

# CAPITAL

PRODUCT PARTNERS L.P.



## Profile

Capital Product Partners L.P. (Nasdaq: CPLP) is an international, shipping company engaged in the seaborne transportation of natural gas, containerized goods and dry cargo. As a publicly traded master limited partnership, CPLP has elected to be treated as a C-Corp. for tax purposes which is most beneficial for U.S. investors (as they receive the standard 1099 form). The Partnership is well-positioned to benefit from the long-term growth dynamics of the global shipping industry and to capitalize on potential acquisition opportunities in the fragmented shipping market.

## Entry in LNG Shipping and Fleet Expansion

The Partnership acquired six 174,000 cubic meter ("CBM") latest generation X-DF LNG Carriers ("LNG/C") in the second half of 2021 for total consideration of \$1.2 billion with long-term time charter employment in place with BP Gas Marketing Limited, Cheniere Marketing International LLP and Engie Energy Marketing Singapore Pte Ltd. In the second quarter of 2022, the Partnership agreed to acquire one additional latest generation X-DF LNG/C and three 13,000 twenty-foot equivalent ("TEU") hybrid scrubber-fitted dual fuel ready, eco container sister vessels for a total consideration of \$0.6 billion. All four vessels come with long-term charters attached. The Partnership took delivery of the three 13,000 TEU hybrid - eco container sister vessels, namely the M/V Manzanillo Express in October 2022, the M/V Itajai Express in January 2023, and the M/V Buenaventura Express in June 2023. The LNG/C Asterix I was delivered to the Partnership in February 2023.

## Quarterly Distribution

- Announced a common unit distribution of \$0.15 for the second quarter of 2023.
- The common unit distribution coverage for the three-month period ended June 30, 2023 was 1.1x.
- Long-term distributable cash flow growth is enhanced by the acquisition of seven LNG/Cs & three eco hybrid container vessels, alongside the Partnership's commitment to an accretive growth as it builds on its financial flexibility.

## Modern High Specification Fleet

- The CPLP fleet currently consists of 23 high specification vessels, including seven latest generation LNG/Cs, 12 Neo-Panamax container vessels, three Panamax container vessels and one Capesize bulk carrier vessel, which the Partnership has agreed to sell, with delivery to the new owners expected by October 2023.
- The weighted average age of the CPLP fleet is 7.0 years (as of June 30, 2023).
- CPLP's vessels have been designed and equipped to the highest specification.
- CPLP's LNG/Cs are equipped with Hi-Als (Air Lubrication System), Rudder and Propeller Energy Saving devices in order to improve their performance.
- CPLP's LNG/Cs are designed to offer the lowest environmental footprint for transporting LNG.
- CPLP's latest 13,000 TEU newbuilding container vessels are hybrid scrubber-fitted Tier III and Phase III, dual fuel ready eco vessels, designed to offer the lowest environmental footprint.
- The Partnership completed the installation of a Sulphur oxides ("SOx") scrubber system to container vessels M/V Athos and M/V Athenian in the second quarter of 2023, and M/V Aristomenis in July 2023. All three vessels were retrofitted with a bulbous bow and silyl acrylate self-polishing technology hull coating, which are both expected to improve the energy efficiency of the vessels.

## Fleet Employment-Visible and Stable Cash Flows

- CPLP's modern LNG/Cs, containership assets and multi-year time charters are highly suitable for the Partnership's business model.
- CPLP vessel charters have an average revenue weighted remaining term of 6.7 years (as of June 30, 2023), with staggered expirations.
- The Partnership's charter coverage for both 2023 and 2024 stands at 96% (as of June 30, 2023).
- CPLP's vessels are chartered to reputable counterparties worldwide including major operators and liner companies. Over the years, CPLP vessels have secured long term employment, among others, with BP, Cheniere, CMA CGM, Engie, Hapag-Lloyd, Hartree, HMM, Maersk Lines, MSC, ONE and ZIM.

## Strong Sponsor

- CPLP's sponsor, Capital Maritime & Trading Corp., is a large, financially strong and diversified shipping company with a long, successful track record.
- Capital Maritime owns a 24.9% stake in the Partnership (as of July 31, 2023).
- Capital Maritime has an extensive network of relationships with oil majors, traders, liners and other major charterers.



## Fleet

Vessel Name	Type	CBM / TEU / DWT	Built	Charterer	Expiry of Charter
Aristos I	LNG Carrier	174,000 CBM	2020		Nov-27 <sup>1</sup>
Aristidis I		174,000 CBM	2021		Jan-28 <sup>1</sup>
Attalos		174,000 CBM	2021		Nov-29 <sup>1</sup>
Aristarchos		174,000 CBM	2021		Jun-31
Asklipios		174,000 CBM	2021		Sep-31
Adamastos		174,000 CBM	2021		Oct-28
Asterix I		174,000 CBM	2023		
Aristomenis		Container Carrier	9,954 TEU	2011	
Athos	9,954 TEU		2011	May-26	
Athenian	9,954 TEU		2011	May-26	
Long Beach Express	5,089 TEU		2008	Aug-25	
Seattle Express	5,089 TEU		2008	Nov-25	
Fos Express	5,089 TEU		2008	Nov-25	
Akadimos	Eco-Flex Wide Beam Container Carrier		9,288 TEU	2015	
Manzanillo Express	Dual Fuel Eco Container Carrier	13,312 TEU	2022		Oct-32
Itajai Express		13,312 TEU	2023		Jan-33
Buenaventura Express		13,696 TEU	2023		Jun-33
Hyundai Prestige	Eco Wide Beam Container Carrier	5,023 TEU	2013		Feb-25
Hyundai Premium		5,023 TEU	2013		Mar-25
Hyundai Paramount		5,023 TEU	2013		Apr-25
Hyundai Privilege		5,023 TEU	2013		May-25
Hyundai Platinum		5,023 TEU	2013		Jun-25
Cape Agamemnon <sup>2</sup>	Capesize Dry Cargo	179,221 DWT	2010	-	Spot

<sup>1</sup> Including two optional periods

<sup>2</sup> To be sold. Delivery is expected by October 2023

### Growth Strategy & Financial Strength

- Entered the LNG/C sector in the second half of 2021, with the acquisition of six 174,000 CBM latest generation LNG/Cs for a consideration of \$1.2 billion. All vessels are employed under long-term time charters with BP, Cheniere and Engie. Raised €150.0 million and €100.0 million in senior unsecured bonds on the Athens Exchange in October 2021 and July 2022, respectively. Sold our two oldest container vessels in the second quarter of 2022. Repaid \$119.1 million of debt (\$95.7 million in the third quarter of 2022 and \$23.4 million in the first quarter of 2023), leaving 10 vessels unencumbered.
- On June 6, 2022 the Partnership agreed to acquire one 174,000 CBM latest generation X-DF LNG/C and three 13,000 TEU hybrid - eco container sister vessels from Capital Maritime, for a total consideration of \$0.6 billion. The LNG/C Asterix I was delivered to the Partnership in February 2023. Asterix I comes with a long-term time charter to Hartree, who already exercised the option to extend the firm employment by two years, resulting in a firm period of seven years. Together with the optional period, the employment with Hartree expires in February 2032. The Partnership took delivery of the three 13,000 TEU hybrid - eco container sister vessels, namely the M/V Manzanillo Express in October 2022, the M/V Itajai Express in January 2023, and the M/V Buenaventura Express in June 2023. All three container vessels have secured long-term time charters for a firm period of 10 years with Hapag-Lloyd, which, together with the optional periods, expire between October 2038 and June 2039.
- The Partnership agreed to sell the dry cargo vessel M/V Cape Agamemnon, with delivery expected by October 2023.
- Quarterly capital reserve intends to address our principal amortization requirements. For 2Q 2023, we allocated \$35.0 million to the capital reserve, an increase of \$1.6 million from the previous quarter. After deducting the capital reserve, the adjusted operating surplus amounted to \$3.2 million.
- On January 26, 2023, a new unit repurchase program up to \$30.0 million was approved by the Board of Directors, effective for a period of two years through January 2025. During the quarter ended June 30, 2023, the Partnership repurchased 156,560 common units at an average cost of \$13.30 per unit or 1,058,030 common units since the launching of the first unit repurchase plan on February 19, 2021, at an average cost of \$13.44 per unit.
- Depending on our access to the financial markets, our objective is to pursue additional accretive transactions going forward and expand our assetbase, with a view to further increase the long-term distributable cashflow of the Partnership.

### Income Statement Highlights (\$mil. except per unit amounts)

	06/30/2023
Total Revenues	\$88.5
Net Income	\$7.4
Operating Surplus (Prior to Capital Reserve)	\$38.2
Quarterly Cash Distribution Per Common Unit	\$0.15

### Condensed Balance Sheet (\$mil.)

	06/30/2023
Total Assets	\$2,452.6
Total Long-Term Liabilities	\$1,650.5
Total Partners' Capital	\$649.4

(Last updated August 04, 2023)

**Forward-Looking Statements:** The statements in this fact sheet that are not historical facts may be forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended). These forward-looking statements involve risks and uncertainties that could cause the outcome to be materially different. Capital Product Partners L.P. expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in our views or expectations, or otherwise. We make no prediction or statement about the performance of our common units.



PRODUCT PARTNERS L.P.

## Executive Officers and Directors

### Keith Forman <sup>3</sup>

Chairman of the Board and Director / Former CEO Rentech, Inc. / CEO Nitrogen Partners, L.P. / El Paso Corp. executive

### Jerry Kalogiratos

Chief Executive Officer and Director

### Nikolaos Kalapotharakos

Chief Financial Officer

### Spyridon Leousis

Chief Commercial Officer

### Dimitris P. Christacopoulos <sup>3</sup>

Director; Partner Octane Management Consultants

### Atsunori Kozuki

Director

### Gurpal Grewal

Director

### Rory Hussey <sup>3</sup>

Director; former ING Executive

### Abel Rasterhoff <sup>3</sup>

Director; former Shell Executive

### Eleni Tsoukala <sup>3</sup>

Director; Partner ST Law Firm

<sup>3</sup> Member of Audit & Conflict Committees

## Analyst Coverage

Liam Burke, B.Riley FBR

Omar Nokta, Jefferies Equity Research

Ben Nolan, Stifel Nicolaus

## Stock Exchange Listing

Listed: NASDAQ Global Select Market

Symbol: CPLP

As of July 31, 2023:

Unit Price: \$15.34

Total Partnership Units Outstanding:

19,954,819 Common Units

348,570 GP Units

Market Capitalization: \$311.5 million

## Investor Relations Contact

### Nicolas Bornozis

Capital Link Inc.

230 Park Avenue - Suite 1540 New York,

NY 10169, USA

Tel. (+1) 212 661 7566

Fax. (+1) 212 661 7526

[cplp@capitalink.com](mailto:cplp@capitalink.com)

## Auditors

Deloitte Certified Public Accountants S.A.

## Transfer Agent

Computershare