \$13.30 per unit for the quarter
 - Average remaining charter duration 6.7 years* with 96% charter coverage* for 2023, 96% for 2024 and 74% for 2025
 - Contracted Revenue Backlog of more than \$1.8* billion

* As of June 30, 2023. Assumes the exercise of the first two options (total 4 years per vessel) for the three vessels on charter to BP, as the structure of the time charter party makes the exercise of these options highly likely. BP has already exercised their first option for the LNG/Cs Aristos I and Aristidis I

Statements Of Comprehensive Income

	(\$ In Thousands)	
	For the Three-Month Period Ended June 30, 2023	For the Three-Month Period Ended June 30, 2022
Revenues	88,535	73,960
Expenses:		
Voyage expenses	3,940	4,467
Vessel operating expenses	20,774	14,112
Vessel operating expenses – related parties	2,690	2,312
General and administrative expenses	2,332	2,345
Vessel depreciation and amortization	20,875	17,661
Impairment of vessel	7,956	-
Operating income, net	29,968	33,063
Other income / (expense), net:		
Interest expense and finance cost	(25,508)	(11,714)
Other income / (expense), net	2,952	(931)
Total other expense, net	(22,556)	(12,645)
Partnership's net income	7,412	20,418

Operating Surplus For Calculation Of Unit Distribution*

(\$ In Thousands)

	For the Three-Month Period Ended 30-Jun-23		For the Three-Month Period Ended 31-Mar-23	
Partnership's net income		7,412		10,028
Adjustments to net income				
Depreciation, amortization, unrealized bonds exchange differences and change in fair value of derivatives	19,783		23,235	
Impairment of vessel	7,956		-	
Amortization / accretion of above / below market acquired charters and straight-line revenue adjustments	3,043		3,055	
OPERATING SURPLUS PRIOR TO CAPITAL RESERVE		38,194		36,318
Capital reserve		(34,960)		(33,350)
OPERATING SURPLUS AFTER CAPITAL RESERVE		3,234		2,968
(Increase) / decrease in recommended reserves		(186)		103
AVAILABLE CASH		3,048		3,071

Common Unit Coverage: 1.1x

* Operating Surplus is a non-GAAP measure. See Important Notice at the front of this presentation

Balance Sheet

(\$ In Thousands)

	As Of June 30, 2023	As Of December 31, 2022
Assets		
Current Assets	130,106	166,323
Fixed Assets	2,275,594	1,781,897
Other Non-Current Assets	46,913	48,544
Total Assets	2,452,613	1,996,764
Liabilities and Partners' Capital		
Current Liabilities	152,709	118,580
Long-Term Liabilities	1,650,521	1,239,758
Total Partners' Capital	649,383	638,426
Total Liabilities and Partners' Capital	2,452,613	1,996,764

Delivery of M/V Buenaventura Express

Vessel	Type	Capacity	Delivered	Yard	Firm Period	Optional Period	Charterer
Buenaventura Express	Container Carrier	13,696 TEU	20-Jun-23	HHI	10 Years	2 + 2 +2 Years	

- **The consideration to the seller was paid through a combination of:**
 - Cash deposit of \$6.0 million advanced in 2022;
 - Syndicated credit facility with Cathay United Bank (“CUB”) as Agent and
 - \$16.5 million of cash at hand
- **CUB facility:**
 - Amount: \$100.0 million
 - Quarterly repayment: \$1.6 million
 - Term: 8.0 years
 - Balloon: \$50.0 million
 - Maturity: June 2031



Fleet Update

- Latest acquisition cycle completed, reducing average age and increasing our contracted cashflows

Vessel	Type	Capacity	Delivery	Yard	Firm Period	Optional Periods	Charterer
Manzanillo Express	Container Carrier	13,312 TEU	✓ 12-Oct-22	HHI	10 Years	2 + 2 +2 Years	
Itajai Express			✓ 10-Jan-23				
Buenaventura Express			✓ 20-Jun-23				
Asterix I	LNG Carrier	174,000 CBM	✓ 17-Feb-23	HHI	7 years	2 Years	

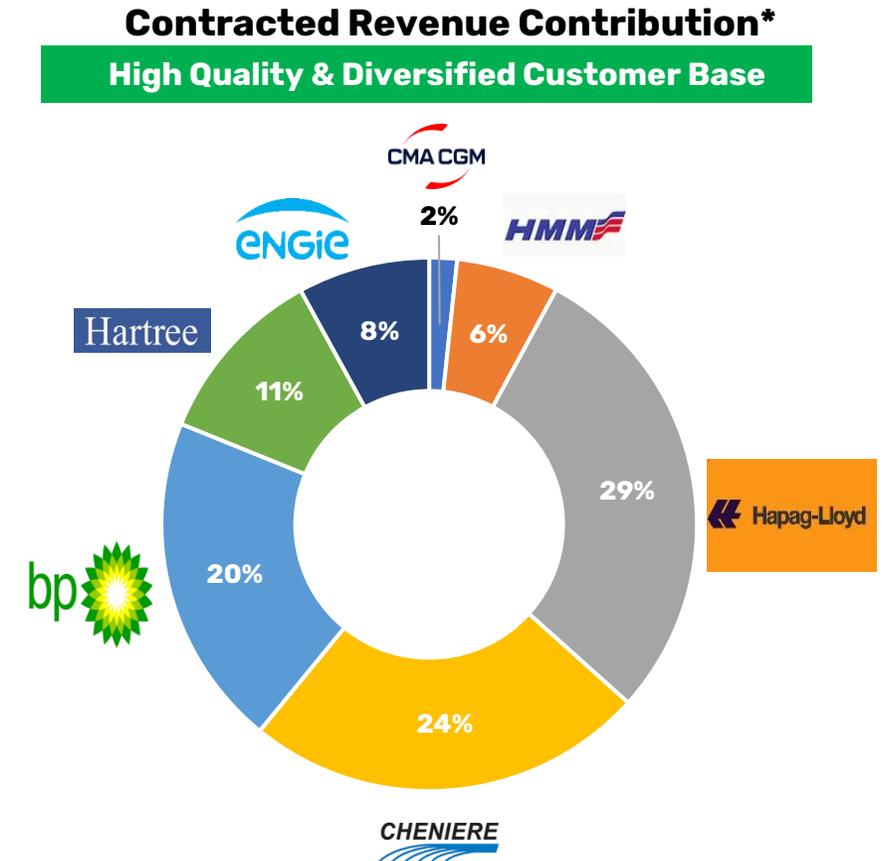
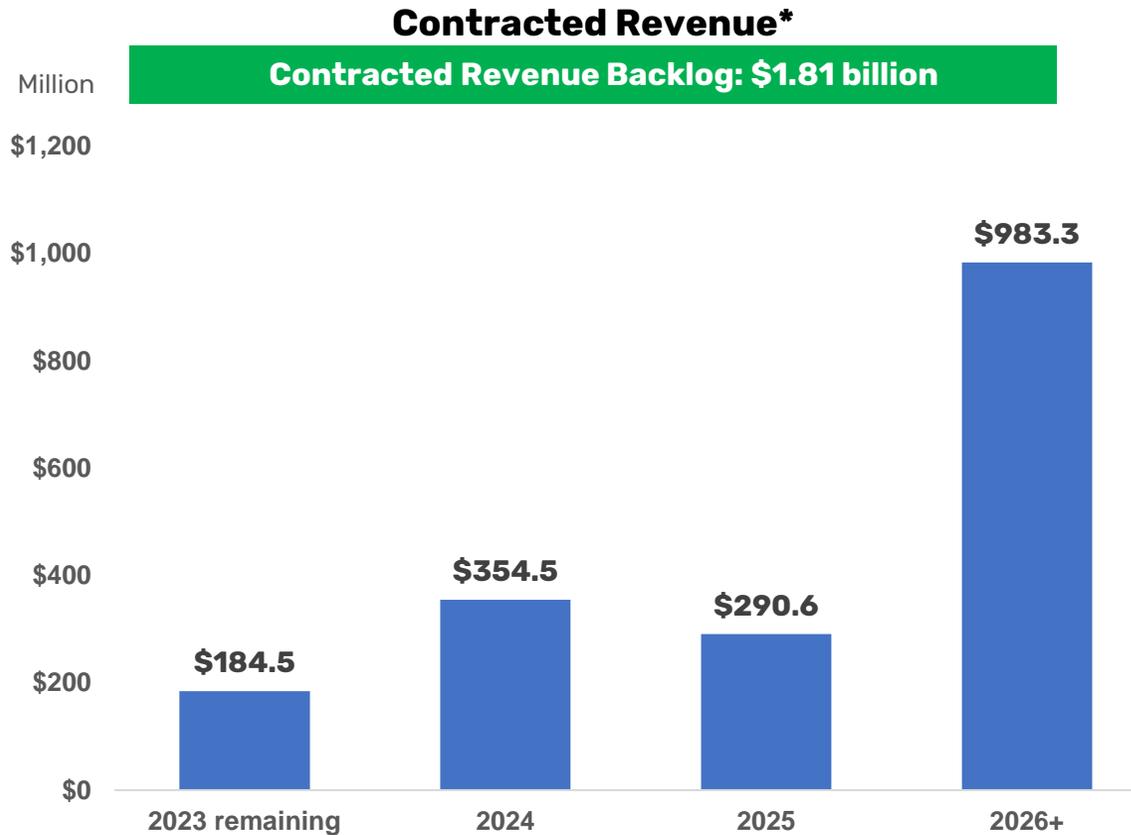
- Completed drydock along with energy efficiency upgrades:

Vessel	Type	Capacity	Built	Drydock	Sox scrubbers	Bulbous Bow	Silyl Acrylate Hull Coating
Athos	Container Carrier	10,000 TEU	2011	✓	✓	✓	✓
Athenian				✓	✓	✓	✓
Aristomenis				✓	✓	✓	✓

- Agreed the sale of dry cargo vessel M/V Cape Agamemnon

Vessel	Type	Capacity	Built	Yard	Employment	Delivery to Buyers
Cape Agamemnon	Dry Cargo	179,221 DWT	2010	Sungdong	Spot	By October 2023

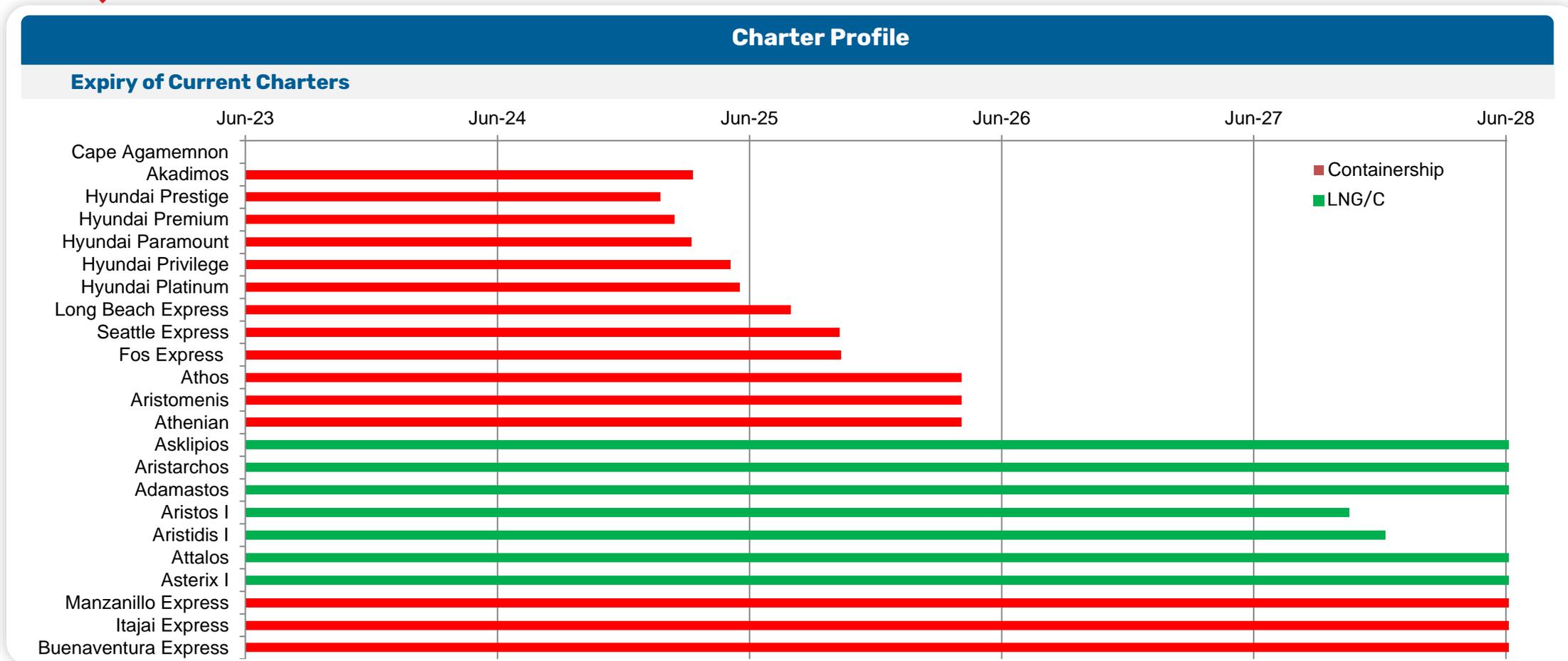
Diversified Contracted Revenue



Over 63% of our contracted revenue come from LNG assets

*As of June 30, 2023. Assumes the exercise of the first two options (total 4 years per vessel) for the three vessels on charter to BP, as the structure of the time charter party makes the exercise of these options highly likely. BP has already exercised their first option for the LNG/Cs Aristos I and Aristidis I

Strong Charter Coverage & Duration

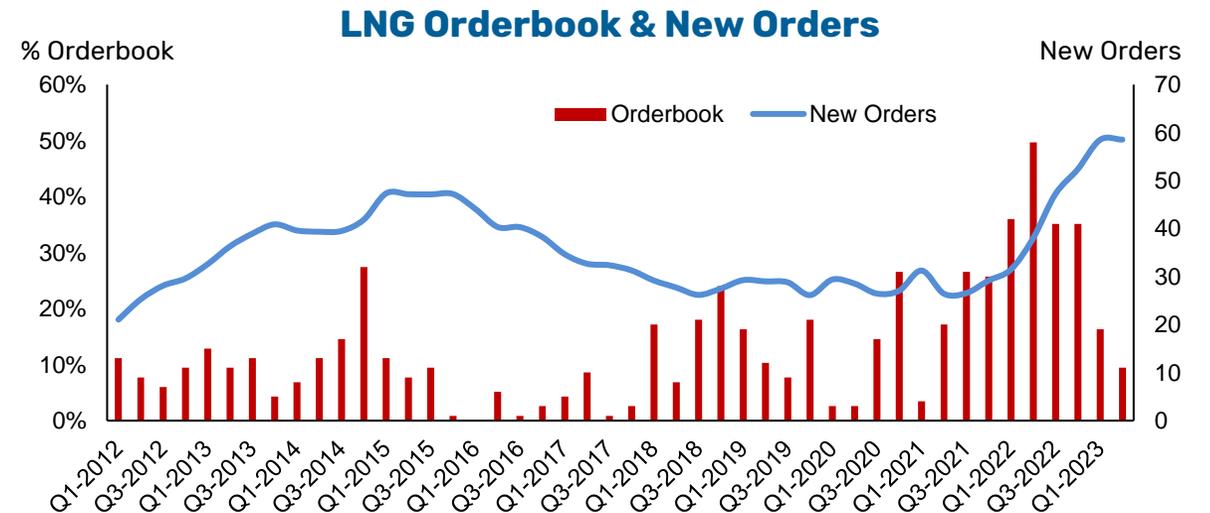
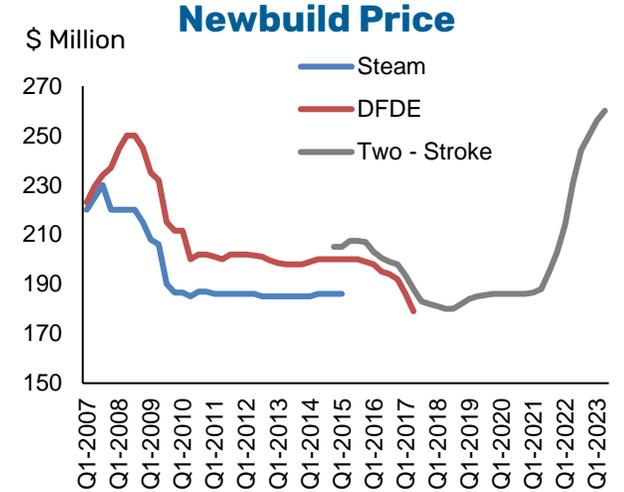
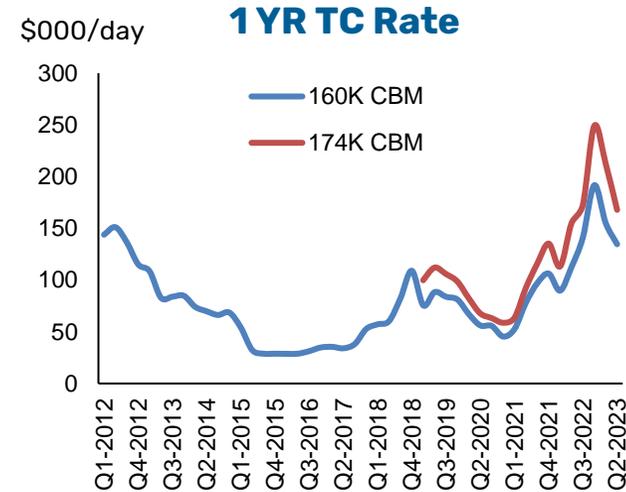


Charter Coverage				Remaining Charter Duration (Years)
2023	2024	2025	2026	
96%	96%	74%	47%	6.7

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LNG/C Market Review

- Demand for LNG/Cs on the term market remains strong despite the recent drop from the record highs reached in 4Q2022
- Current 1-year TC rate for a 174,000 cbm vessel stands at \$140,000/day, while the term market is expected to tighten as we get closer to the winter
- Trade flows are in line with last year, with the majority of US LNG still heading to Europe. Chinese imports are below 2021 levels, however 2Q2023 levels are higher than last year's levels
- LNG trade is expected to increase by 4.4% in 2023 and 4.2% in 2024, reaching 432.9 mtpa. Tonne-mile trade growth of 4.5% and 5.1% is projected for 2023 and 2024, respectively
- 70% year-on-year decline in order volumes, with the 2Q2022 figure standing at 58 orders, as shipyards are mostly full until mid-2027
- The orderbook currently stands at 51.4% of the total fleet, with 331 vessels on order
- Newbuilding prices continue to rise and currently stand at \$261 million per vessel (for a basic spec)

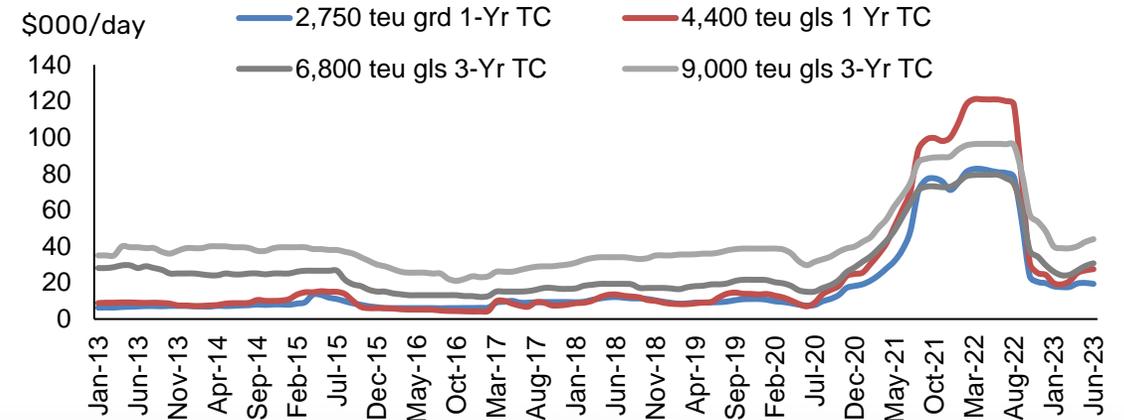


Source: Clarksons

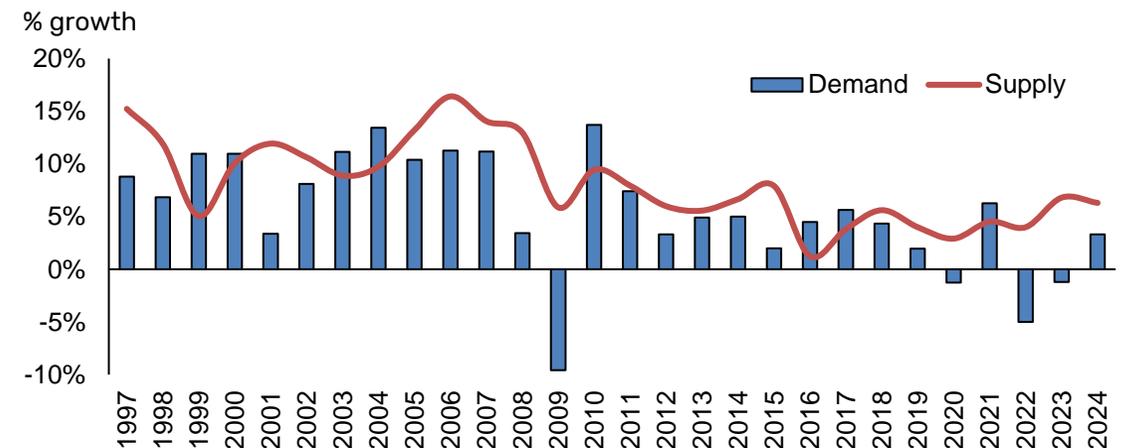
Container Market Review

- Container charter market conditions in 1H2023 were relatively soft due to weaker trade volumes and reduced port congestion
- Vessel charter rates exhibited divergent trends during this period. Rates for larger-sized vessels experienced an increase in the past two months, although rates for feeder sizes followed a more downward trajectory:
 - 6-12 month time charter rate for a 5,000 TEU vessel rose by 19% compared to Q1-2023 at \$31,000/day
 - 6-12 month rate for a 1,700 TEU fell by 8% over the same period to \$13,000/day
- The Clarkson's charter rate index stood at 103 points in the first week of July 2023. It remains 102% higher than the average recorded during the 2010-2019 period and 1.8 times higher than the 2019 average
- Compared to earlier forecasts, global container trade is now expected to grow by 0.3% in TEU, contrasting with the previously projected 1.2% contraction with 6.8% fleet growth. Looking ahead to 2024, analysts predict a more robust growth rate of 3.3% for container trade, with a fleet growth of 6.3%
- As of the beginning of July, the orderbook for new vessels stands at 889 vessels, equivalent to 7.4 million TEU or 27.7% of the total fleet capacity
- Demolition activity has also increased, with 38 vessels being demolished so far in 2023 of approximately 73,400 TEU capacity, compared with 11 vessels in 2022 of 15,890 TEU capacity

Containership Charter Rates



Containership Supply & Demand Growth Trends 1997-2024



LNG/C Dropdown Opportunities

Vessel Name	Type	CBM	Delivery	Yard	Employment Term
Amore Mio I	LNG Carrier – MEGA + Shaft Gen	174,000	Oct-23	HHI	3.0 years
Axios II	LNG Carrier – MEGA + Shaft Gen	174,000	Jan-24	HHI	7.0 years*
Assos	LNG Carrier – MEGA + Shaft Gen	174,000	May-24	HHI	10.0 years
Apostolos	LNG Carrier – MEGA + Shaft Gen	174,000	Jun-24	HHI	10.5 years
Aktoras	LNG Carrier – MEGA + Shaft Gen	174,000	Jul-24	HSHI	7.0 years*
Archimidis	LNG Carrier – MEGA + Shaft Gen	174,000	Jan-26	HSHI	-
Agamemnon	LNG Carrier – MEGA + Shaft Gen	174,000	Mar-26	HSHI	-
Alcaios I	LNG Carrier – MEGA + Shaft Gen	174,000	Sep-26	HSHI	-
Antaios I	LNG Carrier – MEGA + Shaft Gen	174,000	Nov-26	HSHI	-
Athlos	LNG Carrier – MEGA + Shaft Gen	174,000	Jan-27	HSHI	-
Archon	LNG Carrier – MEGA + Shaft Gen	174,000	Mar-27	HSHI	-

- **Latest generation LNG Carriers with MEGA propulsion and shaft generator**
- **A total of 11 sistership vessels with contracted employment of 38 years**
- **Ultra modern, energy efficient fleet with reduced carbon footprint**

*Employment under discussion

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