DYNAGAS LNG Partners LP

Q2 2024 Financial Results Presentation

10 September, 2024

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Forward Looking Statements and Disclaimer

borrowings and to access debt and equity markets; planned capital expenditures and availability of capital resources to fund capital expenditures; our ability to maintain long-term relationships with major LNG traders; our ability to leverage our Sponsor's relationships and reputation in the shipping industry; our ability to realize the expected benefits from acquisitions; our ability to maximize the use of our vessels, including the re-deployment or disposition of vessels no longer under long-term time charters; future purchase prices of newbuildings and secondhand vessels and timely deliveries of such vessels; our ability to compete successfully for future chartering and newbuilding opportunities; acceptance of a vessel by its charterer; termination dates and extensions of charters.

Due to the ongoing Russian conflicts with Ukraine, the United States, the European Union, Canada and other Western countries and organizations have announced and enacted numerous sanctions against Russia to impose severe economic pressure on the Russian economy and government. The full impact of the commercial and economic consequences of the Russian conflict with Ukraine are uncertain at this time. Potential consequences of the sanctions that could impact the Partnership's business in the future include but are not limited to: (1) limiting and/or banning the use of the SWIFT financial and payment system that would negatively affect payments under the Partnership's existing vessel charters; (2) the Partnership's counterparties being potentially limited by sanctions from performing under its agreements; and (3) a general deterioration of the Russian economy. In addition, the Partnership may have greater difficulties raising capital in the future, which could potentially reduce the level of future investment into its expansion and operations. The Partnership cannot provide any assurance that any further development in sanctions, or escalation of the Ukraine situation more generally, will not have a significant impact on its business, financial condition or results of operations.

In addition, unpredictable or unknown factors herein also could have material adverse effects on forward-looking statements. Please read the Partnership's filings with the Securities and Exchange Commission for more information regarding these factors and the risks faced by the Partnership. You may obtain these documents for free by visiting EDGAR on the SEC website at www.sec.gov. This presentation is for informational purposes only and does not constitute an offer to sell securities of the Partnership. The Partnership expressly disclaims any intention or obligation to revise or publicly update any forward-looking statements whether as a result of new information, future events or otherwise. The forward-looking statements contained herein are expressly qualified by this cautionary notice to recipients.

Quarter Highlights

Quarter Highlights

- Net income of $10.7 million and Earnings per common unit (basic and diluted) of $0.20;
- Adjusted Net Income [(1)] of $12.4 million and Adjusted Earnings [(1)] per common unit (basic and diluted) of $0.25;
- Adjusted EBITDA[(1)] of $28.6 million;
- 100% fleet utilization;
- Entered into new lease financing agreements for four of our LNG carriers with subsidiaries of China Development Bank Financial Leasing Co. Ltd for a total financing amount of $345.0 million;
- Proceeds from the new lease financing were, together with $63.7 million of the Partnership's existing cash, used to fully prepay our previous credit facility on June 27, 2024.

(1) Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per Common Unit are not recognized measures under U.S. GAAP. Please refer to the definitions and reconciliation of these measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP in the Appendix..

Financial Summary q2 2024

Quarter Highlights

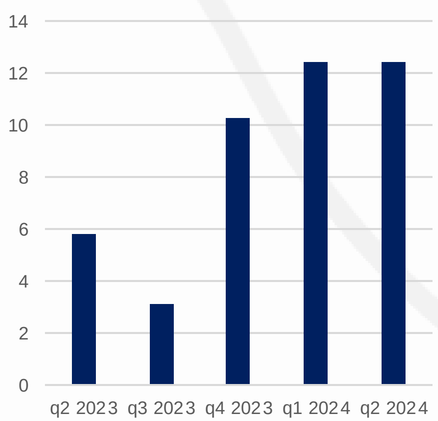
In USD thousands, except TCE	q2 2024	q1 2024	q2 2023
Voyage Revenues	37,615	38,055	37,653
Operating Income	18,821	19,337	18,298
Net Income	10,708	11,750	14,430
Adjusted Net Income	12,385	12,354	5,842
Adjusted EBITDA	28,561	29,003	23,015
TCE	67,333	68,128	67,489

Cash breakeven per vessel p/d

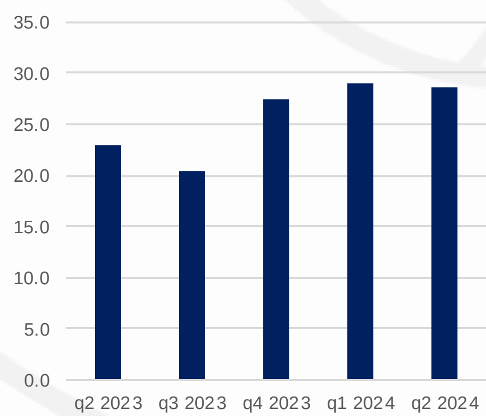
Numbers in USD per day	q2 2024	q1 2024	q2 2023
OPEX	14,141	14,103	14,824
Management Fees	3,004	3,005	2,918
G&A	1,077	963	958
Interest Expense (1)	4,681	5,267	5,773
Scheduled Principal Repayments (2)	21,978	21,978	21,978
Cash breakeven per vessel p/d (3)	44,881	45,317	46,451

- Stable financial performance reflecting contract based operating model.
- Increase in Adjusted EBITDA and Adjusted Net Income relative to q2 2023 primarily due to increase in cash revenues on the Arctic Aurora following its new time charter with Equinor which commenced in September 2023.
- Decrease in net income relative to q1 2024 and q2 2023 primarily relating to reduced unrealized gains on our interest rate swap and a loss on debt extinguishment as result of the early prepayment of our prior credit facility.
- Steady decrease in cash breakeven due to lower operating expenses and interest cost (net of realized swap gains).
- Combined q2 daily OPEX, admin expenses and debt service (excluding early debt prepayment) per vessel per day amounted to a daily breakeven of $44,881 per day compared to a TCE of $67,333 p/d.

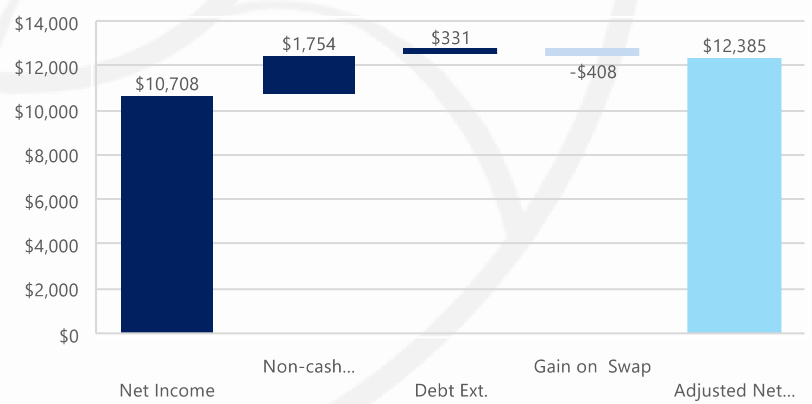
Adjusted Net Income ($m)



Adjusted EBITDA ($m)



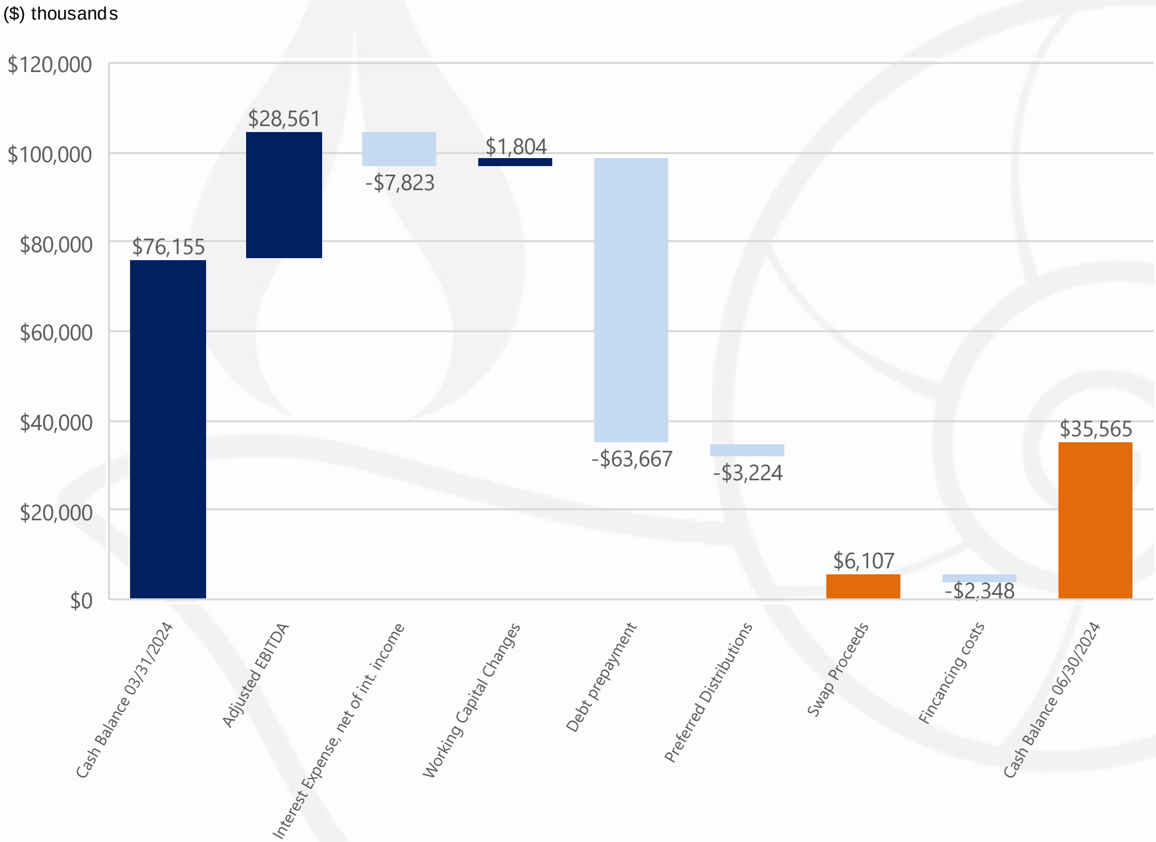
Adjusted Net Income Bridge ($m)



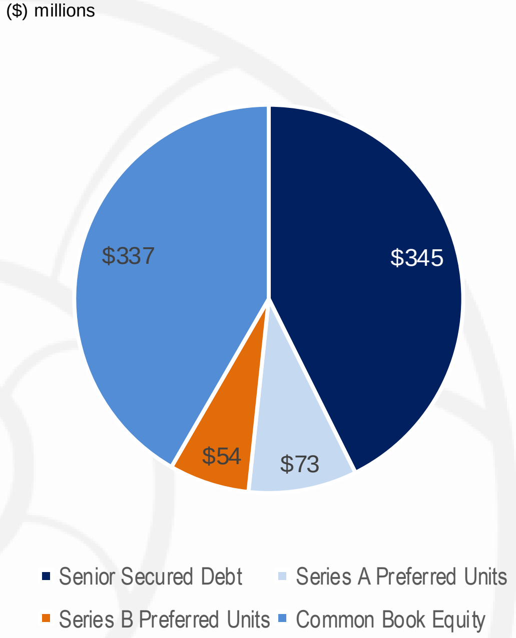
(1) Interest Expense represents cash interest expense net of realized swap gains.
(2) Q2 24 scheduled debt repayments include $12m quarterly scheduled principal payments under the Partnership's previous credit facility which was fully prepaid on June 27, 2024
(3) Excludes distributions to Series A and Series B Preferred unitholders which amounts to $5,905 per vessel per day for q2 2024.

Cash Flow Bridge and Capital Structure

CASH FLOW BRIDGE (1)



CAPITAL STRUCTURE



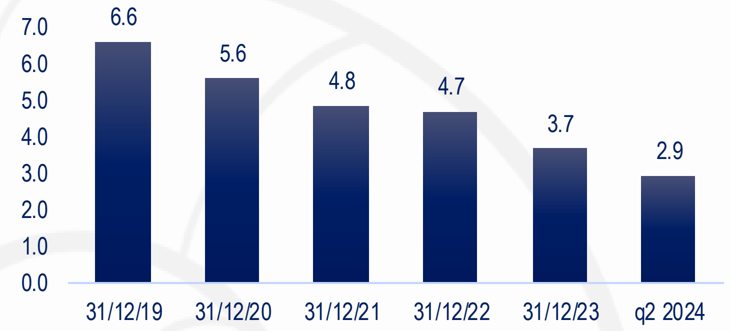
- Decrease in cash as Partnership's existing cash of $63.7 million were utilized along with debt proceeds of $344.9 million to fully prepay $408.6m of debt outstanding under the Partnership's previous credit facility.
- Debt to total book capitalization of 42.6%.

(1) Debt prepayment of $63.7 million represents cash utilized by the Partnership after receipt of debt proceeds of $345m to fully prepay $408.6m outstanding under our prior credit facility

Debt Highlights

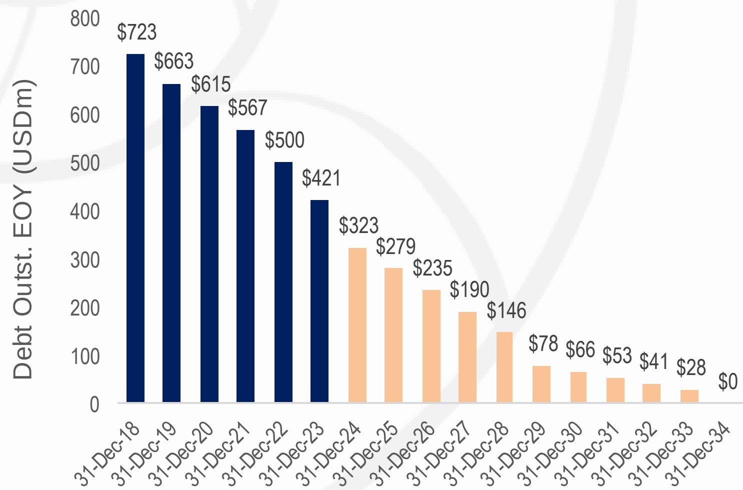
- Ongoing deleveraging continuing: Refinancing completed on June 27th further reducing leverage to $345m on four LNG carriers, with two vessels debt-free.
- Financial leverage metrics continue to strengthen with $378m in debt paid since end 2018.
- Successful interest rate swap hedging: 100% of debt hedged since September 2020 with $42m in realized interest rate swap gains since inception and unrealized swap gains of $5m as of June 30th. Interest rate swap matures on 18th September 2024.
- New financing at a reduced interest margin with amortization of $44m per year (compared to $48m under the Partnership's previous credit facility) further de-risking the balance sheet.
- From fourth quarter Partnership to be 100% exposed to floating interest rates: Basis current SOFR rates, our fourth quarter debt service per day is anticipated to increase by about $5,200 per day, resulting in a proforma cash break-even of approximately $50,000 p/d for q4 2024.
- No debt maturities until 2029.

NET DEBT / EBITDA



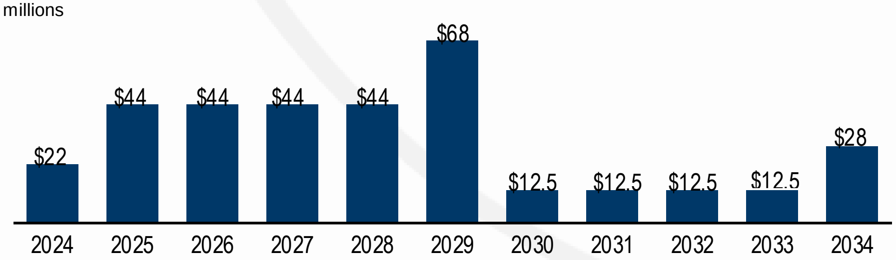
DEBT PROGRESSION

($) millions



SCHEDULED DEBT AMORTIZATION (1)

($) millions



(1) $68 million debt amortization in 2029 includes aggregate purchase obligation prices of $39.58 million for Amur River, Ob River and Clean Energy.

Fleet Profile

Fleet	6 LNG carriers
Total cbm capacity	914,100 cbm (149,700 cbm for steam turbine LNG fleet, 155,000 cbm for the tri-fuel diesel engine LNG fleet (TFDE's))
Fleet average age	~14.1 years[(1)]
Average remaining charter duration	~6.4 years[(1)(2)]
Counterparties	Equinor (Norway), SEFE Marketing & Trading (Singapore), Yamal Trade (Singapore) (Total, CNPC, Silkroad Fund, Novatek), Rio Grande LNG (USA)
Total estimated contract backlog	$1.04 billion[(1)(2)]
Differentiation	Fleet has the ability to trade as conventional LNG Carriers and in ice bound areas with no cost disadvantages

(1) As of 10 September 2024

(2) Does not include charterer extension options, basis earliest delivery and redelivery dates. The time charter contracts with Yamal are subject to OPEX variation. $0.11 billion of the revenue backlog estimate relates to the estimated portion of the hire contained in the time charter contracts with Yamal which represents the operating expenses of the vessels and is subject to yearly adjustments on the basis of the actual operating costs incurred within each year.

Fleet Employment Overview

	Size	Charterer	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Clean Energy	150,000	SEFE GROUP / RIO GRANDE LNG	SEFE (Singapore)		Rio Grande LNG										
Ob River (1)	150,000	SEFE GROUP	SEFE (Singapore)												
Amur River (1)	150,000	SEFE GROUP	SEFE (Singapore)												
Yenisei River(2)	155,000	YAMAL LNG	Yamal LNG (Singapore)											5+5+5 yrs	
Lena River(2)	155,000	YAMAL LNG	Yamal LNG (Singapore)											5+5+5 yrs	
Arctic Aurora	155,000	equinor / RIO GRANDE LNG	Equinor		Rio Grande LNG										

Firm charter period   Optional charter period   Available

Key Commercial Achievements

All 6 Vessels are fixed on term contracts with asset strong LNG producers.

100%, 100%, 99% and 100% contracted fleet for 2024, 2025, 2026, and 2027 (basis earliest delivery).

Total estimated contract backlog of approximately \$1.04 billion(2) ~ 6.4 years remaining average duration.

Contracts for Yenisei River and Lena River include dry-dock and OPEX pass-through provisions

Leveraging on innovative technical solutions and in-house operations to generate long term vessel employment.

1. Chartering entity is SEFE Marketing & Trading Singapore Pte Ltd.
2. Chartering entity is Yamal Trade Pte Ltd, Singapore

Summary

- **Financial Flexibility:** Our new financing arrangements are flexible, low-cost, and long-tenor, enhancing our strategic flexibility for future initiatives.
- **Significant Debt Reduction:** Successfully lowered our debt from $675 million in September 2019 to $345 million and reduced our Net Debt to EBITDA ratio from 6.6x in September 2019 to 2.9x by June 2024, demonstrating strong financial management.
- **Debt-Free Assets:** 33% of our fleet now operates free of debt, strengthening our asset base;
- **Organic Deleveraging:** Contracted cash flows have facilitated organic deleveraging, underpinning a stable and predictable financial profile;
- **Capital allocation:** In the next quarter our Board of Directors will evaluate and announce its capital allocation strategy.

Appendix

Reconciliation of Net Income to adjusted Net Income and Adjusted Earnings per Common Unit

(In thousands of U.S. dollars except for units and per unit data)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net Income	$ 10,708	$ 14,430	$ 22,458	$ 24,030
Amortization of deferred revenue	1,700	(3,668)	3,400	(7,297)
Amortization and write- off of deferred charges	54	54	108	107
Class survey costs	—	390	—	390
Loss on Debt extinguishment	331	—	331	154
Gain on derivative financial instrument	(408)	(5,364)	(1,668)	(5,023)
Other expense	—	—	110	—
Adjusted Net Income	**$ 12,385**	**$ 5,842**	**$ 24,739**	**$ 12,361**
Less: Adjusted Net Income attributable to preferred unitholders and general partner	(3,233)	(2,894)	(6,509)	(5,788)
Common unitholders' interest in Adjusted Net Income	**$ 9,152**	**$ 2,948**	**$ 18,230**	**$ 6,573**
Weighted average number of common units outstanding, basic and diluted:	36,802,247	36,802,247	36,802, 247	36,802, 247
Adjusted Earnings per common unit, basic and diluted	**$ 0.25**	**$ 0.08**	**$ 0.50**	**$ 0.18**

Adjusted Net Income represents net income before non-recurring expenses (if any), charter hire amortization related to time charters with escalating time charter rates and changes in the fair value of derivative financial instruments. Net Income available to common unitholders represents the common unitholders interest in Adjusted Net Income for each period presented. Adjusted Earnings per common unit represents Net Income available to common unitholders divided by the weighted average common units outstanding during each period presented.

Adjusted Net Income, Net Income available to common unitholders and Adjusted Earnings per common unit, basic and diluted, are not recognized measures under U.S. GAAP and should not be regarded as substitutes for net income and earnings per unit, basic and diluted. The Partnership's definitions of Adjusted Net Income, Net Income available to common unitholders and Adjusted Earnings per common unit, basic and diluted, may not be the same at those reported by other companies in the shipping industry or other industries. The Partnership believes that the presentation of Adjusted Net Income and Net income available to common unitholders are useful to investors because these measures facilitate the comparability and the evaluation of companies in the Partnership's industry. In addition, the Partnership believes that Adjusted Net Income is useful in evaluating its operating performance compared to that of other companies in the Partnership's industry because the calculation of Adjusted Net Income generally eliminates the accounting effects of items which may vary for different companies for reasons unrelated to overall operating performance. The Partnership's presentation of Adjusted Net Income, Net Income available to common unitholders and Adjusted Earnings per common unit does not imply, and should not be construed as an inference, that its 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 GAAP.

Reconciliation of Net income to Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands of U.S. dollars)	**2024**	**2023**	**2024**	**2023**
Net income	$ 10,708	$ 14,430	$ 22,458	$ 24,030
Net interest and finance costs (1)	8,182	9,222	16,837	18,402
Depreciation	7,994	7,951	15,988	15,816
Loss on Debt extinguishment	331	—	331	154
Gain on derivative financial instrument	(408)	(5,364)	(1,668)	(5,023)
Class survey costs	—	390	—	390
Amortization of deferred revenue	1,700	(3,668)	3,400	(7,297)
Amortization and write-off of deferred charges	54	54	108	107
Other expense(2)	—	—	110	—
Adjusted EBITDA	**$ 28,561**	**$ 23,015**	**$ 57,564**	**$ 46,579**

(1) Includes interest and finance costs and interest income, if any.
(2) Includes other income from insurance claims for damages incurred in prior years.

The Partnership defines Adjusted EBITDA as earnings before interest and finance costs, net of interest income (if any), unrealised gains/losses on derivative financial instruments, taxes (when incurred), depreciation and amortization (when incurred), class survey costs and significant non-recurring items (if any). Adjusted EBITDA is used as a supplemental financial measure by management and external users of financial statements, such as investors, to assess the Partnership's operating performance.

The Partnership believes that Adjusted EBITDA assists its management and investors by providing useful information that increases the ability to compare the Partnership's operating performance from period to period and against that of other companies in its industry that provide Adjusted EBITDA information. This increased comparability is achieved by excluding the potentially disparate effects between periods or against companies of interest, other financial items, depreciation and amortization and taxes, which items are affected by various and possible changes in financing methods, capital structure and historical cost basis and which items may significantly affect net income between periods. The Partnership believes that including Adjusted EBITDA as a measure of operating performance benefits investors in (a) selecting between investing in the Partnership and other investment alternatives and (b) monitoring the Partnership's ongoing financial and operational strength.

Adjusted EBITDA is not intended to and does not purport to represent cash flows for the period, nor is it presented as an alternative to operating income. Further, Adjusted EBITDA is not a measure of financial performance under U.S. GAAP and does not represent and should not be considered as an alternative to net income, operating income, cash flow from operating activities or any other measure of financial performance presented in accordance with U.S. GAAP. Adjusted EBITDA excludes some, but not all, items that affect net income and these measures may vary among other companies. Therefore, Adjusted EBITDA, as presented above, may not be comparable to similarly titled measures of other businesses because they may be defined differently by those other businesses. It should not be considered in isolation or as a substitute for a measure of performance prepared in accordance with GAAP. Any Non-GAAP measures should be viewed as supplemental to, and should not be considered as alternatives to, GAAP measures including, but not limited to net earnings (loss), operating profit (loss), cash flow from operating, investing and financing activities, or any other measure of financial performance or liquidity presented in accordance with GAAP.