



PRODUCT PARTNERS L.P.

First Quarter 2023 Earnings Presentation

May 5, 2023

Capital Product Partners L.P.

www.capitalpplp.com

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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.



First Quarter 2023 Highlights

- **Took delivery of the M/V Itajai Express, a 13,312 TEU container vessel, on a 10-year charter with Hapag Lloyd**
- **Took delivery of the LNG/C Asterix I, a 174,000 cbm X-DF vessel, on a 7-year charter with Hartree**
- **Secured new employment for the M/V Akadimos for approximately 24 months**
- **Prepaid \$23.4 million of floating rate debt, leaving a total of ten vessels unencumbered**
- **Financial Performance & Operating Highlights:**
 - Net income for 1Q2023: \$10.0 million
 - Declared common unit distribution of \$0.15 for the quarter
 - Partnership's operating surplus: \$36.3 million or \$3.0 million after the quarterly allocation to the capital reserve
 - Repurchased 129,258 of the Partnership's common units at an average cost of \$13.57 per unit for the quarter
 - Average remaining charter duration 6.8 years* with 96% charter coverage* for 2023, 96% for 2024 and 74% for 2025

* As of March 31, 2023. Includes one container vessel expected to be delivered in June 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

Statements Of Comprehensive Income

	(\$ In Thousands)	
	For the Three-Month Period Ended March 31, 2023	For the Three-Month Period Ended March 31, 2022
Revenues	81,016	73,356
Expenses:		
Voyage expenses	3,842	3,564
Vessel operating expenses	16,820	14,443
Vessel operating expenses – related parties	2,522	2,259
General and administrative expenses	2,783	1,549
Vessel depreciation and amortization	19,178	18,371
Operating income, net	35,871	33,170
Other income / (expense), net:		
Interest expense and finance cost	(23,682)	(10,338)
Other (expense) / income, net	(2,161)	2,317
Total other expense, net	(25,843)	(8,021)
Partnership's net income	10,028	25,149

Operating Surplus For Calculation Of Unit Distribution*

(\$ In Thousands)

	For the Three-Month Period Ended 31-Mar-23		For the Three-Month Period Ended 31-Dec-22	
Partnership's net income		10,028		21,126
Adjustments to net income				
Depreciation, amortization, unrealized Bonds, cash and cash equivalents exchange differences and change in fair value of derivatives	23,235		17,285	
Amortization / accretion of above / below market acquired charters and straight-line revenue adjustments	3,055		(1,095)	
OPERATING SURPLUS PRIOR TO CAPITAL RESERVE		36,318		37,316
Capital reserve		(33,350)		(30,987)
OPERATING SURPLUS AFTER CAPITAL RESERVE		2,968		6,329
Decrease / (Increase) in recommended reserves		103		(3,238)
AVAILABLE CASH		3,071		3,091

Common Unit Coverage: 1.0x

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

Balance Sheet

(\$ In Thousands)

	As Of March 31, 2023	As Of December 31, 2022
Assets		
Current Assets	109,892	166,323
Fixed Assets	2,184,552	1,781,897
Other Non-Current Assets	43,770	48,544
Total Assets	2,338,214	1,996,764
Liabilities and Partners' Capital		
Current Liabilities	128,451	118,580
Long-Term Liabilities	1,566,912	1,239,758
Total Partners' Capital	642,851	638,426
Total Liabilities and Partners' Capital	2,338,214	1,996,764





Delivery of LNG/C Asterix I

Vessel	Type	Capacity	Delivered	Yard	Firm Period	Optional Period	Charterer
Asterix I	LNG Carrier	174,000 CBM	17-Feb-23	HHI	7 years	2 Years	Hartree

- **The consideration to the seller was paid through a combination of:**
 - Cash deposit of \$12.0 million advanced in 2022;
 - Sale and leaseback transaction with CMB Financial Leasing (“CMBFL”) and
 - \$34.0 million of cash at hand
- **CMBFL lease:**
 - Amount: \$184.0 million
 - Quarterly repayment: \$2.2 million
 - Term: 10 years
 - Purchase option: from the first anniversary
 - Purchase option at expiry: \$96.5 million
 - Expiry: February 2033



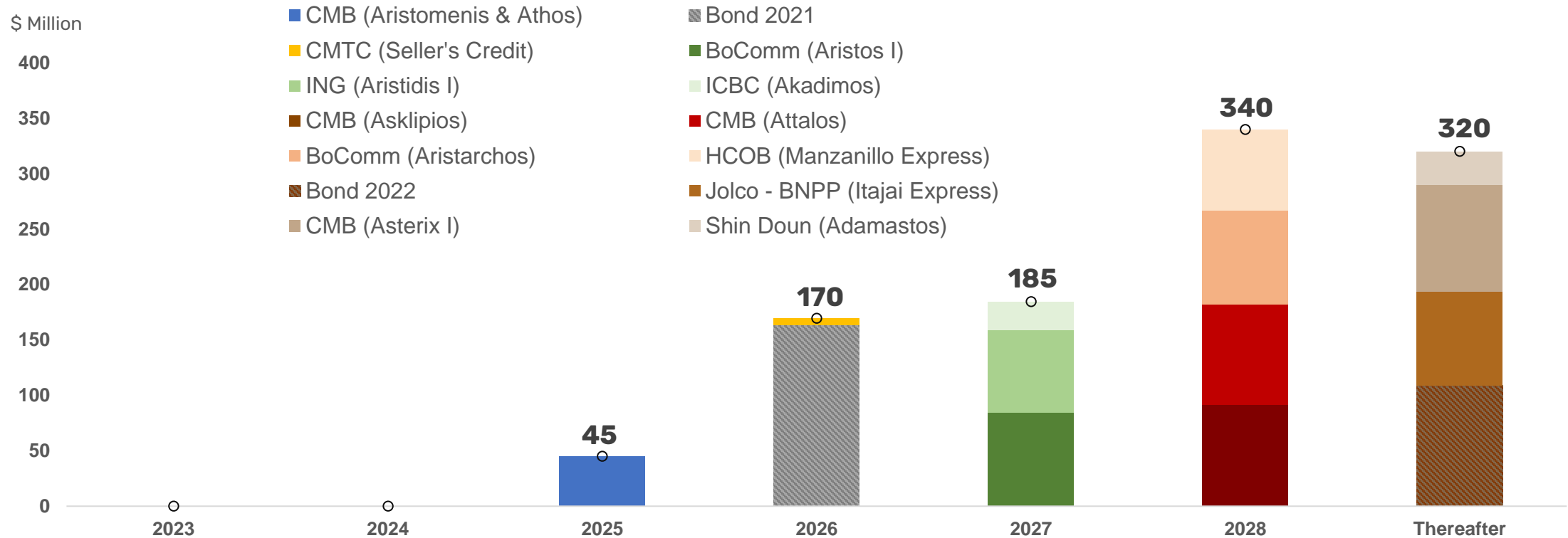
Acquisitions Update

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	Container Carrier	13,312 TEU	✓ 10-Jan-23	HHI	10 Years	2 + 2 +2 Years	
Buenaventura Express	Container Carrier	13,312 TEU	Jun-23	HHI	10 Years	2 + 2 +2 Years	
Asterix I	LNG Carrier	174,000 CBM	✓ 17-Feb-23	HHI	7 years	2 Years	



Increasing revenues and reducing environmental footprint

Debt Maturities Overview*



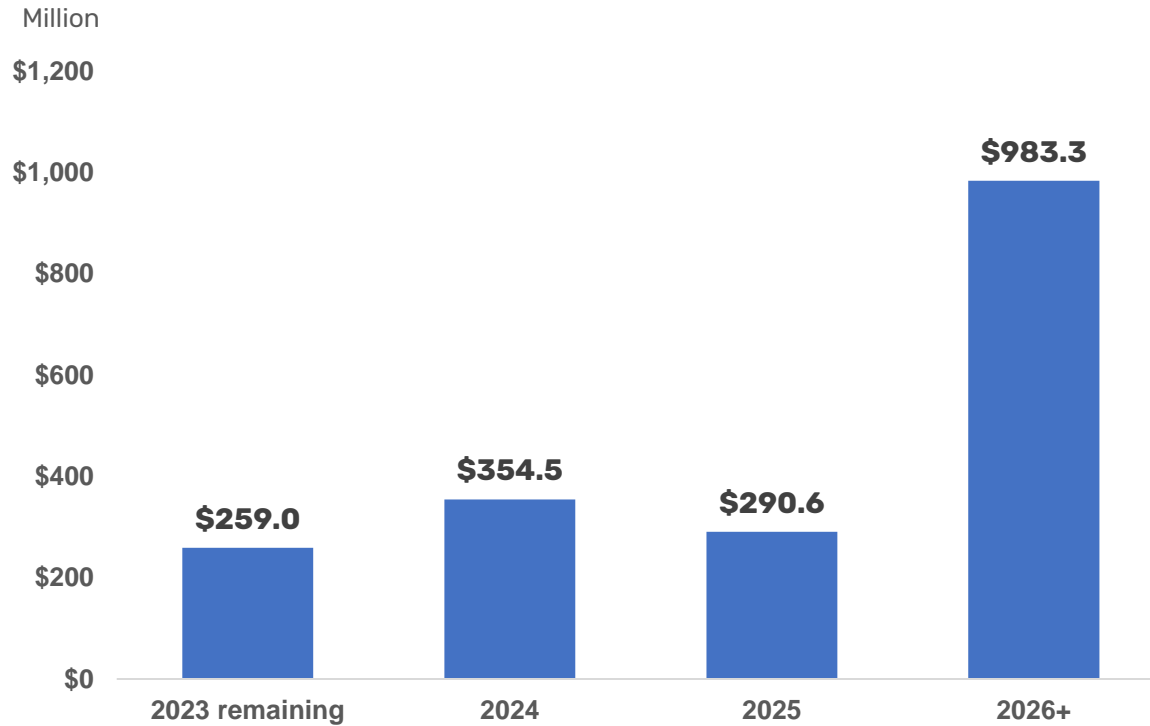
- Prepaid in full the 2021 CMBFL Panamax Sale and Leaseback Facility for a total amount of \$23.4 million
- The prepayment increased our debt free fleet to a total of ten vessels
- No significant maturities before 2026
- 29% of our debt is fixed at 4.50% and the remaining floating debt at a weighted average margin of 2.43% + SOFR\LIBOR *

* As of March 31, 2023

Diversified Contracted Revenue

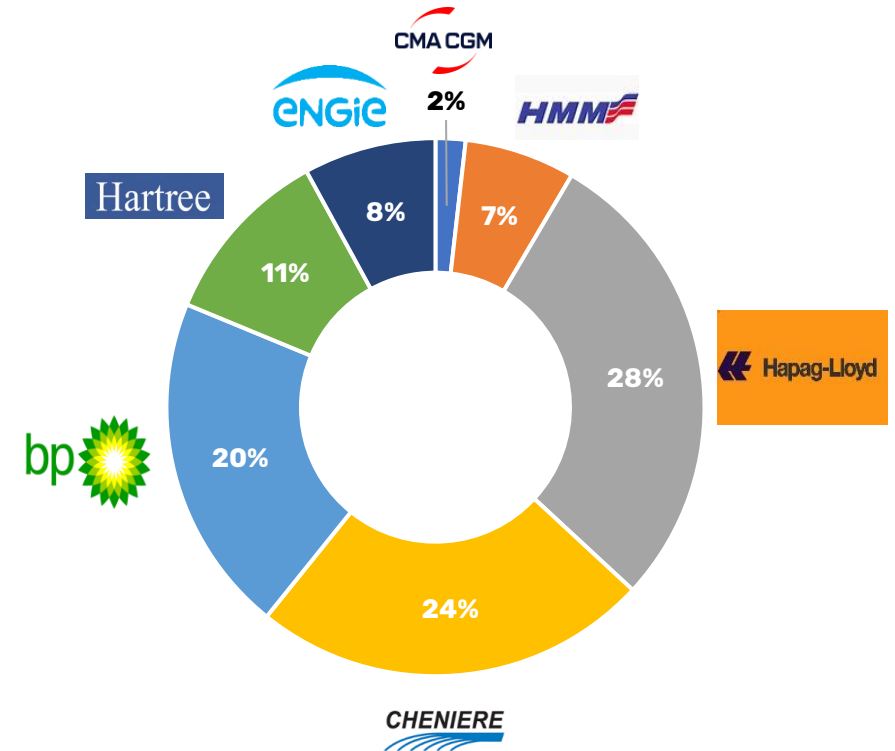
Contracted Revenue*

Contracted Revenue Backlog: \$1.89 billion



Contracted Revenue Contribution*

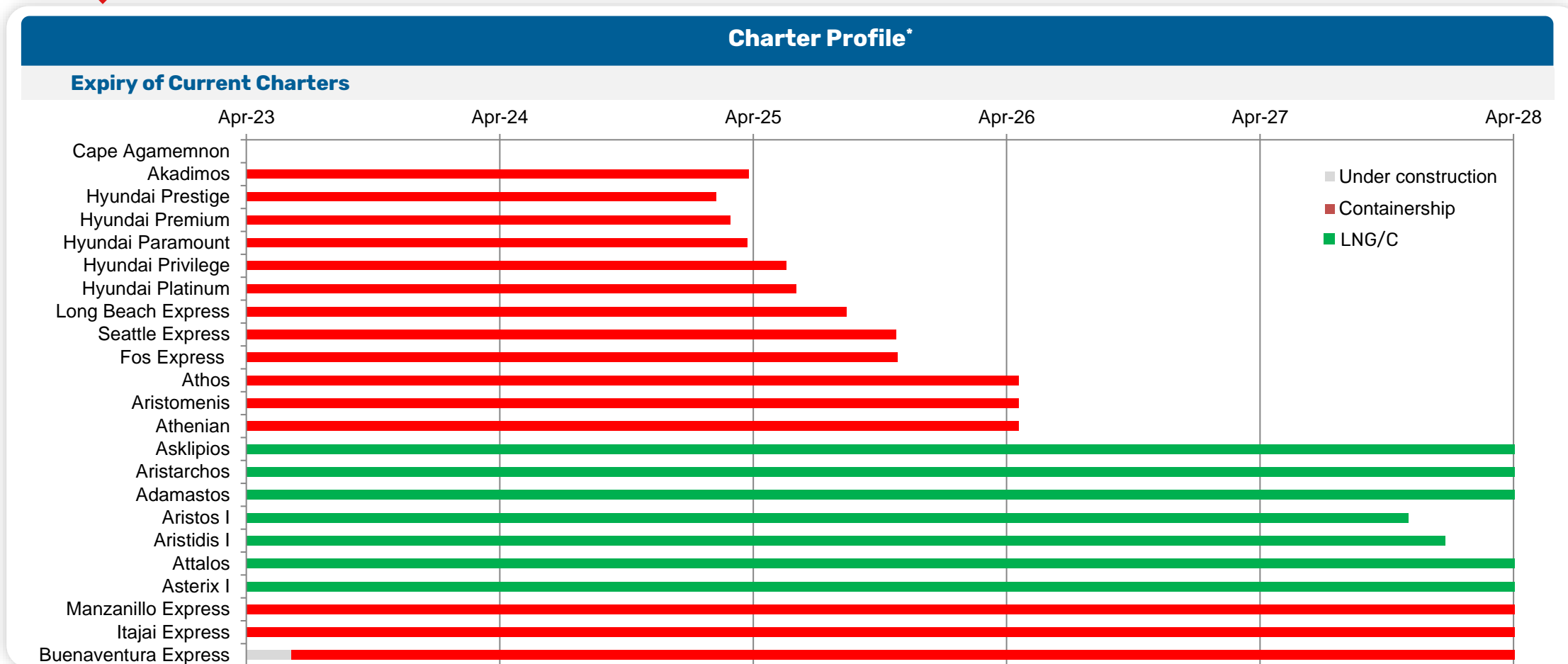
High Quality & Diversified Customer Base



Over 63% of our contracted revenue come from LNG assets

*As of April 15, 2023. Includes one container vessel expected to be delivered in June 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

Strong Charter Coverage & Duration

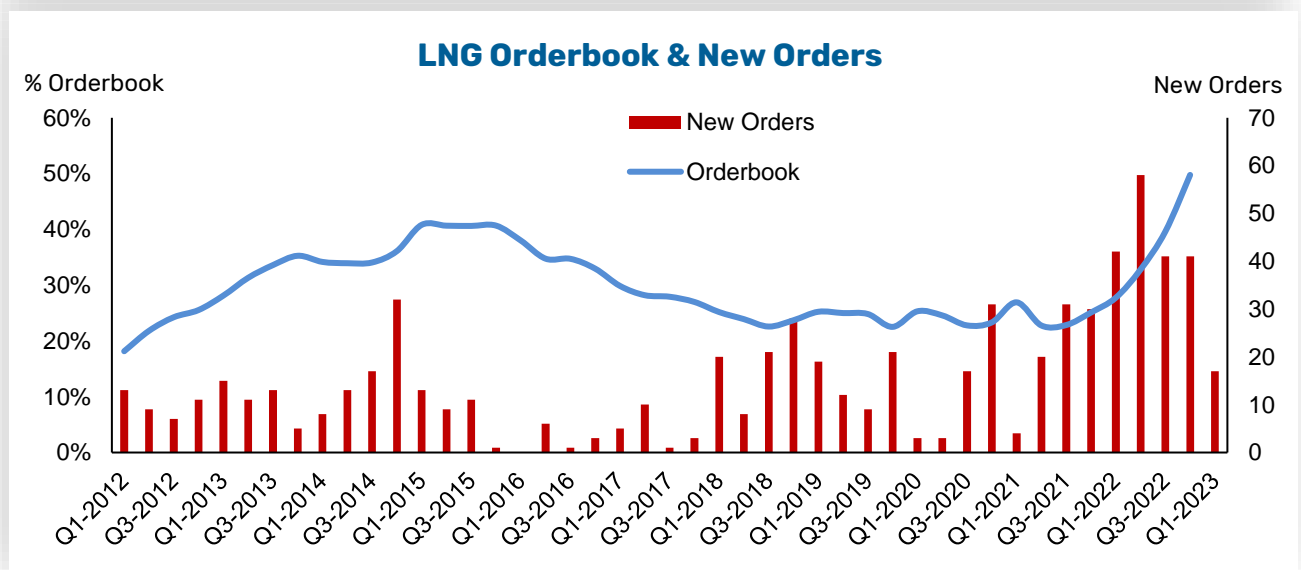
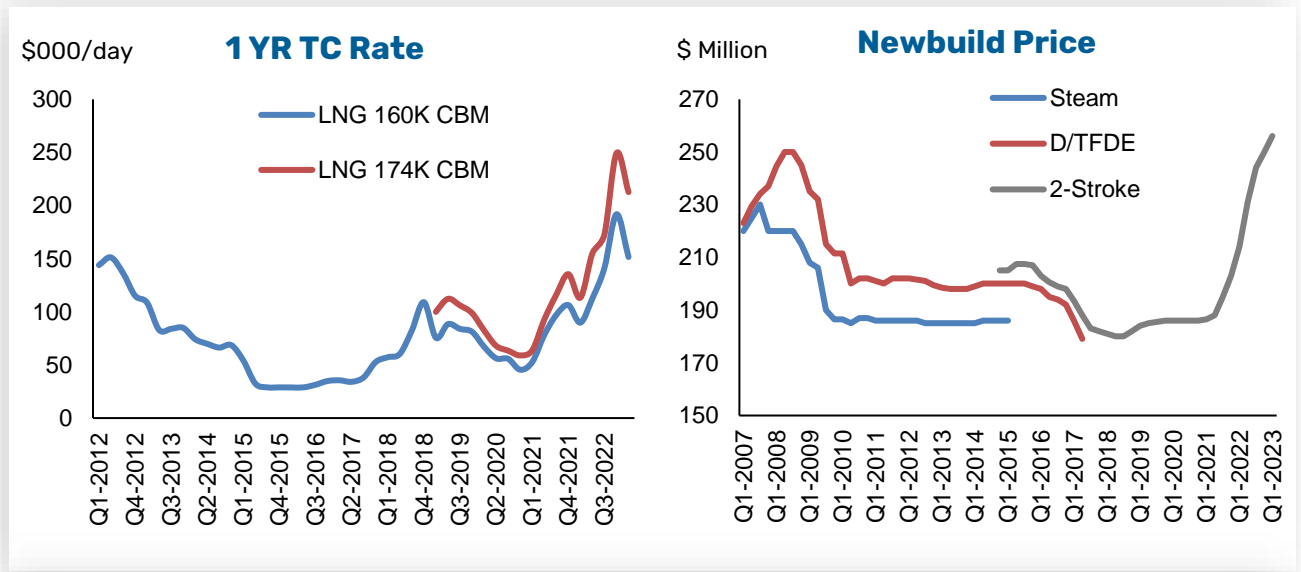


Charter Coverage				Remaining Charter Duration (Years)
2023	2024	2025	2026	
96%	96%	74%	47%	6.8

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LNG/C Market Review

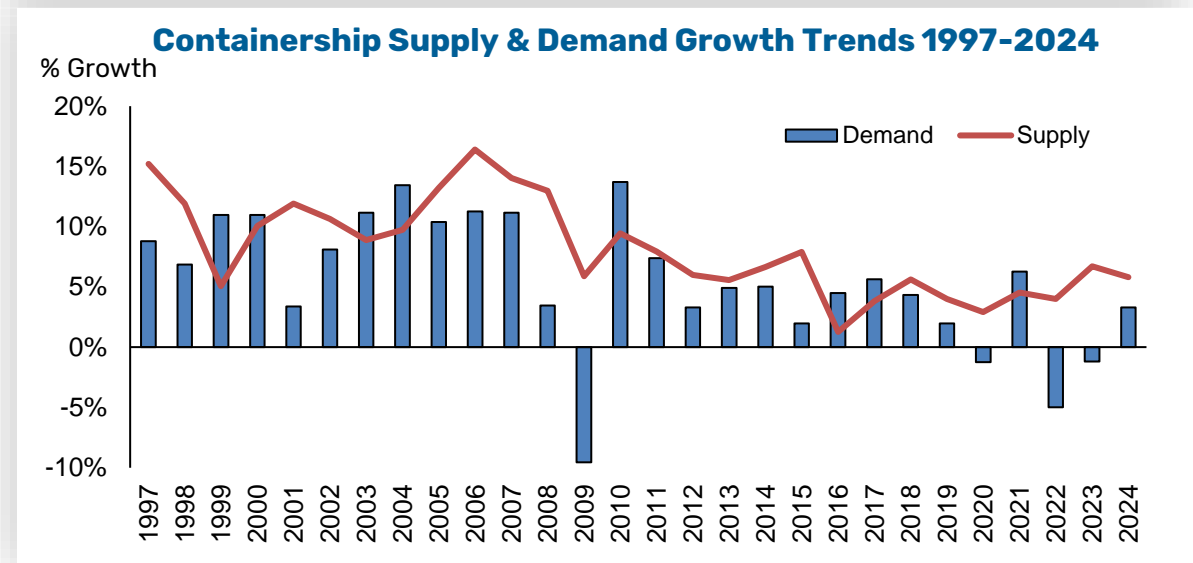
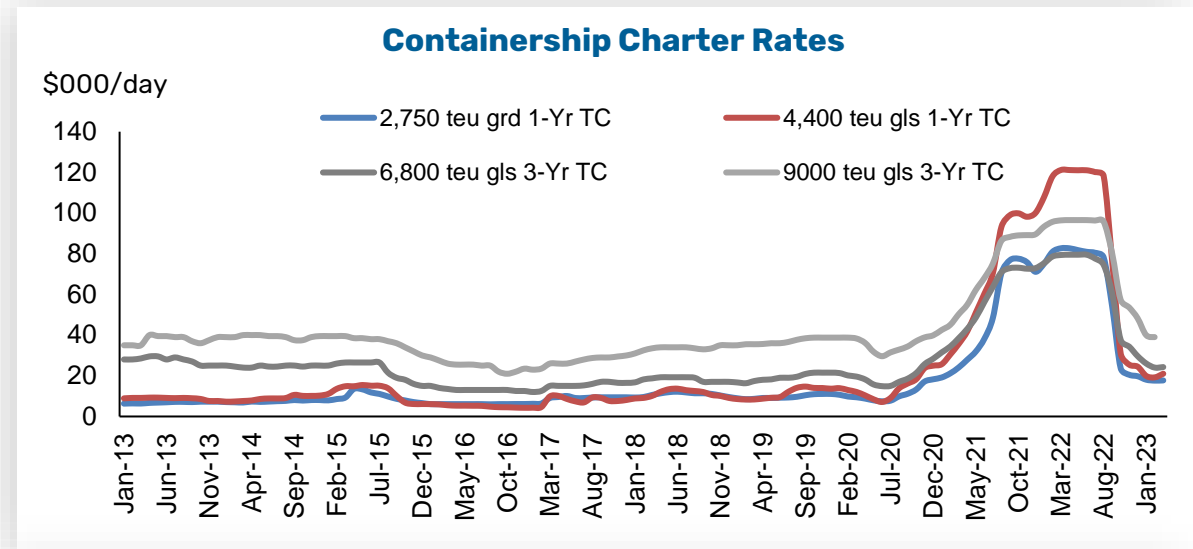
- LNG demand continued to grow at a steady pace in 2022, despite short-term, seasonal pressure in the spot charter market
- Term charter rates remain at firm levels, with the 1 year TC rate for a 174k cbm unit standing at \$175,000/day by the end of April, evidence of structural tightness
- Ongoing energy security concerns continue to support demand for term tonnage as charterers remain keen to cover winter requirements
- Earning premiums for new generation vessels remain notable, having widened over the past year amid a tight market and a high LNG price environment
- US exports continue to drive LNG trade growth, with volumes out of the US projected to increase by 9% to 85 mt this year as Freeport LNG (14 mtpa) resumes operations
- LNG carrier contracting activity remains firm after a record of 184 vessels ordered in 2022, although the 19 newbuilding orders that have been placed in the first quarter of 2023 are significantly lower compared to the 42 orders for the same period last year
- The orderbook currently stands at 50.3% of the total fleet, with 326 vessels currently on order
- Newbuilding prices continue to rise and are currently estimated in excess of \$255 million per vessel



Source: Clarksons

Container Market Review

- Container shipping markets have started 2023 on a softer note after weakening from record highs through the final few months of 2022
- Freight rates have been mostly on a downtrend since last year, although charter rates have been increasing since February 2023
- The market 'normalisation' came amid faltering demand caused by economic headwinds, cost-of-living pressure and excess retail inventories in key regions, as well as reduced port congestion
- However, liner companies remain in a very strong financial position, having made extraordinary profits through the market 'boom' of 2020-2022
- Container spot freight rate levels have softened on most trade lanes, with the SCFI spot box freight index standing at 999.7 points at the end of April, down 80.4% from the start 2022 peak, but 23.3% higher compared to the 2019 average
- Contracting has slowed to 0.5m TEU year to date, compared to 2021 record of 4.4m TEU, but has remained robust with 2.7m TEU ordered in 2022. The orderbook stands at 28.9% of the total fleet with 916 vessels on order
- Year to date, 26 container vessels of ca. 50,480 TEU have been scrapped, compared to 11 vessels of ca. 15,890 TEU scrapped in 2022



Source: Clarksons

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