

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 20-F

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report:

For the transition period from ___ to ___

Commission file number: 001-36185

DYNAGAS LNG PARTNERS LP

(Exact name of Registrant as specified in its charter)

Not applicable

(Translation of Registrant's name into English)

Republic of the Marshall Islands

(Jurisdiction of incorporation or organization)

Poseidonos Avenue and Foivis 2 Street

166-74 Glyfada, Athens, Greece

(Address of principal executive offices)

Michael Gregos

Poseidonos Avenue and Foivis 2 Street

166-74 Glyfada, Athens, Greece

Tel. +30 210 891 7960

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common units representing limited partnership interests	DLNG	New York Stock Exchange
9.00% Series A Cumulative Redeemable Preferred Units	DLNG PR A	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

36,382,011 Common Units

35,526 General Partner Units

3,000,000 9.00% Series A Cumulative Redeemable Preferred Units

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes

No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes

No

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Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of “large accelerated filer,” “accelerated filer,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act.

† The term “new or revised financial accounting standard” refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP
 International Financial Reporting Standards as issued by the International Accounting Standards Board
 Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17
 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No
(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

Yes No

PRESENTATION OF INFORMATION IN THIS ANNUAL REPORT

This annual report on Form 20-F for the year ended December 31, 2025, or this annual report, should be read in conjunction with the consolidated financial statements and accompanying notes included in this annual report. Unless the context otherwise requires, references in this annual report to “Dynagas LNG Partners,” the “Partnership,” “we,” “our,” and “us” or similar terms refer to Dynagas LNG Partners LP and its wholly owned subsidiaries, including Dynagas Operating LP. Dynagas Operating LP owns, directly or indirectly, a 100% interest in the entities that own the LNG carriers in our fleet that we refer to as our “Fleet.” References in this annual report to our “General Partner” refer to Dynagas GP LLC, the general partner of Dynagas LNG Partners LP. References in this annual report to our “Sponsor” are to Dynagas Holding Ltd. and its subsidiaries other than us or our subsidiaries and references to our “Manager” refer to Dynagas Ltd., which is wholly owned by the chairman of our Board of Directors, Mr. Georgios Prokopiou. References in this annual report to the “Prokopiou Family” are to our Chairman, Mr. Georgios Prokopiou, and certain members of his family.

All references in this annual report to “SEFE,” “Equinor,” “Yamal,” and “Rio Grande” refer to SEFE Marketing and Trading Singapore Pte Ltd (formerly known as Gazprom Marketing & Trading Singapore Pte Ltd), Equinor ASA (formerly, Statoil ASA), Yamal Trade Pte. Ltd., and Rio Grande LNG, LLC, respectively, and certain of their subsidiaries or affiliates which are our current or prospective charterers.

Unless otherwise indicated, all references to “U.S. dollars,” “dollars,” and “\$” in this annual report are to the lawful currency of the United States. We use the term “LNG” to refer to liquefied natural gas, and we use the term “cbm” to refer to cubic meters in describing the carrying capacity of our vessels.

References herein to the “SEC” refer to the U.S. Securities and Exchange Commission; references herein to “NYSE” refer to the New York Stock Exchange; references herein to the “Partnership Agreement” refer to our Fourth Amended and Restated Agreement of Limited Partnership; references herein to “U.S. GAAP” refer to accounting principles generally accepted in the United States of America.

References herein to the “2024 Lease Financing” refer to the June 19, 2024 sale and leaseback agreements between certain subsidiaries of the Partnership and China Development Bank Financial Leasing Co. Ltd. for four of our vessels, the *OB River*, the *Clean Energy*, the *Amur River*, and the *Arctic Aurora*.

References herein to the “\$675 Million Credit Facility” refer to the 5-year syndicated \$675 million senior secured term loan entered into by the Partnership and leading international banks, which was repaid on June 29, 2024.

References herein to the “Master Agreement” refer to the master management agreement between the Partnership and the Manager for the provision of commercial, technical, crew, accounting and vessel administrative services to the Partnership’s owned or controlled vessels.

References herein to the “Omnibus Agreement” refer to the Omnibus Agreement, as amended and restated and as currently in effect, with our Sponsor. The Omnibus Agreement provides us with the right, but not the obligation, to purchase from our Sponsor any LNG carriers acquired or placed under contracts with an initial term of four or more years, for so long as the Omnibus Agreement is in full force and effect. Please see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions.”

The “Yamal LNG Project” refers to the LNG production terminal on the Yamal Peninsula in Northern Russia. The terminal consists of three LNG trains with a total capacity of 16.5 million metric tons of LNG per year that require ice-class designated vessels to transport LNG from this facility, for which two of the vessels in our Fleet have been contracted. The Yamal LNG Project is a joint venture between NOVATEK (50.1%), TOTAL E&P Yamal (20%), China National Oil & Gas Exploration and Development Corporation (CNODC) (20%), and Yaym Limited (9.9%). Please see “Item 4. Information on the Partnership—B. Business Overview.”

FORWARD-LOOKING STATEMENTS

This annual report contains certain forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act) concerning future events and our operations, performance, and financial condition, including, in particular, the likelihood of our success in developing and expanding our business. The Private Securities Litigation Reform Act of 1995, or the PSLRA, provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business.

We desire to take advantage of the safe harbor provisions of the PSLRA and are including this cautionary statement in connection with this safe harbor legislation. This report and any other written or oral statements made by us or on our behalf may include forward-looking statements, which reflect our current views with respect to future events and financial performance. Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” “projects,” “likely,” “would,” “could,” “seek,” “continue,” “possible,” “might,” “forecasts,” “will,” “may,” “potential,” “should,” and similar expressions are forward-looking statements. These forward-looking statements reflect management’s current views only as of the date of this annual report and are not intended to give any assurance as to future results. As a result, unitholders are cautioned not to rely on any forward-looking statements.

Forward-looking statements appear in a number of places in this annual report and include statements with respect to, among other things:

- LNG market trends, including charter rates, factors affecting supply and demand, and opportunities for the profitable operations of LNG carriers;
 - our anticipated growth strategies, including potential expansion into and acquisition of assets and businesses in other sectors of the shipping industry;
 - the effect of a worldwide economic slowdown;
 - potential turmoil in the global financial markets;
 - fluctuations and volatility in currencies, interest rates, and foreign exchange rates;
 - general market conditions, including fluctuations in charter hire rates and vessel values;
 - changes in our operating expenses, including dry-docking, surveys, upgrades, crewing and insurance costs, bunker prices, and fuel prices;
 - the adequacy of our insurance to cover our losses;
 - our ability to make cash distributions on the units or any increase or decrease in or elimination of our cash distributions;
 - our future financial condition or results of operations and our future revenues and expenses;
 - our ability to repay or refinance our current and future indebtedness and our settling of interest rate swaps (if any);
 - our ability to incur additional indebtedness on acceptable terms or at all, to access the public and private debt and equity markets, and to meet our restrictive covenants and other obligations under our current and future debt and financing agreements;
 - planned capital expenditures and availability of capital resources to fund capital expenditures;
 - the impact of increasing scrutiny and changing expectations from investors, lenders, charterers, and other market participants with respect to our ESG practices;
 - our ability to comply with additional costs and risks related to our ESG policies;
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- the effect of applicable tariffs, trade barriers, embargos and regulatory requirements, and changes thereto;
 - 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 our vessel acquisitions;
 - our ability to acquire newbuildings and second-hand vessels on terms acceptable to us from our Sponsor or third parties and the timely deliveries of such vessels if and when acquired;
 - our ability to compete successfully for future chartering opportunities upon the expiration or termination of existing vessel employment arrangements;
 - acceptance of a vessel by its charterer;
 - termination dates and extensions of charters;
 - the expected cost of, and our ability to comply with, governmental regulations, including regulations relating to ballast water and fuel sulfur, maritime self-regulatory organization standards, as well as standard regulations imposed by our charterers applicable to our business;
 - availability of skilled labor, vessel crews, and management;
 - our anticipated incremental general and administrative expenses as a publicly traded limited partnership and our fees and expenses payable under the fleet management agreements and the administrative services agreement with our Manager;
 - our anticipated taxation and distributions to our unitholders;
 - estimated future maintenance and replacement capital expenditures;
 - our ability to retain key employees;
 - any non-compliance with the amendments by the International Maritime Organization, the United Nations agency for maritime safety and the prevention of pollution by vessels, or IMO (the amendments hereinafter referred to as IMO 2020), to Annex VI to the International Convention for the Prevention of Pollution from Ships 1973, as modified by the Protocol of 1978 relating thereto, collectively referred to as MARPOL 73/78 and herein as MARPOL, which reduced the maximum amount of sulfur that vessels may emit into the air and became effective January 1, 2020;
 - potential liability from any pending or future litigation and potential costs due to environmental damage and vessel collisions;
 - potential liability from future litigation related to claims raised by public-interest organizations or activism with regard to our failure to adapt or mitigate climate impact;
 - new environmental regulations and restrictions, whether at a global level stipulated by the International Maritime Organization, a regional level imposed by regional authorities such as the European Union, and/or a national level imposed by individual countries;
 - our ability to successfully compete for, enter into, and deliver our vessels under time charters or other employment arrangements for our existing vessels after our current charters expire and our ability to earn income in the spot market;
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- business disruptions, including supply chain congestion, due to climate conditions, political events and tensions, trade wars, public health threats and outbreaks of highly communicable diseases, and international hostilities and instability, ongoing war, piracy or acts by terrorists, or other disasters;
- the impact of adverse weather and natural disasters;
- future sales of our common units in the public market;
- any malfunction or disruption of information technology systems and networks that our operations rely on or any impact of a possible cybersecurity event;
- our business strategy and other plans and objectives for future operations;
- technology risks associated with energy transition and fleet and/or systems renewal, including in respect of alternative propulsion systems; and
- other factors detailed in this annual report and from time to time included in our periodic reports.

Forward-looking statements in this annual report are estimates reflecting the judgment of senior management and involve known and unknown risks and uncertainties. These forward-looking statements are based upon a number of assumptions and estimates that are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. Actual results may not occur or differ materially from those expressed or implied by such forward-looking statements. Accordingly, these forward-looking statements should be considered in light of various important factors, including those set forth in this annual report under the heading “Item 3. Key Information—D. Risk Factors.” These factors and the other risk factors described in this annual report are not necessarily all of the important factors that could cause actual results or developments to differ materially from those expressed in any of our forward-looking statements. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements.

We undertake no obligation, and specifically decline any obligation, to update any forward-looking statements, whether as a result of new information, future events, or otherwise, except as may be required under applicable laws. New factors emerge from time to time, and it is not possible for us to predict all of these factors which may adversely affect our results. Further, we cannot assess the effect of each such factor on our business or the extent to which any factor, or combination of factors, may cause actual results to be materially different from those contained in any forward-looking statement. If one of more forward-looking statements are updated, no inference should be drawn that additional updates will be made with respect to those or other forward-looking statements.

We make no prediction or statement about the performance of our units or our debt securities. The various disclosures included in this annual report and in our other filings made with the SEC, that attempt to advise interested parties of the risks and factors that may affect our business, prospects, and results of operations should be carefully reviewed and considered.

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PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [RESERVED]

B. CAPITALIZATION AND INDEBTEDNESS

Not applicable.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS

Not applicable.

D. RISK FACTORS

The risks discussed below relate principally to the industry in which we operate and to our business in general. Other risks relate principally to the securities market and ownership of our securities, including our common units and our 9.00% Series A Cumulative Redeemable Preferred Units, or our Series A Preferred Units. The occurrence of any of the events described in this section could materially and adversely affect our business, financial condition, operating results or cash available for distribution on our units and the trading price of our securities.

Summary of Risk Factors

The following is a summary of the risk factors which are described in further detail in this section.

- Our Fleet consists of only six LNG carriers. Any limitation in the availability or operation of these vessels could have a material adverse effect on our business, results of operations and financial condition and could significantly reduce or eliminate our ability to pay distributions on our outstanding units, including our preferred units.
- Our ability to grow may be adversely affected by our capital allocation strategy.
- We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business.
- Our ability to raise capital to repay or refinance our debt obligations or to fund our maintenance or growth capital expenditures will depend on certain financial, business and other factors, many of which are beyond our control. Our business may be adversely affected if we need to access sources of funding which are more expensive and/or more restrictive.
- We are subject to certain risks with respect to our contractual counterparties, and failure of such counterparties to perform their obligations under such contracts could cause us to sustain significant losses, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.
- We may not have sufficient cash from operations following the establishment of cash reserves and payment of fees and expenses to enable us to pay distributions on our outstanding units.
- Our future operational success depends on our ability to expand relationships with our existing charterers, establish relationships with new charterers and obtain new time charter contracts, for which we face substantial competition from established companies with significant resources and potential new entrants.
- Any charter termination would likely have a material adverse effect on our business, financial condition, results of operations and cash flows.

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- Our future capital needs are uncertain and we may need to raise additional funds in the future.
- The control of our General Partner may be transferred to a third party without unitholder consent.
- Unitholders have limited voting rights, and our Partnership Agreement restricts the voting rights of our unitholders that own more than 4.9% of our common units.
- Our Partnership Agreement limits the duties our General Partner and our directors and officers may have to our unitholders and restricts the remedies available to unitholders for actions taken by our General Partner or our directors and officers.
- Fees and cost reimbursements, which our Manager will determine for services provided to us, will be substantial, will be payable regardless of our profitability and will reduce our cash available for distribution to our unitholders.
- As a unitholder, you may not have limited liability if a court finds that unitholder action constitutes control of our business.
- We are dependent on our affiliated Manager for the management of our Fleet and for the provision of executive management and financial support services.
- Our current time charters and our 2024 Lease Financing prevent us from changing our Manager.
- We are a holding company, and our ability to make cash distributions to our unitholders will be limited by the value of investments we currently hold and by the distribution of funds from our subsidiaries.
- Due to our lack of diversification, adverse developments in our LNG shipping business could reduce our ability to make distributions to our unitholders.
- Our future growth and performance depend on continued growth in LNG production and demand for LNG and LNG shipping.
- Fluctuations in overall LNG demand growth could adversely affect our ability to secure future time charters.
- We may have more difficulty entering into multi-year time charters in the future if an active spot LNG shipping market continues to develop.
- Hire rates for LNG carriers may fluctuate substantially. If rates are lower when we are seeking a new charter, our revenues and cash flows may decline.
- Vessel values may fluctuate substantially and, if these values are lower at a time when we are attempting to dispose of vessels, we may incur a loss.
- An oversupply of ships or delays or abandonment of planned projects may lead to a reduction in the charter hire rates we are able to obtain when seeking charters in the future.
- An increase in operating expenses, dry-docking costs, bunker costs and/or other capital expenses could materially and adversely affect our financial performance.
- The operation of LNG carriers is inherently risky and an incident involving significant loss of or environmental consequences involving any of our vessels could harm our reputation and business.
- We conduct business in China, where the legal system is not fully developed and has inherent uncertainties that could limit the legal protections available to us.
- Recent actions by the U.S. and China imposing new port fees could have a material adverse effect on our operations and financial results.
- Volatile economic conditions may adversely impact our ability to obtain financing or refinance our current or future credit facilities and other financing arrangements on acceptable terms, which may hinder or prevent us from operating or expanding our business.
- Compliance with safety and other requirements imposed by classification societies may be very costly and may adversely affect our business.
- The LNG shipping industry is subject to substantial environmental and other regulations, which may significantly limit our operations or increase our expenses.
- Political instability, terrorist or other attacks, war, international hostilities and global public health threats can affect the seaborne transportation industry, which could adversely affect our business.
- If our vessels call on ports located in countries or territories that are the subject of sanctions or embargoes imposed by the United States government or other governmental authorities, it could result in the imposition of monetary fines or penalties and adversely affect our reputation and the market for our securities.
- Governments could requisition our vessels during a period of war or emergency, resulting in loss of earnings.
- Maritime claimants could arrest our vessels, which could interrupt our cash flows.
- We may be subject to litigation that could have an adverse effect on us.
- The price of our common units may be volatile.
- Unitholders may face liability obligations to repay distributions.
- We may issue additional equity securities, including securities senior to the common units, without the approval of our common unitholders, which would dilute the ownership interests of the common unitholders.

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- We are a “foreign private issuer” under NYSE rules, and as such we are entitled to exemption from certain corporate governance standards of the NYSE applicable to domestic companies, and holders of our common units may not have the same protections afforded to unitholders of companies that are subject to all of the NYSE corporate governance requirements.
- Because we are organized under the laws of the Marshall Islands, it may be difficult to serve us with legal process or enforce judgments against us, our directors or our management.
- Provisions in our organizational documents may have anti-takeover effects.
- Our debt levels could limit our liquidity and flexibility in obtaining additional financing and in pursuing other business opportunities.
- We may be unable to comply with covenants in our debt agreements or any future financial obligations that impose operating and financial restrictions on us.
- Our Series A Preferred Units are subordinate to our indebtedness and the interests of holders of Series A Preferred Units could be diluted by the issuance of additional preferred units, including additional Series A Preferred Units, and by other transactions.
- In the event of any liquidation event, the amount of your liquidation preference is fixed and you will have no right to receive any greater payment regardless of the circumstances.
- The Series A Preferred Units are redeemable at our option.
- Our Sponsor, our General Partner and their respective affiliates own a significant interest in us and have conflicts of interest and limited duties to us and our common unitholders, which may permit them to favor their own interests to your detriment.
- Our General Partner has limited its liability regarding our obligations.
- Common unitholders and holders of our Series A Preferred Units have no right to enforce obligations of our General Partner and its affiliates under agreements with us.
- Common units are subject to our General Partner’s limited call right.
- We may be subject to taxes, which will reduce our cash available for distribution to our unitholders.

Risk Factors

Risks Relating to our Partnership

Our Fleet consists of only six LNG carriers. Any limitation in the availability or operation of these vessels could have a material adverse effect on our business, results of operations and financial condition and could significantly reduce or eliminate our ability to pay distributions on our outstanding units, including our preferred units.

Our Fleet consists of only six LNG carriers. If any of our vessels is unable to generate revenues as a result of off-hire time, early termination of the time charter in effect, or if we fail to secure new charters at charter hire rates as favorable as our average historical rates or at all, our future liquidity, cash flows, results of operations, and ability to make quarterly and other distributions to the holders of our outstanding units, including the preferred units, could be materially adversely affected.

Our ability to grow may be adversely affected by capital allocation strategy.

Our current capital allocation strategy is to focus our capital allocation on debt repayment, and to prioritize balance sheet strength in order to reposition ourselves for potential future growth to the extent that our cost of capital allows us to access debt and equity capital on acceptable terms. As such, our growth may not be as fast as that of businesses that reinvest their available cash to expand ongoing operations.

We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business.

We have derived, and believe we will continue to derive, all of our revenues from a limited number of charterers, such as SEFE, Equinor, Yamal, and Rio Grande. For the year ended December 31, 2025, during which we derived our operating revenues from three charterers, SEFE accounted for 40%, Yamal accounted for 35%, and Equinor accounted for 25% of our total revenues. All of the charters for our Fleet have fixed terms but may be terminated early due to certain events, including, but not limited to, the charterer's failure to make charter payments to us because of financial inability, disagreements with us, or otherwise. The ability of each of our counterparties to perform its respective obligations under a charter with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the LNG shipping industry, prevailing prices for natural gas, epidemics and pandemics, events in Russia and Ukraine, tensions in and around the Suez Canal and the Red Sea, the current instability in Venezuela and Iran, North Atlantic Treaty Organization, or NATO, country tensions, United States and China trade relations or any resulting sanctions that may be imposed, and the overall financial condition of the counterparty. Should a counterparty fail to honor its obligations under an agreement with us, we may be unable to realize revenue under that charter and may sustain losses, which may have a material adverse effect on our business, financial condition, cash flows, results of operations, and ability to pay any distributions, including reduced distributions, to our unitholders.

In addition, a charterer may exercise its right to terminate its charter if, among other things:

- the vessel suffers a total loss or is damaged beyond repair;
- we default on our obligations under the charter, including prolonged periods of vessel off-hire;
- the occurrence of war or hostilities significantly disrupt or impair a vessel's capacity to operate and trade freely;
- the vessel is requisitioned by any governmental authority; or
- a prolonged force majeure event occurs, such as war, political unrest, or a pandemic which prevents the chartering of a vessel, in each such event in accordance with the terms and conditions of the respective charter.

In addition, the charter payments we receive may be reduced if a vessel does not perform according to certain contractual specifications. For example, charter hire may be reduced if the average vessel speed falls below the speed we have guaranteed or if the amount of fuel consumed to power the relevant vessel exceeds the guaranteed amount.

In depressed market conditions, our charterers may no longer need a vessel that is then under charter or may be able to obtain a comparable vessel at lower rates. As a result, charterers may seek to renegotiate the terms of their existing charter agreements or avoid their obligations under those contracts. Furthermore, it is possible that third parties with whom we have charter contracts may be impacted by events in Russia and Ukraine, tensions in and around the Suez Canal and the Red Sea, the current instability in Venezuela and Iran, NATO country tensions, United States and China trade relations, the resulting sanctions, or other geopolitical events, among other things, which could adversely affect their ability to perform. If our charterers fail to meet their obligations to us or attempt to renegotiate our charter agreements, it may be difficult to secure substitute employment for such vessel, and any new charter arrangements we secure may be at lower rates and may not be acceptable by our lenders.

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Due to the ongoing Russian war with Ukraine, the United States (“U.S.”), the European Union (“E.U.”), the United Kingdom (the “U.K.”), and other countries and organizations have publicly announced and enacted extensive sanctions against Russia to impose severe economic pressure on the Russian economy and government. Most recently, on October 23, 2025, the E.U. adopted its 19th package of sanctions (“New E.U. Sanctions Regulations”), and on November 11, 2025, the U.K. government announced its intention to prohibit maritime transport services for Russian-origin LNG exports to third countries. The New E.U. Sanctions Regulations prohibit E.U. persons and non-E.U. persons with an E.U.-nexus from purchasing, importing, or transferring, directly or indirectly, LNG originating in or exported from Russia to any jurisdiction, whether inside or outside the E.U. The New E.U. Sanctions Regulations will apply beginning January 1, 2027 with respect to existing long-term contracts with a duration of more than one year. We are required to comply with the New E.U. Sanctions Regulations. Yamal employs two of our vessels, the Yenisei River and Lena River, on existing long-term charters which extend to 2033 and 2034, respectively (the “Yamal Charters”). As noted above, for the year ended December 31, 2025, we earned 35% of our revenues from Yamal. These vessels, since commencement of the Yamal Charters, have been engaged in the transportation of LNG produced in Russia for discharge at destinations worldwide in compliance with applicable sanctions regulations. However, under the New E.U. Sanctions Regulations, commencing January 1, 2027, these vessels will be restricted from transporting LNG from Russia. The Partnership and Yamal are evaluating the potential impact of the New E.U. Sanctions Regulations on the operation of the vessels under the Yamal Charters. The Partnership believes the Yamal Charters remain enforceable notwithstanding the New E.U. Sanctions Regulations, however there can be no assurance that Yamal will share this interpretation, and any disagreement could result in disputes, nonperformance, litigation or early termination of the Yamal Charters, among other things. The loss of revenue under either or both of the Yamal Charters would have a material adverse effect on our business, results of operations, financial condition and ability to make distributions to our unitholders, and could result in an event of default under our debt agreements.

If any of our charters are terminated, we may be unable to re-deploy the related vessel on terms as favorable to us as our current charters, or at all. If we are unable to re-deploy a vessel for which the charter has been terminated, we will not receive any revenues from that vessel, and we may be required to pay ongoing expenses necessary to maintain the vessel in proper operating condition. Any of these factors may decrease our revenue and cash flows. Further, the loss of any of our charterers, charters, or vessels, or a decline in charter hire under any of our charters, could have a material adverse effect on our business, results of operations, financial condition, and ability to make distributions to our unitholders and result in an event of default under our debt agreements.

Dry-dockings of our vessels require significant expenditures and result in loss of revenue as our vessels are off-hire during the dry-docking period. Any significant increase in either the number of off-hire days or in the costs of any repairs or investments carried out during the dry-docking period could have a material adverse effect on our profitability and our cash flows. Given the potential for unforeseen issues arising during dry-docking, we may not be able to predict accurately the time required to dry-dock any of our vessels. If one or more of our vessels is dry-docked longer than expected or if the cost of repairs is greater than we had budgeted, there may be a material adverse effect on our results of operations and our cash flows, including any cash available for distribution to unitholders.

Due to the small size of our Fleet, any delay in the completion time of the dry-dockings or overrun of costs caused by additional days of work could have a material adverse effect on our business, results of operations, and financial condition and could significantly reduce or eliminate our ability to pay any distributions on either or both of our common or preferred units.

Our ability to raise capital to repay or refinance our debt obligations or to fund our maintenance or growth capital expenditures will depend on certain financial, business and other factors, many of which are beyond our control. The value of our common units may make it difficult or impossible for us to access the equity or equity-linked capital markets. To the extent that we are unable to finance these obligations and expenditures with cash from operations or incremental bank loans or by issuing debt or equity securities, our ability to make cash distributions may be diminished, or our financial leverage may increase, or our unitholders may be diluted. Our business may be adversely affected if we need to access sources of funding which are more expensive and/or more restrictive.

To fund our existing and future debt obligations and capital expenditures and any future growth, we may be required to use cash from operations, incur borrowings, and/or seek to access other financing sources, including the capital markets. Our access to potential funding sources and our future financial and operating performance will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control. If we are unable to access the capital markets, raise additional bank financing, or enter into other financing arrangements or generate sufficient cash flows to meet our debt, capital expenditure and other business requirements, we may be forced to take actions such as:

- restructuring our debt;
- seeking additional debt or issuing equity capital;
- selling assets;
- reducing distributions on our units;
- reducing, delaying or cancelling our business activities, acquisitions, investments or capital expenditures; or
- seeking bankruptcy protection.

Such measures might not be successful, available on acceptable terms or enable us to meet our debt, capital expenditure and other obligations. Some of these measures may adversely affect our business and reputation. In addition, our financing agreements may restrict our ability to implement some of these measures. Use of cash from operations and possible future sale of certain assets will reduce cash available for distribution to our unitholders. Our ability to obtain bank financing or to access the capital markets may be limited by our financial condition at the time of any such financing or offering as well as by adverse market conditions. The value of our common units may not enable us to access the equity or equity-linked capital markets. Even if we are successful in obtaining the necessary funds, the terms of such future financings could limit our ability to pay cash distributions to our unitholders or operate our business as currently conducted. In addition, incurring additional debt may significantly increase our interest expense and financial leverage, and issuing additional equity securities may result in significant unitholder dilution and would increase the aggregate amount of cash required to maintain our quarterly distributions, which we currently only make to our common and our preferred unitholders.

Major outbreaks of diseases and governmental responses thereto could adversely affect our business.

Global public health threats, such as outbreaks of highly communicable diseases or viruses, which have, from time to time, occurred in various parts of the world in which we operate could disrupt global financial markets and economic conditions and adversely impact our operations, as well as the operations of our charterers and other customers.

Measures against epidemics and pandemics in a number of countries may restrict crew rotations on our vessels. Delays in crew rotations have led to issues with crew fatigue, which may result in delays and additional costs relating to crew wages paid to retain the existing crew members on board or other operational issues. We have incurred and may also incur additional expenses associated with testing, personal protective equipment, quarantines, and travel expenses such as airfare costs in order to perform crew rotations in the current environment.

Epidemics and pandemics may also affect personnel operating payment systems through which we receive revenues from the chartering of our vessels or pay for our expenses, resulting in delays in payments. Organizations across industries, including ours, are rightly focusing on their employees' well-being, whilst making sure that their operations continue undisrupted and at the same time, adapting to the new ways of operating. As such employees are encouraged or even required to operate remotely which significantly increases the risk of cyber security attacks.

The occurrence or continued occurrence of any of the foregoing events or other pandemics and epidemics could have a material adverse effect on our business, results of operations, cash flows, financial condition, value of our vessels, and our ability to pay distributions.

The failure to consummate or integrate acquisitions that we undertake in a timely and cost-effective manner, or at all, could have an adverse effect on our business, our plans for growth and our financial condition and results of operations.

Future acquisitions (if any) are dependent on, among other things, our continuing relationship with our Sponsor and other factors related to that relationship, many of which are beyond our control including our ability to (i) maintain a potential drop-down pipeline of existing or newbuild vessels from our Sponsor, (ii) obtain the required consents from lenders and charterers in connection with any potential acquisition of vessels from our Sponsor, and (iii) finance our business through equity and debt capital markets transactions at terms that are favorable to us, which is highly dependent on favorable market conditions. We currently have no rights to acquire any vessel assets that are owned by our Sponsor.

We believe that other acquisition opportunities with parties that are related to our Sponsor and third-parties may arise from time to time, and any such acquisition could be significant. Any acquisition of a vessel or business may not be profitable at or after the time of such acquisition and may be cash flow negative or may not generate sufficient cash flow to justify the investment. In addition, any potential acquisition or investment opportunity may expose us to risks that may harm or have a material adverse effect on our business, financial condition, results of operations and ability to make cash distributions (reduced or at all) to our unitholders, including risks that we may:

- fail to realize anticipated benefits, such as new customer relationships, cost-savings or cash flow enhancements;
- be unable to attract, hire, train or retain qualified shore and seafaring personnel to manage and operate our growing business and Fleet;
- decrease our liquidity by using a significant portion of available cash or borrowing capacity to finance acquisitions;
- significantly increase our interest expense or financial leverage if we incur additional debt to finance acquisitions;
- incur or assume unanticipated liabilities, losses or costs associated with the business or vessels acquired; or
- incur other significant charges, such as impairment of goodwill or other intangible assets, asset devaluation or restructuring charges.

Such acquisition and investment opportunities may not result in the consummation of a transaction. In addition, we may not be able to obtain acceptable terms for the required financing for any such acquisition or investment that arises. We cannot predict the effect, if any, that any announcement or consummation of an acquisition would have on the trading price of our common units or preferred units.

Any future acquisitions could present a number of anticipated as well as unanticipated risks, including the risk of incorrect assumptions regarding the future results of acquired vessels or businesses or expected cost reductions or other synergies expected to be realized as a result of acquiring vessels or businesses, the risk of failing to successfully and timely integrate the operations or management of any acquired vessels or businesses and the risk of diverting management's attention from existing operations or other priorities. We may also be subject to additional costs and expenses related to compliance with various international or domestic laws in connection with such acquisition. If we fail to consummate and integrate our acquisitions from our Sponsor, in a timely and cost-effective manner, or at all, our business, plans for future growth, financial condition, results of operations and cash available for distribution could be materially and adversely affected.

We are subject to certain risks with respect to our contractual counterparties, and failure of such counterparties to perform their obligations under such contracts could cause us to sustain significant losses, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We have entered, and may enter in the future, into contracts, charters, newbuilding and conversion contracts with shipyards, debt agreements with financial institutions, our Sponsor and other counterparties, interest rate swaps, foreign currency swaps, equity swaps and other agreements. Such agreements subject us to counterparty risks. The ability of each of our counterparties to perform its obligations under a contract with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the overall financial condition of the counterparty and work stoppages or other labor disturbances. Should a counterparty fail to honor its obligations under agreements with us, we could sustain significant losses, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. Furthermore, it is possible that third parties with whom we have financing arrangements or charter contracts may be impacted by events in Russia and Ukraine or any resulting sanctions that may be imposed which could adversely affect their ability to perform under such contracts. See “—We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business.”

We currently derive all our revenue and cash flow from a limited number of charterers. The loss of any of our charterers could cause us to suffer losses or otherwise adversely affect our business.

We may not have sufficient cash from operations following the establishment of cash reserves and payment of fees and expenses to enable us to pay distributions on our outstanding units.

Our Board of Directors makes determinations regarding the payment of distributions in its sole discretion and in accordance with our Partnership Agreement and applicable law, and there is no guarantee that we will make or continue to make distributions to our unitholders in the same amount that we have in prior quarters or at all in the future. In addition, the markets in which we operate our vessels are volatile and we cannot predict with certainty the amount of cash, if any, that will be available for distribution in any period and thus, we may pay distributions in a lower amount or not all. The level of cash distributions to our unitholders will be subject to, among other factors, including, without limitation, the terms and conditions contained in our 2024 Lease Financing or future debt agreements, market conditions and the cash we generate from operations.

As noted above, the amount of cash we can distribute on our common and preferred units depends in part on the amount of cash we generate from our operations, which may fluctuate from quarter to quarter based on the risks described in this section, including, among other things:

- the rates we obtain from our charters;
- the level of our operating costs, such as the cost of crewing and insurance;
- the continued availability of natural gas production;
- sustained demand for LNG in global energy markets;
- availability and supply of LNG carriers;
- prevailing global and regional economic and political conditions;
- economic downturns triggered by epidemics or pandemics;
- currency exchange rate fluctuations; and
- the effect of governmental regulations and maritime self-regulatory organization standards on the conduct of our business.

In addition, the actual amount of cash available for distribution to our unitholders will depend on other factors, including:

- the level of capital expenditures we make, including for maintaining, repairing or replacing vessels, building new vessels, acquiring second-hand vessels and complying with regulations;
- the number of unscheduled off-hire days for our Fleet and the timing of, and number of days required for, scheduled dry-docking of our vessels;
- our debt service requirements and restrictions on distributions contained in our debt instruments;
- the level of debt we will incur to fund future acquisitions;
- fluctuations in interest rates;

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- fluctuations in our working capital needs;
- variable tax rates;
- the expected cost of, and our ability to comply with, environmental and regulatory requirements, including with respect to emissions of air pollutants and greenhouse gases, as well as future changes in such requirements or other actions taken by regulatory authorities, governmental organizations, classification societies and standards imposed by our charterers applicable to our business;
- our ability to make, and the level of, working capital borrowings;
- the performance of our subsidiaries and their ability to distribute cash to us; and
- the amount of any cash reserves established by our Board of Directors.

The amount of cash we generate from our operations may differ materially from our profit or loss for the period, which will be affected by non-cash items. We may also incur expenses or liabilities, or be affected by unforeseen obligations, that may arise in the future and could reduce or eliminate the amount of cash available for distribution to our unitholders. As a result of this and the other factors mentioned above, we may make cash distributions during periods when we record losses and may not make cash distributions during periods when we record earnings.

Our future operational success depends on our ability to expand relationships with our existing charterers, establish relationships with new charterers and obtain new time charter contracts, for which we face substantial competition from established companies with significant resources and potential new entrants.

We have secured an estimated contract backlog of \$0.80 billion for the vessels in our Fleet as of the date of this annual report, \$0.09 billion of which is a variable hire element contained in certain time charter contracts with Yamal. The hire rate on these time charter contracts with Yamal is calculated based on two components—a capital cost component and an operating cost component. The capital cost component is a fixed daily amount. The daily amount of the operating cost component, which is intended to pass the operating costs of the vessel to the charterer in their entirety including dry-docking costs, is set annually and adjusted at the end of each year to compensate us for the actual costs we incur in operating the vessel. Dry-docking expenses are budgeted in advance within the year of the dry-dock and are reimbursed by Yamal through advance payments, with any remaining balance settled immediately upon completion of the dry-docking. The actual amount of revenues earned in respect of such variable hire rate may therefore differ from the amounts included in the revenue backlog estimate, which is calculated based on the budget agreed at the inception of the contract, due to the yearly variations in the respective vessels' operating costs.

Notwithstanding our current estimated contracted backlog, one of our principal objectives is, wherever possible, to enter into additional multi-year time charters upon the expiration or early termination of our existing charter arrangements, and we may also seek, wherever possible, to enter into additional multi-year time charter contracts in connection with an expansion of our Fleet. The process of obtaining multi-year charters for LNG carriers is highly competitive and generally involves an intensive screening procedure and competitive bids, which often extends for several months. We believe LNG carrier time charters are awarded based upon a variety of factors relating to the ship and the ship operator, including:

- size, age, technical specifications and condition of the relevant ship;
- efficiency of ship operation and reputation for operation of highly specialized vessels;
- LNG shipping experience and quality of ship operations;
- shipping industry relationships and reputation for customer service;
- technical ability and reputation for operation of highly specialized ships;
- quality and experience of officers and crew;
- safety record;
- the ability to obtain ship financing on competitive terms and to maintain overall financial stability;
- maintaining relationships with shipyards and securing suitable berths;
- willingness to assume operational risks;
- construction management capabilities, including ensuring on-time delivery of new ships and adherence to customer specifications in this respect; and
- overall price competitiveness in bidding processes.

We expect substantial competition for providing marine transportation services for potential LNG projects from a number of experienced companies, including other independent ship owners as well as state-sponsored entities and major energy companies that own and operate LNG carriers and may compete with independent owners by using their fleets to carry LNG for third parties. Some of these competitors have significantly greater financial resources and larger fleets than we have. A number of marine transportation companies, including companies with strong reputations and extensive resources and experience, have entered the LNG transportation market in recent years, and there are other ship owners and managers who may also attempt to participate in the LNG market in the future. This increased competition may cause greater price competition for time charters. As a result of these factors, we may be unable to expand our relationships with existing charterers or to obtain new time charter contracts on a profitable basis, if at all, which could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.

Any charter termination would likely have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our vessels are employed with only a limited number of charterers. Our existing and future charterers have and will likely have the right to terminate our current or future charters in certain circumstances, such as loss of the ship or damage to it beyond repair, defaults by us in our obligations under the charter, or off-hire beyond allowances contained in the charter agreement.

Due to the recent ongoing conflicts between Russia and Ukraine, the U.S., E.U., the U.K. and other countries and organizations have publicly announced and enacted extensive sanctions against Russia to impose severe economic pressure on the Russian economy and government, such as the New E.U. Sanctions Regulations. One of our charterers, Yamal, employs two of our vessels primarily in the transportation of LNG produced in Russia. Under the New E.U. Sanctions Regulations, commencing January 1, 2027, these vessels will be restricted from transporting LNG from Russia, which would affect Yamal's ability to continue to employ the vessels in the same manner. The Partnership believes the Yamal Charters remain enforceable notwithstanding the New E.U. Sanctions Regulations, however there can be no assurance that Yamal will share this interpretation, and any disagreement could result in disputes, nonperformance, litigation or early termination of the Yamal Charters, among other things.

Because the war between Russia and Ukraine is still ongoing, the New E.U. Sanctions Regulations and any further economic sanctions that may be imposed could adversely affect our charterers and result in the early termination of our time charter contracts with Yamal. See "—We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business."

Further, a charter termination could materially affect our relationship with the customer and our reputation in the LNG shipping industry, and in some circumstances the event giving rise to termination could potentially impact multiple charters that we have entered with the same charterer.

Accordingly, any such charter termination could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to our unitholders.

Our future capital needs are uncertain and we may need to raise additional funds in the future.

Our future funding requirements will depend on many factors, including the cost and timing of vessel acquisitions, the cost of retrofitting or modifying existing ships as a result of technological advances, changes in applicable environmental or other regulations or standards, customer requirements or otherwise. Our ability to obtain bank financing or to access the capital markets for future offerings may be limited by our financial condition at the time of any such financing or offering, as well as by adverse market conditions that are beyond our control.

Obtaining additional funds on acceptable terms may not be possible. If we raise additional funds by issuing equity or equity-linked securities, our unitholders may experience dilution or reduced or no distributions per unit. Debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt, or to pay distributions consistent with our past practices or otherwise.

Further, we may lack sufficient cash to pay distributions to our unitholders at a reduced level or at all due to our current and future funding requirements, refinancing needs, decreases in net revenues or increases in operating expenses, principal and interest payments on outstanding debt, working capital requirements, maintenance and replacement capital expenditures or anticipated or unanticipated cash needs. Any debt or additional equity financing raised may contain unfavorable terms to us or our unitholders. If we are unable to raise adequate funds, we may have to liquidate some or all of our assets, or delay, reduce the scope of, or eliminate some or all of our fleet expansion plans. Any of these factors could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to our common and preferred unitholders.

Volatility of SOFR and potential changes of the use of SOFR as a benchmark could affect our profitability, earnings, and cash flow.

An increase in the Secured Overnight Financing Rate, or “SOFR,” including as a result of the United States Federal Reserve increasing U.S. interest rates in response to rising inflation, would affect the amount of interest payable under our existing and future financing arrangements, which, in turn, could have an adverse effect on our profitability, earnings, cash flow and ability to pay distributions. If SOFR performs differently than expected or if our lenders insist on a different reference rate to replace SOFR, that could increase our borrowing costs (and administrative costs to reflect the transaction), which would have an adverse effect on our profitability, earnings, and cash flows. Alternative reference rates may behave in a similar manner or have other disadvantages or advantages in relation to our future indebtedness and the transition to other alternative reference rates in the future could have a material adverse effect on us.

Our financial condition could be materially adversely affected at any time that we have not entered into interest rate hedging arrangements to hedge our exposure to the interest rates applicable to our debt agreements and any other financing arrangements we may enter into in the future.

In order to manage our exposure to interest rate fluctuations under SOFR or any other alternative rate, we have and may, from time to time, use interest rate derivatives to effectively fix some of our floating rate debt obligations. No assurance can however be given that the use of these derivative instruments, if any, may effectively protect us from adverse interest rate movements. The use of interest rate derivatives may affect our results through mark to market valuation of these derivatives. Also, adverse movements in interest rate derivatives may require us to post cash as collateral, which may impact our free cash position. We expect our sensitivity to interest rate changes to increase in the future if we enter into additional debt agreements in connection with our potential acquisition of other vessels from affiliated or unaffiliated third parties.

We have previously entered into and may selectively in the future enter into derivative contracts to hedge our overall exposure to interest rate risk exposure. Entering into swaps and derivatives transactions is inherently risky and presents various possibilities for incurring significant expenses. The derivatives strategies that we employ in the future may not be successful or effective, and we could, as a result, incur substantial additional interest costs and recognize losses on such arrangements in our financial statements. Such risk may have an adverse effect on our business, financial condition, results of operations and cash flows.

We cannot assure you that our internal controls and procedures over financial reporting will be sufficient.

We are subject to the reporting requirements of the Exchange Act, and the other rules and regulations of the SEC, including the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley, and other requirements of the NYSE. Section 404 of Sarbanes-Oxley requires that we evaluate and determine the effectiveness of our internal controls over financial reporting and, if we continue to be an accelerated filer or become a large accelerated filer, provide a related attestation of our independent registered public accounting firm. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We dedicate a significant amount of time and resources to ensure compliance with these regulatory requirements. We work with our legal, accounting and financial advisors to identify any areas in which changes should be made to our financial and management control systems to manage our growth and our obligations as a public company. We will continue to evaluate areas such as corporate governance, corporate control, internal audit, disclosure controls and procedures and financial reporting and accounting systems. We will make changes in any of these and other areas, including our internal control over financial reporting, which we believe are necessary. However, these and other measures we may take may not be sufficient to allow us to satisfy our obligations as a public company on a timely and reliable basis. In addition, compliance with reporting and other requirements applicable to public companies create additional costs for us and require the time and attention of management. We may not be able to predict or estimate the amount of the additional costs we may incur, the timing of such costs or the degree of impact that our management's attention to these matters will have on our business.

The control of our General Partner may be transferred to a third party without unitholder consent.

Our General Partner may transfer its General Partner interest to a third party in a merger or in a sale of all or substantially all of its assets without the consent of the unitholders. In addition, our Partnership Agreement does not prohibit the ability of the members of our General Partner from transferring their respective membership interests in our General Partner to a third party.

Our Sponsor and its affiliates may compete with us.

Pursuant to the Omnibus Agreement with our Sponsor and our General Partner, our Sponsor and its affiliates (other than us, and our subsidiaries) generally have agreed, for the term of the Omnibus Agreement, not to acquire, own, operate or contract for any LNG carriers acquired or placed under contracts with an initial term of four or more years. The Omnibus Agreement, however, contains significant exceptions that may allow our Sponsor or any of its affiliates to compete with us in certain circumstances, which could harm our business. For example, our Sponsor and its affiliates, subject to the restrictions contained in the Omnibus Agreement, could own and operate LNG carriers under charters of four years or more that may compete with our vessels if we do not acquire such vessels when they are offered to us pursuant to the terms of the Omnibus Agreement. See "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions."

Mr. Tony Lauritzen, our Chief Executive Officer, Mr. Michael Gregos, our Chief Financial Officer, and certain other officers do not devote all of their time to our business, which may hinder our ability to operate successfully.

Mr. Tony Lauritzen, our Chief Executive Officer, Mr. Michael Gregos, our Chief Financial Officer, and certain other officers who perform executive officer functions for us, are not required to work full-time on our affairs and are involved in other business activities with our Sponsor and its affiliates, which may result in their spending less time than is appropriate or necessary to manage our business successfully. Based solely on the anticipated relative sizes of our Fleet and the fleet owned by our Sponsor and its affiliates over the next twelve months, we estimate that Mr. Lauritzen, Mr. Gregos, and certain other officers may spend a substantial portion of their monthly business time on our business activities and their remaining time on the business of our Sponsor and its affiliates. However, the actual allocation of time could vary significantly from time to time depending on various circumstances and needs of the businesses, such as the relative levels of strategic activities of the businesses. As a result, there could be material competition for the time and effort of our officers who also provide services to our General Partner's affiliates, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Unitholders have limited voting rights, and our Partnership Agreement restricts the voting rights of our unitholders that own more than 4.9% of our common units.

Unlike the holders of common stock in a corporation, holders of common units have only limited voting rights on matters affecting our business. On those matters that are submitted to a vote of common unitholders, each record holder of a common unit may vote according to the holder's percentage interest in us of all holders entitled to vote on such matter, although additional limited partners interests having special voting rights could be issued.

Holders of the Series A Preferred Units, while generally having no voting rights, have limited voting rights. See "—Risks Relating to our Series A."

Except as described below regarding a person or group owning more than 4.9% of any class or series of limited partner interests then outstanding, limited partners on the record date will be entitled to notice of, and to vote at, meetings of our limited partners and to act upon matters for which approvals may be solicited.

We will hold a meeting of the limited partners every year to elect one or more members of our Board of Directors and to vote on any other matters that are properly brought before the meeting. Any action that is required or permitted to be taken by our limited partners, or any applicable class thereof, may be taken either at a meeting of the applicable limited partners or without a meeting if consents in writing describing the action so taken are signed by holders of the number of limited partner interests necessary to authorize or take that action at a meeting. Meetings of our limited partners may be called by our Board of Directors or by limited partners owning at least 20% of the outstanding limited partner interests of the class for which a meeting is proposed. Limited partners may vote either in person or by proxy at meetings. The holders of a majority of the outstanding limited partner interests of the class, classes or series for which a meeting has been called, represented in person or by proxy, will constitute a quorum unless any action by the limited partners requires approval by holders of a greater percentage of the limited partner interests, in which case the quorum will be the greater percentage.

Each record holder of a unit may vote according to the holder's percentage interest in us, although additional limited partner interests having special voting rights could be issued. However, to preserve our ability to be exempt from U.S. federal income tax under Section 883 of U.S. Internal Revenue Code of 1986, as amended (the "Code"), if at any time any person or group, other than our General Partner and its affiliates, or a direct or subsequently approved transferee of our General Partner or its affiliates or a transferee approved by the Board of Directors, acquires, in the aggregate, beneficial ownership of more than 4.9% of any class or series of our limited partner interests then outstanding, that person or group will lose voting rights on all of its limited partner interests of such class or series in excess of 4.9%, except for the Series A Preferred Units, and such limited partner interests will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for nominating a person for election to our Board of Directors), determining the presence of a quorum, or for other similar purposes. The voting rights of any such limited partner interests in excess of 4.9% will effectively be redistributed pro rata among the other limited partner interests (as applicable) holding less than 4.9% of the voting power of such class or series. Our General Partner, its affiliates and persons who acquired limited partner interests with the prior approval of our Board of Directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors. Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his or her nominee provides otherwise.

Any notice, demand, request report, or proxy material required or permitted to be given or made to record holders of common units or Series A Preferred Units under the Partnership Agreement will be delivered to the record holder by us or by the transfer agent.

Our Partnership Agreement limits the duties our General Partner and our directors and officers may have to our unitholders and restricts the remedies available to unitholders for actions taken by our General Partner or our directors and officers.

Our Partnership Agreement provides that our Board of Directors has the authority to oversee and direct our operations, management and policies on an exclusive basis. The Marshall Islands Limited Partnership Act, or the Partnership Act, states that a member's or manager's "duties and liabilities may be expanded or restricted by provisions in the Partnership Agreement." As permitted by the Partnership Act, our Partnership Agreement contains provisions that reduce the standards to which our General Partner and our directors and our officers may otherwise be held by Marshall Islands law. For example, our Partnership Agreement:

- provides that our General Partner may make determinations or take or decline to take actions without regard to our or our unitholders' interests. Our General Partner may consider only the interests and factors that it desires, and it has no duty or obligation to give any consideration to any interest of, or factors affecting us, our affiliates or our unitholders. Decisions made by our General Partner will be made by its sole owner. Specifically, our General Partner may decide to exercise its right to make a determination to receive common units in exchange for resetting the target distribution levels related to the incentive distribution rights, call right, pre-emptive rights or registration rights, consent or withhold consent to any merger or consolidation of the Partnership, appoint certain of our directors or vote for the election of any director, vote or refrain from voting on amendments to our Partnership Agreement that require a vote of the outstanding units, voluntarily withdraw from the Partnership, transfer (to the extent permitted under our Partnership Agreement) or refrain from transferring its units, the general partner interest or incentive distribution rights or vote upon the dissolution of the Partnership;
- provides that our directors and officers are entitled to make other decisions in "good faith," meaning they reasonably believe that the decision is in our best interests;
- generally provides that affiliated transactions and resolutions of conflicts of interest not approved by the conflicts committee of our Board of Directors, or our Conflicts Committee, and not involving a vote of unitholders must be on terms no less favorable to us than those generally being provided to or available from unrelated third-parties or be "fair and reasonable" to us and that, in determining whether a transaction or resolution is "fair and reasonable," our Board of Directors may consider the totality of the relationships between the parties involved, including other transactions that may be particularly advantageous or beneficial to us; and
- provides that neither our General Partner nor our officers or our directors will be liable for monetary damages to us, our members or assignees for any acts or omissions unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that our General Partner, our directors or officers or those other persons engaged in actual fraud or willful misconduct.

In order to become a member of our Partnership, a common unitholder is required to agree to be bound by the provisions in the Partnership Agreement, including the provisions discussed above.

Fees and cost reimbursements, which our Manager will determine for services provided to us, will be substantial, will be payable regardless of our profitability and will reduce our cash available for distribution to our unitholders.

Our Manager, which is wholly owned by Mr. Georgios Prokopiou, is responsible for the commercial and technical management of the vessels in our Fleet pursuant to a Master Agreement (and underlying Vessel Management Agreements) (as defined in "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Vessel Management"). We currently pay our Manager a fee of \$3,188 per day for each of our vessels, owned or bareboat chartered-in, for providing them with technical, commercial, insurance, accounting, financing, provisions, crewing and bunkering services. In addition, we pay our Manager a commercial management fee equal to 1.25% of the gross charter hire and the ballast bonus, which is the amount paid to the vessel operator as compensation for all or part of the cost of positioning the vessel to the port where the vessel will be delivered to the charterer. We incurred an aggregate expense of approximately \$8.7 million in connection with the commercial and technical management of our Fleet for the year ended December 31, 2025. The management fee increases by 3% annually unless otherwise agreed, between us, with approval of our Conflicts Committee, and our Manager. The management fees payable for the vessels may be further increased if our Manager has incurred material unforeseen costs of providing the management services, by an amount to be agreed between us and our Manager, which amount will be reviewed and approved by our Conflicts Committee.

Further, we entered into an executive services agreement, or the Executive Services Agreement, on March 21, 2014, with retroactive effect to the date of the closing of our IPO, with our Manager, pursuant to which our Manager provides us with the services of our executive officers, who report directly to our Board of Directors. Under the Executive Services Agreement, our Manager is entitled to an executive services fee of €538,000 per annum, for the initial five year term and automatically renews for successive five-year terms unless terminated earlier, payable in equal monthly installments. After the expiration of the initial term period, the Executive Services Agreement was automatically renewed for a successive five year term, and will continue to automatically be renewed for successive five year terms unless terminated earlier. As of December 31, 2025, we incurred approximately \$0.6 million in connection with this agreement.

Pursuant to an administrative services agreement, or the Administrative Services Agreement, that we entered into on December 30, 2014 and with effect from the date of the closing of our IPO, our Manager also provides us with certain administrative and support services (including certain financial, accounting, reporting, secretarial and information technology services) for which we currently pay a monthly fee of \$10,000, plus all related costs and expenses, payable in quarterly instalments. As of December 31, 2025, we incurred \$0.1 million in connection with this agreement.

For a description of our Master Agreement, Executive Services Agreement and Administrative Services Agreement, see “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions.” The fees and expenses payable pursuant to the Master Agreement (and underlying Vessel Management Agreements), Executive Services Agreement and the Administrative Services Agreement will be payable without regard to our financial condition or results of operations. The payment of such fees could adversely affect our ability to pay cash distributions to our unitholders.

Our Partnership Agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our General Partner and even if public unitholders are dissatisfied, they will be unable to remove our General Partner without our Sponsor’s consent, unless our Sponsor’s ownership interest in us is decreased; all of which could diminish the trading price of our common units.

Our Partnership Agreement contains provisions that may have the effect of discouraging a person or group from attempting to remove our current management or our General Partner.

- The unitholders are unable to remove our General Partner without its consent because our General Partner and its affiliates, including our Sponsor, own sufficient units to be able to prevent its removal. The vote of the holders of at least 66 2/3% of all outstanding common units (including common units held by the General Partner and its affiliates) voting together as a single class is required to remove our General Partner. As of April 8, 2026, our Sponsor owned 15,595,000 of our common units, representing approximately 42.9% of the outstanding common units.
- Our Partnership Agreement contains provisions that limit the removal of members of our Board of Directors. Appointed Directors may be removed (i) without Cause (as defined in the Partnership Agreement) only by the General Partner and (ii) with Cause only by the General Partner, the vote of the holders of a majority of the outstanding units at a properly called meeting of our Limited Partners, or by vote of the majority of the other members of our Board of Directors. Elected Directors may be removed with Cause only by vote of the majority of the other members of our Board of Directors or by a vote of the majority of the outstanding common units at a properly called meeting of our Limited Partners.
- Common unitholders are entitled to elect only three of the five members of our Board of Directors. Our General Partner in its sole discretion appoints the remaining two directors.
- Election of the three directors elected by unitholders is staggered, meaning that the members of only one of three classes of our elected directors are selected each year. In addition, the two directors appointed by our General Partner serve until a successor is duly appointed by the General Partner.
- Our Partnership Agreement contains provisions limiting the ability of unitholders to call meetings of unitholders, to nominate directors and to acquire information about our operations as well as other provisions limiting the unitholders’ ability to influence the manner or direction of management.

- Unitholders' voting rights are further restricted by the Partnership Agreement providing that if at any time any person or group, other than our General Partner and its affiliates, or a direct or subsequently approved transferee of our General Partner or its affiliates or a transferee approved by the Board of Directors, acquires, in the aggregate, beneficial ownership of more than 4.9% of any class or series of our limited partner interests then outstanding, that person or group will lose voting rights on all of its limited partner interests of such class or series in excess of 4.9%, except for the Series A Preferred Units, and such limited partner interests will not be considered to be outstanding when sending notices of a meeting of limited partners, calculating required votes (except for nominating a person for election to our Board of Directors), determining the presence of a quorum, or for other similar purposes. The voting rights of any such limited partner interests in excess of 4.9% will effectively be redistributed pro rata among the other limited partner interests (as applicable) holding less than 4.9% of the voting power of such class or series. Our General Partner, its affiliates and persons who acquired limited partner interests with the prior approval of our Board of Directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors. Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.
- There are no restrictions in our Partnership Agreement on our ability to issue additional equity securities.

The effect of these provisions may be to diminish the price at which the common units will trade.

As a unitholder, you may not have limited liability if a court finds that unitholder action constitutes control of our business.

As a limited partner in a partnership organized under the laws of the Marshall Islands, you could be held liable for our obligations to the same extent as a General Partner if you participate in the "control" of our business. Our General Partner generally has unlimited liability for the obligations of the Partnership, such as its debts and environmental liabilities, except for those contractual obligations of the Partnership that are expressly made without recourse to our General Partner, including as set forth in the Partnership Agreement. In addition, the limitations on the liability of holders of limited partner interests for the obligations of a limited partnership have not been clearly established in some jurisdictions in which we do business.

We can borrow money to pay distributions, which would reduce the amount of credit available to be used in connection with the operation of our business.

Our Partnership Agreement allows us to make working capital borrowings to pay distributions. Accordingly, if we have available borrowing capacity and we are permitted to make distributions under our debt and other agreements, we can make distributions on all our units even though cash generated by our operations may not be sufficient to pay such distributions. Any working capital borrowings by us to make distributions will reduce the amount of working capital borrowings we can make for operating our business. For more information, see "Item 5. Operating and Financial Review and Prospects."

We are dependent on our affiliated Manager for the management of our Fleet and for the provision of executive management and financial support services.

We subcontract the commercial and technical management of our Fleet, including crewing, maintenance and repair pursuant to the Master Agreement with our affiliated Manager for the commercial and technical management of our Fleet. The loss of our Manager's services or its failure to perform its obligations to us could materially and adversely affect the results of our operations. In addition, our Manager provides us with significant management, administrative, executive, financial and other support services.

In addition, our ability to enter into new charters and expand our customer relationships depends largely on our ability to leverage our relationship with our Manager and its reputation and relationships in the shipping industry. If our Manager suffers material damage to its reputation or relationships, it may harm our ability to:

- renew existing charters upon their expiration;
- obtain new charters;
- successfully interact with shipyards;
- obtain financing on commercially acceptable terms; or
- maintain satisfactory relationships with suppliers and other third-parties.

Our business will be harmed if our Manager fails to perform these services satisfactorily, if they cancel their agreements with us or if they stop providing these services to us. Our operational success and ability to execute our growth strategy will depend significantly upon the satisfactory performance of these services by our Manager and the reputation of our Manager.

Our current time charters and our 2024 Lease Financing prevent us from changing our Manager.

Our ability to change the Manager of the vessels in our Fleet to another affiliated or third-party manager, is prohibited, without prior written consent, by provisions in our current time charters, the terms of our 2024 Lease Financing and the Manager's Undertakings delivered by the Manager in connection with the 2024 Lease Financing. In addition, we cannot assure you that future debt agreements or time charter contracts with our existing or new lessors, lenders or charterers, respectively, will not contain similar provisions.

Since our Manager is a privately held company and there is little or no publicly available information about it, an investor could have little advance warning of potential financial and other problems that might affect our Manager that could have a material adverse effect on us.

The ability of our Manager to continue providing services for our benefit will depend in part on its own financial strength. Circumstances beyond our control could impair our Manager's financial strength, and because it is privately held, it is unlikely that information about its financial strength would become public unless our Manager began to default on its obligations. As a result, an investor in our units might have little advance warning of problems affecting our Manager, even though these problems could have a material adverse effect on us.

Our Manager may be unable to attract, provide and retain key management personnel, which may negatively impact the effectiveness of our management and our results of operation.

Our success depends to a significant extent upon the abilities and the efforts of our executive officers, whose services are provided to us by our Manager pursuant to an Executive Services Agreement. While we believe that we have an experienced management team, the loss or unavailability of one or more of our senior executives for any extended period of time could have an adverse effect on our business and results of operations.

A shortage of qualified officers and crew could have an adverse effect on our business and financial condition.

LNG carriers require a technically skilled officer staff with specialized training. As the world LNG carrier fleet continues to grow, the demand for technically skilled officers and crew has been increasing. If we or our third-party vessel Manager is unable to employ technically skilled staff and crew, we will not be able to adequately staff our vessels. A material decrease in the supply of technically skilled officers or an inability of our Manager to attract and retain such qualified officers could impair our ability to operate, or increase the cost of crewing our vessels, which would materially adversely affect our business, financial condition and results of operations and significantly reduce our ability to pay quarterly distributions to our common and preferred unitholders.

We are a holding company, and our ability to make cash distributions to our unitholders will be limited by the value of investments we currently hold and by the distribution of funds from our subsidiaries.

We are a holding company whose assets mainly consist of equity interests in our subsidiaries. As a result, our ability to make cash distributions to our unitholders will depend on the performance of our operating subsidiaries. If we are not able to receive sufficient funds from our subsidiaries, we will not be able to pay distributions unless we obtain funds from other sources. We may not be able to obtain the necessary funds from other sources on terms acceptable to us.

Due to our lack of diversification, adverse developments in our LNG shipping business could reduce our ability to make distributions to our unitholders.

We rely exclusively on the cash flow generated from our LNG carriers. Due to our lack of diversification, an adverse development in the LNG shipping industry could have a significantly greater impact on our financial condition and results of operations than if we maintained more diverse assets or lines of businesses.

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Pursuant to the Omnibus Agreement entered into among us, our Sponsor and our General Partner, we continue to have the right, but not the obligation, to purchase from our Sponsor any LNG carriers acquired or placed under contracts with an initial term of four or more years, for so long as the Omnibus Agreement is in full force and effect.

If we are unable to acquire LNG vessels from our Sponsor or other third parties, we may explore opportunities to expand into other shipping sectors. We continuously evaluate potential transactions that we believe will be accretive to earnings, enhance unitholder value or are in the best interests of the Partnership. These transactions may include pursuing business combinations; acquiring vessels or related businesses (or otherwise expanding our operations), including in sectors outside of the LNG shipping sector (such as, the oil tanker sector); repaying existing debt; repurchasing of our units; and undertaking short term investments and other transactions.

If we are unable to undertake such transactions on acceptable terms, or at all, we may be unable to implement our business strategy, which would have a material adverse effect on our financial condition and results of operations and impair our ability to service our indebtedness.

We may experience operational problems with vessels that reduce revenue and increase costs.

LNG carriers are complex and their operation is technically challenging. Marine transportation operations are subject to mechanical risks and problems, including, among others, business interruptions caused by mechanical failure, human error, war, terrorism, disease, quarantine or political action in various countries. Operational problems may lead to loss of revenue or higher than anticipated operating expenses or require additional capital expenditures. Any of these results could harm our business, financial condition, results of operations and ability to make cash distributions to our unitholders.

Actions taken by our Board of Directors may have a material adverse effect on the amount of cash available for distribution to unitholders.

The amount of cash that is available for distribution to unitholders is affected by decisions of our Board of Directors regarding such matters as:

- the amount and timing of asset purchases and sales;
- cash expenditures;
- borrowings;
- estimates of maintenance and replacement capital expenditures;
- the issuance of additional units; and
- the creation, reduction or increase of reserves in any quarter.

In addition, borrowings by us and our affiliates do not constitute a breach of any duty owed by our General Partner or our directors to our unitholders, including borrowings that have the purpose or effect of enabling our General Partner or its affiliates to receive distributions or incentive distribution rights.

Our Partnership Agreement provides that we and our subsidiaries may borrow funds from our General Partner and its affiliates. However, our General Partner and its affiliates may not borrow funds from us or our subsidiaries.

Risks Relating to Our Industry

Our future growth and performance depend on continued growth in LNG production and demand for LNG and LNG shipping.

A complete LNG project includes production, liquefaction, storage, regasification and distribution facilities, in addition to the marine transportation of LNG. Increased infrastructure investment has led to an expansion of LNG production capacity in recent years, but material delays in the construction of new liquefaction facilities could constrain the amount of LNG available for shipping, thereby reducing vessel utilization. While global LNG demand has continued to rise, it has risen at a slower pace than previously predicted and the rate of its growth has fluctuated due to several factors, including continued economic uncertainty, fluctuations in the price of natural gas and other sources of energy, the continued acceleration in natural gas production from unconventional sources in regions such as North America and the highly complex and capital intensive nature of new or expanded LNG projects, including liquefaction projects. Continued growth in LNG production and demand for LNG and LNG shipping could be negatively affected by a number of factors, including, without limitation:

- increases in interest rates or other events that may affect the availability of sufficient financing for LNG projects on commercially reasonable terms;
- increases in the cost of natural gas derived from LNG relative to the cost of natural gas generally;
- increases in the production levels of low-cost natural gas in domestic natural gas consuming markets, which could further depress prices for natural gas in those markets and make LNG uneconomical;
- increases in the production of natural gas in areas linked by pipelines to consuming areas, the extension of existing, or the development of new pipeline systems in markets we may serve, or the conversion of existing non-natural gas pipelines to natural gas pipelines in those markets;
- decreases in the consumption of natural gas due to increases in its price, decreases in the price of alternative energy sources or other factors making consumption of natural gas less attractive;
- changes in governmental and maritime self-regulatory organizations' rules and regulations or actions taken by regulatory authorities;
- environmental concerns and uncertainty around new regulations in relation to, amongst others, new technologies which may delay the ordering of new vessels;
- any significant explosion, spill or other incident involving an LNG facility or carrier;
- infrastructure constraints, including but not limited to, delays in the construction of liquefaction facilities, the inability of project owners or operators to obtain governmental approvals to construct or operate LNG facilities, as well as community or political action group resistance to new LNG infrastructure due to concerns about the environment, safety and terrorism;
- labor or political unrest or military conflicts affecting existing or proposed areas of LNG production or regasification;
- the effect of applicable tariffs, trade barriers, embargos and regulatory requirements, and changes thereto;
- concerns regarding pandemics, other diseases and viruses, safety and terrorism;
- decreases in the price of LNG, which might decrease the expected returns relating to investments in LNG projects;
- new taxes or regulations affecting LNG production or liquefaction that make LNG production less attractive; or
- negative global or regional economic or political conditions, particularly in LNG consuming regions, which could reduce energy consumption or its growth.

Reduced demand for LNG and LNG shipping or any reduction or limitation in LNG production capacity, could have a material adverse effect on our ability to secure future multi-year time charters upon expiration or early termination of our current charter arrangements, or for any new ships we acquire, which could harm our business, financial condition, results of operations and cash flows, including cash available for distribution to our unitholders.

Fluctuations in overall LNG demand growth could adversely affect our ability to secure future time charters.

According to Drewry Shipping Consultants Ltd., or Drewry, LNG trade has increased during 2016 and 2024. While India and China were main drivers of LNG trade during 2016-18, Europe played a dominant role in 2019. China's LNG import growth rate declined 14.8% year over year to 61.9 million tons in 2019. Previously, China's LNG import grew 46.1% year over year in 2017 and 41.1% in 2018. In 2019, France's LNG imports more than doubled to 16 million tons, compared to 2018. Spain's LNG imports grew 61.0% year over year in 2019 to 16.1 million tons. In 2019, LNG trade grew by 11.5% year over year to 349 million tons. However, demand from the key Asian importers, Japan and South Korea declined in 2019 as a change in priorities has marked a shift back to nuclear energy and increased focus on renewables. In 2020, Global LNG trade grew at only 0.7% year over year in 2020 compared to 13.3% year over year in 2019 and 7.8% year over year in 2018. Following slump in LNG demand in Asian countries, many U.S. cargos were cancelled. Global LNG trade grew 6.5% year over year in 2021 mainly driven by recovery in global economy and higher LNG demand. Increasing LNG imports from Europe led to a 7.8% year over year increase in global LNG trade to 401.4 million tons per annum in 2022. The global economic slowdown and high inventory levels capped the LNG trade growth in 2023. LNG trade growth softened further in 2024 due to limited growth in LNG liquefaction facilities and subdued European demand. In 2025, LNG trade growth increased from 1.1% in 2024 to 4.4% in 2025 due to revival of China's LNG imports during November and December and increased European restocking activity.

Volatile natural gas and oil prices may adversely affect our growth prospects and results of operations.

Natural gas prices are volatile in certain geographic areas. Natural gas prices are affected by numerous factors beyond our control, including but not limited to the following:

- price and availability of crude oil and petroleum products;
- worldwide and regional supply of, demand for, and price of natural gas;
- the costs of exploration, development, production, transportation and distribution of natural gas;
- expectations regarding future energy prices for both natural gas and other sources of energy, including renewable energy sources;
- the level of worldwide LNG production and exports;
- government laws and regulations, including but not limited to environmental protection laws and regulations;
- local and international political, economic and weather conditions;
- political and military conflicts including the war between Russia and Ukraine, current instability and potential further U.S. military operations in Venezuela and ongoing wars and acts of hostility in the Middle East; and
- the availability and cost of alternative energy sources, including alternate sources of natural gas in gas importing and consuming countries as well as alternate sources of primary energy such as renewables.

LNG prices surged in 2022 on account of high European LNG demand, low inventory levels and geopolitical uncertainty. After peaking in August 2022, LNG prices have declined on account of mild winters in Europe and higher European inventory levels. LNG prices declined in 2023 due to high inventory levels both in Europe and Asia, mild winters and increased global supply of LNG. LNG prices declined in 2024 due to lower demand in Europe and stable supply despite ongoing tensions in the Middle East. In 2025, LNG prices recovered and increased to \$12 per MMBtu as demand in Europe remained throughout the year, with geopolitical uncertainty adding to the market woes. A continuation of current low natural gas and LNG prices could negatively affect us in a number of ways, including the following:

- a reduction in the exploration for or development of new natural gas reserves or projects, or the delay or cancellation of existing projects as energy companies lower their capital expenditures budgets, which may reduce our growth opportunities;
- low oil prices negatively affecting the market price of natural gas, to the extent that natural gas prices are benchmarked to the price of crude oil, in turn negatively affecting the economics of potential new LNG production projects, which may reduce our growth opportunities;
- high oil prices negatively affecting the competitiveness of natural gas to the extent that natural gas prices are benchmarked to the price of crude oil;

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- low gas prices globally and/or weak differentials between prices in the Atlantic Basin and the Pacific Basin leading to reduced inter-basin trading of LNG and reduced demand for LNG shipping;
- lower demand for vessels of the types we own and operate, which may reduce available charter rates and revenue to us upon redeployment of our vessels following expiration or termination of existing contracts or upon the initial chartering of vessels;
- customers potentially seeking to renegotiate or terminate existing vessel contracts, or failing to extend or renew contracts upon expiration;
- the inability or refusal of customers to make charter payments to us due to financial constraints or otherwise; or
- declines in vessel values, which may result in losses to us upon vessel sales or impairment charges against our earnings and could impact our compliance with the covenants in our debt agreements.

We may have more difficulty entering into multi-year time charters in the future if an active spot LNG shipping market continues to develop.

One of our principal strategies is to enter into additional LNG carrier long-term time charters, wherever possible. Most shipping requirements for new LNG projects continue to be provided on a multi-year basis, although the level of spot voyages and time charters of less than 24 months in duration has grown in the past few years. If an active spot market continues to develop, we may have increased difficulty entering into multi-year time charters upon expiration or early termination of our current charters or for any vessels that we acquire in the future and, as a result, our cash flow may be less stable. In addition, an active spot LNG market may require us to enter into charters based on changing market prices, as opposed to contracts based on a fixed rate, which could result in a decrease in our cash flow in periods when the market price for shipping LNG is depressed which may lead to insufficient funds to cover our financing and other costs for our vessels.

Hire rates for LNG carriers may fluctuate substantially. If rates are lower when we are seeking a new charter, our revenues and cash flows may decline.

Our ability, from time to time, to charter or re-charter any vessel at favorable rates will depend on, among other things, the prevailing economic conditions in the LNG industry. Hire rates for LNG carriers may fluctuate over time as a result of changes in the supply-demand balance relating to current and future vessel capacity. This supply-demand relationship largely depends on a number of factors outside our control. The LNG charter market is connected to world natural gas prices and energy markets, which we cannot predict. A substantial or extended decline in demand for natural gas or LNG could adversely affect our ability to charter or re-charter our vessels at acceptable rates or to acquire and profitably operate new vessels. Hire rates for newbuildings are correlated with the price of newbuildings. Hire rates, at a time when we may be seeking new charters, may be lower than the hire rates at which our vessels are currently chartered. If hire rates are lower when we are seeking a new charter, our revenues and cash flows, including cash available for distributions to our unitholders, may substantially decline, as we may only be able to enter into new charters at reduced or unprofitable rates or we may have to secure a charter in the spot market, where hire rates are more volatile. Prolonged periods of low charter hire rates or low vessel utilization could also have a material adverse effect on the value of our assets.

Vessel values may fluctuate substantially and, if these values are lower at a time when we are attempting to dispose of vessels, we may incur a loss.

Factors that influence vessel values include:

- prevailing economic conditions in the natural gas and energy markets;
- a substantial or extended decline in demand for LNG;
- increases in the supply of vessel capacity;
- the size and age of a vessel; and
- the cost of retrofitting or modifying second-hand vessels, if possible, as a result of technological advances in vessel design or equipment, changes in applicable environmental or other regulations or standards, customer requirements or otherwise.

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As our vessels age, the expenses associated with maintaining and operating them are expected to increase, which could have a material adverse effect on our business and operations if we do not maintain sufficient cash reserves for maintenance and replacement capital expenditures. Moreover, the cost of a replacement vessel is likely significant. If a charter terminates, we may be unable to re-deploy the affected vessels at favorable rates and, rather than continue to incur costs to maintain and finance them, we may seek to dispose of them. A sustained decline in charter rates and employment opportunities could adversely affect the market value of our vessels, on which certain of the ratios and financial covenants with which we are required to comply are based. A significant decline in the market value of our vessels could impact our compliance with the covenants in our current or future debt agreements. Our inability to dispose of vessels at a reasonable value could result in a loss on their sale and adversely affect our ability to purchase a replacement vessel. Our inability to dispose of vessels at a reasonable value could also adversely affect our results of operations, financial condition and our ability to pay distributions at all to our unitholders.

An oversupply of ships or delays or abandonment of planned projects may lead to a reduction in the charter hire rates we are able to obtain when seeking charters in the future.

According to Drewry, during the period from 2011 to February, 2026, the global fleet of LNG carriers grew from 360 to 838 vessels due to the construction and delivery of new LNG carriers and low levels of vessel demolitions. Only 42 LNG carriers, representing 5.0% of the LNG vessels currently in service, have an Ice Class 1A and Ice-class 1A super designation or equivalent rating, according to Drewry.

Although the global newbuilding orderbook dropped sharply in 2008, 2009 and 2010, ordering activity increased in 2011 and 2012 in light of Fukushima nuclear disaster. According to Drewry, a total of 56 LNG carrier newbuilding orders were placed in 2011 and 34 in 2012. In 2013 and 2014 ordering activity remained firm and a total of 100 newbuild orders were placed. New orders declined in 2015 to 32, followed by only 7 new orders placed in 2016. In 2017, 14 new LNG orders were placed, however, in 2018 low newbuilding prices and high charter rates attracted investment in the LNG market and 76 LNG carriers (which includes LNG bunkering and small scale LNG carriers) were ordered during the year. Strong new order momentum continued in 2019 with 61 LNG carriers ordered in 2019. In 2020, 55 LNG vessels were ordered. Qatar's LNG newbuilding berth reservation and quicker than expected recovery in LNG trade prompted companies to secure new vessels before newbuilding prices strengthen. New orders for LNG vessels have surged in 2021 and 2022 and 84 and 175 LNG vessels were ordered, respectively. Qatar's mega-LNG carrier order comprised 66 of the total orders in 2022, while major shipowners jumped in to secure shipbuilding slots in a market with tight shipbuilding capacity and rising newbuild prices. In 2023, investments in LNG shipping eased in 2023 with new orders for 73 LNG vessels. Tight shipbuilding capacity until 2027 and high newbuild prices discouraged some shipowners to an extent and in 2024, 96 LNG vessels were ordered. In 2025, new orders were down 50% year-over-year as the steep decline in charter rates, oversupply of vessels, and geopolitics uncertainty kept shipowners on back-foot. As of February 2026, the newbuilding orderbook consisted of vessels with a combined capacity of 52.5 million cbm, equivalent to 40.8% of the current global LNG carrier fleet capacity, according to Drewry. The delivery of these newbuildings will be spread out between 2026 and 2030.

According to Drewry, as of February, 2026, there were 51 LNG carriers in the size range of 149,000-155,000 cbm in the LNG trading fleet, of which 45 have membrane cargo containment system. There are no LNG carriers in the same size segment on orderbook, which have moss spherical containment system.

Increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to our ESG policies may impose additional costs on us or expose us to additional risks.

Companies across all industries are facing increasing scrutiny relating to their Environmental, Social and Governance (“ESG”) policies. Investor advocacy groups, certain institutional investors, investment funds, lenders and other market participants are increasingly focused on ESG practices and in recent years have focused on the implications and social cost of their investments. Equity holder proposals submitted on environmental matters and, in particular, climate-related proposals have become more frequent and those submitted environmental proposals that did go to a vote received greater shareholder support than previous years. The increased attention and activism related to ESG and similar matters may hinder access to capital, as investors and lenders may decide to reallocate capital or to not commit capital as a result of their assessment of a company’s ESG practices. Companies which do not adapt to or comply with investor, lender, or other industry shareholder expectations and standards, which are evolving, or which are perceived to have not responded appropriately to the growing concern for ESG issues, regardless of whether there is a legal requirement to do so, may suffer from reputational damage and incur costs related to litigation, and the business, financial condition, and/or stock price of such a company could be materially and adversely affected.

We may face increasing pressures from investors, lenders, and other market participants, who are increasingly focused on climate change, to prioritize sustainable energy practices, reduce our carbon footprint, and promote sustainability. As a result, we may be required to implement more stringent ESG procedures or standards and report on these on a mandatory basis in the E.U. under the Corporate Sustainability Reporting Directive (“CSRD”) from 2028 onwards, so that our existing and future investors and lenders remain invested in us and make further investments in us, especially given the highly focused and specific trade of crude oil transportation in which we are engaged. Such ESG corporate transformation calls for an increased resource allocation to serve the necessary changes in that sector, increasing costs and capital expenditure. If we do not meet these standards, our business and/or our ability to access capital could be harmed.

On March 6, 2024, the SEC had adopted final rules to enhance and standardize climate-related and ESG-related disclosures by public companies and in public offerings. The final rules would have added extensive and prescriptive disclosure items requiring companies, including foreign private issuers, to disclose climate-related risks and certain emissions. Specifically, the rules would have required the inclusion of certain climate-related financial metrics in a note to companies’ audited financial statements. The rules were challenged in federal court before they became effective and ultimately the SEC withdrew them in June 2025. While the current SEC leadership determined to withdraw these rules, the SEC could again change its policy priorities, under a future presidential administration or otherwise, and may propose similar rules in the future, in which case the costs of compliance with such new rules could be significant and could have a material adverse effect on our future performance, operating results, cash flows and financial position.

Additionally, certain investors and lenders may exclude LNG transport companies, such as us, from their investing portfolios altogether due to environmental, social, and governance factors. These limitations in both the debt and equity capital markets may affect our ability to grow as our plans for growth may include accessing the equity and debt capital markets. If those markets are unavailable, or if we are unable to access alternative means of financing on acceptable terms, or at all, we may be unable to implement our business strategy, which would have a material adverse effect on our financial condition and results of operations and impair our ability to service our indebtedness. Further, it is likely that we will incur additional costs and require additional resources to monitor, report, and comply with wide ranging ESG requirements. The occurrence of any of the foregoing could have a material adverse effect on our business and financial condition.

Different stakeholder groups have divergent views on ESG matters, which increases the risk that any action or lack thereof with respect to ESG matters may be perceived negatively by at least some stakeholders and adversely impact our reputation and business.

Further technological advancements and other innovations affecting LNG carriers could reduce the charter hire rates we are able to obtain when seeking new employment and this could adversely impact the value of our assets and our future financial performance.

The charter rates, asset value and operational life of an LNG carrier are determined by a number of factors, including but not limited to, the vessel's efficiency, operational flexibility and physical life. Efficiency includes speed and fuel economy. Flexibility includes the ability to enter harbors, utilize related docking facilities and pass through canals and straits. Physical life is related to the original design and construction, the ongoing maintenance and the impact of operational stresses on the asset. If more advanced ship designs are developed in the future and new ships are built that are more efficient, more flexible or have longer physical lives than our Fleet, competition from these more technologically advanced LNG carriers could adversely affect the charter hire rates we will be able to secure when we seek to re-charter our vessels upon expiration or early termination of our current charter arrangements. Such an adverse impact could also reduce the resale value of our vessels and adversely affect our revenues and cash flows, including any cash available for distributions to our unitholders.

If we cannot meet our charterers' quality and compliance requirements, we may not be able to operate our vessels profitably which could have an adverse effect on our future financial performance.

Customers, and particularly those in the LNG industry, have a high and increasing focus on quality and compliance standards with their suppliers across the entire value chain, including the shipping and transportation segment. Our continuous compliance with these standards and quality requirements is vital for our operations. Related risks could materialize in multiple ways, including a sudden and unexpected breach in quality and/or compliance concerning one or more vessels, and/or a continuous decrease in the quality concerning one or more LNG carriers occurring over time. Moreover, continuous, modified and increasing requirements and standards from LNG industry constituents may further complicate our ability to meet such requirements and standards. Any noncompliance by the Partnership, either suddenly or over a period of time, on one or more LNG carriers, or an increase or modification in requirements by our charterers above and beyond what we deliver, may have a material adverse effect on our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders.

Exposure to currency exchange rate fluctuations will result in fluctuations in our cash flows and operating results.

Historically, our revenue has been generated in U.S. Dollars, but we incur capital, operating and administrative expenses in multiple currencies, including, among others, the Euro. If the U.S. Dollar weakens significantly, we would be required to convert more U.S. Dollars to other currencies to satisfy our obligations, which may cause us to have less or no cash available for distribution to our unitholders. Because we report our operating results in U.S. Dollars, changes in the value of the U.S. Dollar may also result in fluctuations in our reported revenues and earnings. In addition, under U.S. GAAP, all foreign currency-denominated monetary assets and liabilities, such as cash and accounts payable, are revalued and reported based on the prevailing exchange rate at the end of the reporting period. This revaluation may cause us to report significant non-monetary foreign currency exchange gains and losses in certain periods.

An increase in operating expenses, dry-docking costs, bunker costs and/or other capital expenses could materially and adversely affect our financial performance.

Our operating expenses and dry-dock capital expenditures depend on a variety of factors including crew costs, provisions, deck and engine stores and spares, lubricating oil, insurance, maintenance and repairs and shipyard costs, many of which are beyond our control and may affect the entire shipping industry. Also, while we do not bear the cost of fuel (bunkers) under our time charters, fuel is a significant expense in our operations when our vessels are, for example, moving to or from dry-dock or when off-hire. The price and supply of fuel are unpredictable and fluctuate based on events and factors outside our control, including geopolitical developments (such as the ongoing war between Russia and Ukraine, current instability in Venezuela and ongoing wars and acts of hostility in the Middle East), supply and demand for oil and gas, actions by the Organization of the Petroleum Exporting Countries, or OPEC, and other oil and gas producers, war and unrest in oil-producing countries and regions, political instability, regional production patterns and environmental concerns. These events and factors may increase vessel operating and dry-docking costs further, which could materially and adversely affect our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders.

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In addition, capital expenditures and other costs necessary for maintaining a vessel in good operating condition generally increase as the vessel ages. Accordingly, it is likely that the operating costs of our vessels and capital expenditures required will increase in the future, which will have a direct impact on our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders.

The operation of LNG carriers is inherently risky and an incident involving significant loss of or environmental consequences involving any of our vessels could harm our reputation and business.

Our vessels and their respective cargoes are at risk of being damaged or lost because of events and factors that include but are not limited to:

- marine disasters;
- piracy;
- environmental accidents and hazards;
- weather;
- mechanical failures;
- grounding, fire, explosions and collisions;
- human error; and
- political unrest, war, including the war between Russia and Ukraine, current instability in Venezuela and ongoing wars and acts of hostility in the Middle East or the Houthi crisis in the Red Sea, and terrorism.

An accident involving any of our vessels could result in any of the following:

- death or injury to persons, loss of property or environmental damage;
- delays or failure in the delivery of cargo;
- loss of revenues from or termination of charter contracts;
- governmental fines, penalties or restrictions on conducting business;
- spills, pollution and the liability associated with the same;
- higher insurance rates; and
- damage to our reputation and customer relationships generally.

Any of these events could result in a material adverse effect on our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders. If our vessels suffer damage, they may need to be repaired. The costs of vessel repairs are unpredictable and can be substantial. We may have to pay repair costs that our insurance policies do not cover. The loss of earnings while these vessels are being repaired, as well as the actual cost of these repairs, would decrease or materially and adversely impact our results of operations. If any of our vessels is involved in an accident with the potential risk of environmental consequences, the resulting media coverage may also have a material adverse effect on our business, results of operations and cash flows, which in turn could weaken our financial condition and materially and adversely affect our ability to pay distributions to our unitholders.

Our insurance may be insufficient to cover losses that may occur to our property or result from our operations.

The operation of LNG carriers is inherently risky. Although we carry protection and indemnity insurance consistent with industry standards, all of our potential risks may not be adequately insured against, and any particular claim may not be paid or covered. Any claims covered by insurance would be subject to deductibles, and since it is possible that a large number of claims may be brought, the aggregate amount of these deductibles could be material. Certain of our insurance coverage is maintained through mutual protection and indemnity associations, and as a member of such associations, we may be required to make additional payments over and above budgeted premiums if member claims exceed association reserves.

We may be unable to procure adequate insurance coverage at commercially reasonable rates in the future. For example, more stringent and increasing environmental regulations have led to increased insurance costs, and in the future may result in the lack of availability of insurance against risks of marine disasters, environmental damage or pollution. A marine disaster could exceed our insurance coverage, which could harm our business, financial condition and operating results. Any uninsured or underinsured loss could harm our business and financial condition. In addition, our insurance may be voidable by the insurers as a result of certain of our actions, such as our vessels failure to maintain their respective certifications with applicable maritime self-regulatory organizations.

Changes in the insurance markets attributable to terrorist attacks may also make certain types of insurance more difficult for us to obtain. In addition, upon renewal or expiration of our current policies, the insurance that may be available to us may be significantly more expensive or limited than our existing coverage.

We conduct business in China, where the legal system is not fully developed and has inherent uncertainties that could limit the legal protections available to us.

As of the date of this annual report, we have entered into sale and leaseback agreements for four of our vessels with a Chinese financial institution and may further enter into sale and leaseback agreements with Chinese counterparties in the future. Please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—2024 Lease Financing.” Although our sale and leaseback agreements are governed by English law, we may have difficulties enforcing a judgment rendered by an arbitration tribunal or an English court (or other non-Chinese court) in China. Such sale and leaseback agreements, and any additional agreements that we enter into with Chinese counterparties, may be subject to new regulations in China that may require us to incur new or additional compliance or other administrative costs and pay new taxes or other fees to the Chinese government.

Recent actions by the U.S. and China imposing new port fees could have a material adverse effect on our operations and financial results.

In 2025, the United States Trade Representative (the “USTR”) put forward a significant trade action under Section 301 of the Trade Act of 1974 with the aim of addressing China’s dominance in the maritime, logistics and shipbuilding industries. This action has the potential to dramatically increase the port fees and therefore the overall operating expenses for ships calling at U.S. ports. Specifically, the USTR has enacted a series of fees that would function as direct increases to port-related costs.

The action generally includes a fee targeting Chinese owners and operators for each instance a vessel owned or operated by a Chinese entity enters a U.S. port. The fee would be calculated at a rate of \$50 per net ton of the vessel for each port entrance beginning October 14, 2025 and increasing over time, plateauing at \$140 per net ton in 2028.

Another fee focuses on operators with fleets including Chinese-built vessels. Under the action, in the case of a vessel not subject to the fees on Chinese owners and operators described above, fees generally would be imposed each time a Chinese-built vessel enters a U.S. port. There are several exceptions to this fee, including for vessels with capacity of 55,000 dwt or less, vessels arriving to the U.S. empty or in ballast and vessels entering a port in the continental United States from a voyage of less than 2,000 nautical miles from a foreign port or point.

In response to the USTR action, on October 10, 2025, China announced retaliatory port fees, effective October 14, 2025, applicable to vessels calling at Chinese ports which are built or flagged in the U.S. or owned or operated by certain U.S.-linked persons. There is significant uncertainty as to the scope of applicability of these new port fees and how they will be implemented. On November 10, 2025, U.S. and Chinese authorities suspended the application of each respective set of port fees for one year. Substantial uncertainty remains as to how the port fees will be assessed after the end of the suspension period, scheduled for November 10, 2026.

Further retaliatory measures from China or other nations could further compound disruptions and cost increases within the global shipping industry. In addition to direct port fee increases, other retaliatory actions by China or other countries could indirectly impact port-related costs, disrupt global shipping patterns and potentially increase congestion and costs at ports worldwide, including U.S. ports.

Of the six vessels we operate, none were constructed in China. However, we have entered into and may further enter in the future into sale and leaseback transactions with Chinese financial institutions. Additionally, we may enter into contracts for the purchase of secondhand vessels constructed in China or shipbuilding contracts for newbuildings constructed in Chinese shipyards.

Given the potential magnitude of these port-related fees and the many uncertainties surrounding their implementation, it is not possible at this time to fully predict the ultimate financial impact. However, if the action or similar measures are implemented, port fees for our vessels or vessels we charter and our operating costs for voyages calling at U.S. or Chinese ports could materially increase. Even though port fees are typically borne by the charterer, if port fees are assessed due to our ownership or, as the case may be, operation of the relevant vessel, it is possible that charterers may demand that we bear these costs or otherwise reduce the applicable charter rate. This, in turn, could significantly reduce our profitability, negatively impact our ability to compete effectively, and materially and adversely affect our operations and financial results.

Our vessels may suffer damage and we may face unexpected costs and off-hire days.

In the event of damage to our owned vessels, the damaged vessel would be off-hire while it is being repaired, which would decrease our revenues and cash flows, including cash available for distributions to our unitholders. In addition, the costs of vessel repairs are unpredictable and can be substantial. In the event of repair costs that are not covered, whether in whole or in part, by our insurance policies, we may have to pay such repair costs, which would decrease our earnings and cash flows.

Volatile economic conditions may adversely impact our ability to obtain financing or refinance our current or future credit facilities and other financing arrangements, on acceptable terms, which may hinder or prevent us from operating or expanding our business.

Various macroeconomic factors, including rising inflation, higher interest rates, global supply chain constraints, trade wars and the effects of overall economic conditions and uncertainties such as those resulting from the current and future conditions in the global financial markets, could adversely affect our business, results of operations, financial condition and ability to pay distributions. Inflation and rising interest rates may negatively impact us by increasing our operating costs and our cost of borrowing. Interest rates, the liquidity of the credit markets and the volatility of the capital markets could also affect the operation of our business and our ability to raise capital on favorable terms, or at all. Adverse economic conditions also affect demand for LNG and LNG shipping which could result in significant decreases in rates we obtain for chartering our ships. In addition, the cost for crew members, oils and bunkers, and other supplies may increase. In addition, we may experience losses on our holdings of cash and investments due to failures of financial institutions and other parties. Difficult economic conditions may also result in a higher rate of losses on our accounts receivable due to credit defaults. As a result, downturns in the worldwide economy could have a material adverse effect on our business, results of operations, financial condition and ability to pay distributions.

The world economy continues to face a number of actual and potential challenges, including the continuing war between Russia and Ukraine, and between Israel and Hamas, Russia and NATO tensions, current instability in Venezuela, China and Taiwan disputes, United States and China trade relations, instability between Iran and the West, hostilities between the United States and North Korea, political unrest and conflicts in the Middle East, the South China Sea region, the Red Sea region (including missile attacks controlled by the Houthis on vessels transiting the Red Sea) and in other geographic countries and areas, terrorist or other attacks (including threats thereof) around the world, war (or threatened war) or international hostilities, and epidemics or pandemics.

Such instability and volatility may negatively affect the general willingness of banks, other financial institutions and lenders to extend credit, particularly in the shipping industry, due to the historically volatile asset values of vessels. While recent developments in the global credit markets have been supportive of borrowing and refinancing, we cannot be certain that financing will be available if needed and to the extent required, on acceptable terms or at all. The state of global financial markets and current economic conditions might adversely impact our ability to issue additional equity at prices that will not be dilutive to our existing unitholders or preclude us from issuing equity at all. Economic conditions may also adversely affect the market price of our common units.

Further, we may not be able to access our existing cash due to market conditions. For example, if banks and financial institutions fail and enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our existing cash may be threatened and could have a material adverse effect on our business and financial condition. In addition, if a bank, or the public, believes that a bank is not stable, the bank may institute procedures or rules to limit withdrawals and access to funds, which, if implemented, would have a material adverse effect on our business and financial condition.

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We cannot be certain that financing or any alternatives will be available to the extent required, or that we will be able to finance or refinance our current or future credit facilities and other financing arrangements, including our 2024 Lease Financing, at or prior to maturity or the end of each charter period, on acceptable terms or at all. If financing or refinancing is not available when needed, or is available only on unfavorable terms, we may be unable to meet our obligations as they come due or we may be unable to enhance our existing business, complete the acquisition of newbuildings (if any) and additional vessels or otherwise take advantage of business opportunities as they arise.

A cyber-attack could materially disrupt our business.

We rely on information technology systems and networks in our operations and the administration of our business. A successful cyber-attack could materially and adversely disrupt our business and operations, including the safety of our operations and systems, and the availability of our vessels and facilities or lead to unauthorized release of information or data or alteration of information or data in our systems, which could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distributions to our unitholders. We are subject to laws, directives, and regulations relating to the collection, use, retention, disclosure, security and transfer of personal data. These laws, directives, and regulations, and their interpretation and enforcement continue to evolve and may be inconsistent from jurisdiction to jurisdiction. Compliance with emerging and changing privacy and data protection requirements may cause us to incur substantial costs or require us to change our business practices. Noncompliance with our legal obligations relating to privacy, security and data protection could result in penalties, fines or legal proceedings by governmental entities or others, loss of reputation, legal claims by individuals and customers and significant legal and financial exposure and could affect our ability to retain and attract customers. Changes or increases in the nature of cyber or security-threats and/or changes to industry standards and regulations might require us to adopt additional or modified procedures for monitoring cybersecurity, which may require us to incur additional expenses and/or additional capital expenditures. However, the impact of such regulations is difficult to predict at this time.

Moreover, cyber-attacks against the Ukrainian government and other countries in the region have been reported in connection with the war between Russia and Ukraine. To the extent such attacks have collateral effects on global critical infrastructure or financial institutions or us, such developments could adversely affect our business, operating results and financial condition. At this time, it is difficult to assess the likelihood of such threat and any potential impact.

In July 2023, the SEC adopted rules requiring the mandatory disclosure of material cybersecurity incidents, as well as cybersecurity governance and risk management practices. A failure to disclose such incidents could result in the imposition of injunctions, fines and other penalties by the SEC. Complying with these obligations could cause us to incur substantial costs and could increase negative publicity surrounding any cybersecurity incident.

Compliance with safety and other requirements imposed by classification societies may be very costly and may adversely affect our business.

The hull and machinery of every commercial LNG carrier must be classed by a classification society. The classification society certifies that the vessel has been built and maintained in accordance with the applicable rules and regulations of that classification society. Moreover, every vessel must comply with all applicable international conventions and the regulations of the vessel's flag state as verified by a classification society. Finally, each vessel must successfully undergo periodic surveys, including annual, intermediate and five-year special surveys performed under the classification society's rules.

If any vessel does not maintain its class, it will lose its insurance coverage and be unable to trade, and the vessel's owner will be in breach of relevant covenants under its financing arrangements. Failure to maintain the class of one or more of our vessels could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distributions to our unitholders.

The LNG shipping industry is subject to substantial environmental and other regulations, which may significantly limit our operations or increase our expenses.

Our operations are materially affected by extensive and changing international, national, state and local environmental laws, regulations, treaties, conventions and standards, which are in force in international waters, in the jurisdictional waters of the countries in which our vessels operate and in the countries in which our vessels are registered. These requirements relate to compliance with applicable legislation and minimizing our environmental footprint (of our operations both onboard and ashore). We expect to incur substantial expenses in complying with these requirements, including, but not limited to, costs relating to air emissions, including greenhouse gases, sulfur emissions, the management of ballast waters, maintenance and inspection, development and implementation of emergency procedures and insurance coverage. We could also incur substantial costs, including clean-up costs, civil and criminal penalties and sanctions, the suspension or termination of operations and third-party claims as a result of violations of, or liabilities under, such laws and regulations.

In addition, these requirements can affect the resale value or useful lives of our vessels, require a reduction in cargo capacity, necessitate vessel modifications or operational changes or restrictions or lead to decreased availability of insurance coverage for environmental matters. These effects could further result in the denial of access to certain jurisdictional waters or ports or detention in certain ports. We are required to obtain governmental approvals and permits to operate our vessels and to also to maintain environmental manuals and plans. Any delays in obtaining such governmental approvals may increase our expenses, and the terms and conditions of such approvals could materially and adversely affect our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders.

Additional laws and regulations may be adopted in the future that could limit our ability to do business or increase our operating costs, which could materially and adversely affect our business. For example, new or amended legislation relating to ship recycling, sewage systems, emission control (including emissions of greenhouse gases) as well as ballast water treatment and ballast water handling may be adopted. The United States has enacted legislation and regulations that require more stringent controls of air and water emissions from ocean-going ships. Such legislation or regulations may require additional capital expenditures or operating expenses (such as increased costs for low-sulfur fuel or costs related to the installation of scrubbers for cleaning exhaust gas) in order for us to maintain our vessels' compliance with international and/or national regulations. We also may become subject to additional laws and regulations or any new legislation that may come into effect if and when we enter new markets or trades.

We also believe that the heightened environmental, quality and security concerns of insurance underwriters, regulators and charterers will generally lead to additional regulatory requirements, including enhanced risk assessment and security requirements as well as greater inspection and safety requirements on all LNG carriers in the marine transportation market. These requirements are likely to add increased costs to our operations, and the failure to comply with these requirements may affect the ability of our vessels to obtain and, possibly, collect on, insurance or to obtain the required certificates for entry into the different ports where our vessels operate.

Some environmental laws and regulations, such as the U.S. Oil Pollution Act of 1990, or OPA, provide for potentially unlimited joint, several, and/or strict liability for owners, operators and demise or bareboat charterers for oil pollution and related damages. OPA applies to discharges of any oil from a ship in U.S. waters, including discharges of fuel and lubricants from an LNG carrier, even if the ships do not carry oil as cargo. Vessels are required to carry onboard a ship-specific non-tank vessel response plan to address contingencies relating to discharges of any oil. In addition, many states in the United States bordering on a navigable waterway have enacted legislation providing for potentially unlimited strict liability without regard to fault for the discharge of pollutants within their waters. We also are subject to other laws and conventions outside the United States that provide for an owner of LNG carriers to bear strict liability for pollution, such as the Convention on Limitation of Liability for Maritime Claims of 1976, or the "London Convention."

Some of these laws and conventions, including OPA and the London Convention, may include limitations on liability. However, the limitations may not be applicable in certain circumstances, such as where a spill is caused by a vessel owner's or operators' intentional or reckless conduct. The 2010 Deepwater Horizon oil spill has resulted in additional regulatory initiatives, including the raising of liability caps under OPA. On February 24, 2014, the U.S. Bureau of Ocean Energy Management, or BOEM, proposed a rule increasing the limits of liability for off-shore facilities under OPA based on inflation, effective in January 2015. The U.S. Bureau of Safety and Environmental Enforcement, or BSEE, released a final "Well Control Rule" in August 2023, which strengthens testing and performance requirements, and may affect offshore drilling operations and cause us to incur additional costs to comply.

Compliance with OPA and other environmental laws and regulations also may result in vessel owners and operators incurring increased costs for additional maintenance and inspection requirements, the development of contingency arrangements for potential spills, obtaining mandated insurance coverage and meeting financial responsibility requirements.

Please see “Item 4. Information on the Partnership—B. Business Overview—Environmental and Other Regulations.”

Developments in safety and environmental requirements relating to the recycling of vessels may result in escalated and unexpected costs.

The 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, or the Hong Kong Convention, aims to ensure ships, being recycled once they reach the end of their operational lives, do not pose any unnecessary risks to the environment, human health and safety. The Hong Kong Convention entered into force on June 26, 2025 and requires that each ship sent for recycling carry an inventory of its hazardous materials. The hazardous materials, whose use or installation are prohibited in certain circumstances, are listed in an appendix to the Hong Kong Convention. Ships are required to have surveys to verify their inventory of hazardous materials initially, throughout their lives and prior to the ship being recycled. On November 20, 2013, the European Parliament and the Council of the E.U. adopted the Ship Recycling Regulation, which retains the requirements of the Hong Kong Convention and requires that certain commercial seagoing vessels flying the flag of an E.U. Member State may be recycled only in facilities included on the European list of permitted ship recycling facilities. We were required to comply with E.U. Ship Recycling Regulation by December 31, 2020, since our ships trade in the E.U. region. One of our vessels, the *Arctic Aurora*, is a Maltese flagged vessel. Malta is an E.U. Member State. Now that the Hong Kong Convention has been ratified and entered into force on June 26, 2025, it is expected the E.U. Ship Recycling Regulation will be reviewed in light of this. Notably, the Hong Kong Convention has seen weak implementation and poor results to date, suggesting the E.U. may elect not to alter its regulation for the moment.

These regulatory developments may lead to cost escalation by shipyards, repair yards and recycling yards. This may then result in a decrease in the residual scrap value of a vessel, and a vessel could potentially not cover the cost to comply with latest requirements, which may have an adverse effect on our future performance, results of operations, cash flows and financial position.

Climate change and greenhouse gas restrictions may adversely impact our operations and markets, and may cause us to incur substantial costs and to procure low-sulfur fuel oil directly on the wholesale market for storage at sea and onward consumption on our vessels.

In 2011, IMO agreed to include a new chapter on “energy efficiency” in MARPOL Annex VI and adopted mandatory energy efficiency regulations for ships – Energy Efficiency Design Index (EEDI) for new ships, and Ship Energy Efficiency Management Plan (SEEMP) for all ships. The EEDI has subsequently been strengthened, and some of its deadlines accelerated, through further amendments. In 2016 IMO adopted the mandatory IMO Data Collection System (DCS) for ships to collect and report fuel oil consumption data from ships over 5,000 GT - first calendar year data collection completed in 2019. The IMO DCS covers any maritime activity carried out by ships, including dredging, pipeline laying, and off-shore installations. The SEEMPs of all ships covered by the IMO DCS must include a description of the methodology for data collection and reporting. A range of IMO-led global projects initiated since 2012 support developing countries in ratifying MARPOL Annex VI and implementing the energy efficiency measures and to support and encourage pilot projects, innovation and R&D. Beginning in January 2023, Annex VI requires EEXI and CII certification. The first annual reporting was to be completed in 2023, with initial ratings given in 2024.

In July 2023, the IMO adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, which identifies a number of levels of ambition: This includes decreasing annual greenhouse gas (“GHG”) emissions from international shipping by at least half by 2050, compared with their level in 2008, and work towards phasing out GHG emissions from shipping entirely as soon as possible in this century: reducing carbon intensity of international shipping (to reduce CO2 emissions per transport work), as an average across international shipping, by at least 40% by 2030. In April 2025, the IMO net-zero framework was approved by MEPC 83, including the new fuel standard for ships and a global pricing mechanism for emissions. These regulations were approved as amendments and submitted for adoption as legally binding, but in October 2025 the IMO’s Marine Environmental Protection Committee (the “MEPC”) agreed to adjourn the meeting on adoption until October 2026.

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We continue to evaluate different options in complying with IMO and other rules and regulations. All of our vessels are on long-term time charter and the expense of fuel is for the charterer's account. As such, the ability of our vessels to burn low sulfur fuel may factor into our charterers' or potential charterers' decisions relating to the employment of our vessels. Low sulfur fuel is more expensive than standard marine fuel containing 0.50% sulfur content and may become more expensive or difficult to obtain as a result of increased demand.

Our operations and the performance of our vessels, and as a result our results of operations, cash flows and financial position, may be negatively affected to the extent that compliant sulfur fuel oils are unavailable, of low or inconsistent quality, if de-bunkering facilities are unavailable to permit our vessels to accept compliant fuels when required, or upon occurrence of any of the other foregoing events. Costs of compliance with these and other related regulatory changes may be significant and may have a material adverse effect on our future performance, results of operations, cash flows and financial position. As a result, an increase in the price of fuel beyond our expectations may adversely affect our charterers', and by extent, our profitability at the time of charter negotiation. Further, fuel may become much more expensive in the future, which may reduce the profitability and competitiveness of our business versus other forms of transportation. While we carry cargo insurance to protect us against certain risks of loss of or damage to the procured commodities, we may not be adequately insured to cover any losses from such operational risks, which could have a material adverse effect on us. Any significant uninsured or under-insured loss or liability could have a material adverse effect on our business, results of operations, cash flows and financial condition and our available cash.

Furthermore, on January 1, 2024 the E.U. Emissions Trading Scheme (the "ETS"), for ships sailing into and out of E.U. ports came into effect, and the Fuel EU Maritime Regulation 2023/1805 ("FuelEU") came into effect on January 1, 2025. The ETS is being rolled out gradually: 40% of allowances had to be surrendered in 2025 for the year 2024; 70% of allowances will have to be surrendered in 2026 for the year 2025 and 100% of allowances will have to be surrendered in 2027 for the year 2026. The compliance deadline is September 30 of each year. Compliance is on a company-wide (rather than per ship) basis and "shipping company" is defined widely to capture both the ship owner and any contractually appointed commercial operator/ship manager/bareboat charterer who assumes all duties and responsibilities for the ship under the ISM Code (as defined below), as well as the responsibility for full compliance under the ETS and the ISM Code. If the latter contractual arrangement is entered into, this needs to be reflected in a certified mandate signed by both parties and presented to the administrator of the scheme. The cap under the ETS captures 100% of the emissions from intra-E.U. maritime voyages; 100% of emissions from ships at berth in E.U. ports and 50% of emissions from voyages which start or end at E.U. ports (but the other destination is outside the E.U.). Furthermore, the E.U. Emissions Trading Directive 2023/959/EC makes clear that all maritime allowances must be auctioned and there is no free allocation. 78.4 million emissions allowances were allocated specifically to maritime. Compliance with the Maritime E.U. ETS results in additional compliance and administration costs to properly incorporate the provisions of the Directive into our business routines. Additional E.U. regulations which are part of the EU's Fit-for-55, could also affect our financial position in terms of compliance and administration costs when they take effect.

Additionally, on July 25, 2023, the European Council of the European Union adopted the Fuel EU Maritime Regulation 2023/1805 ("FuelEU") under the FuelEU Initiative of its Fit-for-55 package which sets limitations on the acceptable yearly greenhouse gas intensity of the energy used by covered vessels. Among other things, FuelEU requires that greenhouse gas intensity of fuel used by covered vessels is reduced by 2% starting January 1, 2025, with additional reductions contemplated every five years (up to 80% by 2050). Shipping companies may enter into pooling mechanisms with other shipping companies in order to achieve compliance, bank surplus emissions and borrow compliance balances from future years. A FuelEU Document of Compliance is required to be kept on board a vessel to show compliance by June 30, 2026. Both the ETS and FuelEU schemes have significant impacts on the management of the vessels calling to E.U. ports, by increasing the complexity and monitoring of, and costs associated with the operation of vessels and affecting the relationships with our time charterers.

Territorial taxonomy regulations in geographies where we are operating and are regulatorily liable, such as E. U. Taxonomy, might jeopardize the level of access to capital. For example, the E.U. has already introduced a set of criteria for economic activities which should be framed as 'green', called E.U. Taxonomy. As long as we are an E.U.-based company meeting the Non-Financial Reporting Directive (NFRD) prerequisites, we will be eligible for reporting our Taxonomy eligibility and alignment. Based on the current version of the Regulation, companies that own assets shipping fossil fuels are considered as not aligned with E.U. Taxonomy. The outcome of such provision might be either an increase in the cost of capital and/or gradually reduced access to financing as a result of financial institutions' compliance with E.U. Taxonomy.

In addition, although the emissions of greenhouse gases from international shipping currently are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change, which required adopting countries to implement national programs to reduce emissions of certain gases, or the Paris Agreement (discussed further below), a new treaty may be adopted in the future that includes restrictions on shipping emissions. Compliance with changes in laws, regulations and obligations relating to climate change affects the propulsion options in subsequent vessel designs and could increase our costs related to acquiring new vessels, operating and maintaining our existing vessels and require us to install new emission controls, acquire allowances or pay taxes related to our greenhouse gas emissions or administer and manage a greenhouse gas emissions program. Revenue generation and strategic growth opportunities may also be adversely affected.

Adverse effects upon the oil and gas production industry relating to climate change, including growing public concern about the environmental impact of climate change, may also have an effect on demand for our services. For example, increased regulation of greenhouse gases or other concerns relating to climate change may reduce the demand for oil and gas in the future or create greater incentives for use of alternative energy sources. Any long-term material adverse effect on the oil and gas production industry could have significant financial and operational adverse impacts on our business that we cannot predict with certainty at this time.

We operate globally, including in countries, states and regions where our businesses, and the activities our consumer customers, could be negatively impacted by climate change. Climate change presents both immediate and long-term risks to us and our customers, with the risks expected to increase over time. Climate risks can arise from physical risks (acute or chronic risks related to the physical effects of climate change) and transition risks (risks related to regulatory and legal, technological, market and reputational changes from a transition to a low-carbon economy). Physical risks could damage or destroy our or our customers' and clients' properties and other assets and disrupt our or their operations. For example, climate change may lead to more extreme weather events occurring more often which may result in physical damage and additional volatility within our business operations and potential counterparty exposures and other financial risks. Transition risks may result in changes in regulations or market preferences, which in turn could have negative impacts on our results of operations or the reputation of us and our customers. For example, carbon-intensive industries like LNG are exposed to climate risks, such as those risks related to the transition to a low-carbon economy, as well as low-carbon industries that may be subject to risks associated with new technologies. Ongoing legislative or regulatory uncertainties and changes regarding climate risk management and practices may result in higher regulatory, compliance, credit and reputational risks and costs.

If we fail to comply with international safety regulations, we may be subject to increased liability, which may adversely affect our insurance coverage and may result in a denial of access to, or detention in, certain ports.

The operation of our vessels is affected by the requirements set forth in the IMO's International Safety Management Code (the "ISM Code"). The ISM Code requires shipowners, ship managers and bareboat charterers to develop and maintain an extensive "Safety Management System" that includes the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe operation and describing procedures for dealing with emergencies. If we fail to comply with the ISM Code, we may be subject to increased liability, or may invalidate existing insurance or decrease available insurance coverage for our affected vessels, and such failure may result in a denial of access to, or detention in, certain ports. The USCG and European Union authorities enforce compliance with the ISM and International Ship and Port Facility Security Code (the "ISPS Code") and prohibit non-compliant vessels from trading in U.S. and European Union ports. This could have a material adverse effect on our future performance, results of operations, cash flows and financial position. Given that the IMO continues to review and introduce new regulations, it is impossible to predict what additional regulations, if any, may be passed by the IMO and what effect, if any, such regulations might have on our operations.

Because such conventions, laws, and regulations are often revised, we cannot predict the ultimate cost of complying with such conventions, laws and regulations or the impact thereof on the resale prices or useful lives of our vessels. Additional conventions, laws and regulations may be adopted which could limit our ability to do business or increase the cost of our doing business and which may materially adversely affect our operations. We are required by various governmental and quasigovernmental agencies to obtain certain permits, licenses, certificates, and financial assurances with respect to our operations.

Please see "Item 4. Information on the Partnership—B. Business Overview - Environmental and Other Regulations in the Shipping Industry" for a discussion of the environmental and other regulations applicable to us.

Safety, environmental and other governmental and other requirements expose us to liability, and compliance with current and future regulations could require significant additional expenditures, which could have a material adverse effect on our business and financial results.

Our operations are affected by extensive and changing international, national, state and local laws, regulations, treaties, conventions and standards in force in international waters, the jurisdictions in which our LNG vessels operate, and the country or countries in which such vessels are registered, including those governing the management and disposal of hazardous substances and wastes, the clean-up of oil spills and other contamination, air emissions, and water discharges and ballast and bilge water management. These regulations include, but are not limited to, the U.S. Oil Pollution Act of 1990, or OPA, requirements of the U.S. Coast Guard, or the USCG, and the U.S. Environmental Protection Agency, or EPA, the U.S. Comprehensive Environmental Response, Compensation and Liability Act of 1980, or CERCLA, the U.S. Clean Water Act, the U.S. Maritime Transportation Security Act of 2002, and regulations of the International Maritime Organization, or IMO, including the International Convention for the Safety of Life at Sea of 1974, or SOLAS, the International Convention for the Prevention of Pollution from Ships of 1973, or MARPOL, including the designation thereunder of Emission Control Areas, or ECAs, the International Convention on Civil Liability for Oil Pollution Damage of 1969, or CLC, and the International Convention on Load Lines of 1966. In particular, IMO's Marine Environmental Protection Committee ("MEPC") 73, amendments to Annex VI prohibiting the carriage of bunkers above 0.5% sulfur on ships took effect March 1, 2020 and may cause us to incur substantial costs. Compliance with these regulations could have a material adverse effect our business and financial results.

In addition, vessel classification societies and the requirements set forth in the IMO's International Management Code for the Safe Operation of Ships and for Pollution Prevention, or the ISM Code, also impose significant safety and other requirements on our vessels. In complying with current and future environmental requirements, vessel owners and operators may also incur significant additional costs in meeting new maintenance and inspection requirements, in developing contingency arrangements for potential spills and in obtaining insurance coverage. Government regulation of vessels, particularly in the areas of safety and environmental requirements, can be expected to become stricter in the future and require us to incur significant capital expenditures on our vessels to keep them in compliance, or even to recycle or sell certain vessels altogether.

Many of these requirements are designed to reduce the risk of oil spills and other pollution, and our compliance with these requirements can be costly. These requirements can also affect the resale value or useful lives of our vessels, require reductions in cargo capacity, ship modifications or operational changes or restrictions, lead to decreased availability of insurance coverage for environmental matters or result in the denial of access to certain jurisdictional waters or ports, or detention in certain ports.

Under local, national and foreign laws, as well as international treaties and conventions, we could incur material liabilities, including clean-up obligations, natural resource damages and third-party claims for personal injury or property damages, in the event that there is a release of petroleum or other hazardous substances from our vessels or otherwise in connection with our current or historic operations. We could also incur substantial penalties, fines and other civil or criminal sanctions, including in certain instances seizure or detention of our vessels, as a result of violations of or liabilities under environmental laws, regulations and other requirements. Environmental laws often impose strict liability for remediation of spills and releases of oil and hazardous substances, which could subject us to liability without regard to whether we were negligent or at fault. For example, OPA affects all vessel owners shipping oil to, from or within the United States. Under OPA, owners, operators and bareboat charterers are jointly and severally strictly liable for the discharge of oil in U.S. waters, including the 200 nautical mile exclusive economic zone around the United States. Similarly, the CLC, which has been adopted by most countries outside of the United States, imposes liability for oil pollution in international waters. OPA expressly permits individual states to impose their own liability regimes with regard to hazardous materials and oil pollution incidents occurring within their boundaries, provided they accept, at a minimum, the levels of liability established under OPA. Coastal states in the United States have enacted pollution prevention liability and response laws, many providing for unlimited liability. Furthermore, the 2010 explosion of the drilling rig *Deepwater Horizon*, and the subsequent release of oil into the Gulf of Mexico, or other events, has resulted in increased, and may result in further, regulation of the shipping and offshore industries and modifications to statutory liability schemes, which could have a material adverse effect on our business, financial condition, results of operations and cash flows. An oil spill could also result in significant liability, including fines, penalties, criminal liability and remediation costs for natural resource damages under other international and U.S. federal, state and local laws, as well as third-party damages, and could harm our reputation with current or potential charterers of our vessels. We are required to satisfy insurance and financial responsibility requirements for potential oil (including marine fuel) spills and other pollution incidents. Although we have arranged insurance to cover certain environmental risks, there can be no assurance that such insurance will be sufficient to cover all such risks or that any claims will not have a material adverse effect on our business, results of operations, cash flows and financial condition and available cash.

Regulations relating to ballast water discharge which came into effect during September 2019 may adversely affect our revenues and profitability.

The IMO has imposed updated guidelines for ballast water management systems specifying the maximum amount of viable organisms allowed to be discharged from a vessel's ballast water. Depending on the date of the International Oil Pollution Prevention, or IOPP, renewal survey, existing vessels constructed before September 8, 2017, must comply with the updated D-2 standard. For most vessels, compliance with the D-2 standard will involve installing on-board systems to treat ballast water and eliminate unwanted organisms. Ships constructed on or after September 8, 2017 are to comply with the D-2 standards upon delivery. All of our vessels had on-board ballast water management system installed in 2022 and 2023, during the completion of their scheduled special surveys.

Furthermore, United States regulations are currently changing. Although the 2013 Vessel General Permit, or VGP, program and U.S. National Invasive Species Act, or NISA, are currently in effect to regulate ballast discharge, exchange and installation, the Vessel Incidental Discharge Act, or VIDA, which was signed into law on December 4, 2018, requires that the U.S. Environmental Protection Agency, or EPA, develop national standards of performance. New regulations could require the installation of new equipment, which may cause us to incur substantial costs. Please see "Item 4. Information on the Partnership—B. Business Overview—Environmental and Other Regulations."

Political instability, terrorist or other attacks, war, international hostilities and global public health threats can affect the seaborne transportation industry, which could adversely affect our business.

We are an international company and conduct our operations outside of the United States, and our business, results of operations, cash flows, financial condition and ability to pay distributions, if any, in the future may be adversely affected by changing economic, political and government conditions in the countries and regions where our vessels are employed or registered. Moreover, we operate in a sector of the economy that is likely to be adversely impacted by the effects of political conflicts.

Currently, the world economy faces a number of ongoing challenges, including the wars between Ukraine and Russia, between Israel and Hamas, Hezbollah and Iran, tensions between the United States and Iran, Israel and Iran and between Russia and NATO, China and Taiwan disputes, United States and China trade relations, instability in Venezuela and between Iran and the West, hostilities between the United States and North Korea, Greenland, Denmark or Venezuela, political unrest and conflicts in the Middle East, the South China Sea region, the Red Sea region (including missile attacks controlled by the Houthis on vessels transiting the Red Sea or Gulf of Aden), and other countries and geographic areas, geopolitical events, such as Brexit or another withdrawal from the European Union, terrorist or other attacks (or threats thereof) around the world, and war (or threatened war) or international hostilities, and stabilizing growth in China.

Further, governments may turn, and have turned, to trade barriers to protect their domestic industries against foreign imports, thereby depressing shipping demand. If significant tariffs or other restrictions are imposed on imports by the U.S. and related countermeasures are taken by impacted foreign countries, our business, including operating results, cash flows, and financial condition, may be adversely affected. In April 2025, the U.S. government announced a baseline tariff of 10% on products imported from all countries and an additional individualized reciprocal tariff on the countries with which the United States has the largest trade deficits. Many of these reciprocal tariffs went into effect in August 2025. Some of these tariffs, including the 10% baseline tariff, were imposed under the International Emergency Economic Powers Act (the "IEEPA"). In February 2026, the Supreme Court of the United States struck down the tariffs imposed under the IEEPA. Although the IEEPA tariffs were ruled illegal, tariffs imposed through other measures still remain in effect. Further, President Trump, using the Trade Act of 1974, has implemented a temporary, 150-day, 10% tariff on all imports. The tariff imposed under the Trade Act of 1974 is set to expire on July 24, 2026, and the Trump administration may increase the tariff to 15%. The scope, legitimacy, and durability of current and future tariff measures are uncertain. Increased tariffs by the United States have led and may continue to lead to the imposition of retaliatory tariffs by foreign jurisdictions. These tariffs have been met with reciprocal tariffs, thus increasing the possibility of a global trade war. Additionally, the U.S. government has announced and rescinded multiple tariffs on several foreign jurisdictions, which has increased uncertainty regarding the ultimate effect of the tariffs on economic conditions. If further tariffs are imposed on a broader range of imports, including LNG, or if retaliatory trade measures are enacted by affected countries, these factors could reduce demand for LNG carried by sea, result in the loss of customers, and harm our competitive position in key markets. Additionally, ongoing trade tensions and uncertainty regarding future trade policies could negatively impact global economic conditions and consumer confidence, further affecting our business performance.

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In addition, we may be affected, either directly or indirectly, by continuing political tension in Europe between Russia and Ukraine following Russia's annexation of Crimea through our customer Yamal, which is trading from Russia. The war between Russia and Ukraine may lead to further regional and international conflicts or armed action. This conflict has disrupted supply chains and cause instability in the energy markets and the global economy, with effects on the LNG market, which has experienced volatility.

Beginning in February of 2022, President Biden and several European leaders announced various economic sanctions against Russia in connection with the aforementioned conflicts in Ukraine, which may adversely impact our business, given Russia's role as a major global exporter of crude oil and natural gas. Our business could also be adversely impacted by trade tariffs, trade embargoes or other economic sanctions that limit trading activities by the United States or other countries against countries in the Middle East, Asia or elsewhere as a result of terrorist attacks, hostilities or diplomatic or political pressures.

On March 8, 2022, President Biden issued an executive order prohibiting the import of certain Russian energy products into the United States, including crude oil, petroleum, petroleum fuels, oils, liquefied natural gas and coal. Additionally, the executive order prohibits any investments in the Russian energy sector by U.S. persons, among other restrictions. While much uncertainty remains regarding the global impact of the conflict in Ukraine, especially due to the policies of the Trump administration, it is possible that such tensions could adversely affect our business, financial condition, results of operations and cash flows.

More recently, the war between Israel and Hamas has resulted in increased tensions in the Middle East region, including missile attacks by the Houthis on vessels in the Red Sea. Under a May 2025 agreement, the Houthi militant group declared that it would stop targeting most commercial ships crossing the Red Sea, although in July 2025 the Houthis pledged to target ships belonging to any company that conducts business with Israeli ports, and in September 2025 used a cruise missile and two drones to target a container ship. On October 9, 2025, Israel, Hamas, the United States and other countries in the region agreed to a framework for a ceasefire in Gaza between Israel and Hamas, which if sustained, could reduce regional instability in the Eastern Mediterranean. However, whether the ceasefire will be sustained or will result in a lasting de-escalation of tensions in the region is unknown. In response to the U.S. and Israel's war with Iran, the Houthis have stated that they may resume attacks on shipping vessels. Such circumstances have had and could in the future result in adverse consequences from time to time for LNG shipping.

On January 3, 2026, the U.S. military captured Venezuelan president Nicolás Maduro in a special military operation and replaced him with Venezuela's vice president, Delcy Rodríguez. Under interim president Rodríguez's administration, new sweeping legislation has granted foreign oil companies greater operational control over oil production ventures, reduced the royalties and taxes that they pay to Venezuela's government, and allowed companies to resolve disputes in international venues rather than in Venezuela's legal system. The U.S. has already granted preliminary permission to U.S. entities to negotiate with Petróleos de Venezuela, S.A. (PDVSA), Venezuela's state-owned oil and gas company. Although Venezuela exports almost no natural gas, it holds 70% of the natural gas reserves in Latin America and the Caribbean. If these considerable reserves were exported via a pipeline or other transportation method, it could reduce regional demand for seaborne LNG imports and adversely affect our business. For instance, Venezuela and Colombia are currently connected via a natural gas pipeline that has been dormant since 2015. Were this pipeline made operational again, it could significantly reduce Colombia's need for other sources of imported LNG.

It remains uncertain what the geopolitical and economic impacts of U.S. measures to control the production and global distribution of Venezuela's energy exports will be. Further, the future extent of the U.S. involvement in Venezuela's government and energy sector is unclear. While we are monitoring these developments closely, these circumstances lead to increased uncertainties, the effects of which on our operations and financial conditions, as well as global LNG supply and demand, are difficult if not impossible to predict.

On February 28, 2026, the United States and Israel launched strikes against Iran, killing Iran’s supreme leader Ayatollah Khamenei. In retaliation, Iranian missiles and drones targeted Israel and a number of countries that host US military bases—including Bahrain, the United Arab Emirates, Kuwait, Qatar and Saudi Arabia—and Hezbollah fired projectiles at Israel. In retaliation, Iran has targeted ships in or near the Strait of Hormuz, a waterway essential to global trade, by mining the waterway and attacking vessels with drone and missile strikes, which has significantly compromised the safety of vessels and crew onboard in the region, and has resulted in the effective closure of the Strait of Hormuz to commercial traffic. Many shipping companies have rerouted their vessels away from transiting the Strait of Hormuz, which has significantly affected trading patterns, freight rates, and voyage expenses. While there is significant uncertainty about the duration of the armed conflict in Iran, these events have destabilized the region and may lead to further significant and prolonged disruptions across all sectors of the shipping industry. In addition, public health threats, such as outbreaks of highly communicable diseases or viruses, which have, from time to time, occurred in various parts of the world in which we operate, including China, Japan and South Korea, which may even become pandemics, could lead to a significant decrease of demand for the transportation of crude oil. Such events may also adversely impact our operations, including timely rotation of our crews, the timing of completion of any outstanding or future newbuilding projects or repair works in drydock as well as the operations of our customers. Delayed rotation of crew may adversely affect the mental and physical health of our crew and the safe operation of our vessels as a consequence.

An economic downturn in any of these countries could have a material and adverse effect on our future performance, results of operations, cash flows, financial position and our ability to make distributions to our unitholders.

Failure to comply with the U.S. Foreign Corrupt Practices Act and other applicable anti-bribery legislation in other jurisdictions could result in fines, criminal penalties, contract terminations and an adverse effect on our business.

We may operate in a number of countries throughout the world, including countries known to have a reputation for corruption. We are committed to doing business in accordance with applicable anti-corruption laws and have adopted a code of business conduct and ethics which is consistent and designed to ensure compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended. We are subject, however, to the risk that we, our affiliated entities or our or their respective officers, directors, employees and agents may take actions determined to be in violation of such anti-corruption laws, including the U.S. Foreign Corrupt Practices Act. Any such violation could result in substantial fines, sanctions, civil and/or criminal penalties, curtailment of operations in certain jurisdictions, and might materially and adversely affect our business, results of operations or financial condition and our ability to make distributions to our unitholders. In addition, actual or alleged violations could damage our reputation and ability to do business. Furthermore, detecting, investigating, and resolving actual or alleged violations are expensive and can consume significant time and attention of our senior management.

If our vessels call on ports located in countries or territories that are the subject of sanctions or embargoes imposed by the United States government or other governmental authorities, it could result in the imposition of monetary fines or penalties and adversely affect our reputation and the market for our securities.

Although none of our vessels called on ports located in countries or territories that are the subject of country-wide or territory-wide comprehensive sanctions and/or embargoes imposed by the U.S. government or other applicable governmental authorities (“Sanctioned Jurisdictions”) in violation of applicable sanctions or embargo laws during 2025, and we endeavor to take precautions reasonably designed to mitigate such risks, it is possible that, in the future our vessels may call on ports in Sanctioned Jurisdictions on charterers’ instructions and/or without our consent. If such activities result in a violation of applicable sanctions or embargo laws, we could be subject to monetary fines, penalties, or other sanctions, and our reputation and the market for our common units could be adversely affected.

The sanctions and embargo laws and regulations vary in their application, as they do not all apply to the same covered persons or proscribe the same activities, and such sanctions and embargo laws and regulations may be amended or expanded over time. Current or future counterparties of ours may be affiliated with persons or entities that are or may be in the future the subject of sanctions or embargoes imposed by the U.S., the EU, and/or other international bodies. If we determine that such sanctions or embargoes require us to terminate existing or future contracts to which we, or our subsidiaries are party or if we are found to be in violation of such applicable sanctions or embargoes, our results of operations may be adversely affected, we could face monetary fines or penalties, or we may suffer reputational harm.

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Additionally, although we believe that we have been in compliance with all applicable sanctions and embargo laws and regulations in 2025, and intend to maintain such compliance, there can be no assurance that we will be in compliance in the future, particularly as the scope of certain laws may be unclear and may be subject to changing interpretations. Any such violation could result in fines, penalties or other sanctions that could severely impact our ability to access U.S. capital markets and conduct our business, and could result in some investors deciding, or being required, to divest their interest, or not to invest, in us. In addition, certain institutional investors may have investment policies or restrictions that prevent them from holding securities of companies that have contracts with countries identified by the U.S. government as state sponsors of terrorism. The determination by these investors not to invest in, or to divest from, our common units may adversely affect the price at which our common units trade. Moreover, our charterers may violate applicable sanctions and embargo laws and regulations as a result of actions that do not involve us or our vessels, and those violations could in turn negatively affect our reputation. Investor perception of the value of our common units may be adversely affected by the consequences of war, the effects of terrorism, civil unrest and governmental actions in the countries or territories that we operate in. In addition, charterers and other parties that we have previously entered into contracts with regarding our vessels may be affiliated with persons or entities that are now or may in the future be the subject of sanctions or embargo laws imposed by the U.S. or other applicable governmental bodies, including in response to events relating to Russia and Ukraine. If we determine that such sanctions require us to terminate existing contracts or if we are found to be in violation of such sanctions or embargo laws, we may suffer reputational harm and our results of operations may be adversely affected.

With respect to U.S. sanctions against Russia, the U.S. Office of Foreign Assets Control (OFAC) administers a sectoral sanctions program, which targets specific industries or sectors of the Russian economy. Transactions with companies designated under the Sectoral Sanctions Identifications List (“SSI List”) are not completely prohibited. Under OFAC’s 50 percent rule, a company owned 50 percent or more, in the aggregate by an SSI-Listed entity will also be the subject of the same restrictions as the SSI-Listed entity. We have a chartering relationship with Yamal, which may be indirectly owned 50 percent or more by an SSI-Listed entity under Directive 2 of Executive Order 13662. In addition, pursuant to Executive Order 14066, the U.S. has imposed restrictions on the import into the U.S. of certain energy products from the Russian Federation, as well as new investments in the energy sector of the Russian Federation. Furthermore, on January 10, 2025, the U.S. issued a determination under Executive Order 14024 designating the energy sector of the Russian Federation as the target of sanctions, and imposing sanctions on any person determined to have operated in the energy sector of the Russian Federation economy. In the future, the U.S. may impose greater sanctions, including, but not limited to, by adding Yamal or other counterparties to OFAC’s Specially Designated Nationals and Blocked Persons List (the “SDN List”). In addition, our reputation and the market for our securities may be adversely affected by our engagement in certain other activities, such as our dealings with Yamal or other SSI-Listed entities or their subsidiaries, or if we enter into charters with other individuals or entities in countries that are the subject of U.S. sanctions and embargo laws that are not controlled by the governments of those countries, engage in operations associated with those countries pursuant to contracts with third-parties that are unrelated to those countries or entities controlled by their governments, or otherwise engage in activities that are prohibited by U.S., the European Union or other sanctions to the extent that such sanctions may be applicable.

Yamal employs two of our vessels, the Yenisei River and Lena River, under the Yamal Charters. These vessels, since commencement of the Yamal Charters, have been engaged in the transportation of LNG produced in Russia for discharge at destinations worldwide in compliance with applicable sanctions regulations. However, under the New E.U. Sanctions Regulations, commencing January 1, 2027, these vessels will be restricted from transporting LNG from Russia which would affect the Charterers' ability to continue to employ the vessels in the same manner. The Partnership believes the Yamal Charters remain enforceable notwithstanding the New E.U. Sanctions Regulations, however there can be no assurance that Yamal will share this interpretation, and any disagreement could result in disputes, nonperformance, litigation or early termination of the Yamal Charters, among other things. Furthermore, because we derive, and expect to continue to derive, all of our revenues from a limited number of charterers, our business would be materially adversely affected if we were to determine that we are required because of applicable sanctions, to terminate our relationships with Yamal or any of our other charterers, or if the negative impact of these or any additional sanctions imposed in the future threaten the viability of the Yamal LNG Project or otherwise cause Yamal or any of our other charterers to end their relationships with us. Any of these events could have a material adverse effect on our business, financial condition, and results of operations. See “—Risks Relating to our Partnership—We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business”, and “—Risks Relating to our Partnership—We are subject to certain risks with respect to our contractual counterparties, and failure of such counterparties to perform their obligations under such contracts could cause us to sustain significant losses, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.”

Governments could requisition our vessels during a period of war or emergency, resulting in loss of earnings.

The government of a jurisdiction where one or more of our vessels are registered could requisition for title or seize our vessels. Requisition for title occurs when a government takes control of a vessel and becomes its owner. Also, a government could requisition our vessels for hire. Requisition for hire occurs when a government takes control of a vessel and effectively becomes the charterer at dictated charter rates. Generally, requisitions occur during a period of war or emergency, although governments may elect to requisition ships in other circumstances. Although we would expect to be entitled to government compensation in the event of a requisition of one or more of our vessels, the amount and timing of payments, if any, would be uncertain. A government requisition of one or more of our vessels would result in off-hire days under our time charters and may cause us to breach covenants in debt agreements, and could have a material adverse effect on our business, financial condition, results of operations and cash flows, including cash available for distribution to our unitholders.

Maritime claimants could arrest our vessels, which could interrupt our cash flows.

Crew members, suppliers of goods and services to a vessel, shippers of cargo and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages. In many jurisdictions, a claimant may seek to obtain security for its claim by arresting a vessel through foreclosure proceedings. The arrest or attachment of one or more of our vessels could interrupt our cash flow and require us to pay large sums of money to have the arrest or attachment lifted. In addition, in some jurisdictions, such as South Africa, under the “sister ship” theory of liability, a claimant may arrest both the vessel which is subject to the claimant’s maritime lien and any “associated” vessel, which is any vessel owned or controlled by the same owner. Claimants could attempt to assert “sister ship” liability against a vessel in our Fleet for claims relating to another of our vessels.

We may be subject to litigation that could have an adverse effect on us.

We may in the future be involved from time to time in litigation matters. These matters may include, among other things, contract disputes, personal injury claims, environmental claims or proceedings, toxic tort claims, employment matters, securities class actions claims and governmental claims for taxes or duties as well as other litigation that arises in the ordinary course of our business. We cannot predict with certainty the outcome of any claim or other litigation matter. The ultimate outcome of any litigation matter and the potential costs associated with prosecuting or defending such lawsuits, including the diversion of management’s attention to these matters, could have an adverse effect on us and, in the event of litigation that could reasonably be expected to have a material adverse effect on us, could lead to an event of default under our debt agreements. For information regarding pending litigation claims, see “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Legal Proceedings.”

Risks Relating to our Common Units

The price of our common units may be volatile.

The price of our common units may be volatile and may fluctuate due to factors including:

- our payment of cash distributions to our unitholders;
- actual or anticipated fluctuations in quarterly and annual results;
- fluctuations in the seaborne transportation industry, including fluctuations in the LNG carrier market;
- mergers and strategic alliances in the shipping industry;
- changes in governmental regulations or maritime self-regulatory organization standards;
- shortfalls in our operating results from levels forecasted by securities analysts;
- announcements concerning us or our competitors;
- the failure of securities analysts to publish research about us, or analysts making changes in their financial estimates;
- general economic conditions;
- terrorist acts;
- business interruptions caused by pandemics;
- future sales of our units or other securities;
- investors' perception of us and the LNG shipping industry;
- the general state of the securities market; and
- other developments affecting us, our industry or our competitors.

Securities markets worldwide are experiencing significant price and volume fluctuations. The market price for our common units may also be volatile. This market volatility, as well as general economic, market or political conditions, could reduce the market price of our common units in spite of our operating performance.

The price of our common units has fluctuated in the past, has recently been volatile and may be volatile in the future. The price of our common units may experience rapid and substantial decreases or increases in the foreseeable future that are unrelated to our operating performance or prospects. The stock market in general and the market for shipping companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, investors may experience substantial losses on their investment in our common units. The market price for our common units may be influenced by many factors, including the following:

- investor reaction to our business strategy;
- our continued compliance with the listing standards of NYSE;
- regulatory or legal developments in the United States and other countries, especially changes in laws or regulations applicable to our industry;
- variations in our financial results or those of companies that are perceived to be similar to us;
- our ability or inability to raise additional capital and the terms on which we raise it;
- declines in the market prices of stocks generally;
- trading volume of our common units;
- sales of our common units by us or our unitholders;
- general economic, industry and market conditions;
- an increase in interest rates or reduction in demand for our common units resulting from other relatively more attractive investment opportunities; and
- other events or factors, including those resulting from such events, or the prospect of such events, including war, terrorism and other international conflicts, including the war between Russia and Ukraine, war, political unrest and conflicts in the Middle East or the Houthi crisis in the Red Sea, instability in Venezuela, public health issues including health epidemics or pandemics, adverse weather and climate conditions could disrupt our operations or result in political or economic instability.

These broad market and industry factors may seriously harm the market price of our common units, regardless of our operating performance, and may be inconsistent with any improvements in actual or expected operating performance, financial condition or other indicators of value. Since the price of our common units has fluctuated in the past, has been recently volatile and may be volatile in the future, investors in our common units could incur substantial losses. In the past, following periods of volatility in the market, securities class-action litigation has often been instituted against companies. Such litigation, if instituted against us, could result in substantial costs and diversion of management's attention and resources, which could materially and adversely affect our business, financial condition, results of operations and growth prospects. There can be no guarantee that the price of our common units will remain at current prices.

Additionally, recently, securities of certain companies have experienced significant and extreme volatility in stock price due to short sellers of securities, known as a "short squeeze". These short squeezes have caused extreme volatility in those companies and in the market and have led to the price per share of those companies to trade at a significantly inflated rate that is disconnected from the underlying value of the Partnership. Many investors who purchase shares in those companies at an inflated rate face the risk of losing a significant portion of their original investment as the price per share declines steadily as interest in those stocks abates. While we have no reason to believe our units would be the target of a short squeeze, there can be no assurance that we will not be in the future, and you may lose a significant portion or all of your investment if you purchase our units at a rate that is significantly disconnected from our underlying value.

Unitholders may face liability obligations to repay distributions.

Under some circumstances, unitholders may have to repay amounts wrongfully returned or distributed to them. Under the Partnership Act, we may not make a distribution to our unitholders if the distribution would cause our liabilities to exceed the fair value of our assets. Marshall Islands law provides that for a period of three years from the date of the impermissible distribution, limited partners who received the distribution and who knew at the time of the distribution that it violated Marshall Islands law will be liable to the limited partnership for the distribution amount. Assignees who become substituted limited partners are liable for the obligations of the assignor to make contributions to the Partnership that are known to the assignee at the time it became a limited partner and for unknown obligations if the liabilities could be determined from the Partnership Agreement. Liabilities to partners on account of their partnership interest and liabilities that are non-recourse to the partnership are not counted for purposes of determining whether a distribution is permitted.

We may issue additional equity securities, including securities senior to the common units, without the approval of our common unitholders, which would dilute the ownership interests of the common unitholders.

We may, without the approval of our common unitholders, issue an unlimited number of additional units or other equity securities. In addition, we may issue an unlimited number of units that are senior to the common units in right of distribution, liquidation and voting. These sales could also impair our ability to raise additional capital through the sale of our equity securities in the future. The issuance by us of additional common units or other equity securities of equal or senior rank may have the following effects:

- our existing unitholders' proportionate ownership interest in us will decrease;
- the amount of cash available for distribution per unit may decrease;
- the relative voting strength of each previously outstanding unit may be diminished; and
- the market price of our common units may decline.

We have been organized as a limited partnership under the laws of the Marshall Islands, which does not have a well-developed body of partnership law.

We are organized in the Republic of the Marshall Islands, which does not have a well-developed body of case law or bankruptcy law and, as a result, unitholders may have fewer rights and protections under Marshall Islands law than under a typical jurisdiction in the United States. Our partnership affairs are governed by our Partnership Agreement and by the Partnership Act. The provisions of the Partnership Act resemble the limited partnership laws of a number of states in the United States, most notably Delaware. The Partnership Act also provides that it is to be applied and construed to make it uniform with the Delaware Revised Uniform Partnership Act and, so long as it does not conflict with the Partnership Act or decisions of the Marshall Islands courts, interpreted according to the non-statutory law (or case law) of the State of Delaware. There have been, however, few, if any, court cases in the Marshall Islands interpreting the Partnership Act, in contrast to Delaware, which has a fairly well-developed body of case law interpreting its limited partnership statute. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as the courts in Delaware. For example, the rights of our unitholders and the fiduciary responsibilities of our General Partner under Marshall Islands law are not as clearly established as under judicial precedent in existence in Delaware. As a result, unitholders may have more difficulty in protecting their interests in the face of actions by our General Partner and its officers and directors than would unitholders of a similarly organized limited partnership in the United States. Further, the Republic of the Marshall Islands does not have a well-developed body of bankruptcy law. As such, in the case of a bankruptcy of our Partnership, there may be a delay of bankruptcy proceedings and the ability of unitholders and creditors to receive recovery after a bankruptcy proceeding.

We are a “foreign private issuer” under NYSE rules, and as such we are entitled to exemption from certain corporate governance standards of the NYSE applicable to domestic companies, and holders of our common units may not have the same protections afforded to unitholders of companies that are subject to all of the NYSE corporate governance requirements.

As a “foreign private issuer” under the securities laws of the United States and the rules of the NYSE. We are subject to different disclosure requirements than U.S. domiciled registrants, as well as different financial reporting requirements. As a foreign private issuer, we are exempt under the Exchange Act from, among other things, certain rules prescribing the furnishing and content of proxy statements. On December 18, 2025, the Holding Foreign Insiders Accountable Act was enacted as part of the National Defense Authorization Act for Fiscal Year 2026, and requires directors and officers of foreign private issuers to file Section 16(a) reports (Forms 3, 4, and 5) with the SEC to report beneficial ownership interests in companies, effective on March 18, 2026. In addition, our officers, directors and principal unitholders are exempt from the “short-swing” profit recovery provisions of Section 16 of the Exchange Act and related rules with respect to their purchase and sales of our securities. Our exemption from certain provisions of the rules of Section 16 of the Exchange Act regarding sales of units by insiders means that you may have less data in this regard than shareholders of U.S. companies that are subject to the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act, including the filing of quarterly reports or current reports on Form 8-K. Under the NYSE rules, a “foreign private issuer” is subject to less stringent corporate governance requirements. Subject to certain exceptions, the rules of the NYSE permit a “foreign private issuer” to follow its home country practice in lieu of the listing requirements of the NYSE.

A majority of our directors qualify as independent under the NYSE director independence requirements. However, we cannot assure you that we will continue to maintain an independent board in the future. In addition, we may have one or more non-independent directors serving as committee members on our compensation committee. As a result, non-independent directors may among other things, participate in fixing the compensation of our management, making unit and option awards and resolving governance issues regarding our Partnership.

Accordingly, in the future, holders of our common units may not have the same protections afforded to shareholders of companies that are subject to all of the NYSE corporate governance requirements.

On June 4, 2025, the SEC issued a concept release seeking public comment on whether to amend the current eligibility criteria for foreign private issuer status under the U.S. securities laws to better balance investor protection and capital formation. This marks the first comprehensive review of the FPI regulatory framework since 2008 and signals a potential material shift in the FPI regulatory framework. While no rule changes have been proposed yet, any future amendments could impact our eligibility to qualify as a foreign private issuer.

For a description of our corporate governance practices, please see “Item 6. Directors, Senior Management and Employees.”

Because we are organized under the laws of the Marshall Islands, it may be difficult to serve us with legal process or enforce judgments against us, our directors or our management.

We are organized under the laws of the Marshall Islands, and substantially all of our assets are located outside of the United States. In addition, our directors and officers generally are or will be non-residents of the United States, and all or a substantial portion of the assets of these non-residents are located outside the United States. As a result, it may be difficult or impossible for holders of our common units to bring an action against us or against these individuals in the United States if they believe that their rights have been infringed under securities laws or otherwise. Even if holders of our common units are successful in bringing an action of this kind, the laws of the Marshall Islands and of other jurisdictions may prevent or restrict them from enforcing a judgment against our assets or the assets of our directors or officers.

Our Partnership Agreement designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for any claims, suits, actions or proceedings, unless otherwise provided for by Marshall Islands law, for certain litigation that may be initiated by our unitholders, which could limit our unitholders' ability to obtain a favorable judicial forum for disputes with the Partnership.

Our Partnership Agreement provides that, unless otherwise provided for by Marshall Islands law, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any claims that:

- arise out of or relate in any way to the Partnership Agreement (including any claims, suits or actions to interpret, apply or enforce the provisions of the Partnership Agreement or the duties, obligations or liabilities among limited partners or of limited partners to us, or the rights or powers of, or restrictions on, the limited partners or us);
- are brought in a derivative manner on our behalf;
- assert a claim of breach of a fiduciary duty owed by any director, officer or other employee of us or our General Partner, or owed by our General Partner, to us or the limited partners;
- assert a claim arising pursuant to any provision of the Partnership Act; or
- assert a claim governed by the internal affairs doctrine,

regardless of whether such claims, suits, actions or proceedings found in contract, tort, fraud or otherwise, are based on common law, statutory, equitable, legal or other grounds, or are derivative or direct claims. Any person or entity purchasing or otherwise acquiring any interest in our common units shall be deemed to have notice of, and to have consented to, the provisions described above. This forum selection provision may limit our unitholders' ability to obtain a judicial forum that they find favorable for disputes with us or our directors, officers or other employees or unitholders.

Provisions in our organizational documents may have anti-takeover effects.

Our Partnership Agreement contains provisions that could make it more difficult for a third party to acquire us without the consent of our Board of Directors. These provisions require the approval of our Board of Directors and prior consent of our General Partner in order to effect an acquisition.

These provisions could also make it difficult for our unitholders to replace or remove our current Board of Directors or could have the effect of discouraging, delaying or preventing an offer by a third party to acquire us, even if the third party's offer may be considered beneficial by many unitholders. As a result, unitholders may be limited in their ability to obtain a premium for their common units.

Risks Relating to our Indebtedness

Our debt levels could limit our liquidity and flexibility in obtaining additional financing and in pursuing other business opportunities.

As of December 31, 2025, we had total outstanding long-term debt of approximately \$278.7 million, consisting of amounts outstanding under our 2024 Lease Financing. We expect that a large portion of our cash flow from operations will be used to repay the principal and interest on our outstanding indebtedness.

Our current indebtedness and future indebtedness that we may incur could affect our future operations, as a significant portion of our cash flow from operations will be dedicated to the payment of interest and principal on such debt and will not be available for other purposes. Our debt levels may limit our flexibility in obtaining additional financing, pursuing other business opportunities and paying distributions to unitholders. Covenants contained in our debt agreements may affect our flexibility in planning for, and reacting to, changes in our business or economic conditions, limit our ability to dispose of assets or place restrictions on the use of proceeds from such dispositions, withstand current or future economic or industry downturns and compete with others in our industry for strategic opportunities, and limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions, general corporate and other purposes and our ability to make distributions to our unitholders.

Furthermore, charterhire principal amounts under our 2024 Lease Financing are amortized over five years with respect to the *OB River*, the *Clean Energy* and the *Amur River* and ten years for the *Arctic Aurora*. At the end of each charter period, we may not be able to repay or refinance outstanding amounts under the 2024 Lease Financing on terms acceptable to us or at all. Our ability to obtain additional financing or refinance our existing indebtedness on terms acceptable to us may depend on, among other things, the actual or perceived creditworthiness of our charterers, the market value of our fleet, and market conditions at that time. If we are unable to meet our debt obligations and we default under our 2024 Lease Financing, our lessors thereunder could, among other things, repossess the vessels and foreclose their liens on the other assets securing our 2024 Lease Financing, which would impair our ability to continue to conduct our business. Please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Our Borrowing Activities—2024 Lease Financing.”

Our ability to service our debt will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, some of which are beyond our control. If our operating results are not sufficient to service our current or future indebtedness, we will be forced to take actions such as reducing or eliminating distributions to our unitholders, reducing or delaying our business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing our debt, or seeking additional equity capital or bankruptcy protection. We may not be able to effect any of these remedies on satisfactory terms, or at all.

We may be unable to comply with covenants in our debt agreements or any future financial obligations that impose operating and financial restrictions on us.

Certain of our existing and future debt agreements, which may be secured by mortgages on our vessels, impose and will impose certain operating and financial restrictions on us, including ensuring that the outstanding amount of the debt agreement does not exceed a certain percentage of the aggregate fair market value of the mortgaged vessel(s) under the loan agreement, restricting our operations or ability to incur additional debt, pay distributions consistent with our past practices or issue equity that would result in our Sponsor ceasing to directly own the majority of our total common partnership interest. The operating and financial restrictions and covenants in our 2024 Lease Financing and any new or amended debt agreements we enter into in the future, could adversely affect our ability to finance future operations or capital needs or to engage, expand or pursue our business activities.

Should our charter rates or vessel values materially decline in the future, we may seek to obtain waivers or amendments from our lenders with respect to such financial ratios and covenants, or we may be required to take action to reduce our debt or to act in a manner contrary to our business objectives to meet any such financial ratios and satisfy any such financial covenants. Events beyond our control, including changes in the economic and business conditions in the shipping markets in which we operate, interest rate developments, changes in the funding costs of our banks, changes in vessel earnings and asset valuations, sanctions imposed against Russia, outbreaks of epidemic and pandemic of diseases may affect our ability to comply with these covenants. We cannot assure you that we will meet these ratios or satisfy these covenants or that our lenders will waive any failure to do so or amend these requirements.

The operating restrictions contained in our existing and future debt agreements may prohibit or otherwise limit our ability to, among other things:

- obtain additional financing, if necessary, for working capital, capital expenditures, acquisitions or other purposes on favorable terms, or at all;
- make distributions to unitholders;
- incur additional indebtedness, create liens or issue guarantees;
- charter our vessels or change the terms of our existing charter agreements;
- sell, transfer or lease our assets or vessels or the shares of our vessel-owning subsidiaries;

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- make investments and capital expenditures;
- reduce our partners' capital; and
- undergo a change in ownership or Manager.

A breach of any of the covenants in, or our inability to maintain the required financial ratios under, our current or future debt agreements would prevent us from borrowing additional money under such debt agreements and could result in a default thereunder. Therefore, we may need to seek permission from our lenders or lessors in order to engage in some actions. Our lenders' or lessors' interests may be different from ours and we may not be able to obtain our lenders' permission when needed. This may limit our ability to pay distributions on our Series A Preferred Units, finance our future operations or capital requirements, make acquisitions or pursue business opportunities.

In addition, our debt agreements or other future financing arrangements may prohibit the payment of distributions to our Series A preferred unitholders upon the occurrence of events of default under our debt agreement, which may include, among other things, the following:

- failure to pay any principal, interest, fees, expenses or other amounts when due;
- failure to observe any other agreement, security instrument, obligation or covenant beyond specified cure periods in certain cases;
- default under other indebtedness;
- an event of insolvency or bankruptcy; and
- failure of any representation or warranty to be materially correct.

A violation of any of the provisions contained in our existing or future debt agreements may constitute an event of default under such debt agreement, which, unless cured or waived or modified by our lenders, provides our lenders with the right to, among other things, declare the outstanding debt, together with accrued interest and other fees, to be immediately due and payable, or to require us to post additional collateral, enhance our equity and liquidity, increase our interest payments, pay down our indebtedness to a level where we are in compliance with our loan covenants, sell vessels in our Fleet, reclassify our indebtedness as current liabilities and accelerate our indebtedness and foreclose their liens on our vessels and the other assets securing our debt agreements, which would impair our ability to continue to conduct our business.

See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources."

Risks Relating to our Series A Preferred Units

Our Series A Preferred Units are subordinate to our indebtedness and the interests of holders of Series A Preferred Units could be diluted by the issuance of additional preferred units, including additional Series A Preferred Units, and by other transactions.

Our Series A Preferred Units are subordinated to all of our existing and future indebtedness. The payment of principal and interest on our debt reduces cash available for distributions and therefore, our ability to pay distributions on, redeem at our option or pay the liquidation preference on our Series A Preferred Units in liquidation or otherwise may be subject to prior payments due to the holders of our indebtedness.

The issuance of additional limited partner interests on a parity with or senior to our Series A Preferred Units would dilute the interests of the holders of our Series A Preferred Units, and any issuance of senior securities or parity securities or additional indebtedness could affect our ability to pay distributions on, redeem or pay the liquidation preference on our Series A Preferred Units. No provisions relating to our Series A Preferred Units protect the holders of our Series A Preferred Units, in the event of a highly leveraged or other transaction, including a merger or the sale, lease or conveyance of all or substantially all of our assets or business, which might adversely affect the holders of our Series A Preferred Units.

In the event of any liquidation event, the amount of your liquidation preference is fixed and you will have no right to receive any greater payment regardless of the circumstances.

In the event of any liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, the payment due upon a liquidation event is fixed at a redemption price of \$25.00 per unit plus an amount equal to all accumulated and unpaid distributions up to, and including, the date of liquidation. If, in the case of a liquidation event, there are remaining assets to be distributed after payment of this amount, you will have no right to receive or to participate in these amounts. Furthermore, if the market price of your Series A Preferred Units is greater than the applicable liquidation preference, you will have no right to receive the market price from us upon our liquidation.

As a holder of Series A Preferred Units, you have extremely limited voting rights.

Your voting rights as a holder of Series A Preferred Units are extremely limited. Our common units are the only class of limited partner interests carrying full voting rights. Holders of the Series A Preferred Units generally have no voting rights. However, in the event that six quarterly distributions, whether consecutive or not, payable on our Series A Preferred Units or any other parity securities (if applicable), are in arrears, the holders of such Series A Preferred Units will have the right, voting together as a class with all other classes or series of parity securities (if applicable) upon which like voting rights have been conferred and are exercisable, to elect one additional director to serve on our Board of Directors, and the size of our Board of Directors will be increased as needed to accommodate such change (unless the holders of Series A Preferred Units and parity securities (if applicable) upon which like voting rights have been conferred, voting as a class, have previously elected a member of our Board of Directors, and such director continues then to serve on the Board of Directors). The right of such holders of Series A Preferred Units to elect a member of our Board of Directors will continue until such time as all accumulated and unpaid distributions on the Series A Preferred Units have been paid in full.

Market interest rates may adversely affect the value of our Series A Preferred Units.

One of the factors that will influence the price of our Series A Preferred Units will be the distribution yield on such Series A Preferred Units (as a percentage of the price of our Series A Preferred Units) relative to market interest rates. An increase in market interest rates may lead prospective purchasers of our Series A Preferred Units to expect a distribution yield higher than what is paid on the applicable Series A Preferred Units, and higher interest rates would likely increase our borrowing costs which could potentially decrease funds available for distributions to our unitholders. Accordingly, higher market interest rates could cause the market price of our Series A Preferred Units to decrease.

The Series A Preferred Units are redeemable at our option.

We may redeem, at our option, all or, from time to time, part of the Series A Preferred Units after August 12, 2020. If we redeem your Series A Preferred Units, you will be entitled to receive a redemption price equal to \$25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption. It is likely that we would choose to exercise our optional redemption right only when prevailing interest rates have declined, which would adversely affect your ability to reinvest your proceeds from the redemption in a comparable investment with an equal or greater yield to the yield on the applicable series of the preferred units had such series of preferred units not been redeemed. We may elect to exercise our partial redemption right on multiple occasions.

On May 27, 2025, we exercised our option to redeem, in full, 2,200,000 of our 8.75% Series B Fixed to Floating Rate Cumulative Redeemable Perpetual Preferred Units (the "Series B Preferred Units"), representing all of the Series B Preferred Units that were issued and outstanding.

We continuously evaluate potential transactions which we believe enhance unitholder value or are in the best interests of the Partnership, the announcement of which may have an adverse effect on unitholders and other stakeholders.

We continuously evaluate potential transactions that we believe will be accretive to earnings, enhance unitholder value or are in the best interests of the Partnership, which may include pursuit of other business combinations, the acquisition of vessels or related businesses, the expansion of our operations, repayment of existing debt, unit repurchases, short term investments, going private transactions or other transactions. The announcement and pendency of any such transaction could have an adverse effect on our unitholders, relationships with customers and third-party service providers.

Risks Relating to Conflicts of Interest

Our Sponsor, our General Partner and their respective affiliates own a significant interest in us and have conflicts of interest and limited duties to us and our common unitholders, which may permit them to favor their own interests to your detriment.

Members of the Prokopiou Family control our Sponsor, our Manager and our General Partner. As of April 8, 2026, our Sponsor owned 15,595,000 of our common units, representing approximately 42.9% of the outstanding common units and our General Partner owns a 0.1% General Partner interest in us and 100% of our incentive distribution rights and therefore may have considerable influence over our actions. The interests of our Sponsor and the members of the Prokopiou Family may be different from your interests and the relationships described above could create conflicts of interest. We cannot assure you that any conflicts of interest will be resolved in your favor.

Conflicts of interest exist and may arise in the future as a result of the relationships between our General Partner and its affiliates, including Dynagas Holding Ltd., on the one hand, and us and our unaffiliated limited partners, on the other hand. Our General Partner has a fiduciary duty to make any decisions relating to our management in a manner beneficial to us and our unitholders. Similarly, our Board of Directors has fiduciary duties to manage us in a manner beneficial to us, our General Partner and our limited partners. Certain of our officers and directors will also be officers of our Sponsor or its affiliates and will have fiduciary duties to our Sponsor or its affiliates that may cause them to pursue business strategies that disproportionately benefit our Sponsor or its affiliates or which otherwise are not in the best interests of us or our unitholders. As a result of these relationships, conflicts of interest may arise between us and our unaffiliated limited partners on the one hand, and our Sponsor and its affiliates, including our General Partner, on the other hand. Although a majority of our directors are elected by our common unitholders, our General Partner, through its appointed directors, has certain influence on decisions made by our Board of Directors. Our Board of Directors has a Conflicts Committee comprised of independent directors. Our Board of Directors may, but is not obligated to, seek approval of the Conflicts Committee for resolutions of conflicts of interest that may arise as a result of the relationships between our Sponsor and its affiliates, on the one hand, and us and our unaffiliated limited partners, on the other hand. The resolution of these conflicts may not be in the best interest of us or our unitholders. We, our officers and directors and our General Partner will not owe any fiduciary duties to holders of the Series A Preferred Units other than a contractual duty of good faith and fair dealing pursuant to the Partnership Agreement. There can be no assurance that a conflict of interest will be resolved in favor of us.

These conflicts include, among others, the following situations:

- neither our Partnership Agreement nor any other agreement requires our Sponsor or our General Partner or their respective affiliates to pursue a business strategy that favors us or utilizes our assets, and their officers and directors have a fiduciary duty to make decisions in the best interests of their respective unitholders, which may be contrary to our interests;
- our Partnership Agreement provides that our General Partner may make determinations or take or decline to take actions without regard to our or our unitholders' interests. Specifically, our General Partner may exercise its call right, pre-emptive rights, registration rights or right to make a determination to receive common units in exchange for resetting the target distribution levels related to the incentive distribution rights, consent or withhold consent to any merger or consolidation of the Partnership, appoint certain directors or vote for the election of any director, vote or refrain from voting on amendments to our Partnership Agreement that require a vote of the outstanding units, voluntarily withdraw from the Partnership, transfer (to the extent permitted under our Partnership Agreement) or refrain from transferring its units, the General Partner interest or incentive distribution rights or vote upon the dissolution of the Partnership;
- our General Partner and our directors and officers have limited their liabilities and any fiduciary duties they may have under the laws of the Marshall Islands, while also restricting the remedies available to our unitholders, and, as a result of purchasing common units, unitholders are treated as having agreed to the modified standard of fiduciary duties and to certain actions that may be taken by the General Partner and our directors and officers, all as set forth in the Partnership Agreement;
- our General Partner and our Manager are entitled to reimbursement of all reasonable costs incurred by them and their respective affiliates for our benefit; our Partnership Agreement does not restrict us from paying our General Partner and our Manager or their respective affiliates for any services rendered to us on terms that are fair and reasonable or entering into additional contractual arrangements with any of these entities on our behalf;

- our General Partner may exercise its right to call and purchase our common units if it and its affiliates own more than 80% of our common units; and is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon the exercise of its limited call right; and
- although a majority of our directors are elected by common unitholders, our General Partner will likely have substantial influence on decisions made by our Board of Directors.

Our General Partner has limited its liability regarding our obligations.

Our General Partner has limited its liability under contractual arrangements so that the other party has recourse only to our assets and not against our General Partner or any affiliate of our General Partner, or any of their respective assets. The Partnership Agreement provides that any action taken by our General Partner to limit its or our liability is not a breach of our General Partner's fiduciary duties owed to common unitholders or a breach of our General Partner's contractual duty of good faith and fair dealing to holders of the Series A even if we could have obtained terms that are more favorable without the limitation on liability.

Neither our Partnership Agreement nor any other agreement requires our Sponsor to pursue a business strategy that favors us or utilizes our assets or dictates what markets to pursue or grow. Our Sponsor's directors and executive officers have a fiduciary duty to make these decisions in the best interests of the shareholders of our Sponsor, which may be contrary to our interests.

Because certain of our officers and directors are also officers of our Sponsor and its affiliates, such directors have fiduciary duties to our Sponsor and its affiliates that may cause them to pursue business strategies that disproportionately benefit our Sponsor, or which are otherwise not in the best interests of us or our unitholders.

Our General Partner is allowed to take into account the interests of parties other than us, such as our Sponsor.

Our Partnership Agreement contains provisions that reduce the standards to which our General Partner would otherwise be held by Marshall Islands fiduciary duty law. For example, our Partnership Agreement permits our General Partner to make a number of decisions in its individual capacity, as opposed to in its capacity as our General Partner. This entitles our General Partner to consider only the interests and factors that it desires, and it has no duty or obligations to give any consideration to any interest of or factors affecting us, our affiliates or any unitholder. Decisions made by our General Partner in its individual capacity will be made by its sole owner, Dynagas Holding Ltd. Specifically, our General Partner will be considered to be acting in its individual capacity if it exercises its call right, pre-emptive rights, registration rights or right to make a determination to receive common units in a resetting of the target distribution levels related to its incentive distribution rights, consents or withholds consent to any merger or consolidation of the Partnership, appoints any directors or votes for the election of any director, votes or refrains from voting on amendments to our Partnership Agreement that require a vote of the outstanding units, voluntarily withdraws from the Partnership, transfers (to the extent permitted under our Partnership Agreement) or refrains from transferring its units, General Partner interest or incentive distribution rights it owns or votes upon the dissolution of the Partnership.

Substantial future sales of our common units in the public market could cause the price of our common units to fall.

We have granted registration rights to our Sponsor and certain its affiliates pursuant to our Partnership Agreement. These unitholders have the right, subject to some conditions, to require us to file registration statements covering any of our common or other equity securities owned by them or to include those securities in registration statements that we have or may file for ourselves or other unitholders. As of the date of this annual report, our Sponsor owns 15,595,000 common units. Following their registration and sale under the applicable registration statement, those securities will become freely tradable. Any sale by our Sponsor of a number of our common units or other securities could cause the price of our common units to decline.

Common unitholders and holders of our Series A Preferred Units have no right to enforce obligations of our General Partner and its affiliates under agreements with us.

Any agreements between us, on the one hand, and our General Partner and its affiliates, on the other, do not and will not grant to the holders of our common units and Series A Preferred Units separate and apart from us, the right to enforce the obligations of our General Partner and its affiliates in our favor.

Contracts between us, on the one hand, and our General Partner and its affiliates, on the other, will not be the result of arm’s-length negotiations.

Neither our Partnership Agreement nor any of the other agreements, contracts and arrangements between us and our General Partner and its affiliates are or will be the result of arm’s-length negotiations. Our Partnership Agreement generally provides that any affiliated transaction, such as an agreement, contract or arrangement between us and our General Partner and its affiliates, must be:

- on terms no less favorable to us than those generally being provided to or available from unrelated third-parties; or
- “fair and reasonable” to us, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to us).

Our Manager, which provides our executive officers and certain management and administrative services to us, may also enter into additional contractual arrangements with any of its affiliates on our behalf; however, there is no obligation of any affiliate of our Manager to enter into any contracts of this kind.

Common units are subject to our General Partner’s limited call right.

Our General Partner may exercise its right to call and purchase common units as provided in the Partnership Agreement or assign this right to one of its affiliates or to us. Our General Partner may use its own discretion, free of fiduciary duty restrictions, in determining whether to exercise this right. Our General Partner is not obligated to obtain a fairness opinion regarding the value of the common units to be repurchased by it upon the exercise of this limited call right. As a result, a common unitholder may have common units purchased from the unitholder at an undesirable time or price.

We may choose not to retain separate counsel for ourselves or for the holders of common units.

The attorneys, independent accountants and others who perform services for us have been retained by our Board of Directors. Attorneys, independent accountants and others who perform services for us are selected by our Board of Directors or the Conflicts Committee and may perform services for our General Partner and its affiliates. We may retain separate counsel for ourselves or the holders of common units in the event of a conflict of interest between our General Partner and its affiliates, on the one hand, and us or the holders of common units, on the other, depending on the nature of the conflict. We do not intend to do so in most cases.

Tax Risks

In addition to the following risk factors, please see “Item 10. Additional Information—E. Taxation” for a more complete discussion of the material Marshall Islands and United States federal income tax consequences of owning and disposing of our common units and Series A Preferred Units.

We may be subject to taxes, which will reduce our cash available for distribution to our unitholders.

We and our subsidiaries may be subject to tax in the jurisdictions in which we are organized or operate, reducing the amount of cash available for distribution. In computing our tax obligation in these jurisdictions, we are required to take various tax accounting and reporting positions on matters that are not entirely free from doubt and for which we have not received rulings from the governing authorities. We cannot assure you that upon review of these positions the applicable authorities will agree with our positions. A successful challenge by a tax authority could result in additional tax imposed on us or our subsidiaries, further reducing the cash available for distribution. In addition, changes in our operations or ownership could result in additional tax being imposed on us or our subsidiaries in jurisdictions in which operations are conducted. Please see “Item 10. Additional Information—E. Taxation.”

We may have to pay tax on United States-source income, which would reduce our earnings and cash flow.

Under the Code, the United States source gross transportation income of a ship-owning or chartering corporation, such as ourselves, generally is subject to a 4% United States federal income tax, unless such corporation qualifies for exemption from tax under a tax treaty or Section 883 of the Code and the Treasury Regulations promulgated thereunder. U.S. source gross transportation income consists of 50% of the gross shipping income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States.

We believe we qualified for this statutory tax exemption for our taxable year ended December 31, 2025, and we intend to take this position for United States federal income tax reporting purposes. However, there are factual circumstances beyond our control that could cause us to lose the benefit of this tax exemption in future taxable years and thereby become subject to the 4% United States federal income tax described above. It is noted that holders of our common units are limited to owning 4.9% of the voting power of such common units. Assuming that such limitation is treated as effective for purposes of determining voting power under Section 883, then our 5% Unitholders could not own 50% or more of our common units. If contrary to these expectations, our 5% Unitholders were to own 50% or more of the common units, we would not qualify for exemption under Section 883 unless we could establish that among the closely-held group of 5% Unitholders, there are sufficient 5% Unitholders that are qualified shareholders for purposes of Section 883 to preclude non-qualified 5% Unitholders in the closely-held group from owning 50% or more of our common units for more than half the number of days during the taxable year. In order to establish this, sufficient 5% Unitholders that are qualified shareholders would have to comply with certain documentation and certification requirements designed to substantiate their identity as qualified shareholders. These requirements are onerous and there can be no assurance that we would be able to satisfy them. The imposition of this taxation could have a negative effect on our business and would result in decreased earnings and cash available for distribution payments to our unitholders. For a more detailed discussion, see “Item 10. Additional Information—E. Taxation.”

United States tax authorities could treat us as a “passive foreign investment company,” which would have adverse United States federal income tax consequences to United States unitholders.

A non-U.S. entity treated as a corporation for United States federal income tax purposes will be treated as a “passive foreign investment company” (or PFIC) for U.S. federal income tax purposes if at least 75% of its gross income for any taxable year consists of “passive income” or at least 50% of the average value of its assets produce, or are held for the production of, “passive income.” For purposes of these tests, “passive income” includes dividends, interest, gains from the sale or exchange of investment property, and rents and royalties other than rents and royalties that are received from unrelated parties in connection with the active conduct of a trade or business. For purposes of these tests, income derived from the performance of services does not constitute “passive income.” U.S. shareholders of a PFIC are subject to a disadvantageous United States federal income tax regime with respect to the income derived by the PFIC, the distributions they receive from the PFIC, and the gain, if any, they derive from the sale or other disposition of their interests in the PFIC. Based on our current and projected method of operation, we believe that we were not a PFIC in the year ended December 31, 2025 and do not expect to be a PFIC for any future taxable year. For this purpose, we intend to take the position that the income our subsidiaries earned from certain of our time-chartering activities should not constitute passive income for purposes of determining whether we are a PFIC.

Our position is not free from doubt, and it is possible that the United States Internal Revenue Service, or the IRS, or a court could disagree with this position. In addition, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC with respect to each taxable year, we cannot assure you that the nature of our operations will not change in the future and that we will not become a PFIC in any taxable year. If the IRS were to find that we are or have been a PFIC for any taxable year (and regardless of whether we remain a PFIC for subsequent taxable years), our U.S. unitholders would face adverse United States federal income tax consequences. See “Item 10. Additional Information—E. Taxation” for a more detailed discussion of the United States federal income tax consequences to United States unitholders if we are treated as a PFIC.

Pending and future tax law changes may result in significant additional taxes to us.

Pending and future tax law changes may result in significant additional taxes to us. For example, the Organization for Economic Cooperation and Development published a “Programme of Work,” which was divided into two pillars. Pillar One focused on the allocation of group profits among taxing jurisdictions based on a market-based concept rather than the historical “permanent establishment” concept. Pillar Two, among other things, introduced a global minimum tax. The foregoing proposals (in the event international consensus is achieved and implementing laws are adopted) and other possible future tax changes may have an adverse impact on us. Any requirement or legislation that requires us to pay more tax could have a material adverse effect on our business, results of operations, cash flows and financial condition and our ability to pay distributions.

ITEM 4. INFORMATION ON THE PARTNERSHIP

A. HISTORY AND DEVELOPMENT OF THE PARTNERSHIP

Dynagas LNG Partners LP was organized as a limited partnership in the Republic of the Marshall Islands on May 30, 2013 for the purpose of owning, operating, and acquiring LNG carriers and other business activities incidental thereto. In October 2013, we acquired from our Sponsor three LNG carriers, the *Clean Energy*, the *Ob River* and the *Amur River* (formerly named the *Clean Force*), which we refer to as our Initial Fleet. In November 2013, we completed our underwritten initial public offering (our “IPO”), pursuant to which the Partnership offered and sold 8,250,000 common units to the public at \$18.00 per common unit, and in connection with the closing of the IPO, the Partnership’s Sponsor, Dynagas Holding Ltd., a company beneficially wholly owned by Mr. Georgios Prokopiou, the Partnership’s Chairman and major unitholder and certain of his close family members, offered and sold 4,250,000 common units to the public at \$18.00 per common unit. In connection with the IPO, we entered into certain agreements, including the Omnibus Agreement with our Sponsor, which, at that time, provided us with a limited right to purchase certain identified LNG carrier vessels at a purchase price to be determined pursuant to the terms and conditions contained therein. Following our IPO, we expanded our Initial Fleet and in 2014 and 2015 we acquired the *Arctic Aurora*, the *Yenisei River* and the *Lena River*, each a 2013-built ice class liquefied natural gas carrier, and the related time charter contracts, from our Sponsor, pursuant to our right to acquire such vessels under the Omnibus Agreement in effect at that time.

As of April 8, 2026, we had outstanding 36,382,011 common units, 35,526 general partner units, and 3,000,000 Series A Preferred Units, and as of the same date, our Sponsor beneficially owned approximately 42.9% of the equity interests in the Partnership (excluding the Series A Preferred Units) and 100% of our General Partner, which owns a 0.1% General Partner interest in the Partnership and 100% of our incentive distribution rights. Our Sponsor does not own any Series A Preferred Units. Our common units and our Series A Preferred Units trade on the NYSE under the symbols “DLNG,” and “DLNG PR A” respectively.

Our principal executive offices are located at Poseidonos Avenue and Foivis 2 Street 166-74 Glyfada, Athens, Greece. Our telephone number at that address is +30 210 891 7960. Our website is www.dynagaspartners.com. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of the SEC’s internet site is <http://www.sec.gov>. None of the information contained on these websites is incorporated into or forms a part of this annual report. For more information, please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Our Borrowing Activities.”

B. BUSINESS OVERVIEW

Since our IPO in November 2013, we have been a limited partnership focused on owning and operating LNG carriers growing our fleet from three vessels at the time of our IPO to six vessels at the end of 2015. However, as a result of the significant challenges facing the listed midstream energy Master Limited Partnership (“MLP”) industry, our cost of equity capital remained elevated for a prolonged period, making the funding of new acquisitions challenging. All of the vessels in our Fleet are currently contracted on multi-year time charters with international energy companies, including SEFE, Equinor, Yamal, and Rio Grande, which we expect will provide us with the benefits of fixed-fee contracts, predictable cash flows and high utilization rates.

We are currently focusing our capital allocation on debt repayment, prioritizing balance sheet strength, in order to reposition the Partnership for potential future growth if our cost of capital allows us to access debt and equity capital on acceptable terms. As a result, if we are able to raise new debt or equity capital on terms acceptable to the Partnership in the future, we intend to leverage the reputation, expertise and relationships with our charterers, our Sponsor and our Manager in growing our core business and potentially pursuing further business and growth opportunities in transportation of energy or other energy-related projects including floating storage regassification units, LNG infrastructure projects, maintaining cost-efficient operations and providing reliable seaborne transportation services to our current and prospective charterers. In addition, as opportunities arise, we may acquire additional vessels from our Sponsor and from third-parties and/or engage in investment opportunities in the general shipping industry or incidental to the LNG or energy industry. In connection with such plans for growth, we may enter into additional financing arrangements, refinance existing arrangements or arrangements that our Sponsor, its affiliates, or such third-party sellers may have in place for vessels and businesses that we may acquire, and, subject to favorable market conditions, we may raise capital in the public or private markets, including through incurring additional debt, debt or equity offerings of our securities or in other transactions. However, we cannot assure you that we will grow or maintain the size of our Fleet or that we will continue to pay the per unit distributions in the amounts that we have paid in the past or at all or that we will be able to execute our plans for growth. For further information on the risks associated with our business, please see “Item 3. Key Information—D. Risk Factors.”

Our Fleet

As of December 31, 2025, we owned and operated a fleet of six LNG carriers, consisting of the three modern steam turbine LNG carriers, the *Clean Energy*, the *Ob River* and the *Amur River* (formerly named the *Clean Force*), and three modern tri-fuel diesel electric (“TFDE”) propulsion technology Ice Class LNG carriers, the *Arctic Aurora*, the *Yenisei River*, and the *Lena River*; which we collectively refer to as our “Fleet.” As of December 31, 2025, the vessels in our Fleet had an average age of 15.4 years and are contracted under multi-year charters with an average remaining charter term of approximately 5.1 years. All of the vessels in our Fleet are currently employed on multi-year time charters with international energy companies such as SEFE, Equinor, Yamal, and Rio Grande.

As of the date of this annual report, the estimated contracted revenue backlog of our Fleet was approximately \$0.80 billion, \$0.09 billion of which is a variable hire element contained in certain time charter contracts with Yamal. The variable hire rate on these time charter contracts with Yamal is calculated based on two components—a capital cost component and an operating cost component. The capital cost component is a fixed daily amount. The daily amount of the operating cost component, which is intended to pass the operating costs of the vessel to the charterer in their entirety including dry-docking costs, is set annually and adjusted at the end of each quarter to compensate us for the actual costs we incur in operating the vessel. Dry-docking expenses are budgeted in advance within the year of the dry-dock and are reimbursed by Yamal through advance payments, with any remaining balance settled immediately upon completion of the dry-docking. The actual amount of revenues earned in respect of such operating cost component of such variable hire rate may therefore differ from the amounts included in the revenue backlog estimate due to the annual variations in the respective vessels’ operating costs. As of the date of this annual report, the average remaining contract duration was approximately 4.8 years. The estimated contracted revenue backlog of our Fleet excludes options to extend and assumes full utilization for the full term of the charter. The actual amount of revenues earned and the actual periods during which revenues are earned may differ from the amounts and periods described above due to, for example, off-hire for maintenance projects, downtime, scheduled or unscheduled dry-docking, cancellation or early termination of vessel employment agreements, and other factors that may result in lower revenues than our average contract backlog per day. Our Fleet is managed by our Manager, Dynagas Ltd., a company controlled by Mr. Georgios Prokopiou. See “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions.”

All of the vessels in our Fleet, other than the *Clean Energy*, have been assigned with Lloyds Register Ice Class notation 1A FS, or Ice Class, equivalent to ARC4 of the Russian Maritime Register of Shipping Rules, designation for hull and machinery and are fully winterized, which means that they are designed to call at ice-bound and harsh environment terminals and to withstand temperatures up to minus 30 degrees Celsius. According to Drewry, as of February 2026, only 42 LNG carriers, representing 5.0% of the LNG vessels in the global LNG fleet, have an Ice Class 1A and Ice-class 1A super designation or equivalent rating. Moreover, in 2012, we were the first company in the world to operate LNG carriers on the Northern Sea Route, which is a shipping lane from the Atlantic Ocean to the Pacific Ocean entirely in Arctic waters, and our Manager continues to be one of a limited number of vessel operators to currently do so. In addition, we believe that each of the vessels in our Fleet is optimally sized with a carrying capacity of between approximately 150,000 and 155,000 cbm, which allows us to maximize operational flexibility as such medium-to-large size LNG vessels are compatible with most existing LNG terminals around the world. We believe that these specifications enhance our trading capabilities and future employment opportunities because they provide greater diversity in the trading routes available to our charterers.

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We believe that the key characteristics of each of the vessels in our Fleet include the following:

- optimal sizing with a carrying capacity of between approximately 150,000 and 155,000 cbm (which is a medium- to large-size class of LNG carrier) that maximizes operational flexibility as such vessel is compatible with most existing LNG terminals around the world;
- the vessels in our Fleet consist of two series of sister vessels, which are vessels built at the same shipyard, Hyundai Heavy Industries Co. Ltd., that share (i) a near-identical hull and superstructure layout, (ii) similar displacement, and (iii) roughly comparable features and equipment; and
- utilization of a membrane containment system that uses insulation built directly into the hull of the vessel with a membrane covering inside the tanks designed to maintain integrity and that uses the vessel’s hull to directly support the pressure of the LNG cargo, which we refer to as a “membrane containment system” (see “Item 4. Information on the Partnership—B. Business Overview—The International Liquefied Natural Gas (LNG) Shipping Industry—The LNG Fleet” for a description of the types of LNG containment systems).

According to Drewry, as February 28, 2026, there were only 51 LNG carriers in the worldwide LNG trading fleet, including the six vessels in our Fleet, in the size range of 149,000-155,000 cbm, of which 45 have a membrane cargo containment system. There are no LNG carriers in the same size segment in the order book, which has a moss spherical containment system, a well-established spherical containment system designed in Norway, which has been in use for many years. The following table sets forth additional information about our Fleet as of the date of this annual report:

Vessel Name	Year Built	Cargo Capacity (cbm)	Ice Class	Propulsion	Charterer	Estimated Earliest Charter Expiration	Latest Charter Expiration	Estimated Latest Charter Expiration including options to extend
<i>Clean Energy</i>	2007	149,700	No	Steam	SEFE	March 2026	April 2026	n/a
<i>Ob River</i>	2007	149,700	Yes	Steam	SEFE	March 2028	April 2028	n/a
<i>Amur River</i>	2008	149,700	Yes	Steam	SEFE	June 2028	July 2028	n/a
<i>Arctic Aurora</i>	2013	155,000	Yes	TFDE *	Equinor	August 2026	September 2026	n/a
<i>Yenisei River</i>	2013	155,000	Yes	TFDE *	Rio Grande	August 2033	September 2033	n/a
<i>Lena River</i>	2013	155,000	Yes	TFDE *	Yamal	Q4 2033	Q2 2034	Q2 2049 ⁽¹⁾
					Yamal	Q2 2034	Q3 2034	Q4 2049 ⁽²⁾

*As used in this annual report, “TFDE” refers to tri-fuel diesel electric propulsion system.

- (1) On August 14, 2018, the *Yenisei River* was delivered early to Yamal immediately upon completion of its mandatory statutory class five-year special survey and dry-docking, pursuant to an addendum to the charter party with Yamal under which we agreed to extend the firm charter period from 15 years to 15 years plus 180 days. The charter contract for the *Yenisei River* with Yamal in the Yamal LNG Project has an initial term of 15.5 years, which may be extended at Charterers’ option by three consecutive periods of five years.
- (2) On July 1, 2019, the *Lena River* commenced employment under its long-term charter with Yamal. The charter contract for the *Lena River* with Yamal in the Yamal LNG Project has an initial term of 15 years, which may be extended at Charterers’ option by three consecutive periods of five years.

Our Chartering Strategy and Charterers

We seek, wherever possible, to employ our vessels on multi-year time charters with international energy companies that provide us with the benefits of stable cash flows and high utilization rates. We have chartered our vessels for a fixed period of time at daily rates that are generally fixed, but which could contain a variable component to adjust for, among other things, inflation and/or to offset the effects of increases in operating expenses.

The *Amur River* is employed under a 13-year charter party with SEFE that expires in 2028.

The *Ob River* is employed under a ten-year charter party with SEFE that expires in 2028.

The *Clean Energy* is employed under an eight-year charter party with SEFE that expires in April 2026. Following the expiration of its current charter, the *Clean Energy* is contracted to be employed on a two-year charter party with Rio Grande that is scheduled to expire in 2028.

The *Arctic Aurora* is employed under a three-year charter party with Equinor that expires in September, 2026. Following the expiration of its current charter, the *Arctic Aurora* is contracted to be employed on a seven-year charter party with Rio Grande that is scheduled to expire in 2033.

The charters of the *Amur River*, the *Ob River* and the *Clean Energy* are under the control of the German government since April 4, 2022 when Gazprom Germania (and all its subsidiaries), the indirect parent of Gazprom Marketing and Trading (GMT Singapore), was placed under the control of the German Government (Federal Network Agency) and renamed to SEFE GmbH. The vessels under the time charters with SEFE no longer trade from Russian LNG ports.

On August 14, 2018, immediately upon completion of its mandatory statutory class five-year special survey and dry-docking, the *Yenisei River* was delivered earlier than anticipated under its multi-year charter contract with Yamal for the Yamal LNG Project. As a result, we agreed with Yamal to extend the firm charter period from 15 years to 15 years plus 180 days. The initial term of the charter may be extended at Charterers' option by three consecutive periods of five years.

On July 1, 2019, the *Lena River* commenced employment under its multi-year time charter contract with Yamal in the Yamal LNG Project, with an initial term of 15 years, which may each be extended at Charterers' option by three consecutive periods of five years.

Based on the charter contracts described in the preceding paragraphs and the minimum expected number of days committed under those contracts (excluding options to extend), as of April 8, 2026, we have estimated contracted revenue backlog of approximately \$0.80 billion, \$0.09 billion of which relates to the operating expenses and estimated portion of the hire contained in certain time charter contracts with Yamal, subject to yearly adjustments on the basis of the actual operating costs incurred within each year. The actual amount of revenues earned in respect of such variable hire rate may therefore differ from the amounts included in the revenue backlog estimate due to the yearly variations in the respective vessels' operating costs, notwithstanding our current estimated contracted backlog. The average remaining contract duration is approximately 4.8 years.

We may not be able to perform under these contracts due to events within or beyond our control, and our counterparty may seek to cancel or renegotiate our contracts for various reasons. Our inability or the inability of our counterparty, to perform under the respective contractual obligations may affect our ability to realize the estimated contractual backlog listed above and may have a material adverse effect on our financial position, results of operations and cash flows and our ability to realize the contracted revenues under these agreements. Our estimated contract backlog may be adversely affected if the Yamal LNG Project for which certain of our vessels are contracted to be employed is abandoned or underutilized for any reason, including due to changes in the demand for LNG, or if we are required to terminate our relationships with Yamal or any of our other charterers due to, among other things, applicable sanctions. We caution not to place undue reliance on information regarding our estimated contract backlog.

In 2025, we earned 35% (2024: 34%) of our revenues from Yamal which primarily traded from Russian LNG ports. Due to the war between Russia and Ukraine, the U.S., EU, Canada and other Western countries and organizations announced and enacted from February 2022 until the date of this report, numerous sanctions against Russia. The war between Russia and Ukraine is, however, still ongoing, which may result in the imposition of further economic sanctions in addition to the ones already announced by the U.S., E.U., and other jurisdictions which could adversely affect our charterers and our future revenues from our time charter contracts with Yamal. See “Item 3.—Risks Relating to our Partnership—We currently derive all our revenue and cash flow from a limited number of charterers and the loss of any of these charterers could cause us to suffer losses or otherwise adversely affect our business”, and “Item 3.—Risks Relating to our Partnership—We are subject to certain risks with respect to our contractual counterparties, and failure of such counterparties to perform their obligations under such contracts could cause us to sustain significant losses, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.”

For information on our customer concentration, please see “Item 11. Quantitative and Qualitative Disclosure About Market Risk—Concentration of Credit Risk.”

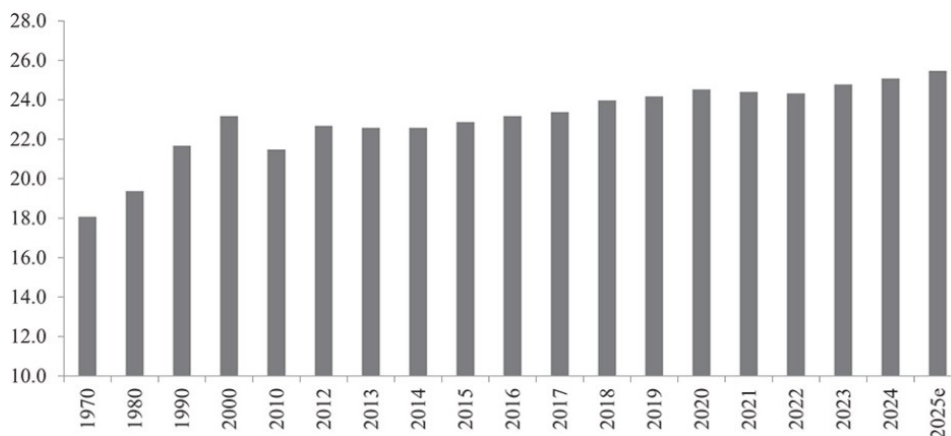
The International Liquefied Natural Gas (LNG) Shipping Industry

All the information and data presented in this section, including the analysis of the various sectors of the international liquefied natural gas (LNG) shipping industry has been provided by Drewry Shipping Consultants, Ltd., or Drewry, an independent consulting and research company. Drewry has advised that the statistical and graphical information contained herein is drawn from its database and other sources. In connection therewith, Drewry has advised that: (a) certain information in Drewry’s database is derived from estimates or subjective judgments; (b) the information in the databases of other maritime data collection agencies may differ from the information in Drewry’s database; and (c) while Drewry has taken reasonable care in the compilation of the statistical and graphical information herein and believes it to be accurate and correct, data compilation is subject to limited audit and validation procedures.

Overview of Natural Gas Market

Natural gas is one of the key sources of global energy, including oil, coal, hydroelectricity, solar, wind, and nuclear power. In the last three decades, demand for natural gas has grown faster than the demand for any other fossil fuel. Since the early 1970s, natural gas’ share of the total global primary energy consumption has risen from 18.1% in 1970 to 25.5% in 2025.

Natural Gas Share of Primary Energy Consumption: 1970-2025¹
 (% – Based On Million Tons Oil Equivalent)



(1) Provisional estimate

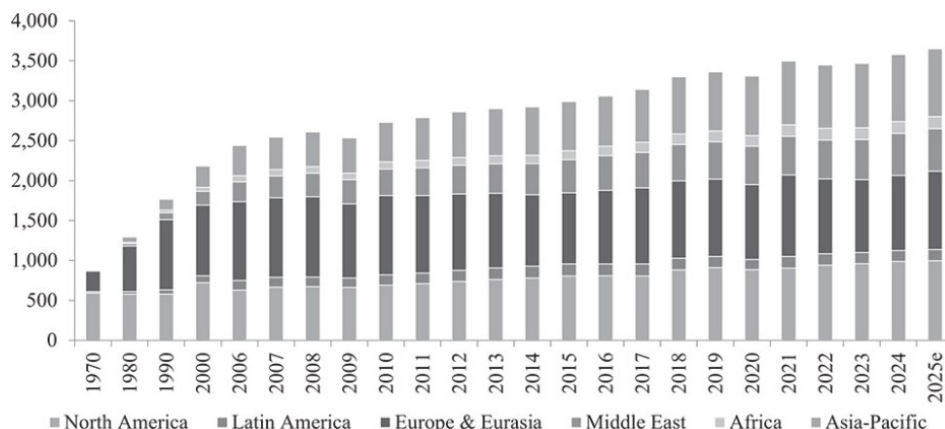
Source: BP Statistical Review, Shell LNG outlook, Drewry

Natural gas has a number of advantages that make it a competitive source of energy in the future. Apart from being abundant in supply, natural gas is the lowest carbon-intensive fossil fuel and least affected by the various regulatory policies aimed to curb greenhouse gas emissions. In recent years, consumption of natural gas has risen steadily due to global economic growth, increasing energy demand, consumers’ desires to diversify energy sources, market deregulation, competitive pricing, and recognition that natural gas is a cleaner energy source compared to coal and oil. The level of carbon dioxide emissions and pollutants from natural gas in power generation are 50 to 60 percent lower than the level of carbon dioxide emissions and pollutants from coal-fired power plants. Natural gas emits 15 to 20 percent less heat-trapping gases than gasoline/gas oil when burned in typical automobile engines.

Natural gas is primarily used for power generation and heating. According to Energy Institute Statistical Review of World Energy 2025, worldwide natural gas reserves are estimated at 188.1 trillion cubic meters (cbm) at the end of 2020, which is enough for nearly 46 years of supply at current rates of consumption. During 2015-2025, natural gas consumption rose 2.0% per annum, with growth of 3.3% per annum in Asia-Pacific, 2.9% in Africa, 2.6% in the Middle-East, followed by 2.2% per annum in America. After declining 2.1% in 2020, global natural gas consumption surged 5.0% in 2021 mainly driven by sharp recovery in global economy. Global natural gas consumption declined in 2022 due to high LNG prices. In 2023, natural gas consumption received support from easing of COVID-19 restrictions in China though partly offset by rise of renewables and nuclear power both in Europe and Asia. Global natural gas consumption increased 3.2% year over year in 2024 mainly driven by higher power consumption. Global gas consumption growth slowed in 2025 as higher gas prices weighed on natural gas consumption, particularly in the Asian importing countries.

In the last decade, a large part of the growth in natural gas consumption has been accounted for by Asia-Pacific, the Middle East and Africa regions, where gas consumption has increased nearly 1.3 times between 2015 and 2025.

World Natural Gas Consumption: 1970-2025¹
(Million Tons Oil Equivalent)

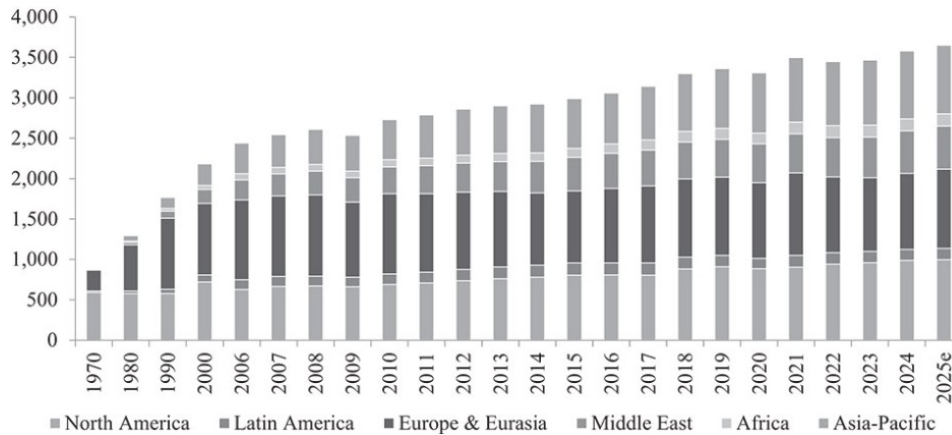


(1) Provisional estimate

Source: BP Statistical Review, Energy Institute Statistical Review, Drewry

The International Energy Agency (IEA) has stated that global natural gas reserves are large enough to accommodate rapid expansion of natural gas demand for several decades to come. Although natural gas reserves and production are widespread, the geographical disparity between areas of production and areas of consumption has been the principal stimulus of international trade in natural gas.

World Natural Gas Production: 1970-2025¹
(Million Tons Oil Equivalent)



(1) Provisional estimate

Source: BP Statistical Review, Energy Institute Statistical Review, Drewry

Natural gas production in North America has increased due to the emergence of new techniques, such as horizontal drilling and hydraulic fracturing, to access and extract the shale gas reserves. United States (U.S.) domestic gas production has exceeded domestic gas consumption for a large part of the year, which may reduce future gas import rates. Additionally, rising U.S. domestic production may drive down domestic gas prices and raise the likelihood of U.S. gas exports.

As a result of these developments, the North American gas market is moving in a different cycle from that of the rest of the world, and there is a price differential with other markets as indicated in the chart below. Regional price differentials create the opportunity for arbitrage and also act as a catalyst for the construction of new productive capacity. Given these conditions, the interest in exporting LNG from the U.S. has grown and a number of new liquefaction plants have come up in the last few years.

However, this price differential has reduced substantially since 2014 due to a sharp drop in LNG prices in the international market which has led to delay in some new planned facilities. In the latter part of 2018, the price of natural gas in key Asian market such as Japan, South Korea and Taiwan increased due to firm winter demand, whereas LNG prices in China softened in December 2018 due to high cargo availability and low demand. While high restocking activity in the third quarter of 2018 kept China's winter LNG imports stable, LNG prices failed to improve despite increased seasonal consumption. In 2019, LNG prices declined on account of high inventory in Europe and Asia, mild winter across the northern hemisphere, and slowing momentum of China's LNG demand. China's LNG demand faltered in 2019 due to lower economic growth and slower pace of the switch from coal to LNG. However, LNG prices surged in December 2020 and January 2021 in Asian countries on account of harsher-than-expected winter, but have since softened as the winter-led heating demand receded. Low wind energy production, reduced Russian pipeline supply along with weak LNG imports drove European LNG prices higher in 2021, while robust demand and competition with Europe led Asian spot prices to increase.

LNG prices have shown a declining trend during 2023-2025 after surging in 2022. LNG prices were firm in 1H25 due to tight supply on account of geopolitical tensions in the Middle East. However, the prices eased in 2H25 as new liquefaction capacity came on stream in the U.S. LNG prices declined in 2024 due to lower demand in Europe and stable supply despite ongoing tensions in the Middle East. In 2023, LNG prices were impacted due to high inventory levels both in Europe and Asia, mild winter and improved global supply of LNG from Qatar, Australia's Prelude facility and return of Egypt's LNG exports after a pause. LNG prices surged in 2022 on account of high European LNG demand, low inventory levels and geopolitical uncertainty. LNG prices surged in both Asia and Europe in the latter part of 2021 on account of high LNG demand from Europe.

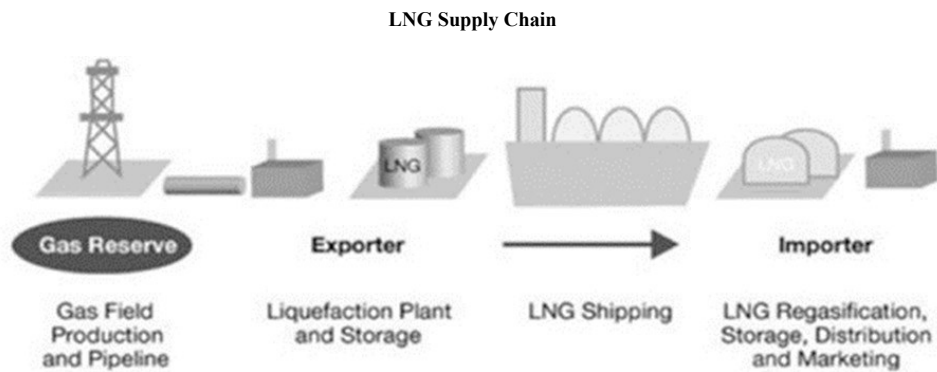
Natural Gas Prices: February 2010-February 2026
(U.S. \$ per MMBtu)



Source: GTIS, Drewry

The LNG Market

To turn natural gas into the liquefied form, natural gas must be super cooled to a temperature of approximately minus 260 degrees Fahrenheit. This process reduces the gas to approximately 1/600th of its original volume in the gaseous state. Reducing the volume enables economical storage and transportation by ship over long distances. LNG is transported through sea in specially built tanks on double-hulled ships to a receiving terminal, where it is unloaded and stored in heavily insulated tanks. The LNG is then returned to its gaseous state, or regasified, in regasification facilities at the receiving terminal. Finally, the regasified LNG is moved through pipeline for distribution to natural gas customers.



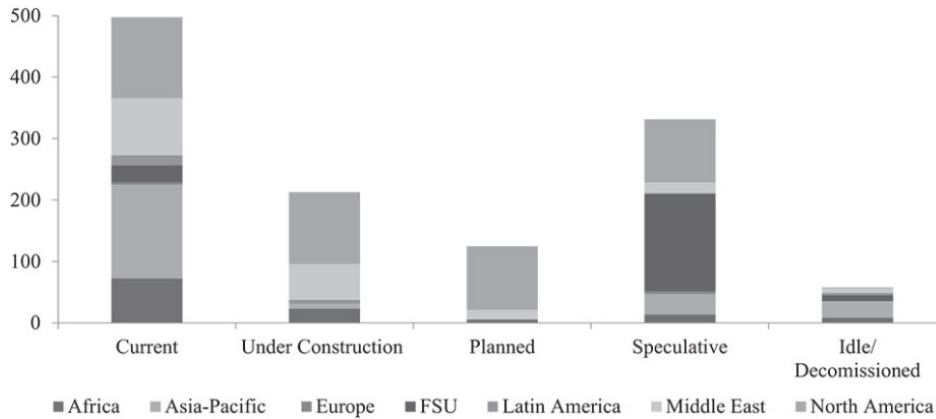
Source: Drewry

LNG Supply

Globally, 212.8 million tons of new LNG production capacity is under construction, 124.9 million tons of new LNG production capacity is planned, and 331.2 million tons of speculative LNG production capacity is under consideration, for which no confirmed plans exist.

World LNG Production Capacity – January 2026

(Million Tons per Annum)



Source: Drewry

As such, LNG production capacity will expand significantly as several new production facilities are now under construction and due on stream in the next few years. Generally, every additional one million ton of LNG productive capacity creates demand for up to two standard modern LNG carriers.

In the last decade, more countries entered the LNG export market. In December 2025, there were 22 producers and exporters of LNG. World trade in LNG has risen from 247.4 million tons in 2015 to an estimated 431 million tons in 2025.

LNG Exports: 2015-2025¹
(Million Tons)

Exporters	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e	% Change 25-24
ALG	11.8	11.6	12.3	12.0	12.2	10.9	11.8	9.3	12.7	11.1	7.8	(30.0)%
USA#	0.6	3.2	12.2	18.5	33.8	50.8	67.0	82.2	88.8	89.4	112.5	25.9 %
LIB	—	—	—	—	0.0	0.0	0.0	0.0	0.0	0.0	0.0	—
BRU	6.4	6.0	6.9	6.8	6.4	6.3	5.6	4.5	4.6	4.5	4.1	(10.2)%
UAE	5.6	5.4	5.6	5.8	5.8	5.0	6.0	5.4	5.0	5.5	4.6	(15.9)%
INO	16.0	15.5	18.7	18.0	15.5	13.7	13.8	14.0	15.6	14.5	14.3	(1.1)%
MAL	24.9	23.4	26.9	24.3	26.2	23.0	24.9	26.2	26.5	26.8	25.5	(4.9)%
AUS	29.0	41.5	55.6	67.8	75.4	77.9	78.5	82.7	81.1	82.0	80.4	(2.0)%
QAT	77.6	76.2	77.5	78.0	77.8	76.9	77.0	82.0	80.0	79.2	79.5	0.4 %
TNT	12.4	10.4	10.2	10.1	12.5	11.9	6.2	8.5	7.7	8.2	9.4	13.7 %
NIG	20.1	17.3	20.3	20.0	20.8	18.9	16.4	14.2	13.2	14.7	14.3	(3.0)%
OMA	7.4	7.8	8.2	8.0	10.3	8.5	10.2	11.3	11.4	10.8	8.4	(21.8)%
EGY	—	0.5	0.8	0.8	3.5	3.4	6.6	6.3	3.6	0.5	—	—
EQG	3.6	3.2	3.9	3.8	2.8	2.6	2.7	3.8	2.8	4.4	1.5	(66.1)%
CAM	—	—	—	—	—	—	1.3	1.4	1.6	2.0	2.7	35.9 %
NOR	4.4	4.6	3.9	3.9	4.7	3.3	0.2	2.8	4.4	4.7	4.8	3.2 %
RUS	10.6	10.2	11.5	16.2	29.3	30.8	29.6	32.2	30.8	33.5	34.9	4.3 %
YMN	1.4	—	—	—	0.0	0.0	0.0	0.0	0.0	0.0	0.0	—
PER	3.6	4.0	3.7	3.8	3.8	3.6	2.6	4.0	3.5	4.2	3.4	(18.5)%
FRA	—	1.1	1.1	1.0	0.0	0.0	0.0	0.0	0.0	0.0	—	—
BEL#	0.9	—	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	—	—
ESP#	2.3	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	—	—
Papua	7.1	7.6	8.1	8.0	8.2	8.2	8.3	8.4	8.1	8.0	8.2	3.1 %
Others##	1.4	3.2	3.2	6.2	5.7	1.7	3.5	2.2	7.1	8.5	14.7	72.9 %
Total	247.4	253.0	290.7	313.0	354.7	357.3	372.3	401.4	408.4	412.4	431.0	4.5 %

Include re-exports

Includes re-exports from Brazil, France, Portugal, South Korea, Japan and Greece

(1) Provisional estimate

Source: BP statistical review, Drewry

Major LNG exporting regions have undergone significant transition in the last ten years with market share of Indonesia and Malaysia having sharply declined. Australia surpassed Qatar as the largest LNG producer and exporter in 2020. Australia's LNG exports constituted 20.6% of the global LNG exports in 2022 and 19.7% of the global LNG exports in 2023, making it the second biggest LNG exporter. US LNG exports surged in 2022 due to increased demand from the European countries and higher LNG prices. The U.S. emerged as the second biggest LNG exporter in 2022 and became the biggest LNG exporter in 2023 constituting 21.5% of the global LNG exports. The U.S. maintained its position of being the largest LNG exporter in 2025 with 26.1% market share. Qatar is now the world's third largest producer and exporter of LNG, accounting for close to 18.5% of the global LNG exports in 2025.

Qatar is working to expand its LNG liquefaction capacity from about 77 mtpa at the end of 2025 to 142 mtpa by 2030. Before the Middle-East conflict started, Qatar's 32 mtpa of LNG liquefaction capacity from its North Field East (NFE) project was expected to come on stream in 2026. The country is also working on its North Field South (NFS), which will have a capacity of 16 mtpa. North Field West project, which is expect to start construction in 2027, would add further 16 mtpa of LNG liquefaction capacity. It also plans to boost its carbon capture capacity from the current 2 mtpa, making headways into the carbon-neutral LNG market.

U.S. LNG exports have ramped up significantly in the last six years, increasing from 3.2 million tons in 2016 to 112.5 million tons in 2025. The country's LNG exports have mainly benefited from the new liquefaction terminals coming on stream. Major LNG terminals coming on stream in the last few years include Sabine Pass, Dominion Energy Cove Point, Cameron LNG, Freeport LNG, Cheniere's Corpus Christi terminal second train, Cameroon LNG, Elba Island, Freeport LNG, five of 10 small trains of Kinder Morgan Inc.'s Elba Island facility and Plaquemines LNG T1-18. More than 66% of the U.S. LNG exports headed to Europe in 2023, a drastic shift in trade over 2021 when Asia was the world's largest importer of LNG and the biggest buyer of US supplies. The share of US LNG exports in the Asian and South American markets increased in 2024, while it weakened for Europe. The shift was due to subdued European LNG imports and strong Asian LNG demand. More than 70% of US LNG exports were shipped to Europe, where demand recovered invariably as the region completely shunned pipeline gas from Russia. Meanwhile, US shipments to China remained suspended. As of December 31, 2025, LNG export terminals with an aggregate capacity of 122 million tons per annum are under construction in the US.

Sakhalin 2, the first LNG project in Russia which started in 2009 (11 mtpa), is the main export contributor apart from the recent Yamal project in the fourth quarter of 2017, Russia started the first phase of the Yamal LNG project and commenced its first phase of production with a nameplate capacity of 5.5 million tons. The second and third train of the project came online in July 2018 and November 2018 respectively. The third train of the project commenced operations a year ahead of schedule and the project has added an aggregate capacity of 16.5 million tons to the global LNG production. In 2019, Russia added 0.7 mtpa of capacity and the country's LNG exports surged 32.1 percent to 21.4 million tons with Yamal LNG project ramping up to full capacity. Russian LNG exports have increased in recent years with Yamal LNG project ramping up its full capacity. The ongoing Russia-Ukraine war did not impact Russian LNG exports in 2022 as the country registered growth of 8% in 2022 on the previous year. After declining in 2023, Russian LNG exports increased 8.7% compared to the previous year in 2024 despite prolonged scrutiny and Europe's plans to shun Russian LNG. In fact, Russian LNG exports were supported by increased supply to Europe in 2024, with Belgium, France and Spain remaining the largest markets for Russian LNG.

The persistence of the Russia-Ukraine war and the E.U. sanctions on Russia continue to create major hurdles for the latter's LNG export ambitions, impacting current trade and future projects. Russia plans to have 90-100 mtpa of liquefaction capacity by 2030 but expects 'several years delay' due to the ongoing sanctions. The E.U. 19th sanctions package placing a ban on Russian LNG imports from 2027 and proposed sanction on Yamal LNG are likely to impact Russia's LNG exports. As Europe closes the door on Russian LNG, the latter looks to focus on pushing more LNG to Asia via the Northern Sea Route (NSR) to China and other Asian markets while some LNG can also be sold to non-E.U. markets.

LNG Demand

In tandem with the growth in the number of LNG suppliers, there has been a corresponding increase in the number of importers. In 2010, there were 34 countries importing LNG and by December 2024, the number increased to 45.

LNG imports by country between 2012 and 2025 are shown in the table below. Despite an increase in the number of importers, Japan, South Korea, and China provide the backbone of LNG trade, collectively accounting for 41% of the total LNG imports as of the end of 2025. While these countries are among the three largest LNG importers, their share in global LNG import has declined sharply in since 2022 (from 53% in 2021 to 41.0% in 2025) due to the increase in LNG import by the European countries and power generation from nuclear and renewable sources in Japan and South Korea. The fast-declining Russian gas supply to Europe forced the region towards LNG to counter the deficit.

China's LNG imports surged in 2017 and surpassed South Korea's to become the second biggest LNG importing nation. China became the largest LNG importer in 2023. There has also been strong growth of LNG imports by India, Taiwan and Spain due to increasing demand from the power sector in those countries and their respective government's focus on the use of natural gas as a source of energy to reduce air pollution caused by conventional sources of energy.

China's LNG imports commenced in 2006 and have since grown exponentially from 0.7 million tons in 2006 to 65.9 million tons in 2025. The country's LNG imports expanded by a 41% year on year in 2018 as it took steps to shift from coal to natural gas for heating households during the winter because of the government's policy to increase the share of natural gas in the overall energy demand. After showing strong growth momentum in 2017 and 2018, China's LNG imports growth rate has slowed down in the last two years. The country's LNG imports grew 14.8% YoY to 61.9 million tons in 2019 and 10.1% YoY in 2020. The pandemic-induced demand slump adversely affected Chinese LNG demand in 1H20 with major Chinese LNG importers declaring force majeure. Chinese LNG demand surged in 2021 buoyed by a recovering economy, low inventories and the start of additional regasification capacities. China LNG imports declined 11.7% year over year in 2022 due to the sluggish economic growth, zero-COVID-19 policies and Russia-Ukraine war. With a steady recovery in Chinese economy and lifting of COVID-19 restrictions in January 2023, the country's LNG imports bounced back in 2023. Chinese LNG imports grew at a slower pace in 2024 compared to 2023 mainly due to increased pipeline gas supply from Russia and lower than expected economic growth. In 2025, China's LNG imports declined from 76.9 million tons in 2024 to 65.9 million tons in 2025 due to higher China trade war with the US, higher LNG prices, increased domestic production and increased pipeline imports from Russia.

China's coal to natural gas switch is driven by the country's intent to reduce pollution. China's use of natural gas as a share of the country's overall energy demand increased from 5.5% to 8.2% during the country's 13th Five Year Plan and the share of coal declined from 64% in 2015 to 56.6% in 2020. Under the 14th Five-Year Plan, China plans to formulate an action plan for peaking carbon emission before 2030 and anchor efforts to achieve carbon neutrality by 2060. China's increased emphasis on LNG as a source of energy is the result of its capital, Beijing's, aim to cut the country's greenhouse gas emissions, per unit of GDP, by 60-65 percent between 2005 and 2030. China's plans to achieve carbon neutrality is expected to accelerate its switch from coal to gas and aid LNG demand.

LNG Imports by Country 2015-2025¹

(Million Tons)

Importer	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025e
Argentina	4.3	3.8	3.4	3.0	1.2	1.4	2.5	0.4	1.9	4.7	1.2
Belgium	2.8	2.1	0.9	1.6	5.1	5.9	3.3	7.2	9.1	5.5	9.5
Brazil	5.2	2.2	1.6	2.0	2.3	2.4	7.0	2.2	0.9	6.5	2.8
Canada	0.5	0.2	0.3	0.4	0.4	0.6	0.5	0.3	0.1	0.4	0.3
Chile	3.1	3.1	3.3	3.6	2.5	2.7	3.1	2.1	2.6	2.0	2.4
China	19.1	26.2	38.2	53.9	61.7	68.9	79.3	63.8	71.6	76.8	65.9
Dom. Rep.	1.3	1.3	0.9	1.2	1.2	1.2	1.5	1.1	1.0	2.0	2.4
Egypt	2.8	0.6	6.2	2.5	0.1	0.0	0.0	3.9	2.3	2.6	8.9
France	4.8	7.0	7.4	7.8	15.6	13.1	12.3	25.5	28.2	18.8	23.1
Greece	0.3	0.0	1.3	1.5	2.1	2.2	1.6	2.1	1.8	2.1	2.5
India	15.9	16.5	18.7	22.3	23.4	26.6	24.0	20.5	22.1	27.7	24.9
Indonesia	2.0	2.0	2.6	2.0	3.7	2.8	3.3	2.7	2.1	2.7	5.0
Israel	0.4	0.0	0.5	0.0	0.6	0.6	0.1	0.0	0.0	0.0	0.0
Italy	4.3	4.1	6.0	5.6	9.8	9.1	6.9	9.5	11.4	10.4	14.3
Japan	86.2	83.3	83.6	82.9	76.9	74.4	74.4	72.2	66.1	64.8	64.0
Jordan	2.9	3.3	3.3	3.0	1.4	0.8	0.2	0.1	0.2	1.3	1.7
Kuwait	2.7	2.7	3.5	3.0	3.6	4.1	5.3	5.8	5.2	5.9	6.0
Lithuania	0.4	0.0	0.9	0.0	1.4	1.4	1.1	0.8	0.8	2.2	2.4
Malaysia	1.6	1.2	1.8	1.1	2.7	2.6	2.0	2.4	2.3	2.9	2.5
Mexico	5.2	4.3	4.8	4.2	4.9	1.9	0.6	0.4	0.5	0.7	0.6
Netherlands	0.4	1.1	0.8	1.0	5.8	5.3	5.6	12.3	16.5	17.2	18.6
Pakistan	1.1	2.9	4.6	6.0	8.1	7.4	8.2	7.5	5.9	6.6	7.0
Portugal	0.7	0.7	2.7	1.2	4.1	2.7	4.1	4.5	3.5	3.4	3.7
Puerto Rico	1.2	0.9	0.9	1.0	1.4	0.9	1.5	0.6	1.0	1.5	1.5
South Korea	31.9	32.1	37.8	44.0	40.1	40.8	46.9	46.0	44.9	46.3	46.8
Spain	9.5	9.6	12.1	10.0	15.7	15.1	13.8	21.9	19.7	12.1	17.1
Singapore	2.2	2.2	3.0	3.2	3.3	3.2	3.1	4.0	4.4	7.8	7.2
Taiwan	13.7	14.2	16.6	16.7	16.7	17.8	19.4	20.3	19.9	21.9	23.8
Thailand	2.6	3.1	3.8	4.4	5.0	5.6	6.6	8.2	11.2	12.4	10.5
Turkey	5.5	5.6	7.3	7.1	9.4	10.7	10.0	9.6	10.1	11.0	11.5
UAE	1.6	1.5	2.5	2.8	1.4	1.5	1.2	1.8	1.9	1.0	1.3
UK	9.4	7.7	4.9	6.6	13.6	13.5	11.0	18.0	15.6	7.4	10.3
USA	1.9	1.8	1.5	1.8	1.0	0.9	0.4	0.9	1.0	1.1	0.8
Africa	—	7.4	—	—	—	—	—	7.3	7.0	7.1	7.5
Others	—	3.4	2.8	5.6	9.0	8.1	11.3	15.4	15.9	16.0	23.0
World Total	247.3	258.3	290.3	313.0	354.7	356.1	372.3	401.3	408.4	412.4	431.0

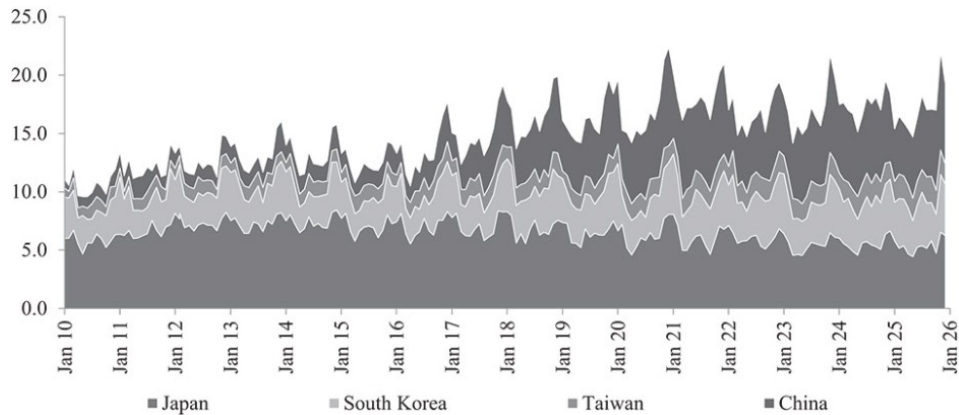
* Includes Colombia, Jamaica and Poland

(1) Provisional estimate

Further expansion of regasification and terminal import infrastructure will support the continued growth in Chinese LNG imports. China is not different from the U.S. in that China also has large deposits of shale gas, but geological structures in China are far more complicated. Additionally, China lacks the infrastructure to support the rapid development of domestic gas supplies, creating demand for imported LNG. Monthly trends in LNG imports among Asian importers between January 2010 and January 2026 are shown in the chart below.

Asian LNG Imports: January 2010-January 2026

(Million Tons)



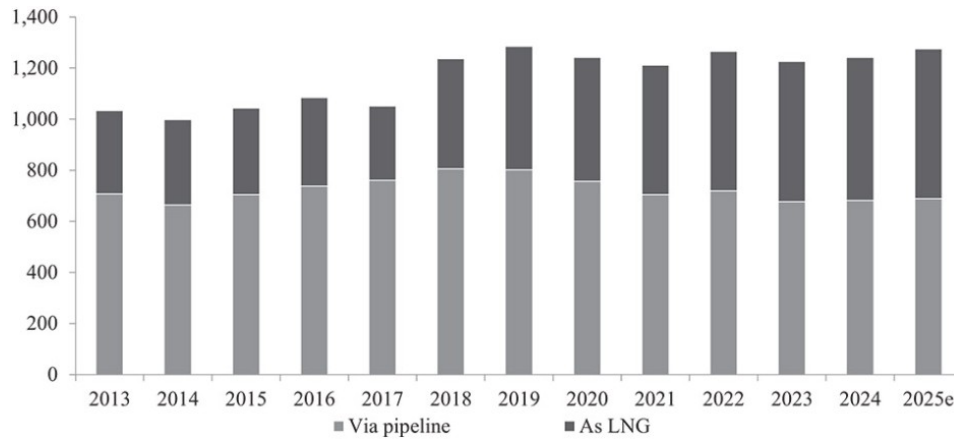
Source: Drewry

International Trade in Natural Gas

Generally, a pipeline is the most economical way of transporting natural gas from a producer to a consumer, provided that the end users are not too distant from the natural gas reserves. However, for some areas, such as the Far East, the lack of an adequate pipeline infrastructure means that natural gas must be turned into a liquefied form (LNG), as this is the only economical and feasible way it can be transported over long distances. Additionally, sea transportation of LNG is more flexible than through a pipeline as it can accommodate required changes in trade patterns that are economically or politically driven.

International trade in natural gas has grown 27.8% between 2014 and 2025, with the volume of LNG trade currently being 1.8 times greater than 2014 levels and accounting for about 46% total natural gas trade. As a result, LNG has captured a growing share of international gas trade, primarily due to the diversification of consumers, flexibility among producers, cost-efficient transport and competitive gas prices. International trade in natural gas grew 1.3% year over year in 2024 after declining 3.1% year over year in 2023 as LNG trade increased. In 2025, international trade in natural gas increased 2.7% year over year due to increased European restocking activity, higher LNG production in the US, and improved supply-demand fundamentals.

World Natural Gas Trade 2013—2025⁽¹⁾
(Billion Cubic Meters)



(1) Provisional estimate

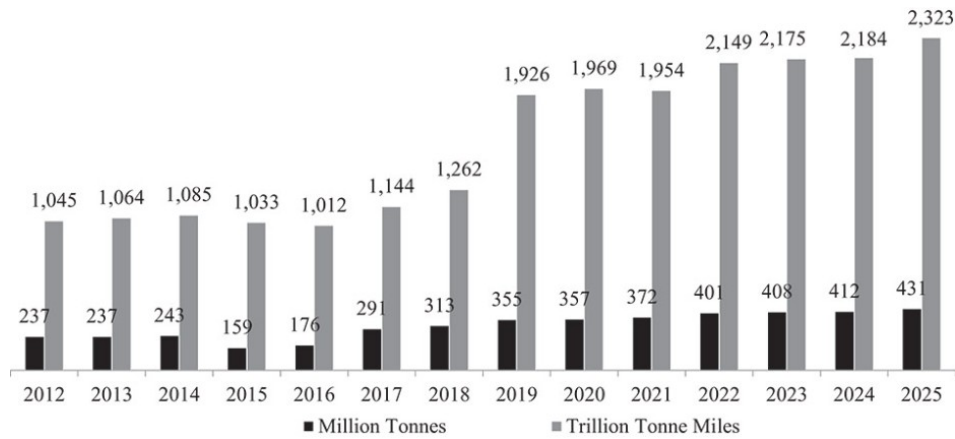
Source: Drewry

LNG Shipping Routes

Although the number of LNG shipping routes has increased in recent years due to growth in the number of LNG suppliers and consumers, demand for shipping services remains heavily focused on a number of key trade routes. In 2024, the principal trade routes for LNG shipping included Qatar to Europe (the United Kingdom, Italy and Spain), Qatar to Asia (India, Japan and South Korea), Australia to Asia (China, Japan and South Korea), Malaysia to Japan, US to Europe, US to Asia (South Korea and Japan), Russia to Asia (Japan, South Korea, Taiwan and China), Russia to Europe (France, Netherland, United Kingdom and Spain) and US to Europe and Asia. Recently, Canada has also entered the global LNG market in 2025 with the start-up of LNG Canada’s first liquefaction train. Canada’s revived LNG push stems from its vast natural gas reserves in the Western Canadian sedimentary basin and its strategic Pacific Coast location, which enables shorter shipping routes to key Asian markets.

One important result of the geographical shifts in LNG production and consumption is that demand for shipping services (expressed in terms of ton miles) has grown at a much faster rate than the underlying increases in LNG trade. Ton miles are derived by multiplying the volume of cargo by the distance between the load and the discharge ports on each voyage. During 2014-2025, demand for LNG shipping services, expressed in terms of ton miles, has increased at a compound average growth rate (CAGR) of 7.9%, compared with a 5.9% increase in the volume of cargo carried.

LNG Seaborne Trade 2012-2025¹



(1) Provisional estimate

Source: Drewry

LNG Trades Requiring Ice Class Tonnage

Ice Class Vessel Classifications

Ice class designations are assigned to ships that are strengthened to navigate in specific ice conditions. Ice class vessels are governed by different ice class rules and regulations depending on their respective area of operations.

Baltic Sea

- Bay and Gulf of Bothnia, Gulf of Finland - Finnish-Swedish Ice Class Rules (FSICR)
- Gulf of Finland (Russian territorial waters) - Russian Maritime Register (RMR) Ice Class Rules

Arctic Ocean

- Barents, Kara, Laptev, East Siberian and Chukchi Seas - Russian Maritime Register (RMR) Ice Class Rules
- Beaufort Sea, Baffin Bay, etc. - Canadian Arctic Shipping Pollution Prevention Rules (CASPPR)
- RMR Ice Class Rules

There are also ice class rules and regulations for commercial ship operations on inland lakes, mainly the Great Lakes/St. Lawrence Seaway.

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In the context of current commercial newbuilding orders, the FSICR have become the *de facto* standard for new tonnage. Four ice classes are defined in the FSICR. The FSICR fairway due ice classes along with the design notional level thicknesses, in order of strength from high to low, are:

Class	Standard
1A Super (1AS)	Design notional level ice thickness of 1.0m. For extreme harsh ice conditions.
1A	Design notional level ice thickness of 0.8m. For harsh ice conditions.
1B	Design notional level ice thickness of 0.6m. For medium ice conditions.
1C	Design notional level ice thickness of 0.4m. For mild ice conditions.

The FSICR and the system of ice navigation operated during the winter months in the Northern Baltic are the most well-developed criteria and standards for ice navigation. The system of ice navigation comprises three fundamental elements:

- Ice class merchant vessels (compliant with the FSICR for navigation in the northern Baltic);
- Fairway navigation channels; and
- Ice breaker assistance.

Year-round navigation and continuity of trade using the above three fundamental elements were first introduced in the northern Baltic Sea areas during the 1960s. The current FSICR, as well as the system of ice navigation, has evolved over the years to its current state.

Requirement for Ice Class Tonnage

The FSICR include technical requirements for hull and machinery scantlings as well as for the minimum propulsion power of ships. The hull of ice class vessels and the main propulsion machinery must be safe. The vessel must have sufficient power for safe operations in ice-covered waters. During the vessels' normal operations, they encounter various ice interaction loadings, which calls for strengthened hull structures.

In addition to the ice class rules, ships are required to comply with requirements set by the maritime authorities in various jurisdictions. For example, the Russian marine operations headquarters accepts ships with ice-strength functionalities according to or at least the equivalent of FSICR 1B and compliance with crewing and icebreaker assistance requirements in order to operate in the Northern Sea Route (NSR).

Ice Class LNG Fleet

The number of ships in the international LNG fleet with an ice class standard is very low. As of February 2026, there were only 42 LNG carriers with Ice Class 1A and Ice-Class 1A Super Standard in operation and 10 vessels on order.

Northern Sea Route (NSR)

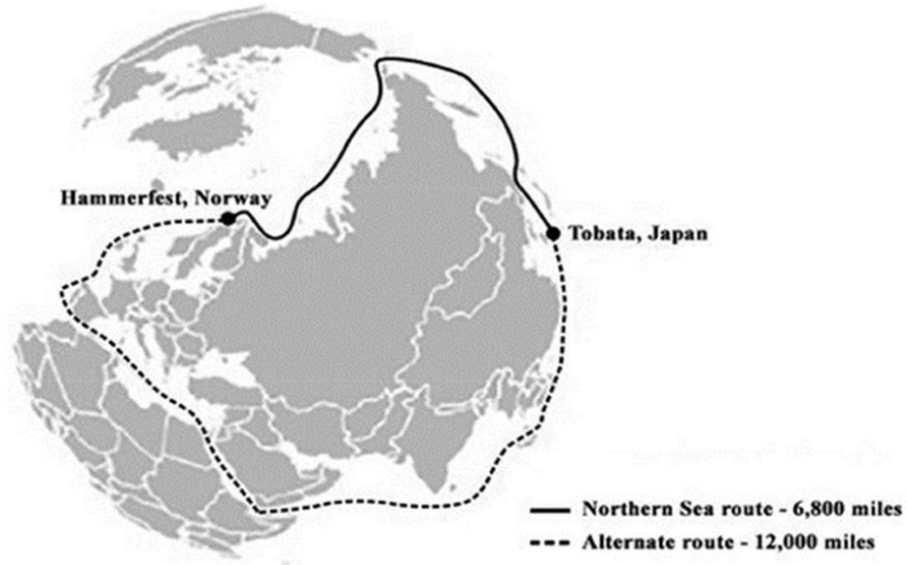
Currently, cargo flows through the NSR are dominated by oil, gas and mineral exports, particularly coal and iron ore. Demand for shipping for these commodities in the region has been increasing in recent years, driven by several key factors, including:

- reduced level of sea ice has extended the summer shipping season in the Arctic and is making some areas easy to navigate;
- increase in mineral resource development activities in the Arctic;
- commodity demand growth in Asian economies;
- technological developments which have made NSR a more feasible shipping route than in the past; and

- chronic political problems in the Middle East, piracy in North Africa, and non-transparent commercial disputes over the Suez in Egypt.

These factors have made NSR a promising alternative.

Northern Sea Route



Source: Drewry

With Yamal LNG project coming on stream in 2016, LNG export through Northern Sea Route (NSR) has increased 73.7% between 2019 and 2025. In 2022, cargo to Asia from Yamal LNG declined as more cargo went to Europe. Cargo to Asia from Yamal LNG recovered in 2023. As Europe closes the door on Russian LNG, the latter looks to focus on pushing more LNG to Asia via the Northern Sea Route (NSR) to China and other Asian markets.

LNG exports through the Northern Sea Route

	2019	2020	2021	2022	2023	2024	2025
Number of Vessels	20	35	47	32	36	42	35
Total Cargo Volume (Thousand tons)	1,517.5	2,655.9	3,553.0	2,417.9	2,720.9	3,149.5	2,636.1

Source: Drewry AIS Note: Vessels loading LNG from Russia's Sabetta and moving to Asia

In early 2017, the most suitable LNG terminal on the NSR for loading LNG for transport to the Far East was located in Northern Norway. The distance from Norway to Japan through the NSR is approximately 45% shorter than traditional shipping routes through the Suez Canal. The Arctic route allows ships to save time, fuel, and cut back on environmental emissions.

Russia began production at the first train of the Yamal LNG project in December 2017, while the second and third train of the project began production in July 2018 and November 2018, respectively. The Yamal project (located in remote northern Russia, above the Arctic Circle) has capacity to produce 17.4 million tons of LNG (as of February 28, 2023). In December 2018, Yamal LNG offloaded its one hundredth LNG cargo since the beginning of the first train of the project in December 2017. The Yamal LNG project attained full capacity in 2019 and Russia's LNG exports increased 32.1% in 2019 over the previous year.

Russian LNG exports increased 8.8% YoY in 2022 despite ongoing Russia-Ukraine war. Russian LNG exports declined 2.6% year over year in 2023 due to planned maintenance at its plants. Russian LNG exports increased 4.3% year over year in 2025 to 34.9 million tonnes with stable exports from Yamal and Sakhalin, and the loading at sanctioned terminals—Arctic LNG 2 and Portovaya. The persistence of the Russia-Ukraine war and the EU sanctions on Russia continue to create major hurdles for the latter's LNG export ambitions, impacting current trade and future projects. Russia plans to have 90–100 mtpa of liquefaction capacity by 2030 but expects 'several years delay' due to the ongoing sanctions. The EU 19th sanctions package placing a ban on Russian LNG imports from 2027 and proposed sanction on Yamal LNG are likely to impact Russia's LNG exports going forward.

Drewry expects that increased Russian LNG exports will increase the demand for ice class vessels as the transportation from Yamal and Arctic LNG1 project to Asian and European countries will require a specialized category of ice-breaker LNG carriers capable of taking the shorter Arctic route. However, exit of some of the foreign partners from Russian projects following Russia-Ukraine crisis and the EU's technology sanctions may impact the progress on Arctic LNG2 and Arctic LNG3 project and consequently LNG ship demand related to these projects.

Russia will be able to deliver LNG at a lower price than most of its competitors due to the low feedstock cost of the world's most complex LNG project and the introduction of a shorter shipping route. Furthermore, the project has benefitted from the Russian government's support, including a 12-year exemption from mineral extraction tax, no export taxes on LNG, and government-subsidized construction of the port of Sabetta.

Arc 7 LNG vessels will be required to pass the NSR via the Bering Strait, which will enable vessels to reach Asia in 15 days, while the conventional route via the Suez Canal takes 30 days. This, in turn, will benefit importers by reducing voyage time and transportation expenses.

In general, ships below 1A Ice-Class will not be allowed to trade on NSR, which provides an advantage to vessel owners with ice class tonnage. Furthermore, vessel owners/operators with experience of operating in ice conditions will have a competitive advantage over the traditional operators that make occasional voyages into the region during the winter months.

As of February 2026, the global shipping fleet comprises 751 LNG-capable vessels (i.e., non-LNG carriers) with another 693 vessels on the orderbook. The number of LNG-fuelled vessels on the water is set to increase in coming years. 51 LNG-capable vessels aggregating 3.6 mdwt were delivered in 2021, 85 vessels aggregating 7.6 mdwt were delivered in 2022, 112 vessels aggregating 15.4 mdwt delivered in 2023 and 170 vessels aggregating 13.9 mdwt delivered in 2024 and 189 vessels aggregating 15.8 mdwt delivered in 2025. These promising numbers highlight the industry's rising inclination towards accepting LNG as a bunker fuel.

IMO 2020 regulation and its impact on LNG demand

The IMO, the governing body of international shipping, has made a decisive effort to diversify the industry away from HFO into cleaner fuels with less harmful effects on the environment and human health. Effective in 2015, ships operating within Emission Control Areas (ECAs), which include covering the Exclusive Economic Zone of North America, the Baltic Sea, the North Sea, the English Channel, the North American area, and the U.S. Caribbean Sea area, are required to use marine gas oil with allowable sulfur content up to 0.1%.

In order to reduce the emission of air pollutants from ships in key areas of China, the Ministry of Transport issued stricter emission control area regulations in their territorial waters. Beginning on January 1, 2020, ships entering inland waterways, including the Yangtze River and Xijiang River, have to adhere to a strict requirement of 0.1% sulfur content. From January 1, 2022, ships are required to comply with the 0.1% sulfur content requirement when entering the Hainan coastal ECA. China was evaluating whether to adopt more stringent emission control requirements, such as to implement the 0.1% sulfur content limit requirement in all coastal waters beginning January 1, 2025. If more stringent requirements are imposed, we may incur additional costs.

The IMO implemented emission control regulations globally with effect from January 1, 2020. These regulations stipulate that ships sailing outside ECAs will switch to an alternative fuel with permitted sulfur content up to 0.5% or will retrofit scrubbers in order to reduce emissions. LNG qualifies as an alternate fuel for complying with IMO regulations as it has sulfur content below 0.1%. This has resulted in some ship owners getting their vessels retrofitted so that they can use LNG as a fuel. Some ship owners also prefer to have their newbuilding vessels LNG ready.

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E.U. Environmental Regulations

On July 14, 2021, the European Commission published a package of draft proposals as part of its "Fit for 55" environmental legislative agenda and as part of the wider E.U. Green Deal growth strategy (the "Proposals"). There are two key initiatives relevant to maritime arising from the Proposals: (a) a bespoke emissions trading scheme for the maritime sector, or ETS, which commenced in 2024 and which applies to all ships above a gross tonnage of 5,000; and (b) a FuelEU regulation which came into force on January 1, 2025 and which requires all ships above a gross tonnage of 5,000 to carry on board a "FuelEU certificate of compliance" from June 30, 2026, as evidence of compliance with the limits on the greenhouse gas intensity of the energy used on-board by a ship and with the requirements on the use of on-shore power supply (OPS) at berth. More specifically, ETS is to apply gradually over the period from 2024 to 2026. For instance, 40% of ETS allowances had to be surrendered in 2025 for the year 2024; 70% of ETS allowances will have to be surrendered in 2026 for the year 2025; and 100% of ETS allowances will have to be surrendered in 2027 for the year 2026. Compliance is on a company-wide (rather than per ship) basis and "shipping company" is defined broadly to capture both the ship owner and any contractually appointed commercial operator/ship manager/charterer. The cap under the ETS was set by taking into account E.U. MRV system emissions data for the years 2018 and 2019, adjusted, from year 2021 and captures 100% of the emissions from intra-E.U. maritime voyages; 100% of emissions from ships at berth in E.U. ports; and 50% of emissions from voyages which start or end at E.U. ports (but the other destination is outside the E.U.). Furthermore, the E.U. Emissions Trading Directive 2023/959/EC makes clear that all maritime allowances will be auctioned and there will be no free allocation. 78.4 million emissions allowances were allocated specifically to maritime. From a risk management perspective, new systems, including personnel and data management systems, costs recovery mechanisms, revised service agreement terms, and emissions reporting procedures must be put in place, at potentially significant cost, to prepare for and manage the administrative aspect of ETS compliance.

Under FuelEU, the next challenge for shipping companies is to avoid incurring penalties in 2026 by either purchasing compliant fuels and/or vessels or by entering into pooling agreements with other shipping companies in order to meeting compliance by June 30, 2026 and beyond. Preparation and putting in place a robust compliance strategy for FuelEU is an essential part of mitigation action and reduces exposure to regulatory and commercial liability going forward.

Responsible recycling and scrapping of ships are becoming increasingly important issues for shipowners and charterers alike as the industry strives to replace old ships with cleaner, more energy efficient models. The recognition of the need to impose recycling obligations on the shipping industry is not new. In 2009, the IMO oversaw the creation of the Hong Kong Ship Recycling Convention (the “Hong Kong Convention”), which sets standards for ship recycling. The Hong Kong Convention entered into force on June 26, 2025. The E.U. published its own Ship Recycling Regulation 1257/2013 (SRR) in 2013, with a view to facilitating early ratification of the Hong Kong Convention both within the E.U. and in other countries outside the E.U. The 2013 regulations are vital to responsible ship recycling in the EU. SRR requires that, from December 31, 2020, all existing ships sailing under the flag of E.U. member states and non-E.U. flagged ships calling at an E.U. port or anchorage must carry on-board an Inventory of Hazardous Materials (IHM) with a certificate or statement of compliance, as appropriate. For E.U.-flagged vessels, a certificate (either an Inventory Certificate or Ready for Recycling Certificate) will be necessary, while non-E.U. flagged vessels will need a Statement of Compliance. Now that the Hong Kong Convention entered into force on June 26, 2025, it is expected the E.U. Ship Recycling Regulation will be reviewed in light of this.

The new E.U. Waste Shipment Regulation 2024/1157 came into effect on May 20, 2024, and seeks to clarify the legal framework applicable to the recycling of E.U.-flagged ships. Ships can now be recycled in recycling facilities located outside of the OECD if they meet the requirements of the SRR and are added to the E.U. list. Furthermore, the new Environmental Crime Directive 2024/1203 also came into effect on May 20, 2024, and makes it an offense punishable by substantial fines for unlawful recycling of ships that fall within the scope of SRR. Member states have two years to implement this directive.

The European Union has adopted several regulations and directives requiring, among other things, more frequent inspections of high-risk ships, as determined by type, age, and flag, as well as the number of times the ship has been detained. The European Union also adopted and extended a ban on substandard ships and enacted a minimum ban period and a definitive ban for repeated offenses. The regulation also provided the European Union with greater authority and control over classification societies, by imposing more requirements on classification societies and providing for fines or penalty payments for organizations that failed to comply. Furthermore, the E.U. has implemented regulations requiring vessels to use reduced sulfur content fuel for their main and auxiliary engines. Since January 1, 2015, vessels have been required to burn fuel with sulfur content not exceeding 0.1% while within E.U. member states’ territorial seas, exclusive economic zones and pollution control zones that are included in “SOx Emission Control Areas.” EU Directive (EU) 2016/802 establishes limits on the maximum sulfur content of gas oils and heavy fuel oil and contains fuel-specific requirements for ships calling at E.U. ports.

EU Directive 2004/35/CE (as amended) regarding the prevention and remedying of environmental damage addresses liability for environmental damage (including damage to water, land, protected species and habitats) on the basis of the “polluter pays” principle. Operators whose activities caused the environmental damage are liable for the damage (subject to certain exceptions). With regard to specified activities causing environmental damage, operators are strictly liable. The directive applies where damage has already occurred and where there is an imminent threat of damage. The directive requires preventative and remedial actions, and that operators report environmental damage or an imminent threat of such damage.

On November 10, 2022, the E.U. Parliament adopted the CSRD. E.U. member states have 18 months to integrate it into national law. The CSRD will create new, detailed sustainability reporting requirements and will significantly expand the number of E.U. and non-E.U. companies subject to the E.U. sustainability reporting framework. The required disclosures will go beyond environmental and climate change reporting to include social and governance matters (e.g., respect for employee and human rights, anti-corruption and bribery, corporate governance, and diversity and inclusion). In addition, it will require disclosure regarding the due diligence processes implemented by a company in relation to sustainability matters and the actual and potential adverse sustainability impacts of an in-scope company's operations and value chain. The CSRD will apply on a phased basis, starting from the financial year 2024 through 2028, to large E.U. and non-E.U. undertakings subject to certain financial and employee thresholds being met (as described below). Following the publication of the Omnibus package of proposals on February 26, 2025, which are designed to simplify E.U. regulations and cut red tape, the application of all reporting requirements in the CSRD for companies that are due to report in 2026 and 2027 has been postponed to 2028 (in respect of the 2027 financial year). The Omnibus package was approved by the E.U. Parliament on December 16, 2025 and will simplify compliance for small and medium-sized entities and all companies with up to 1,000 employees and less than EUR 450 million turnover will be outside the scope of the CSRD. For companies that are in scope, the European Commission will adopt a delegated act to revise and simplify the existing sustainability reporting standards. The CSRD will now apply to (a) E.U. undertakings and non-E.U. issuers, who on an individual or group basis, have more than EUR 450 million net turnover and more than 1,000 employees on average during the financial year; and (b) non-E.U. ultimate parent undertakings that have more than EUR 450 million net turnover generated in the E.U. (individually or on a consolidated basis) for each of their last two consecutive financial years; and an E.U. subsidiary or a branch in the E.U. with more than EUR 200 million net turnover in the preceding financial year. New systems, personnel, data management systems and reporting procedures will have to be put in place, at significant cost, to prepare for and manage the administrative aspect of CSRD compliance.

A new Corporate Sustainability Due Diligence Directive ("CSDDD") was also adopted on July 25, 2024 as part of the Fit for 55 Package and establishes a corporate due diligence duty. CSDDD was to apply to large companies with more than 1,000 employees and the turnover threshold €450 million. However, following the approval of an omnibus agreement on December 16, 2025, CSDDD is now expected to apply from July 26, 2029 and the thresholds have now been revised to only apply to (a) E.U. undertakings that have or—if they are an ultimate parent undertaking, their group—has more than EUR 1.5 billion net turnover, and more than 5,000 employees on average during the financial year; and (b) non-E.U. undertakings that have or—if they are an ultimate parent undertaking, their group—has more than EUR 1.5 billion net turnover generated in the EU. The aim of CSDDD is to foster sustainable and responsible corporate behavior and to anchor human rights and environmental considerations in companies' operations and corporate governance. The new rules endeavor to ensure that businesses address adverse impacts of their actions, including in their value chains inside and outside Europe. New systems, personnel, data management systems, and reporting procedures, will have to be put in place, at significant cost, to prepare for and manage the administrative aspect of CSDDD compliance.

IMO GHG strategy

At the MEPC 80 session in July 2023, the IMO revised its GHG emission reduction targets in line with the Paris Agreement, setting more ambitious targets compared to its 2018 initial GHG strategy. The organization now aims for net-zero emissions from the shipping industry by 2050. The IMO has added two indicative checkpoints for GHG reduction – (i) To reduce the total annual GHG emissions from international shipping by at least 20%, striving for 30% in 2030, compared to 2008, and (ii) To reduce the total annual GHG emissions from international shipping by at least 70%, striving for 80% by 2040, compared to 2008. In addition, targets have been set for 2030: (i) reduction of CO₂ emission per transport work by at least 40% compared to 2008, and (ii) uptake in zero or near-zero GHG emission fuels by at least 5% and striving for 10%. The IMO net-zero framework was approved by MEPC 83. These measures were submitted for adoption as legally binding, but the MEPC agreed to adjourn the meeting on adoption until October 2026.

Achieving these targets will require a combination of energy efficiency requirements and energy saving technologies, in addition to encouraging shipowners to use alternative fuels such as biofuels and electro-/synthetic fuels such as hydrogen or ammonia. It may also include limiting the speed of ships. Currently, there is uncertainty regarding the exact measures that the IMO will undertake to achieve these targets. IMO-related uncertainty is a key factor preventing shipowners from placing new orders, as the vessels with conventional propulsion systems may have a high environmental compliance cost and possibly faster depreciating asset values in the future. Some shipowners have decided to manage this risk by ordering LNG-/methanol-fuelled ships to comply with stricter regulations that may be announced in future.

Alternative fuels for shipping

The IMO has set a target to reduce GHG emissions by 50% in 2050, which cannot be achieved with low-sulfur fuel and so has encouraged innovation in alternative fuels. The IMO has also been planning other technical and operational measures in order to meet emission targets. Alternative fuels like LPG and methanol are mainly used on vessels carrying these as cargo, while LNG is used as a fuel in LNG vessels and also in other vessels. Since hydrogen and ammonia are in the initial stages of development as marine fuel, LNG is expected to remain the preferred alternative fuel in the near to medium term due to its availability. However, LNG is still a fossil fuel and is unable to meet the IMO 2050 decarbonization target. Another drawback is that LNG propulsion requires an LNG-capable engine which would need additional capex and increased fuel storage space. Biofuel is another potential alternative fuel because it requires no major modification of engine, and therefore, no significant additional capex.

The LNG Fleet

LNG carriers are specialist vessels designed to transport LNG between liquefaction facilities and import terminals. They are double-hulled vessels with sophisticated containment systems that hold and insulate LNG to maintain it in liquid form. Any LNG that evaporates during the voyage and converts to a natural gas (normally referred to as boil-off) can be used as fuel to help propel the ship.

Among the existing fleet, there are several different types of containment systems used on LNG carriers, but the two most popular systems are:

- The Moss Rosenberg spherical system, which was designed in the 1970s and is used by a large portion of the existing LNG fleet. In this system, multiple self-supporting, spherical tanks are built independent of the carrier and arranged inside its hull.
- The Gaz Transport membrane system, which is built inside the carrier and consists of insulation between the thin primary and secondary barriers. The membrane is designed to accommodate thermal expansion and contraction without overstressing the membrane.

However, most new vessels are being built with membrane systems such as the Gaz Transport system. This trend is primarily a result of lower Suez Canal fees and related costs associated with passage through the Suez Canal, often required for many long-haul trade routes. In addition, ships with membrane systems, such as the Gaz Transport membrane system, tend to operate more efficiently with less wind resistance as compared to the ships with Moss Rosenberg systems. Generally, ships with membrane systems achieve better speed due to improved hull utilization, reduced cool down time, and better terminal capacity.

LNG Fleet

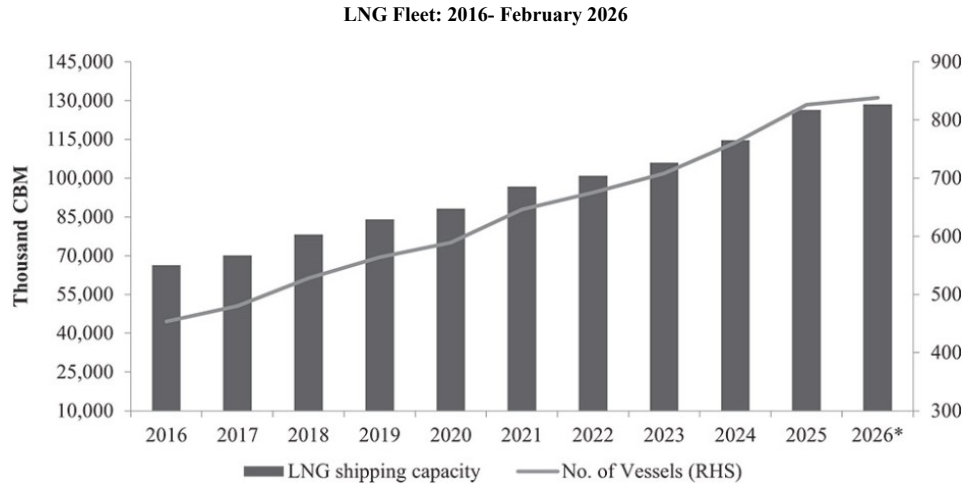
The cargo capacity of an LNG carrier is measured in cbm. As of February 28, 2026, the worldwide fleet totaled 838 ships with a combined capacity of 128.5 million cbm. The breakdown of the fleet by vessel size is shown below.

The LNG Fleet by Vessel Size: February 28, 2026

<i>Size</i>	<i>No.</i>	<i>000 Cbm</i>
0-17,999 cbm	51	354
18-49,999 cbm	28	694
50-74,999 cbm	4	278
75-124,999 cbm	6	475
125-149,999 cbm	150	21,346
150-199,999 cbm	542	92,606
200-219,999 cbm	43	9,009
220,000+ cbm	14	3,727
Total	838	128,491

Source: Drewry

The changes in LNG fleet supply are a function of deliveries of new ships from the orderbook and the removal of existing vessels through scrapping. The increases in seaborne LNG trade and ship demand over the last three years have resulted in rapid growth in the overall fleet size. LNG fleet capacity has expanded at a CAGR of 6.8% per annum between 2016 and 2026. High deliveries in the last four years have led to a sharp increase in LNG fleet in these years.



Source: Drewry

*Year to date

Within the current worldwide fleet, there are only 42 vessels with ice class certification and these vessels account for close to 5.0% of the global LNG fleet. These ships are a niche part of the market and command a premium over the freight rates of non-ice class vessels.

The age profile of the existing fleet as of February 28, 2026, is shown below. The average age of all LNG carriers in service is 10.1 years, with lower fleet ages for comparatively bigger vessels and higher fleet ages for smaller vessels, whereas, mid-sized vessels are relatively older.

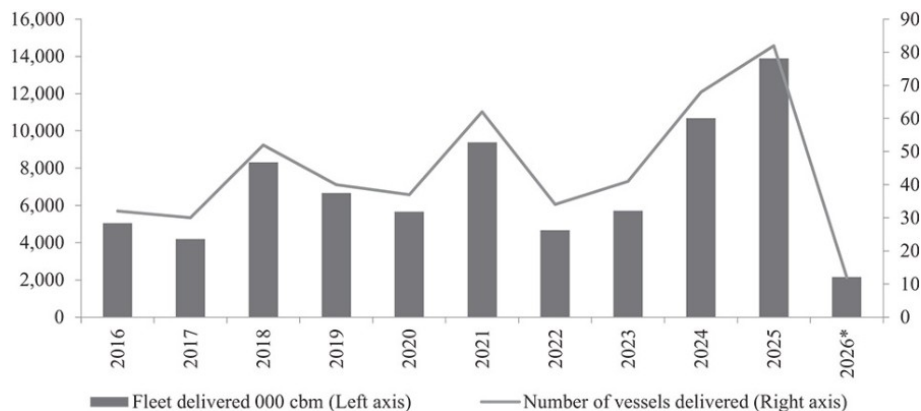
LNG Fleet Age Profile: February 28, 2026

<i>Size Range in CBM</i>	<i>Average Age (Years)</i>
0-18,000	9.1
18-50,000	10.2
50-75,000	23.6
75-125,000	5.4
125-150,000	21.8
150-200,000	6.5
200-220,000	13.0
220,000+	16.7
Average Age -Total Fleet	10.1

Source: Drewry

Due to high-quality construction and in most cases, high-quality maintenance, LNG carriers tend to have longer useful lives than oil tankers. However, older ships may find it harder to find employment. EEXI and CII regulations are expected to impact older steam turbine LNG vessels more. These vessels will need to reduce the speed. Ships built before 1990 will likely be replaced in the near future. Some of older tonnage may also get converted into FSRU. LNG fleet deliveries over last nine years are shown below. In early 2025 (till mid-March), two older steam turbine LNG vessels were sold for scrapping, demonstrating weak demand for these vessels.

LNG Fleet Delivery: 2016- February 2026



Source: Drewry, Note YTD 2023 deliveries include deliveries between January and February 2026

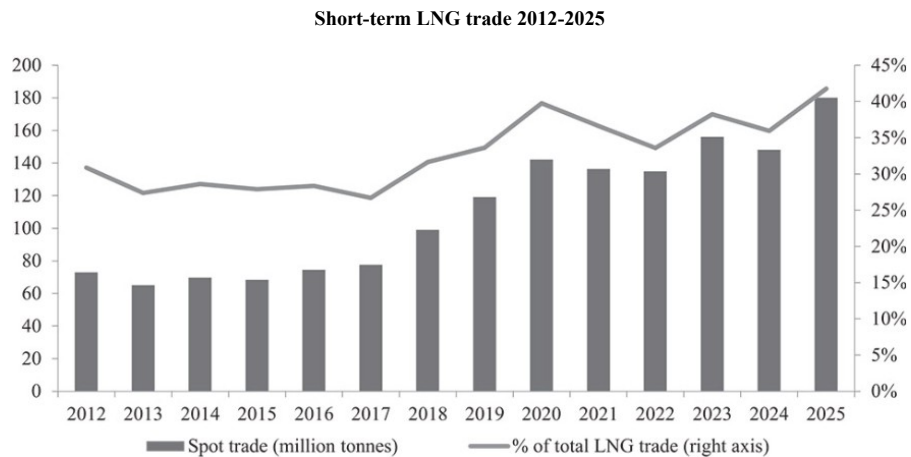
*Year to date

LNG Shipping Arrangements

LNG carriers are usually chartered for a fixed period of time. Shipping arrangements are normally based on charters of five years or more because:

- LNG projects are expensive and typically involve an integrated chain of dedicated facilities. Accordingly, the overall success of an LNG project depends heavily on long-term planning and coordination of project activities, including marine transportation; and
- LNG carriers are expensive to build, and vessel financing is supported by the corresponding cash-flow from long-term fixed-rate charters.

Most end users of LNG are utility companies, power stations or petrochemical producers with operations that depend on reliable and uninterrupted deliveries of LNG. Although most shipping requirements for new LNG projects continue to be provided on a long-term basis, spot voyages and time charters of four years or less have become a feature of the market in recent years. However, it should be noted that the LNG spot market is different from the tanker spot market. In the tanker market, the term “spot trade” refers to a single voyage, which is arranged at a short notice. In the LNG market, the term “spot trade” refers to the transport of one or more cargoes, sometimes within a specified time period between one and six months, with a set-up time of possibly several months. With changing global LNG market, the vessel owners are gradually increasing their exposure to spot trade. Earlier shipowners used to employ more than 85% of their fleet on long-term charters and 10 to 15% of the fleet used to operate in spot trade. However, short term LNG trade data for last ten years indicates that with increasing imports of China from the spot market and taking advantage of the rate spike in winters and other market imbalances, shipowners have increased the spot market exposure in the range of 27 to 42%.



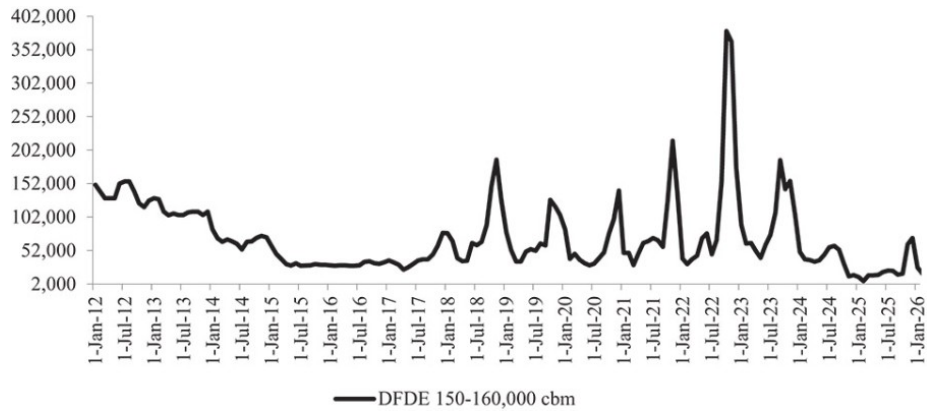
Source: Drewry

Spot earnings for LNG ships

Spot rates for LNG vessels were at its peak in 2012 following the Fukushima nuclear disaster of March 2011 in Japan. The disaster compelled Japan to adopt LNG more actively in lieu of nuclear power. The spot rates reached their lowest in 2016 as the demand slowed down. In 2018, the spot rates increased steadily despite strong newbuild deliveries. The strengthening in spot earnings of LNG ships was facilitated by a demand driven market in which demand for LNG vessels has outpaced the supply growth in world LNG fleet. Spot rates softened in 2019 on account of lower LNG imports in China, higher LNG inventory levels in Europe and Asia, and mild winter. Spot rates softened in 2019 on account of lower LNG imports in China, higher LNG inventory levels in Europe and Asia, and mild winter.

Spot LNG shipping rates plummeted in the first quarter of 2020 as the coronavirus (COVID-19) outbreak had an adverse impact on LNG trade and LNG spot prices. The outbreak forced several countries to go into lockdown, leading to decline in the world GDP and consequently weak LNG demand. Many LNG cargos were cancelled due to weak Asian LNG demand and high European gas inventories. However, LNG demand recovered in the latter half of 2020 as countries started easing the lockdown. LNG spot shipping freight rates started increasing from November 2020 on account of the cold snap in Asia, congestion in the Panama Canal, and availability of fewer LNG ships in the spot market. Higher Asian LNG demand supported spot LNG shipping rates in 2021. LNG shipping spot rates surged in 2022 mainly driven by European LNG imports as Europe switched towards LNG to end its reliance on Russian gas. LNG shipping rates have normalized in the last two years after peaking in 2022. LNG shipping spot rates softened in 2023 due to high inventory levels both in Europe and Asia, relatively mild winter and rising nuclear and renewable power in Asia, which limited LNG demand. In 2024, LNG shipping rates continued to decline as higher fleet growth due to increased vessel deliveries and fewer demolitions, outpaced trade growth. Average LNG shipping spot rates reached a five- year (2020-2024) low in 2024. In 2025, spot charter rates remained depressed due to reduced Asian demand and oversupply of LNG vessels. Higher prices, geopolitical disruptions and massive European demand led to increased dependency on domestic production, piped gas and other energy sources in Asia. Higher prices kept the price-sensitive countries in Asia on the back foot.

Spot rate for LNG ships January 2012 – January 2026
(U.S. \$ per day)



Source: Baltic exchange, Drewry

Russia-Ukraine war and impact on LNG shipping

The ongoing Russia-Ukraine war has led to a change in the LNG shipping trade pattern with Europe substituting Russian natural gas imports with LNG imports. The changing trade patterns have impacted LNG shipping with uncertainty over Russian gas supply to Europe, compelling the latter to increase its imports and upping the use of other alternatives – coal and nuclear- along with energy conservation measures. Europe accelerated FSRU-based LNG import projects to increase imports. The continent introduced about 10 import terminals (aggregating 41 mtpa), including eight FSRUs since the war. The rush to build import terminals in Europe eased considerably in 2023. Some projects were delayed or cancelled as the continent's position got better compared to 2022.

Europe continues to reduce its Russian LNG imports, with the latter's share falling to 12.7% in 2025. Meanwhile, the EU has set January 1, 2027 as the target to completely ban Russian gas and LNG imports into Europe, under the 19th EU sanctions and part of the REPowerEU roadmap. No new long-term Russian gas contracts are to be signed from January 1, 2026, while short-term contracts are banned from April 25, 2026 (for LNG) and June 17, 2026 (for piped gas). Long-term Russian LNG contracts should end by January 1, 2027, while pipeline gas imports should be phased out by September 30, 2027. An emergency clause has been added where pipeline gas imports can be extended to November 1, 2027, if storage targets are not met. The effective target to stop all Russian pipeline gas and LNG supply to Europe is by the autumn of 2027.

The plan is unlikely to have a significant impact on Europe's gas procurement and pricing, as most European countries have already reduced their imports from Russia. The ongoing negotiation efforts to stop the Russia-Ukraine war could see Russian gas flowing back into Europe. In a scenario where successful Russia-Ukraine negotiations lead to an end to the war, the ban is expected to stand on shaky ground, with some countries likely to revert to Russian gas and LNG for economic reasons. We do not expect the scenario to lead to pre-2022 flows, but this scenario would likely avoid a full ban on Russian gas.

Middle-East conflict and impact on LNG shipping

With the ongoing Middle-East conflict and the closure of the Strait of Hormuz, effectively 20% of the global LNG supply has been blocked. The attack on Qatar's key LNG infrastructure in the Middle East has further exacerbated the LNG supply situation, with Qatar suggesting that these attacks have taken out 17% of Qatar's LNG export capacity. Qatar has indicated that two of Qatar's 14 LNG trains and one of its two gas-to-liquids (GTL) facilities were damaged, and the repairs will remove 12.8 mtpa of Qatar's LNG for three to five years. QatarEnergy is expected to declare force majeure on long-term contracts for up to five years for LNG supplies to Italy, Belgium, South Korea, and China due to the two damaged trains. Earlier, QatarEnergy had declared force majeure on its entire output of LNG after an attack on its Ras Laffan production hub.

These recent attacks on the Ras Laffan site and the South Pars gas field signal that supply will remain disrupted for longer than expected. Even after the de-escalation in the Middle East, the resumption of Qatari supply will take more than a month to resume, which could result in a supply loss of 6–7 million tonnes by end-March and 14–15 million tonnes by end-May.

Spot LNG shipping rates have surged as many LNG ships are stuck on both sides of the Strait of Hormuz, which has reduced the effective supply of LNG vessels. With the disruption in LNG supply from Qatar, both Asian and European nations are scrambling to get their LNG supply from the spot market, implying increased demand for LNG vessels and higher spot charter rates. In case the Strait of Hormuz is blocked for the short term, we expect spot charter rates to continue to remain elevated as trade alterations are expected to soak up available tonnage. However, in a prolonged conflict scenario, we expect rates to ease as high prices and supply shortages will affect Asian and European demand.

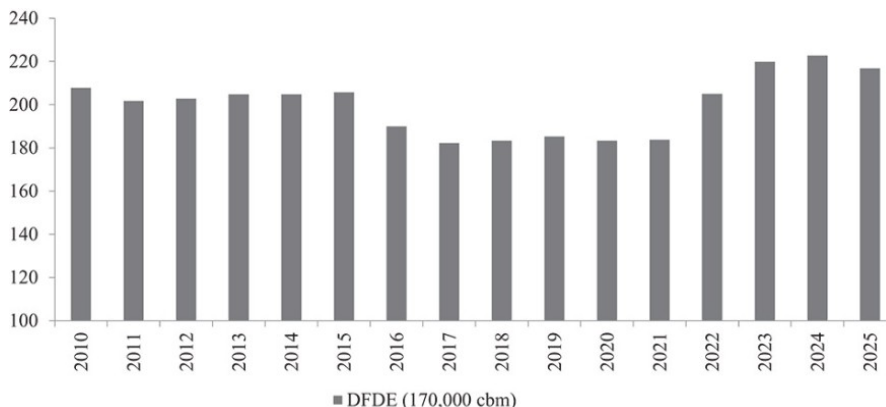
Following recent attacks on key LNG infrastructure in the Middle East, we expect LNG prices to remain elevated, with no short-term respite as supply losses keep participants on edge. With no possibility of Qatari supply resuming in the near term, supply losses will mount, resulting in a total loss of 14–15 million tonnes by the end of May. While we expect some trade readjustments, a complete substitution for lost Qatari cargoes is unlikely, especially in the medium term (3–6 months), which could lead to demand destruction.

Newbuilding Prices

Similar to other types of vessels, newbuilding prices for LNG carriers rose steeply in the late 1980s and early 1990s, and then began to drift downwards in the mid-1990s and fall sharply in the late 1990s. At the beginning of 1992, the price of a 125,000 cbm ship from a Far East yard was reported to be approximately \$270 million to \$290 million, compared with a low of \$120 million at the end of 1986. However, by early 2000 new orders were being struck at a new low of around \$150 million.

After the lows of early 2000, prices crept to \$165 million in 2001. Pressure on newbuilding prices pushed prices closer to \$160 million in 2002, and by 2003 prices fell to just above \$150 million. However, constrained shipbuilding capacity, currency movements and high steel prices led to an increase in prices in 2004 to around \$175 million. Prices rose above \$200 million in 2005 and renewed pressure on shipbuilding prices pushed prices close to \$220 million in 2006.

LNG Carrier Newbuilding Prices: 2010-2025
(End Period – U.S. \$ Million)



Source: Drewry

Prices for larger sized LNG carriers of 210,000-220,000 cbm were around \$215 million when they were first ordered in late 2004 and increased to \$235 million in the summer of 2005.

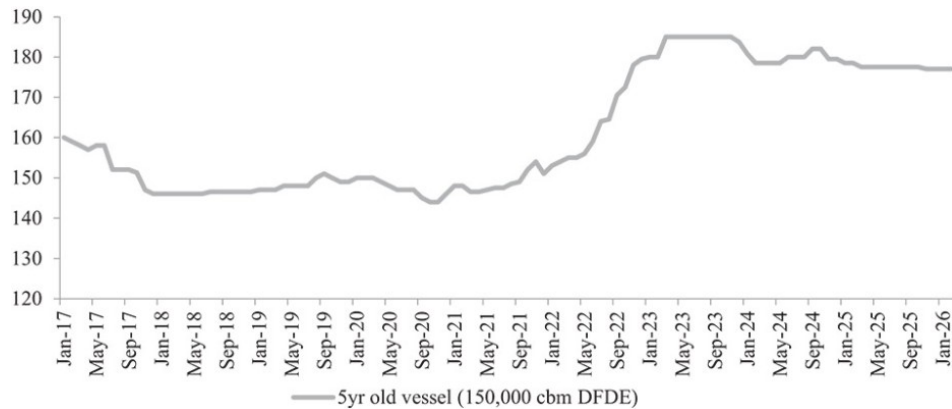
Newbuilding prices reached an all-time high of \$250 million around mid-2008, influenced by a number of factors including the declining dollar exchange rate, easy availability of finance, high steel prices, and tight shipbuilding capacity. However, newbuilding prices fell in the period between 2008 and 2011 due to a reduction in new orders. The newbuilding price for an LNG carrier increased marginally by 2% from \$202 million in 2011 to \$206 million in 2015, but dropped by 7.7% in 2016 due to weak freight rates and the resulting oversupply in the market. These prices continued to drop in 2017 before inching up by a marginal 1.4% on account of increased ordering activity in 2018 and thereafter 2.9% year over year to \$189.3 million in 2019 with a demand for better technology LNG vessels and higher competition for slots at shipyard. Newbuilding orders surged in 2018 and 2019 due to positive outlook of high liquefaction capacity to be added in the coming years, which would have created demand for additional LNG vessels. Newbuilding prices declined in 2020 due to weak LNG prospects and lower new orders. Increase in newbuilding prices in 2021 is on account of lower availability of LNG shipbuilding slots and inclusion of energy efficiency equipment. Newbuilding prices continued to increase in the last three years (2022-2024) on account of tight shipbuilding capacity and high vessel demand. However, the growth rate of newbuilding prices declined in 2024, and newbuilding prices seem to have found a ceiling owing to a fast build-up in LNG shipbuilding capacity in China.

Newbuilding prices gradually eased in 2025, in line with low new ordering, but higher input and labour costs and tighter slot availability expectations are likely to curb the steep fall in these prices.

Second-hand Prices

Sale and purchase transactions of LNG vessels are limited in number. The secondhand price of a five-year old 150,000cbm LNG vessel declined by 7.9% in 2016, 5.4% in 2017, and 5.1% in 2018. After falling between 2016 and 2018, secondhand vessel prices rose 1.5% year over year in 2019 on account of increase in newbuilding prices, rise in demand for MEGI and DFDE vessels with increase in spot trading and expectation of significant liquefaction capacity to be added in 2019. Secondhand LNG prices declined in 2020 in line with softer LNG spot rates for majority of the year. Increase in secondhand vessel prices in 2021 is mainly driven by strong prospects of LNG vessels and increase in newbuild prices. Secondhand prices increased in 2022 and in most of 2023 due to high demand and sale for potential conversion to FSRU (particularly for older tonnage). Secondhand prices declined in 2024 and 2025 mainly driven by the softening of LNG shipping charter rates amid oversupply of LNG vessels.

LNG Carrier Second-hand Prices: January 2017 – January 2026
(Monthly – U.S. \$ Million)



Source: Drewry

LNG Safety

LNG shipping is generally safe relative to other forms of commercial marine transportation. In the past forty years, there have been no significant accidents or cargo spillages involving an LNG carrier, even though over 40,000 LNG voyages have been made during that time.

LNG is non-toxic and non-explosive in its liquid state. It only becomes explosive or flammable when it is heated, vaporized, and in a confined space within a narrow range of concentrations in the air (5% to 15%). The risks and hazards from an LNG spillage vary depending on the size of the spillage, the environmental conditions, and the site at which the spillage occurs.

Competition

We operate in markets that are highly competitive and based primarily on supply and demand. The process of obtaining new time charters generally involves intensive screening and competitive bidding, and often extends for several months. LNG carrier time charters are generally awarded based upon a variety of factors relating to the vessel operator, including but not limited to price, customer relationships, operating expertise, professional reputation and size, age and condition of the vessel. We believe that the LNG shipping industry is characterized by the significant time required to develop the operating expertise and professional reputation necessary to obtain and retain charterers.

We expect substantial competition for providing marine transportation services for potential LNG projects from a number of experienced companies, including state-sponsored entities and major energy companies. Many of these competitors have significantly greater financial resources and larger and more versatile fleets than we do. We anticipate that an increasing number of marine transportation companies, including many with strong reputations and extensive resources and experience, will enter the LNG transportation market. This increased competition may cause greater price competition for time charters.

Seasonality

Historically, LNG trade, and therefore charter rates, increased in the winter months and eased in the summer months as demand for LNG in the Northern Hemisphere rose in colder weather and fell in warmer weather. The LNG industry in general has become less dependent on the seasonal transport of LNG than a decade ago as new uses for LNG have developed, spreading consumption more evenly over the year. There is a higher seasonal demand during the summer months due to energy requirements for air conditioning in some markets and a pronounced higher seasonal demand during the winter months for heating in other markets. However, our vessels primarily operate under multi-year charters and are not subject to the effect of seasonal variations in demand.

Environmental and Other Regulations in the Shipping Industry

Government regulation and laws significantly affect the ownership and operation of our fleet. We are subject to international conventions and treaties, national, state and local laws and regulations in force in the countries in which our vessels may operate or are registered relating to safety and health and environmental protection including the storage, handling, emission, transportation and discharge of hazardous and non-hazardous materials, and the remediation of contamination and liability for damage to natural resources. Compliance with such laws, regulations and other requirements entails significant expense, including vessel modifications and implementation of certain operating procedures.

A variety of government and private entities subject our vessels to both scheduled and unscheduled inspections. These entities include the local port authorities (applicable national authorities such as the United States Coast Guard (“USCG”), harbor master or equivalent), classification societies, flag state administrations (countries of registry) and charterers, particularly terminal operators. Certain of these entities require us to obtain permits, licenses, certificates and other authorizations for the operation of our vessels. Failure to maintain necessary permits or approvals could require us to incur substantial costs or result in the temporary suspension of the operation of one or more of our vessels.

Increasing environmental concerns have created a demand for vessels that conform to stricter environmental standards. We are required to maintain operating standards for all of our vessels that emphasize operational safety, quality maintenance, continuous training of our officers and crews and compliance with United States and international regulations. We believe that the operation of our vessels is in substantial compliance with applicable environmental laws and regulations and that our vessels have all material permits, licenses, certificates or other authorizations necessary for the conduct of our operations. However, because such laws and regulations frequently change and may impose increasingly stricter requirements, we cannot predict the ultimate cost of complying with these requirements, or the impact of these requirements on the resale value or useful lives of our vessels. In addition, a future serious marine incident that causes significant adverse environmental impact could result in additional legislation or regulation that could negatively affect our profitability.

International Maritime Organization

The International Maritime Organization, the United Nations agency for maritime safety and the prevention of pollution by vessels (the “IMO”), has adopted the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto, collectively referred to as MARPOL 73/78 and herein as “MARPOL,” the International Convention for the Safety of Life at Sea of 1974 (“SOLAS Convention”), and the International Convention on Load Lines of 1966 (the “LL Convention”). MARPOL establishes environmental standards relating to oil leakage or spilling, garbage management, sewage, air emissions, handling and disposal of noxious liquids and the handling of harmful substances in packaged forms. MARPOL is applicable to drybulk, tanker and LNG carriers, among other vessels, and is broken into six Annexes, each of which regulates a different source of pollution. Annex I relates to oil leakage or spilling; Annexes II and III relate to harmful substances carried in bulk in liquid or in packaged form, respectively; Annexes IV and V relate to sewage and garbage management, respectively; and Annex VI, lastly, relates to air emissions. Annex VI was separately adopted by the IMO in September of 1997, new emissions standards, titled IMO-2020, took effect on January 1, 2020.

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Vessels that transport gas, including LNG carriers and FSRUs, are also subject to regulation under the International Code for the Construction and Equipment of Ships Carrying Liquefied Gases in Bulk, or the IGC Code, published by the IMO. The IGC Code provides a standard for the safe carriage of LNG and certain other liquid gases by prescribing the design and construction standards of vessels involved in such carriage. The completely revised and updated IGC Code entered into force in 2016, and the amendments were developed following a comprehensive five-year review and are intended to take into account the latest advances in science and technology. Compliance with the IGC Code must be evidenced by a Certificate of Fitness for the Carriage of Liquefied Gases in Bulk. Non-compliance with the IGC Code or other applicable IMO regulations may subject a shipowner or a bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected vessels and may result in the denial of access to, or detention in, some ports. Amendments to the IGC Code (and the IGF Code, discussed below) concerning the application of high manganese austenitic steel for cryogenic service in cargo and fuel tanks of LNG carriers (and LNG-fueled ships) became effective on January 1, 2026. We believe that each of our vessels is in compliance with the IGC Code and each of our new buildings/conversion contracts requires that the vessel receive a certification that it is in compliance with applicable regulations before it is delivered.

Our LNG vessels may also become subject to the 2010 International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (the “2010 HNS Convention”) if it enters into force. The 2010 HNS Convention creates a regime of liability and compensation for damage from hazardous and noxious substances (“HNS”), including liquefied gases. The 2010 HNS Convention sets up a two-tier system of compensation composed of compulsory insurance taken out by shipowners and an HNS Fund which comes into play when the insurance is insufficient to satisfy a claim or does not cover the incident. Under the 2010 HNS Convention, if damage is caused by bulk HNS, claims for compensation will first be sought from the shipowner up to a maximum of 100 million Special Drawing Rights (“SDR”). If the damage is caused by packaged HNS or by both bulk and packaged HNS, the maximum liability is 115 million SDR. Once the limit is reached, compensation will be paid from the HNS Fund up to a maximum of 250 million SDR. The 2010 HNS Convention has not been ratified by a sufficient number of countries to enter into force, and we cannot estimate the costs that may be needed to comply with any such requirements that may be adopted with any certainty at this time.

In June 2015 the IMO formally adopted the International Code of Safety for Ships using Gases or Low flashpoint Fuels, or the “IGF Code,” which is designed to minimize the risks involved with ships using low flashpoint fuels- including LNG. The IGF Code and the amendments to SOLAS became effective January 1, 2017. Amendments to the IGF Code relating to regulations on loading limit for liquefied gas fuel tanks, regulations for fuel distribution outside of machinery space, and others became effective in January 2024. IGF Code amendments regarding the application of high manganese austenitic steel for cryogenic service in cargo and fuel tanks of LNG carriers and LNG-fueled ships became effective on January 1, 2026.

In 2013, MEPC adopted a resolution amending MARPOL Annex I Condition Assessment Scheme, or CAS. These amendments became effective on October 1, 2014, and require compliance with the 2011 International Code on the Enhanced Programme of Inspections during Surveys of Bulk Carriers and Oil Tankers, or ESP Code, which provides for enhanced inspection programs. On July 1, 2024, amendments to the ESP Code became effective, addressing inconsistencies on examination of ballast tanks at annual surveys for bulk carriers and oil tankers. We may need to make certain financial expenditures to comply with these amendments.

Air Emissions

In September of 1997, the IMO adopted Annex VI to MARPOL to address air pollution from vessels. Effective May 2005, Annex VI sets limits on sulfur oxide and nitrogen oxide emissions from all commercial vessel exhausts and prohibits “deliberate emissions” of ozone depleting substances (such as halons and chlorofluorocarbons), emissions of volatile compounds from cargo tanks and the shipboard incineration of specific substances. Annex VI also includes a global cap on the sulfur content of fuel oil and allows for special areas to be established with more stringent controls on sulfur emissions, as explained below. Emissions of “volatile organic compounds” from certain vessels and shipboard incineration (from incinerators installed after January 1, 2000) of certain substances (such as polychlorinated biphenyls, or “PCBs”) are also prohibited. We believe that all our vessels are currently compliant in all material respects with these regulations.

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The Marine Environment Protection Committee, or “MEPC,” adopted amendments to Annex VI regarding emissions of sulfur oxide, nitrogen oxide, particulate matter and ozone depleting substances, which entered into force on July 1, 2010. The amended Annex VI seeks to further reduce air pollution by, among other things, implementing a progressive reduction of the amount of sulfur contained in any fuel oil used on board ships. Effective January 1, 2020, there has been a global limit of 0.5% m/m sulfur oxide emissions (reduced from 3.50%). This limitation can be met by using low-sulfur compliant fuel oil, alternative fuels or exhaust gas cleaning systems (“EGCS”). Ships are required to obtain bunker delivery notes and International Air Pollution Prevention (“IAPP”) Certificates from their flag states that specify sulfur content. Additionally, at MEPC 73, amendments to Annex VI to prohibit the carriage of bunkers above 0.5% sulfur on ships became effective on March 1, 2020. Fuels with higher sulfur content than required by Reg. 14 of Annex VI can still be delivered to a ship, provided the ship uses equivalent measures, such as an EGCS. Additional amendments to Annex VI revising, among other terms, the definition of “Sulphur content of fuel oil” (if the flashpoint is under 70°C) and “low-flashpoint fuel” and pertaining to the sampling and testing of onboard fuel oil, became effective in April 2022. Amendments to Annex VI, requiring bunker delivery notes to include a flashpoint of fuel oil or a statement that the flashpoint has been measured at or above 70°C as mandatory information, became effective on May 1, 2024. Additional amendments intended to prevent the supply of oil fuel not complying with SOLAS flashpoint requirements and adding new definitions regarding probability of ignition became effective January 1, 2026. These regulations subject ocean-going vessels to stringent emissions controls, and may cause us to incur substantial costs.

Sulfur content standards are even stricter within certain “Emission Control Areas,” or (“ECAs”). As of January 1, 2015, ships operating within an ECA were not permitted to use fuel with sulfur content in excess of 0.1% m/m. Amended Annex VI establishes procedures for designating new ECAs. Currently, the ECAs include specified portions of the Baltic Sea area, North Sea area, North American area, United States Caribbean Sea area and the Mediterranean Sea as a whole. Ocean-going vessels in these areas will be subject to stringent emission controls and may cause us to incur additional costs. At MEPC 82, the IMO adopted additional amendments to Annex VI designating the Canadian Arctic and the Norwegian Sea as ECAs, which became effective on March 1, 2026, taking effect on March 1, 2027. Ocean-going vessels in these areas will be subject to stringent emission controls and ocean-going vessels trading in ECAs are subject to increased operational costs due to the higher price of fuel with low sulfur content and this may cause us to incur additional costs. Other areas in China are subject to local regulations that impose stricter emission controls. If other ECAs are approved by the IMO, or other new or more stringent requirements relating to emissions from marine diesel engines or port operations by vessels are adopted by the U.S. Environmental Protection Agency (the “EPA”) or the states where we operate, compliance with these regulations could entail significant capital expenditures or otherwise increase the costs of our operations.

Amended Annex VI also establishes new tiers of stringent nitrogen oxide (or Nox) emissions standards for marine diesel engines, depending on their date of installation. Now Annex VI provides for a three-tier reduction in NOx emissions from marine diesel engines, with the final tier (“Tier III”) to apply to engines installed on vessels constructed on or after January 1, 2016 and which operate in the North American ECA or the U.S. Caribbean Sea ECA, to vessels constructed on or after January 1, 2021 and operating in the Baltic Sea ECA or North Sea ECA, to vessels with keels laid on or after January 1, 2025 operated in the Canadian Arctic ECA, and to certain vessels beginning March 1, 2026 and operating in the Norwegian Sea ECA, as well as ECAs designated in the future by the IMO. The EPA promulgated equivalent (and in some senses stricter) emissions standards in late 2009. Additionally, amendments to Annex II, which strengthen discharge requirements for cargo residues and tank washings in specified sea areas (including North West European waters, Baltic Sea area, Western European waters and Norwegian Sea), came into effect in January 2021. If other ECAs are approved by the IMO, or other new or more stringent requirements relating to emissions from marine diesel engines or port operations by vessels are adopted by the EPA or the states where we operate, compliance with these regulations could entail significant capital expenditures or otherwise increase the costs of our operations.

As determined at the MEPC 70, Regulation 22A of MARPOL Annex VI became effective as of March 1, 2018, and requires ships above 5,000 gross tonnage (“GT”) to collect and report annual data on fuel oil consumption to an IMO database, with the first year of data collection having commenced on January 1, 2019. The IMO used such data as the first step in its roadmap (through 2023) for developing its strategy to reduce greenhouse gas emissions from ships, as discussed further below.

As of January 1, 2013, MARPOL made mandatory certain measures relating to energy efficiency for ships. All ships are now required to develop and implement Ship Energy Efficiency Management Plans (“SEEMPS”) and new ships must be designed in compliance with minimum energy efficiency levels per capacity mile as defined by the Energy Efficiency Design Index (“EEDI”). Additionally, MEPC 75 adopted amendments to MARPOL Annex VI which brought forward the effective date of the EEDI’s “phase 3” requirements to April 1, 2022, for several ship types, including gas carriers, general cargo ships, and LNG carriers, with the remaining vessels required to comply beginning on January 1, 2025. MEPC 81 adopted amendments to the guidelines for the development of SEEMPs, including methodology for collecting data. These amendments went into effect on August 1, 2025.

Additionally, MEPC 76 adopted amendments to Annex VI which impose new regulations to reduce greenhouse gas emissions from ships. The revised Annex VI entered into force in November 2022 and includes requirements to assess and measure the energy efficiency of all ships and set the required attainment values, with the goal of reducing the carbon intensity of international shipping. The requirements include (1) a technical requirement to reduce carbon intensity based on a new Energy Efficiency Existing Ship Index (“EEXI”), and (2) operational carbon intensity reduction requirements, based on a new operational carbon intensity indicator (“CII”). The attained EEXI is required to be calculated for ships of 400 gross tonnage and above, in accordance with different values set for ship types and categories. With respect to the CII requirement, which took effect from January 1, 2023, ships of at least 5,000 gross tonnage are required to document and verify their actual annual operational CII achieved against a determined required annual operational CII. The EEXI and CII certification entered into effect on January 1, 2023. MEPC 77 adopted a non-binding resolution which urges Member States and ship operators to voluntarily use distillate or other cleaner alternative fuels or methods of propulsion that are safe for ships and could contribute to the reduction of black carbon emissions from ships when operating in or near the Arctic.

MEPC 76 also adopted amendments requiring ships of 5,000 gross tonnage and above to revise their SEEMP to include methodology for calculating the ship’s attained annual operation CII and the required annual operational CII, on or before June 1, 2023. MEPC 76 also approved amendments to MARPOL Annex I to prohibit the use and carriage for use as fuel of heavy fuel oil (“HFO”) by ships in Arctic waters on and after July 1, 2024. For ships subject to Regulation 12A (oil fuel tank protection), the prohibition will become effective on or after July 1, 2029.

MEPC 79 adopted amendments to Annex VI on the reporting of mandatory values related to the implementation of the IMO short-term GHG reduction measure, including attained EEXI, CII and rating values to the IMO DCS, which became effective May 1, 2024.

Pursuant to the IMO’s short-term targets for the reduction of greenhouse gas emissions in the shipping industry by 2030, we may incur costs to comply with these revised standards. Additional or new conventions, laws and regulations may be adopted that could require the installation of expensive emission control systems and could adversely affect our business, results of operations, cash flows and financial condition.

Safety Management System Requirements

The SOLAS Convention was amended to address the safe manning of vessels and emergency training drills. The Convention of Limitation of Liability for Maritime Claims (the “LLMC”) sets limitations of liability for a loss of life, personal injury or property claim against ship owners. We believe that our vessels are in substantial compliance with SOLAS and LLMC standards.

Under the ISM Code, our operations are also subject to environmental standards and requirements. The ISM Code requires the party with operational control of a vessel to develop an extensive safety management system that includes, among other things, the adoption of a safety and environmental protection policy setting forth instructions and procedures for operating its vessels safely and describing procedures for responding to emergencies. We rely upon the safety management system that we and our technical management team have developed for compliance with the ISM Code. The failure of a vessel owner or bareboat charterer to comply with the ISM Code may subject such party to increased liability, may decrease available insurance coverage for the affected vessels and may result in a denial of access to, or detention in, certain ports.

The Military Sealift Command adopted amendments to modernize the Global Maritime Distress and Safety System (“GMDSS”), which entered into force on January 1, 2024. The amendments, which include amendments to SOLAS, may require vessel owners/operators to ensure their radio equipment is compliant.

The ISM Code requires that vessel operators obtain a Safety Management Certificate (an “SMC”) for each vessel they operate. This certificate evidences compliance by a vessel’s management with the ISM Code requirements for a safety management system. No vessel can obtain an SMC unless its manager has been awarded a DOC issued by each flag state (or Recognized Organization (an “RO”) on behalf of the flag administration), under the ISM Code. We have obtained applicable DOCs for our offices and SMCs for all of our vessels. Each DOC and SMC are renewed as required.

Amendments to SOLAS chapter II-2, which are intended to prevent the supply of oil fuel not complying with SOLAS flashpoint requirements, requiring that ships carrying oil fuel must, prior to bunkering, be provided with a declaration certifying that the oil fuel supplied is in conformity with SOLAS regulation II-2/4.2.1, entered into effect on January 1, 2026.

Regulation II-1/3-10 of the SOLAS Convention governs ship construction and stipulates that ships over 150 meters in length must have adequate strength, integrity and stability to minimize risk of loss or pollution. Goal-based standards amendments in SOLAS regulation II-1/3-10 entered into force in 2012, and starting on July 1, 2016 apply to new oil tankers and bulk carriers. Regulation II-1/3-10 requires that all oil tankers and bulk carriers of at least 150 meters in length, for which the building contract is placed on or after July 1, 2016, satisfy applicable structural requirements conforming to the functional requirements of the International Goal-based Ship Construction Standards for Bulk Carriers and Oil Tankers (“GBS Standards”). Amendments to the International Code on the Enhanced Programme of Inspections during Surveys of Bulk Carriers and Oil Tankers, 2011 became effective and address inconsistencies on examination of ballast tanks at annual surveys for bulk carriers and oil tankers.

Amendments to the SOLAS Convention Chapter VII apply to vessels transporting dangerous goods and require those vessels be in compliance with the International Maritime Dangerous Goods Code (“IMDG Code”). Effective January 1, 2018, the IMDG Code includes (1) updates to the provisions for radioactive material, reflecting the latest provisions from the International Atomic Energy Agency, (2) new marking, packing and classification requirements for dangerous goods and (3) new mandatory training requirements. Amendments which took effect on January 1, 2020, also reflect the latest material from the UN Recommendations on the Transport of Dangerous Goods, including (1) new provisions regarding IMO type 9 tank, (2) new abbreviations for segregation groups and (3) special provisions for carriage of lithium batteries and of vehicles powered by flammable liquid or gas. Additional amendments to the IMDG Code relating to the segregation requirements for certain substances and classification and transport of carbon came into effect in June 2022. Updates to the IMDG Code, in line with the updates to the United Nations Recommendations on the Transport of Dangerous Goods, which set the recommendations for all transport modes, became effective January 1, 2024. In May 2024, the last IMDG Code amendment was adopted, covering additional provisions for ships carrying dangerous goods. The amendment became effective on January 1, 2026.

The IMO has also adopted the STCW. As of February 2017, all seafarers are required to meet the STCW standards and be in possession of a valid STCW certificate. Flag states that have ratified SOLAS and STCW generally employ the classification societies, which have incorporated SOLAS and STCW requirements into their class rules, to undertake surveys to confirm compliance.

Actions by the IMO’s Maritime Safety Committee and United States agencies indicate that cybersecurity regulations for the maritime industry are likely to be further developed in the near future in an attempt to combat cybersecurity threats. For example, effective January 2021, cyber-risk management systems must be incorporated by ship-owners and managers. Additional requirements apply to U.S. flagged vessels. This might cause companies to create additional procedures for monitoring cybersecurity, which could require additional expenses and/or capital expenditures. The impact of such regulations is hard to predict at this time.

Pollution Control and Liability Requirements

The IMO has negotiated international conventions that impose liability for pollution in international waters and the territorial waters of the signatories to such conventions. For example, the IMO adopted the BWM Convention in 2004. The BWM Convention entered into force globally on September 8, 2017. The BWM Convention requires ships to manage their ballast water to remove, render harmless or avoid the uptake or discharge of new or invasive aquatic organisms and pathogens within ballast water and sediments.

Specifically, ships over 400 gross tons generally must comply with a “D-1 standard,” requiring the exchange of ballast water only in open seas and away from coastal waters. The “D-2 standard” specifies the maximum amount of viable organisms allowed to be discharged, and compliance dates vary depending on the IOPP renewal dates. For most ships, compliance with the D-2 standard involves installing on-board systems to treat ballast water and eliminate unwanted organisms. Ballast Water Management systems (“BWMS”), which include systems that make use of chemical, biocides, organisms or biological mechanisms, or which alter the chemical or physical characteristics of the Ballast Water, must be approved in accordance with IMO Guidelines (Regulation D-3). Pursuant to the BWM Convention amendments that entered into force in October 2019, BWMS installed on or after October 28, 2020 shall be approved in accordance with BWMS Code, while BWMS installed before October 23, 2020 must be approved taking into account guidelines developed by the IMO or the BWMS Code. MEPC 72’s amendments to the BWM Convention requires all ships to meet the D-2 standard. The cost of compliance could increase for ocean carriers and may have a material effect on our operations. However, many countries already regulate the discharge of ballast water carried by vessels from country to country to prevent the introduction of invasive and harmful species via such discharges. The U.S., for example, requires vessels entering its waters from another country to conduct mid-ocean ballast exchange, or undertake some alternate measure, and to comply with certain reporting requirements. Amendments to the BWM Convention concerning commissioning testing of BWMS became effective in 2022, and other amendments concerning the form of the Ballast Water Record Book entered into force on February 1, 2025.

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The IMO adopted the International Convention on Civil Liability for Oil Pollution Damage of 1969, as amended by different Protocols in 1976, 1984, and 1992, and amended in 2000, the CLC. Under the CLC and depending on whether the country in which the damage results is a party to the 1992 Protocol to the CLC, a vessel's registered owner may be strictly liable for pollution damage caused in the territorial waters of a contracting state by discharge of persistent oil, subject to certain exceptions. The 1992 Protocol changed certain limits on liability expressed using the International Monetary Fund currency unit, the Special Drawing Rights. The limits on liability have since been amended so that the compensation limits on liability were raised. The right to limit liability is forfeited under the CLC where the spill is caused by the shipowner's actual fault and under the 1992 Protocol where the spill is caused by the shipowner's intentional or reckless act or omission where the shipowner knew pollution damage would probably result. The CLC requires ships over 2,000 tons covered by it to maintain insurance covering the liability of the owner in a sum equivalent to an owner's liability for a single incident. We have protection and indemnity insurance for environmental incidents. P&I Clubs in the International Group issue the required Bunkers Convention "Blue Cards" to enable signatory states to issue certificates. We will ensure that our vessels are in possession of a CLC State issued certificate attesting that the required insurance coverage is in force as required by law.

The IMO also adopted the Bunker Convention to impose strict liability on ship owners (including the registered owner, bareboat charterer, manager or operator) for pollution damage in jurisdictional waters of ratifying states caused by discharges of bunker fuel. The Bunker Convention requires registered owners of ships over 1,000 gross tons to maintain insurance for pollution damage in an amount equal to the limits of liability under the applicable national or international limitation regime (but not exceeding the amount calculated in accordance with the LLMC). With respect to non-ratifying states, liability for spills or releases of oil carried as fuel in a ship's bunkers typically is determined by the national or other domestic laws in the jurisdiction where the events or damages occur.

Ships are required to maintain a certificate attesting that they maintain adequate insurance to cover an incident. In jurisdictions, such as the United States where the Bunker Convention has not been adopted, various legislative schemes or common law govern, and liability is imposed either on the basis of fault or on a strict-liability basis.

Anti-Fouling Requirements

In 2001, the IMO adopted the International Convention on the Control of Harmful Anti-fouling Systems on Ships (the "Anti-fouling Convention"), which entered into force on September 17, 2008, and prohibits the use of organotin compound coatings to prevent the attachment of mollusks and other sea life to the hulls of vessels. Vessels of over 400 gross tons engaged in international voyages are required to undergo an initial survey before the vessel is put into service or before an International Anti-fouling System Certificate is issued for the first time and subsequent surveys are required when the anti-fouling systems are altered or replaced. In 2023, amendments to the Anti-fouling Convention came into effect which include controls on the biocide cybutryne: ships shall not apply cybutryne or re-apply anti-fouling systems containing cybutryne from January 1, 2023.

We have obtained Anti-fouling System Certificates for our vessels that are subject to the Anti-fouling Convention.

Compliance Enforcement

Noncompliance with the ISM Code or other IMO regulations may subject the ship owner or bareboat charterer to increased liability, may lead to decreases in available insurance coverage for affected vessels and may result in the denial of access to, or detention in, some ports. The USCG and European Union authorities have indicated that vessels not in compliance with the ISM Code by applicable deadlines will be prohibited from trading in U.S. and European Union ports, respectively. As of the date of this annual report, each of our vessels is ISM Code certified. However, there can be no assurance that such certificates will be maintained in the future. The IMO continues to review and introduce new regulations. It is impossible to predict what additional regulations, if any, may be passed by the IMO and what effect, if any, such regulations might have on our operations.

United States Regulations

The U.S. Oil Pollution Act of 1990 and the Comprehensive Environmental Response, Compensation and Liability Act

OPA established an extensive regulatory and liability regime for the protection and clean-up of the environment from oil spills. OPA affects all “owners and operators” whose vessels trade or operate within the U.S., its territories and possessions or whose vessels operate in U.S. waters, which includes the U.S.’s territorial sea and its 200-nautical mile exclusive economic zone around the U.S. The U.S. has also enacted CERCLA, which applies to the discharge of hazardous substances other than oil, except in limited circumstances, whether on land or at sea. OPA and CERCLA both define “owner and operator” in the case of a vessel as any person owning, operating or chartering by demise, the vessel. Both OPA and CERCLA impact our operations.

Under OPA, vessel owners and operators are “responsible parties” and are jointly, severally and strictly liable (unless the spill results solely from the act or omission of a third party, an act of God or an act of war) for all containment and clean-up costs and other damages arising from discharges or threatened discharges of oil from their vessels, including bunkers (fuel). OPA defines these other damages broadly to include:

- (i) injury to, destruction or loss of, or loss of use of, natural resources and related assessment costs;
- (ii) injury to, or economic losses resulting from, the destruction of real and personal property;
- (iii) net loss of taxes, royalties, rents, fees or net profit revenues resulting from injury, destruction or loss of real or personal property, or natural resources;
- (iv) loss of subsistence use of natural resources that are injured, destroyed or lost;
- (v) lost profits or impairment of earning capacity due to injury, destruction or loss of real or personal property or natural resources; and
- (vi) net cost of increased or additional public services necessitated by removal activities following a discharge of oil, such as protection from fire, safety or health hazards, and loss of subsistence use of natural resources.

OPA contains statutory caps on liability and damages; such caps do not apply to direct cleanup costs. Effective March 2023, the USCG adjusted the limits of OPA liability for a tank vessel, other than a single-hull tank vessel, over 3,000 gross tons liability to the greater of \$2,500 per gross ton or \$21,521,000 (subject to periodic adjustment for inflation), for non-tank vessels, edible oil tank vessels, and any oil spill response vessels, to the greater of \$1,300 per gross ton or \$1,076,000 (subject to periodic adjustment for inflation). These limits of liability do not apply if an incident was proximately caused by the violation of any applicable U.S. federal safety, construction or operating regulation by a responsible party (or its agent, employee or a person acting pursuant to a contractual relationship) or a responsible party’s gross negligence or willful misconduct. The limitation on liability similarly does not apply if the responsible party fails or refuses to (i) report the incident as required by law where the responsible party knows or has reason to know of the incident; (ii) reasonably cooperate and assist as requested in connection with oil removal activities; or (iii) without sufficient cause, comply with an order issued under the Federal Water Pollution Act (Section 311 (c), (e)) or the Intervention on the High Seas Act.

CERCLA contains a similar liability regime whereby owners and operators of vessels are liable for clean-up, removal and remedial costs, as well as damages for injury to, or destruction or loss of, natural resources, including the reasonable costs associated with assessing the same, and health assessments or health effects studies. There is no liability if the discharge of a hazardous substance results solely from the act or omission of a third party, an act of God or an act of war. Liability under CERCLA is limited to the greater of \$300 per gross ton or \$5.0 million for vessels carrying a hazardous substance as cargo and the greater of \$300 per gross ton or \$500,000 for any other vessel. These limits do not apply (rendering the responsible person liable for the total cost of response and damages) if the release or threat of release of a hazardous substance resulted from willful misconduct or negligence, or the primary cause of the release was a violation of applicable safety, construction or operating standards or regulations. The limitation on liability also does not apply if the responsible person fails or refused to provide all reasonable cooperation and assistance as requested in connection with response activities where the vessel is subject to OPA.

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OPA and CERCLA each preserve the right to recover damages under existing law, including maritime tort law. OPA and CERCLA both require owners and operators of vessels to establish and maintain with the USCG evidence of financial responsibility sufficient to meet the maximum amount of liability to which the particular responsible person may be subject. Vessel owners and operators may satisfy their financial responsibility obligations by providing a proof of insurance, a surety bond, qualification as a self-insurer or a guarantee. We comply and plan to comply going forward with the USCG's financial responsibility regulations by providing applicable certificates of financial responsibility.

The 2010 Deepwater Horizon oil spill in the Gulf of Mexico resulted in additional regulatory initiatives or statutes, including higher liability caps under OPA, new regulations regarding offshore oil and gas drilling and a pilot inspection program for offshore facilities. However, several of these initiatives and regulations have been or may be revised. For example, the U.S. Bureau of Safety and Environmental Enforcement's ("BSEE") revised Production Safety Systems Rule ("PSSR"), effective December 27, 2018, modified and relaxed certain environmental and safety protections under the 2016 PSSR. Compliance with any new requirements of OPA and future legislation or regulations applicable to the operation of our vessels could negatively impact the cost of our operations and adversely affect our business.

OPA specifically permits individual states to impose their own liability regimes with regard to oil pollution incidents occurring within their boundaries, provided they accept, at a minimum, the levels of liability established under OPA and some states have enacted legislation providing for unlimited liability for oil spills. Many U.S. states that border a navigable waterway have enacted environmental pollution laws that impose strict liability on a person for removal costs and damages resulting from a discharge of oil or a release of a hazardous substance. These laws may be more stringent than U.S. federal law. Moreover, some states have enacted legislation providing for unlimited liability for discharge of pollutants within their waters, although in some cases, states which have enacted this type of legislation have not yet issued implementing regulations defining vessel owners' responsibilities under these laws. We intend to comply with all applicable state regulations in the ports where our vessels call.

We currently maintain pollution liability coverage insurance in the amount of \$1 billion per incident for each of our vessels. If the damages from a catastrophic spill were to exceed our insurance coverage, that could have an adverse effect on our business and results of operation.

Other United States Environmental Initiatives

The U.S. Clean Air Act of 1970 (including its amendments of 1977 and 1990, the "CAA") requires the EPA to promulgate standards applicable to emissions of volatile organic compounds and other air contaminants. The CAA requires states to adopt State Implementation Plans some of which regulate emissions resulting from vessel loading and unloading operations which may affect our vessels.

The U.S. Clean Water Act (the "CWA") prohibits the discharge of oil, hazardous substances and ballast water in U.S. navigable waters unless authorized by a duly-issued permit or exemption and imposes strict liability in the form of penalties for any unauthorized discharges. The CWA also imposes substantial liability for the costs of removal, remediation and damages and complements the remedies available under OPA and CERCLA. In 2015, the EPA expanded the definition of "waters of the United States," ("WOTUS"), thereby expanding federal authority under the CWA. In August 2023, the EPA and Department of the Army issued a final rule to amend the revised WOTUS definition to conform the definition of WOTUS to the U.S. Supreme Court's interpretation of the CWA in its decision dated May 25, 2023. The final rule became effective September 8, 2023 and operates to limit the CWA. On March 12, 2025, the EPA announced it would work with the U.S. Army Corp of Engineers to review the definition of WOTUS and undertake a rulemaking process to revise the definition of WOTUS. On November 17, 2025, the EPA and Army Corps proposed a new definition of WOTUS to align with the Supreme Court's decision, narrowing federal jurisdiction and clarifying exclusions. Public comments closed on January 5, 2026.

The EPA and the USCG have also enacted rules relating to ballast water discharge, compliance with which requires the installation of equipment on our vessels to treat ballast water before it is discharged or the implementation of other port facility disposal arrangements or procedures at potentially substantial costs, and/or otherwise restrict our vessels from entering U.S. Waters. The EPA will regulate these ballast water discharges and other discharges incidental to the normal operation of certain vessels within United States waters pursuant to the Vessel Incidental Discharge Act (“VIDA”), which was signed into law on December 4, 2018 and requires that the USCG develop implementation, compliance and enforcement regulations regarding ballast water. On September 20, 2024, the EPA finalized national standards of performance for non-recreational vessels 79-feet in length and longer with respect to incidental discharges and on October 9, 2024, the Vessel Incidental Discharge National Standards of Performance were published. Within two years of publication, the USCG is required to develop corresponding implementing regulations. Currently USCG ballast water management regulations adopted under the U.S. National Invasive Species Act, require mid-ocean ballast exchange programs and installation of approved USCG technology for all vessels equipped with ballast water tanks bound for U.S. ports or entering U.S. waters.

Therefore, until new USCG regulations are final and enforceable, non-military, non-recreational vessels greater than 79 feet in length must continue to comply with the requirements of the VGP, including submission of a Notice of Intent (“NOI”) or retention of a PARI form and submission of annual reports. We have submitted NOIs for all of our vessels where required. Compliance with the EPA, U.S. Coast Guard and state regulations requires the installation of ballast water treatment equipment on our vessels or the implementation of other port facility disposal procedures at potentially substantial cost or may otherwise restrict our vessels from entering U.S. waters. Our vessels are equipped with ballast water treatment systems, which are subject to functionality monitoring and treated ballast water sampling and analysis, in compliance with the requirements stipulated in EPA VGP 2013.

European Union Regulations

In October 2009, the E.U. amended a directive to impose criminal sanctions for illicit ship-source discharges of polluting substances, including minor discharges, if committed with intent, recklessly or with serious negligence and the discharges individually or in the aggregate result in deterioration of the quality of water. Aiding and abetting the discharge of a polluting substance may also lead to criminal penalties. The directive applies to all types of vessels, irrespective of their flag, but certain exceptions apply to warships or where human safety or that of the ship is in danger. Criminal liability for pollution may result in substantial penalties or fines and increased civil liability claims. Regulation (EU) 2015/757 of the European Parliament and of the Council of April 29, 2015 (amending EU Directive 2009/16/EC) governs the monitoring, reporting and verification of carbon dioxide emissions from maritime transport, and, subject to some exclusions, requires companies with ships over 5,000 gross tonnage to monitor and report carbon dioxide emissions annually, which may cause us to incur additional expenses.

The E.U. has adopted several regulations and directives requiring, among other things, more frequent inspections of high-risk ships, as determined by type, age and flag as well as the number of times the ship has been detained. The E.U. also adopted and extended a ban on substandard ships and enacted a minimum ban period and a definitive ban for repeated offenses. The regulation also provided the E.U. with greater authority and control over classification societies, by imposing more requirements on classification societies and providing for fines or penalty payments for organizations that failed to comply. Furthermore, the E.U. has implemented regulations requiring vessels to use reduced sulfur content fuel for their main and auxiliary engines. The E.U. Directive 2005/33/EC (amending Directive 1999/32/EC) introduced requirements parallel to those in Annex VI relating to the sulfur content of marine fuels. In addition, the E.U. imposed a 0.1% maximum sulfur requirement for fuel used by ships at berth in the Baltic, the North Sea and the English Channel (the so called “SOx-Emission Control Area”). As of January 2020, E.U. member states must also ensure that ships in all E.U. waters, except the SOx-Emission Control Area, use fuels with a 0.5% maximum sulfur content.

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On April 18, 2023, the European Parliament voted to include greenhouse gas emissions from the maritime sector in the E.U. Emissions Trading system which has been in place since 2005. On July 14, 2021, the European Parliament formally laid down a proposal for the revision of the E.U. Emissions Trading Directive (ETS), as part of the Fit for 55 Package, which would involve gradually including the maritime sector in the ETS from 2024 and phasing the sector in over a three-year period. The final approval was made on May 10, 2023, and is the first of its kind to apply to the maritime sector. It is the first time that the polluter pays principle will apply to maritime. ETS now applies to ships above 5000GT from 2024 on a phased basis. 2025 is the first year of reporting and surrender of E.U. ETS emissions allowances (“EUAs”). This means that ships that are in scope and which enter E.U. ports will have to report on 100% of their E.U. emissions and 50% of non-E.U. emissions. Furthermore, ships that are in scope will have to surrender 40% of their allowances for the year 2024 in 2025; 70% for the year 2026 in 2025; and 100% for the year 2026 in 2027. Whilst responsibility for compliance is placed on the “shipping company” (defined as the ship owner or the entity that contractually assumes responsibility for compliance with ETS), the agreed ETS also mandates member states to pass national laws which oblige charterers or commercial operators of the ships to reimburse the “shipping companies” pay for their share of pollution as part of the ETS costs clause. Enforcement and compliance will be on a company-wide basis (as opposed to the E.U. MRV system where compliance is on a per ship basis). Member states had until December 31, 2023, to introduce national legislation which gives effect to ETS requirements for maritime. However, only Denmark brought in national legislation in respect of E.U. ETS.

Additionally, on July 25, 2023, the European Council of the European Union adopted FuelEU under the FuelEU Initiative of its “Fit-for-55” package which sets limitations on the acceptable yearly greenhouse gas intensity of the energy used by covered vessels. Among other things, the Maritime Fuel Regulation requires that greenhouse gas intensity of fuel used by covered vessels is reduced by 2% starting January 1, 2025, with additional reductions contemplated every five years (up to 80% by 2050). Shipping companies may enter into pooling mechanisms with other shipping companies in order to achieve compliance, bank surplus emissions and borrow compliance balances from future years. A FuelEU Document of Compliance is required to be kept on board a vessel to show compliance by June 30, 2026. Both the ETS and FuelEU schemes have significant impacts on the management of the vessels calling to E.U. ports, by increasing the complexity and monitoring of, and costs associated with the operation of vessels and affecting the relationships with our time charterers.

International Labour Organization

The International Labour Organization (the “ILO”) is a specialized agency of the UN that has adopted the Maritime Labor Convention 2006 (“MLC 2006”). A Maritime Labor Certificate and a Declaration of Maritime Labor Compliance (Part I and Part II) are required to ensure compliance with the MLC 2006 for all ships that are 500 gross tonnage or over and are either engaged in international voyages or flying the flag of a Member and operating from a port, or between ports, in another country. We believe that all our vessels are in substantial compliance with and are certified to meet MLC 2006.

Greenhouse Gas Regulation

Currently, the emissions of greenhouse gases from international shipping are not subject to the Kyoto Protocol to the United Nations Framework Convention on Climate Change (this task having been delegated to the IMO), which entered into force in 2005 and pursuant to which adopting countries have been required to implement national programs to reduce greenhouse gas emissions with targets extended through 2020. In December 2009, more than 27 nations, including the U.S. and China, signed the Copenhagen Accord, which includes a non-binding commitment to reduce greenhouse gas emissions. The 2015 United Nations Climate Change Conference in Paris resulted in the Paris Agreement, which entered into force on November 4, 2016 and does not directly limit greenhouse gas emissions from ships. On January 20, 2025, President Donald Trump signed an executive order initiating the United States’ withdrawal from the Paris Agreement, which took effect on January 27, 2026.

At MEPC 70 and MEPC 71, a draft outline of the structure of the initial strategy for developing a comprehensive IMO strategy for the reduction of greenhouse gas emissions from ships was approved. In accordance with this roadmap, at MEPC 80 in July 2023, the IMO adopted the 2023 IMO Strategy on Reduction of GHG Emissions from Ships, which revoked the 2018 initial strategy. The 2023 IMO GHG Strategy identifies a number of levels of ambition, including (1) decreasing the carbon intensity from ships through implementation of further phases of energy efficiency for new ships; (2) reducing carbon dioxide emissions from transport work, as an average across international shipping, by at least 40% by 2030, compared to 2008 and (3) adoption of zero or near-zero GHG emission technologies, fuels, and/or energy sources, striving to represent 10% of the energy sources used by international shipping by 2030; and (4) to reach net-zero GHG emissions by or around 2050. The IMO net-zero framework was approved by MEPC 83, including the new fuel standard for ships and a global pricing mechanism for emissions. These measures were submitted for adoption as legally binding, but in October 2025 the MEPC agreed to adjourn the meeting on adoption until October 2026. The pricing mechanism could be in the form of a global carbon levy or in the form of a global emissions trading scheme thus removing the need for the existing fragmented and localized schemes as are present in the EU, China, Japan and Singapore. The UK too is considering introducing a UK-based emissions trading scheme (“UK ETS”) to apply from July 1, 2026 for ships above 5,000GT but for domestic voyages only (i.e. voyages taking place between two UK ports). These regulations could cause us to incur additional substantial expenses.

In 2021, the E.U. adopted a European Climate Law (Regulation (EU) 2021/1119), establishing the aim of reaching net zero greenhouse gas emissions in the E.U. by 2050, with an intermediate target of reducing greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. In July 2021, the European Commission launched the Fit for 55 (described above) to support the climate policy agenda. Starting in January 2018, large ships over 5,000 gross tonnage calling at E.U. ports have been required to collect and publish data on carbon dioxide emissions and other information. As previously discussed, regulations relating to the inclusion of greenhouse gas emissions from the maritime sector in the European Union’s carbon market are also forthcoming.

In the United States, the EPA issued a finding that greenhouse gases endanger the public health and safety, adopted regulations to limit greenhouse gas emissions from certain mobile sources and proposed regulations to limit greenhouse gas emissions from large stationary sources. The EPA or individual U.S. states could enact environmental regulations that could negatively affect our operations. For example, the EPA held a public hearing in January 2023 on a proposal to achieve comprehensive emissions reductions and in December 2023, issued a final rule to sharply reduce emissions of methane and other air pollution from oil and natural gas operations, including storage vessels. In 2024, the EPA issued a final Waste Emissions Charge rule to reduce methane emissions, applicable to waste emissions from high-emitting oil and gas facilities. On May 12, 2025, consistent with a joint Congressional resolution, the EPA issued a final rule disapproving the 2024 Waste Emissions Charge Rule, such that it is no longer in effect. The EPA is evaluating options and obligations with respect to implementing Clean Air Act section 136(c-g) (pertaining to methane emissions and waste reduction).

Any passage of climate control legislation or other regulatory initiatives by the IMO, the EU, the U.S. or other countries where we operate, or any treaty adopted at the international level to succeed the Kyoto Protocol or Paris Agreement, that restricts emissions of greenhouse gases could require us to make significant financial expenditures, which we cannot predict with certainty at this time. Even in the absence of climate control legislation, our business may be indirectly affected to the extent that climate change may result in sea level changes or certain weather events.

Vessel Security Regulations

Since the terrorist attacks of September 11, 2001 in the United States, there have been a variety of initiatives intended to enhance vessel security such as the U.S. Maritime Transportation Security Act of 2002 (“MTSA”).

To implement certain portions of the MTSA, the USCG issued regulations requiring the implementation of certain security requirements aboard vessels operating in waters subject to the jurisdiction of the United States and at certain ports and facilities, some of which are regulated by the EPA.

Similarly, Chapter XI-2 of the SOLAS Convention imposes detailed security obligations on vessels and port authorities and mandates compliance with the International Ship and Port Facilities Security Code (the “ISPS Code”). The ISPS Code is designed to enhance the security of ports and ships against terrorism. To trade internationally, a vessel must attain an International Ship Security Certificate (“ISSC”) from a recognized security organization approved by the vessel’s flag state. Ships operating without a valid certificate may be detained, expelled from, or refused entry at, a port until they obtain an ISSC. The various requirements, some of which are found in the SOLAS Convention, include, for example, on-board installation of automatic identification systems to provide a means for the automatic transmission of safety-related information from among similarly equipped ships and shore stations, including information on a ship’s identity, position, course, speed and navigational status; on-board installation of ship security alert systems, which do not sound on the vessel but only alert the authorities on shore and, in our case, our Fleet Manager; the development of vessel security plans; ship identification number to be permanently marked on a vessel’s hull; a continuous synopsis record kept onboard showing a vessel’s history including the name of the ship, the state whose flag the ship is entitled to fly, the date on which the ship was registered with that state, the ship’s identification number, the port at which the ship is registered and the name of the registered owner(s) and their registered address; and compliance with flag state security certification requirements.

The USCG regulations, intended to align with international maritime security standards, exempt non-U.S. vessels from MTSA vessel security measures, provided such vessels have on board a valid ISSC that attests to the vessel’s compliance with the SOLAS Convention security requirements and the ISPS Code. Future security measures could have a significant negative financial impact on us.

All vessels have been issued with ISSC, which is subject to verifications that have ensured that the security system and any associated security equipment of the vessel fully complies with the applicable requirements of MTSA and the ISPS Code, is in satisfactory condition and fit for the service for which the vessel is intended.

The cost of vessel security measures has also been affected by the escalation in the frequency of acts of piracy against ships, notably off the coast of Somalia, including the Gulf of Aden and the Red Sea and the Arabian Sea areas and the West Africa area including the Gulf of Guinea. Substantial loss of revenue and other costs may be incurred as a result of detention of a vessel or additional security measures, and the risk of uninsured losses could significantly affect our business. Costs are incurred in taking additional security measures in accordance with Best Management Practices to Deter Piracy, notably those contained in the BMP Maritime Security Guidelines.

Inspection by Classification Societies

The hull and machinery of every commercial vessel must be classed by a classification society authorized by its country of registry. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and SOLAS. Most insurance underwriters make it a condition for insurance coverage and lending that a vessel be certified “in class” by a classification society that is a member of the International Association of Classification Societies (“IACS”). The IACS has adopted harmonized Common Structural Rules (the “Rules”), which apply to oil tankers and bulk carriers constructed on or after July 1, 2015. The Rules attempt to create a level of consistency between IACS Societies. All of our vessels are certified as being “in class” by their respective Classification Societies (e.g., DNV, American Bureau of Shipping, Lloyd’s Register of Shipping).

A vessel must undergo annual surveys, intermediate surveys, dry-dockings and special surveys. In lieu of a special survey, a vessel’s machinery may be on a continuous survey cycle, under which the machinery would be surveyed periodically over a five-year period. Every vessel is also required to be dry-docked every 30 to 36 months for inspection of the underwater parts of the vessel. If any vessel does not maintain its class and/or fails any annual survey, intermediate survey, dry-docking or special survey, the vessel will be unable to carry cargo between ports and will be unemployable and uninsurable, which could cause us to be in violation of certain covenants in our financing arrangements. Any such inability to carry cargo or be employed, or any such violation of covenants, could have a material adverse impact on our financial condition and results of operations.

Risk of Loss and Liability Insurance

General

The operation of any cargo vessel includes risks such as mechanical failure, physical damage, collision, property loss, cargo loss or damage and business interruption due to political circumstances in foreign countries, piracy incidents, hostilities and labor strikes. In addition, there is always an inherent possibility of marine disaster, including oil spills and other environmental mishaps, and the liabilities arising from owning and operating vessels in international trade. OPA, which imposes virtually unlimited liability upon shipowners, operators and bareboat charterers of any vessel trading in the exclusive economic zone of the United States for certain oil pollution accidents in the United States, has made liability insurance more expensive for shipowners and operators trading in the United States market. We carry insurance coverage as customary in the shipping industry. However, not all risks can be insured, specific claims may be rejected and we might not be always able to obtain adequate insurance coverage at reasonable rates.

Hull and Machinery Insurance

We procure hull and machinery insurance, protection and indemnity insurance and war risk insurance and freight, demurrage and defense insurance for our fleet. The agreed deductible on each vessel averages \$250,000 increased to \$500,000 when trading outside Institute Warrantee Limits.

We have also obtained loss of hire insurance to protect us against loss of income in the event one of our vessels cannot be employed due to damage that is covered under the terms of our hull and machinery insurance. Under our loss of hire policies, our insurer will pay us the daily rate agreed in respect of each vessel for each day, in excess of a certain number of deductible days, for the time that the vessel is out of service as a result of damage, for a maximum of between 120 and 180 days. The number of deductible days for the vessels in our Fleet is 14 days per vessel increased to 30 days when trading outside Institute Warrantee Limits.

Protection and Indemnity Insurance

Protection and indemnity insurance is provided by mutual protection and indemnity associations, or “P&I Associations,” and covers our third-party liabilities in connection with our shipping activities. This includes third-party liability and other related expenses of injury or death of crew, passengers and other third parties, loss or damage to cargo, claims arising from collisions with other vessels, damage to other third-party property, pollution arising from oil or other substances, and salvage, towing and other related costs, including wreck removal. Protection and indemnity insurance is a form of mutual indemnity insurance, extended by protection and indemnity mutual associations, or “clubs.”

Our current protection and indemnity insurance coverage for pollution is \$1 billion per vessel per incident. The 12 P&I Associations that comprise the International Group insure approximately 90% of the world’s commercial tonnage and have entered into a pooling agreement to reinsure each association’s liabilities. The International Group’s website states that the Pool provides a mechanism for sharing all claims in excess of \$10.0 million up to, currently, approximately \$8.9 billion. As a member of a P&I Association, which is a member of the International Group, we are subject to calls payable to the associations based on our claim records as well as the claims records of all other members of the individual associations and members of the shipping pool of P&I Associations comprising the International Group. Information contained on this website does not constitute part of this annual report.

C. ORGANIZATIONAL STRUCTURE

We were formed on May 30, 2013, as a Marshall Islands limited partnership for the purpose of owning, operating, and acquiring LNG carriers and other business activities incidental thereto. We own (i) a 100% limited partner interest in Dynagas Operating LP, which owns a 100% interest in our Fleet through intermediate holding companies and (ii) the non-economic general partner interest in Dynagas Operating LP through our 100% ownership of its general partner, Dynagas Operating GP LLC. We own our vessels through separate wholly- owned subsidiaries that are incorporated in the Republic of the Marshall Islands and the Republic of Malta.

Please see Exhibit 8.1 to this annual report for a list of our current subsidiaries.

D. PROPERTY, PLANT AND EQUIPMENT

For a description of our Fleet, please see “Item 4. Information on the Partnership—B. Business Overview—Our Fleet.”

We do not own any real property.

ITEM 4A. UNRESOLVED STAFF COMMENTS

Not applicable.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

The following management's discussion and analysis of our financial condition and results of operations should be read in conjunction with the accompanying audited consolidated financial statements and the related notes included in "Item 18. Financial Statements" of this annual report. Amounts relating to percentage variations in period-on-period comparisons shown in this section are derived from the actual numbers in our books and records. The following discussion contains forward-looking statements that reflect our future plans, estimates, beliefs and expected performance. The forward-looking statements are dependent upon events, risks and uncertainties that may be outside our control. Our actual results could differ materially from those discussed in these forward-looking statements. See "Item 3. Key Information—D. Risk Factors" and the section entitled "Forward-Looking Statements" at the beginning of this annual report. In light of these risks, uncertainties and assumptions, the forward-looking events discussed may not occur.

A. OPERATING RESULTS

Overview

Since our IPO in November 2013, we have been a limited partnership focused on owning and operating LNG carriers growing our fleet from three vessels at the time of our IPO to six vessels to date. However, as a result of the significant challenges facing the listed midstream energy MLP industry, our cost of equity capital remained elevated for a prolonged period, making the funding of new acquisitions challenging. As of the date of this annual report, all six vessels in our Fleet are contracted to time charters, with international energy companies, including SEFE, Equinor, Yamal and Rio Grande, providing us with the benefits of stable cash flows and high utilization rates. We believe that we are well regarded by our charterers for our expertise and history of safety in conducting our operations. We are now focusing our capital allocation on debt repayment, prioritizing balance sheet strength, in order to reposition the Partnership for potential future growth if our cost of capital allows us to access debt and equity capital on acceptable terms. As a result, if we are able to raise new debt or equity capital on terms acceptable to the Partnership in the future, we intend to leverage our reputation, expertise and relationships with our charterers, our Sponsor and our Manager in growing our core business and pursuing further business and growth opportunities in the transportation of energy or other energy-related projects, including floating storage regasification units, LNG infrastructure projects, maintaining cost-efficient operations and providing reliable seaborne transportation services to our current and prospective charterers. In addition, as opportunities arise, we may acquire additional vessels from our Sponsor and from third-parties and/or engage in investment opportunities incidental to the LNG or energy industry. In connection with such plans for growth, we may enter into additional financing arrangements, refinance existing arrangements or arrangements that our Sponsor, its affiliates, or such third-party sellers may have in place for vessels and businesses that we may acquire, and, subject to favorable market conditions, we may raise capital in the public or private markets, including through incurring additional debt, debt or equity offerings of our securities or in other transactions. However, we cannot assure you that we will grow or maintain the size of our Fleet or that we will continue to pay the per unit distributions in the amounts that we have paid in the past or at all or that we will be able to execute our future plans for growth.

Historically spot and short-term charter hire rates for LNG carriers have been uncertain and volatile, as has the supply and demand for LNG carriers. An excess of LNG carriers first became evident in 2004 before reaching a peak in the second quarter of 2010, when spot and short-term charter hire rates together with utilization reached historic lows. Due to a lack of newbuilding orders placed between 2008 and 2010, this trend then reversed from the third quarter of 2010, such that the demand for LNG shipping was not being met by available supply in 2011 and the first half of 2012. Spot and short-medium term charter hire rates together with fleet utilization reached historic highs as a result. What turned the tide for LNG shipping demand from the second quarter of 2011 was the unprecedented rise in Japanese LNG demand following the Fukushima nuclear leak.

Charter rates for LNG vessels started declining from 2013 as the supply increased more than the increase in demand. Global liquefaction capacity grew marginally with only the Angola LNG plant becoming operational in 2013. The trend continued in 2014 to 2017 as additional tonnage negated the effect of new liquefaction plants coming online. The impact of excess vessel supply caused by the delivery of 28, 27, 28 and 24 vessels in 2014, 2015, 2016 and 2017, respectively, showed on spot rates, which fell sharply. Low crude oil prices intensified the challenges in the LNG shipping market as it delayed the completion of liquefaction projects. Moreover, demand from traditional Asian buyers such as Japan and South Korea remained flat due to a weaker macroeconomic environment and greater preference for coal in power production, and in the case of Japan a switch back to nuclear power. Towards the end of 2017, a surge in the Chinese LNG imports, due to a switch from coal to gas for heating purposes, helped the LNG freight rates recover sharply. In 2018, average spot LNG charter rates were more than double of 2017 mainly driven by the vessel shortage as Asian LNG imports surged. Spot charter rates declined in 2019 on account of declines in Chinese LNG import growth rates, higher LNG inventory levels in Europe and Asia and a mild winter. Spot LNG shipping rates declined in 2020 as COVID-19 adversely impacted global LNG trade. Many U.S. LNG cargos were cancelled due to weak Asian LNG demand. However, spot LNG shipping rates increased from November on account of the cold snap in Asia, congestion in the Panama Canal, and availability of fewer LNG ships in the spot market. High Asian LNG demand supported spot LNG shipping rates in 2021. LNG shipping spot rates increased in 2022 mainly driven by higher European LNG imports as Europe switched towards LNG to transition its reliance on Russian gas. LNG shipping spot rates softened in 2023 due to high inventory levels both in Europe and Asia, relatively mild winters and increases in nuclear and renewable power in Asia, and further softened in 2024 due to higher fleet growth outpacing the trade growth. Spot charter rates remained subdued in 2025 due to reduced Asian demand and oversupply of LNG vessels.

Principal Factors Affecting Our Results of Operations

The principal factors which have affected our results and are expected to affect our future results of operations and financial position, include:

- Ownership days. The number of vessels in our Fleet is a key factor in determining the level of our revenues. Aggregate expenses also increase as the size of our Fleet increases;
- Charter rates. Our revenue is dependent on the charter rates we are able to obtain on our vessels. Charter rates on our vessels are based primarily on demand for and supply of LNG carrier capacity at the time we enter into the charters for our vessels, which is influenced by LNG market trends, such as the demand and supply for natural gas and in particular LNG as well as the supply of LNG carriers available for profitable employment. The charter rates we obtain are also dependent on whether we employ our vessels under multi-year charters or charters with initial terms of less than two years. As of the date of this annual report, all the vessels in our Fleet are employed under multi-year time charters with staggered maturities, which is intended to make us less susceptible to cyclical fluctuations in charter rates than vessels operated on charters of less than two years. However, we expect to be exposed to fluctuations in prevailing charter rates when we seek to re-charter our vessels upon the expiry of their respective current charters and when we seek to charter vessels that we may acquire in the future;
- Utilization of our Fleet. Historically, our Fleet has had a limited number of unscheduled off-hire days. However, an increase in annual off-hire days would reduce our utilization. The efficiency with which suitable employment is secured, the ability to minimize off-hire days, and the amount of time spent positioning vessels also affects our results of operations. If the utilization of our Fleet is reduced, our financial results would be affected;
- Operating expenses. The level of our vessel operating expenses, including crewing costs, insurance, and maintenance costs. Our ability to control our vessel operating expenses also affects our financial results. These expenses include crew wages and related costs, the cost of insurance, expenses for repairs and maintenance, the cost of spares and consumable stores, lubricating oil costs, tonnage taxes and other miscellaneous expenses. In addition, factors beyond our control, such as developments relating to market premiums for insurance and the value of the U.S. dollar compared to currencies in which certain of our expenses, primarily vessels' dry-docking and maintenance costs, are paid, can cause our vessel operating expenses to increase;
- The number of off-hire days and dry-docking requirements, including our ability to complete scheduled dry-docking on time and within budget;

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- The timely delivery of any vessels we may acquire in the future;
- Our ability to maintain solid working relationships with our existing charterers and our ability to increase the number of our charterers through the development of new working relationships;
- The performance of our charterers' obligations under their charter agreements;
- The effective and efficient technical management of the vessels under our Master Agreement;
- Our ability to obtain acceptable equity and debt financing to fund our capital commitments;
- The supply and demand relationship for LNG shipping services;
- Our ability to obtain and maintain regulatory approvals and to satisfy technical, health, safety and compliance standards that meet our charterers' requirements;
- Our ability to successfully defend against any claims, suits, and complaints, including, but not limited to, those involving laws and regulations;
- Economic, regulatory, political, and governmental conditions that affect shipping and the LNG industry, which include changes in the number of new LNG importing countries and regions, as well as structural LNG market changes impacting LNG supply that may allow greater flexibility and competition of other energy sources with global LNG use;
- Our ability to successfully employ our vessels at economically attractive rates, as our charters expire or are otherwise terminated;
- Our access to capital required to acquire additional ships and/or implement our business strategy;
- Our level of debt, the related interest expense, our debt amortization levels, and the timing of required principal installments;
- The level of our general and administrative expenses, including salaries and costs of consultants;
- Our charterers' right for early termination of the charters under certain circumstances;
- Performance of our counterparties, which are limited in number, including our charterers' ability to make charter payments to us; and
- The level of any distribution on all classes of our units.

Important Financial and Operational Terms and Concepts

We use a variety of financial and operational terms and concepts when analyzing our performance. These include the following:

Voyage Revenues. Our time charter revenues are driven primarily by the number of vessels in our Fleet, the amount of daily charter hire that our LNG carriers earn under time charters and the number of Revenue Earning Days during which our vessels generate revenues. These factors are, in turn, affected by our decisions relating to vessel acquisitions, the amount of time that our LNG carriers spend dry-docked undergoing repairs, maintenance and upgrade work, the age, condition and specifications of our vessels and the levels of supply and demand in the LNG carrier charter market. Our revenues may also be affected if any of our charterers cancel a time charter or if we agree to renegotiate charter terms during the term of a charter resulting in aggregate revenue reduction. Our time charter arrangements have been contracted in varying rate environments and expire at different times. We recognize revenues from time charters over the term of the charter as the applicable vessel operates under the charter. Under time charters, revenue is not recognized during days a vessel is off-hire. Revenue is recognized from delivery of the vessel to the charterer, until the end of the time charter period. Under time charters, we are responsible for providing the crewing and other services related to the vessel's operations, the cost of which is included in the daily hire rate, except when off-hire. Additionally, under our time charter arrangements, the charterers have agreed to provide us with EUAs arising under the E.U. ETS, mentioned below, and the value of the EUAs is recorded within Voyage revenues in the Consolidated Statements of Income, unless the voyage is during a period of offhire.

Off-hire (Including Commercial Waiting Time). When a vessel is "off-hire"—or not available for service—the charterer generally is not required to pay the time charter hire rate and we are responsible for all costs. Prolonged off-hire may lead to vessel substitution or termination of a time charter. Our vessels may be out of service, that is, off-hire, for several reasons: scheduled dry-docking, special survey, vessel upgrade or maintenance or inspection, which we refer to as scheduled off-hire; days spent waiting or positioning for a charter, which we refer to as commercial waiting time; and unscheduled repairs, maintenance, operational efficiencies, equipment breakdown, accidents, crewing strikes, certain vessel detentions or similar problems, or our failure to maintain the vessel in compliance with its specifications and contractual standards or to provide the required crew, which we refer to as unscheduled off-hire. We have obtained loss of hire insurance to protect us against loss of income in the event one of our vessels cannot be employed due to damage that is covered under the terms of our hull and machinery insurance. Under our loss of hire policies, our insurer generally will pay us the hire rate agreed in respect of each vessel for each day in excess of 14 days (increased to 30 days while navigating outside Institute Warrantee Limits) and with a maximum period of between 120 and 180 days.

Voyage Expenses. Voyage expenses primarily include port and canal charges, bunker (fuel) expenses and agency fees which are paid for by the charterer under our time charter arrangements or by us during periods of off-hire except for commissions, which are always paid for by us. We may incur voyage related expenses when positioning or repositioning vessels before or after the period of a time charter, during periods of commercial waiting time or while off-hire during a period of dry-docking. Voyage expenses can be higher when vessels trade on charters with initial terms of less than two years due to fuel consumption during idling, cool down requirements, commercial waiting time in between charters and positioning and repositioning costs. From time to time, in accordance with industry practice, we pay commissions ranging up to 1.25% of the total daily charter rate under the charters to unaffiliated ship brokers, depending on the number of brokers involved with arranging the charter. These commissions do not include the fees we pay to our Manager, which are described below under "—Management Fees." Under the E.U. ETS, we are required to surrender EUAs equivalent to the emissions from voyages either starting in or ending in an E.U. port. The value of the EUA obligations incurred by us under the E.U. ETS is included in Voyage expenses in the Consolidated Statements of Income.

Available Days. Available Days are the total number of ownership days our vessels were in our possession during a period, less the total number of scheduled off-hire days during the period associated with major repairs, or dry-dockings.

Average Number of Vessels. Average number of vessels is the number of vessels that constituted our Fleet for the relevant period, as measured by the sum of the number of days each vessel was a part of our Fleet during the period divided by the number of ownership days in the period.

Fleet utilization. We calculate fleet utilization by dividing the number of our Revenue Earning Days by the number of our Available Days during that period. The shipping industry uses fleet utilization to measure a company's efficiency in finding employment for its vessels and minimizing the number of days that its vessels are off-hire for reasons such as unscheduled repairs but excluding scheduled off-hires for vessel upgrades, dry-dockings or special or intermediate surveys.

Vessel Operating Expenses. Vessel operating expenses include crew wages and related costs, the cost of insurance, expenses for repairs and maintenance, the cost of spares and consumable stores, lubricant costs, statutory and classification expenses, forwarding and communications expenses and other miscellaneous expenses.

Vessel operating expenses are paid by the shipowner under time charters and are recognized as expenses when incurred. We expect that vessel operating expenses will increase as our vessels age. Factors beyond our control, some of which may affect the shipping industry in general—for instance, developments relating to market premiums for insurance, industry and regulatory requirements and changes in the market price of lubricants due to increases in oil prices—may also cause vessel operating expenses to increase.

Dry-docking. We must periodically dry-dock each of our vessels for inspection, repairs and maintenance and any modifications required to comply with industry certification or governmental requirements. In accordance with industry certification requirements, we mandatorily dry-dock our vessels every 60 months until the vessel is 15 years old. If a vessel is less than 15 years old, an “in water survey in lieu of dry-dock” can take place in between the two special surveys, which statutorily must occur every five years. For vessels that are 15 years or older, dry-docking takes place every 36 months as required by classification societies, or, subject to special considerations, an “in water survey in lieu of dry-dock” can take place between the two special surveys. Special survey and dry-docking costs (consisting of direct costs, including shipyard costs, paints and class renewal expense, and peripheral costs, including spare parts, service engineer attendance) are expensed as incurred. The number of dry-dockings undertaken in a given period and the nature of the work performed determine the level of dry-docking expenditures. We expense costs related to routine repairs and maintenance performed during dry-docking or as otherwise incurred. We expect that dry-docking and special survey costs will increase as our vessels age. The three steam turbine vessels in our Fleet completed their most recent scheduled special survey and dry-docking repairs, as well as the installation of the BWTS in 2022. In 2023, our three TDFE propulsion system vessels completed their scheduled dry-docks and had their BWTS installed.

Depreciation. We depreciate our LNG carriers on a straight-line basis over their remaining useful economic lives. Depreciation is based on the cost of the vessel less its estimated salvage value. We estimate the useful life of the LNG carriers in our Fleet to be 35 years from their initial delivery from the shipyard, consistent with LNG industry practice. Vessel residual value is estimated based on historical market trends and represents Management’s best estimate of the current selling price assuming the vessels are already of age and condition expected at the end of its useful life. The assumptions made reflect our experience, market conditions and the current practice in the LNG industry; however, they required more discretion since there is a lack of historical references in scrap prices of similar types of vessels.

Interest and Finance Costs. We incur interest expense on outstanding indebtedness under our existing debt agreements which we include in interest and finance costs. Interest expense depends on our overall level of borrowings and may significantly increase when we acquire or refinance ships. Interest expense may also change with prevailing interest rates, although interest rate swaps or other derivative instruments may reduce the effect of these changes. We also incur financing and legal costs in connection with establishing debt agreements, which are deferred and amortized to interest and finance costs using the effective interest method. We will incur additional interest expense in the future on our outstanding borrowings and under future borrowings. For a description of our existing debt agreements, please see “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Our Borrowing Activities.”

Vessel Lives and Impairment. Vessels are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group to be tested for possible impairment, we first compare the undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals as considered necessary. Since our inception, no impairment loss was recorded in any of our Fleet vessels.

General and Administrative Expenses. We incur general and administrative expenses, which include our onshore related expenses such as executive officers, directors and consultants, traveling, legal and professional expenses and other general expenses.

Management Fees. We incur a technical management fee per LNG carrier per day in accordance with the Management Agreements with our Manager.

Other Income. We earn other income from claims for hull and machinery and loss of hire insurance for damages incurred by our vessels in previous years and from adjustments to revenue relating to the variable hire of the Yenisei River and the Lena River in the prior years.

Insurance

Hull and Machinery Insurance. We have obtained hull and machinery insurance on all our vessels to insure against marine and war risks, which include the risks of damage to our vessels, salvage and towing costs, and also insures against actual or constructive total loss of any of our vessels. However, our insurance policies contain deductible amounts for which we will be responsible. We have also arranged additional total loss coverage for each vessel. This coverage, which is called disbursements increased value coverage, provides us additional coverage in the event of the total loss or the constructive total loss of a vessel. The agreed deductible on each vessel averages \$250,000 increased to \$500,000 when trading outside Institute Warrantee Limits.

Loss of Hire Insurance. We have obtained loss of hire insurance to protect us against loss of income in the event one of our vessels cannot be employed due to damage that is covered under the terms of our hull and machinery insurance. Under our loss of hire policies, our insurer will pay us the hire rate agreed in respect of each vessel for each day, in excess of a certain number of deductible days, for the time that the vessel is out of service as a result of damage, for a maximum of between 120 and 180 days. The number of deductible days for the vessels in our Fleet is 14 days per vessel increased to 30 days when trading outside Institute Warrantee Limits.

Protection and Indemnity Insurance. Protection and indemnity insurance, which covers our third-party legal liabilities in connection with our shipping activities, is provided by a mutual protection and indemnity association, or P&I club. This includes third-party liability and other expenses related to the injury or death of crew members, passengers and other third-party persons, loss or damage to cargo, claims arising from collisions with other vessels or from contact with jetties or wharves and other damage to other third-party property, including pollution arising from oil or other substances, and other related costs, including wreck removal. Our current protection and indemnity insurance coverage is unlimited, except for pollution, which is limited to \$1 billion per vessel per incident.

Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of our financial statements requires us to make estimates and judgments in the application of our accounting policies that affect the reported amounts of assets and liabilities, revenues and expenses and related disclosure at the date of our consolidated financial statements. Because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material. Actual results may differ from these estimates under different assumptions and conditions.

Critical accounting policies are those that reflect significant judgments of uncertainties and potentially result in materially different results under different assumptions and conditions. For a description of all our significant accounting policies, see Note 2 to our consolidated financial statements included under “Item 18. Financial Statements” of this annual report.

Voyage Revenues

Revenues are generated from time charter agreements, which contain a lease as they meet the criteria of a lease under ASC 842. Certain of our time charters provide for variable lease payments, charterers’ option to extend the lease terms, termination clauses and charterers’ option to purchase the underlying assets. Each lease term is assessed at the inception of such lease. Under our time charter agreements, the charterer pays a specified daily charter hire rate for the use of the vessel. Additionally, we pay for the operation and the maintenance of the vessel, including crew, insurance, spares and repairs, which are recognized in operating expenses.

We, as lessor, have elected not to allocate the consideration in the agreement to the separate lease and non-lease components (operation and maintenance of the vessel) as their timing and pattern of transfer to the charterer, as the lessee, are the same and the lease component, if accounted for separately, would be classified as an operating lease. Additionally, the lease component is considered the predominant component as we have assessed that more value is ascribed to the vessel rather than to the services provided under our time charter agreements.

Our voyage revenues are recognized on a straight-line basis at the average minimum lease revenue over the rental periods of such charter agreements, as service is performed. Revenues generated from variable lease payments are recognized in the period when changes in facts and circumstances on which the variable lease payments are based occur.

Apart from the agreed hire rate, we may be entitled to an additional income, such as ballast bonus, which is considered as reimbursement of our expenses and is recognized together with the lease component over the duration of the charter. We have made an accounting policy election to recognize the related ballast costs, which mainly consisting of bunkers, incurred over the period between the charter party date or the prior redelivery date (whichever is latest) and the delivery date to the charterer, as contract fulfilment costs in accordance with ASC 340-40 and amortized over the charter period.

Impairment

The carrying value of a vessel represents its historical acquisition or construction cost, including capitalized interest, supervision, technical and delivery cost, net of accumulated depreciation and impairment loss, if any. Expenditures for subsequent conversions and major improvements are capitalized provided that such costs increase the earnings capacity or improve the efficiency or safety of the vessels.

We depreciate the original cost, less an estimated residual value, of our LNG carriers on a straight-line basis over each vessel's estimated useful life. The carrying values of our vessels may not represent their market value at any point in time because the market prices tend to fluctuate with changes in hire rates and the cost of newbuilds. Both hire rates and newbuild costs tend to be cyclical in nature.

We review vessels for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. When such indications are present, we determine undiscounted projected net operating cash flows for each vessel and compare it to the vessel's carrying value. In developing estimates of future cash flows, we must make assumptions about future charter rates, vessel operating expenses, dry-docking expenditures, fleet utilization, and the estimated remaining useful life of the vessels. These assumptions are based on historical trends as well as future expectations and are also consistent with the plans and forecasts that we use to conduct our business.

The future undiscounted net operating cash flows are determined by considering the charter revenues from existing time charters for the fixed vessel days and by estimating charter rates for the unfix days over the estimated remaining economic life of each vessel. A significant assumption in this analysis is the estimate of the daily time charter equivalent for the unfix days, which is based on a combination of the average of the trailing 10-year historical charter rates adjusted for expected off-hires due to scheduled vessels' maintenance and estimated unexpected breakdown off-hires. These estimated time charter rates reflect the Partnership's chartering strategy, vessel operating history and at least one full shipping cycle. The historical ten-year average rate used in 2025 to calculate undiscounted projected net operating cash flow was \$69,700, compared to \$71,300 in 2024. Expected outflows for scheduled vessel maintenance and vessel operating expenses are based on the Partnership's budget by using historical data, which is adjusted annually with the assumption of an annual inflation rate of up to 2%. In developing the estimate for the effective fleet utilization, the Partnership takes into account the period(s) each vessel is expected to undergo its scheduled maintenance (dry-docking and special surveys) and each vessel's loss of hire resulting from repositioning or other conditions.

The estimated salvage value of each vessel is \$500 per lightweight ton, in accordance with our vessel depreciation policy. We use a probability-weighted approach for developing estimates of future cash flows used to test our vessels for recoverability when alternative courses of action are under consideration (i.e. sale or continuing operation of a vessel). If the estimated future undiscounted cash flows of an asset exceed the asset's carrying value, no impairment is recognized even though the fair value of the asset may be lower than its carrying value. If the estimated future undiscounted cash flows of an asset are less than the asset's carrying value and the fair value of the asset is less than its carrying value, the asset is written down to its fair value. The fair value at the date of the impairment becomes the new cost basis and will result in a lower depreciation expense than for periods before the recorded vessel impairment loss. Historically, there was no impairment loss recorded in any of the six vessels in our Fleet.

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We determine the fair value of our vessels based on our estimates and assumptions and by making use of available market data and taking into consideration third-party valuations. We employ the majority of our LNG carriers on fixed-rate charters with major companies. These charters typically have original terms of two or more years in length. Consequently, while the market value of a vessel may decline below its carrying value, the carrying value of a vessel may still be recoverable based on the future undiscounted cash flows the vessel is expected to obtain from servicing its existing and future charters.

Certain assumptions relating to our estimates of future cash flows are more predictable by their nature in our experience, including estimated revenue under existing charter terms, on-going operating costs and remaining vessel life. Certain assumptions relating to our estimates of future cash flows require more discretion and are inherently less predictable, such as future hire rates beyond the firm period of existing charters and vessel residual values, due to factors such as the volatility in vessel hire rates and the lack of historical references in scrap prices of similar type of vessels.

Depreciation on our LNG carriers is calculated using an estimated useful life of 35 years, commencing at the date the vessel was originally delivered from the shipyard. However, the actual life of a vessel may be different than the estimated useful life, with a shorter actual useful life resulting in an increase in the depreciation and potentially resulting in an impairment loss. The estimated useful life of our LNG carriers takes into account design life, commercial considerations and regulatory restrictions. Vessel residual values are based on our estimation over our vessels sale price at the end of their useful life, being a product of a vessel's lightweight tonnage times an estimated scrap rate and the estimated resale price of certain equipment and material. Residual values are periodically reviewed and revised to recognize changes in conditions, new regulations or for other reasons.

An increase in the useful life of a vessel or in its residual value would have the effect of decreasing the annual depreciation and extending it into later periods. A decrease in the useful life of a vessel or in its residual value would have the effect of increasing the annual depreciation and accelerating it into earlier periods.

Actual outcomes may differ from estimates. Such estimates are reviewed and updated at each reporting period.

The table set forth below indicates the carrying value of each of our vessels as of December 31, 2025 and 2024.

Vessel	Capacity (cbm)	Year Built/ Purchased	Carrying Value (in millions of U.S. dollars) as of	
			December 31, 2025	December 31, 2024
<i>Clean Energy</i>	149,700	2007	\$ 93.2	\$ 98.0
<i>Ob River</i>	149,700	2007	93.7	98.4
<i>Amur River</i>	149,700	2008	101.4	106.4
<i>Arctic Aurora</i>	155,000	2014	146.9	152.7
<i>Yenisei River</i>	155,000	2014	138.0	143.4
<i>Lena River</i>	155,000	2015	160.0	166.3
TOTAL	914,100		\$ 733.2	\$ 765.2

As of December 31, 2025, there were indications that the carrying amounts of five of the vessels in our Fleet may not be recoverable, and accordingly, an impairment analysis was performed. The undiscounted cash flows expected to be generated by these vessels exceeded their carrying value. As a result, no impairment loss was recognized as of December 31, 2025. As of December 31, 2024, there were no indications that the carrying amounts of the vessels in our Fleet may not be recoverable, and accordingly, no impairment analysis was performed.

We refer you to the risk factor entitled "Vessel values may fluctuate substantially and, if these values are lower at a time when we are attempting to dispose of vessels, we may incur a loss" and the discussion herein under the heading "Item 3. Key Information—D. Risk Factors —Risks relating to our Partnership."

Our estimates of basic market value assume that our vessels are all in good and seaworthy condition without need for repair and if inspected, would be certified in class without notations of any kind. Our estimates are based on information available from various industry sources, including:

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- reports by industry analysts and data providers that focus on our industry and related dynamics affecting vessel values;
- news and industry reports of similar vessel sales;
- news and industry reports of sales of vessels that are not similar to our vessels where we have made certain adjustments in an attempt to derive information that can be used as part of our estimates;
- approximate market values for our vessels or similar vessels that we have received from shipbrokers, whether solicited or unsolicited, or that shipbrokers have generally disseminated; and
- vessel sale prices and values of which we are aware through both formal and informal communications with shipowners, shipbrokers, industry analysts and various other shipping industry participants and observers.

As we obtain information from various industry and other sources, our estimates of basic market value are inherently uncertain. In addition, vessel values are highly volatile; as such, our estimates may not be indicative of the current or future basic market value of our vessels or prices that we could achieve if we were to sell them.

Our impairment test exercise is sensitive to variances in the time charter rates. Our current analysis, which also involved a sensitivity analysis by assigning possible alternative values to this significant input, indicated that time charter rates would need to be reduced by approximately, 53% to result in impairment of individual long-lived assets with indication of impairment. However, there can be no assurance as to how long charter rates and vessel values will remain at their current levels. If charter rates decrease and remain depressed for some time, it could adversely affect our revenue and profitability and future assessments of vessel impairment.

Recent Accounting Pronouncements

For a discussion on Recent Accounting Pronouncements, see Note 2 to our consolidated financial statements included in this annual report.

Results of Operations

Year ended December 31, 2025 compared to the year ended December 31, 2024

Voyage Revenues. Voyage revenues increased by \$0.2 million, or 0.1%, to \$156.6 million in the year ended December 31, 2025, compared to \$156.4 million for the year ended December 31, 2024. This increase was mainly attributable to: (a) the non-cash effect of the amortization of deferred revenues, (b) the higher variable hire revenues earned on the Lena River and the Yenisei River and (c) the increase in the value of the EUAs due to us by the charterers of our vessels, which is primarily driven by higher fuel consumption and/or an increased number of voyages within E.U. waters, resulting in higher emissions, pursuant to the terms of the relevant time charter agreements, in the year ended December 31, 2025 compared to the corresponding period in 2024 (the corresponding value of the abovementioned EUAs, which we are obliged to surrender to the E.U. authorities, is included within Voyage expenses). The above increase in voyage revenues was partially offset by the lower cash revenues earned mainly due to the decrease of the daily hire rate of the Arctic Aurora and the decrease in Revenue earning days of one of our vessels due to unscheduled repairs in the year ended December 31, 2025, compared to the corresponding period in 2024.

Voyage Expenses—including related party. In the year ended December 31, 2025, voyage expenses were \$7.3 million, compared to \$6.4 million for the year ended December 31, 2024, representing an increase of \$0.9 million or 14.1%. The increase is primarily associated with the corresponding value of the abovementioned EUAs, which we were obliged to surrender to the E.U. authorities.

Vessels' Operating Expenses. Vessel operating expenses increased by 5.4% or \$1.7 million, to \$33.3 million during the year ended December 31, 2025, from \$31.6 million during the year ended December 31, 2024. Our daily operating expenses increased from \$14,409 for the year ended December 31, 2024, to \$15,201 for the year ended December 31, 2025. This increase was primarily associated with increased engine overhauling costs incurred during the year ended December 31, 2025, compared to the corresponding period in 2024.

General and administrative expenses—including related party. General and administrative expenses decreased by 14.3%, or \$0.3 million, to \$1.8 million during the year ended December 31, 2025, from \$2.1 million during the year ended December 31, 2024. This decrease of general and administrative expenses was mainly attributable to decreased legal expenses and director and officer insurance fees.

Management Fees. We incurred an aggregate of \$6.8 million, or \$3,095 per LNG carrier per day in management fees for the year ended December 31, 2025, compared to an aggregate of \$6.6 million, or \$3,005 per LNG carrier per day in management fees for the year ended December 31, 2024. The 3.0%, or \$0.2 million, increase in management fees is consistent with the annual 3% increase in daily management fees pursuant to the Master Agreement. See also “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions.”

Depreciation. Depreciation expense decreased by 0.3%, or \$0.1 million, to \$32.1 million during the year ended December 31, 2025, from \$32.2 million during the year ended December 31, 2024. The decrease was due to the difference in the number of calendar days between the periods in comparison.

Interest and Finance Costs. Interest and finance costs decreased by 31.4%, or \$9.8 million to \$21.4 million during the year ended December 31, 2025, from \$31.2 million during the year ended December 31, 2024. The decrease in interest and finance costs was predominantly due to the reduction of the weighted average outstanding balance of our indebtedness and the decrease in the weighted average interest rate of our indebtedness from 7.86% in the year ended December 31, 2024, to 6.43% in the year ended December 31, 2025.

Interest Income. Interest income decreased by 48.0%, or \$1.2 million, to \$1.3 million during the year ended December 31, 2025, from \$2.5 million during the year ended December 31, 2024. The decrease was attributable to the decrease in interest rates in the year ended December 31, 2025 as compared to the corresponding period in 2024, as well as to the placement of time deposits with shorter maturities, which reduced overall interest earned.

Gain on derivative instruments. On May 7, 2020, we entered into a floating to fixed interest rate swap transaction effective from June 29, 2020. It provided a fixed 3-month LIBOR rate of 0.41% based on notional values that reflect the amortization schedule of 100% of our debt outstanding under the \$675 Million Credit Facility. During the year ended December 31, 2025, gains on derivative financial instruments were nil compared to a gain on the derivative financial instrument of \$1.8 million (relating to the portion of the period the interest rate swap agreement was in effect), which was recognized in the year ended December 31, 2024, as the swap agreement expired in September 2024.

Loss on debt extinguishment. Loss on debt extinguishment was nil the year ended December 31, 2025, compared to a \$0.3 million loss during the corresponding period in 2024. This was mainly attributable to the write-off of \$0.3 million of the unamortized deferred financing fees attributable to the portion of the \$675 Million Credit Facility that was extinguished in the year ended December 31, 2024, due to the full prepayment of the outstanding amount thereunder of \$408.6 million, mentioned below.

Other Income. Other Income increased to \$6.8 million during the year ended December 31, 2025, from \$1.5 during the corresponding period in 2024. The increase was attributable to (i) adjustments to revenue in the year ended December 31, 2025, relating to the variable hire of the Yenisei River and the Lena River in the prior years and (ii) the increased income from claims for hull and machinery and loss of hire insurance for damages incurred by our vessels in previous years.

Year ended December 31, 2024 compared to the year ended December 31, 2023

For a discussion of our results for the year ended December 31, 2024 compared to the year ended December 31, 2023, please see “Item 5. Operating and Financial Review and Prospects – A. Operating Results – Year ended December 31, 2024 compared to the year ended December 31, 2023” contained in our annual report on Form 20-F for the year ended December 31, 2024, filed with the SEC on April 10, 2025.

B. LIQUIDITY AND CAPITAL RESOURCES

Liquidity and Cash Needs

We operate in a capital-intensive industry and we expect to finance the purchase of additional vessels and other capital expenditures through a combination of borrowings from debt transactions, cash generated from operations and equity financings. Our liquidity requirements relate to servicing the principal and interest on our debt, paying distributions, when, as and if declared by our Board of Directors and funding capital expenditures and working capital. Our funding and treasury activities are intended to maximize investment returns while maintaining appropriate liquidity.

For the year ended December 31, 2025, our principal sources of funds were our operating cash flows and cash flows from financing activities. We frequently monitor our capital needs by projecting our fixed income, expenses and debt obligations and seek to maintain adequate cash reserves to compensate for any budget overruns.

Our short-term liquidity requirements relate to servicing the principal and interest on our debt, making at least the required distribution on our Series A Preferred Units in accordance with our Partnership Agreement, and funding of our normal working capital requirements, including vessel operating expenses and payments under our Master Agreement.

As of April 8, 2026, we believe our sources of funds (assuming the current contracted rates are earned from our existing charters) are sufficient to meet our normal working capital and other cash requirements for our current business for at least the next twelve months.

We reserve cash from operations for future maintenance capital expenditures, normal working capital requirements and other matters. Our future capital expenditure requirements principally relate to vessel drydocks including costs related to voyages to and from the drydocking yard that will depend on the distance from the vessel’s ordinary trading area to the drydocking yard. The Clean Energy is scheduled to be dry-docked within 2026. As at December 31, 2025, we have no other material capital expenditure commitments for the next twelve months.

On November 21, 2024, our Board of Directors authorized a Common Unit Repurchase Program (the “2024 Common Unit Repurchase Program”), which authorized the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months and expired on November 21, 2025. During the year ended December 31, 2025, we repurchased 365,118 common units for a total amount of \$1.322 million as part of our 2024 Common Unit Repurchase Program. See “Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.”

On November 24, 2025, our Board of Directors authorized a new Common Unit Repurchase Program (the “2025 Common Unit Repurchase Program”), which authorizes the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months. Repurchases of common units under the 2025 Common Unit Repurchase Program may be made, from time to time, in privately negotiated transactions, in open market transactions, or by other means, including through trading plans intended to qualify under Rule 10b-18 and/or Rule 10b5-1 of the Exchange Act. The amount and timing of any repurchases made under the 2025 Common Unit Repurchase Program will be in our management team’s sole discretion, and will depend on a variety of factors, including legal requirements, market conditions, other investment opportunities, available liquidity, and the prevailing market price of the common units. The 2025 Common Unit Repurchase Program does not obligate us to repurchase any dollar amount or number of common units, and the 2025 Common Unit Repurchase Program may be suspended or discontinued at any time at our discretion. During the year ended December 31, 2025, we did not repurchase any units as part of the 2025 Common Unit Repurchase Program.

Our long-term liquidity requirements relate primarily to funding capital expenditures, including the repayment of our long-term debt and the potential acquisition of additional vessels.

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In accordance with our business strategy, other liquidity needs may relate to funding potential investments and maintaining cash reserves against fluctuations in operating cash flows. We expect that we will rely upon external financing sources, including bank borrowings, other financing arrangements and the issuance of debt and equity securities, to fund acquisitions and other expansion capital expenditures. Cash and cash equivalents are held in U.S. dollars. Please see “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Our Cash Distribution Policy” for a discussion of our cash distribution policy and how we define “available cash” under the Partnership Agreement.

Cash and cash equivalents

As of December 31, 2025, we reported cash and cash equivalents of \$41.0 million which represented a decrease of \$27.2 million, or 39.9%, compared to \$68.2 million, as of December 31, 2024. Please see below “—Our Borrowing Activities.”

Working capital position

Working capital is equal to current assets minus current liabilities, including the current portion of long-term debt. As of December 31, 2025, we had a working capital deficit of \$29.5 million which represented an increase of \$23.8 million, or 417.5%, compared to the working capital deficit of \$5.7 million as of December 31, 2024. Our working capital deficit increase as of December 31, 2025, was mainly due to the current portion of our other financial liabilities and the redemption of Series B Preferred Units compared to December 31, 2024.

We believe that our anticipated sources of funds, as mentioned above and those that we anticipate to internally generate for a period of at least the next twelve months, will be sufficient to fund the operations of our Fleet, and to meet our normal working capital requirements, service our principal and interest debt, and make at least the required distribution on our Series A Preferred Units in accordance with our Partnership Agreement.

Our Borrowing Activities

As of December 31, 2025, we had \$278.7 million outstanding under the 2024 Lease Financing (discussed below). As of December 31, 2025, we were in compliance with all of the covenants, including the financial and liquidity covenants, contained in the 2024 Lease Financing.

\$675 Million Credit Facility

On September 18, 2019, we entered into the \$675 Million Credit Facility: a 5-year syndicated \$675 million senior secured term loan with leading international banks for the purpose of refinancing the Partnership’s existing total indebtedness at that time. On June 27, 2024, we used the proceeds received under the 2024 Lease Financing (discussed below), together with \$63.7 million of our own funds, to fully prepay outstanding amounts under the \$675 Million Credit Facility, which was scheduled to mature on September 18, 2024. Please see below, “—2024 Lease Financing.”

2024 Lease Financing

On June 19, 2024, we entered into sale and leaseback agreements, or the Sale and Leaseback Agreements, with China Development Bank Financial Leasing Co. Ltd. (“CDBL”), for four of our vessels, the *OB River*, the *Clean Energy*, the *Amur River*, and the *Arctic Aurora* for the amounts of \$71.2 million, \$53.6 million, \$73.1 million and \$147.0 million, respectively. We sold and chartered back on a bareboat basis from CDBL, the *OB River*, the *Clean Energy* and the *Amur River* for a period of five years, and the *Arctic Aurora* for a period of ten years, and utilized the proceeds from the 2024 Lease Financing, together with \$63.7 million of cash on hand, to fully prepay outstanding amounts under our \$675 Million Credit Facility. The applicable interest rate is 3-month term SOFR plus a margin. Following the first anniversary of the bareboat charters, we have the option at any time to repurchase each vessel at a predetermined price as set forth in each respective 2024 Lease Financing and at the end of each bareboat period, we have the obligation to repurchase the respective vessel at a price equal to 20% of the financing amount for the *OB River*, the *Clean Energy* and the *Amur River* and 15% of the financing amount for the *Arctic Aurora*. We are required to maintain at all times a value maintenance ratio of at least 120% of the charterhire principal outstanding for each vessel. For additional information regarding the 2024 Lease Financing, please see Note 5 to our annual consolidated financial statements included in this annual report.

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Each Sale and Leaseback Agreement is secured by a customary security package which includes, among other things (except as otherwise provided herein, capitalized terms used herein but not otherwise defined herein shall have the meanings set forth in the relevant Sale and Leaseback Agreement):

- the Accounts Charges over the Earnings Accounts;
- the Charterers' Assignments in relation to the Earnings, the Insurances, the Requisition Compensation and the Assigned Documents of the Ships;
- the Charter Guarantee in relation to the Charterers' obligations under the Transaction Documents;
- the Negative Share Pledges in relation to the issued shares of the Charterers; and
- the Manager's Undertakings by each Approved Manager of each Ship.

As of December 31, 2025, we were in compliance with all the financial covenants contained in the sale and leaseback agreements.

Capital Expenditures

We reserve cash from operations for future maintenance capital expenditures, normal working capital requirements and other matters.

Our future capital expenditure requirements principally relate to vessel drydocks including costs related to voyages to and from the drydocking yard that will depend on the distance from the vessel's ordinary trading area to the drydocking yard. The Clean Energy is scheduled to be dry-docked within 2026. As at December 31, 2025, we have no other material capital expenditure commitments for the next twelve months.

Cash Flows

The following table summarizes our net cash flows from operating, investing and financing activities and our cash and cash equivalents for the years ended December 31, 2025, 2024 and 2023:

<i>(Amounts in thousands of Dollars)</i>	Year Ended December 31,		
	2025	2024	2023
Net cash provided by operating activities	\$ 90,265	\$ 92,158	\$ 64,391
Net cash used in investing activities	—	(27)	(4,238)
Net cash used in financing activities	(117,382)	(97,727)	(66,269)
Cash and cash equivalents at beginning of year	68,156	73,752	79,868
Cash and cash equivalents at end of year	<u>\$ 41,039</u>	<u>\$ 68,156</u>	<u>\$ 73,752</u>

Net Cash Provided by Operating Activities

Net cash provided by operating activities decreased by \$1.9 million, or 2.1%, to \$90.3 million for the year ended December 31, 2025, compared to \$92.2 million for the year ended December 31, 2024. This decrease was primarily due to the decrease of favourable working capital changes, which was counterbalanced by the decrease in interest and finance costs and the increase in other income in the year ended December 31, 2025.

Net cash provided by operating activities increased by \$27.8 million, or 43.2%, to \$92.2 million for the year ended December 31, 2024, compared to \$64.4 million for the year ended December 31, 2023. This increase was primarily due to the higher voyage revenues generated and the favourable working capital variations.

Net Cash Used in Investing Activities

Net cash used in investing activities was nil and \$27.0 thousand for the years ended December 31, 2025 and 2024, respectively.

Net cash used in investing activities decreased by \$4.2 million, or 100%, to \$27.0 thousand for the year ended December 31, 2024, compared to \$4.2 for the year ended December 31, 2023. This decrease was primarily attributable to cash used for the installation of the BWTS on the Arctic Aurora, the Yenisei River and the Lena River in the year ended December 31, 2023.

Net Cash Used in Financing Activities

Net cash used in financing activities increased by \$19.7 million, or 20.2%, to \$117.4 million for the year ended December 31, 2025, from net cash used in financing activities of \$97.7 million in the year ended December 31, 2024. This increase was primarily attributable to: (a) the \$55 million payment for the redemption in full of the outstanding Series B Preferred Units, (b) the \$345 million decrease of the proceeds from the 2024 Lease Financing, (c) the increase in the amounts paid for the repurchase of common units by \$1.1 million, as part of the 2024 Common Unit Repurchase Program, mentioned above, (d) the \$5.4 million increase in the distribution payments to the common unitholders, which were partially offset by the \$3.3 million decrease in distribution payments to Series B Preferred unitholders, (e) the decrease of \$17.5 million in receipts from derivative instruments. The above increase in net cash used in financing activities was partially offset by the decrease in the repayments of long-term debt by \$398.5 million, due to the amounts paid for the full prepayment of the \$675 Million Credit Facility in the year to December 31, 2024 and the decrease in the payment of deferred finance fees by \$2.5 million, attributable to the 2024 Lease Financing, mentioned above.

Net cash used in financing activities increased by \$31.4 million, or 47.4%, from net cash used in financing activities of \$66.3 million in the year ended December 31, 2023, to net cash used in financing activities of \$97.7 million in the year ended December 31, 2024. This increase is mainly due to: (a) the increase in the repayments of long-term debt by \$363.4 million, due to the amounts paid for the full prepayment of the \$675 Million Credit Facility, mentioned above, (b) the increase in the payment of deferred finance fees by \$2.5 million, attributable to the 2024 Lease Financing, mentioned above, (c) the increase of \$1.8 million and \$1.4 million in the payment of distributions to the common and the preferred B unitholders, respectively, (d) the increase in the amounts paid for the repurchase of common units by \$0.2 million, as part of the 2024 Common Unit Repurchase Program, mentioned above, and (e) the decrease of \$7.0 million in receipts from derivative instruments. The above increase in net cash used in financing activities was partially offset by the proceeds of \$344.9 million from the 2024 Lease Financing.

Distributions

Distributions on Common Units

We paid a cash distribution of \$0.049 per unit to all common unitholders on February 27, 2025, May 23, 2025 and August 29, 2025.

We paid a cash distribution of \$0.050 per unit to all common unitholders on November 14, 2025 and February 27, 2026.

See “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Our Cash Distribution Policy.”

Distributions on Series A Preferred Units

We paid a cash distribution of \$0.5625 per unit to all Series A Preferred unitholders on February 12, 2020, May 12, 2020, August 12, 2020, November 12, 2020, February 12, 2021, May 12, 2021, August 12, 2021, November 12, 2021, February 14, 2022, May 12, 2022, August 12, 2022, November 14, 2022, February 13, 2023, May 12, 2023, August 14, 2023, November 13, 2023, and February 12, 2024, May 13, 2024, August 12, 2024, November 12, 2024, February 12, 2025, May 12, 2025, August 12, 2025, November 12, 2025 and February 12, 2026.

See “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Our Cash Distribution Policy.”

Distributions on Series B Preferred Units

We paid a cash distribution of \$0.546875 per unit to all Series B Preferred unitholders on February 24, 2020, May 22, 2020, August 24, 2020, November 23, 2020, February 22, 2021, May 24, 2021, August 23, 2021, November 22, 2021, February 22, 2022, May 23, 2022, August 22, 2022, November 22, 2022, February 22, 2023, May 22, 2023, August 22, 2023, and November 22, 2023.

We paid a cash distribution of \$0.71764025 per unit to all Series B Preferred unitholders on February 22, 2024.

We paid a cash distribution of \$0.69853375 per unit on to all Series B Preferred unitholders on May 22, 2024.

We paid a cash distribution of \$0.714537806 per unit on to all Series B Preferred unitholders on August 22, 2024.

We paid a cash distribution of \$0.69999031 per unit on to all Series B Preferred unitholders on November 22, 2024.

We paid a cash distribution of \$0.677286319 per unit on to all Series B Preferred unitholders on February 24, 2025.

We paid a cash distribution of \$0.614808 per unit on to all Series B Preferred unitholders on May 22, 2025.

See “Item 8. Financial Information—A. Consolidated Statements and Other Financial Information—Our Cash Distribution Policy.”

General Partner Distributions

During the years ended December 31, 2025 and 2024, the Board of Directors approved a quarterly cash distribution to its General Partner and holder of the incentive distribution rights in the Partnership, of an amount of \$7,000 and \$1,741, respectively.

The declaration and payment of distributions, if any, is always subject to the discretion of our Board of Directors. We may reduce or eliminate our cash distributions relating to our common units or preferred units at any time in our sole discretion.

Securities Transactions (following the IPO)

In June 2014, we completed our underwritten public offering of 4,800,000 common units at \$22.79 per common unit, and on June 18, 2014, the underwriters in the offering exercised their option to purchase an additional 720,000 common units at the same price.

In September 2014, we completed our underwritten public offering of \$250.0 million in aggregate principal amount of our 6.25% Senior Notes due 2019, or our 2019 Notes. The 2019 Notes commenced trading on the NYSE on December 30, 2014 under the ticker symbol “DLNG 19.” On October 30, 2019, we redeemed the entire outstanding balance of the 2019 Notes of \$250 million aggregate principal amount using proceeds from the \$675 Million Credit Facility together with cash on hand.

In July 2015, we completed our underwritten public offering of 3,000,000 of our 9.00% Series A Cumulative Redeemable Preferred Units at \$25.00 per unit. Our Series A Preferred Units trade on the NYSE under the ticker symbol “DLNG PR A.”

In October 2018, we completed our underwritten public offering of 2,200,000 8.75% Series B Fixed to Floating Rate Cumulative Redeemable Perpetual Preferred Units at \$25.00 per unit. Our Series B Preferred Units trade on the NYSE under the ticker symbol “DLNG PR B.”

On July 2, 2020, we entered into a sales agreement, or the Original Agreement, with Virtu Americas LLC, as sales agent, for the offer and sale, from time to time, of up to an aggregate of \$30.0 million of our common units representing limited partnership interests under an “at-the-market” offering program. In August 2020, we entered into an amended and restated ATM Sales Agreement, or the A&R Sales Agreement, with Virtu Americas LLC and DNB Markets, Inc., for the offer and sale of common units representing limited partnership interests, having an aggregate offering price of up to \$30.0 million. Upon entry into the A&R Sales Agreement, the Partnership terminated its prior at - the - market program established in July of 2020 pursuant to the Original Agreement (the “Prior ATM Program”). At the time of such termination, the Partnership had issued and sold 122,580 common units resulting in net proceeds of \$0.3 million, under the Original Agreement. During the year ended December 31, 2021, we issued and sold 1,189,667 of our common units resulting in net proceeds of \$3.3 million under the A&R Sales Agreement. No common units were sold under the A&R Sales Agreement during the years ended December 31, 2022, 2023 and 2024. The A&R Sales Agreement is no longer in effect.

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On November 21, 2024, our Board of Directors authorized the 2024 Common Unit Repurchase Program, which authorized the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months and expired on November 21, 2025. During the year ended December 31, 2025, we repurchased 365,118 common units for a total amount of \$1.322 million as part of 2024 Common Unit Repurchase Program. See “Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.”

On May 27, 2025, we issued a notice of full redemption to the holders of our Series B Preferred Units, notifying such holders that we had elected to exercise our option to redeem all of the issued and outstanding Series B Preferred Units on July 25, 2025 (the “Redemption Date”). On the Redemption Date, we redeemed all of the issued and outstanding Series B Preferred Units. The redemption price was equal to \$25.00 per redeemed Series B Preferred Unit, plus an amount of \$0.45258267, equal to all accumulated and unpaid distributions thereon to the Redemption Date, whether or not declared, which was paid in cash on the Redemption Date.

On November 24, 2025, our Board of Directors authorized the 2025 Common Unit Repurchase Program (following the expiration of our 2024 Common Unit Repurchase Program), which authorizes the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months. Repurchases of common units under the 2025 Common Unit Repurchase Program may be made, from time to time, in privately negotiated transactions, in open market transactions, or by other means, including through trading plans intended to qualify under Rule 10b-18 and/or Rule 10b5-1 of the Exchange Act. The amount and timing of any repurchases made under the 2025 Common Unit Repurchase Program will be in our management team’s sole discretion, and will depend on a variety of factors, including legal requirements, market conditions, other investment opportunities, available liquidity, and the prevailing market price of the common units. The 2025 Common Unit Repurchase Program does not obligate us to repurchase any dollar amount or number of common units, and the 2025 Common Unit Repurchase Program may be suspended or discontinued at any time at our discretion. During the year ended December 31, 2025, we did not repurchase any units as part of the 2025 Common Unit Repurchase Program.

Recent Developments

Distributions

On January 21, 2026, we declared a cash distribution of \$0.5625 per unit on our Series A Preferred Units for the period from November 12, 2025 to February 11, 2026, which was paid on February 12, 2026 to all Series A preferred unitholders of record as of February 5, 2026.

On February 10, 2026, we declared a cash distribution of \$0.050 per unit on all common unitholders for the quarter ended December 31, 2025, which was paid on February 27, 2026 to all common unitholders of record as of February 23, 2026.

Following December 31, 2025 and up to April 8, 2026, the Partnership did not repurchase any common units, pursuant to the 2025 Common Unit Repurchase Program (as defined above).

C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

Not applicable.

D. TREND INFORMATION

See “Item 4. Information on the Partnership – B. Business Overview – The International Liquefied Natural Gas (LNG) Shipping Industry.”

E. CRITICAL ACCOUNTING ESTIMATES

For a description of all our significant accounting policies, see Note 2 to our annual consolidated financial statements included elsewhere in this annual report, and for our critical accounting estimates, see the paragraph entitled “Critical Accounting Estimates and Policies” under “Item 5. Operating and Financial Review and Prospects – A. Operating Results” discussed above.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. DIRECTORS AND SENIOR MANAGEMENT

The following provides information about each of our directors and senior management.

Name	Age	Position
Georgios Prokopiou	79	Chairman of the Board of Directors and Appointed Director
Tony Lauritzen	49	Chief Executive Officer and Appointed Director
Michael Gregos	54	Chief Financial Officer
Dimitris Anagnostopoulos	79	Class III Director
Alexios Rodopoulos	78	Class II Director
Evangelos Vlahoulis	79	Class I Director

Certain biographical information about each of our directors and executive officers is set forth below.

Georgios Prokopiou. Mr. Georgios Prokopiou has served as Chairman of our Board of Directors since our inception. Since entering the shipping business in 1974, Mr. Prokopiou has managed a shipping fleet consisting of over 500 vessels and is among other, the founder of Dynacom Tankers Management, Sea Traders and Dynagas Ltd., our Manager. Dynacom was founded in 1991 to manage tankers and Sea Traders SA was founded in 1974 to manage bulk carriers. Since 2002, companies controlled by Mr. Prokopiou have built more than 100 vessels at shipyards in South Korea, Japan and China. Mr. Prokopiou holds a civil engineering degree from the National Technical University of Athens. Mr. Prokopiou has also served as Chairman of the North of England P&I Association. He is Chairman of the Greek committee of Bureau Veritas, as well as member of the Greek committees of DNV-GL, Lloyd's Register and ABS. In 2005 Dynacom was awarded Tanker Company of the Year award by Lloyd's List. In 2015 Dynagas Ltd. was the winner of Statoil's Working Safely with Suppliers Award. Mr. Prokopiou was the recipient of Seatrade's Lifetime Achievement Award in June 2017 and the Capital Link Lifetime Achievement Award in January 2020.

Tony Lauritzen. Mr. Tony Lauritzen has served as our Chief Executive Officer and on our Board of Directors since our inception in 2013. Mr. Lauritzen has been the general manager of our Sponsor's LNG activities since 2006. Prior to joining Dynagas, Mr. Lauritzen worked for the shipowner and ship manager Bernhard Schulte Shipmanagement Ltd where he was a project manager with a focus on the gas shipping segment. Prior to that, he worked for Westshore Shipbrokers AS in the offshore shipbroking segment. Mr. Lauritzen holds a Master of Science in Shipping Trade and Finance from Bayes Business School (formerly known as Cass Business School) of City University in London (2003) and a Master of Arts in Business and Finance from Heriot Watt University, Edinburgh (2002). Mr. Lauritzen is the son-in-law of Mr. Prokopiou.

Michael Gregos. Mr. Michael Gregos has served as our Chief Financial Officer since our inception. Mr. Gregos has served as commercial manager of the activities of Dynacom Tankers Management since 2009. From 2007 to 2009, Mr. Gregos served as Chief Operating Officer of Ocean Freight Inc. a shipping transportation company listed on NASDAQ. Prior to that, Mr. Gregos was commercial manager of the activities of Dynacom Tankers Management. Mr. Gregos has also worked for Oceania Maritime Agency, a shipping transportation company in Connecticut, USA and ATE Finance the corporate finance arm of Agricultural Bank of Greece responsible for the implementation of initial public offerings in the Greek equities market. He is a graduate of Queen Mary University in London and holds an M.Sc. in Shipping, Trade and Finance from Bayes Business School (formerly known as Cass Business School) of City University in London.

Dimítris Anagnostopoulos. Mr. Anagnostopoulos has served as one of our directors since August 2023 and also serves on the Conflicts Committee and the Compensation Committee of the Board. Mr. Anagnostopoulos has over 50 years of experience in shipping, ship finance and banking. Mr. Anagnostopoulos obtained his BSc at the Athens University of Economics and Business. Throughout his career, Mr. Anagnostopoulos has held various posts at the National Investment Bank of Industrial Development (ETEBA), Continental Illinois National Bank of Chicago, the Greyhound Corporation, and with ABN AMRO, where he spent nearly two decades, holding the positions of Senior Vice-President and Head of Shipping. From 2010 to 2023 he served as a Board Member of Aegean Baltic Bank S.A. and continues to serve as an advisor to the bank's management team. Mr. Anagnostopoulos has been a speaker and panelist at various shipping conferences in Europe, and a regular guest lecturer at the Bayes Business School (formerly known as Cass Business School) of City University in London, the Athens University of Economics and Business and the ALBA Graduate Business School. He is a member (and ex-vice chairman) of the Association of Banking and Financial Executives of Greek Shipping and an Associate Member of the Institute of Energy of South East Europe. In 2008 he was named by the Lloyd's Organization as Shipping Financier of the Year. In addition, since 2009 he has served as a member of the board of directors of Seenergy Maritime Holdings Corp. (Nasdaq:SHIP), where he serves on the audit committee, compensation committee and nominating committee.

Alexios Rodopoulos. Mr. Alexios Rodopoulos has served as one of our directors since the closing of our IPO in November 2013 and also serves as Chairman of our Audit Committee. Mr. Rodopoulos is an independent shipping business consultant, operating through his family-owned company, Rodofin Business Consultants Ltd. From 1999 until 2011 Mr. Rodopoulos served as the Head of Shipping (Piraeus) of Royal Bank of Scotland (RBS). Mr. Rodopoulos is a graduate of the Economic University of Athens, Greece.

Evangelos Vlahoulis. Mr. Evangelos Vlahoulis has served as one of our directors since the closing of our IPO in November 2013 and also serves as Chairman of the Compensation Committee. Since 2005, Mr. Vlahoulis has served as Chief Executive Officer of Finship S.A. which provides maritime financing services including to Deutsche Bank in connection with their shipping activities in Greece. From 1984 until 2005 Mr. Vlahoulis served as the representative for Greek shipping of Deutsche Schiffsbank (the predecessor to Commercebank AB). Since October 2015, Mr. Vlahoulis serves as a consultant for the Greek branch of DVB bank. Mr. Vlahoulis is a graduate of London University and holds a BA in Economics.

Reimbursement of Expenses of Our General Partner

Our General Partner does not receive compensation from us for any services it provides on our behalf, however, it is entitled to reimbursement for expenses incurred on our behalf.

B. COMPENSATION

Executive Compensation

Our executive officers, who report directly to our Board of Directors, are provided to us by our Manager under an Executive Services Agreement with retroactive effect from the closing date of our IPO. Under the agreement, our Manager is entitled to an executive services fee of €538,000 per annum, for the initial five-year term, payable in equal monthly instalments and automatically renews for successive five-year terms unless terminated earlier. Subsequent to the initial term, the Executive Services Agreement automatically renewed in November 2018 and November 2023.

Director Compensation

Our chief executive officer who also serves as our director does not receive additional compensation for his service as director. Each non-management director receives compensation for attending meetings of our Board of Directors, as well as committee meetings. Non-management directors receive director fees of approximately \$135,000 per year, in aggregate. In addition, each director is reimbursed for out-of-pocket expenses in connection with attending meetings of the Board of Directors or other committees. Each director is fully indemnified by us for actions associated with being a director to the extent permitted under Marshall Islands law.

C. BOARD PRACTICES

General

Pursuant to the terms of our Partnership Agreement, our General Partner has delegated to our Board of Directors the authority to oversee and direct our operations, management and policies on an exclusive basis, and such delegation will be binding on any successor general partner of the Partnership. Our General Partner is wholly owned by our Sponsor. Our executive officers, whose services are provided to us pursuant to the Executive Services Agreement with our Manager, manage our day-to-day activities consistent with the policies and procedures adopted by our Board of Directors.

Our board consists of five members, two of whom are appointed by our General Partner in its sole discretion and three of whom are elected by our common unitholders. Our Board of Directors has determined that all of the directors, other than Mr. Georgios Prokopiou and Mr. Tony Lauritzen, satisfy the independence standards established by the NYSE, as applicable to us. The directors appointed by our General Partner serve until a successor is duly appointed by the General Partner. Directors elected by our common unitholders are divided into three classes serving staggered three-year terms.

At the Partnership's 2014 Annual General Meeting of Limited Partners, the Class I Elected Director was elected to serve for a one year term expiring on the date of the succeeding annual meeting, the Class II Elected Director was elected to serve for a two-year term expiring on the second succeeding annual meeting and the Class III Elected Director was elected to serve for a three-year term expiring on the third succeeding annual meeting. At each annual meeting of limited partners, directors will be elected to succeed the class of directors whose terms have expired by a plurality of the votes of the common unitholders. Directors elected by our common unitholders will be nominated by the Board of Directors or by any limited partner or group of limited partners that beneficially owns at least 15% of the outstanding common units.

The Partnership held its 2025 Annual General Meeting of Limited Partners on November 26, 2025, at which (i) Mr. Alexios Rodopoulos was elected as a Class II Director to serve for a three-year term until the 2028 Annual Meeting of Limited Partners, and (ii) Ernst & Young (Hellas) Certified Auditors Accountants S.A. were re-appointed to serve as the Partnership's independent auditors for the fiscal year ending December 31, 2025.

Each outstanding common unit is entitled to one vote on matters subject to a vote of common unitholders. However, to preserve our ability to be exempt from U.S. federal income tax under Section 883 of the Code, if at any time, any person or group owns beneficially more than 4.9% of any class of units then outstanding, any such units owned by that person or group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of unitholders, calculating required votes (except for purposes of nominating a person for election to our board), determining the presence of a quorum or for other similar purposes under our Partnership Agreement, unless otherwise required by law. The voting rights of any such unitholders in excess of 4.9% will effectively be redistributed pro rata among the other common unitholders holding less than 4.9% of the voting power of all classes of units entitled to vote. Our General Partner, its affiliates, including our Sponsor, and persons who acquired common units with the prior approval of our Board of Directors will not be subject to this 4.9% limitation except with respect to voting their common units in the election of the elected directors.

Committees

We have an audit committee that, among other things, reviews our external financial reporting function, engages our external auditors and oversees our internal audit activities and procedures and the adequacy of our internal accounting controls. Our audit committee is comprised of two directors, Mr. Evangelos Vlahoulis and Mr. Alexios Rodopoulos. Our Board of Directors has determined that Mr. Vlahoulis and Mr. Rodopoulos satisfy the independence standards established by the NYSE. Mr. Rodopoulos qualifies as an "audit committee expert" for purposes of SEC rule and regulations.

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We also have a Conflicts Committee comprised of two members of our Board of Directors. The Conflicts Committee is available at the board's discretion to review specific matters that the board believes may involve conflicts of interest. The Conflicts Committee will determine if the resolution of the conflict of interest is fair and reasonable to us. The members of the Conflicts Committee may not be officers or employees of us or directors, officers or employees of our general partner or its affiliates, and must meet the independence standards established by the NYSE to serve on a conflicts committee of a Board of Directors and certain other requirements. Any matters approved by the Conflicts Committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our directors, our general partner or its affiliates of any duties any of them may owe us or our unitholders. The members of our Conflicts Committee are currently Mr. Dimitris Anagnostopoulos and Mr. Alexios Rodopoulos. For additional information about the Conflicts Committee, please see "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Conflicts of Interest and Fiduciary Duties."

We also have a compensation committee comprised of two members of our Board of Directors. The members of our compensation committee are currently Mr. Evangelos Vlahoulis and Mr. Dimitris Anagnostopoulos. The compensation committee is responsible for carrying out the Board's responsibilities relating to compensation of our executive officers and for providing such other guidance with respect to compensation matters as the Committee deems appropriate.

Please see "Item 16G. Corporate Governance."

D. EMPLOYEES

As of December 31, 2025, we did not employ any onshore or offshore staff. Our Manager has provided and continues to provide us with commercial and technical management services, including all necessary crew-related services, to our vessel owning subsidiaries pursuant to the Master Agreement. Please see "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Vessel Management." The services of our executive officers and other employees are provided to us by our Manager pursuant to an Executive Services Agreement and an Administrative Services Agreement, in return of a monthly and an annual fee, respectively. Please see "Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions—Administrative Services Agreement & Executive Services Agreement."

E. UNIT OWNERSHIP

Please see "Item 7. Major Unitholders and Related Party Transactions—A. Major Unitholders."

F. DISCLOSURE OF A REGISTRANT'S ACTION TO RECOVER ERRONEOUSLY AWARDED COMPENSATION

Not applicable.

ITEM 7. MAJOR UNITHOLDERS AND RELATED PARTY TRANSACTIONS

A. MAJOR UNITHOLDERS

The following table sets forth the beneficial ownership of our common units as of April 8, 2026, by:

- each person that we know to beneficially own more than 5% of our outstanding common units;
- each of our executive officers and directors; and
- all of our executive officers and directors as a group.

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The number of units beneficially owned by each person is determined under SEC rules and the information is not necessarily indicative of beneficial ownership for any other purpose:

<u>Name of Beneficial Owner</u>	<u>Number</u>	<u>Percent ⁽¹⁾</u>
5% Unitholders:		
Dynagas Holding Ltd. ⁽²⁾	15,595,000	42.9 %
Cobas Asset Management SGIIC SA ⁽³⁾	5,486,906	15.1 %
Dell Loy Hansen ⁽⁵⁾	3,563,020	9.8 %
Executive Officers and Directors:		
Tony Lauritzen	—	—
Michael Gregos	—	—
Dimitris Anagnostopoulos	—	—
Alexios Rodopoulos	500	*
Evangelos Vlahoulis	—	—
All Executive Officers and Directors, as a Group ⁽³⁾⁽⁴⁾	*	*

(1) Based on 36,382,011 common units outstanding as of April 8, 2026.

(2) Dynagas Holding Ltd. is beneficially owned by the Prokopiou Family, including the chairman of our Board of Directors, Georgios Prokopiou and his daughters Elisavet Prokopiou, Johanna Prokopiou, Marina Kalliope Prokopiou, and Maria Eleni Prokopiou, which collectively have a business address at 23, Rue Basse, 98000 Monaco.

(3) This information is derived from Schedule 13G/A filed with SEC on February 5, 2024.

(4) Neither any member of our Board of Directors or executive officer individually, nor all of them taken as a group, hold more than 1% of our outstanding common units apart from Mr. Georgios Prokopiou, whose ownership interests are separately presented in the above table.

(5) This information is derived from Schedule 13G filed with the SEC on October 15, 2020.

As of March 31, 2026, we had three unitholders of record, two of which were located in the United States, representing 57.14% of our outstanding common units. However, one of the U.S. common unitholders of record is CEDE & CO., a nominee of the Depository Trust Company, which held 57.14% of our common units as of the same date. Accordingly, we believe that the common units held by CEDE & CO. include common units beneficially owned by both holders in the United States and non-U.S. beneficial owners. Except as otherwise disclosed herein, we are not aware of any arrangements, the operation of which may at a subsequent date result in a change of control of us.

B. RELATED PARTY TRANSACTIONS

From time to time we have entered into agreements and have consummated transactions with certain related parties. We may enter into related party transactions from time to time in the future. In connection with our IPO, we established a Conflicts Committee, comprised entirely of independent directors, to evaluate any transaction or other matter referred or disclosed to the Conflicts Committee in which a conflict of interest or potential conflict of interests exists or arises.

Omnibus Agreement

In November 2013 and as amended and restated in April 2016, we and certain of our subsidiaries entered into the Omnibus Agreement with our Sponsor and our General Partner.

Noncompetition

Under the Omnibus Agreement, our Sponsor has agreed, and has caused its affiliates (other than us, and our subsidiaries) to agree, not to acquire, own, operate or contract for any LNG carrier operating under a charter with an initial term of four or more years. We refer to these LNG carriers as “Four-Year LNG carriers” and to all other LNG carriers, together with any related contracts, as “Non-Four-Year LNG carriers.” The restrictions in this paragraph will not prevent our Sponsor or any of its controlled affiliates (including us and our subsidiaries) from:

- (1) acquiring, owning, operating or chartering any Non-Four-Year LNG carriers;
- (2) acquiring or owning one or more Four-Year LNG carrier(s) if such Dynagas Holding Entity (as defined in the Omnibus Agreement) offers to sell such Four-Year LNG carrier to us for the acquisition price plus any administrative costs in accordance with the procedures set forth in the Omnibus Agreement (and we do not fulfill our obligation to purchase such Four-Year LNG carrier in accordance with the terms of the Omnibus Agreement);
- (3) operating or chartering an LNG carrier under a charter with a term of four or more years if such Dynagas Holding Entity offers to sell such LNG carrier to us for fair market value (i) promptly after the time it becomes a Four-Year LNG carrier and (ii) at each renewal or extension of that charter if such renewal or extension is for a term of four or more years, in each case in accordance with the procedures set forth in the Omnibus Agreement;
- (4) acquiring and owning a controlling interest in one or more Four-Year LNG carriers as part of the acquisition of an interest in business or package of assets that owns, operates or charters such Four-Year LNG carriers; provided, however; if a majority of the value of the business or assets acquired is attributable to Four-Year LNG carriers, as determined in good faith by our Sponsor’s board of directors, the Dynagas Holding Entity must offer to sell such Four-Year LNG carrier(s) to us for their fair market value plus any administrative costs in accordance with the procedures set forth in the Omnibus Agreement (for the avoidance of doubt, nothing herein shall prohibit the acquisition and owning of one or more Four-Year LNG carriers as part of the acquisition of a minority interest in a business or package of assets that owns, operates or charters Four-Year LNG carriers);
- (5) acquiring a non-controlling interest in any company, business or pool of assets;
- (6) acquiring, owning, operating or chartering any Four-Year LNG carrier if we do not fulfill our obligation to purchase such Four-Year LNG carrier in accordance with the terms of the Omnibus Agreement;
- (7) acquiring, owning, operating or chartering any Four-Year LNG carrier that is subject to the offers to us described in paragraphs (2), (3) and (4) above pending our determination whether to accept such offers and pending the closing of any offers we accept;
- (8) providing vessel management services relating to any LNG carrier;
- (9) acquiring and owning any Four-Year LNG carrier as part of a financing arrangement, including by way of a sale leaseback transaction, which is accounted for as a financial lease under United States generally accepted accounting principles; or
- (10) acquiring, owning, operating or chartering any Four-Year LNG carrier if we have previously advised our Sponsor that we consent to such acquisition, operation or charter.

If our Sponsor or any of its controlled affiliates acquires, owns, operates or contracts for Four-Year LNG carriers pursuant to any of the exceptions described above, it may not subsequently expand that portion of its business other than pursuant to those exceptions.

Under the Omnibus Agreement, we are not restricted from acquiring, operating or chartering Non-Four-Year LNG carriers.

Upon a change of control (as such term is set forth in the Omnibus Agreement) of us or our General Partner, the noncompetition provisions of the Omnibus Agreement will terminate immediately. Upon a change of control of our Sponsor (as such term is set forth in the Omnibus Agreement), the noncompetition provisions of the Omnibus Agreement applicable to our Sponsor will terminate immediately. In addition, on the date on which a majority of our directors ceases to consist of directors that were (1) appointed by our General Partner prior to our first annual meeting of unitholders and (2) recommended for election by a majority of our appointed directors, the noncompetition provisions applicable to our Sponsor shall terminate immediately.

Rights of First Offer on LNG carriers

Under the Omnibus Agreement, we and our subsidiaries have granted to our Sponsor the right of first offer on any proposed sale, transfer or other disposition of any LNG carrier owned by us. Under the Omnibus Agreement, our Sponsor has agreed (and will cause their subsidiaries to agree) to grant a similar right of first offer to us for any Four-Year LNG carriers they own. These rights of first offer will not apply to (a) with respect to the Sponsor, a sale, transfer or other disposition of assets between or among any of its subsidiaries (other than us) and with respect to us, a sale, transfer or other disposition of assets between or among any of our subsidiaries (other than the Sponsor, if applicable), or pursuant to the terms of any contract or other agreement with a contractual counterparty existing at the time of the closing of our IPO or (b) a merger with or into, or sale of substantially all of the assets to, an unaffiliated third party. In addition, the rights of first offer may be waived by us under Section 7.5 of the Omnibus Agreement in our discretion.

Prior to engaging in any negotiation regarding any LNG carrier's disposition with respect to a Four-Year LNG carrier with a non-affiliated third party, we or our Sponsor, as the case may be, will deliver a written notice to the other relevant party setting forth the material terms and conditions of the proposed transaction. During the 30-day period after the delivery of such notice, we and our Sponsor will negotiate in good faith to reach an agreement on the transaction. If we do not reach an agreement within such 30-day period, we or our Sponsor, as the case may be, will be able within the next 180 calendar days to sell, transfer, dispose or re-contract the LNG carrier to a third party (or to agree in writing to undertake such transaction with a third party) on terms generally no less favorable to us or our Sponsor as the case may be, than those offered pursuant to the written notice.

Upon a change of control of us or our General Partner, the right of first offer provisions of the Omnibus Agreement will terminate immediately.

Upon a change of control of our Sponsor, the right of first offer provisions applicable to our Sponsor under the Omnibus Agreement will terminate at the time of the change of control. On the date on which a majority of our directors ceases to consist of directors that were (1) appointed by our General Partner prior to our first annual meeting of unitholders and (2) recommended for election by a majority of our appointed directors, the provisions related to the rights of first offer granted to us by our Sponsor shall terminate immediately.

For purposes of the Omnibus Agreement a "change of control" means, with respect to any "applicable person," any of the following events: (a) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the applicable person's assets to any other person, unless immediately following such sale, lease, exchange or other transfer such assets are owned, directly or indirectly, by the applicable person; (b) the consolidation or merger of the applicable person with or into another person pursuant to a transaction in which the outstanding voting securities of the applicable person are changed into or exchanged for cash, securities or other property, other than any such transaction where (i) the outstanding voting securities of the applicable person are changed into or exchanged for voting securities of the surviving person or its parent and (ii) the holders of the voting securities of the applicable person immediately prior to such transaction own, directly or indirectly, not less than a majority of the outstanding voting securities of the surviving person or its parent immediately after such transaction; and (c) a "person" or "group" (within the meaning of Sections 13(d) or 14(d)(2) of the Exchange Act), other than our Sponsor or its Affiliates with respect to the General Partner, being or becoming the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) of more than 50% of all of the then outstanding voting securities of the applicable person, except in a merger or consolidation which would not constitute a change of control under clause (b) above.

Indemnification

Our Sponsor indemnifies us for liabilities related to tax liabilities attributable to the operation of the assets contributed or sold to us prior to the time they were contributed or sold.

Amendments

The Omnibus Agreement may not be amended without the prior approval of the Conflicts Committee if the proposed amendment will, in the reasonable discretion of our Board of Directors, adversely affect holders of our common units.

Vessel Management

Our Manager provides us with commercial and technical management services for our Fleet and certain corporate governance and administrative and support services, pursuant to a Master Agreement which includes a standard set of terms for technical and commercial management services applicable to all our vessels, which we refer to as our Management Agreements. Our Manager is wholly owned by Mr. Georgios Prokopiou, our Chairman of the Board, and has been providing these services for the vessels in our Fleet for over 15 years. Through our Manager, we have had a long-lasting presence in the LNG shipping industry, and during that time we believe our Manager has established a track record for efficient, safe and reliable operation of LNG carriers.

We currently pay our Manager a technical management fee of \$3,188 per day for each of our vessels, owned or bareboat chartered-in, prorated for the calendar days we own each vessel, for providing services, including engaging and providing qualified crews, maintaining the vessel, arranging supply of stores and equipment, arranging and supervising periodic dry-docking, cleaning and painting and ensuring compliance with applicable regulations, including licensing and certification requirements.

In addition, we pay our Manager a commercial management fee equal to 1.25% of the gross charter hire, ballast bonus which is the amount paid to the vessel operator as compensation for all or a part of the cost of positioning the vessel to the port where the vessel will be delivered to the charterer, or other income earned during the course of the employment of our vessels, during the term of the Management Agreements, for providing the relevant vessel-owning subsidiary or the relevant subsidiary that has chartered-in a vessel under bareboat charter as part of the 2024 Lease Financing, with services, including chartering, managing freight payment, monitoring voyage performance, and carrying out other necessary communications with the shippers, charterers and others. In addition to such fees, we pay for any capital expenditures, financial costs, operating expenses and any general and administrative expenses, including payments to third-parties, in accordance with the Management Agreements.

We incurred an aggregate expense of approximately \$8.7 million and \$8.6 million to our Manager in connection with the management of our Fleet under the Management Agreements for the years ended December 31, 2025 and 2024, respectively.

The term of the original management agreements with our Manager expired on December 31, 2020, and in March 2021, we entered into the Master Agreement with the Manager, which includes new Standard Management Terms for our six vessels effective as from January 1, 2021. This agreement amended, restated and superseded the previous technical and commercial management agreements commencing on January 1, 2021. The technical management fee of \$2,750 per day for each vessel was fixed until December 31, 2021 and thereafter, increases annually by 3%, subject to further annual increases to reflect material unforeseen costs of providing the management services, by an amount to be agreed between us and our Manager, which amount will be reviewed and approved by our Conflicts Committee. Under the terms of the Management Agreements, we may terminate the Management Agreements upon written notice if our Manager fails to fulfill its obligations to us under the Management Agreements. The Management Agreements terminate automatically following a change of control in us. If the Management Agreements are terminated as a result of a change of control in us, then we will have to pay our Manager a termination penalty. For this purpose, a change of control means (i) the acquisition of fifty percent or more by any individual, entity or group of the beneficial ownership or voting power of the outstanding shares of us or our vessel owning subsidiaries, (ii) the consummation of a reorganization, merger or consolidation of us and/or our vessel owning subsidiaries or the sale or other disposition of all or substantially all of our assets or those of our vessel owning subsidiaries and (iii) the approval of a complete liquidation or dissolution of us and/or our vessel owning subsidiaries. Additionally, the Management Agreements may be terminated by our Manager with immediate effect if, among other things, (i) we fail to meet our obligations and/or make due payments within ten business days from receipt of invoices, (ii) upon a sale or total loss of a vessel (with respect to that vessel), or (iii) if we file for bankruptcy.

Pursuant to the terms of the Management Agreements, liability of our Manager to us is limited to instances of negligence, gross negligence or willful default on the part of our Manager. Further, we are required to indemnify our Manager for liabilities incurred by our Manager in performance of the Management Agreements, except in instances of negligence, gross negligence or willful default on the part of our Manager.

Additional LNG carriers or other type of vessels that we acquire in the future may be managed by our Manager or other unaffiliated management companies.

Administrative Services Agreement

Under the terms and conditions of our Administrative Services Agreement, we pay our Manager a monthly fee of \$10,000, plus all costs and expenses, in exchange for the provision of certain financial, accounting, reporting, secretarial and information technology services. The agreement is considered to be in effect until terminated (a) by the Board of Directors upon 120 days' written notice for any reason in its sole discretion, or (b) by Dynagas upon 120 days' written notice if: (i) there is a change of control of the Partnership or General Partner; (ii) a receiver is appointed for all or substantially all of the property of the Partnership; (iii) an order is made to wind up the Partnership; (iv) a final judgment, order or decree that materially and adversely affects the ability of the Partnership to perform under this Agreement shall have been obtained or entered against the Partnership, and such judgment, order or decree shall not have been vacated, discharged or stayed; or (v) the Partnership makes a general assignment for the benefit of its creditors, files a petition in bankruptcy or for liquidation, is adjudged insolvent or bankrupt, commences any proceeding for a reorganization or arrangement of debts, dissolution or liquidation under any law or statute or of any jurisdiction applicable thereto or if any such proceeding shall be commenced.

During each of the years ended December 31, 2025, and 2024 we incurred expenses of approximately \$0.1 million relating to the administrative services under the Administrative Services Agreement.

Executive Services Agreement

On March 21, 2014, we entered into an executive services agreement, or the Executive Services Agreement, with our Manager with retroactive effect from the IPO closing date, pursuant to which our Manager provides to us the services of our executive officers, who report directly to our Board of Directors. Under the agreement, our Manager is entitled to an executive services fee of €538,000 per annum, for the initial five-year term, payable in equal monthly installments and automatically renews for successive five-year terms unless terminated earlier. Subsequent to the initial term, the Executive Services Agreement automatically renewed in November 2018 and November 2023.

CONFLICTS OF INTEREST AND FIDUCIARY DUTIES

Conflicts of interest exist and may arise in the future as a result of the relationships between our General Partner and its affiliates, including Dynagas Holding Ltd., on the one hand, and us and our unaffiliated limited partners, on the other hand. Our General Partner has a fiduciary duty to make any decisions relating to our management in a manner beneficial to us and our unitholders. Similarly, our Board of Directors has fiduciary duties to manage us in a manner beneficial to us, our General Partner and our limited partners. Certain of our officers and directors will also be officers of our Sponsor or its affiliates and will have fiduciary duties to our Sponsor or its affiliates that may cause them to pursue business strategies that disproportionately benefit our Sponsor or its affiliates or which otherwise are not in the best interests of us or our unitholders. As a result of these relationships, conflicts of interest may arise between us and our unaffiliated limited partners on the one hand, and our Sponsor and its affiliates, including our General Partner, on the other hand. The resolution of these conflicts may not be in the best interest of us or our unitholders. We, our officers and directors and our General Partner will not owe any fiduciary duties to holders of the Series A Preferred Units other than a contractual duty of good faith and fair dealing pursuant to the Partnership Agreement. Our partnership affairs are governed by our Partnership Agreement and the Partnership Act. The provisions of the Partnership Act resemble provisions of the limited partnership laws of a number of states in the United States, most notably Delaware. We are not aware of any material difference in unitholder rights between the Partnership Act and the Delaware Revised Uniform Limited Partnership Act. The Partnership Act also provides that it is to be applied and construed to make it uniform with the Delaware Revised Uniform Limited Partnership Act and, so long as it does not conflict with the Partnership Act or decisions of the Marshall Islands courts, interpreted according to the non-statutory law or "case law" of the courts of the State of Delaware. There have been, however, few, if any, court cases in the Marshall Islands interpreting the Partnership Act, in contrast to Delaware, which has a fairly well-developed body of case law interpreting its limited partnership statute. Accordingly, we cannot predict whether Marshall Islands courts would reach the same conclusions as courts in Delaware. For example, the rights of our unitholders and fiduciary responsibilities of our General Partner and its affiliates under Marshall Islands law are not as clearly established as under judicial precedent in existence in Delaware. Due to the less-developed nature of Marshall Islands law, our public unitholders may have more difficulty in protecting their interests or seeking remedies in the face of actions by our General Partner, its affiliates or our controlling unitholders than would unitholders of a limited partnership organized in the United States.

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Our Partnership Agreement contains provisions that modify and limit the fiduciary duties of our General Partner and our directors to the unitholders under Marshall Islands law. Our Partnership Agreement also restricts the remedies available to unitholders for actions taken by our General Partner or our directors that, without those limitations, might constitute breaches of fiduciary duty.

Neither our General Partner nor our Board of Directors will be in breach of their obligations under the Partnership Agreement or their duties to us or the unitholders if the resolution of the conflict is:

- approved by our Conflicts Committee, although neither our General Partner nor our Board of Directors are obligated to seek such approval;
- approved by the vote of a majority of the outstanding common units, excluding any common units owned by our General Partner or any of its affiliates, although neither our General Partner nor our Board of Directors is obligated to seek such approval;
- on terms no less favorable to us than those generally being provided to or available from unrelated third-parties, but neither our General Partner nor our Board of Directors is required to obtain confirmation to such effect from an independent third party; or
- fair and reasonable to us, taking into account the totality of the relationships between the parties involved, including other transactions that may be particularly favorable or advantageous to us.

Our General Partner or our Board of Directors may, but are not required to, seek the approval of such resolution from the Conflicts Committee or from the common unitholders. If neither our General Partner nor our Board of Directors seeks approval from the Conflicts Committee, and our Board of Directors determines that the resolution or course of action taken with respect to the conflict of interest satisfies either of the standards set forth in the third and fourth bullet points above, then it will be presumed that, in making its decision, our Board of Directors, including the board members affected by the conflict, acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. When our Partnership Agreement requires someone to act in good faith, it requires that person to reasonably believe that he is acting in the best interests of the partnership, unless the context otherwise requires. See “Item 6. Directors, Senior Management and Employees—C. Board Practices.” for information about the composition and formation of the Conflicts Committee.

Conflicts of interest could arise in the situations described under the heading “Item 3. Key Information—D. Risk Factors —Risks Relating to Conflicts of Interest,” among others.

Fiduciary Duties

Our General Partner and its affiliates are accountable to us and our unitholders as fiduciaries. Fiduciary duties owed to unitholders by our General Partner and its affiliates are prescribed by law and the Partnership Agreement. The Partnership Act provides that Marshall Islands partnerships may, in their partnership agreements, restrict or expand the fiduciary duties owed by our General Partner and its affiliates to the limited partners and the Partnership. Our directors are subject to the same fiduciary duties as our General Partner, as restricted or expanded by the Partnership Agreement.

Our Partnership Agreement contains various provisions restricting the fiduciary duties that might otherwise be owed by our General Partner or by our directors. We have adopted these provisions to allow our General Partner and our directors to take into account the interests of other parties in addition to our interests when resolving conflicts of interest. We believe this is appropriate and necessary because our officers and directors have fiduciary duties to our Sponsor, as well as to our unitholders. These modifications disadvantage the common unitholders because they restrict the rights and remedies that would otherwise be available to unitholders for actions that, without those limitations, might constitute breaches of fiduciary duty, as described below. The following is a summary of:

- the fiduciary duties imposed on our General Partner and our directors by the Partnership Act;
- material modifications of these duties contained in our Partnership Agreement; and

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- certain rights and remedies of unitholders contained in the Partnership Act.

Marshall Islands law fiduciary duty standards

Fiduciary duties are generally considered to include an obligation to act in good faith and with due care and loyalty. The duty of care, in the absence of a provision in a Partnership Agreement providing otherwise, would generally require a General Partner and the directors of a Marshall Islands limited partnership to act for the partnership in the same manner as a prudent person would act on his own behalf. The duty of loyalty, in the absence of a provision in a Partnership Agreement providing otherwise, would generally prohibit a General Partner or the directors of a Marshall Islands limited partnership from taking any action or engaging in any transaction where a conflict of interest is present.

Partnership Agreement modified standards

Our Partnership Agreement contains provisions that waive or consent to conduct by our General Partner and its affiliates and our directors that might otherwise raise issues as to compliance with fiduciary duties under the laws of the Marshall Islands. For example, our Partnership Agreement provides that when our General Partner is acting in its capacity as our General Partner, as opposed to in its individual capacity, it must act in “good faith” and will not be subject to any other standard under the laws of the Marshall Islands. In addition, when our General Partner is acting in its individual capacity, as opposed to in its capacity as our General Partner, it may act without any fiduciary obligation to us or the unitholders whatsoever, unless another express standard is provided for in the Partnership Agreement. These standards reduce the obligations to which our General Partner and our Board of Directors would otherwise be held. Our Partnership Agreement generally provides that affiliated transactions and resolutions of conflicts of interest not involving a vote of unitholders and that are not approved by our Conflicts Committee must be on terms no less favorable to us than those generally being provided to or available from unrelated third-parties.

In addition to the other more specific provisions limiting the obligations of our General Partner and our directors, our Partnership Agreement further provides that our General Partner and our officers and directors, will not be liable for monetary damages to us or our limited partners for errors of judgment or for any acts or omissions unless there has been a final and non-appealable judgment by a court of competent jurisdiction determining that our General Partner or our officers or directors engaged in actual fraud or willful misconduct.

Rights and remedies of unitholders

The provisions of the Partnership Act resemble the provisions of the limited partnership act of Delaware. For example, like Delaware, the Partnership Act favors the principles of freedom of contract and enforceability of Partnership Agreements and allows the Partnership Agreement to contain terms governing the rights of the unitholders. The rights of our unitholders, including voting and approval rights and our ability to issue additional units, are governed by the terms of our Partnership Agreement.

As to remedies of unitholders, the Partnership Act permits a limited partner to institute legal action on behalf of the partnership to recover damages from a third party where a General Partner or a Board of Directors has refused to institute the action or where an effort to cause a General Partner or a Board of Directors to do so is not likely to succeed. These actions include actions against a General Partner for breach of its fiduciary duties or of the Partnership Agreement.

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In becoming one of our limited partners, a common unitholder effectively agrees to be bound by the provisions in the Partnership Agreement, including the provisions discussed above. The failure of a limited partner or transferee to sign a Partnership Agreement does not render the Partnership Agreement unenforceable against that person.

Under the Partnership Agreement, we must indemnify our General Partner and our directors and officers to the fullest extent permitted by law, against liabilities, costs and expenses incurred by our General Partner or these other persons. We must provide this indemnification unless there has been a final and non-appealable judgment entered by a court of competent jurisdiction determining that these persons acted in bad faith, engaged in actual fraud or willful misconduct or, in the case of a criminal matter, acted with knowledge that applicable conduct was unlawful. We also must provide this indemnification for criminal proceedings when our General Partner or these other persons acted with no reasonable cause to believe that their conduct was unlawful. Thus, our General Partner and our directors and officers could be indemnified for their negligent acts if they met the requirements set forth above. Any indemnification under these provisions will only be out of our assets. Unless it otherwise agrees, our General Partner will not be personally liable for, or have any obligation to contribute or lend funds or assets to us to enable us to effectuate, indemnification. We may purchase insurance against liabilities asserted against and expenses incurred by persons for our activities, regardless of whether we would have the power to indemnify the person against liabilities under the Partnership Agreement. To the extent that these provisions purport to include indemnification for liabilities arising under the Securities Act, in the opinion of the SEC, such indemnification is contrary to public policy and therefore unenforceable.

C. INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION

Please see “Item 18. Financial Statements” below for additional information required to be disclosed under this item.

Legal Proceedings

From time to time, we may be subject to legal proceedings and claims in the ordinary course of our business, principally personal injury and property casualty claims. These claims, even if lacking merit, could result in the expenditure of significant financial and managerial resources.

Our Cash Distribution Policy

Rationale for Our Cash Distribution Policy

Our cash distribution policy reflects a judgment that our unitholders will be better served by our distributing our available cash rather than retaining it because, in general, we plan to finance any expansion capital expenditures from external financing sources. Our cash distribution policy is consistent with the terms of our Partnership Agreement, which requires that we distribute all of our available cash quarterly. Available cash is generally defined to mean, for each quarter cash generated from our business less the amount of cash reserves established by our Board of Directors at the date of determination of available cash for the quarter to provide for the proper conduct of our business (including reserves for our future capital expenditures and anticipated future credit needs subsequent to that quarter), comply with applicable law, any of our debt instruments or other agreements; and provide funds for distributions to our unitholders and to our General Partner for any one or more of the next four quarters, plus, if our Board of Directors so determines, all or any portion of the cash on hand on the date of determination of available cash for the quarter resulting from working capital borrowings made subsequent to the end of such quarter.

Limitations on Cash Distributions and Our Ability to Change Our Cash Distribution Policy

There is no guarantee that unitholders will receive quarterly distributions from us. Our cash distribution policy is subject to certain restrictions and may be changed or eliminated at any time. Set forth below are certain factors that influence our cash distribution policy:

- The relevant subsidiaries in their capacity as bareboat charterers are subject to a number of restrictions in our 2024 Lease Financing, which include, among others, a restriction from paying distributions to us while a Termination Event is continuing under the 2024 Lease Financing.
- Our unitholders have no contractual or other legal right to receive distributions other than the obligation under our Partnership Agreement to distribute available cash on a quarterly basis, which is subject to the broad discretion of our Board of Directors to establish reserves and other limitations.
- We are and will be subject to restrictions on distributions under our existing financing arrangements as well as under any new financing arrangements or other transactions that we may enter into in the future. Our new and existing financing arrangements may contain financial and other covenants that must be satisfied prior to paying distributions in order to declare and pay such distributions or that may restrict or prohibit the payment of distributions. If we are unable to satisfy the requirements contained in any of our financing arrangements or are otherwise in default under any of those agreements, there could be a material adverse effect on our financial condition and our ability to make cash distributions to our unitholders notwithstanding our cash distribution policy.
- We are required to make substantial capital expenditures to maintain and replace our Fleet. These expenditures may fluctuate significantly over time, particularly as our vessels near the end of their respective useful lives. In order to minimize these fluctuations, our Partnership Agreement requires us to deduct estimated, as opposed to actual, maintenance and replacement capital expenditures from the amount of cash that we would otherwise have available for distribution to our unitholders. In years when estimated maintenance and replacement capital expenditures are higher than actual maintenance and replacement capital expenditures, the amount of cash available for distribution to unitholders will be lower than if actual maintenance and replacement capital expenditures were deducted.
- Although our Partnership Agreement requires us to distribute all of our available cash, our Partnership Agreement, including provisions contained therein requiring us to make cash distributions may be amended, with the approval of a majority of the outstanding common units.
- Even if our cash distribution policy is not modified or revoked, the amount of distributions we pay under our cash distribution policy and the decision to make any distribution is determined by our Board of Directors, taking into consideration the terms of our Partnership Agreement.
- Under Section 57 of the Marshall Islands Act, we may not make a distribution to our unitholders if the distribution would cause our liabilities to exceed the fair value of our assets.
- We may lack sufficient cash to pay distributions to our unitholders due to decreases in total operating revenues, decreases in hire rates, the loss of a vessel or increases in operating or general and administrative expenses, principal and interest payments on outstanding debt, taxes, normal working capital requirements, maintenance and replacement capital expenditures or anticipated cash needs. See “Item 3. Key Information—D. Risk Factors” for a discussion of these factors.
- Our ability to make distributions to our unitholders depends on the performance of our subsidiaries and their ability to distribute cash to us. The ability of our subsidiaries to make distributions to us may be restricted by, among other things, the provisions of existing and future indebtedness, applicable limited partnership and limited liability company laws in the Marshall Islands and other laws and regulations.

Distributions on our Units

Series A Preferred Unit Distributions

Series A Preferred Unitholders are entitled under our Partnership Agreement to receive cumulative cash distributions when, as and if declared by our Board of Directors, out of legally available funds for such purpose. Distributions on Series A Preferred Units are cumulative and accrue at the distribution rate of 9.0%.

Series B Preferred Unit Distributions

Until November 22, 2023, Series B Preferred Unitholders were entitled under our Partnership Agreement to receive cumulative cash distributions payable on the Series B Preferred Units at a fixed rate equal to 8.75% per annum. Effective as of November 22, 2023, in accordance with the terms of the Series B Preferred Units, the distribution rate for the Series B Preferred Units changed from fixed to floating, and was equal to the Term Secured Overnight Financing Rate for the applicable three-month tenor published by the Chicago Mercantile Exchange plus the credit spread adjustment of 0.26161% (“Credit Adjusted Three-Month CME Term SOFR”) plus a spread of 5.593% (the “Margin”) per annum per \$25.00 stated liquidation preference per unit. The applicable distribution rate for each distribution period was determined every three months by the calculation agent for the Series B Preferred Units.

On May 27, 2025, we issued a notice of full redemption to the holders of our Series B Preferred Units, notifying such holders that we had elected to exercise our option to redeem all of the issued and outstanding Series B Preferred Units. On July 25, 2025, we redeemed all of the issued and outstanding Series B Preferred Units. The redemption price was equal to \$25.00 per redeemed Series B Preferred Unit, plus an amount of \$0.45258267, equal to all accumulated and unpaid distributions thereon to the Redemption Date, whether or not declared, which was paid in cash on the Redemption Date.

Minimum Quarterly Distribution

Common unitholders are entitled under our Partnership Agreement to receive a minimum quarterly distribution of \$0.365 per unit, after distributions are made on the Series A Preferred Units but, to the extent we have sufficient cash on hand to pay the distribution, after establishment of cash reserves and payment of fees and expenses and if permitted under our existing and future debt agreements. There is no guarantee that we will pay the minimum quarterly distribution to common unitholders, the general partner or to holders of the incentive distribution rights in the future. Please read “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources” for a discussion of the restrictions contained in our debt agreements and lease arrangements that may restrict our ability to make distributions.

Subordination Period

General

Prior to the expiration of the subordination period, the common units had the right to receive distributions of available cash from operating surplus in an amount equal to the minimum quarterly distribution of \$0.365 per unit, plus any arrearages in the payment of the minimum quarterly distribution on the common units from prior quarters, before any distributions of available cash from operating surplus may be made on the subordinated units. On January 23, 2017, upon our payment to unitholders of the quarterly distribution in respect of the fourth quarter of 2016, the conditions set forth in the Partnership Agreement for the conversion of the subordinated units were satisfied and the subordination period expired. At the expiration of the subordination period, the 14,985,000 subordinated units owned by the Sponsor converted into common units on a one-for-one basis.

Incentive Distribution Rights

Incentive distribution rights represent the right to receive an increasing percentage of quarterly distributions of available cash from operating surplus after the minimum quarterly distribution and the target distribution levels have been achieved. Our General Partner currently holds the incentive distribution rights. The incentive distribution rights may be transferred separately from our general partner interest, subject to restrictions in the Partnership Agreement. Subsequent to December 31, 2016, the General Partner or any other holder of incentive distribution rights may transfer any or all of its incentive distribution rights without unitholder approval. Any transfer by our general partner of the incentive distribution rights would not change the percentage allocations of quarterly distributions with respect to such rights.

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The following table illustrates the percentage allocations of the additional available cash from operating surplus among the unitholders, our General Partner and the holders of the incentive distribution rights up to the various target distribution levels. The amounts set forth under “Marginal Percentage Interest in Distributions” are the percentage interests of the unitholders, our General Partner and the holders of the incentive distribution rights in any available cash from operating surplus we distribute up to and including the corresponding amount in the column “Total Quarterly Distribution Target Amount,” until available cash from operating surplus we distribute reaches the next target distribution level, if any. The percentage interests shown for the unitholders, our General Partner and the holders of the incentive distribution rights for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests shown for our General Partner include its 0.1% General Partner interest only and assume that our General Partner has contributed any capital necessary to maintain its 0.1% General Partner interest.

	Marginal Percentage Interest in Distributions			
	Total Quarterly Distribution Target Amount	Unitholders	General Partner	Holders of IDRs
Minimum Quarterly Distribution	\$ 0.365	99.9 %	0.1 %	0.0 %
First Target Distribution	up to \$0.420	99.9 %	0.1 %	0.0 %
Second Target Distribution	above \$0.420 up to \$0.456	85.0 %	0.1 %	14.9 %
Third Target Distribution	Above \$0.456 up to \$0.548	75.0 %	0.1 %	24.9 %
Thereafter	above \$0.548	50.0 %	0.1 %	49.9 %

B. SIGNIFICANT CHANGES

Not applicable.

ITEM 9. THE OFFER AND LISTING

A. OFFER AND LISTING DETAILS

Our common units started trading on NASDAQ under the symbol “DLNG” on November 13, 2013. On December 30, 2014, we voluntarily transferred the listing of our common units to the NYSE. Our common units continue to trade under the ticker symbol “DLNG.”

Our Series A Preferred Units have been trading on the NYSE under the symbol “DLNG PR A” since July 14, 2015.

B. PLAN OF DISTRIBUTION

Not applicable.

C. MARKETS

Please see “Item 9. The Offer and Listing—A. Offer and Listing Details.”

D. SELLING SHAREHOLDERS

Not applicable.

E. DILUTION

Not applicable.

F. EXPENSES OF THE ISSUE

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. SHARE CAPITAL

Not applicable.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION

The information required to be disclosed under Item 10.B. is incorporated by reference to Exhibit 2.1 to this annual report. As of April 8, 2026, we had issued outstanding 36,382,011 common units, 35,526 general partner units, and 3,000,000 Series A Preferred Units.

C. MATERIAL CONTRACTS

Attached as exhibits to this annual report are the contracts we consider to be both material and not entered into in the ordinary course of business. Descriptions are included within “Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Our Borrowing Activities” with respect to our debt agreements, and “Item 7. Major Unitholders and Related Party Transactions—B. Related Party Transactions” with respect to our related party transactions. Other than these contracts, we have no other material contracts, other than contracts entered into in the ordinary course of business, to which we are a party.

D. EXCHANGE CONTROLS

We are not aware of any governmental laws, decrees or regulations, including foreign exchange controls, in the Republic of The Marshall Islands that restrict the export or import of capital, or that affect the remittance of dividends or distributions, interest or other payments to non-resident holders of our securities.

We are not aware of any limitations on the right of non-resident or foreign owners to hold or vote our securities imposed by the laws of the Republic of The Marshall Islands or our Partnership Agreement.

E. TAXATION

UNITED STATES TAX CONSIDERATIONS

The following discussion is a summary of the material United States federal income tax considerations relevant to us and to a U.S. Holder and Non-U.S. Holder (each defined below) of our common units and Series A Preferred Units. This discussion does not purport to deal with the tax consequences of owning units to all categories of investors, some of which (such as dealers in securities or currencies, investors whose functional currency is not the United States dollar, financial institutions, regulated investment companies, real estate investment trusts, tax-exempt organizations, insurance companies, persons holding our units as part of a hedging, integrated, conversion or constructive sale transaction or a straddle, persons liable for alternative minimum tax, persons required to recognize income for U.S. federal income tax purposes no later than when such item of income is included on an “applicable financial statement,” persons subject to tax on base erosion payments of taxpayers with substantial gross receipts, and persons who are investors in pass-through entities) may be subject to special rules. This discussion only applies to unitholders who (i) own our units as a capital asset and (ii) own less than 10% of our common units and less than 10% of the value of all our units. Unitholders are encouraged to consult their own tax advisors with respect to the specific tax consequences to them of purchasing, holding or disposing of units.

This discussion is based upon provisions of the Code, Treasury Regulations, and current administrative rulings and court decisions, all as in effect or existence on the date of this annual report and all of which are subject to change, possibly with retroactive effect. Changes in these authorities may cause the tax consequences of unit ownership to vary substantially from the consequences described below. Unless the context otherwise requires, references in this section to “we,” “our” or “us” are references to Dynagas LNG Partners LP and its subsidiaries on a consolidated basis.

Election to be Treated as a Corporation

We have elected to be treated as a corporation for United States federal income tax purposes. As a result, we will be subject to United States federal income tax to the extent we earn income from United States sources or income that is treated as effectively connected with the conduct of a trade or business in the United States unless such income is exempt from tax under an applicable tax treaty or Section 883 of the Code. In addition, among other things, U.S. Holders generally will not directly be subject to United States federal income tax on our income, but rather will be subject to United States federal income tax on distributions received from us and on dispositions of units as described below.

United States Federal Income Taxation of Our Partnership

Taxation of Operating Income: In General

Unless exempt from United States federal income taxation under the rules discussed below, a foreign corporation (including an entity that has elected to be classified as a corporation for United States federal income tax purposes, such as us) is subject to United States federal income taxation in respect of any income that is derived from the use of vessels, from the hiring or leasing of vessels for use on a time, voyage or bareboat charter basis, from the participation in a pool, partnership, strategic alliance, joint venture, code sharing arrangements or other joint venture it directly or indirectly owns or participates in that generates such income, or from the performance of services directly related to those uses, which we refer to as “shipping income,” to the extent that the shipping income is derived from sources within the United States. For these purposes, 50% of shipping income that is attributable to transportation that begins or ends, but that does not both begin and end, in the United States constitutes income from sources within the United States, which we refer to as “U.S.-source shipping income.”

Shipping income attributable to transportation that both begins and ends in the United States is considered to be 100% from sources within the United States. We are not permitted by law to engage in transportation that produces income which is considered to be 100% from sources within the United States.

Shipping income attributable to transportation exclusively between non-United States ports will be considered to be 100% derived from sources outside the United States. Shipping income derived from sources outside the United States generally will not be subject to any United States federal income tax.

In the absence of exemption from tax under Section 883, our gross U.S.-source shipping income would be subject to a 4% tax imposed without allowance for deductions as described below (or in certain cases, would be subject to net income tax at ordinary corporate rates, plus a possible 30% “branch profits tax,” on certain “effectively connected income,” as discussed below).

Exemption of Operating Income from United States Federal Income Taxation

Under Section 883 of the Code, we will be exempt from United States federal income taxation on our U.S.-source shipping income if:

- we are organized in a foreign country (our “country of organization”) that grants an “equivalent exemption” to corporations organized in the United States; and either
- more than 50% of the value of our units is owned, directly or indirectly, by individuals who are “residents” of our country of organization or of another foreign country that grants an “equivalent exemption” to corporations organized in the United States, which we refer to as the “50% Ownership Test,” or
- our units are “primarily and regularly traded on an established securities market” in our country of organization, in another country that grants an “equivalent exemption” to United States corporations, or in the United States, which we refer to as the “Publicly-Traded Test.”

The Marshall Islands, the jurisdiction where we are incorporated, grants an “equivalent exemption” to United States corporations. Therefore, we will be exempt from United States federal income taxation with respect to our U.S.-source shipping income if we satisfy either the 50% Ownership Test or the Publicly-Traded Test. It may be difficult for us to satisfy the 50% Ownership Test due to the widely-held ownership of our stock. Our ability to satisfy the Publicly-Traded Test is discussed below.

The regulations provide, in pertinent part, that stock of a foreign corporation will be considered to be “primarily traded” on an established securities market if the number of shares of each class of stock that are traded during any taxable year on all established securities markets in that country exceeds the number of shares in each such class that are traded during that year on established securities markets in any other single country. For the taxable year ended December 31, 2025, our common units, Series A Preferred Units were “primarily traded” on the NYSE.

Under the regulations, our units will be considered to be “regularly traded” on an established securities market if one or more classes of our units representing more than 50% or more of our outstanding units, by total combined voting power of all classes of units entitled to vote and total value, is listed on the market which we refer to as the listing threshold. Since our common units, Series A Preferred Units and the Series B Preferred Units for the period when they were outstanding, which represented 100% of our outstanding equity interests (other than the 0.1% General Partner interest, with respect to which the General Partner has delegated authority to the Board of Directors, the majority of whose members are elected by the common unitholders under the Partnership Agreement, and which interest represents less than 50% of the value of our outstanding equity interests), were listed on the NYSE during 2025, we currently satisfy the listing requirement.

It is further required that with respect to each class of stock relied upon to meet the listing threshold (i) such class of the stock is traded on the market, other than in minimal quantities, on at least 60 days during the taxable year or 1/6 of the days in a short taxable year; and (ii) the aggregate number of shares of such class of stock traded on such market is at least 10% of the average number of shares of such class of stock outstanding during such year or as appropriately adjusted in the case of a short taxable year. We believe we satisfied the trading frequency and trading volume tests for the taxable year ended December 31, 2025. Even if this were not the case, the regulations provide that the trading frequency and trading volume tests will be deemed satisfied by a class of stock if, as we expect to be the case with our common units and Series A Preferred Units, such class of stock is traded on an established market in the United States and such class of stock is regularly quoted by dealers making a market in such stock (such as the NYSE).

Notwithstanding the foregoing, the regulations provide, in pertinent part, our common units and Series A Preferred Units, as applicable, will not be considered to be “regularly traded” on an established securities market for any taxable year in which 50% or more of such outstanding units are owned, actually or constructively under specified attribution rules, on more than half the days during the taxable year by persons who each own 5% or more of the voting power and value of such units, which we refer to as the “5% Override Rule.”

For purposes of being able to determine the persons who own 5% or more of our common units, or “5% Unitholders,” the regulations permit us to rely on Schedule 13G and Schedule 13D filings with the SEC to identify persons who have a 5% or more beneficial interest in our common units. The regulations further provide that an investment company which is registered under the Investment Company Act of 1940, as amended, will not be treated as a 5% Unitholder for such purposes. Notwithstanding the foregoing, the 5% Override Rule will not apply if we can establish that among the closely-held group of 5% Unitholders, there are sufficient 5% Unitholders that are qualified shareholders for purposes of Section 883 to preclude non-qualified 5% Unitholders in the closely-held group from owning 50% or more of the relevant units for more than half the number of days during the taxable year. In order to establish this, sufficient 5% Unitholders that are qualified shareholders would have to comply with certain documentation and certification requirements designed to substantiate their identity as qualified shareholders.

For more than half the days of our taxable year ended December 31, 2025, more than 50% of our common units were owned by 5% Unitholders (subject to the 4.9% voting limitation described below); however, a substantial 5% Unitholder was a qualified shareholder during the 2025 taxable year. Therefore, even without the 4.9% voting limitation described below, less than 50% of our common units were owned by non-qualified 5% Unitholders during the 2025 taxable year. Therefore, we believe that we were not subject to the 5% Override Rule for 2025. However, there is no assurance that we will continue to qualify for exemption under Section 883. For example, we could be subject to the 5% Override Rule if our 5% Unitholders were to own 50% or more of the common units. It is noted that holders of our common units are limited to owning 4.9% of the voting power of such common units. Assuming that such limitation is treated as effective for purposes of determining voting power under Section 883, our 5% Unitholders could not own 50% or more of our common units. If contrary to these expectations, our 5% Unitholders were to own 50% or more of the common units, then we would be subject to the 5% Override Rule unless it could establish that, among the common units owned by the 5% Unitholders, sufficient common units were owned by qualified unitholders to preclude non-qualified unitholders from owning 50% or more of our common units for more than half the number of days during the taxable year. These requirements are onerous and there is no assurance that we will be able to satisfy them.

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Based on the foregoing, we believe that we satisfied the Publicly Traded Test for our taxable year ended December 31, 2025.

Taxation in Absence of Exemption

To the extent the benefits of Section 883 are unavailable, our U.S.-source shipping income, to the extent not considered to be “effectively connected” with the conduct of a United States trade or business, as described below, would be subject to a 4% tax imposed by Section 887 of the Code on a gross basis, without the benefit of deductions. Since under the sourcing rules described above, no more than 50% of our shipping income would be treated as being derived from United States sources, the maximum effective rate of United States federal income tax on our shipping income would never exceed 2% under the 4% gross basis tax regime.

To the extent the benefits of the Section 883 exemption are unavailable and our U.S.-source shipping income is considered to be “effectively connected” with the conduct of a United States trade or business, as described below, any such “effectively connected” U.S.-source shipping income, net of applicable deductions, would be subject to the United States federal corporate income tax currently imposed at a rate of 21%. In addition, we may be subject to the 30% branch profits tax on earnings effectively connected with the conduct of such trade or business, as determined after allowance for certain adjustments, and on certain interest paid or deemed paid attributable to the conduct of its United States trade or business.

Our U.S.-source shipping income would be considered “effectively connected” with the conduct of a U.S. trade or business only if:

- we have, or are considered to have, a fixed place of business in the United States involved in the earning of shipping income; and
- substantially all of our U.S.-source shipping income is attributable to regularly scheduled transportation, such as the operation of a vessel that follows a published schedule with repeated sailings at regular intervals between the same points for voyages that begin or end in the United States, or, in the case of leasing income, is attributable to a fixed place of business in the United States.

We do not intend to have, or permit circumstances that would result in having any vessel operating to the United States on a regularly scheduled basis. Based on the foregoing and on the expected mode of our shipping operations and other activities, we believe that none of our U.S.-source shipping income will be “effectively connected” with the conduct of a United States trade or business.

United States Taxation of Gain on Sale of Vessels

Regardless of whether we qualify for exemption under Section 883, we will not be subject to United States federal income taxation with respect to gain realized on a sale of a vessel, provided the sale is considered to occur outside of the United States under United States federal income tax principles. In general, a sale of a vessel will be considered to occur outside of the United States for this purpose if title to the vessel, and risk of loss with respect to the vessel, pass to the buyer outside of the United States. It is expected that any sale of a vessel by us will be considered to occur outside of the United States or will otherwise not be subject to United States federal income tax.

U.S. Federal Income Taxation of U.S. Holders

In the opinion of Watson Farley & Williams LLP, our U.S. counsel, the following are the material U.S. federal income tax consequences to U.S. Holders, as defined below, of the ownership and disposition of our common units and Series A Preferred Units.

As used herein, the term “U.S. Holder” means a beneficial owner of our units that owns (actually or constructively) less than 10% of our equity (by vote or value) and that is:

- an individual citizen or resident of the United States (as determined for United States federal income tax purposes),
- a corporation (or other entity that is classified as a corporation for United States federal income tax purposes) organized under the laws of the United States or any of its political subdivisions,

- an estate the income of which is subject to United States federal income taxation regardless of its source, or
- a trust if (i) a court within the United States is able to exercise primary jurisdiction over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or (ii) the trust has a valid election in effect to be treated as a United States person for United States federal income tax purposes.

Distributions

Subject to the discussion below of the rules applicable to PFICs, any distributions to a U.S. Holder made by us with respect to our units generally will constitute distributions, which may be taxable as ordinary income or “qualified dividend income” as described in more detail below, to the extent of our current and accumulated earnings and profits, as determined under United States federal income tax principles. Distributions in excess of our earnings and profits will be treated first as a nontaxable return of capital to the extent of the U.S. Holder’s tax basis in its units and thereafter as capital gain. U.S. Holders that are corporations generally will not be entitled to claim a dividends received deduction with respect to distributions they receive from us because we are not a United States corporation. Distributions received with respect to our units generally will be treated as “passive category income” for purposes of computing allowable foreign tax credits for United States federal income tax purposes.

Distributions received with respect to our units by a U.S. Holder that is an individual, trust or estate (or a U.S. Individual Holder) generally will be treated as “qualified dividend income” and are taxable to such U.S. Individual Holder at preferential long-term capital gains tax rates provided that: (i) our units are readily tradable on an established securities market in the United States (such as the NYSE on which our units are traded); (ii) we are not a PFIC for the taxable year during which the dividend is paid or the immediately preceding taxable year (which we do not believe we are, have been or will be, as discussed below under “—PFIC Status and Significant Tax Consequences”); (iii) the U.S. Individual Holder has owned the units for more than 60 days during the 121-day period beginning 60 days before the date on which the units become ex-dividend (and has not entered into certain risk limiting transactions with respect to such units); and (iv) the U.S. Individual Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. There is no assurance that any distributions paid on our units will be eligible for these preferential rates in the hands of a U.S. Individual Holder, and any distributions paid on our units that are not eligible for these preferential rates will be taxed as ordinary income to a U.S. Individual Holder.

Special rules may apply to any amounts received in respect of our units that are treated as “extraordinary dividends.” In general, an extraordinary dividend is a dividend with respect to a unit that is equal to or in excess of 10% (or 5% in the case of Series A Preferred Units) of a unitholder’s adjusted tax basis (or fair market value upon the unitholder’s election) in such unit. In addition, extraordinary dividends include dividends received within a one-year period that, in the aggregate, equal or exceed 20% of a unitholder’s adjusted tax basis (or fair market value). If we pay an “extraordinary dividend” on our units that is treated as “qualified dividend income,” then any loss recognized by a U.S. Individual Holder from the sale or exchange of such units will be treated as long-term capital loss to the extent of the amount of such dividend.

Sale, Exchange or Other Disposition of Units

Subject to the discussion of PFIC status below, a U.S. Holder generally will recognize capital gain or loss upon a sale, exchange or other disposition of our units in an amount equal to the difference between the amount realized by the U.S. Holder from such sale, exchange or other disposition and the U.S. Holder’s adjusted tax basis in such units. The U.S. Holder’s initial tax basis in its units generally will be the U.S. Holder’s purchase price for the units and that tax basis will be reduced (but not below zero) by the amount of any distributions on the units that are treated as non-taxable returns of capital (as discussed above under “—Distributions”). Such gain or loss will be treated as long-term capital gain or loss if the U.S. Holder’s holding period is greater than one year at the time of the sale, exchange or other disposition. Certain U.S. Holders (including individuals) may be eligible for preferential rates of United States federal income tax in respect of long-term capital gains. A U.S. Holder’s ability to deduct capital losses is subject to limitations. Such capital gain or loss generally will be treated as United States source income or loss, as applicable, for United States foreign tax credit purposes.

PFIC Status and Significant Tax Consequences

Adverse United States federal income tax rules apply to a U.S. Holder that owns an equity interest in a non-United States corporation that is classified as a PFIC for U.S. federal income tax purposes. In general, we will be treated as a PFIC with respect to a U.S. Holder if, for any taxable year in which the holder held our units, either:

- at least 75% of our gross income (including the gross income of our vessel-owning subsidiaries) for such taxable year consists of passive income (e.g., dividends, interest, certain capital gains, and rents derived other than in the active conduct of a rental business); or
- at least 50% of the average value of the assets held by us (including the assets of our vessel-owning subsidiaries) during such taxable year produce, or are held for the production of, passive income.

For purposes of determining whether we are a PFIC, we will be treated as earning and owning our proportionate share of the income and assets, respectively, of any of our subsidiary corporations or partnerships in which we own at least 25% of the value of the subsidiary's stock. Income earned, or deemed earned, by us in connection with the performance of services would not constitute passive income. By contrast, rental income would generally constitute "passive income" unless we were treated under specific rules as deriving our rental income in the active conduct of a trade or business.

Based on our current and projected methods of operation, we believe that we were not a PFIC in the year ended December 31, 2025 and do not expect to be a PFIC for any future taxable year. For this purpose, we intend to take the position that the income our subsidiaries earned from certain of our time-chartering activities should not constitute passive income for purposes of determining whether we are a PFIC. We believe there is substantial legal authority supporting our position consisting of case law and IRS pronouncements concerning the characterization of income derived from time charters and voyage charters as services income for other tax purposes. However, it should be noted that there is also authority concluding that income derived from time charters should be treated as rental income rather than services income for other tax purposes. Therefore, our position is not free from doubt, and the IRS or a court could disagree with our position. In addition, although we intend to conduct our affairs in a manner to avoid being classified as a PFIC with respect to any taxable year, we cannot assure you that the nature of our operations will not change in the future.

As discussed more fully below, if we were to be treated as a PFIC for any taxable year, a U.S. Holder would be subject to different taxation rules depending on whether the U.S. Holder makes an election to treat us as a "Qualified Electing Fund," which we refer to as a "QEF election." As an alternative to making a QEF election, a U.S. Holder should be able to make a "mark-to-market" election with respect to our units, as discussed below. If we are a PFIC, a U.S. Holder will be subject to the PFIC rules described herein with respect to any of our subsidiaries that are PFICs. However, the mark-to-market election discussed below will likely not be available with respect to shares of such PFIC subsidiaries. In addition, if a U.S. Holder owns our units during any taxable year that we are a PFIC, such U.S. Holder must file IRS Form 8621.

Taxation of U.S. Holders Making a Timely QEF Election

If a U.S. Holder makes a timely QEF election (or an Electing Holder), then, for United States federal income tax purposes, that holder must report as income for its taxable year its pro rata share of our ordinary earnings and net capital gain, if any, for our taxable years that end with or within the taxable year for which that holder is reporting, regardless of whether or not the Electing Holder received distributions from us in that year. The Electing Holder's adjusted tax basis in the units will be increased to reflect taxed but undistributed earnings and profits. Distributions of earnings and profits that were previously taxed will result in a corresponding reduction in the Electing Holder's adjusted tax basis in units and will not be taxed again once distributed. An Electing Holder generally will recognize capital gain or loss on the sale, exchange or other disposition of our units. A U.S. Holder makes a QEF election with respect to any year that we are a PFIC by filing IRS Form 8621 with its United States federal income tax return. If, contrary to our expectations, we determine that we are treated as a PFIC for any taxable year, we will provide each U.S. Holder with the information necessary to make the QEF election described above.

Taxation of U.S. Holders Making a “Mark-to-Market” Election

If we were to be treated as a PFIC for any taxable year and, as we anticipate, our units were treated as “marketable stock,” then, as an alternative to making a QEF election, a U.S. Holder would be allowed to make a “mark-to-market” election with respect to our units, provided the U.S. Holder completes and files IRS Form 8621 in accordance with the relevant instructions and related Treasury Regulations. If that election is made, the U.S. Holder generally would include as ordinary income in each taxable year the excess, if any, of the fair market value of the U.S. Holder’s units at the end of the taxable year over the holder’s adjusted tax basis in the units. The U.S. Holder also would be permitted an ordinary loss in respect of the excess, if any, of the U.S. Holder’s adjusted tax basis in the units over the fair market value thereof at the end of the taxable year, but only to the extent of the net amount previously included in income as a result of the mark-to-market election. A U.S. Holder’s tax basis in its units would be adjusted to reflect any such income or loss recognized. Gain recognized on the sale, exchange or other disposition of our units would be treated as ordinary income, and any loss recognized on the sale, exchange or other disposition of the units would be treated as ordinary loss to the extent that such loss does not exceed the net mark-to-market gains previously included in income by the U.S. Holder. Because the mark-to-market election only applies to marketable stock, however, it would not apply to a U.S. Holder’s indirect interest in any of our subsidiaries that were determined to be corporations classified for United States federal income tax purposes as PFICs.

Taxation of U.S. Holders Not Making a Timely QEF or Mark-to-Market Election

If we were to be treated as a PFIC for any taxable year, a U.S. Holder that does not make either a QEF election or a “mark-to-market” election for that year (or a Non-Electing Holder) would be subject to special rules resulting in increased tax liability with respect to (1) any excess distribution (i.e., the aggregate portion of any distributions received by the Non-Electing Holder on our units in a taxable year in excess of 125% of the average annual distributions received by the Non-Electing Holder in the three preceding taxable years, or, if shorter, the Non-Electing Holder’s holding period for the units), and (2) any gain realized on the sale, exchange or other disposition of the units. Under these special rules:

- the excess distribution or gain would be allocated ratably over the Non-Electing Holder’s aggregate holding period for the units;
- the amount allocated to the current taxable year and any taxable year prior to the taxable year we were first treated as a PFIC with respect to the Non-Electing Holder would be taxed as ordinary income; and
- the amount allocated to each of the other taxable years would be subject to tax at the highest rate of tax in effect for the applicable class of taxpayers for that year, and an interest charge for the deemed deferral benefit would be imposed with respect to the resulting tax attributable to each such other taxable year.

Tax on Net Investment Income

A U.S. Holder that is an individual, estate, or, in certain cases, a trust, will generally be subject to a 3.8% tax on the lesser of (1) the U.S. Holder’s net investment income (or undistributed net investment income in the case of an estate or trust) for the taxable year and (2) the excess of the U.S. Holder’s modified adjusted gross income for the taxable year over a certain threshold (which in the case of individuals is between \$125,000 and \$250,000). A U.S. Holder’s net investment income will generally include distributions made by us that constitute dividends and gain upon a sale, exchange or other disposition of units. This tax is in addition to any income taxes due on such investment income. Net investment income generally will not include a U.S. Holder’s pro rata share of our income and gain if we are a PFIC and that U.S. Holder makes a QEF election, as described above in “—Taxation of U.S. Holders Making a Timely QEF Election.” However, a U.S. Holder may elect to treat inclusions of income and gain from a QEF election as net investment income. Failure to make this election could result in a mismatch between a U.S. Holder’s ordinary income and net investment income.

United States Federal Income Taxation of Non-U.S. Holders

A beneficial owner of our units (other than a partnership or an entity or arrangement treated as a partnership for United States federal income tax purposes) that owns (actually or constructively) less than 10% of our equity (by vote or value) and that is not a U.S. Holder is referred to as a Non-U.S. Holder. If you are a partner in a partnership (or an entity or arrangement treated as a partnership for United States federal income tax purposes) holding our units, you should consult your own tax advisor regarding the tax consequences to you of the partnership’s ownership of our units.

Distributions

Distributions we pay to a Non-U.S. Holder will not be subject to United States federal income tax or withholding tax if the Non-U.S. Holder is not engaged in a United States trade or business. If the Non-U.S. Holder is engaged in a United States trade or business, our distributions will be subject to United States federal income tax in the same manner as distributions to a U.S. Holder to the extent they constitute income effectively connected with the Non-U.S. Holder's United States trade or business, and in the case of a corporation, may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, distributions paid to a Non-U.S. Holder that is engaged in a trade or business may be exempt from taxation under an income tax treaty if the income arising from the distribution is not attributable to a United States permanent establishment maintained by the Non-U.S. Holder.

Disposition of Units

In general, a Non-U.S. Holder is not subject to United States federal income tax or withholding tax on any gain resulting from the disposition of our units provided the Non-U.S. Holder is not engaged in a United States trade or business. A Non-U.S. Holder that is engaged in a United States trade or business will be subject to United States federal income tax in the same manner as a U.S. Holder in the event the gain from the disposition of units is effectively connected with the conduct of such United States trade or business (provided, in the case of a Non-U.S. Holder entitled to the benefits of an income tax treaty with the United States, such gain also is attributable to a U.S. permanent establishment), and in the case of a corporation, may be subject to an additional "branch profits tax" at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. However, even if not engaged in a United States trade or business, individual Non-U.S. Holders may be subject to tax on gain resulting from the disposition of our units if they are present in the United States for 183 days or more during the taxable year in which those units are disposed and meet certain other requirements.

Backup Withholding and Information Reporting

In general, payments to a non-corporate U.S. Holder of distributions or the proceeds of a disposition of units will be subject to information reporting. These payments to a non-corporate U.S. Holder also may be subject to backup withholding if the non-corporate U.S. Holder:

- fails to provide an accurate taxpayer identification number;
- is notified by the IRS that it has failed to report all interest or corporate distributions required to be reported on its U.S. federal income tax returns; or
- in certain circumstances, fails to comply with applicable certification requirements.

Non-U.S. Holders may be required to establish their exemption from information reporting and backup withholding by certifying their status on an appropriate IRS Form W-8.

Backup withholding is not an additional tax. Rather, a unitholder generally may obtain a credit for any amount withheld against its liability for United States federal income tax (and obtain a refund of any amounts withheld in excess of such liability) by timely filing a United States federal income tax return with the IRS.

Individuals who are U.S. Holders (and to the extent specified in applicable Treasury regulations, certain individuals who are Non-U.S. Holders and certain United States entities) who hold "specified foreign financial assets" (as defined in Section 6038D of the Code) are required to file IRS Form 8938 with information relating to the asset for each taxable year in which the aggregate value of all such assets exceeds \$75,000 at any time during the taxable year or \$50,000 on the last day of the taxable year (or such higher dollar amount as prescribed by applicable Treasury regulations). Specified foreign financial assets would include, among other assets, our units, unless the shares are held through an account maintained with a United States financial institution. Substantial penalties apply to any failure to timely file IRS Form 8938, unless the failure is shown to be due to reasonable cause and not due to willful neglect. Additionally, in the event an individual U.S. Holder (and to the extent specified in applicable Treasury regulations, an individual Non-U.S. Holder or a United States entity) that is required to file IRS Form 8938 does not file such form, the statute of limitations on the assessment and collection of United States federal income taxes of such holder for the related tax year may not close until three years after the date that the required information is filed. U.S. Holders (including U.S. entities) and Non-U.S. Holders are encouraged to consult their own tax advisors regarding their reporting obligations under this legislation.

NON-UNITED STATES TAX CONSIDERATIONS

Marshall Islands Tax Consequences

In the opinion of our Marshall Islands tax counsel, Watson Farley & Williams LLP, the following are the material Marshall Islands tax consequences of the Partnership's activities to the Partnership and of the ownership of Partnership units to its unitholders who are not residents of or domiciled or carrying on any commercial activity in the Marshall Islands. Because we and our subsidiaries do not and do not expect to conduct business or operations in the Republic of the Marshall Islands, under current Marshall Islands law you will not be subject to Marshall Islands taxation or withholding on distributions, including upon distribution treated as a return of capital, we make to you as a unitholder. In addition, you will not be subject to Marshall Islands stamp, capital gains or other taxes on the purchase, ownership or disposition of units, and you will not be required by the Republic of the Marshall Islands to file a tax return relating to your ownership of units.

EACH PROSPECTIVE UNITHOLDER IS URGED TO CONSULT THEIR OWN TAX COUNSEL OR OTHER ADVISOR WITH REGARD TO THE LEGAL AND TAX CONSEQUENCES OF UNIT OWNERSHIP UNDER THEIR PARTICULAR CIRCUMSTANCES.

F. DIVIDENDS AND PAYING AGENTS

Not applicable.

G. STATEMENTS BY EXPERTS

Not applicable.

H. DOCUMENTS ON DISPLAY

Documents concerning us that are referred to herein may be inspected at our principal executive headquarters at Poseidonos Avenue and Foivis 2 Street 166 - 74 Glyfada, Athens, Greece. Those documents electronically filed via the SEC's Electronic Data Gathering, Analysis, and Retrieval (or EDGAR) system may also be obtained from the SEC's website at www.sec.gov, free of charge.

I. SUBSIDIARY INFORMATION

Not applicable.

J. ANNUAL REPORT TO SECURITY HOLDERS

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to various market risks, including foreign currency fluctuations, changes in interest rates and credit risk. Our policy is to hedge our exposure to these risks where possible, within boundaries deemed appropriate by management. We accomplish this by entering into appropriate derivative instruments and contracts to maintain the desired level of risk exposure.

Our activities expose us primarily to the financial risks of changes in foreign currency exchange rates and interest rates as described below.

Interest Rate Risk

The international shipping industry is capital intensive, requiring significant amounts of investment provided in the form of long-term debt. A significant portion of our debt contains floating interest rates that fluctuate with changes in the financial markets and in particular changes in SOFR. Increasing interest rates could increase our interest expenses and adversely impact on our future earnings. In the past we have managed this risk by entering into interest rate swap agreements in which we exchanged fixed and variable interest rates based on agreed upon notional amounts. We have used such derivative financial instruments as risk management tools and not for speculative or trading purposes. In addition, the counterparties to our derivative financial instruments have been major financial institutions, which helped us to manage our exposure to non – performance of our counterparties under our debt agreements. Specifically, on May 7, 2020 we entered into a floating to fixed interest rate swap transaction with Citibank N.A. effective from June 29, 2020. It provided a fixed 3-month LIBOR rate of 0.41% based on notional values that reflected the amortization schedule of 100% of our debt outstanding under the \$675 Million Credit Facility, until the \$675 Million Credit Facility matured in September 2024. We have not entered into any derivative instruments such as interest rate swaps, since the expiration of the above-mentioned swap transaction in September 2024. As of December 31, 2025, our net effective exposure to floating interest rate fluctuations on our outstanding long-term debt and other financial liabilities was \$278.7 million.

Our interest expense is affected by changes in the general level of interest rates, particularly SOFR. As an indication of the extent of our sensitivity to interest rate changes, an increase in SOFR of 1% would have decreased our net income during the year ended December 31, 2025 by approximately \$3.1 million based upon our floating interest bearing long-term debt and other financial liabilities during 2025. We expect our sensitivity to interest rate changes to increase in the future if we enter into additional debt agreements in connection with our potential acquisition of vessels from affiliated or unaffiliated third-parties.

For further information on the risks associated with our business, please see “Item 3. Key Information—D. Risk Factors—Risks Relating to our Partnership—Volatility of SOFR and potential changes of the use of SOFR as a benchmark could affect our profitability, earnings, and cash flow” for a discussion on the risks associated with SOFR, among others.

Inflation and Cost Increases

Although inflation has had a moderate impact on operating expenses, interest costs, dry-docking expenses and overhead, we do not expect inflation to have a significant impact on direct costs in the current and foreseeable economic environment other than potentially in relation to insurance costs and crew costs. LNG transportation is a specialized area and the number of vessels has increased rapidly. Therefore, there has been an increased demand for qualified crews, which has, and may continue to, put inflationary pressure on crew costs.

Foreign Currency Exchange Risk

We generate all of our revenue in U.S. dollars, and the majority of our expenses are denominated in U.S. dollars. However, a portion of our vessel operating, voyage and the majority of our dry-docking related expenses, primarily vessel repairs and spares, consumable stores, port expenses and the majority of our administrative expenses, are denominated in currencies other than the U.S. dollar. For the year ended December 31, 2025, we incurred approximately 34% of our operating expenses (including class survey costs) and 46% of our general and administrative expenses in currencies other than the U.S. dollar compared to 30% of our operating expenses (including class survey costs) and 41% of our general and administrative expenses for the year ended December 31, 2024. For accounting purposes, expenses incurred in currencies other than the U.S. dollar are converted into U.S. dollars at the exchange rate prevailing on the date of each transaction. Because a significant portion of our expenses are incurred in currencies other than the U.S. dollar, our expenses may from time to time increase relative to our revenues as a result of fluctuations in exchange rates, which could affect the amount of net income that we report in future periods. As of December 31, 2025 and 2024, the net effect of a 1% adverse movement in U.S. dollar exchange rates would not have a material effect on our net income.

We do not currently hedge fluctuations in currency exchange rates, but our management monitors exchange rate fluctuations on a continuous basis. We may seek to hedge this currency fluctuation risk in the future.

Concentration of Credit Risk

The market for our services is the seaborne transportation of LNG, and the charterers consist primarily of major gas companies, oil and gas traders and gas producers. For the years ended December 31, 2025, 2024 and 2023, three charterers individually accounted for all of our revenues:

Charterer	2025	2024	2023
SEFE (formerly Gazprom)	40 %	39 %	41 %
Yamal	35 %	34 %	43 %
Equinor	25 %	27 %	16 %
Total	100 %	100 %	100 %

Ongoing credit evaluations of our charterers are performed and we generally do not require collateral in our business agreements. Typically, under our time charters, the customer pays for the month's charter on the first day of each month, which reduces our level of credit risk. Provisions for potential credit losses are maintained as necessary.

In addition, we have bank deposits that expose us to credit risk arising from possible default by the bank counterparties. There is a concentration of credit risk with respect to cash and cash equivalents and restricted cash to the extent that substantially all of such amounts are held with three banks. However, we believe this risk is remote, they are an established and reputable financial institutions with no prior history of default. For further information on the risks associated with our business, please see "Item 3. Key Information—D. Risk Factors" for a discussion on our credit risks, among others.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

Management assessed the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Rule 13a-15(e) of the Exchange Act as of the end of the period covered by this annual report on Form 20-F, which we refer to as the evaluation date. Disclosure controls and procedures are defined under SEC rules as controls and other procedures that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within required time periods. Disclosure controls and procedures include controls and procedures designed to ensure that information is accumulated and communicated to the issuer's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosures.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives.

Based upon that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the Partnership's disclosure controls and procedures are effective as of the evaluation date.

B. Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) promulgated under the Exchange Act.

Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, the Partnership's principal executive and principal financial officer and effected by the Partnership's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Partnership;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of Partnership's management and directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree or compliance with the policies or procedures may deteriorate.

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Management conducted the evaluation of the effectiveness of the internal controls over financial reporting using the control criteria framework issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, published in its report entitled Internal Control-Integrated Framework (2013).

Our management with the participation of our Principal Executive Officer and Principal Financial Officer assessed the effectiveness of the design and operation of the Partnership's internal controls over financial reporting pursuant to Rule 13a-15 of the Exchange Act as of December 31, 2025. Based upon that evaluation, management, including the Principal Executive Officer and Principal Financial Officer, concluded that the Partnership's internal controls over financial reporting are effective as of December 31, 2025.

C. Attestation Report of the Registered Public Accounting Firm

The effectiveness of our internal control over financial reporting, as of December 31, 2025, has been audited by Ernst & Young (Hellas) Certified Auditors Accountants S.A., an independent registered public accounting firm, as stated in their audit report, incorporated in the Item 18 of this Form 20-F, which appears on page F-3 of this annual report.

D. Changes in Internal Control Over Financial Reporting

There were no changes in our internal controls over financial reporting that occurred during the period covered by this annual report that have materially affected, or are reasonably likely to materially affect, the Partnership's internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our Board of Directors has determined that Alexios Rodopoulos qualifies as an audit committee financial expert and is independent under applicable NYSE and SEC standards.

ITEM 16B. CODE OF ETHICS

We have adopted the Dynagas LNG Partners LP Corporate Code of Business Ethics and Conduct that applies to all of our employees and our officers and directors. This document is available under the "Corporate Governance" tab in the "Company" section of our website (www.dynagaspartners.com). We intend to disclose, under the aforementioned tab of our website, any waivers to or amendments of the Dynagas LNG Partners LP Corporate Code of Business Ethics and Conduct for the benefit of any of our directors and executive officers. The information contained on our website does not form a part of and is not incorporated into this annual report.

Unitholders may also request a copy of our Corporate Code of Business Ethics and Conduct at no cost by writing or telephoning us at: Poseidonos Avenue and Foivis 2 Street 166 - 74 Glyfada, Athens, Greece, Tel: +302108917960.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our principal accountant for the years ended December 31, 2025 and 2024 was Ernst & Young (Hellas) Certified Auditors Accountants S.A. (PCAOB ID: 1457).

Fees Incurred by the Partnership for Ernst& Young (Hellas) Certified Auditors Accountants S.A.'s Services

In 2025 and 2024, the fees rendered by the auditors were as follows:

	2025	2024
Audit Fees	€ 157,500	€ 201,600
Total	<u>€ 157,500</u>	<u>€ 201,600</u>

Audit Fees

Audit fees for 2025 and 2024 include fees related to (i) the integrated audit of the consolidated financial statements of the Partnership, (ii) the review of the quarterly financial information of the Partnership (iii) the audit of the financial statements of certain subsidiaries of the Partnership, and (iv) services in connection with the registration statements and related consents and comfort letters and any other audit services required for SEC or other regulatory filings by the Partnership or its subsidiaries.

Audit-Related Fees

None.

The audit committee has the authority to pre-approve permissible audit-related and non-audit services not prohibited by law to be performed by our independent auditors and associated fees. Engagements for proposed services either may be separately pre-approved by the audit committee or entered into pursuant to detailed pre-approval policies and procedures established by the audit committee, as long as the audit committee is informed on a timely basis of any engagement entered into on that basis. The audit committee separately pre-approved all engagements and fees paid to our principal accountant in 2025.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On November 21, 2024, our Board of Directors authorized the 2024 Common Unit Repurchase Program, which authorized the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months and expired on November 21, 2025. During the year ended December 31, 2025, we repurchased 365,118 common units for a total amount of \$1.322 million as part of 2024 Common Unit Repurchase Program.

On May 27, 2025, we issued a notice of full redemption to the holders of our Series B Preferred Units, notifying such holders that we had elected to exercise our option to redeem all of the issued and outstanding Series B Preferred Units. On July 25, 2025, we redeemed all of the issued and outstanding Series B Preferred Units. The redemption price was equal to \$25.00 per redeemed Series B Preferred Unit, plus an amount of \$0.45258267, equal to all accumulated and unpaid distributions thereon to the Redemption Date, whether or not declared, which was paid in cash on the Redemption Date.

On November 24, 2025, our Board of Directors authorized the 2025 Common Unit Repurchase Program (following the expiration of the 2024 Common Unit Repurchase Program), which authorizes the repurchase of up to an aggregate of \$10.0 million of our outstanding common units over 12 months. Repurchases of common units under the 2025 Common Unit Repurchase Program may be made, from time to time, in privately negotiated transactions, in open market transactions, or by other means, including through trading plans intended to qualify under Rule 10b-18 and/or Rule 10b5-1 of the Exchange Act. The amount and timing of any repurchases made under the 2025 Common Unit Repurchase Program will be in our management team's sole discretion, and will depend on a variety of factors, including legal requirements, market conditions, other investment opportunities, available liquidity, and the prevailing market price of the common units. The 2025 Common Unit Repurchase Program does not obligate us to repurchase any dollar amount or number of common units, and the 2025 Common Unit Repurchase Program may be suspended or discontinued at any time at our discretion. During the year ended December 31, 2025, we did not repurchase any units as part of the 2025 Common Unit Repurchase Program.

Month	Total Number of Units Purchased	Average Gross Price Paid per Unit	Total Number of Units Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Units that May Yet Be Purchased Under the Plans of Programs
March 2025	59,866 Common Units ¹	\$ 3.83	59,866 Common Units ¹	\$ 9.5 million
April 2025	146,772 Common Units ¹	\$ 3.54	146,772 Common Units ¹	\$ 9.0 million
May 2025	9,547 Common Units ¹	\$ 3.49	9,547 Common Units ¹	\$ 9.0 million
July 2025	Series B Preferred Units ²	\$ 25.00	N/A	N/A
October 2025	148,933 Common Units ¹	\$ 3.57	148,933 Common Units ¹	\$ 8.4 million

¹Repurchases made pursuant to the 2024 Common Unit Repurchase Program, described above.

²Repurchases made pursuant to the Partnership's full redemption of then-outstanding Series B Preferred Units, described above.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

Pursuant to an exception under the NYSE listing standards available to foreign private issuers, we are not required to comply with all of the corporate governance practices followed by U.S. companies under the NYSE listing standards, which are available at www.nyse.com. Pursuant to Section 303.A.11 of the NYSE Listed Company Manual, we are required to list the significant differences between our corporate governance practices and the NYSE standards applicable to listed U.S. companies. Set forth below is a list of those differences:

- *Executive Sessions.* The NYSE requires that non-management directors meet regularly in executive sessions without management. The NYSE also requires that all independent directors meet in an executive session at least once a year. As permitted under Marshall Islands law and our Partnership Agreement, our non-management directors do not regularly hold executive sessions without management and we do not expect them to do so in the future.
- *Nominating/Corporate Governance Committee.* The NYSE requires that a listed U.S. company have a nominating/corporate governance committee of independent directors and a committee charter specifying the purpose, duties and evaluation procedures of the committee. As permitted under Marshall Islands law and our Partnership Agreement, we do not currently have a nominating or corporate governance committee.
- *Audit Committee.* The NYSE requires, among other things, that a listed U.S. company have an audit committee with a minimum of three members, all of whom are independent. As permitted by Rule 10A-3 under the Exchange Act, our audit committee consists of two independent members of our Board, Alexios Rodopoulos and Evangelos Vlahoulis.
- *Corporate Governance Guidelines.* The NYSE requires that a listed U.S. Company adopt and disclose corporate governance guidelines. The guidelines must address, among other things: director qualification standards, director responsibilities, director access to management and independent advisers, director compensation, director orientation and continuing education, management succession and an annual performance evaluation. We are not required to adopt such guidelines under Marshall Islands law or our Partnership Agreement and we have not adopted such guidelines.
- *Unitholder Approval of the Issuance of Certain Securities, including Equity Compensation Plans.* The NYSE requires that unitholders be given the opportunity to vote on certain security issuances, including security issuances above certain thresholds and all equity-compensation plans and material revisions thereto, with limited exemptions for employment inducement awards, certain grants, plans and amendments in the context of mergers and acquisitions, and certain specific types of plans. As permitted under Marshall Islands law and our Partnership Agreement, we do not require unitholder approval on security issuances, including security issuances that are senior to our common units, and equity-compensation plans and any material revisions thereto.

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- *Proxies.* As a foreign private issuer, we are not required to solicit proxies or provide proxy statements to the NYSE pursuant to the NYSE corporate governance rules or Marshall Islands law. Consistent with Marshall Islands law and as provided in our Partnership Agreement, we will notify our unitholders of meetings between 10 and 60 days before the meeting. This notification will contain, among other things, information regarding business to be transacted at the meeting. In addition, our Partnership Agreement provides that any unitholder or group of unitholders that beneficially own 15% or more of our outstanding common units are entitled to nominate directors for election at an annual meeting if written notice is given to the Board of Directors not more than 120 days and not less than 90 days prior to the date of the annual meeting.

Other than as noted above, we are in compliance with all NYSE corporate governance standards applicable to U.S. domestic issuers. We believe that our established corporate governance practices satisfy the NYSE's listing standards.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

Our Board of Directors has adopted Policies and Procedures to Detect and Prevent Insider Trading ("Insider Trading Policy") governing the purchase, sale, and other dispositions of our securities by directors, senior management, and employees that are reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to us. A copy of our Insider Trading Policy is incorporated by reference as Exhibit 11.1 to this annual report.

ITEM 16K. CYBERSECURITY

Risk Assessment and Management

We believe that cybersecurity is fundamental in our operations and, as such, we are committed to maintaining robust governance and oversight of cybersecurity risks and to implementing comprehensive processes and procedures for identifying, assessing, and managing material risks from cybersecurity threats as part of our broader risk management system and processes. Our cybersecurity risk management strategy prioritizes detection, analysis, and response to known, anticipated or unexpected threats; effective management of security risks; and resiliency against incidents. With the ever-changing cybersecurity landscape and continual emergence of new cybersecurity threats, our Board of Directors, audit committee and senior management team ensure that significant resources are devoted to cybersecurity risk management and the technologies, processes and people that support it. We implement through our manager and other third parties, risk-based controls based on ISO 27001 framework, to protect our information, the information of our customers, suppliers, and other third parties, our information systems, our business operations, and our vessels. Additionally, our cybersecurity program provides mechanisms for employees to report any unusual or potentially malicious activity they observe.

Overall, our approach to cybersecurity risk management includes the following key elements:

- (i) Continuous monitoring of cybersecurity threats, both internal and external, using data analytics and network monitoring systems.
- (ii) Engagement of third-party consultants and other advisors to assist in assessing points of vulnerability of our information security systems.
- (iii) Training and Awareness – We provide employee mandatory training that is administered on a periodic basis that reinforces our information technology policies, standards, and practices, as well as the expectation that employees comply with these policies and identify and report potential cybersecurity risks.

Incident Response

As part of our cybersecurity risk management system and through our manager we have a dedicated cybersecurity incident response team consisting of internal employees and third-party consultants who are responsible for managing and coordinating our cybersecurity incident response efforts. This team also collaborates closely with other internal teams in identifying, protecting from, detecting, responding to, and recovering from cybersecurity incidents. Cybersecurity incidents that meet certain thresholds are escalated to the senior management and cross-functional teams on an as-needed basis for support and guidance. Additionally, this team tracks cybersecurity incidents to help identify and analyze them. We maintain a cybersecurity incident response plan to prepare for and respond to cybersecurity incidents. The incident response plan includes standard processes for reporting and escalating cybersecurity incidents to senior management who then consult with our Audit Committee and ultimately the Board of Directors if deemed necessary.

Cybersecurity Governance

Our Audit Committee along with our senior management have oversight responsibility for risks and incidents relating to cybersecurity threats, including compliance with disclosure requirements, cooperation with law enforcement, and related effects on financial and other risks, and it reports any findings and recommendations, as appropriate, to our Board of Directors for consideration. Senior management regularly discusses cyber risks and trends and, should they arise, any material incidents with our audit committee.

We continue to invest in our cybersecurity systems and to enhance our internal controls and processes. Our business strategy, results of operations and financial condition have not been materially affected by risks from cybersecurity threats, but we cannot provide assurance that they will not be materially affected in the future by such risks or any future material incidents. For more information about risks associated with cybersecurity, see “Item 3. Key Information—D. Risk Factors—Risks Relating to our Industry—A cyber-attack could materially disrupt our business.”

PART III

ITEM 17. FINANCIAL STATEMENTS

See “Item 18. Financial Statements.”

ITEM 18. FINANCIAL STATEMENTS

The following financial statements, together with the related report of Ernst & Young (Hellas) Certified Auditors Accountants S.A., Independent Registered Public Accounting Firm thereon, are filed as part of this annual report appearing on pages F-1 through F-31.

ITEM 19. EXHIBITS

The following exhibits are filed as part of this annual report:

Exhibit Number	Description
1.1	Certificate of Limited Partnership of Dynagas LNG Partners LP⁽¹⁾
1.2	Fourth Amended and Restated Agreement of Limited Partnership of Dynagas LNG Partners LP⁽³⁾
1.3	Certificate of Formation of Dynagas GP LLC⁽¹⁾
1.4	Limited Liability Company Agreement of Dynagas GP LLC⁽¹⁾
1.5	Certificate of Limited Partnership of Dynagas Operating LP⁽¹⁾
1.6	Limited Partnership Agreement of Dynagas Operating LP⁽¹⁾
1.7	Certificate of Formation of Dynagas Operating GP LLC⁽¹⁾
1.8	Limited Liability Company Agreement of Dynagas Operating GP LLC⁽¹⁾
2.1	Description of Securities
4.1	Master Agreement⁽²⁾
4.2	First Amended and Restated Omnibus Agreement, dated April 12, 2016⁽⁵⁾
4.3	Executive Services Agreement⁽²⁾
4.4	Administrative Services Agreement⁽⁴⁾
4.5	Sale and Leaseback Agreement, dated June 19, 2024, with respect to the <i>Arctic Aurora</i>⁽²⁾
4.6	Sale and Leaseback Agreement, dated June 19, 2024, with respect to the <i>Clean Energy</i>⁽²⁾
4.7	Sale and Leaseback Agreement, dated June 19, 2024, with respect to the <i>OB River</i>⁽²⁾
4.8	Sale and Leaseback Agreement, dated June 19, 2024, with respect to the <i>Amur River</i>⁽²⁾
8.1	Subsidiaries of Dynagas LNG Partners LP⁽²⁾
11.1	Policies and Procedures to Detect and Prevent Insider Trading⁽²⁾
12.1	Rule 13a-14(a)/15d-14(a) Certification of Dynagas LNG Partners LP Principal Executive Officer
12.2	Rule 13a-14(a)/15d-14(a) Certification of Dynagas LNG Partners LP Principal Financial and Accounting Officer
13.1	Certification under Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
13.2	Certification under Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Financial and Accounting Officer
15.1	Consent of Independent Registered Public Accounting Firm
15.2	Consent of Drewry Shipping Consultants, Ltd.
15.3	Consent of Watson Farley & Williams LLP
97.1	Policy for the Recovery of Erroneously Awarded Incentive Compensation⁽⁸⁾
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

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- (1) Incorporated by reference to the Partnership's Registration Statement on Form F-1, as amended, which was declared effective by the Securities and Exchange Commission on November 12, 2013 (Registration No. 333-191653).
- (2) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on March 25, 2014.
- (3) Incorporated by reference to the Partnership's Current Report on Form 6-K, which was filed with the Securities and Exchange Commission on October 23, 2018.
- (4) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on March 10, 2015.
- (5) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on April 18, 2016.
- (6) Incorporated by reference to Exhibit 1.1 of the Partnership's Current Report on Form 6-K, which was filed with the Securities and Exchange Commission on August 19, 2020.
- (7) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on April 29, 2021.
- (8) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on April 26, 2024.
- (9) Incorporated by reference to the Partnership's Annual Report on Form 20-F, which was filed with the Securities and Exchange Commission on April 10, 2025.

SIGNATURES

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

DYNAGAS LNG PARTNERS LP

By: /s/ Michael Gregos
Name: Michael Gregos
Title: Chief Financial Officer (Principal Financial Officer)

Date: April 8, 2026

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DYNAGAS LNG PARTNERS LP
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024

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Report of Independent Registered Public Accounting Firm

To the Partners and the Board of Directors of Dynagas LNG Partners LP

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Dynagas LNG Partners LP (the “Partnership”) as of December 31, 2025 and 2024, the related consolidated statements of income, partners’ equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Partnership's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated April 8, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Partnership’s management. Our responsibility is to express an opinion on the Partnership’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Impairment of long-lived assets

Description of the matter The Partnership's long-lived assets consist of the net carrying value of vessels. As of December 31, 2025, the carrying value of the Partnership's vessels was \$733,148 thousand. As discussed in Note 2 (j) to the consolidated financial statements, the Partnership evaluates its vessels for impairment whenever events or changes in circumstances indicate that the carrying value of a vessel might exceed its fair value in accordance with the guidance in ASC 360 – Property, Plant and Equipment (ASC 360). If indicators of impairment exist, management analyzes the future undiscounted net operating cash flows expected to be generated throughout the remaining useful life of each vessel and compares it to the carrying value. Where the vessel's carrying value exceeds the undiscounted net operating cash flows, management will recognize an impairment loss equal to the excess of the carrying value over the fair value of the vessel.

Auditing the Partnership's impairment indicators and recoverability assessment was complex due to the judgement and estimation uncertainty required to evaluate events or changes in circumstances affecting the market and economic conditions and in determining the assumption of future charter rates for non-contracted revenue days. These charter rates are particularly subjective as they involve the development and use of assumptions about the liquefied natural gas shipping market through the end of the useful lives of the vessels. This assumption is forward looking and subject to the inherent unpredictability of future global economic and market conditions.

How we addressed the matter in our audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Partnership's impairment indicators and recoverability assessment process. For example, we tested controls over management's review of the identification of impairment indicators and process to test vessels' recoverability, including determination of charter rates for non-contracted revenue days.

We analyzed management's vessel impairment indicators and recoverability assessment against the accounting guidance in ASC 360. To test management's assessment of the developments in market conditions, our procedures included, among others, performing an independent analysis over the vessel market charter rates, market prices and changes in vessels fair values using market information derived from external information sources for the industry.

To test management's undiscounted net operating cash flow forecasts, our procedures included, among others, comparing the future vessel charter rates for non-contracted revenue days against internal and external data sources such as available market data from third parties, charter rate data for the vessels, and recent economic and industry changes.

In addition, we performed sensitivity analyses to assess the impact of changes to future charter rates for non-contracted revenue days in the determination of the future undiscounted net operating cash flows. We tested the completeness and accuracy of the data used within the undiscounted net operating cash flow forecasts. We assessed the adequacy of the Partnership's disclosures in Note 2 (j) to the consolidated financial statements

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

We have served as the Partnership's auditor since 2011.

Athens, Greece
April 8, 2026

Report of Independent Registered Public Accounting Firm

To the Partners and the Board of Directors of Dynagas LNG Partners LP

Opinion on Internal Control Over Financial Reporting

We have audited Dynagas LNG Partners LP's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Dynagas LNG Partners LP (the Partnership) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Partnership as of December 31, 2025 and 2024, the related consolidated statements of income, partners' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and our report dated April 8, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Partnership's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Partnership's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A Partnership's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Partnership's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Partnership; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Partnership are being made only in accordance with authorizations of management and directors of the Partnership; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Partnership's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

Athens, Greece
April 8, 2026

DYNAGAS LNG PARTNERS LP
Consolidated Balance Sheets as of December 31, 2025 and 2024
(Expressed in thousands of U.S. Dollars — except for unit data)

		December 31, 2025	December 31, 2024
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents		\$ 41,039	\$ 68,156
Trade accounts receivable		478	1,201
Prepayments and other assets	2(x)	4,726	3,802
Inventories		1,203	894
Accrued charter revenue, current portion	2(n)	—	2,704
Deferred Charges, current portion		107	216
Due from related party, current	3	1,875	1,189
Total current assets		49,428	78,162
FIXED ASSETS, NET:			
Vessels, net	4	733,148	765,212
Total fixed assets, net		733,148	765,212
OTHER NON-CURRENT ASSETS:			
Due from related party	3, 6	1,350	1,350
Deferred charges		529	640
Other receivables, non- current		1,789	1,789
Total assets		\$ 786,244	\$ 847,153
LIABILITIES AND PARTNERS' EQUITY			
CURRENT LIABILITIES:			
Current portion of other financial liabilities, net of unamortized deferred financing fees of \$457 and \$523, respectively	5	\$ 43,710	\$ 43,644
Trade payables		12,317	13,181
Due to related party	3	—	699
Accrued liabilities	2(x)	5,536	5,587
Deferred Revenue - Current	2(n)	664	667
Unearned revenue	2(n)	16,705	20,118
Total current liabilities		78,932	83,896
NON-CURRENT LIABILITIES:			
Deferred revenue	2(n)	719	1,383
Other financial liabilities, net of current portion and unamortized deferred financing fees of \$1,194 and \$1,651, respectively	5	233,363	277,073
Total non-current liabilities		234,082	278,456
Commitments and contingencies	7	—	—
PARTNERS' EQUITY:			
Common unitholders (unlimited authorized; 36,382,011 units and 36,747,129 units issued and outstanding as at December 31, 2025 and December 31, 2024, respectively)	8	399,834	357,949
Series A Preferred unitholders (3,450,000 authorized; 3,000,000 Series A Preferred Units issued and outstanding as at December 31, 2025 and December 31, 2024)	8	73,216	73,216
Series B Preferred unitholders: (2,530,000 authorized; 2,200,000 Series B Preferred Units issued and outstanding as at December 31, 2024)	8	—	53,498
General Partner (35,526 units issued and outstanding as at December 31, 2025 and December 31, 2024)	8	180	138
Total partners' equity		473,230	484,801
Total liabilities and partners' equity		\$ 786,244	\$ 847,153

The accompanying notes are an integral part of these consolidated financial statements.

DYNAGAS LNG PARTNERS LP
Consolidated Statements of Income
For the years ended December 31, 2025, 2024 and 2023
(Expressed in thousands of U.S. Dollars—except for unit and per unit data)

	2025	2024	2023
REVENUES:			
Voyage revenues	\$ 156,624	\$ 156,403	\$ 148,878
Revenues from contracts with customers	2(n) —	—	11,602
EXPENSES:			
Voyage expenses	(5,384)	(4,465)	(1,478)
Voyage expenses-related party	3 (1,935)	(1,983)	(1,860)
Vessel operating expenses	(33,290)	(31,643)	(34,412)
Dry-docking and special survey costs	—	—	(17,650)
General and administrative expenses	(1,122)	(1,440)	(1,331)
General and administrative expenses- related party	3 (723)	(703)	(701)
Management fees-related party	3 (6,778)	(6,599)	(6,389)
Depreciation	4 (32,064)	(32,151)	(31,946)
Operating income	\$ 75,328	\$ 77,419	\$ 64,713
OTHER INCOME/(EXPENSES):			
Interest and finance costs	5,10 (21,350)	(31,176)	(39,210)
Interest income	1,306	2,547	2,593
Gain on derivative financial instrument	11 —	1,755	5,267
Loss on Debt extinguishment	5 —	(331)	(154)
Other Income	2(h) 6,764	1,492	2,881
Other, net	(403)	(115)	(218)
Total other expenses, net	(13,683)	(25,828)	(28,841)
Partnership's Net Income	\$ 61,645	\$ 51,591	\$ 35,872
Common unitholders' interest in Net Income	\$ 50,407	\$ 38,575	\$ 24,285
Series A Preferred unitholders' interest in Net Income	\$ 6,750	\$ 6,750	\$ 6,750
Series B Preferred unitholders' interest in Net Income	\$ 2,936	\$ 6,228	\$ 4,813
Deemed dividend on Series B Preferred Units	\$ 1,503	\$ —	\$ —
General Partner's interest in Net Income	\$ 49	\$ 38	\$ 24
Earnings per unit, basic and diluted:			
Common unit (basic and diluted)	9 \$ 1.38	\$ 1.05	\$ 0.66
Weighted average number of units outstanding, basic and diluted:			
Common units	9 36,557,558	36,799,490	36,802,247

The accompanying notes are an integral part of these consolidated financial statements.

DYNAGAS LNG PARTNERS LP
Consolidated Statements of Partners' Equity
For the years ended December 31, 2025, 2024 and 2023
(Expressed in thousands of U.S. Dollars—except for unit data)

	Series A Preferred (units)	Series B Preferred (units)	Common (units)	General Partner (units)	Series A Preferred	Series B Preferred	Common	General Partner	Total
BALANCE, December 31, 2022	3,000,000	2,200,000	36,802,247	35,526	\$ 73,216	\$ 53,498	\$ 297,139	\$ 78	\$ 423,931
—Net income	—	—	—	—	6,750	4,813	24,285	24	35,872
—Distributions declared and paid (preferred units) (Note 8)	—	—	—	—	(6,750)	(4,813)	—	—	(11,563)
BALANCE, December 31, 2023	3,000,000	2,200,000	36,802,247	35,526	\$ 73,216	\$ 53,498	\$ 321,424	\$ 102	\$ 448,240
—Net income	—	—	—	—	6,750	6,228	38,575	38	51,591
—Repurchase of common units (Note 8)	—	—	(55,118)	—	—	—	(247)	—	(247)
—Distributions declared and paid (preferred units) (Note 8)	—	—	—	—	(6,750)	(6,228)	—	—	(12,978)
—Distributions declared and paid (common units) (Note 8)	—	—	—	—	—	—	(1,803)	—	(1,803)
—Distributions declared not paid (General Partner units) (Note 8)	—	—	—	—	—	—	—	(2)	(2)
BALANCE, December 31, 2024	3,000,000	2,200,000	36,747,129	35,526	\$ 73,216	\$ 53,498	\$ 357,949	\$ 138	\$ 484,801
—Net income	—	—	—	—	6,750	2,936	51,910	49	61,645
—Repurchase of common units (Note 8)	—	—	(365,118)	—	—	—	(1,322)	—	(1,322)
—Distributions declared and paid (preferred units) (Note 8)	—	—	—	—	(6,750)	(2,936)	—	—	(9,686)
—Distributions declared and paid (common units) (Note 8)	—	—	—	—	—	—	(7,200)	—	(7,200)
—Distributions declared and paid (General Partner units) (Note 8)	—	—	—	—	—	—	—	(7)	(7)
—Redemption of Series B Preferred Units (Note 8)	—	(2,200,000)	—	—	—	(53,498)	—	—	(53,498)
—Deemed dividend on Redemption of Series B Preferred Units (Note 8)	—	—	—	—	—	—	(1,503)	—	(1,503)
BALANCE, December 31, 2025	3,000,000	—	36,382,011	35,526	\$ 73,216	—	\$ 399,834	\$ 180	\$ 473,230

The accompanying notes are an integral part of these consolidated financial statements.

DYNAGAS LNG PARTNERS LP
Consolidated Statements of Cash Flows for the years ended December 31, 2025, 2024 and 2023
(Expressed in thousands of U.S. Dollars)

	2025	2024	2023
Cash flows from Operating Activities:			
Net income:	\$ 61,645	\$ 51,591	\$ 35,872
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	4	32,064	32,151
Amortization and write-off of deferred financing fees	10	523	1,022
Deferred revenue amortization		2,037	5,316
Amortization of deferred charges		216	217
Dry-docking and special survey costs		—	17,650
Gain on derivative financial instruments	11	—	(1,755)
Loss on Debt extinguishment	5	—	331
Changes in operating assets and liabilities:			
Trade accounts receivable		723	(492)
Prepayments and other assets		(149)	4,181
Inventories		(309)	(143)
Due from/to related parties		(1,385)	(2,045)
Deferred expenses		3	—
Trade accounts payable		(864)	(636)
Accrued liabilities		(825)	2,321
Unearned revenue		(3,414)	99
Net cash provided by Operating Activities	\$ 90,265	\$ 92,158	\$ 64,391
Cash flows from Investing Activities:			
Ballast water treatment system installation	4	—	(27)
Net cash used in Investing Activities	\$ —	\$ (27)	\$ (4,238)
Cash flows from Financing Activities:			
Repurchase of common units, purchase costs	8	(7)	—
Repurchase of common units		(1,315)	(247)
Distributions declared and paid	8	(16,893)	(14,781)
Proceeds from other financial liabilities	5	—	344,975
Repayment of long-term debt and other financial liabilities	5	(44,167)	(442,726)
Redemption of Series B Preferred Units	8	(55,000)	—
Receipt of derivative instruments	11	—	17,521
Payment of deferred finance fees		—	(2,469)
Net cash used in Financing Activities	\$ (117,382)	\$ (97,727)	\$ (66,269)
Net decrease in cash and cash equivalents	(27,117)	(5,596)	(6,116)
Cash and cash equivalents at beginning of the year	68,156	73,752	79,868
Cash and cash equivalents at end of the year	\$ 41,039	\$ 68,156	\$ 73,752
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Cash and cash equivalents	41,039	68,156	73,752
Cash and cash equivalents	\$ 41,039	\$ 68,156	\$ 73,752
SUPPLEMENTAL CASH FLOW INFORMATION			
Cash paid during the year for:			
Interest	\$ 20,891	\$ 30,242	\$ 37,303

The accompanying notes are an integral part of these consolidated financial statements.

1. Basis of Presentation and General Information:

Dynagas LNG Partners LP (“Dynagas Partners” or the “Partnership”) was incorporated as a limited partnership on May 30, 2013, under the laws of the Republic of the Marshall Islands. On November 18, 2013, the Partnership successfully completed its initial public offering (the “IPO”), pursuant to which, the Partnership offered and sold 8,250,000 common units to the public at \$18.00 per common unit, and in connection with the closing of the IPO, the Partnership’s Sponsor, Dynagas Holding Ltd., a company beneficially wholly owned by Mr. George Prokopiou, the Partnership’s Chairman and major unitholder and certain of his close family members, offered and sold 4,250,000 common units to the public at \$18.00 per common unit. In connection with the IPO, the Partnership entered into certain agreements including: (i) an omnibus agreement with the Sponsor, as amended (Note 3(c)), (the “Omnibus Agreement”) and, (ii) a \$30 million interest free revolving credit facility with its Sponsor (the “\$30 million Sponsor Facility”) (Note 3(b)), which was extended on November 14, 2018 until November 2023, to be used for general Partnership purposes.

Due to the ongoing Russian war with Ukraine, the United States (“U.S.”), European Union (“E.U.”), the United Kingdom (the “U.K.”), and other countries and organizations have publicly announced and enacted extensive sanctions against Russia to impose severe economic pressure on the Russian economy and government.

On October 23, 2025, the E.U. adopted its 19th package of sanctions (“New E.U. Sanctions Regulations. The New E.U. Sanctions Regulations prohibit E.U. persons and non-E.U. persons with an E.U.-nexus from purchasing, importing, or transferring, directly or indirectly, LNG originating in or exported from Russia to any jurisdiction, whether inside or outside the E.U. The New E.U. Sanctions Regulations will apply beginning January 1, 2027 with respect to existing long-term contracts with a duration of more than one year. The Partnership is required to comply with the New E.U. Sanctions Regulations. One of the Partnership’s charterers, Yamal Trade Pte. Ltd. (“Yamal”), employs two of the Partnership’s vessels, the Yenisei River and Lena River, on existing long-term charters which extend to 2033 and 2034, respectively (the “Yamal Charters”). These vessels, since commencement of the Yamal Charters, have been engaged in the transportation of LNG produced in Russia for discharge at destinations worldwide in compliance with applicable sanctions regulations. However, under the New E.U. Sanctions Regulations, commencing January 1, 2027, these vessels will be restricted from transporting LNG from Russia which would affect Yamal’s ability to continue to employ the vessels in the same manner.

The Partnership earned in the year ended as of December 31, 2025, 35% (2024: 34%) of its revenues from Yamal. The Partnership and Yamal are evaluating the potential impact of the New E.U. Sanctions Regulations on the operation of the vessels under the Yamal Charters. The Partnership believes the Yamal Charters remain enforceable notwithstanding the New E.U. Sanctions Regulations, however there can be no assurance that Yamal will share this interpretation, and any disagreement could result in disputes, nonperformance, litigation, or early termination of the Yamal Charters, among other things. The loss of revenue under either or both of the Yamal Charters would have a material adverse effect on the Partnership’s business, results of operations, financial condition and ability to make distributions to its unitholders, and could result in an event of default under its debt agreements.

Applicable U.S., U.K. and E.U. sanctions regimes that are in effect as of today’s date do not materially affect the Partnership’s business, operations or financial condition and, to its knowledge, its counterparties are currently performing their obligations under their respective time charters in compliance with such sanctions regulations. The Partnership closely monitors the applicability of sanctions regulations on it and its counterparties, and the potential impact of economic sanctions on the Partnership’s existing commercial arrangements, including the Yamal Charters. The full impact of the commercial and economic consequences of the Russian war with Ukraine is uncertain at this time. The New E.U. Sanctions Regulations or any further development in sanctions, or escalation of the Ukraine war and other geopolitical events and conflicts more generally may have a material adverse impact on the Partnership’s business, financial condition, results of operations, its ability to make distributions to unitholders, or the Partnership’s ability to comply with the covenants in its debt agreements. Sanctions have been expanded over time and may continue to evolve and could ultimately restrict or prevent the performance of certain contractual obligations under the Partnership’s charters.

As of December 31, 2025, the Partnership reported cash and cash equivalents of \$41.0 million and had a working capital deficit of \$29.5 million, which is mainly due to the current portion of its other financial liabilities and from the redemption of Series B Preferred Units. The Partnership believes that current sources of funds and those that the Partnership anticipates to internally generate for a period of at least the next twelve months, will be sufficient to fund the operations of its Fleet, and to meet the Partnership’s normal working capital requirements, service principal and interest of debt and other financial liabilities, and make at least the required distributions on Series A Preferred Units in accordance with the Partnership’s Agreement. Accordingly, the Partnership continues to adopt the going concern basis in preparing its financial statements.

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1. Basis of Presentation and General Information (continued):

The Partnership is engaged in the seaborne transportation industry through the ownership and operation of high specification LNG vessels and is the sole owner (directly or indirectly) of all outstanding shares or units of the following subsidiaries as of December 31, 2025:

Vessel Owning Subsidiaries:

Company Name	Country of incorporation/ formation	Vessel Name	Delivery date from shipyard	Delivery date to Partnership	Cbm Capacity
Pegasus Shipholding S.A. ("Pegasus")	Marshall Islands	Clean Energy (1)	March 2007	October 2013	149,700
Lance Shipping S.A. ("Lance")	Marshall Islands	Ob River (1)	July 2007	October 2013	149,700
Seacrown Maritime Ltd. ("Seacrown")	Marshall Islands	Amur River (1)	January 2008	October 2013	149,700
Noteworthy Shipping Limited ("Noteworthy"), (formerly known as Fareastern Shipping Limited)	Malta	Arctic Aurora (1)	July 2013	June 2014	155,000
Navajo Marine Limited ("Navajo")	Marshall Islands	Yenisei River	July 2013	September 2014	155,000
Solana Holding Ltd. ("Solana")	Marshall Islands	Lena River	October 2013	December 2015	155,000

(1) The vessel is subject to a sale and leaseback transaction with a purchase obligation at the end of the lease term (see Note 5).

Non-Vessel Owning Subsidiaries:

Company Name	Country of incorporation/formation	Purpose of incorporation
Dynagas Equity Holding Limited ("Dynagas Equity")	Marshall Islands	Holding company that owns all of the outstanding shares of Dynagas LNG Carriers Ltd. ("Dynagas LNG").
Dynagas Operating GP LLC ("Dynagas Operating GP")	Marshall Islands	Limited liability company in which the Partnership holds a 100% membership interest and which has 100% of the Non-Economic General Partner Interest in Dynagas Operating LP.
Dynagas Operating LP ("Dynagas Operating")	Marshall Islands	Limited partnership in which the Partnership holds a 100% limited partnership interest and which owns 100% of the issued and outstanding shares of Dynagas Equity.
Dynagas Finance Inc.	Marshall Islands	Wholly owned subsidiary of the Partnership whose activities were limited to the co-issuance of the 2019 Notes discussed under Note 5 of the consolidated financial statements for the year to December 31, 2020 and engaging in other activities incidental thereto.
Dynagas LNG Carriers Ltd. ("Dynagas LNG") (formerly known as Arctic LNG Carriers Ltd.)	Marshall Islands	Wholly owned subsidiary of the Partnership which is directly wholly owned by Dynagas Equity and which owns all of the issued and outstanding shares of Pegasus, Lance, Seacrown, Noteworthy, Navajo, Solana and Dynagas Finance LLC.
Dynagas Finance LLC	Delaware	Wholly owned subsidiary of Dynagas LNG and co-borrower of the Partnership's Term Loan B discussed under Note 5 of the consolidated financial statements for the year to December 31, 2020.

Since the Partnership's inception, the technical, administrative and commercial management of the Partnership's fleet is performed by Dynagas Ltd. ("Dynagas" or the "Manager"), a related company, wholly owned by the Partnership's Chairman (Note 3(a)).

2. Significant Accounting Policies and Recent Accounting Pronouncements:

As of December 31, 2025, the Partnership's Sponsor owned 42.9% of the outstanding equity interests in the Partnership (excluding the Series A Preferred Units and the Series B Preferred Units, both of which, generally, have no voting rights), including the 0.1% general partner interest retained by it, as the General Partner, through Dynagas GP LLC, which is owned and controlled by the Sponsor.

(a) Principles of Consolidation: The accompanying consolidated financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP"). The consolidated financial statements include the accounts of Dynagas Partners and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated upon consolidation. Dynagas Partners, as the holding company, determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity. Under Financial Accounting Standards Board ("FASB") Accounting Standard Codification ("ASC") 810 "Consolidation", a voting interest entity is an entity in which the total equity investment at risk is deemed sufficient to absorb the expected losses of the entity, the equity holders have all the characteristics of a controlling financial interest and the legal entity is structured with substantive voting rights.

The holding company consolidates voting interest entities in which it owns all, or at least a majority (generally, greater than 50%) of the voting interest. Variable interest entities ("VIE") are entities, as defined under ASC 810, that in general either have equity investors with non-substantive voting rights or that have equity investors that do not provide sufficient financial resources for the entity to support its activities. The holding company has a controlling financial interest in a VIE and is, therefore, the primary beneficiary of a VIE if it has the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE. A VIE should have only one primary beneficiary which is required to consolidate the VIE. A VIE may not have a primary beneficiary if no party meets the criteria described above. The Partnership evaluates all arrangements that may include a variable interest in an entity to determine if it is the primary beneficiary, and would therefore be required to include assets, liabilities and operations of a VIE in its consolidated financial statements. As of the years ended December 31, 2025, 2024 and 2023, no such interests existed.

(b) Use of Estimates: The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. On an on-going basis, management evaluates the estimates and judgments, including those related to impairment indicators assessment and expected future cash flows from long-lived assets to support impairment tests. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

(c) Other Comprehensive Income: The Partnership follows the provisions of ASC 220, "Comprehensive Income", which requires separate presentation of certain transactions which are recorded directly as components of equity. The Partnership has no such transactions which affect other comprehensive income and accordingly, for the years ended December 31, 2025, 2024 and 2023, comprehensive income equaled net income.

(d) Foreign Currency Translation: The functional currency of the Partnership is the U.S. Dollar because the Partnership's vessels operate in international shipping markets and therefore, the Partnership primarily transacts business in U.S. Dollars. The Partnership's books of accounts are maintained in U.S. Dollars. Transactions involving other currencies during the year are converted into U.S. Dollars using the exchange rates in effect at the time of such transactions. At the balance sheet date, monetary assets and liabilities, which are denominated in other currencies, are translated into U.S. Dollars using the balance sheet date exchange rates. Resulting gains or losses are included in "Other, net" in the accompanying consolidated statements of income.

(e) Cash and Cash Equivalents: The Partnership considers highly liquid investments, such as time deposits with an original maturity of three months or less, to be cash equivalents.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

- (f) **Trade Accounts Receivable:** The amount shown as trade accounts receivable at each balance sheet date, mainly includes receivables from charterers for hire from lease agreements, net of any provision for doubtful accounts, if any. At each balance sheet date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate provision for doubtful accounts primarily based on the aging of such balances and any amounts in dispute. Operating lease receivables under ASC 842 are not in scope of ASC 326 for assessment of credit loss. ASC 842 requires lessors to evaluate the collectability of all lease payments. If collection of all operating lease payments, plus any amount necessary to satisfy a residual value guarantee, is not probable (either at lease commencement or after the commencement date), lease income is constrained to the lesser of cash collected or lease income reflected on a straight-line or another systematic basis, plus variable rent when it becomes accruable. Provision for doubtful accounts as of December 31, 2025 and 2024, was nil.
- (g) **Inventories:** Inventories consist of lubricants which are stated at the lower of cost or net realizable value. Cost is determined by the first in, first out method. Inventories may also consist of bunkers during periods when vessels are unemployed or under voyage charters and spares in warehouses, in which case, they are also stated at the lower of cost or net realizable value and cost is still determined by the first in, first out method. Net realizable value is defined as estimated selling prices in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in earnings in the period in which it occurs.
- (h) **Insurance Claims:** The Partnership records insurance claim recoveries for insured losses incurred on damage to fixed assets, loss of hire and for insured crew medical expenses. Insurance claim recoveries are recorded, net of any deductible amounts, at the time when (i) the Partnership's vessels suffer insured damages or at the time when crew medical expenses are incurred, (ii) recovery is probable under the related insurance policies, (iii) the Partnership can estimate the amount of such recovery following submission of the insurance claim and (iv) provided that the claim is not subject to litigation. For the years ended December 31, 2025 and 2024, the Partnership recognized insurance claim proceeds of \$5,190 and \$1,492, respectively, related to damages incurred in prior years. These amounts are presented in Other income in the Consolidated Statements of Income. The Partnership assesses its insurance claim balances for credit losses in accordance with ASC 326. No allowance was recorded on insurance claims as of December 31, 2025 and 2024.
- (i) **Vessels, Net:** Vessels are stated at cost, which consists of the contract price and any material expenses incurred upon delivery (initial repairs, improvements and delivery expenses, capitalized interest and on-site supervision costs incurred during the construction periods). Subsequent expenditures for conversions and major improvements are also capitalized when such expenditures appreciably extend the life, increase the earning capacity or improve the efficiency or safety of the vessels; otherwise these amounts are charged to expense as incurred. The cost of each of the Partnership's vessels is depreciated beginning from the time when the vessel is ready for her intended use, on a straight-line basis, to the time that the vessel reaches the end of its economic useful life, after considering the estimated residual value of the vessel which is based on its lightweight tonnage times an estimated scrap rate. The Partnership currently uses a scrap rate estimate of \$0.500 per lightweight ton per LNG carrier. Management estimates that the useful life of each of the Partnership's vessels to be 35 years from the date of initial delivery from the shipyard. Secondhand vessels are depreciated from the date of their acquisition through their remaining estimated useful life. When regulations place limitations on the ability of a vessel to trade on a worldwide basis, such vessel's remaining useful life is adjusted as of the date such regulations are adopted.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

(j) **Impairment of Long-Lived Assets:** The Partnership follows ASC 360-10-40 “Impairment or Disposals of Long-Lived Assets”, which addresses financial accounting and reporting for the impairment or disposal of long-lived assets. The standard requires that long-lived assets held and used by an entity be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. When the estimate of undiscounted projected operating cash flows, excluding interest charges, expected to be generated by the use of the asset is less than its carrying amount, the asset is evaluated for an impairment loss. Measurement of the impairment loss is based on the fair value of the asset. The Partnership reviews its long-lived assets for impairment whenever events or changes in circumstances, such as business plans to dispose a vessel earlier than the end of its useful life and prevailing market conditions, indicate that the carrying amount of the assets may not be recoverable. When such indications are present, the Partnership determines undiscounted projected net operating cash flows for each vessel and compares the result to the vessel’s carrying value. The fair values of the assets are determined as defined in ASC 820, “Fair value measurements and disclosures” based on management’s estimates, assumptions, use of available market data, use of third - party valuations and other market observable data. In developing estimates of future cash flows, the Partnership must make assumptions about future charter rates, vessel operating expenses, fleet utilization and the estimated remaining useful life of the vessels. These assumptions are based on historical trends as well as future expectations.

The projected net operating cash flows are determined by considering the charter revenues from existing time charters for the fixed fleet days and by estimating charter rates for the unfixed days over the estimated remaining economic life of each vessel. The estimate of the daily time charter equivalent for the unfixed days is based on a combination of the average of the trailing 10-year historical charter rates adjusted for expected off-hires due to scheduled vessel maintenance and estimated unexpected breakdown off-hires. These estimated time charter rates reflect the Partnership’s chartering strategy, vessel operating history and at least one full shipping cycle. Expected outflows for scheduled vessel maintenance and vessel operating expenses are based on the Partnership’s budget by using historical data, which is adjusted annually with the assumption of the average annual inflation rate prevailing at the time of the impairment test. In developing the estimate for the effective fleet utilization, the Partnership takes into account the period(s) each vessel is expected to undergo her scheduled maintenance (dry-docking and special surveys) and each vessel’s loss of hire resulting from repositioning or other conditions.

In developing estimates for the remaining estimated useful lives of the current fleet and scrap values, the Partnership utilizes methods, which are identical to those employed as part of the Partnership’s depreciation policy. As of December 31, 2025, there were indications that the carrying amounts of five of the Partnership’s vessels may not be recoverable, and accordingly, an impairment analysis was performed. The undiscounted cash flows expected to be generated by these vessels exceeded their carrying value. As a result, the Partnership incurred no impairment loss as of December 31, 2025. As of December 31, 2024, there were no indications that the carrying amounts of the vessels in our Fleet may not be recoverable. Thus, no impairment analysis was performed. As of December 31, 2023, there were indications that the carrying amounts of two of the Partnership’s vessels may not be recoverable, and accordingly, an impairment analysis was performed. The undiscounted cash flows expected to be generated by these vessels exceeded their carrying value. As a result, the Partnership incurred no impairment loss as of December 31, 2023.

(k) **Accounting for Special Survey and Dry-Docking Costs:** The Partnership follows the direct expense method of accounting for dry-docking and special survey costs, in which case, such costs are expensed in the period incurred. The vessels undergo dry-dock or special survey approximately every five years during the first fifteen years of their life. For vessels that are fifteen years or older, dry - docking takes place every three years as required by classification societies, or, subject to special considerations, an “in water survey in lieu of dry - dock” can take place between the two special surveys. Costs relating to routine repairs and maintenance are also expensed in the period they are incurred.

(l) **Financing Costs:** “Interest – Imputation of Interest”, costs associated with long-term debt, including but not limited to, fees paid to lenders, fees required to be paid to third parties on the lender’s behalf in connection with debt financing or refinancing, or any unamortized portion thereof, are presented by the Partnership as a reduction of long-term debt. Such fees are deferred and amortized to interest and finance costs during the life of the related debt instrument using the effective interest method. Unamortized fees relating to loans repaid or refinanced as debt extinguishments are expensed as interest and finance costs in the period the repayment or extinguishment is made and included in the determination of gain or loss on debt extinguishment. Loan commitment fees are expensed as incurred.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

(m) **Concentration of Credit Risk:** Financial instruments, which may potentially subject the Partnership to significant concentrations of credit risk, consist principally of cash and cash equivalents and trade accounts receivable. The maximum exposure to loss due to credit risk is the book value at the balance sheet date. The Partnership places its cash and cash equivalents, consisting mostly of deposits, with high credit qualified financial institutions. The Partnership performs periodic evaluations of the relative credit standing of those financial institutions. The Partnership limits its credit risk with trade accounts receivable by performing ongoing credit evaluations of each of its charterer's financial condition and generally does not require collateral for its trade accounts receivable. The Partnership is exposed to credit risk in the event of non-performance by the counterparty to the derivative instrument; however, the Partnership limits its exposure by entering into transactions with counterparties with high credit ratings.

During the years ended December 31, 2025, 2024 and 2023, charterers that individually accounted for more than 10% of the Partnership's revenues were as follows:

Charterer	2025	2024	2023
A	40 %	39 %	41 %
B	35 %	34 %	43 %
C	25 %	27 %	16 %
Total	100 %	100 %	100 %

The maximum aggregate amount of loss due to credit risk, that the Partnership would have incurred if the aforementioned charterers failed completely to perform according to the terms of their respective charter parties, amounted to \$478 and \$1,201 as of December 31, 2025 and 2024, respectively.

(n) **Accounting for Revenues and Related Expenses:** The Partnership generates its revenues from charterers under time charter agreements, which contain a lease as they meet the criteria of a lease under ASC 842. The Partnership's vessels are each employed under a time charter agreement, where a contract is entered into with a charterer for the charterer's use of a vessel for a specific period of time and at a specified daily charter hire rate. If a time charter agreement exists and collection of the related revenue is reasonably assured, revenue is recognized, as it is earned ratably over the duration of the period of the time charter. Revenues from time chartering of vessels are accounted for as operating leases. The Partnership has determined that the non-lease components in its time charter contracts relate to services for the operation of the vessel, which include crew, technical, safety, commercial services, among others. The Partnership has elected to account for the lease and non-lease component of time charter agreements as a combined component in its consolidated financial statements, having taken into account that the non-lease components would be accounted for ratably on a straight-line basis over the duration of the time charter and that the lease component is considered as the predominant component. The Partnership qualitatively assessed that more value is ascribed to the vessel rather than to the services provided under the time charter agreements. Such revenues are recognized on a straight line basis at the average minimum lease revenue over the rental periods of such charter agreements, as service is performed.

In case that a change in the terms and conditions of a time charter agreement results in a change in the scope of or the consideration for a lease (for example, a change to the terms and conditions of the contract that adds or terminates the right to use one or more vessels or extends or shortens the contractual lease term), the lease is considered modified. The Partnership assesses whether the lease modification should be accounted as a separate contract or not based as per ASC 842-10-25-8. Specifically, the Partnership accounts for a modification to a lease as a separate contract when both of the following conditions are present:

- The modification grants the charterer an additional right of use not included in the original lease (for example, the right to use an additional asset);
- The lease payments increase commensurate with the standalone price for the additional right of use, adjusted for the circumstances of the particular time charter agreement.

In case any of the above conditions are not met, the Partnership does not account for the modified lease as a separate contract. Specifically, if the original lease and the modified lease are both classified as operating leases (i.e., no change to lease classification), the Partnership recognizes lease payments to be made under the modified lease, adjusted for any prepaid or accrued hire from the original lease, generally on a straight-line basis over the new lease term (i.e., the remaining lease term from the original lease at the date of modification, adjusted for the additional or terminated periods). Any initial direct costs incurred in connection with the modification are recognized as an expense over the new lease term.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

Revenue generated from variable lease payments is recognized in the period when changes in facts and circumstances on which the variable lease payments are based occur. The residual or excess amounts from actually collected hire based on the time charter agreement for each period, if any, is classified as deferred or accrued charter revenue in the accompanying consolidated balance sheets.

All voyage expenses are expensed as incurred, except for commissions. Commissions paid to brokers are deferred and amortized over the related charter period to the extent revenue has been deferred since commissions are earned as the Partnership's revenues are earned.

Unearned revenue includes cash received prior to the balance sheet date for which all criteria to recognize as revenue have not yet been met as at the balance sheet date and, accordingly, is related to revenue earned after such date. Apart from the agreed hire rate, the owner may be entitled to an additional income, such as ballast bonus, which is considered as reimbursement of owner's expenses and is recognized together with the lease component over the duration of the charter. During all years ended December 31, 2025, 2024 and 2023, the amortization of the ballast bonus was \$0.2 million. As of December 31, 2025 and 2024 the total unamortized balance of such ballast bonus was \$46 and \$234, respectively, and is presented in Deferred revenue current and non - current in the Consolidated Balance Sheets.

The Partnership has made an accounting policy election to recognize the related ballast costs, mainly consisting of bunkers, incurred over the period between the charter party date or the prior redelivery date (whichever is latest) and the delivery date to the charterer, as contract fulfilment costs in accordance with ASC 340-40 and amortized over the charter period. During all years ended December 31, 2025, 2024 and 2023, the amortization of the contract fulfilment costs was \$0.2 million. As of December 31, 2025 and 2024 the total unamortized balance of such contract fulfilment costs was \$640 and \$856, respectively, and is presented in Deferred charges current and non - current in the Consolidated Balance Sheets. Voyage expenses, primarily consist of commissions, which are paid by the Partnership as well as port, canal and bunker expenses that are unique to a particular charter and which are paid by the charterer under the time charter arrangements or by the Partnership during periods of off-hire.

Revenues from contracts with customers include compensation from the charterer for services regarding the special survey of the vessels, as per the terms of the charter party agreement and are recognized in accordance with ASC 606, as the performance obligation is satisfied. During the year ended December 31, 2023, revenues from contracts with customers were 11,602.

- (o) **Repairs and Maintenance:** All repair and maintenance expenses including underwater inspection costs are expensed in the period incurred. Such costs are included in vessel operating expenses in the accompanying consolidated statements of income.
- (p) **Earnings Per Unit:** As of December 31, 2025, the Partnership's capital structure consisted of common units, one class of preferred units and a general partner interest. The incentive distribution rights are a separate class of non-voting interests that are currently held by the Partnership's General Partner but, subject to certain restrictions, may be transferred or sold apart from the General Partner's interest. The Partnership calculates basic earnings/ (loss) per each class of units by allocating period distributed and undistributed earnings/ (losses) to the General Partner, limited partners and incentive distribution rights holders using the two-class method and in accordance with the Partnership's Fourth Amended and Restated Limited Partnership Agreement dated October 23, 2018 (the "Limited Partnership Agreement"). Basic earnings/ (losses) per common unit are computed by allocating distributed and undistributed net income/ (losses) available to common unitholders, after subtracting the interest on the Partnership's net income/ (loss) of all classes of preferred unitholders, and the General Partner by the weighted average number of common units outstanding during the year. Any undistributed earnings for the period are allocated to the various unitholders based on the distribution waterfall for cash available for distribution specified in the Limited Partnership Agreement. Where distributions relating to the period are in excess of earnings, the surplus is also allocated according to the cash distribution model. Diluted earnings per common unit reflect the potential dilution that could occur if securities or other contracts to issue units were exercised, if any. The Partnership had no dilutive securities outstanding during the three-year period ended December 31, 2025.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

(q) Segment Reporting: The Partnership's vessel operations segment derives revenues from charterers under time charter agreements of its LNG vessels. The accounting policies of the vessel operations segment are the same as the Partnership's accounting policies. The Partnership's chief operating decision maker, or CODM, is the Chief Executive Officer. Although separate vessel financial information is available, the CODM internally evaluates the performance of the Partnership as a whole and not on the basis of each vessel or charters. In addition, Partnership's vessels regularly move between countries in international waters over many trade routes, it is neither practical nor meaningful to assign revenues or earnings from the transportation of international LNG by geographic area. As a result, the Partnership has determined that it has a single reportable segment.

The CODM measures performance based on the Partnership's overall return to the unitholders based on consolidated net income. The measure of segment assets is reported on the balance sheet as total consolidated assets. The CODM uses net income to evaluate segment assets in deciding whether to reinvest profits into the vessel operations segment or into other strategic activities, such as for acquisitions or to pay dividends.

Consolidated expense information presented within the Consolidated Statements of Income are considered to be significant expenses as they are important to our segment and regularly reported to the CODM.

For the year ended December 31, 2025, we derived our operating revenues from three charterers, each of whom, accounted for 40%, 35%, and 25% of our total revenues. For the year ended December 31, 2024, we derived our operating revenues from three charterers, each of whom, accounted for 39%, 34%, and 27% of our total revenues.

(r) Fair Value Measurements: The Partnership follows ASC 820, "Fair Value Measurements and Disclosures", which defines and provides guidance for the measurement of fair value. This guidance creates a fair value hierarchy of measurement and indicates that, when possible, fair value is the price that would be received in the sale of an asset or the price that would be paid in the transfer of a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable data that are not corroborated by market data (Level 3). For example, the reporting entity's own data has a Level 3 priority because it is not or not yet observable or corroborated by market data. Observable market based inputs or unobservable inputs that are corroborated by market data are classified under Level 2 of the fair value hierarchy. Under the standard, fair value measurements would be separately disclosed by level within the fair value hierarchy. ASC 820 applies when assets or liabilities in the consolidated financial statements are to be measured at fair value, but does not require additional use of fair value beyond the requirements in other accounting principles.

(s) Commitments and Contingencies: Commitments are recognized when the Partnership has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will likely be required to satisfy such obligation and a reliable estimate of the amount of such obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the present value of the expenditure expected to be required to settle the obligation. Contingent liabilities are not recognized in the consolidated financial statements but are disclosed unless there is a remote possibility of an outflow of resources embodying economic benefits. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable (Note 7).

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

- (t) **Accounting for Financial Instruments:** The principal financial assets of the Partnership consist of cash and cash equivalents, amounts due from related parties, other receivable, non-current trade accounts receivable. The principal financial liabilities of the Partnership consist of trade payables, accrued liabilities, long-term other financial liabilities and amounts due to related parties. The Partnership may also consider, from time to time, entering into interest rate swap agreements to manage its exposure to fluctuations of interest rate risk associated with its borrowings. Derivative financial instruments are generally used to manage risk related to fluctuations of interest rates. ASC 815, “Derivatives and Hedging”, requires all derivative contracts to be recorded at fair value, as determined in accordance with ASC 820, Fair Value Measurements and Disclosures (Note 6). The changes in fair value of a derivative contract are recognized in earnings unless specific hedging criteria are met. At the inception of a hedge relationship, the Partnership formally designates and documents the hedge relationship with respect to hedge accounting, the risk management objective and the strategy undertaken for the hedge. The documentation includes identification of the hedging instrument, hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument’s effectiveness in offsetting exposure to changes in the hedged item’s cash flows attributable to the hedged risk. A cash flow hedge is the mitigation of risk exposure resulting from variability in cash flows attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction that could affect profit or loss. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows and are assessed on an ongoing basis to determine whether they actually have been highly effective throughout the financial reporting periods for which they were designated. All derivatives are recorded on the balance sheet as assets or liabilities and measured at fair value. For derivatives designated as cash flow hedges, the effective portion of the changes in fair value of the derivatives is recorded in “Accumulated Other Comprehensive Income/ (Loss)” and subsequently recognized in earnings when the hedged items impact earnings.
- (u) **Derivative Financial Instruments:** The Partnership may enter into an interest rate swap contract to manage its exposure to fluctuations of interest rate risks associated with its loan facility. The Partnership evaluates its interest rate swap arrangements to determine whether the criteria for hedge accounting under ASC 815 are met. Interest rate swaps that are not designated as hedging instruments or do not qualify for hedge accounting are treated as economic hedges. As a result, interest paid or received under the respective undesignated swap agreements is recognized in Gain on derivative financial instrument (Note 11). The undesignated interest rate swaps are recognized in the consolidated financial statements at their fair values, and the gain or loss from changes in the fair values is reported in earnings in the period in which those fair value changes occur in Gain on derivative financial instrument and any related cash settlements are classified under financing activities in the statement of cash flows.
- (v) **Going concern:** The Partnership’s policy is in accordance with ASC 205-40, “Presentation of Financial Statements-Going Concern”. ASC 205-40 provides U.S. GAAP guidance on management’s responsibility in evaluating whether there is substantial doubt about an entity’s ability to continue as a going concern and on related required footnote disclosures. For each reporting period, management is required to evaluate whether there are conditions or events that raise substantial doubt about a company’s ability to continue as a going concern within one year from the date the consolidated financial statements are issued.
- (w) **Sale and Leaseback Transactions:** In accordance with ASC 842, the Partnership, as seller-lessee, determines whether the transfer of an asset should be accounted for as a sale in accordance with ASC 606. The existence of an option for the seller-lessee to repurchase the asset precludes the accounting for the transfer of the asset as a sale unless both of the following criteria are met: (1) the exercise price of the option is the fair value of the asset at the time the option is exercised and (2) there are alternative assets, substantially the same as the transferred asset, readily available in the marketplace; and the classification of the leaseback as a finance lease or a sales-type lease, precludes the buyer-lessor from obtaining control of the asset. If the transfer of the asset meets the criteria of sale, the Partnership, as seller-lessee recognizes the transaction price for the sale when the buyer-lessor obtains control of the asset, derecognizes the carrying amount of the underlying asset and accounts for the lease in accordance with ASC 842. If the transfer does not meet the criteria of sale, the Partnership does not derecognize the transferred asset, accounts for any amounts received as a financing arrangement and recognizes the difference between the amount of consideration received and the amount of consideration to be paid as interest.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

(x) **European Union's Emissions Trading System:** Commencing January 1, 2024, the European Union's Emissions Trading System ("E.U. ETS") was extended to cover Carbon dioxide ("CO₂") emissions from ships over 5,000 gross tons entering E.U. ports. The E.U. ETS covers (a) 50% of emissions from voyages either starting in or ending in an E.U. port, and (b) 100% of emissions from voyages between two E.U. ports or emissions generated while a ship is within an E.U. port. Shipping companies will have to surrender E.U. ETS emissions allowances ("EUA") for each ton of reported CO₂ emissions in the scope of the E.U. ETS. There is a phase-in period for the regulations, as allowances will have to be submitted for 40% of 2024 emissions, 70% of 2025 emissions and 100% of emissions for 2026 and subsequent years. Beginning in 2026, the scope of the E.U. ETS will also be expanded to include Methane ("CH₄") and Nitrus oxide ("N₂O").

The value of the EUAs to be provided to the Partnership under the terms of its agreements with the charterers of its vessels is included in Voyage revenues in the Consolidated Statements of Income. The value of the EUA obligations incurred by the Partnership under the E.U. ETS is included in Voyage expenses in the Consolidated Statements of Income. The EUAs and corresponding obligations are measured at the estimated cost of purchasing the credits from the EUA market, based on the date of completing a voyage. Unfunded EUAs obligations are revalued based upon a market approach utilizing prices published on an EUA market index. For the years ended December 31, 2025 and 2024, the Partnership recorded EUAs amounting to \$3,846 and \$3,071, respectively, under Voyage revenues, and an equal amount under Voyage expenses.

EUAs held by the Partnership and receivable from the charterers are intended to be used to settle its EUA obligations and are accounted within Prepayments and other assets. EUAs relating to 2025 emissions are required to be surrendered to the E.U. authorities in September 2026. This obligation is presented within Accrued liabilities if settlement to the E.U. is due within twelve months of the reporting date, and within Other non-current liabilities if settlement is due after twelve months of the reporting date. As of December 31, 2025, the Partnership presented EUAs amounting to \$3,846, under Prepayments and other assets, and an equal amount under Accrued liabilities.

(y) **Repurchase and Retirement of Partnership's Common Units:** All Partnership's common shares repurchased are immediately cancelled and retired, and the Partnership's share capital is accordingly reduced. The excess of the cost of the common shares over their par value is allocated in additional paid-in capital.

(z) **Redemption of Partnership's Preferred Units:** The Partnership's redeemable preferred units are evaluated under ASC 480, Distinguishing Liabilities from Equity to determine their appropriate classification as equity or liabilities.

Redeemable preferred units that become mandatorily redeemable financial instruments due to the exercise of a redemption option that is legally enforceable and non-cancellable are reclassified from equity to liabilities on the date such redemption becomes effective. Upon reclassification, the redeemable preferred units are measured at fair value, which becomes their initial carrying amount as a financial liability.

Any difference between the carrying value of the redeemable preferred units immediately prior to reclassification and their fair value upon reclassification is recognized as a deemed dividend to common unitholders, resulting in a reduction of common unitholders' equity, in accordance with ASC 260-10-S99-2, and is reflected in the calculation of earnings per unit. Subsequent to reclassification, mandatorily redeemable preferred units are measured at amortized cost until settlement.

Distributions accrued on redeemable preferred units prior to the date on which the redemption becomes legally enforceable are recognized as dividends within equity. Distributions accrued after such date are no longer considered equity dividends and are instead recognized as interest expense in the consolidated statements of income, in accordance with ASC 835-30, Interest.

Accrued but unpaid distributions associated with redeemable preferred units are included in the carrying amount of the related liability and are presented within current liabilities in the consolidated balance sheets.

2. Significant Accounting Policies and Recent Accounting Pronouncements (continued):

Recent Accounting Pronouncements not yet adopted

In November 2024, the FASB issued ASU 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses”. The standard is intended to require more detailed disclosure about specified categories of expenses (including employee compensation, depreciation, and amortization) included in certain expense captions presented on the face of the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to all prior periods presented in the financial statements. The Partnership is currently assessing the impact this standard will have on its consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05, “Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets”. The amendments affect entities that apply the practical expedient when estimating expected credit losses on current accounts receivable and/or current contract assets arising from transactions under Topic 606, including those assets acquired in a transaction accounted for under Topic 805, Business Combinations. In developing reasonable and supportable forecasts as part of estimating expected credit losses, all entities may elect a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments are expected to provide decision-useful information to investors and other financial statement users while reducing the time and effort necessary to analyze and estimate credit losses for current accounts receivable and current contract assets. An entity that elects the practical expedient, should apply the amendments prospectively. The amendments will be effective for annual reporting periods beginning after December 15, 2025 and interim reporting periods within those annual reporting periods. Early adoption is permitted in both interim and annual reporting periods in which financial statements have not yet been issued or made available for issuance. The Partnership is currently assessing the impact this standard will have on its consolidated financial statements and related disclosures.

In November 2025, the FASB issued ASU 2025-09, “Derivatives and Hedging (Topic 815): Hedge Accounting Improvements”, to clarify and enhance hedge accounting guidance, targeting improved alignment with risk management practices and addressing issues from global reference rate reform. At this stage, the Partnership has not yet determined the expected impact of adopting ASU 2025-09 on its financial position, results of operations, cash flows, or related disclosures. The Partnership is currently assessing the impact this standard will have on its consolidated financial statements and related disclosures.

In December 2025, the FASB issued ASU 2025-12, “Codification Improvements”. The standard is intended to make technical corrections, clarifications, and minor updates across various Topics in GAAP to improve clarity and application without significant changes to current practices. The amendments affect all reporting entities within the scope of the guidance and cover areas such as earnings per share, leases, investments, and income taxes. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within those annual reporting periods. Early adoption is permitted with optional prospective or retrospective application on an-issue-by issue basis. The Partnership evaluated the impact of this ASU on its financial statements and determined that there is no effect on its consolidated financial statements.

3. Transactions with related parties:

During the years ended December 31, 2025, 2024 and 2023, the Partnership incurred the following charges in connection with related party transactions, which are included in the accompanying consolidated statements of income:

	Years ended December 31,		
	2025	2024	2023
Included in voyage expenses – related party			
Charter hire commissions (a)	\$ 1,935	\$ 1,983	\$ 1,860
Included in general and administrative expenses - related party			
Executive services fee (c)	\$ 603	\$ 583	\$ 581
Administrative services fee (d)	\$ 120	\$ 120	\$ 120
Management fees-related party			
Management fees (a)	\$ 6,778	\$ 6,599	\$ 6,389

As of December 31, 2025, and December 31, 2024, balances with related parties consisted of the following:

	Year ended December 31,	
	2025	2024
Assets:		
Working capital advances granted to the Manager (a)	\$ 1,685	\$ 1,189
Other Partnership expenses due from Manager	190	—
Security deposits to Manager (a)	\$ 1,350	\$ 1,350
Total assets due from related party	\$ 3,235	\$ 2,539
Liabilities:		
Administrative service charges due to Manager (d)	\$ —	\$ 30
Other Partnership expenses due to Manager	\$ —	\$ 669
Total liabilities due to related party, current	\$ —	\$ 699

a) Dynagas Ltd.

On March 3, 2021, the Partnership entered into a new master management agreement (the “Master Agreement”) with Dynagas Ltd. (the “Manager”), which includes a standard set of terms for technical and commercial management services applicable to our vessels (the “Management Agreements”), and which amended and superseded the agreements previously in place. Commencing January 1, 2021, management fees payable were \$2.8 per day per vessel. Beginning on the first calendar year after the commencement of Master Agreement and each calendar year thereafter, these fees were, and will be, adjusted upwards by 3%, subject to further annual increases to reflect material unforeseen costs of providing the management services. The amount of such further-increase is to be agreed between the Partnership and the Manager, which amount will be reviewed and approved by the Partnership’s Conflicts Committee. Under the terms of the Master Agreement, the Manager charges the Partnership for any additional capital expenditures, financial costs, operating expenses and general and administrative expenses that are not covered by the management fees.

The Master Agreement initially terminates on December 31, 2030 and upon expiration, automatically extends in additional five-year increments if notice of termination is not previously provided by the Partnership’s vessel-owning subsidiaries. In the event the Master Agreement is terminated for any reason other than default by the Manager, the applicable management fee under the Master Agreement shall continue to be payable for a further period of six months as from the effective date of such termination.

3. Transactions with related parties (continued):

The Manager may also terminate the Master Agreement in the event that the Partnership undergoes a change of control, in which case, subject to and pursuant to the terms of the Master Agreement, the Partnership would be required to pay to the Manager an amount equal to the net present value calculated at a discount rate of 5% per annum of the total aggregate management fees payable from the date of such termination to June 30th in the tenth year following the date of termination based on the number of vessels managed at the date of termination (as contemplated under the Master Agreement).

During the years ended December 31, 2025, 2024 and 2023, each vessel was charged a daily management fee of \$3.1, \$3.0 and \$2.9, respectively. During the years ended December 31, 2025, 2024 and 2023, management fees under the Master Agreement amounted to \$6,778, \$6,599 and \$6,389 respectively, and are separately reflected in the accompanying consolidated statements of income.

The Master Agreement also provides for a commission of 1.25% over charter-hire agreements arranged by the Manager. During the years ended December 31, 2025, 2024 and 2023, charter hire commissions under the Management Agreements amounted to \$1,935, \$1,983 and \$1,860, respectively, and are included in Voyage expenses-related party in the accompanying consolidated statements of income.

The Master Agreement and the previous Management Agreements also provide for an advance equal to three months daily management fee. In the case of termination of the Master Agreement prior to its ten year term, by any reason other than Manager's default, the advance is not refundable. Such advances as of December 31, 2025 and 2024, amounted to \$1,350, and are separately reflected in Non-Current Assets as Due from related party in the accompanying consolidated balance sheets.

In addition, the Manager makes payments for operating expenses with funds provided by the Partnership. As of December 31, 2025 and 2024, an amount of \$1,685 and \$1,189, respectively, was due from the Manager in relation to these operating expenses respectively.

(b) Omnibus Agreement

At the IPO date, the Partnership and its Sponsor entered into the Omnibus Agreement, as amended and as currently in effect. The amended Omnibus Agreement sets out (i) the terms and the extent the Partnership and the Sponsor may compete with each other, (ii) the procedures to be followed for the exercise of the Partnership's option to acquire the Optional Vessels (as defined in the Omnibus Agreement), (iii) certain rights of first offer to the Sponsor for the acquisition of LNG carriers from the Partnership, and (iv) the Sponsor's provisions of certain indemnities in favor of the Partnership. The purchase option periods with regards to the Optional Vessels that were not exercised have expired unexercised.

(c) Executive Services Agreement

On March 21, 2014, the Partnership entered into an executive services agreement (the "Executive Services Agreement") with its Manager with retroactive effect from the IPO closing date, pursuant to which the Manager provides the Partnership the certain services of its executive officers, who report directly to the Board of Directors. Under the Executive Services Agreement, the Manager is entitled to an executive services fee of €538,000 per annum (or \$583 on the basis of an annual average Euro/US Dollar exchange rate of €1.0000/\$1.1209 as of December 31, 2025), payable in equal monthly installments. The Executive Services Agreement had an initial term of five years and, on November 18, 2018, was automatically renewed for successive five year terms, unless terminated earlier. During the years ended December 31, 2025, 2024 and 2023, executive service fees amounted to \$603, \$583 and \$581, respectively, and are included in general and administrative expenses in the accompanying consolidated statements of income.

(d) Administrative Services Agreement

On December 30, 2014 and with effect from the IPO closing date, the Partnership entered into an administrative services agreement (the "Administrative Services Agreement") with its Manager, according to which the Partnership is provided with certain financial, accounting, reporting, secretarial and information technology services, for a monthly fee of \$10, plus expenses, payable in quarterly installments. The Administrative Services Agreement can be terminated upon 120 days' notice granted either by the Partnership's Board of Directors or by its Manager. During the years ended December 31, 2025, 2024 and 2023, administrative service fees amounted to \$120 for each year and are included in general and administrative expenses – related party in the accompanying consolidated statements of income.

4. Vessels, net:

The amounts in the accompanying consolidated balance sheets are analyzed as follows:

	Vessel Cost	Accumulated Depreciation	Net Book Value
Balance December 31, 2022	\$ 1,171,630	\$ (346,525)	\$ 825,105
Additions	4,204	—	4,204
Depreciation	—	(31,946)	(31,946)
Balance December 31, 2023	\$ 1,175,834	\$ (378,471)	\$ 797,363
Depreciation	—	(32,151)	(32,151)
Balance December 31, 2024	\$ 1,175,834	\$ (410,622)	\$ 765,212
Depreciation	—	(32,064)	(32,064)
Balance December 31, 2025	\$ 1,175,834	\$ (442,686)	\$ 733,148

During the year ended December 31, 2023, the Partnership installed a ballast water treatment system (“BWTS”), on three of its vessels. The cost of the BWTS in the year ended December 31, 2023, amounted to \$4,204. The cost of the BWTS was accounted as major improvement and was capitalized to vessels’ cost and will be depreciated over the remaining useful life of each vessel. Amounts paid for the additions are included in “Ballast water treatment system installation” under “Cash flows used in investing activities” in the consolidated statements of cash flows.

5. Other Financial Liabilities:

The amounts shown in the accompanying consolidated balance sheets are analyzed as follows:

	Year Ended December 31,	
	2025	2024
Debt instruments		
Long-term other financial liabilities	278,724	322,891
Total other financial liabilities	\$ 278,724	\$ 322,891
Less deferred financing fees	(1,651)	(2,174)
Total other financial liabilities, net of deferred financing fees	\$ 277,073	\$ 320,717
Less current portion, net of deferred financing fees	(43,710)	(43,644)
Long-term other financial liabilities, net of current portion and deferred financing fees	\$ 233,363	\$ 277,073

Other Financial Liabilities - Sale and Leaseback Transactions

CDBL Sale and Leaseback (Failed Sale)

On June 19, 2024, the Partnership entered into sale and leaseback agreements with China Development Bank Financial Leasing Co. Ltd. (“CDBL”) for four of its vessels, the OB River, the Clean Energy, the Amur River, and the Arctic Aurora (“the Four Vessels”) for the amounts of \$71,175, \$53,625, \$73,125 and \$147,050, respectively (the “Lease Financing”). On June 27, 2024, the Partnership utilized the proceeds from the Lease Financing, together with \$63,667 of its own funds, to fully repay its \$675 Million Credit Facility. The Partnership sold and chartered back on a bareboat basis from CDBL, the OB River, the Clean Energy and the Amur River for a period of five years, and the Arctic Aurora for a period of ten years. The applicable interest rate is 3-month term SOFR plus a margin. Following the first anniversary of the bareboat charter, the Partnership has the option at any time to repurchase each vessel at predetermined prices as set forth in each respective agreement. At the end of the bareboat period, the Partnership has the obligation to repurchase the vessels at a price equal to the 20% of the financing amount for the OB River, the Clean Energy and the Amur River and the 15% of the financing amount for the Arctic Aurora.

Under ASC 842-40, the transaction was accounted for as a financial liability, as control remains with the Partnership and the Four Vessels will continue to be recorded as assets on the Partnership’s balance sheet. The Partnership is required to maintain at all times a value maintenance ratio of at least 120% of the charterhire principal. The charterhire principal amortizes in 20 consecutive quarterly installments paid in arrears for the OB River, the Clean Energy and the Amur River and 40 consecutive quarterly installments paid in arrears for the Arctic Aurora. The total charterhire principal as of December 31, 2025 was \$278,724.

5. Other Financial Liabilities (continued):

As of December 31, 2025, the Partnership was in compliance with all financial covenants and non-financial covenants prescribed in CDBL Sale and Leaseback agreements. The annual principal payments for the Partnership's outstanding Lease Financing as at December 31, 2025, required to be made after the balance sheet date were as follows:

Year ending December 31,	Amount
2026	44,167
2027	44,167
2028	44,167
2029	67,918
2030 and thereafter	78,305
Total long-term other financial liabilities	\$ 278,724

The weighted average interest rate on the Partnership's long-term debt and other financial liabilities for the years ended December 31, 2025, 2024 and 2023, was 6.43%, 7.86% and 8.07%, respectively.

Total interest incurred on long-term debt and other financial liabilities for the years ended December 31, 2025, 2024 and 2023, amounted to \$19,925, \$30,040 and \$37,387, respectively, and is included in Interest and finance costs (Note 10) in the accompanying consolidated statements of income.

6. Fair Value Measurements:

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

- **Cash and cash equivalents, trade accounts receivable, amounts due from related parties and trade accounts payable:** The carrying values reported in the accompanying consolidated balance sheets for those financial instruments (except for the fair value of non-current portion of amounts due from related party) are considered Level 1 items as they represent liquid assets and liabilities with short-term maturities and are reasonable estimates of their fair values. The carrying value of these instruments is separately reflected in the accompanying consolidated balance sheets. The fair value of the non-current portion of the amounts due from related parties and other receivables, non-current, determined through Level 3 inputs of the fair value hierarchy by discounting future cash flows using the Partnership's estimated cost of capital of 6.46%, is \$988 as of December 31, 2025, compared to their carrying value of \$1,350 as of the same date.
- **Long-term other financial liabilities:** The CDBL Sale and Leaseback discussed in Note 5 has an approximate recorded value due to the variable interest rate payable and is thus considered a Level 2 item in accordance with the fair value hierarchy as SOFR rates are observable at commonly quoted intervals for the full terms of the financial liabilities. The fair value of the CDBL Sale and Leaseback approximates its recorded value, due to its variable interest rates.

A fair value hierarchy that prioritizes the inputs used to measure fair value has been established by Generally Accepted Accounting Principles. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement). This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2: Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data; and
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the determination of the fair value of the assets or liabilities.

7. Commitments and Contingencies:

(a) Long-term leases:

The Partnership employs its vessels under time charter contracts. Certain of its time charters provide for variable lease payments, escalating lease payments, charterers' options to extend the lease terms, termination clauses and charterers' options to purchase the underlying assets. The Partnership, in order to calculate future minimum contracted lease payments, has assessed all the relevant factors that create an economic incentive for the lessee to be reasonably certain to exercise lease renewal, termination or purchase options.

As at December 31, 2025, two of the Partnership's time charters contain escalating lease payments and two of its time charters contain both fixed lease and variable lease payments. The variable lease payments relate to services and executory costs (the "Opex Lease Element"). The Opex Lease Element is determined on a cost pass through basis on the vessel's actual operating expenses for each applicable year. Under time charters, the vessels are employed for a specific period of time in accordance with the terms of each agreement. Normally, the charterer has the option to redeliver the vessel to the owner in a period that varies a few days more or less from the contractual termination date. For certain of its time charters, the Partnership has provided to its charterers, the option to extend the lease term for additional periods under the same or different terms. The options are exercised close to the original termination dates.

Specifically, as at December 31, 2025 under two of its time charters, the charterer has the option to extend the original lease term by three consecutive periods of five years, the first declared at the original termination date and each of the two remaining at or close to the termination of each option period. Certain time charters are subject to the satisfaction of important conditions, which, if not satisfied, or waived by the charterer, may result in their cancellation or amendment and in such case the Partnership may not receive the contracted revenues thereunder.

The Partnership assessed the respective termination clauses and concluded that the lease term is not affected. In addition, under certain time charters and, upon certain circumstances triggering a sanctions event, as defined therein, the charterers have the option to purchase the vessels unless the Partnership can remediate such event.

The Partnership's maturity analysis of future minimum contracted lease payments (excluding variable lease payments) under its non-cancelable long-term time charter contracts, as of December 31, 2025, gross of brokerage commissions, without taking into consideration any assumed off-hire days (including those arising out of periodical class survey requirements), is as analyzed below:

<u>Year ending December 31,</u>	<u>Amount</u>
2026	145,269
2027	144,252
2028	93,247
2029	73,037
2030 and thereafter	284,345
Total	\$ 740,150

(b) Legal Proceedings:

Various claims, suits, and complaints, including those involving government regulations and product liability, arise in the ordinary course of the shipping business. In addition, losses may arise from disputes with charterers, agents, insurance and other claims with suppliers relating to the operations of the Partnership's vessels.

Currently, management is not aware of any such claims not covered by insurance or contingent liabilities which should be disclosed (other than that referred below) or for which a provision should be established in the accompanying consolidated financial statements. The Partnership accrues for the cost of environmental liabilities when management becomes aware that a liability is probable and is then able to reasonably estimate the probable exposure. Currently, management is not aware of any such claims or contingent liabilities, which should be disclosed, or for which a provision should be established in the accompanying consolidated financial statements. The Partnership is covered in the event of any liabilities associated with the individual vessels' actions up to the maximum limits as provided for by the Protection and Indemnity (P&I) Clubs, members of the International Group of P&I Clubs.

7. Commitments and Contingencies (continued):

(c) Technical and Commercial Management Agreement:

As further disclosed in Note 3, the Partnership has contracted with Dynagas Ltd. for the provision of commercial, administrative and technical management of its vessels pursuant to the Master Agreement.

- a) For the commercial services provided under the Master Agreement, the Partnership pays a commission of 1.25% over the charter-hire revenues arranged by the Manager, which will survive the termination of the agreement until the termination of each charter party in force at such time. The estimated commission payable to the Manager over the minimum contractual charter revenues, discussed under (a) above, is \$9,252.
- b) Management fees for the period from January 1, 2026 to the date of the expiration of the agreements on December 31, 2030, adjusted for the 3% annual inflation in accordance with the terms of the Management Agreements, are estimated to amount to \$37,087.

8. Partners' Equity:

Series A Preferred Units:

On July 20, 2015, the Partnership concluded an underwritten public offering of 3,000,000 9% Series A Preferred Units, representing limited partner interests in the Partnership, at a liquidation preference of \$25.00 per unit. The Partnership received \$72.3 million of proceeds from this offering, net of the \$2.4 million underwriting discount of and incurred offering expenses of \$0.3 million.

Series B Preferred Units:

On October 23, 2018, the Partnership concluded the underwritten public offering of 2,200,000 Series B Preferred Units, representing limited partner interests in the Partnership, at a liquidation preference of \$25.00 per unit. The Partnership received net proceeds of \$53.0 million from this offering, after deducting underwriters' discounts and commissions and offering expenses, which amounted to \$2.0 million.

Concurrently with the conclusion of the Series B Preferred Units Public Offering, the Partnership entered into the Limited Partnership Agreement in order to, among others, conform its provisions to the terms and provisions related to the issuance of the Series B Preferred Units and to remove references to subordinated units and subordinated period that are no longer in effect.

As of December 31, 2025, the Partnership had 36,382,011 common units, 15,595,000 of which are owned by the Sponsor, 3,000,000 Series A Preferred Units and 35,526 general partner units issued and outstanding.

Common and General Partner unit distribution provisions:

The Partnership pays distributions in the following manner:

- *first*, 100% to the holders of common units and to the General Partner in accordance with their relative percentage interests, until the distributed amount in respect of each common unit equals the minimum quarterly distribution; and
- *second*, 100% to the holders of common units and to the General Partner in accordance with their relative percentage interests, until each unit has received an aggregate distribution of a specified dollar amount.

8. Partners' Equity (continued):

The percentage allocations of available cash from operating surplus among the common unitholders, the General Partner and the holders of the incentive distribution rights up to the various target distribution levels are illustrated below. The percentage interests shown for the common unitholders, the General Partner and the holders of the incentive distribution rights for the minimum quarterly distribution are also applicable to quarterly distribution amounts that are less than the minimum quarterly distribution. The percentage interests shown for our General Partner include its 0.1% General Partner interest only and assumes that our General Partner has contributed any capital necessary to maintain its 0.1% General Partner interest. Under the Limited Partnership Agreement, the holder of the incentive distribution rights in the Partnership, which is currently the General Partner, has the right to receive an increasing percentage of cash distributions after the first target distribution level.

	Total Quarterly Distribution Target Amount	Unitholders	General Partner	Holders of IDRs
Minimum Quarterly Distribution	\$0.365	99.9 %	0.1 %	0.0 %
First Target Distribution	up to \$0.420	99.9 %	0.1 %	0.0 %
Second Target Distribution	above \$0.420 up to \$0.456	85.0 %	0.1 %	14.9 %
Third Target Distribution	Above \$0.456 up to \$0.548	75.0 %	0.1 %	24.9 %
Thereafter	above \$0.548	50.0 %	0.1 %	49.9 %

Preferred Units distribution and redemption provisions:

Distributions on the Series A Preferred Units are cumulative from the date of original issue and are payable quarterly on February 12, May 12, August 12 and November 12, of each year, when, as and if declared by the Partnership's Board of Directors out of amounts legally available for such purpose. Distributions are payable at a distribution rate of 9.00% per annum of the stated liquidation preference.

Any time on or after August 12, 2020, the Series A Preferred Units may be redeemed, in whole or in part, at the Partnership's option, out of amounts legally available for such purpose, at a redemption price of \$25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. No Series A Preferred Units were redeemed as of December 31, 2025 and 2024.

Distributions on the Series B Preferred Units were cumulative from the date of original issue and were payable quarterly on February 22, May 22, August 22 and November 22, of each year, when, as and if declared by the Partnership's Board of Directors out of amounts legally available for such purpose. Furthermore, distributions on the Series B Preferred Units were payable (i) from and including the original issue date to, but excluding, November 22, 2023 at a fixed rate equal to 8.75% per annum of the stated liquidation preference per unit and (ii) from and including November 22, 2023 at a floating rate equal to the Term Secured Overnight Financing Rate for the applicable three month tenor published by the Chicago Mercantile Exchange plus the Credit Adjusted Three-Month CME Term SOFR plus a spread of 5.593% per annum of the stated liquidation preference per unit.

The Series B Preferred Units were redeemable, in whole or in part, at any time on or after November 22, 2023, at the Partnership's option, out of amounts available for such purpose, at a redemption price of \$25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. As of December 31, 2025 the Series B Preferred Units were redeemed in full.

The Series A Preferred Units represent perpetual equity interests in the Partnership and, unlike the Partnership's indebtedness, do not give rise to a claim for payment of a principal amount at a particular date. The Series A Preferred Units rank pari passu with the Series B Preferred Units (of which none are outstanding as of the date of issuance of the financial statements to which these notes relate). Both the Series A Preferred Units and the Senior B Preferred Units (of which none are outstanding as of the date of issuance of the financial statements to which these notes relate) rank senior to the Partnership's common units and to each other class or series of limited partner interests or other equity established after the original issue date of the Series A Preferred Units and the Series B Preferred Units that is not expressly made senior to or on a parity with the Series A Preferred Units and the Series B Preferred Units as to payment of distributions. The Series A Preferred Units and the Series B Preferred Units are rank junior to all of the Partnership's existing and future indebtedness. The interests of the holders of Series A Preferred Units or Series B Preferred Units could be diluted by the issuance of additional preferred units, including additional Series A Preferred units or Series B Preferred Units, and by other transactions.

8. Partners' Equity (continued):

Common units repurchase program:

On November 21, 2024, the Partnership's Board of Directors authorized a Common Unit Repurchase Program (the "2024 Common Unit Repurchase Program"), which authorized the repurchase of up to an aggregate of \$10 million of the Partnership's outstanding common units over 12 months and expired on November 21, 2025. During the years ended December 31, 2025 and 2024, the Partnership repurchased 365,118 common units and 55,118 common units for a total amount of \$1,322 and \$247, respectively, under the 2024 Common Unit Repurchase Program.

On November 24, 2025, the Partnership's Board of Directors authorized a new Common Unit Repurchase Program (the "2025 Common Unit Repurchase Program"), which authorizes the repurchase of up to an aggregate of \$10 million of the Partnership's outstanding common units over the following 12 months. The 2025 Common Unit Repurchase Program replaced the 2024 Common Unit Repurchase Program, which expired on November 21, 2025. Repurchases of common units under the 2025 Common Unit Repurchase Program may be made, from time to time, in privately negotiated transactions, in open market transactions, or by other means, including through trading plans intended to qualify under Rule 10b-18 and/or Rule 10b5-1 of the U.S. Securities Exchange Act of 1934, as amended. The amount and timing of any repurchases made under the 2025 Common Unit Repurchase Program will be in the sole discretion of the Partnership's management team, and will depend on a variety of factors, including legal requirements, market conditions, other investment opportunities, available liquidity, and the prevailing market price of the common units. The 2025 Common Unit Repurchase Program does not obligate the Partnership to repurchase any dollar amount or number of common units and the 2025 Common Unit Repurchase Program may be suspended or discontinued at any time at the Partnership's discretion. During the year ended December 31, 2025, the Partnership did not repurchase any units as part of the 2025 Common Unit Repurchase Program.

Full Redemption of Series B Preferred Units

On May 27, 2025, the Partnership issued, a notice of full redemption to the holders of its 8.75% Series B Fixed to Floating Rate Cumulative Redeemable Perpetual Preferred Units (NYSE:DLNG PRB) (CUSIP No. Y2188B124) (the "Series B Preferred Units"), notifying such holders that the Partnership has elected to exercise its option to redeem all of the issued and outstanding Series B Preferred Units on July 25, 2025 (the "Redemption Date" and such redemption, the "Redemption").

On July 25, 2025 the Partnership redeemed all of the issued and outstanding Series B Preferred Units. The redemption price was equal to \$25.00 per redeemed Series B Preferred Unit, plus \$0.45258267, an amount equal to all accumulated and unpaid distributions thereon to the Redemption Date, whether or not declared, which was paid in cash on the Redemption Date.

According to the terms of issuance, this redemption option became effective on May 27, 2025, and upon exercise, the redemption became legally enforceable and non-cancellable. Under ASC 480, the Series B Preferred Units meet the definition of a mandatorily redeemable financial instrument, as of May 27, 2025, and as such the Partnership reclassified an amount equal to the fair value of the Series B Preferred Units, which was \$55,528, from equity to current liabilities. The fair value was determined through Level 1 inputs, based on the traded price of the Series B Preferred Units as of May 27, 2025. Pursuant to ASC 260-10-S99-2, the difference between the carrying value of the redeemed Series B Preferred Units and their fair value, netted off by the difference between the fair value and the redemption price, amounting to \$1,503, in total, was recognized as a reduction of Common unitholders' equity as a deemed dividend, and has been considered in the calculation of Earning per unit (Note 9). The Series B Preferred Units were subsequently measured at amortized cost.

Distributions accrued from May 22, 2025 to May 27, 2025 amounting to \$93.0 were recorded as dividends within equity. Distributions accrued after May 27, 2025, no longer represented equity dividends but rather interest expense associated with the financial liability (ASC 835-30). The dividends from May 27, 2025 up to July 25, 2025, amounting to \$902.3, were recognized as interest expense (Note 10).

Common unit distributions:

On February 6, 2025, the Board of Directors approved a quarterly cash distribution, for the quarter ended December 31, 2024, of \$0.049 per common unit, which was paid on February 27, 2025, to all unitholders of record as of February 24, 2025.

On May 7, 2025, the Board of Directors approved a quarterly cash distribution, for the quarter ended March 31, 2025, of \$0.049 per common unit, which was paid on May 23, 2025, to all unitholders of record as of May 19, 2025.

8. Partners' Equity (continued):

On August 7, 2025, the Board of Directors approved a quarterly cash distribution, for the quarter ended June 30, 2025, of \$0.049 per common unit, which was paid on August 29, 2025, to all unitholders of record as of August 25, 2025.

On October 29, 2025, the Board of Directors approved a quarterly cash distribution, for the quarter ended September 30, 2025, of \$0.050 per common unit, which was paid on November 14, 2025, to all unitholders of record as of November 10, 2025.

Series A Preferred unit distributions:

On January 21, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.5625 per unit on its Series A Preferred Units for the period from November 12, 2024 to February 11, 2025. The cash distribution was paid on February 12, 2025, to all Series A preferred unitholders of record as of February 5, 2025.

On April 22, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.5625 per unit on its Series A Preferred Units for the period from February 12, 2025 to May 11, 2025. The cash distribution was paid on May 12, 2025, to all Series A preferred unitholders of record as of May 5, 2025.

On July 23, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.5625 per unit on its Series A Preferred Units for the period from May 12, 2025 to August 11, 2025. The cash distribution was paid on August 12, 2025, to all Series A preferred unitholders of record as of August 5, 2025.

On October 22, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.5625 per unit on its Series A Preferred Units for the period from August 12, 2025 to November 11, 2025. The cash distribution was paid on November 12, 2025, to all Series A preferred unitholders of record as of November 4, 2025.

Series B Preferred unit distributions:

On February 4, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.677286319 per unit on its Series B Preferred Units for the period from November 22, 2024 to February 23, 2025. The cash distribution was paid on February 24, 2025, to all Series B Preferred unitholders of record as of February 14, 2025.

On April 28, 2025, the Partnership's Board of Directors declared a cash distribution of \$0.614808 per unit on its Series B Preferred Units for the period from February 24, 2025 to May 22, 2025. The cash distribution was paid on May 22, 2025, to all Series B Preferred unitholders of record as of May 15, 2025.

General Partner Distributions:

During the years ended December 31, 2025 and 2024, the Board of Directors approved a quarterly cash distribution to its General Partner and holder of the incentive distribution rights in the Partnership, of an amount of \$7 and \$2, respectively.

9. Earnings per Unit:

The Partnership calculates earnings per unit by allocating distributed and undistributed net income for each period to common and general partner units, after adjusting for the effect of preferred distributions, only to the extent that they are earned.

Any undistributed earnings for the period are allocated to the various unitholders based on the distribution waterfall for cash available for distribution specified in the Limited Partnership Agreement, as generally described in Note 8 above. Where distributions relating to the period are in excess of earnings, the deficit is also allocated according to the cash distribution model. The sum of the distributed amounts and the allocation of the undistributed earnings or deficit to each class of unitholders is divided by the weighted average number of units outstanding during the period. Diluted earnings per unit, if applicable, reflects the potential dilution that could occur if potentially dilutive instruments were exercised, resulting in the issuance of additional units that would then share in the Partnership's net earnings. The Partnership had no dilutive instruments in the years ended December 31, 2025, 2024 and 2023.

9. Earnings per Unit (continued):

The calculations of the basic and diluted earnings per common unit are presented below:

	Year ended December 31,		
	2025	2024	2023
Partnership's Net income	\$ 61,645	\$ 51,591	\$ 35,872
Less:			
Net Income attributable to preferred unitholders	9,686	12,978	11,563
General Partner's interest in Net Income	49	38	24
Deemed dividend on redeemable Series B Preferred Units (Note 8)	1,503	—	—
Net income attributable to common unitholders	\$ 50,407	\$ 38,575	\$ 24,285
Weighted average number of common units outstanding, basic and diluted	36,557,558	36,799,490	36,802,247
Earnings per common unit, basic and diluted	\$ 1.38	\$ 1.05	\$ 0.66

10. Interest and Finance Costs:

The amounts in the accompanying consolidated statements of income are analyzed as follows:

	Year ended December 31,		
	2025	2024	2023
Interest expense (Note 5)	\$ 19,925	\$ 30,040	\$ 37,387
Amortization of deferred financing fees	523	1,022	1,667
Series B Preferred Units Interest (Note 8)	902	—	—
Other	—	114	156
Total	\$ 21,350	\$ 31,176	\$ 39,210

11. Derivative financial instrument:

On May 7, 2020, the Partnership entered into a floating to fixed interest rate swap transaction with a leading international bank, for the purpose of managing its exposure to LIBOR variability that the Partnership had under the \$675 Million Credit Facility. The swap transaction, which was effective from June 29, 2020, provided for a fixed 3-month LIBOR rate of 0.41% based on notional values that reflect the amortization schedule of 100% of the Partnership's debt outstanding under its \$675 Million Credit Facility, until the \$675 Million Credit Facility matures in September 2024. The swap agreement did not meet hedge accounting criteria and, therefore, changes in its fair value are reflected in earnings. On June 21, 2023 the Partnership signed an agreement with its counterparty for the replacement of the abovementioned fixed 3-month LIBOR rate with the fixed 3-month SOFR rate due to the discontinuation of the LIBOR. The swap agreement expired in September 2024.

For the years ended as of December 31, 2024 and 2023, the Partnership recognized a net gain on derivative financial instruments of \$1.8 million and \$5.3 million respectively, which is included in Gain on derivative financial instruments in the accompanying consolidated statements of income as presented in the table below.

The realized gain on non-hedging interest rate swaps included in Gain on derivative financial instrument which is presented in the Consolidated Statements of Income, amounted to a gain of \$17.5 million and \$24.6 million for the years ended December 31, 2024 and 2023, respectively.

11. Derivative financial instrument (continued):

Tabular Disclosure of Derivatives Location

Derivatives are recorded in the balance sheet on a net basis by counterparty when a legal right of setoff exists. The following tables present information with respect to the fair values of the derivative instrument reflected in the balance sheet on a gross basis by transaction. The tables also present information with respect to gains on derivative positions reflected in the Consolidated Statements of Income.

Derivatives Instruments not designated as Hedging Instruments – Net effect on the Consolidated Statements of Income

Derivative	Net Realized and Unrealized Gain Recognized on Statement of Income Location	Amount		
		2025	2024	2023
Interest rate swap	Gain on derivative instruments	\$ —	\$ 1,755	\$ 5,267
Total		\$ —	\$ 1,755	\$ 5,267

12. Taxes:

Under the laws of the countries of the Partnership and its subsidiaries' incorporation and / or vessels' registration, the Partnership and its subsidiaries are not subject to tax on international shipping income; however, they are subject to registration and tonnage taxes, which are included in Vessel operating expenses in the accompanying consolidated statements of income. In addition, effective January 1, 2013, each foreign flagged vessel managed in Greece by Greek or foreign ship management companies is subject to Greek tonnage tax, under the laws of the Hellenic Republic. The technical manager of the Partnership's vessels, Dynagas Ltd., an affiliate (Note 3(a)) which is established in Greece under Greek Law 89/67 is responsible for the filing and payment of the respective tonnage tax on behalf of the Partnership. These tonnage taxes for the years ended December 31, 2025, 2024 and 2023, amounted to \$438, \$366 and \$432, respectively and are included in Vessel operating expenses in the accompanying consolidated statements of income.

Pursuant to the Internal Revenue Code of the United States (the "Code"), U.S. source income from the international operations of ships is generally exempt from U.S. tax if the Partnership operating the ships meets both of the following requirements: (a) the Partnership is organized in a foreign country that grants an equivalent exemption to corporations organized in the United States and exempts the type of income earned by the vessel owning Partnership and (b) either (i) more than 50% of the value of the Partnership's stock is owned, directly or indirectly, by individuals who are "residents" of the Partnership's country of organization or of another foreign country that grants an "equivalent exemption" to corporations organized in the United States (50% Ownership Test) or (ii) the Partnership's stock is "primarily and regularly traded on an established securities market" in its country of organization, in another country that grants an "equivalent exemption" to United States corporations, or in the United States (Publicly-Traded Test). Additionally, the Partnership must meet all of the documentation requirements as outlined in the regulations.

The Partnership and each of its subsidiaries expects to qualify for this statutory tax exemption for the 2025, 2024 and 2023 taxable years, and the Partnership takes this position for United States federal income tax return reporting purposes. In the absence of an exemption under Section 883, based on its U.S. source shipping income, for 2025, 2024 and 2023, the Partnership would be subject to U.S. federal income tax of approximately \$52, \$258 and \$10, respectively.

13. Subsequent Events:

- (a) **Quarterly Series A Preferred unit cash distribution:** On January 21, 2026, the Partnership's Board of Directors declared a cash distribution of \$0.5625 per unit on its Series A Preferred Units for the period from November 12, 2025 to February 11, 2026. The cash distribution was paid on February 12, 2026, to all Series A preferred unitholders of record as of February 5, 2026.
- (b) **Quarterly Common unit cash distribution:** On February 10, 2026, the Board of Directors approved a quarterly cash distribution, for the quarter ended December 31, 2025, of \$0.050 per common unit, which was paid on February 27, 2026, to all unitholders of record as of February 23, 2026.

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE U.S. SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

Dynagas LNG Partners LP (the "Partnership") has two classes of securities registered under Section 12 of the U.S. Securities Exchange Act of 1934, as amended:

1. Common Units representing limited partnership interests ("Common Units"); and
2. 9.00% Series A Cumulative Redeemable Preferred Units ("Series A Preferred Units").

The following description sets forth certain material provisions of these securities. The following summary does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of the Partnership's Certificate of Limited Partnership (the "Certificate of Limited Partnership") and Fourth Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), each of which is incorporated by reference as an exhibit to the Annual Report on Form 20-F of which this Exhibit is a part. Please refer to the Certificate of Limited Partnership and the Partnership Agreement for additional information. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Partnership Agreement.

DESCRIPTION OF COMMON UNITS

Under the Partnership Agreement, the Partnership may issue an unlimited number of Common Units or other equity interests in the Partnership (which may be senior to existing classes and series of Partnership Interests), subject to any approvals required by the Series A Holders, and certain other limitations.

Voting Rights

Each outstanding Common Unit is entitled to one vote on matters subject to a vote of holders of Common Units (the "Common Unitholders"). However, if at any time, any Person or Group owns beneficially more than 4.9% of any class of units then outstanding, any such units owned by that Person or Group in excess of 4.9% may not be voted on any matter and will not be considered to be outstanding when sending notices of a meeting of Limited Partners, calculating required votes (except for purposes of nominating a person for election to the Partnership's board of directors (the "Board of Directors")), determining the presence of a quorum or for other similar purposes under the Partnership Agreement, unless otherwise required by law. The General Partner, its Affiliates and persons who acquired Partnership Interests with the prior approval of the Board of Directors will not be subject to this 4.9% limitation except with respect to voting their Common Units in the election of the elected directors.

Common Unitholders will have no right to elect the General Partner on an annual or other continuing basis. The General Partner may not be removed except by a vote of the holders of at least 66 2/3% of the outstanding Common Units, including any Common Units owned by the General Partner and its Affiliates, voting together as a single class. The Board of Directors consists

of five members, two of whom are appointed by the General Partner in its sole discretion and three of whom are elected by the Common Unitholders. Directors elected by the Common Unitholders are divided into three classes serving staggered three-year terms. At each annual meeting of limited partners, directors will be elected to succeed the class of directors whose terms have expired by a plurality of the votes of the outstanding Common Units. Directors elected by the Common Unitholders will be nominated by the Board of Directors or by any limited partner or group of limited partners that beneficially owns at least 15% of the outstanding Common Units.

Distribution Rights

Common Unitholders are entitled under the Partnership Agreement to receive a minimum quarterly distribution of \$0.365 per unit, after distributions are made on the Series A Preferred Units but, to the extent the Partnership has sufficient cash on hand to pay the distribution, after establishment of cash reserves and payment of fees and expenses and if permitted under the Partnership's existing and future debt agreements. There is no guarantee that the Partnership will pay the minimum quarterly distribution to Common Unitholders, the General Partner or to holders of the incentive distribution rights in the future.

Limited Call Right

If at any time the General Partner and its Affiliates own more than 80% of the total Limited Partner Interests of any class or series then outstanding, the General Partner has the right, but not the obligation, to purchase all, but not less than all, of such class or series then outstanding at a price equal to the greater of (x) the Current Market Price as of the date three days before the notice of exercise of the call right is first mailed and (y) the highest price paid by the General Partner or any of its Affiliates for any such Limited Partner Interest of such class or series purchased during the 90-day period preceding the date such notice is first mailed. This repurchase right does not apply to Preferred Units.

Limitations on Ownership

The Partnership is not aware of any limitations on the right of non-resident or foreign owners to hold or vote securities of the Partnership imposed by the laws of the Republic of the Marshall Islands or the Partnership Agreement.

Anti-takeover Effect of Certain Provisions of the Partnership Agreement

The Partnership Agreement contains provisions that could make it more difficult for a third-party to acquire the Partnership without the consent of the Board of Directors. These provisions require approval of the Board of Directors and prior consent of the General Partner. These provisions could also make it difficult for Unitholders to replace or remove the current Board of Directors or could have the effect of discouraging, delaying or preventing an offer by a third-party to acquire the Partnership, even if the third-party's offer may be considered beneficial by many Unitholders. As a result, Unitholders may be limited in their ability to obtain a premium for their Common Units.

DESCRIPTION OF SERIES A PREFERRED UNITS

Under the Partnership Agreement, the authorized number of Series A Preferred Units is unlimited. The Partnership may, without notice to or consent of the Series A Holders, authorize and issue additional Series A Preferred Units and Junior Securities and, subject to certain limitations, Senior Securities and Parity Securities.

The Series A Preferred Units entitle the holders thereof to receive cumulative cash distributions when, as and if declared by the Board of Directors out of legally available funds for such purpose. Each Series A Preferred Unit has a fixed liquidation preference of \$25.00 per unit plus an amount equal to accumulated and unpaid distributions thereon to the date fixed for payment, whether or not declared. Please read “—Liquidation Rights.”

The Series A Preferred Units represent perpetual equity interests in the Partnership and, unlike indebtedness, will not give rise to a claim for payment of a principal amount at a particular date. As such, the Series A Preferred Units rank junior to all of the Partnership’s indebtedness and other liabilities with respect to assets available to satisfy claims against the Partnership.

All the Series A Preferred Units are represented by a single certificate issued to the Securities Depository (as defined below) and registered in the name of its nominee and, so long as a Securities Depository has been appointed and is serving, no person acquiring Series A Preferred Units will be entitled to receive a certificate representing such units unless applicable law otherwise requires or the Securities Depository resigns or is no longer eligible to act as such and a successor is not appointed. Please read “—Book-Entry System.”

The Series A Preferred Units are not convertible into Common Units or other securities and do not have exchange rights or are entitled or subject to any preemptive or similar rights. The Series A Preferred Units are not subject to mandatory redemption or to any sinking fund requirements. The Series A Preferred Units may be redeemed, in whole or in part, at the Partnership’s option. Please read “—Redemption.”

The Partnership has appointed Computershare as the paying agent (the “Paying Agent”) and the registrar and transfer agent (the “Registrar and Transfer Agent”), for the Series A Preferred Units. The address of Computershare is 150 Royall Street, Canton MA 02021.

Ranking

The Series A Preferred Units are redeemable by the Partnership at any time and distributions accrue at a rate of 9.00% per annum per \$25.00 of liquidation preference per unit. The Series A Preferred Units, with respect to anticipated quarterly distributions and distributions upon the liquidation, winding-up and dissolution of the Partnership’s affairs, rank:

1. senior to any Junior Securities (including Common Units);
 2. on a parity with any Parity Securities; and
 3. junior to any Senior Securities.
-

Under the Partnership Agreement, the Partnership may issue Junior Securities from time to time in one or more series without the consent of the Series A Holders. The Board of Directors has the authority to determine the preferences, powers, qualifications, limitations, restrictions and special or relative rights or privileges, if any, of any such series before the issuance of any units of that series. The Board of Directors will also determine the number of units constituting each series of securities. The Partnership's ability to issue additional Parity Securities in certain circumstances or Senior Securities is limited as described under "—Voting Rights."

Liquidation Rights

The Series A Holders will be entitled, in the event of any liquidation, dissolution or winding up of the Partnership's affairs, whether voluntary or involuntary, to receive the liquidation preference of \$25.00 per unit in cash plus an amount equal to accumulated and unpaid distributions thereon to the date fixed for payment of such amount (whether or not declared), and no more, before any distribution will be made to the Common Unitholders or the holders of any other Junior Securities. A consolidation or merger of the Partnership with or into any other entity, individually or in a series of transactions, will not be deemed a liquidation, dissolution or winding up of the Partnership's affairs for this purpose. In the event that the Partnership's assets available for distribution to Series A Holders and the holders of any other Parity Securities (if applicable) are insufficient to permit payment of all required amounts, assets then remaining will be distributed among the Series A Preferred Units and any Parity Securities, as applicable, ratably on the basis of their relative aggregate liquidation preferences. After payment of all required amounts to the Series A Holders and other Parity Securities (if applicable), the Partnership's remaining assets and funds will be distributed among the Common Unitholders and the holders of any other Junior Securities then outstanding according to their respective rights.

Voting Rights

The Series A Preferred Units will have no voting rights except as set forth below or as otherwise provided by Marshall Islands law. In the event that six quarterly distributions, whether or not consecutive, payable on the Series A Preferred Units are in arrears, the Series A Holders will have the right, voting as a class together with holders of any other Parity Securities (if applicable) upon which like voting rights have been conferred and are exercisable, to elect one member of the Board of Directors, and the size of the Board of Directors will be increased as needed to accommodate such change (unless the Series A Holders and holders of any Parity Securities (if applicable) upon which like voting rights have been conferred, voting as a class, have previously elected a member of the Board of Directors, and such director continues then to serve on the Board of Directors). Distributions payable on the Series A Preferred Units will be considered to be in arrears for any quarterly period for which full cumulative distributions through the most recent distribution payment date have not been paid on all outstanding Series A Preferred Units. The right of Series A Holders to elect a member of the Board of Directors will continue until such time as all distributions accumulated and in arrears on the Series A Preferred Units have been paid in full, or funds for the payment thereof have been declared and set aside, at which time such right will terminate, subject to revesting in the event of each and every subsequent failure to pay six quarterly distributions as described above. Upon any termination of the right of the Series A Holders and the holders of any other Parity Securities (if applicable) to vote as a class for such director, the term of office of such director then in office elected by such holders voting as a class

will terminate immediately. Any director elected by the Series A Holders and the holders of any other Parity Securities (if applicable) shall each be entitled to one vote on any matter before the Board of Directors.

Unless the Partnership has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series A Preferred Units, voting as a single class, the Partnership may not adopt any amendment to the Partnership Agreement that has a material adverse effect on the existing terms of the Series A Preferred Units.

In addition, unless the Partnership has received the affirmative vote or consent of the holders of at least two-thirds of the outstanding Series A Preferred Units, voting as a class together with holders of any other Parity Securities (if applicable) upon which like voting rights have been conferred and are exercisable, the Partnership may not:

- issue any Parity Securities or Senior Securities if the cumulative distributions payable on outstanding Series A Preferred Units are in arrears; or
- create or issue any Senior Securities.

On any matter described above in which the Series A Holders are entitled to vote as a class, such holders will be entitled to one vote per unit. The Series A Preferred Units held by the Partnership or any of its subsidiaries or Affiliates will not be entitled to vote.

Series A Preferred Units held in nominee or street name account will be voted by the broker or other nominee in accordance with the instruction of the beneficial owner unless the arrangement between the beneficial owner and his nominee provides otherwise.

Distributions

General

Series A Holders will be entitled to receive, when, as and if declared by the Board of Directors out of legally available funds for such purpose, cumulative cash distributions from and including July 20, 2015.

Distribution Rate

Distributions on Series A Preferred Units are cumulative, from and including July 20, 2015, and payable on each Distribution Payment Date, commencing on November 12, 2015, when, as and if declared by the Board of Directors or any authorized committee thereof out of legally available funds for such purpose. Distributions on the Series A Preferred Units accrue at a rate of 9.00% per annum per \$25.00 stated liquidation preference per Series A Preferred Unit.

Distribution Payment Dates

The "Distribution Payment Dates" for the Series A Preferred Units are each February 12, May 12, August 12 and November 12, commencing November 12, 2015. Distributions accumulate in each distribution period from and including the preceding Distribution Payment Date or the

initial issue date, as the case may be, to but excluding the applicable Distribution Payment Date for such distribution period, and distributions will accrue on accumulated distributions at the applicable distribution rate. If any Distribution Payment Date otherwise would fall on a day that is not a Business Day, declared distributions will be paid on the immediately succeeding Business Day without the accumulation of additional distributions. Distributions on the Series A Preferred Units will be payable based on a 360-day year consisting of twelve 30-day months. "Business Day" means a day on which the New York Stock Exchange is open for trading and which is not a Saturday, a Sunday or other day on which banks in New York City are authorized or required by law to close.

Payment of Distributions

Not later than the close of business, New York City time, on each Distribution Payment Date, the Partnership will pay those distributions, if any, on the Series A Preferred Units that have been declared by the Board of Directors to the holders of such units as such holders' names appear on the Partnership's unit transfer books maintained by the Registrar and Transfer Agent on the applicable Record Date. The Record Date will be the fifth Business Day immediately preceding the applicable Distribution Payment Date, except that in the case of payments of distributions in arrears, the Record Date with respect to a Distribution Payment Date will be such date as may be designated by the Board of Directors in accordance with the Partnership Agreement.

So long as the Series A Preferred Units are held of record by the nominee of the Securities Depository, declared distributions will be paid to the Securities Depository in same-day funds on each Distribution Payment Date. The Securities Depository will credit accounts of its participants in accordance with the Securities Depository's normal procedures. The participants will be responsible for holding or disbursing such payments to beneficial owners of the Series A Preferred Units in accordance with the instructions of such beneficial owners.

No distribution may be declared or paid or set apart for payment on any Junior Securities (other than a distribution payable solely in units of Junior Securities) unless full cumulative distributions have been or contemporaneously are being paid or provided for on all outstanding Series A Preferred Units and any Parity Securities (if applicable) through the most recent respective Distribution Payment Dates. Accumulated distributions in arrears for any past distribution period may be declared by the Board of Directors and paid on any date fixed by the Board of Directors, whether or not a Distribution Payment Date, Series A Holders on the record date for such payment, which may not be more than 60 days, nor less than 15 days, before such payment date. Subject to the next succeeding sentence, if all accumulated distributions in arrears on all outstanding Series A Preferred Units and any Parity Securities (if applicable) have not been declared and paid, or sufficient funds for the payment thereof have not been set apart, payment of accumulated distributions in arrears will be made in order of their respective Distribution Payment Dates, commencing with the earliest. If less than all distributions payable with respect to all Series A Preferred Units and any Parity Securities (if applicable) are paid, any partial payment will be made pro rata with respect to the Series A Preferred Units and any Parity Securities (if applicable) entitled to a distribution payment at such time in proportion to the aggregate amounts remaining due in respect of such units at such time. Series A Holders will not be entitled to any distribution, whether payable in cash, property or units, in excess of full cumulative distributions. Except insofar as distributions accrue on the amount of any accumulated and unpaid distributions as

described under “—Distributions—Distribution Rate,” no interest or sum of money in lieu of interest will be payable in respect of any distribution payment which may be in arrears on the Series A Preferred Units.

Redemption

Optional Redemption

Commencing on August 12, 2020, the Partnership may redeem, at its option, in whole or in part, the Series A Preferred Units at a redemption price in cash equal to \$25.00 per unit plus an amount equal to all accumulated and unpaid distributions thereon to the date of redemption, whether or not declared. Any such optional redemption shall be effected only out of funds legally available for such purpose. The Partnership may undertake multiple partial redemptions.

Redemption Procedures

The Partnership will give notice of any redemption by mail, postage prepaid, not less than 30 days and not more than 60 days before the scheduled date of redemption, to the holders of any units to be redeemed as such holders' names appear on the Partnership's unit transfer books maintained by the Registrar and Transfer Agent at the address of such holders shown therein. Such notice shall state: (1) the redemption date, (2) the number of Series A Preferred Units to be redeemed and, if less than all outstanding Series A Preferred Units are to be redeemed, the number (and the identification) of units to be redeemed from such holder, (3) the redemption price, (4) the place where the Series A Preferred Units are to be redeemed and shall be presented and surrendered for payment of the redemption price therefor and (5) that distributions on the units to be redeemed will cease to accumulate from and after such redemption date.

If fewer than all of the outstanding Series A Preferred Units are to be redeemed, the number of units to be redeemed will be determined by the Partnership, and such units will be redeemed by such method of selection as the Securities Depository shall determine, pro rata or by lot, with adjustments to avoid redemption of fractional units. So long as all Series A Preferred Units are held of record by the nominee of the Securities Depository, the Partnership will give notice, or cause notice to be given, to the Securities Depository of the number of Series A Preferred Units to be redeemed, and the Securities Depository will determine the number of Series A Preferred Units to be redeemed from the account of each of its participants holding such units in its participant account. Thereafter, each participant will select the number of units to be redeemed from each beneficial owner for whom it acts (including the participant, to the extent it holds Series A Preferred Units for its own account). A participant may determine to redeem Series A Preferred Units from some beneficial owners (including the participant itself) without redeeming Series A Preferred Units from the accounts of other beneficial owners.

So long as the Series A Preferred Units are held of record by the nominee of the Securities Depository, the redemption price will be paid by the Paying Agent to the Securities Depository on the redemption date. The Securities Depository's normal procedures provide for it to distribute the amount of the redemption price in same-day funds to its participants who, in turn, are expected to distribute such funds to the persons for whom they are acting as agent.

If the Partnership gives or cause to be given a notice of redemption, then it will deposit with the Paying Agent funds sufficient to redeem the Series A Preferred Units as to which notice has been given by the close of business, New York City time, no later than the Business Day immediately preceding the date fixed for redemption, and will give the Paying Agent irrevocable instructions and authority to pay the redemption price to the holder or holders thereof upon surrender or deemed surrender (which will occur automatically if the certificate representing such units is issued in the name of the Securities Depository or its nominee) of the certificates therefor. If notice of redemption shall have been given, then from and after the date fixed for redemption, unless the Partnership defaults in providing funds sufficient for such redemption at the time and place specified for payment pursuant to the notice, all distributions on such Series A Preferred Units will cease to accumulate and all rights of Series A Holders as holders of Series A Units will cease, except the right to receive the redemption price, including an amount equal to accumulated and unpaid distributions through the date fixed for redemption, whether or not declared. The Partnership will be entitled to receive from the Paying Agent the interest income, if any, earned on such funds deposited with the Paying Agent (to the extent that such interest income is not required to pay the redemption price of the units to be redeemed), and the holders of any units so redeemed will have no claim to any such interest income. Any funds deposited with the Paying Agent hereunder by the Partnership for any reason, including, but not limited to, redemption of Series A Preferred Units, that remain unclaimed or unpaid after two years after the applicable redemption date or other payment date, shall be, to the extent permitted by law, repaid to the Partnership upon its written request, after which repayment to the Series A Holders entitled to such redemption or other payment shall have recourse only to the Partnership.

If only a portion of the Series A Preferred Units represented by a certificate has been called for redemption, upon surrender of the certificate to the Paying Agent (which will occur automatically if the certificate representing such units is registered in the name of the Securities Depository or its nominee), the Paying Agent will issue to the holder of such units a new certificate (or adjust the applicable book-entry account) representing the number of Series A Preferred Units represented by the surrendered certificate that have not been called for redemption.

Notwithstanding any notice of redemption, there will be no redemption of any Series A Preferred Units called for redemption until funds sufficient to pay the full redemption price of such units, including all accumulated and unpaid distributions to the date of redemption, whether or not declared, have been deposited by the Partnership with the Paying Agent.

Notwithstanding the foregoing, in the event that full cumulative distributions on the Series A Preferred Units and any Parity Securities (if applicable) have not been paid or declared and set apart for payment, the Partnership may not repurchase, redeem or otherwise acquire, in whole or in part, any Series A Preferred Units or Parity Securities (if applicable) except pursuant to a purchase or exchange offer made on the same terms to all Series A Holders and any Parity Securities (if applicable). Common Units and any other Junior Securities may not be redeemed, repurchased or otherwise acquired unless full cumulative distributions on the Series A Preferred Units and any Parity Securities (if applicable) for all prior and the then-ending distribution periods have been paid or declared and set apart for payment.

No Sinking Fund

The Series A Preferred Units will not have the benefit of any sinking fund.

No Fiduciary Duty

Except as expressly set forth in the Partnership Agreement, the Partnership, its officers and directors, and its General Partner will not owe any fiduciary duties to the Series A Holders other than an implied contractual duty of good faith and fair dealing pursuant to the Partnership Agreement.

Book-Entry System

All Series A Preferred Units are represented by a single certificate issued to The Depository Trust Company (and its successors or assigns or any other securities depository selected by us) (the “Securities Depository”) and registered in the name of its nominee (initially, Cede & Co.). No Series A Holder is entitled to receive a certificate evidencing such units unless otherwise required by law or the Securities Depository gives notice of its intention to resign or is no longer eligible to act as such and the Partnership has not selected a substitute Securities Depository within 60 calendar days thereafter. Payments and communications made by the Partnership to Series A Holders will be duly made by making payments to, and communicating with, the Securities Depository. Accordingly, unless certificates are available to Series A Holders, each holder of Series A Preferred Units must rely on (1) the procedures of the Securities Depository and its participants to receive distributions, any redemption price, liquidation preference and notices, and to direct the exercise of any voting or nominating rights, with respect to such Series A Preferred Units and (2) the records of the Securities Depository and its participants to evidence its ownership of such Series A Preferred Units.

So long as the Securities Depository (or its nominee) is the sole holder of the Series A Preferred Unit certificate, no beneficial holder of the Series A Preferred Units will be deemed to be a Unitholder of the Partnership. The Depository Trust Company, the initial Securities Depository, is a New York-chartered limited purpose trust company that performs services for its participants, some of whom (and/or their representatives) own The Depository Trust Company. The Securities Depository maintains lists of its participants and will maintain the positions (i.e., ownership interests) held by its participants in the Series A Preferred Units, whether as a holder of the Series A Preferred Units for its own account or as a nominee for another holder of the Series A Preferred Units.

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER

I, Tony Lauritzen, certify that:

1. I have reviewed this annual report on Form 20-F of Dynagas LNG Partners LP (the "Partnership");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Partnership as of, and for, the periods presented in this report;
4. The Partnership's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Partnership and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Partnership, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Partnership's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Partnership's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.
5. The Partnership's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Partnership's auditors and the audit committee of the Partnership's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Partnership's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership's internal control over financial reporting.

Date: April 8, 2026

/s/ Tony Lauritzen

Tony Lauritzen

Chief Executive Officer and Director

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER

I, Michael Gregos, certify that:

1. I have reviewed this annual report on Form 20-F of Dynagas LNG Partners LP (the "Partnership");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Partnership as of, and for, the periods presented in this report;
4. The Partnership's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the Partnership and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Partnership, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the Partnership's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the Partnership's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.
5. The Partnership's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Partnership's auditors and the audit committee of the Partnership's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Partnership's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Partnership's internal control over financial reporting.

Date: April 8, 2026

/s/ Michael Gregos

Michael Gregos
Chief Financial Officer

**PRINCIPAL EXECUTIVE OFFICER CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Annual Report of Dynagas LNG Partners LP (the "Partnership") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "SEC") on or about the date hereof (the "Report"), I, Tony Lauritzen, Chief Executive Officer of the Partnership, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

A signed original of this written statement has been provided to the Partnership and will be retained by the Partnership and furnished to the SEC or its staff upon request.

Date: April 8, 2026

/s/ Tony Lauritzen

Tony Lauritzen
Chief Executive Officer

**PRINCIPAL FINANCIAL OFFICER CERTIFICATION
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with this Annual Report of Dynagas LNG Partners LP (the "Partnership") on Form 20-F for the year ended December 31, 2025 as filed with the Securities and Exchange Commission (the "SEC") on or about the date hereof (the "Report"), I, Michael Gregos, Chief Financial Officer of the Partnership, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

A signed original of this written statement has been provided to the Partnership and will be retained by the Partnership and furnished to the SEC or its staff upon request.

Date: April 8, 2026

/s/ Michael Gregos

Michael Gregos
Chief Financial Officer

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form F-3 No. 333-281195) of Dynagas LNG Partners LP and in the related Prospectus of our reports dated April 8, 2026, with respect to the consolidated financial statements of Dynagas LNG Partners LP, and the effectiveness of internal control over financial reporting of Dynagas LNG Partners LP, included in this Annual Report (Form 20-F) for the year ended December 31, 2025.

/s/ Ernst & Young (Hellas) Certified Auditors Accountants S.A.

Athens, Greece
April 8, 2026



March 31, 2026

Dear Sir/Madam:

Reference is made to the annual report on Form 20-F of Dynagas LNG Partners LP (the "Partnership") for the year ended December 31, 2025 (the "Annual Report") and the registration statement on Form F-3 (Registration No. 333- 281195) of the Partnership, as may be amended, including the prospectus contained therein and any prospectus supplement related thereto (the "Registration Statement"). We hereby consent to the incorporation by reference in the Registration Statement of all references to our name in the Annual Report, to the references to our firm in the Annual Report, and to the use of the statistical information supplied by us set forth in the Annual Report. We further advise the Company that our role has been limited to the provision of such statistical data supplied by us. With respect to such statistical data, we advise you that:

- (1) We have accurately described the international liquefied natural gas (LNG) industry; and
- (2) Our methodologies for collecting information and data may differ from those of other sources and do not reflect all or even necessarily a comprehensive set of the actual transactions occurring in the containership industry.

We hereby consent to the filing of this letter as an exhibit to the Annual Report, which is incorporated by reference into the Registration Statement and any related prospectus.

Yours faithfully,

A handwritten signature in blue ink that reads "Jayendu Krishna".

Jayendu Krishna
Director-Head Maritime Advisors
Drewry Maritime Services (Asia) Pte Ltd.

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CONSENT OF WATSON FARLEY & WILLIAMS LLP

Reference is made to the annual report on Form 20-F of Dynagas LNG Partners LP (the "Partnership") for the year ended December 31, 2025 (the "Annual Report") and the Registration Statement on Form F-3 (File No. 333- 281195) of the Partnership including the prospectus contained therein (the "Registration Statement"). We hereby consent to (i) the filing of this consent as an exhibit to the Annual Report, which is incorporated by reference into the Registration Statement and (ii) each reference to us and the discussions of advice provided by us in the Annual Report under the section "Item 10. Additional Information-E. Taxation" and to the incorporation by reference of the same in the Registration Statement, in each case, without admitting we are "experts" within the meaning of the U.S. Securities Act of 1933, as amended, or the rules and regulations of the U.S. Securities and Exchange Commission promulgated thereunder with respect to any part of the Registration Statement.

/s/ Watson Farley & Williams LLP

Watson Farley & Williams LLP

New York, New York

April 8, 2026
