

**Capital Clean Energy Carriers Corp.**  
**Second Quarter 2025 Financial Results**  
**July 31, 2025**

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**Presenters**

**Jerry Kalogiratos, CEO**  
**Nikos Tripodakis, Chief Commercial Officer**  
**Brian Gallagher, EVP Investor Relations**

**Q&A Participants**

**Alexander Bidwell – Webber Research Advisory**  
**Omar Nokta – Jefferies**  
**Liam Burke – B. Riley Securities**

**Operator**

Thank you for standing by, and welcome to the Capital Clean Energy Carriers Corp Second Quarter 2025 Financial Results Conference Call. We have with us Mr. Jerry Kalogiratos, Chief Executive Officer; Mr. Brian Gallagher, Executive Vice President, Investor Relations; and Mr. Nikos Tripodakis, Chief Commercial Officer.

At this time, all participants are in a listen-only mode. There will be a presentation followed by a question-and-answer session. At which time if you wish to ask a question, please press star, one, on your telephone and wait for your name to be announced. I must advise you that this conference is being recorded today, July 31st, 2025.

The statements in today's conference call that are not historical facts, including our expectations regarding acquisition, transactions and their expected effect on us, cash generation, equity returns and future debt levels, our ability to pursue growth opportunities, our expectations or objectives regarding future distribution amounts or unit buyback amounts, capital reserve amounts, distribution coverage, future earnings, capital allocation, as well as our expectations regarding market fundamentals and the employment of our vessels, including redelivery dates and charter rates, may be forward-looking statements. As such, as defined in Section 21E of the Securities Exchange Act of 1934 as amended.

These forward-looking statements involve risks and uncertainties that could cause the stated or forecasted results to be materially different from those anticipated. Unless required by law, we expressly disclaim any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in our views or expectations to conform to actual results or otherwise. We make no prediction or statement about the performance of our common shares.

I would now like to hand over to your speakers today, Mr. Brian Gallagher. Please go ahead, sir.

**Brian Gallagher**

Thank you, Operator. Good morning or afternoon to you wherever you are and thank you for listening to the Capital Clean Energy Carriers Q2 2025 Earnings Call. As a reminder, we will be referring to supporting slides available on our website as we go through today's presentation. So, if we kick off with the highlight slide on slide four, you can see that after a very busy Q1 with new contracts, charter extensions and vessel sales, Q2 has been much more routine for the company.

Net income from operations, primarily from our 15 vessels on the water, 12 LNG carriers and three container vessels came in for the quarter at just under \$30 million. From this, our ongoing fixed distribution of \$0.15 per share was paid out to shareholders, meaning the company has now paid a cash dividend for every single quarter since our listing in March 2007.

Importantly, CCEC secured some financing on two of our LCO2 carriers, which we start to take delivery of next year. The companies also continue to look at organic methods to improve the trading in our shares and offer shareholders maximum optionality for their investments. This is reflected in a dividend reinvestment program, a DRIP, being offered for the first time in Q2.

The results of this quarter allow investors to see what the core drivers are for the company and what they look like. This has often been overshadowed in recent quarters by other developments such as asset sales or new contracts. And as we pivot towards our stated objective and goal of an LNG and gas transportation-focused company, you can see clearly how the company is performing.

Our Head of Commercial will guide us through the key company drivers and interesting sector dynamics within the LNG market later on, but I'll now hand over to Jerry Kalogiratos, our Chief Executive Officer, to take us through the first financial highlights.

**Jerry Kalogiratos**

Thank you, Brian, and good morning to everyone listening in today. Indeed, the results of the second quarter of 2025 fully reflects all our 15 vessels being deployed under their respective long-term charters. And unlike previous quarters, we do not have any container [inaudible]. Yet, it is quite an indicative quarter in terms of the earnings generation of our fleet at this stage, prior, of course, to the expansion of our asset base with the newbuilding, LNG, and other gas vessels that start coming from the first quarter of 2026.

Despite an ongoing capital investment program of over \$2.3 billion in these newbuilds, the dividend payout remains a core component of the company's value proposition to shareholders. The \$0.15 dividend to be paid on August 8th makes this quarter the 73rd consecutive quarter that the company has paid a cash dividend.

Looking now at slide seven. Our cash position, which continues to provide the company with a strong buffer, stood at a total of \$357 million as of the end of the quarter. Our balance sheet is strong, which is important within the business we operate. And we can see that our capital base continues to consolidate as we await the next schedule of ships to be delivered next year.

There is little more to report here. As investors will remember, 80% of our funding costs are floating rates. Hence, we expect the benefits should start cutting rates in the second half of '25. During the quarter, we continue to build out on the financial of our new builds on order, and we look at a little more detail of that on slide eight.

So, we have secured financing for two of the LC02 carriers that will be delivered to us during 2026. The financing amount is approximately \$51 million per vessel and provides for an increased advance amount up to \$58.7 million at a lower margin if any of the vessels secure period of deployment three years or longer. We're also making progress on financing of some of our other newbuilds on order and expect to have more to report by the next quarterly earnings.

Moving on to slide 10 [inaudible] with our average target duration at 7.1 years across the fleet and our LNG fleet showcasing a charter backlog of 88 years of firm period and \$2.7 billion of contracted revenue, or 118 years if all options were to be exercised. We continue to be in constant dialogue with counterparties regarding our LNG fleet in what has become increasingly a more active period market and looking for the right employment structure for our newbuilds. Nikos will provide more color later on during the call. In summary, we will look to further expand our charter book as we work towards fixing the internal employment for the remaining assets of our fleet.

Turning now to slide 11 and look at the contracted revenue base in more detail. Again here, there is no material change from the first quarter, but it is worth highlighting the counterparty diversity that our charter portfolio offers. Overall, when it comes to capital, no single counterparty represents more than 20% of the \$3 billion contracted revenue backlog. This diversity provides the company with a strong framework to build their gas transportation portfolio further, with a mix of existing corporate relationships and new customers.

I would like to finish off this section now with a quick look at our newbuilding CapEx program and our expectations with regard to its financing, described in more detail on slide 12. So we ended the quarter with \$357 million of cash on our balance sheet, which provides a solid buffer for the business. From our newbuilding program of \$2.3 billion underway, we have already paid advances by quarter end to the tune of \$539 million. Taking into account the two vessels' financing we discussed earlier and assuming 70% debt financing of the acquisition price of the LNG carriers and 50% of the other gas vessels, we estimate the total new debt finance for these vessels to amount to approximately \$1.6 billion. That will leave us with a net equity inflow of \$122 million as slide 11 shows. That is without taking into account cash flow generation from our existing fleet.

I would like to turn now the floor over to our Chief Commercial Officer, Nikos Tripodakis, who will run you through our LNG market slides. I will be available to answer your questions at the end of the call. Nikos, over to you.

### **Nikos Tripodakis**

Thank you, Jerry, and good morning, good afternoon, everybody. Q2 has shown positive signs, both on the supply and on the demand side on the LNG freight. Starting on the demand side, one of the most positive signs has been a significant number of new LNG, SPA signed. This has been true not only for the second quarter, but throughout the year so far since the Trump administration took office in late January.

Approximately 47 million tons of LNG have been sold under SPA since January, with around 25 of those in Q2 alone. This compares to a historical average per quarter of around 12 million tons, indicating the scale and the pace of this new LNG signing activity. Moreover, still on the demand side, Q2 has been a significant uptick in mid- and long-term tenders and requirements for various deliveries from 2026 all the way to 2028 with nine tenders running simultaneously at some point in Q2. In summary, the increase in LNG, SPAs concluded, as well as freight requirements in Q2 indicates the demand both for LNG as a product and for LNG freight remain very strong.

Moving over to the supply side, a similar story of positive signs prevails. On the supply side, we had a quarter of two positive records, which could lead to a faster market rebalancing. The first one is the record pace at which vessels have been removed from the fleet in Q2 and throughout the year. And the second one is the record low number of newbuilding orders placed so far this year.

The combination of this record high removal and record low ordering is only positive towards a quicker rebalancing of the market. If we focus on the right-hand side of slide 15, which shows the total number of vessels scrapped per year, we can see that another 4 vessels were removed from the fleet. This takes the total number of LNG carrier demolitions in 2025 to 10, surpassing the previous all-time high full-year record of eight vessels scrapped in 2024. To add on this, there are rumors of an additional two older LNG carriers being under advanced discussions for removal.

Staying on the same slide, the graph on the left is reflective of the commercial pressure on the older and lower technology tonnage. The dark blue line shows the trend of increasing idle, older vessels with the percentage of idle steam ships around 17%. Given that the majority of the remaining 83% still operate under long-term charters, which are set to expire in the following years, this trend can be thought of as representing a pipeline of future vessels to be scrapped.

Vessels will not immediately go to the scrapyard, but their owners will look at this option after a sustained period of idleness or when the time for a cost mix special survey comes. Indeed, some analysts expect as many as 35 older vessels to be exiting the LNG fleet each year from now until 2030. While that number might end up being domestic, the trend set in 2025 is very strong and set to continue.

Moving now on the other major supply side development, we look at slide 16. As you can see, there has been only one firm order in Q2, which brings the total number of orders in 2025 year-to-date, just four. This compares with 58 orders in the first half of 2024. And to put things further in perspective, the only first half of a single year that has seen fewer orders over the past 15 years was 2020, at the peak of the global pandemic when US production was being shut in.

In terms of rebalancing a currently well-supplied market, this provides another positive data point for the energy shipping sector. The order book to fleet ratio for a large LNG carrier now stands at just below 44%, reflecting the very rapid slowing of new LNG orders, especially since October 2024.

The run rate of total orders made over the past 12 months has slowed to fewer than 20 and as the dark blue bars show, there have been several individual months where no new LNG orders were made. This is an encouraging setup for the industry, participants like us, given the SPA development we have seen in the past six months and also the lead time for ordering LNG vessel delivery remains between three and four years.

I will now turn to our summary on slide 17. This slide graphically shows where CCEC believes the LNG market is currently positioned and its updated version of the same slide we used for Q1s call. An inflection point for the LNG market between supply and demand is to be forecasted in 2027. In our view, there is one key trend that could potentially bring the inflection point forward, and that is the acceleration of steam vessel removal.

Moreover, there are two other trends that increase the magnitude of how undersupplied the market is beyond that inflection point, and those are the very strong LNG supply growth and the absence of new LNG/C orders. In any case, CCEC is ideally positioned to benefit with open fleet positions into 2026 and 2027 into what we believe will be a strengthening market, both in terms of long-term time charter development and industry dynamics.

I will now hand the presentation back to Jerry for a summary of Q2 and the company positioning going forward.

### **Jerry Kalogiratos**

Thank you, Nikos. Focusing on our present and future fleet on slide 19 provided opportunities to round out where CCEC is and our direction going forward. We continue to be opportunistic about fixing long-term employment for our four outstanding LNG carriers, and there are

increasingly fewer uncommitted LNG newbuilds available at the time when we see growing activity in [inaudible] industry, both SPA being signed and [inaudible] being paid as described earlier by Nikos.

Our 10 specialist gas carriers are complementary to our LNG operation and leverage the energy transition, and we expect to have more color with regard to the employment closer to the delivery. As discussed earlier, we have started to finance these deliveries and expect to have more use in this regard in the coming quarters. Finally, our three legacy container vessels are well underpinned on long-term charters, potentially out to the end of the next decade, but provide optionality for CCEC going forward. In short, in all parts of the CCEC fleet, we have focused and are executing on a chosen strategy in this specific area.

So now turning to the final slide. Capital Clean Energy Carriers has continued to deliver on the objectives we set out and the scale of our delivery has been particularly strong in the first half of '25. The LNG/C industry dynamics has seen overall positive developments during the second quarter, supporting the company-specific progress we made with contract originations and extensions during Q1. Importantly, this company has and will continue to have going forward a very active fleet, delivering the lowest unit freight cost possible today to our customers with the lowest environmental footprint, both critical aspects of success given the commercial requirements of our charters and the emerging regulatory environment when it comes to carbon and methane emissions.

Looking forward, CCEC is expected to control the largest LNG 2-stroke carrier fleet available to investors upon delivery in addition to the other 10 multi-gas vessels. The company has considerable contract coverage of over seven [ph] years already and strong visibility on cash flows, while we believe that we have an advantage over many of our peers in only being invested in the latest generation gas vessels.

And with that, I will now pass it back to the operator for questions. Thank you.

### **Operator**

Thank you. We will now be conducting a question-and-answer session. If you would like to ask a question, please press star, one, on your telephone keypad. A confirmation tone will indicate your line is in the question queue. You may press star, two, if you would like to remove your question from the queue. For participants using speaker equipment, it may be necessary to pick up your handset before pressing the star keys.

And our first question will come from Alexander Bidwell with Webber Research Advisory.

### **Alexander Bidwell**

Thank you. Thank you for the time, guys. So, taking a look at the coming wave of merchant capacity, could you walk us through how these increased merchant volumes may impact the carrier market in comparison to volumes tied to long-term agreements? Do these larger

merchant books have, I guess, potential to drive carrier demands more than, I guess, fixed SPAs?

**Nikos Tripodakis**

Yes, it's a good question. Well, the main story here is that most of those contracted volumes in the SPAs we're seeing and also these projects that have been taking FID one after the other so far this year, do not have secure shipping on the back of those FIDs or the SPAs. So, you're looking at an order book that has 16 or 17 vessels available still left, all the way to 2029 and demand for approximately -- well, under conservative assumptions, 1.5 vessels per mtpa, you're looking at a demand for around 300 ships. That's the number last time. So obviously, there's still yard capacity for 2029, and there is also yard capacity for 2028. But given the 50% growth in the LNG market commodity side, there is simply not enough rate to cover that 2027 or 2028 onwards, and that's the thesis.

**Alexander Bidwell**

All right. Thank you for the color there. And then taking a look at the multi-gas carriers and the LCO2 carriers, with delivery just around the corner in 2026, how are near-term employment prospects looking? And what sort of conversations are you having around longer-term fixtures as well as LCO2 transportation?

**Nikos Tripodakis**

Yeah, it's a fair question. And the LCO2 market is obviously a new space for us, but we have been looking at it. And what we did realize recently is that it's very different from the LNG space. In the LNG space, you fix a vessel two years in advance and for much longer periods, whereas this multi-gas carrier markets, whether it's CO2, LPG or Ammonia, the fixing window is much closer to the delivery timing.

So, I would say, in these markets, we expect within the next three to four months to have more concrete commercial discussions, because basically, the commentary and what we've seen so far is that it's too far out to discuss these vessels on a firm basis. Both the time charter period and the time frame for fixing those ships is just shorter compared to LNG. So now we are seven months or six months prior to the first delivery. Within the next quarter, we will have something to update on this.

**Alexander Bidwell**

All right. Thank you very much. I'll turn it back over.

**Operator**

Thank you. Our next question comes from Omar Nokta with Jefferies.

**Omar Nokta**

Thank you. Hi, guys. Thanks for the update, and did actually just want to maybe follow up on the last question on the MGCs and the CO2 carriers. Obviously, you mentioned the window gets

shorter in terms of fixing. Is the plan do you think still to deploy them on, say, medium-term or long-term contracts? Or do you think these will ultimately be destined for spot trading?

### **Jerry Kalogiratos**

Hi, Omar, it's Jerry. So, I think we will be quite opportunistic about the fixing of the ships and will be also driven by the opportunity. Of course, as far as the LCO2 carriers, we want to be mindful of positioning the vessels to get into the LCO2 business in the medium to long run. So, unless it's LCO2 business, I don't think we will go for very long term on those ships. We will just want to make sure that we have potentially small to medium term, call it, up to two or three years in order to be able to take on projects from 2028, '29 onwards.

There is also a bundle of customers, charters that have a portfolio of products. Some of them, they would, for example, trade LPG, gray Ammonia. They are looking to take on volumes of blue Ammonia and then also have LCO2 business. This would be an ideal customer because they can take the ship for five, 10 years, and they can trade it around their different products. And this vessel is ideal, I mean, has the ability to take on all these cargoes.

Now with regard to the MGCs, slightly different. There, you have, let's say, a short to medium-term time charter structure and a not so liquid spot market. So there, we will take a view on the market. Depending on the opportunity we might fix shorter term, which is more likely at this point. When I say shorter term, six months to a year, we are also very focused on some longer-term opportunities that are being discussed. And as Nikos said, hopefully, over the next quarter or two, we can update you on that. So it might be a mix of, let's say, shorter-term charters as well as longer term.

### **Omar Nokta**

Great. Thanks, Jerry. Obviously, that was very helpful and very detailed, so I appreciate that color. And then maybe just kind of perhaps bigger picture, we've seen sentiment in the LNG sector here maybe over the past week ever since the US-EU deal, sentiments gotten better. At least in terms of the equities and investor interest, have you seen any of that optimism thus far translate into the charter markets? Has it prompted any more discussions for charters, or is it still too early?

### **Nikos Tripodakis**

Yeah, this deal between the US and Europe, obviously, is a good thing. Now it remains to be seen how exactly it will play out because we're talking about a massive increase in terms of purchases from the EU from the US LNG. But the point is it has certainly had some ripple effects on shipping. As we have seen multiple term requirements coming out and surfacing over the past month, month and a half.

So we mentioned in the presentation that there are live, nine requirements live simultaneously in Q2. Right now, there are still multiple of them, and some of them are from the US. And all I can share at this stage is that we are involved in those actively. So yes, it has affected the

sentiment and the demand for LNG shipping, and we expect that it will continue to do so, especially as we see more and more LNG SPA signed from European counterparties like ENI, like the Germans [inaudible] and all that which have surfaced in the news over the past two weeks. And mentioning these companies, just to complement this last comment, we have seen a long-term requirement from these companies on the back of those volumes signed.

**Omar Nokta**

OK. Well, thanks. I'll look forward to seeing how those develop. I appreciate the insight and color. I'll pass it back.

**Operator**

Again, that is star, one, if you would like to ask a question. We'll go next to Liam Burke with B. Riley Securities.

**Liam Burke**

Thank you. Hi, Jerry. Jerry, it looks like you have a significant first-mover advantage on the medium gas carriers and the liquid CO2. Do you anticipate any followers or any kind of growth in the order book anytime soon?

**Jerry Kalogiratos**

In the order book, there is only a handful of vessels. It's our vessels as well as some vessels that are on order for the Northern Lights project. There is a lot of activity in the background and a number of discussions ongoing for a number of different types of liquid CO2 carriers in different sizes, which is all very encouraging. If I had to guess, I think we will definitely see more ordering in that direction over the next six to 12 months as a lot of these projects are reaching the level of maturity needed to result into orders.

But overall, I think what we see is that if you were to look at the projects that are maturing or under development today compared to the shipping needs that this will generate and then you look at shipyard capacity, I think that's going to be a very tight market. Because I think as we have discussed in previous calls, these types of vessels are quite sophisticated. They have sophisticated equipment, but more importantly, the specialized steel that is required to build tanks to carry liquid CO2. And their processing is not readily available.

There's only a limited number of subcontractors, especially in Korea, but also in China. So that would mean that the capacity of shipyards to generate or to produce ships as they're required will be quite restricted. So we believe that if projects continue to mature at current volumes, we will have a bit of a tight market there in three, four years from now. But again, we are still quite a bit far away from having full visibility.

**Liam Burke**

Great. Thank you, Jerry. And on the financing of the first two vessels, do you anticipate being able to finance the new builds as they come online? Was it an easy process, or is this something where it's a newer asset and lenders are a little hesitant?

**Jerry Kalogiratos**

I think it was an easy process. If anything, I would say they were quite popular given their potential to trade in this part of the economy, the energy transition part of the economy. And I have to stress also the fact that they have the optionality to trade in the normal hydrocarbon and gray Ammonia market. So, these vessels have the perfect flexibility, so they were quite popular with financiers. As I said in the call, I expect that we will have more news in the coming months in this direction, as well as on other newbuilding vessels. And given the current financing market and the prospect of these vessels as well as LNG carriers, I don't foresee any issues with the financing.

**Liam Burke**

Great. Thank you, Jerry.

**Jerry Kalogiratos**

Thank you.

**Operator**

Thank you. This does actually conclude our question and answer session. I would like to turn the floor back over to our CEO for closing comments.

**Jerry Kalogiratos**

Thank you, and thank you, everyone, for dialing in today.

**Operator**

Ladies and gentlemen, thank you for your participation. This does conclude today's teleconference. You may disconnect your lines and have a wonderful day.