DYNAGAS LNG Partners LP

DYNAGAS LNG PARTNERS LP REPORTS RESULTS FOR THE THREE MONTHS AND YEAR ENDED DECEMBER 31, 2022

ATHENS – March 17, 2023 – Dynagas LNG Partners LP (NYSE: “DLNG”) (“the “Partnership”), an owner and operator of liquefied natural gas (“LNG”) carriers, today announced its results for the three months and year ended December 31, 2022.

Year Highlights:

- Net Income and earnings per common unit (basic and diluted) of $54.0 million and $1.15, respectively;
- Adjusted Net Income(1) of $30.6 million and Adjusted Earnings(1) per common unit (basic and diluted) of $0.52;
- Adjusted EBITDA(1) of $89.5 million;
- 100% fleet utilization(2);

Fourth Quarter Highlights:

- Net Income and earnings per common unit (basic and diluted) of $11.6 million and $0.24, respectively;
- Adjusted Net Income(1) of $7.0 million and Adjusted Earnings(1) per common unit (basic and diluted) of $0.11;
- Adjusted EBITDA(1) of $23.6 million;
- 100% fleet utilization(2);
- Declared and paid cash distribution of $0.5625 per unit on its Series A Preferred Units (NYSE: “DLNG PR A”) for the period from August 12, 2022 to November 11, 2022 and $0.546875 per unit on the Series B Preferred Units (NYSE: “DLNG PR B”) for the period from August 22, 2022 to November 21, 2022;
- On October 12, 2022 and pursuant to the designation of Amsterdam Trade Bank (“ATB”) by the Office of Foreign Assets Control as a Specially Designated National, the Partnership, in agreement with all lenders of its $675 Credit Facility, made a voluntary prepayment of $18.73 million which was applied in prepayment of the entire participation of ATB to the $675 Million

Credit Facility. An amount equal to the above- mentioned prepayment was released from the Cash Collateral Account in order to make the prepayment; and

- Entered into a new time charter party agreement with Equinor ASA ("Equinor") for the employment of our ice-class LNG carrier Arctic Aurora for a period of approximately three years. Under the new time charter agreement, the Arctic Aurora is expected to be delivered to Equinor in September 2023 in direct continuation of the current charter party with Equinor, meaning there will be no scheduled lapse of time between the current and the new time charter. The term ‘in direct continuation’ does not refer to the contracted income.

Subsequent Events:

- Declared a quarterly cash distribution of $0.5625 on the Partnership’s Series A Preferred Units for the period from November 12, 2022 to February 11, 2023, which was paid on February 13, 2023 to all preferred Series A unit holders of record as of February 6, 2023; and
- Declared a quarterly cash distribution of $0.546875 on the Partnership’s Series B Preferred Units for the period from November 22, 2022 to February 21, 2023, which was paid on February 22, 2023 to all preferred Series B unit holders of record as of February 15, 2023.

(1) Adjusted Net Income, Adjusted Earnings per common unit and Adjusted EBITDA are not recognized measures under U.S. GAAP. Please refer to Appendix B of this press release for the definitions and reconciliation of these measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP and other related information.
(2) Please refer to Appendix B for additional information on how we calculate fleet utilization.

DYNAGAS LNG Partners LP

CEO Commentary:

We are pleased to report the results for the three months and full year ended December 31, 2022.

For the fourth quarter of 2022, we reported Net Income of $11.6 million, earnings per common unit of $0.24, Adjusted Net Income of $7.0 million and Adjusted EBITDA of $23.6 million. While future results may vary, we are pleased to report 100% utilization for our fleet for the eleventh quarter in a row which is a testament to the fleet's performance.

All six LNG carriers in our fleet are operating under their respective long-term charters with international gas companies with an average remaining contract term of 6.4 years. As of March 17, 2023, our estimated contracted revenue backlog[1] was $1.0 billion[2]. The earliest contracted re-delivery date for any of our six LNG carriers is in the first quarter of 2026 (for the *Clean Energy*), subject to the terms of the applicable charter.

We were very pleased with the new 3-year charter of the *Arctic Aurora* to Equinor (formely named Statoil), which has chartered the vessel since her delivery from the shipyard in 2013.

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[1] The Partnership calculates its estimated contracted revenue backlog by multiplying the contractual daily hire rate by the expected number of days committed under the contracts (assuming earliest delivery and redelivery and excluding options to extend), assuming full utilization. The actual amount of revenues earned and the actual periods during which revenues are earned may differ from the amounts and periods disclosed due to, for example, dry-docking and/or special survey downtime, maintenance projects, off-hire downtime and other factors that result in lower revenues than the Partnership's average contract backlog per day.

[2] The amount of $0.13 billion of the revenue backlog estimate relates to the estimated portion of the hire contained in certain time charter contracts with Yamal which represents the operating expenses of the respective vessels and is 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.

The Partnership has remained committed to its strategy of reducing debt and has since September 2019, until the end of December 2022 successfully repaid $175 million in debt. Since December 31, 2019 the Partnership reduced its net leverage from 6.6x to 4.7x, while also improving the book equity value by 35%, now standing at $423.9 million. Going forward, we believe the Partnership's continued efforts to deleverage will further enhance equity value through stable long-term cash flow visibility.

While we have seen a retraction of gas prices which is a positive development for the economic sustainability of consumers, term LNG shipping rates remain robust. The shipping rates are driven by a long-term demand for LNG shipping which is underpinned by long term SPAs and the importance to secure available emission friendly energy.

In light of these developments, we believe that the outlook for LNG Shipping and the Partnership remains positive.

Russian Sanctions Developments

Due to the ongoing Russian conflicts with Ukraine, the United States ("U.S."), European Union ("E.U."), Canada and other Western countries and organizations have announced and enacted numerous sanctions against Russia to impose severe economic pressure on the Russian economy and government.

As of today's date:

- Current U.S. and E.U. sanctions regimes do not materially affect the business, operations or financial condition of the Partnership and, to the Partnership's knowledge, its counterparties are currently performing their obligations under their respective time charters in compliance with applicable U.S. and E.U. rules and regulations; and
- Sanctions legislation has been changing and the Partnership continues to monitor such changes as applicable to the Partnership and its counterparties.

The full impact of the commercial and economic consequences of the Russian conflict with Ukraine is uncertain at this time. The Partnership cannot provide any assurance that any further development in sanctions, or escalation of the Ukraine situation more generally, will not have a significant impact on its business, financial condition or results of operations. Please see the section of this press release entitled “Forward Looking Statements”.

Financial Results Overview:

(U.S. dollars in thousands, except per unit data)	Three Months Ended				Year Ended			
		December 31, 2022 (unaudited)		December 31, 2021 (unaudited)		December 31, 2022 (unaudited)		December 31, 2021 (unaudited)
Voyage revenues	$	35,064	$	35,678	$	131,657	$	137,746
Net Income	$	11,618	$	16,941	$	54,010	$	53,260
Adjusted Net Income [(1)]	$	6,984	$	11,386	$	30,615	$	43,879
Operating income	$	16,244	$	16,730	$	45,337	$	64,611
Adjusted EBITDA[(1)]	$	23,627	$	24,694	$	89,503	$	97,009
Earnings per common unit	$	0.24	$	0.38	$	1.15	$	1.14
Adjusted Earnings per common unit [(1)]	$	0.11	$	0.23	$	0.52	$	0.88

[(1)] Adjusted Net Income, Adjusted EBITDA and Adjusted Earnings per common unit are not recognized measures under U.S. GAAP. Please refer to Appendix B of this press release for the definitions and reconciliation of these measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

Three Months Ended December 31, 2022 and 2022 Financial Results

Net Income for the three months ended December 31, 2022 was $11.6 million as compared to a Net Income of $16.9 million for the corresponding period of 2021, which represents a decrease of $5.3 million, or 31.4%. The decrease in net income for the three months ended December 31, 2022 compared to the corresponding period of 2021, was mainly attributable to the decrease in the unrealized gain on our interest rate swap transaction (unrealized loss of $2.2 million incurred during this quarter against an unrealized gain of $5.9 earned during the corresponding period of 2021) which was partly offset by the gain on debt extinguishment recognized in this quarter further to the prepayment of the entire participation of ATB to the $675 Million Credit Facility on October 12, 2022 (see also below under "Liquidity/ Financing/ Cash Flow Coverage"). The realized gain on the interest rate swap transaction which was realized during the fourth quarter of 2022 amounted to $4,3 million (realized loss of $0.4 million paid during the corresponding period of 2021) which offset the increase in the interest and finance costs compared to the corresponding period of 2021.

Adjusted Net Income (a non-GAAP financial measure) for the three months ended December 31, 2022 was $7.0 million compared to $11.4 million in the corresponding period of 2021, which represents a net decrease of $4.4 million or 38.6%. This decrease is mainly attributable to the increase of interest and finance costs compared to the corresponding period of 2021 which excludes the effect of the realized gain on our interest rate swap transaction mentioned above.

Voyage revenues for the three months ended December 31, 2022 were $35.1 million compared to $35.7 million for the corresponding period of 2021, which represents a net decrease of $0.6 million or 1.7%, mainly as a result of the lower variable hire revenues earned on the Lena River and the Yenisei River in the three months ended December 31, 2022 compared to the corresponding period in 2021.

The Partnership reported average daily hire gross of commissions(1) of approximately $62,700 per day per vessel in the three-month period ended December 31, 2022, compared to approximately $64,500 per day per vessel for the corresponding period of 2021. During both three-month periods ended December 31, 2022 and 2021, the Partnership's vessels operated at 100% utilization.

Vessel operating expenses were $7.8 million, which corresponds to daily operating expenses per vessel of $14,060 in the three-month period ended December 31, 2022, as compared to $8.2 million, or daily operating expenses per vessel of $14,799 in the corresponding period in 2021. The decrease of $0.4 million, or 4.9%, was mainly attributable to the lower vessel maintenance costs of the Lena River and the Yenisei River in the three months ended December 31, 2022 compared to the corresponding period in 2021.

Adjusted EBITDA (a non-GAAP financial measure) for the three months ended December 31, 2022 was $23.6 million, as compared to $24.7 million for the corresponding period of 2021. The decrease of $1.1 million, or 4.5%, was mainly attributable to the effect of the decrease in voyage revenues as adjusted for the effects of the amortization of deferred revenue.

Interest and finance costs, net were $8.6 million in the three months ended December 31, 2022 as compared to $5.3 million in the corresponding period of 2021, which represents an increase of $3.3 million, or 62.3% due to the increase in the weighted average interest rate in the three months period ending December 31, 2022, compared to the corresponding period in 2021, which was partly counterbalanced by the reduction in interest bearing debt as compared to the corresponding period of 2021.

For the three months ended December 31, 2022, the Partnership reported basic and diluted earnings per common unit and Adjusted Earnings per common unit (a non-GAAP financial measure), of $0.24 and $0.11 respectively, after taking into account the distributions relating to the Series A Preferred Units and the Series B Preferred Units on the Partnership's Net income/Adjusted Net Income. Earnings per common unit and Adjusted Earnings per common unit, basic and diluted, are calculated on the basis of a weighted average number of 36,802,247 common units outstanding during the period and in the case of Adjusted Earnings per common unit after reflecting the impact of the non-cash items presented in Appendix B of this press release.

Adjusted Net Income, Adjusted EBITDA and Adjusted Earnings per common unit are not recognized measures under U.S. GAAP. Please refer to Appendix B of this press release for the definitions and reconciliation of these measures to the most directly comparable financial measures calculated and presented in accordance with U.S. GAAP.

Amounts relating to variations in period–on–period comparisons shown in this section are derived from the unaudited condensed financial statements contained herein.

(1) Average daily hire gross of commissions represents voyage revenue excluding the non-cash time charter deferred revenue amortization, divided by the Available Days in the Partnership's fleet as described in Appendix B.

Liquidity/ Financing/ Cash Flow Coverage

During the three months ended December 31, 2022, the Partnership generated net cash from operating activities of $13.4 million as compared to $21.0 million in the corresponding period of 2021, which represents a decrease of $7.6 million, or 36.2% mainly as a result of working capital changes.

As of December 31, 2022, the Partnership reported total cash of $79.9 million (including $31.3 million of restricted cash). On October 12, 2022 and pursuant to the designation of Amsterdam Trade Bank ("ATB") by the Office of Foreign Assets Control as a Specially Designated National, the Partnership, in agreement with all lenders of the $675 Credit Facility, made a voluntary prepayment of $18.73 million which was applied in prepayment of the entire participation of ATB to the $675 Million Credit Facility less an agreed waived amount of $2.2 million. An amount equal to the above- mentioned prepayment was released from the Cash Collateral Account in order to make the prepayment. The Partnership's outstanding indebtedness as of December 31, 2022 under the $675.0 Million Credit Facility amounted to $499.9 million, gross of unamortized deferred loan fees and including $48.0 million, which was repayable within one year.

As of December 31, 2022, the Partnership had unused availability of $30.0 million under its interest free $30.0 million revolving credit facility with its Sponsor, Dynagas Holding Ltd., which was extended on November 14, 2018, and is available to the Partnership at any time until November 2023.

Vessel Employment

As of March 17, 2023, the Partnership had estimated contracted time charter coverage[1] for 100% of its fleet estimated Available Days (as defined in Appendix B) for 2023, 2024 and 2025.

As of the same date, the Partnership's estimated contracted revenue backlog [2] was $1.00 billion[3], with an average remaining contract term of 6.4 years.

[1] Time charter coverage for the Partnership's fleet is calculated by dividing the fleet contracted days on the basis of the earliest estimated delivery and redelivery dates prescribed in the Partnership's current time charter contracts, net of scheduled class survey repairs by the number of expected Available Days during that period.

[2] The Partnership calculates its estimated contracted revenue backlog by multiplying the contractual daily hire rate by the expected number of days committed under the contracts (assuming earliest delivery and redelivery and excluding options to extend), assuming full utilization. The actual amount of revenues earned and the actual periods during which revenues are earned may differ from the amounts and periods disclosed due to, for example, dry-docking and/or special survey downtime, maintenance projects, off-hire downtime and other factors that result in lower revenues than the Partnership's average contract backlog per day.

[3] The amount of $0.13 billion of the revenue backlog estimate relates to the estimated portion of the hire contained in certain time charter contracts with Yamal which represents the operating expenses of the respective vessels and is 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.

Conference Call and Webcast:

As announced, the Partnership's management team will host a conference call on March 17, 2023 at 10:00 a.m. Eastern Time to discuss the Partnership's financial results.

Conference Call details:

Participants should dial into the call 10 minutes before the scheduled time using the following numbers: 877-405-1226 / (US Toll Free Dial-In), or +1 201-689-7823 (US International Dial-In). To access the conference call, please reference call ID number 13737085 or "Dynagas" to the operator. For additional participant International Toll- Free access numbers, click here.

Alternatively, participants can register for the call using the call me option for a faster connection to join the conference call. You can enter your phone number and let the system call you right away. Click here for the call me option.

Audio Webcast - Slides Presentation:
There will be a live and then archived webcast of the conference call and accompanying slides, available through the Partnership's website. To listen to the archived audio file, visit our website http://www.dynagaspartners.com and click on Webcast under our Investor Relations page. Participants to the live webcast should register on the website approximately 10 minutes prior to the start of the webcast.

The slide presentation on the fourth quarter ended December 31, 2022 financial results will be available in PDF format 10 minutes prior to the conference call and webcast, accessible on the Partnership's website http://www.dynagaspartners.com on the webcast page. Participants to the webcast can download the PDF presentation.

About Dynagas LNG Partners LP
Dynagas LNG Partners LP. (NYSE: DLNG) is a master limited partnership which owns and operates liquefied natural gas (LNG) carriers employed on multi-year charters. The Partnership's current fleet consists of six LNG carriers, with aggregate carrying capacity of approximately 914,000 cubic meters.

Visit the Partnership's website at www.dynagaspartners.com. The Partnership's website and its contents are not incorporated into and do not form a part of this release.

Contact Information:
Dynagas LNG Partners LP
Attention: Michael Gregos
Tel. +30 210 8917960
Email: management@dynagaspartners.com

Investor Relations / Financial Media:
Nicolas Bornozis
Markella Kara
Capital Link, Inc.
230 Park Avenue, Suite 1540
New York, NY 10169
Tel. (212) 661-7566
E-mail: dynagas@capitallink.com

Forward-Looking Statements

Matters discussed in this press release may constitute forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. Forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts.

The Partnership desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with this safe harbor legislation. The words “believe,” “anticipate,” “intends,” “estimate,” “forecast,” “project,” “plan,” “potential,” “project,” “will,” “may,” “should,” “expect,” “expected,” “pending” and similar expressions identify forward-looking statements. These forward -looking are not intended to give any assurance as to future results and should not be relied upon.

The forward-looking statements in this press release are based upon various assumptions and estimates, many of which are based, in turn, upon further assumptions, including without limitation, examination by the Partnership’s management of historical operating trends, data contained in its records and other data available from third parties. Although the Partnership believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond the Partnership’s control, the Partnership cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

In addition to these important factors, other important factors that, in the Partnership’s view, could cause actual results to differ materially from those discussed, expressed or implied, in the forward-looking statements include, but are not limited to, the strength of world economies and currency fluctuations, general market conditions, including fluctuations in charter rates, ownership days, and vessel values, changes in supply and demand for liquefied natural gas (LNG) shipping capacity, changes in the Partnership’s operating expenses, including bunker prices, drydocking and insurance costs, the market for the Partnership’s vessels, availability of financing and refinancing, changes in governmental laws, rules and regulations or actions taken by regulatory authorities, economic, regulatory, political and governmental conditions that affect the shipping and the LNG industry, potential liability from pending or future litigation, and potential costs due to environmental damage and vessel collisions, general domestic and international political conditions, potential disruption of shipping routes due to accidents or political events, vessel breakdowns, instances of off-hires, the length and severity of epidemics and pandemics, including COVID-19, the impact of public health threats and outbreaks of other highly communicable diseases, the impact of the expected discontinuance of the London Interbank Offered Rate, or, LIBOR, after June 30, 2023 on any of our debt referencing LIBOR in the interest rate, the amount of cash available for distribution, and other factors. Due to the ongoing Russian conflicts with Ukraine, the United States, the European Union, Canada and other Western countries and organizations have announced and enacted numerous sanctions against Russia to impose severe economic pressure on the Russian economy and government. The full impact of the commercial and economic consequences of the Russian conflict with Ukraine are uncertain at this time. Potential consequences of the sanctions that could impact the Partnership's business in the future include but are not limited to: (1) limiting and/or banning the use of the SWIFT financial and payment system that would negatively affect payments under the Partnership's existing vessel charters; (2) the Partnership's counterparties being potentially limited by sanctions from performing under its agreements; and (3) a general deterioration of the Russian economy. In addition, the Partnership may have greater difficulties raising capital in the future, which could potentially reduce the level of future investment into its expansion and operations. The Partnership cannot provide any assurance that any further development in sanctions, or escalation of the Ukraine situation more generally, will not have a significant impact on its business, financial condition or results of operations.

Please see the Partnership's filings with the Securities and Exchange Commission for a more complete discussion of these and other risks and uncertainties. The information set forth herein speaks only as of the date hereof, and the Partnership disclaims any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this communication.

DYNAGAS LNG Partners LP

APPENDIX A

DYNAGAS LNG PARTNERS LP
Condensed Consolidated Statements of Income

(In thousands of U.S. dollars except units and per unit data)	**Three Months Ended December 31,**		**Year Ended December 31,**	
	2022 (unaudited)	**2021** (unaudited)	**2022** (unaudited)	**2021** (unaudited)
REVENUES				
Voyage revenues	$ 35,064	$ 35,678	$ 131,657	$ 137,746
EXPENSES				
Voyage expenses (including related party)	(708)	(560)	(2,960)	(2,657)
Vessel operating expenses	(7,761)	(8,169)	(29,773)	(29,640)
Dry-docking and special survey costs	—	—	(12,791)	—
General and administrative expenses (including related party)	(748)	(708)	(2,787)	(3,105)
Management fees -related party	(1,563)	(1,518)	(6,203)	(6,023)
Depreciation	(8,040)	(7,993)	(31,806)	(31,710)
Operating income	**16,244**	**16,730**	**45,337**	**64,611**
Interest and finance costs, net	(8,603)	(5,315)	(27,082)	(21,420)
Gain on Debt Extinguishment	2,072	—	2,072	—
Gain on derivative instruments	2,181	5,529	33,655	10,104
Other, net	(276)	(3)	28	(35)
Net income	**$ 11,618**	**$ 16,941**	**$ 54,010**	**$ 53,260**
Earnings per common unit (basic and diluted)	**$ 0.24**	**$ 0.38**	**$ 1.15**	**$ 1.14**
Weighted average number of units outstanding, basic and diluted:				
Common units	36,802,247	36,802,247	36,802,247	36,504,120

DYNAGAS LNG Partners LP

DYNAGAS LNG PARTNERS LP
Consolidated Condensed Balance Sheets
(Expressed in thousands of U.S. Dollars—except for unit data)

		December 31, 2022 (unaudited)		December 31, 2021 (unaudited)
ASSETS:				
Cash and cash equivalents and restricted cash (current and non-current)	$	79,868	$	97,015
Derivative financial instrument (current and non-current)		34,877		8,824
Due from related party (current and non-current)		1,350		2,494
Other current assets		3,079		2,453
Vessels, net		825,105		853,190
Other non-current assets		3,433		1,505
Total assets	**$**	**947,712**	**$**	**965,481**
LIABILITIES				
Total long-term debt, net of deferred financing costs	$	497,033	$	561,966
Total other current liabilities		22,546		18,734
Due to related party (current and non-current)		1,472		247
Total other non-current liabilities		2,730		3,050
Total liabilities	**$**	**523,781**	**$**	**583,997**
PARTNERS' EQUITY				
General partner (35,526 units issued and outstanding as at December 31, 2022 and December 31, 2021)		78		36
Common unitholders (36,802,247 units issued and outstanding as at December 31, 2022 and December 31, 2021)		297,139		254,734
Series A Preferred unitholders: (3,000,000 units issued and outstanding as at December 31, 2022 and December 31, 2021)		73,216		73,216
Series B Preferred unitholders: (2,200,000 units issued and outstanding as at December 31, 2022 and December 31, 2021)		53,498		53,498
Total partners' equity	**$**	**423,931**	**$**	**381,484**
Total liabilities and partners' equity	**$**	**947,712**	**$**	**965,481**

DYNAGAS LNG PARTNERS LP
Consolidated Condensed Statements of Cash Flows
(Expressed in thousands of U.S. Dollars)

	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2021
	unaudited	unaudited	unaudited	unaudited
Cash flows from Operating Activities:				
Net income:	$ 11,618	$ 16,941	$ 54,010	$ 53,260
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	8,040	7,993	31,806	31,710
Amortization and write-off of deferred financing fees	474	555	2,032	2,285
Gain on debt extinguishment	(2,072)	—	(2,072)	—
Deferred revenue amortization	(435)	(81)	(675)	222
Amortization and write-off of deferred charges	54	55	216	501
(Gain)/ Loss on derivative financial instrument	(2,181)	(5,529)	(33,655)	(10,104)
Dry-docking and special survey costs	—	—	12,791	—
Changes in operating assets and liabilities:				
Trade accounts receivable	829	215	23	294
Prepayments and other assets	(518)	94	(1,284)	(505)
Inventories	(65)	(102)	24	(101)
Due from/ to related parties	656	(536)	2,369	(2,603)
Deferred charges	—	—	—	(9)
Trade accounts payable	(4,975)	(292)	(9,526)	1,280
Accrued liabilities	(300)	(185)	1,070	(235)
Unearned revenue	2,298	1,869	195	3,596
Net cash from Operating Activities	**13,423**	**20,997**	**57,324**	**79,591**
Cash flows from Investing Activities				
Ballast water treatment system installation	(2,045)	—	(3,635)	—
Net cash used in Investing Activities	**(2,045)**	**—**	**(3,635)**	—
Cash flows from Financing Activities:				
Issuance of common units, net of issuance costs	—	—	—	3,407
Payment of securities registration and other filing costs	—	—	—	(14)
Distributions declared and paid	(2,891)	(2,891)	(11,563)	(11,563)
Repayment of long-term debt	(28,893)	(12,000)	(64,893)	(48,000)
Other Payments	(1,789)	—	(1,789)	—
Receipt/ (Payment) of derivative instruments	4,329	(407)	7,409	(1,385)
Net cash used in Financing Activities	**(29,244)**	**(15,298)**	**(70,836)**	**(57,555)**

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
	unaudited	unaudited	unaudited	unaudited
Net increase / (decrease) in cash and cash equivalents	(17,866)	5,699	(17,147)	22,036
Cash and cash equivalents and restricted cash at beginning of the period	97,734	91,316	97,015	74,979
Cash and cash equivalents and restricted cash at end of the period	**$ 79,868**	**$ 97,015**	**$ 79,868**	**$ 97,015**

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APPENDIX B
Fleet statistics

(expressed in United states dollars except for operational data and Time Charter Equivalent rate)	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2021
Number of vessels at the end of period	6	6	6	6
Average number of vessels in the period [1]	6	6	6	6
Calendar Days [2]	552.0	552.0	2,190.0	2,190.0
Available Days [3]	552.0	552.0	2,087.2	2,190.0
Revenue earning days [4]	552.0	552.0	2,087.2	2,190.0
Time Charter Equivalent rate [5]	$ **62,239**	$ **63,620**	$ **61,660**	$ **61,684**
Fleet Utilization [4]	100%	100%	100%	100%
Vessel daily operating expenses [6]	$ **14,060**	$ **14,799**	$ **13,595**	$ **13,534**

(1) Represents the number of vessels that constituted the Partnership's fleet for the relevant period, as measured by the sum of the number of days that each vessel was a part of the Partnership's fleet during the period divided by the number of Calendar Days (defined below) in the period.

(2) "Calendar Days" are the total days that the Partnership possessed the vessels in its fleet for the relevant period.

(3) "Available Days" are the total number of Calendar Days that the Partnership's vessels were in its possession during a period, less the total number of scheduled off-hire days during the period associated with major repairs, or dry-dockings.

(4) The Partnership calculates fleet utilization by dividing the number of its Revenue earning days, which are the total number of Available Days of the Partnership's vessels net of unscheduled off-hire days (which do not include positioning/repositioning days for which compensation has been received) during a period by the number of Available Days. The shipping industry uses fleet utilization to measure a company's efficiency in finding employment for its vessels and minimizing the amount 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.

(5) Time charter equivalent rate ("TCE rate"), is a measure of the average daily revenue performance of a vessel. For time charters, we calculate TCE rate by dividing total voyage revenues, less any voyage expenses, by the number of Available Days during the relevant time period. Under a time charter, the charterer pays substantially all vessel voyage related expenses. However, the Partnership 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 dry-docking or due to other unforeseen circumstances. The TCE rate is not a measure of financial performance under U.S. GAAP (non-GAAP measure), and should not be considered as an alternative to voyage revenues, the most directly comparable GAAP measure, or any other measure of financial performance presented in accordance with U.S. GAAP. However, the TCE rate is a standard shipping industry performance

measure used primarily to compare period-to-period changes in a company's performance despite changes in the mix of charter types (such as time charters, voyage charters) under which the vessels may be employed between the periods and to assist the Partnership's management in making decisions regarding the deployment and use of the Partnership's vessels and in evaluating their financial performance. The Partnership's calculation of TCE rates may not be comparable to that reported by other companies due to differences in methods of calculation. The following table reflects the calculation of the Partnership's TCE rates for the three and twelve months ended December 31, 2022 and 2021 (amounts in thousands of U.S. dollars, except for TCE rates, which are expressed in U.S. dollars, and Available Days):

	Three Months Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
(In thousands of U.S. dollars, except for Available Days and TCE rate)				
Voyage revenues	$ 35,064	$ 35,678	$ 131,657	$ 137,746
Voyage Expenses *	(708)	(560)	(2,960)	(2,657)
Time Charter equivalent revenues	**$ 34,356**	**$ 35,118**	**$ 128,697**	**$ 135,089**
Available Days	552.0	552.0	2,087.2	2,190.0
Time charter equivalent (TCE) rate	**$ 62,239**	**$ 63,620**	**$ 61,660**	**$ 61,684**

*Voyage expenses include commissions of 1.25% paid to Dynagas Ltd., the Partnership's Manager, and third-party ship brokers, when defined in the charter parties, bunkers, port expenses and other minor voyage expenses.

(6) Daily vessel operating expenses, which include crew costs, provisions, deck and engine stores, lubricating oil, insurance, spares and repairs, flag taxes and other miscellaneous expenses, are calculated by dividing vessel operating expenses by fleet Calendar Days for the relevant time period.

Reconciliation of U.S. GAAP Financial Information to Non-GAAP Financial Information

Reconciliation of Net Income to Adjusted EBITDA

	Three Months Ended December 31,		Year Ended December 31,	
(In thousands of U.S. dollars)	2022	2021	2022	2021
Net income	$ 11,618	$ 16,941	$ 54,010	$ 53,260
Net interest and finance costs [1]	8,603	5,315	27,082	21,420
Depreciation	8,040	7,993	31,806	31,710
Gain on Debt Extinguishment	(2,072)	—	(2,072)	—
(Gain)/ Loss on derivative financial instrument	(2,181)	(5,529)	(33,655)	(10,104)
Dry-docking and special survey costs	—	—	12,791	—
Amortization of deferred revenue	(435)	(81)	(675)	222
Amortization and write-off of deferred charges	54	55	216	501
Adjusted EBITDA	**$ 23,627**	**$ 24,694**	**$ 89,503**	**$ 97,009**

[1] *Includes interest and finance costs and interest income, if any.*

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

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

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

Reconciliation of Net Income to Adjusted Net Income available to common unitholders and Adjusted Earnings per common unit

(In thousands of U.S. dollars except for units and per unit data)	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021	Year Ended December 31, 2022	Year Ended December 31, 2021
Net Income	$ 11,618	$ 16,941	$ 54,010	$ 53,260
Amortization of deferred revenue	(435)	(81)	(675)	222
Amortization and write- off of deferred charges	54	55	216	501
Dry-docking and special survey costs	—	—	12,791	—
Gain on Debt Extinguishment	(2,072)	—	(2,072)	—
(Gain)/ Loss on derivative financial instrument	(2,181)	(5,529)	(33,655)	(10,104)
Adjusted Net Income	**$ 6,984**	**$ 11,386**	**$ 30,615**	**$ 43,879**
Less: Adjusted Net Income attributable to preferred unitholders and general partner	(2,895)	(2,899)	(11,582)	(11,595)
Net Income available to common unitholders	**$ 4,089**	**$ 8,487**	**$ 19,033**	**$ 32,284**
Weighted average number of common units outstanding, basic and diluted:	36,802,247	36,802,247	36,802,247	36,504,120
Adjusted Earnings per common unit, basic and diluted	**$ 0.11**	**$ 0.23**	**$ 0.52**	**$ 0.88**

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

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

Net Income generally eliminates the accounting effects of items which may vary for different companies for reasons unrelated to overall operating performance. The Partnership's presentation of Adjusted Net Income, Net Income available to common unitholders and Adjusted Earnings per common unit does not imply, and should not be construed as an inference, that its future results will be unaffected by unusual or non-recurring items and should not be considered in isolation or as a substitute for a measure of performance prepared in accordance with GAAP.