

## ATLAS REPORTS FOURTH QUARTER 2022 RESULTS

**Strong financial results exceed FY2022 Revenue and EBITDA guidance**  
**Continued successful execution of newbuild program and optimization of capital structure**

LONDON, UK, Feb. 15, 2023 /CNW/ - Atlas Corp. ("Atlas" or the "Company") (NYSE: ATCO) announced today its results for the quarter ended December 31, 2022.

### Financial Highlights:

- Fourth quarter 2022 financial performance compared to fourth quarter 2021:
  - Revenue increase of 1.9% to \$436.4 million
  - Net earnings of \$127.2 million and Diluted EPS of \$0.38
  - Adjusted earnings<sup>(1)(2)</sup> of \$111.7 million and Adjusted diluted EPS<sup>(1)</sup> of \$0.38
  - Adjusted EBITDA<sup>(1)</sup> increase of 1.5% to \$287.7 million
- Robust balance sheet with liquidity of \$980.0 million, total borrowings<sup>(1)</sup> to total assets of 53.8%
- Approximately 73% of Seaspan's total borrowings including preferred shares are fixed rate, protecting against an unpredictable inflationary and rising interest rate environment

(1) Non-GAAP financial measure. A reconciliation of each non-GAAP financial measure to the most closely comparable GAAP measure is included in this release beginning on page 15.

(2) Preferred share dividends of \$15.2 million and certain other items that management believes are not representative of its ongoing performance are deducted in the calculation of Adjusted Earnings. A reconciliation of Adjusted Earnings to the most closely comparable GAAP measure is included in this release on page 17.

### Comments from Management:

Bing Chen, President and CEO of Atlas, commented, "Atlas delivered another strong annual financial and operating performance in 2022. Despite the challenges in the past year, the Seaspan team successfully executed on its newbuild program by delivering nine vessels, 115,400 TEU total, all ahead of schedule and each commencing their scheduled long-term charters. Through consistent operational excellence, we have delivered over 120 newbuilds since our IPO in 2005, and execution of the remainder of the program remains on track thanks to our experienced teams and integrated platform. We continued to strengthen our customer partnerships with global liners by forward fixing charters for 35 vessels in 2022, leveraging our creative customer solutions and differentiated business model."

"Despite the industry and pandemic challenges, APR Energy continued to pivot to long-term predictable cash flow opportunities. In 2022, the company extended two existing contracts to greater than three years in length, and renewed numerous contracts with existing customers. APR also successfully exported all turbines from Argentina and divested all remaining interests. APR remains disciplined to expand its services into new geographies and further its growth strategy of providing longer-term energy turnkey solutions."

"With our customers' trusted partnerships, our dedicated team and differentiated business model, we are well positioned to drive quality growth that consistently delivers value throughout market cycles."

Graham Talbot, CFO of Atlas, commented, "Our fourth quarter and 2022 results demonstrate our team's consistent high performance and the resilience of our fully integrated platform that delivers in all market conditions. In 2022 we focused on executing our fully financed newbuild program, continued to optimize our capital structure and fleet, improved our hedging position amidst an unpredictable inflationary environment, and received recognition of our credit improvements through new, reaffirmed, and upgraded credit ratings for Seaspan and Atlas."

"Our long-term model and diligent focus on asset quality is evidenced through 10 strategic vessel divestments in 2022, generating an additional \$257.1 million in cashflow to optimize our balance sheet and allocate capital to future growth and to further optimize our fleet. This resulted in an expected revenue impact of \$50.0 million for 2022. In October, we upgraded a \$1.1 billion bank loan into a \$1.5 billion ECA-backed JOLCO facility on improved terms, and in January 2023 we received a strong vote of confidence from our strategic shareholder Fairfax who exercised their remaining warrants to purchase six million common shares of Atlas."

"As we begin 2023 with a significant liquidity position of \$980.0 million, a gross contracted cash flow balance of \$18.2 billion, and all capex fully funded through attractively priced long-term financings, we remain well positioned to pursue attractive opportunities across our Maritime and Energy platforms and reinforce our industry leading positions."

### Significant Developments in the Fourth Quarter of 2022 & Subsequent Events

The table below summarizes our Containership Leasing fleet as at December 31, 2022:

	Actual	Expected		
	Q4			
Containership Leasing (# of vessels)	2022	2023	2024	2025
Beginning of period balance	129	131	153	189
Delivered/Acquired	3	—	—	—
Future scheduled deliveries	—	22	36	—
Sold <sup>(1)</sup>	(1)	—	—	—
<b>End of period balance</b>	<b>131</b>	<b>153</b>	<b>189</b>	<b>189</b>
<b>End of period balance (managed)<sup>(1)</sup></b>				
<b>(2)</b>	<b>8</b>	<b>9</b>	<b>9</b>	<b>9</b>

(1) Include one asset held for sale as at December 31, 2022. The sale completed in January 2023

(2) Represents vessels that are operated on behalf of other owners

In the fourth quarter, Seaspan accepted delivery of its fifth and sixth 11,800 TEU newbuild vessels and first 15,000 TEU newbuild vessel. Each of these vessels commenced a 5-year charter upon delivery.

In December 2022, Seaspan entered an agreement to sell a 4,250 TEU vessel for gross proceeds of \$21.6 million, subject to closing conditions. The sale was completed in January 2023, and Seaspan continues to manage this vessel pursuant to a management agreement entered into in connection with the sale.

#### *Mobile Power Generation Developments*

In December 2022, APR Energy divested its diesel power generation business in Argentina through the sale of all of the shares in APR Energy SRL to Enerinv SRL and Enerarge SRL. As of the closing, APR Energy has no additional interests in Argentina and all turbines have been exported.

In January 2023, APR Energy renewed its contract with Imperial Irrigation District for a three year term commencing January 1, 2023 through to December 31, 2025.

In February 2023, APR Energy successfully completed its 12 month contract with a US counterparty to rent five turbines representing 120 MW.

#### *Financing Developments*

In October 2022, Seaspan completed its planned upgrade of a previously signed \$1.1 billion bank loan financing into a \$1.5 billion ECA-Backed JOLCO financing (the "Financing Upgrade"). Proceeds remain intended to finance Seaspan's package of 15 7,000 TEU newbuild vessels. This marks Seaspan's third ECA-JOLCO transaction. The Financing Upgrade increases the proceeds raised and significantly lowers the cost of capital through partnership with Sinosure, a Chinese ECA, and a tranche of fixed-rate capital from Japanese investors. The financing carries a 12-year tenor.

On January 13, 2023, Fairfax Financial Holdings Limited ("Fairfax") exercised the remainder of their warrants to purchase six million common shares of Atlas. The warrants, of which five million were issued in April 2021 and one million in June 2021, had exercise prices of \$13.00 and \$13.71 per common share, respectively, for gross aggregate proceeds of \$78.7 million. Immediately following this exercise, Fairfax and its affiliates held in aggregate 130.8 million common shares, representing 45.5% of the then issued and outstanding common shares of Atlas.

#### *Poseidon Acquisition of Atlas*

On August 4, 2022, Atlas' Board of Directors received a non-binding proposal letter from Poseidon Acquisition Corp. ("Poseidon"), an entity formed by certain affiliates of Fairfax, certain affiliates of the Washington Family ("Washington"), David Sokol, Chairman of the Board of Atlas, and Ocean Network Express Pte. Ltd., and certain of their respective affiliates, to acquire all of the outstanding common shares of Atlas, other than common shares owned by Fairfax, Washington, Mr. Sokol and certain executive officers of the Company, for \$14.45 cash per common share. The Board of Directors established a Special Committee consisting of independent directors to consider and negotiate the proposal.

On November 1, 2022, Atlas announced that, following the recommendation of the Special Committee and unanimous approval of the Board of Directors, Atlas had entered into a merger agreement with Poseidon pursuant to which Poseidon will acquire Atlas for cash consideration of \$15.50 per common share. The transaction, which is subject to approval of holders of a majority of the common shares not owned by affiliates of Poseidon, regulatory approvals and receipt of consents, is expected to close in the first half of 2023.

On January 20, 2023, Atlas announced that it will hold its Annual Meeting of Shareholders on February 24, 2023 (the "Annual Meeting"). At the Annual Meeting, Atlas common shareholders will be asked to, among other matters, consider and vote upon a proposal to adopt and approve the previously announced Agreement and Plan of Merger (the "Merger Agreement") among Atlas, Poseidon and Poseidon Merger Sub, Inc., and the transactions contemplated by the Merger Agreement. The completion of the transactions contemplated by the Merger Agreement remains subject to closing conditions described in Atlas' Proxy Statement filed with the U.S. Securities and Exchange Commission (the "SEC") on January 9, 2023, including receipt of common shareholder approval at the Annual Meeting.

The Annual Meeting will be held virtually at 2:00 p.m., London Time at [www.virtualshareholdermeeting.com/ATCO2023](http://www.virtualshareholdermeeting.com/ATCO2023), and all common shareholders of record as of the close of business on January 9, 2023 will be entitled to vote at the Annual Meeting. A copy of the Proxy Statement is being mailed to all Atlas shareholders of record as of the close of business on January 9, 2023 and common shareholders may vote by mailing their proxy cards or by submitting their proxy online or by telephone. The Proxy Statement has been posted to the Company's website, [atlascorporation.com](http://atlascorporation.com), and can also be accessed on the SEC's website at [www.sec.gov](http://www.sec.gov).

#### *Distribution*

On October 6, 2022, the Board of Directors of Atlas declared a quarterly distribution in the amount of \$0.125 per common share. Regular quarterly dividends on the Series D, Series H, Series I and Series J preferred shares were also declared. All dividends were paid on October 31, 2022.

On January 5, 2023, the Board of Directors of Atlas declared a quarterly distribution in the amount of \$0.125 per common share. Regular quarterly dividends on the Series D, Series H, Series I and Series J preferred shares were also declared. All dividends were paid on January 30, 2023.

#### *Common Shares Outstanding*

As of February 1, 2023, there were 287.8 million common shares outstanding.

#### **Consolidated Results:**

The following table summarizes Atlas' consolidated results for the three and twelve months ended December 31, 2022 and December 31, 2021.

(in millions of U.S. dollars, except per share amounts, percentages and ratios, unaudited)	Three Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>Key Metrics</b>				
Revenue	\$ 436.4	\$ 428.2	\$ 1,697.4	\$ 1,646.6
Net earnings	127.2	142.3	622.3	400.5
Adjusted EBITDA <sup>(1)</sup>	287.7	283.5	1,135.4	1,116.2
FFO <sup>(1)</sup>	207.0	190.5	818.1	791.1
FFO per Share, diluted <sup>(1)</sup>	0.71	0.72	2.84	2.98
Adjusted EPS, diluted <sup>(1)</sup>	0.38	0.42	1.51	1.68
Diluted EPS	0.38	0.48	1.96	1.26
<b>Financial Position</b>				
Operating Net Debt to Adjusted EBITDA <sup>(1)</sup>			3.8x	3.8x

Ending Liquidity <sup>(2)</sup>	980.0	888.6
Gross Contracted Cash Flow <sup>(3)</sup>	18,230.6	18,023.6
Total Borrowings <sup>(1)(4)</sup>	6,078.6	5,703.5
Total Borrowings to Assets (%)	53.8 %	54.0 %

#### Operational

Containership Leasing Utilization	98.5 %	98.5 %	98.5 %	98.7 %
Mobile Power Generation Utilization	62.8 %	61.4 %	68.4 %	73.8 %

<sup>(1)</sup> Non-GAAP financial measure. A reconciliation of each non-GAAP financial measure to the most closely comparable GAAP measure is included in this release beginning on page 15.

<sup>(2)</sup> This is the total cash and cash equivalents balance plus the total available undrawn committed credit facilities at period end, excluding committed and undrawn newbuild financings.

<sup>(3)</sup> Gross contracted cash flow as at December 31, 2022 includes \$6.6 billion of lease payments receivable from operating leases, \$1.7 billion of gross lease receivable from finance leases and \$9.9 billion of gross lease payments from newbuild vessels with signed charter agreements that are undelivered as at December 31, 2022. Gross contracted cash flow as at December 31, 2021, includes \$5.9 billion of lease payments receivable from operating leases, \$1.3 billion of gross lease receivable from financing leases and \$10.8 billion of gross lease payments for acquired vessels with signed charter agreements that are undelivered as at December 31, 2021. Gross contracted cash flow includes purchase obligations and excludes purchase options, extension options, higher charter rate options and profit-sharing components.

<sup>(4)</sup> Total borrowings do not include debt to be incurred in connection with certain undelivered vessels.

#### Financial Results Summary:

**Revenue** increase of 1.9% to \$436.4 million and 3.1% to \$1,697.4 million for the three and twelve months ended December 31, 2022, compared to the same periods in 2021. The increase in revenue is primarily related to the Mobile Power Generation segment due to higher asset utilization. Revenue from the Containership Leasing segment decreased 1.6% for the three months ended December 31, 2022 due to lower revenue due to the sale of 11 vessels since the fourth quarter of 2021 and lower rates, partially offset by the impact of nine vessel deliveries in the year. Revenue from the Containership Leasing segment increased 5.7% for the twelve months ended December 31, 2022 largely driven by delivery of newbuild vessels in the current year and a full year impact of deliveries from 2021, offset by vessel sales during the year. The increase in the Containership Leasing segment was offset by decreased revenue in the Mobile Power Generation segment from lower asset utilization.

**Adjusted EBITDA** increase of 1.5% to \$287.7 million and 1.7% to \$1,135.4 million for the three and twelve months ended December 31, 2022, respectively, compared to the same periods in 2021. The increases in adjusted EBITDA were due to higher revenue, decrease in operating lease expense offset by a lower recovery relating to an indemnity claim under acquisition agreement. The decrease in operating lease expense relates to the lease reclassification from operating to financing as a result of pre-existing purchase options being exercised in January 2022 through August 2022. For the year ended December 31, 2022, the increase in Adjusted EBITDA was partially offset by an increase in general corporate expenses including non-cash share-based compensation and professional fees incurred by the special committee to evaluate the take-private proposal from Poseidon.

**FFO Per Share** decrease of 1.4% to \$0.71 and 4.7% to \$2.84 for the three and twelve months ended December 31, 2022, respectively, compared to the same periods in 2021. Total funds from operations were higher due to increased revenue for the year and lower income tax expense offset by higher general and administrative expenses for the year and a smaller recovery recognized in the comparative 2021 period related to an indemnity claim made by Atlas relating to its acquisition of APR Energy. The decrease in FFO per share was primarily driven by an increase in diluted share count from the issuance of 25 million shares from the exercise of warrants in April 2022 and the impact of the maximum dilutive effect of the exchangeable notes based on the if-converted method.

**Diluted EPS** decrease of 20.8% to \$0.38 for the three months ended December 31, 2022, compared to the same period in 2021. The decrease was primarily driven by an increase in interest expense due to higher interest rates and increased operating debt from vessel deliveries partially offset by lower income tax expense. Diluted EPS increased to \$1.96 from \$1.26 for the twelve months ended December 31, 2022. The increase was primarily due to non-cash items which included a \$120.6 million gain on derivative instruments in 2022 and a \$127.0 million loss on debt extinguishment in 2021.

**Adjusted Diluted EPS** decrease of 9.5% to \$0.38 and 10.1% to \$1.51 for the three and twelve months ended December 31, 2022, respectively, compared to same periods in 2021. The decrease in adjusted diluted EPS was primarily due to the increase in diluted share count.

#### Liquidity

As of December 31, 2022, Atlas had total liquidity of \$980.0 million, consisting of \$280.0 million of cash and cash equivalents and \$700.0 million of availability under undrawn committed credit facilities. As of December 31, 2022, we also had \$6.1 billion of undrawn committed financing related to our newbuild vessels and an unencumbered asset base including 38 vessels with a book value of \$1.8 billion.

#### Segmented Financial Results:

The following table summarizes selected segmented financial results for the three and twelve months ended December 31, 2022.

(in millions of U.S. dollars, unaudited)	Three Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
Revenue	\$ 397.8	\$ 38.6	\$ —	\$ 436.4
Operating expense	79.0	17.1	—	96.1
G&A expense	23.0	2.6	(1.2)	24.4
Operating lease expense	29.3	0.6	—	29.9
Adjusted EBITDA <sup>(1)</sup>	266.5	18.3	2.9	287.7
FFO <sup>(1)</sup>	193.9	25.3	(12.2)	207.0

  

(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
Revenue	\$ 1,543.0	\$ 154.4	\$ —	\$ 1,697.4
Operating expense	309.2	44.2	—	353.4
G&A expense	76.6	33.5	(2.0)	108.1
Indemnification claim (income) under acquisition agreement	—	—	(21.3)	(21.3)

Operating lease expense	120.3	2.7	—	123.0
Adjusted EBITDA <sup>(1)</sup>	1,036.9	97.1	1.4	1,135.4
FFO <sup>(1)</sup>	791.2	86.4	(59.5)	818.1
Gross Contracted Cash Flow <sup>(2)</sup>	17,996.8	233.8	—	18,230.6

<sup>(1)</sup> Non-GAAP financial measure. A reconciliation of each non-GAAP financial measure to the most closely comparable GAAP measure is included in this release beginning on page 15.

<sup>(2)</sup> Gross contracted cash flow as at December 31, 2022, includes \$6.6 billion of lease payments receivable from operating leases, \$1.7 billion of gross lease receivable from finance leases and \$9.9 billion of gross lease payments from newbuild vessels with signed charter agreements that are undelivered as at December 31, 2022. Gross contracted cash flow includes purchase obligations and excludes purchase options, extension options, higher charter rate options and profit-sharing components.

<sup>(3)</sup> Elimination and Other includes amounts relating to preferred shares, change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

## About Atlas

Atlas is a leading global asset management company, differentiated by its position as a best-in-class owner and operator with a focus on disciplined capital deployment to create sustainable shareholder value. We target long-term, risk-adjusted returns across high-quality infrastructure assets in the maritime sector, energy sector and other infrastructure verticals. For more information visit [atlascorporation.com](http://atlascorporation.com).

## About Seaspan

Seaspan is the largest global containership lessor, primarily focused on long-term, fixed-rate leases with the world's largest container shipping liners. As at December 31, 2022, Seaspan's operating fleet consisted of 132 vessels with a total capacity of 1,219,080 TEU, and an additional 58 vessels under construction, increasing total fleet capacity to 1,919,080 TEU, on a fully delivered basis. For more information, visit [seaspancorp.com](http://seaspancorp.com).

## About APR

APR provides rapidly deployable, large-scale power and fast-track mobile power to underserved markets and industries. APR's mobile, turnkey power plants help run industries, cities and countries globally in both developed and developing markets. For more information, visit [aprenergy.com](http://aprenergy.com).

### ATLAS CORP. UNAUDITED CONSOLIDATED BALANCE SHEETS (IN MILLIONS OF U.S. DOLLARS)

	December 31, 2022	December 31, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 280.0	\$ 288.6
Accounts receivable	98.6	56.2
Inventories	50.0	46.4
Prepaid expenses and other	35.9	35.7
Asset held for sale	19.4	—
Net investment in lease	21.0	16.8
Acquisition related assets	88.3	104.0
	593.2	547.7
Property, plant and equipment	7,156.9	6,952.2
Vessels under construction	1,422.5	1,095.6
Right-of-use assets	746.7	724.9
Net investment in lease	887.4	741.5
Goodwill	75.3	75.3
Deferred tax assets	0.5	1.9
Derivative instruments	107.1	6.1
Other assets	312.8	424.4
	<b>\$ 11,302.4</b>	<b>\$ 10,569.6</b>
<b>Liabilities and shareholders' equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 204.3	\$ 183.4
Deferred revenue	25.2	46.6
Income tax payable	72.3	96.9
Long-term debt - current	238.4	551.0
Operating lease liabilities - current	115.3	155.1
Finance lease liabilities - current	222.2	—
Other financing arrangements - current	147.5	100.5
Other liabilities - current	13.3	42.0
	1,038.5	1,175.5
Long-term debt	3,453.4	3,731.8
Operating lease liabilities	391.7	562.3
Other financing arrangements	1,940.3	1,239.3
Derivative instruments	1.5	28.5
Other liabilities	51.2	17.7
Total liabilities	6,876.6	6,755.1
Cumulative redeemable preferred shares	296.9	296.9
Shareholders' equity:		
Share capital	2.8	2.4
Additional paid in capital	3,724.2	3,526.8
Retained earnings	420.0	7.5
Accumulated other comprehensive loss	(18.1)	(19.1)

	4,128.9		3,517.6
\$	<b>11,302.4</b>	\$	<b>10,569.6</b>

**ATLAS CORP.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(IN MILLIONS OF U.S. DOLLARS, EXCEPT SHARES IN THOUSANDS AND PER SHARE AMOUNTS)**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Revenue	\$ 436.4	\$ 428.2	\$ 1,697.4	\$ 1,646.6
Operating expenses:				
Operating expenses	96.1	97.8	353.4	351.0
Depreciation and amortization	96.2	82.0	379.1	366.7
General and administrative	24.4	30.6	108.1	79.2
Indemnity claim under acquisition agreement	—	(13.3)	(21.3)	(42.4)
Operating leases	29.9	36.9	123.0	146.3
(Gain) Loss on sale	—	(15.4)	3.7	(16.4)
	<u>246.6</u>	<u>218.6</u>	<u>946.0</u>	<u>884.4</u>
Operating earnings	189.8	209.6	751.4	762.2
Other expenses (income):				
Interest expense	76.5	45.7	235.4	197.1
Interest income	(3.6)	(0.3)	(6.5)	(3.1)
Gain on equity investment	(2.6)	—	(0.3)	—
Loss (Gain) on derivative instruments	6.0	(7.3)	(120.6)	(14.1)
Loss on debt extinguishment	—	—	9.4	127.0
Other (income) expenses	(6.0)	4.6	9.3	21.8
	<u>70.3</u>	<u>42.7</u>	<u>126.7</u>	<u>328.7</u>
Income tax (recovery) expense	(7.7)	24.6	2.4	33.0
Net earnings	\$ 127.2	\$ 142.3	\$ 622.3	\$ 400.5
Dividends - preferred shares	(15.2)	(15.2)	(60.8)	(65.1)
Net earnings attributable to common shares	<u>\$ 112.0</u>	<u>\$ 127.1</u>	<u>\$ 561.5</u>	<u>\$ 335.4</u>
Interest on senior unsecured exchangeable notes <sup>(1)</sup>	1.9	—	7.6	—
Net earnings attributable to diluted shares	<u>\$ 113.9</u>	<u>\$ 127.1</u>	<u>\$ 569.1</u>	<u>\$ 335.4</u>
Weighted average number of shares, basic	275,164	246,445	267,148	246,300
Effect of dilutive securities:				
Share-based compensation	3,867	2,761	2,722	2,433
Fairfax warrants	787	11,190	3,396	10,647
Holdback shares	727	3,572	2,009	5,572
Senior unsecured exchangeable notes <sup>(1)</sup>	15,475	1,234	15,475	902
Weighted average number of shares, diluted	<u>296,020</u>	<u>265,202</u>	<u>290,750</u>	<u>265,854</u>
Earnings per share, basic	\$ 0.41	\$ 0.52	\$ 2.10	\$ 1.36
Earnings per share, diluted <sup>(1)</sup>	<u>\$ 0.38</u>	<u>\$ 0.48</u>	<u>\$ 1.96</u>	<u>\$ 1.26</u>

<sup>(1)</sup> Effective January 1, 2022, the Company adopted ASU 2020-06, "Debt - Debt with Conversion and Other Options (Subtopic 470-20)", using the modified retrospective method. As a result of this adoption, the Company recognizes the maximum potential dilutive effect of its exchangeable notes in the calculation of diluted EPS using the if-converted method.

**ATLAS CORP.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(IN MILLIONS OF U.S. DOLLARS)**

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2021	2022	2021
Cash from (used in):				
Operating activities:				
Net earnings	\$ 127.2	\$ 142.3	\$ 622.3	\$ 400.5
Items not involving cash:				
Depreciation and amortization	96.2	82.0	379.1	366.7
Change in right-of-use asset	17.1	31.5	99.6	125.8
Non-cash interest expense and accretion	5.0	6.7	21.2	38.2
Unrealized change in derivative instruments	10.5	(13.8)	(127.9)	(40.6)
Amortization of acquired revenue contracts	2.8	3.2	12.4	15.0
Loss on debt extinguishment	—	—	9.4	127.0
Gain on equity investment	(2.6)	—	(0.3)	—
(Gain) Loss on sale	—	(15.4)	3.7	(16.4)
Other	(5.4)	13.9	7.0	26.2
Change in other operating assets and liabilities	(36.8)	40.0	(170.2)	(98.4)
Cash from operating activities	<u>214.0</u>	<u>290.4</u>	<u>856.3</u>	<u>944.0</u>

## Investing activities:

Expenditures for property, plant and equipment and vessels under construction	(433.9)	(245.1)	(1,239.7)	(1,577.0)
Prepayment on vessel purchase	—	—	—	(132.3)
Receipt from (Payment on) settlement of interest swap agreements	1.5	(7.8)	(12.7)	(26.8)
Gain (Loss) on foreign currency repatriation	1.3	(3.3)	4.0	(13.9)
Receipt from contingent consideration asset	—	5.3	12.5	30.5
Other assets and liabilities	80.0	30.2	259.5	41.3
Capitalized interest relating to newbuilds	(13.9)	(7.7)	(46.2)	(15.7)
Cash used in investing activities	<b>(365.0)</b>	<b>(228.4)</b>	<b>(1,022.6)</b>	<b>(1,693.9)</b>

## Financing activities:

Repayments of long-term debt and other financing arrangements	(416.1)	(257.9)	(1,221.3)	(1,474.9)
Issuance of long-term debt and other financing arrangements	289.8	354.9	1,367.4	3,152.6
Redemption of Fairfax Notes	—	—	—	(300.0)
Redemption of preferred shares	—	—	—	(330.4)
Payment of lease liabilities	(3.6)	—	(16.6)	—
Financing fees	(3.6)	(81.6)	(20.2)	(122.2)
Share issuance cost	—	—	—	(0.1)
Dividends on common shares	(17.8)	(31.2)	(119.3)	(124.6)
Dividends on preferred shares	(15.2)	(15.2)	(60.8)	(66.2)
Proceeds from exercise of warrants	—	—	201.3	—
Cash (used in) from financing activities	<b>(166.5)</b>	<b>(31.0)</b>	<b>130.5</b>	<b>734.2</b>

(Decrease) / Increase in cash and cash equivalents	(317.5)	31.0	(35.8)	(15.7)
Cash and cash equivalents and restricted cash, beginning of period	608.5	295.8	326.8	342.5
Cash and cash equivalents and restricted cash, end of period	<b>\$ 291.0</b>	<b>\$ 326.8</b>	<b>\$ 291.0</b>	<b>\$ 326.8</b>

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the amounts shown in the consolidated statements of cash flows:

	<b>December 31, 2022</b>	<b>December 31, 2021</b>
Cash and cash equivalents	\$ 280.0	\$ 288.6
Restricted cash	11.0	38.2
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows	<b>\$ 291.0</b>	<b>\$ 326.8</b>

**ATLAS CORP.**  
**NON-GAAP RECONCILIATIONS**  
**NET EARNINGS TO FUNDS FROM OPERATIONS**

(in millions of U.S. dollars, except shares in thousands and per share amounts, unaudited)	Three Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>GAAP Net earnings</b>	<b>\$ 127.2</b>	<b>\$ 142.3</b>	<b>\$ 622.3</b>	<b>\$ 400.5</b>
Preferred share dividends	(15.2)	(15.2)	(60.8)	(65.1)
(Gain) Loss on sale	—	(15.4)	3.7	(16.4)
Loss on debt extinguishment	—	—	9.4	127.0
Gain on disposal of entity	(10.8)	—	(10.8)	—
Unrealized change in fair value on derivative instruments	10.5	(13.8)	(127.9)	(40.6)
Change in contingent consideration asset <sup>(1)</sup>	(0.9)	7.3	(0.9)	5.1
Loss on foreign currency repatriation <sup>(2)</sup>	—	3.3	4.0	13.9
Depreciation and amortization	96.2	82.0	379.1	366.7
<b>FFO</b>	<b>207.0</b>	<b>190.5</b>	<b>818.1</b>	<b>791.1</b>
Interest on senior unsecured exchangeable notes <sup>(3)</sup>	1.9	—	7.6	—
<b>FFO attributable to diluted shares</b>	<b>\$ 208.9</b>	<b>\$ 190.5</b>	<b>\$ 825.7</b>	<b>\$ 791.1</b>
Weighted average number of shares, basic	275,164	246,445	267,148	246,300
Effect of dilutive securities:				
Share-based compensation	3,867	2,761	2,722	2,433
Fairfax warrants	787	11,190	3,396	10,647
Holdback shares	727	3,572	2,009	5,572
Senior unsecured exchangeable notes <sup>(3)</sup>	15,475	1,234	15,475	902
<b>Weighted average shares outstanding, diluted</b>	<b>296,020</b>	<b>265,202</b>	<b>290,750</b>	<b>265,854</b>
<b>FFO per share, diluted <sup>(3)</sup></b>	<b>\$ 0.71</b>	<b>\$ 0.72</b>	<b>\$ 2.84</b>	<b>\$ 2.98</b>

<sup>(1)</sup> The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR Energy. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations ended on April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

<sup>(2)</sup> Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the peso contingent asset arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is

offset against the contingent consideration asset when received and therefore is not reflected in the income statement.

(3) Effective January 1, 2022, the Company adopted ASU 2020-06, "Debt - Debt with Conversion and Other Options (Subtopic 470-20)", using the modified retrospective method. As a result of this adoption, the Company recognizes the maximum potential dilutive effect of its exchangeable notes in the calculation of diluted EPS using the if-converted method.

**ATLAS CORP.  
NON-GAAP RECONCILIATIONS  
NET EARNINGS TO FUNDS FROM OPERATIONS**

(in millions of U.S. dollars, unaudited)	Three Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
<b>GAAP Net earnings</b>	<b>\$ 98.8</b>	<b>\$ 24.5</b>	<b>\$ 3.9</b>	<b>\$ 127.2</b>
Preferred share dividends	—	—	(15.2)	(15.2)
Gain on disposal of entity	—	(10.8)	—	(10.8)
Unrealized change in fair value on derivative instruments	10.5	—	—	10.5
Change in contingent consideration asset <sup>(1)</sup>	—	—	(0.9)	(0.9)
Depreciation and amortization	84.6	11.6	—	96.2
<b>FFO</b>	<b>\$ 193.9</b>	<b>\$ 25.3</b>	<b>\$ (12.2)</b>	<b>\$ 207.0</b>

(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
<b>GAAP Net earnings</b>	<b>\$ 583.0</b>	<b>\$ 37.1</b>	<b>\$ 2.2</b>	<b>\$ 622.3</b>
Preferred share dividends	—	—	(60.8)	(60.8)
Loss (Gain) on sale	4.0	(0.3)	—	3.7
Loss on debt extinguishment	4.6	4.8	—	9.4
Gain on disposal of entity	—	(10.8)	—	(10.8)
Unrealized change in fair value on derivative instruments	(127.9)	—	—	(127.9)
Change in contingent consideration asset	—	—	(0.9)	(0.9)
Loss on foreign currency repatriation <sup>(2)</sup>	—	4.0	—	4.0
Depreciation and amortization	327.5	51.6	—	379.1
<b>FFO</b>	<b>\$ 791.2</b>	<b>\$ 86.4</b>	<b>\$ (59.5)</b>	<b>\$ 818.1</b>

(1) The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations expired on April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

(2) Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the peso contingent asset arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is offset against the contingent consideration asset when received and therefore, is not reflected in the income statement.

(3) Elimination and Other includes amounts relating to preferred shares, change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

**ATLAS CORP.  
NON-GAAP RECONCILIATIONS  
NET EARNINGS TO ADJUSTED EPS**

(in millions of U.S. dollars, except shares in thousands and per share amounts, unaudited)	Three Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>GAAP Net earnings</b>	<b>\$ 127.2</b>	<b>\$ 142.3</b>	<b>\$ 622.3</b>	<b>\$ 400.5</b>
Preferred share dividends	(15.2)	(15.2)	(60.8)	(65.1)
Loss on debt extinguishment	—	—	9.4	127.0
Gain on disposal of entity	(10.8)	—	(10.8)	—
Unrealized change in fair value on derivative instruments	10.5	(15.4)	(127.9)	(16.4)
<b>Adjusted Earnings</b>	<b>111.7</b>	<b>111.7</b>	<b>432.2</b>	<b>446.0</b>
Interest on senior unsecured exchangeable notes <sup>(1)</sup>	1.9	—	7.6	—
<b>Adjusted Earnings attributable to diluted shares</b>	<b>\$ 113.6</b>	<b>\$ 111.7</b>	<b>\$ 439.8</b>	<b>\$ 446.0</b>
<b>Weighted average number of shares, basic</b>	275,164	246,445	267,148	246,300
Effect of dilutive securities:				
Share-based compensation	3,867	2,761	2,722	2,433
Fairfax warrants	787	11,190	3,396	10,647
Holdback shares	727	3,572	2,009	5,572
Senior unsecured exchangeable notes <sup>(1)</sup>	15,475	1,234	15,475	902
<b>Weighted average shares outstanding, diluted</b>	<b>296,020</b>	<b>265,202</b>	<b>290,750</b>	<b>265,854</b>

**Adjusted EPS, diluted<sup>(1)</sup>**

\$	0.38	\$	0.42	\$	1.51	\$	1.68
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<sup>(1)</sup> Effective January 1, 2022, the Company adopted ASU 2020-06, "Debt – Debt with Conversion and Other Options (Subtopic 470-20)", using the modified retrospective method. As a result of this adoption, the Company recognizes the maximum potential dilutive effect of its exchangeable notes in the calculation of diluted EPS using the if-converted method.

(in millions of U.S. dollars, unaudited)	Three Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(1)</sup>	Total
<b>GAAP Net earnings</b>	\$ 98.8	\$ 24.5	\$ 3.9	\$ 127.2
Preferred share dividends	—	—	(15.2)	(15.2)
Loss on debt extinguishment	—	—	—	—
Gain on disposal of entity	—	(10.8)	—	(10.8)
Unrealized change in fair value on derivative instruments	10.5	—	—	10.5
<b>Adjusted Earnings</b>	<b>\$ 109.3</b>	<b>\$ 13.7</b>	<b>\$ (11.3)</b>	<b>\$ 111.7</b>

(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(1)</sup>	Total
<b>GAAP Net earnings</b>	\$ 583.0	\$ 37.1	\$ 2.2	\$ 622.3
Preferred share dividends	—	—	(60.8)	(60.8)
Loss on debt extinguishment	4.6	4.8	—	9.4
Gain on disposal of entity	—	(10.8)	—	(10.8)
Unrealized change in fair value on derivative instruments	(127.9)	—	—	(127.9)
<b>Adjusted Earnings</b>	<b>\$ 459.7</b>	<b>\$ 31.1</b>	<b>\$ (58.6)</b>	<b>\$ 432.2</b>

<sup>(1)</sup> Elimination and Other includes amounts relating to preferred shares, elimination of intercompany transactions and unallocated amounts.

**ATLAS CORP.  
NON-GAAP RECONCILIATIONS  
NET EARNINGS TO ADJUSTED EBITDA**

(in millions of U.S. dollars, unaudited)	Three Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>GAAP Net earnings</b>	\$ 127.2	\$ 142.3	\$ 622.3	\$ 400.5
Interest expense	76.5	45.7	235.4	197.1
Interest income	(3.6)	(0.3)	(6.5)	(3.1)
Income tax (recovery) expense	(7.7)	24.6	2.4	33.0
Depreciation and amortization	96.2	82.0	379.1	366.7
Loss on debt extinguishment	—	—	9.4	127.0
(Gain) Loss on sale	—	(15.4)	3.7	(16.4)
Loss (Gain) on derivative instruments	6.0	(7.3)	(120.6)	(14.1)
Change in contingent consideration asset <sup>(1)</sup>	(0.9)	7.3	(0.9)	5.1
Loss on foreign currency repatriation <sup>(2)</sup>	—	3.3	4.0	13.9
Other (income) expenses	(6.0)	1.3	7.1	6.5
<b>Adjusted EBITDA</b>	<b>\$ 287.7</b>	<b>\$ 283.5</b>	<b>\$ 1,135.4</b>	<b>\$ 1,116.2</b>

<sup>(1)</sup> The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations expired April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

<sup>(2)</sup> Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the peso contingent asset arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is offset against the contingent consideration asset when received and therefore, is not reflected in the income statement.

(in millions of U.S. dollars, unaudited)	Three Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
<b>GAAP Net earnings</b>	\$ 98.8	\$ 24.5	\$ 3.9	\$ 127.2
Interest expense	73.3	3.3	(0.1)	76.5
Interest income	(3.1)	(0.2)	(0.3)	(3.6)
Income tax expense (recovery)	1.0	(8.7)	—	(7.7)
Depreciation and amortization	84.6	11.6	—	96.2
Loss on debt extinguishment	—	—	—	—
Gain on sale	—	—	—	—



Loss on derivative instruments	6.0	—	(0.9)	6.0
Change in contingent consideration asset <sup>(1)</sup>	—	—	(0.9)	(0.9)
Other expenses (income)	5.9	(12.2)	0.3	(6.0)

<b>Adjusted EBITDA</b>	<b>\$ 266.5</b>	<b>\$ 18.3</b>	<b>\$ 2.9</b>	<b>\$ 287.7</b>
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(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(3)</sup>	Total
<b>GAAP Net earnings</b>	<b>\$ 583.0</b>	<b>\$ 37.1</b>	<b>\$ 2.2</b>	<b>\$ 622.3</b>
Interest expense	219.4	16.7	(0.7)	235.4
Interest income	(5.5)	(0.7)	(0.3)	(6.5)
Income tax expense	1.9	0.5	—	2.4
Depreciation and amortization	327.5	51.6	—	379.1
Loss on debt extinguishment	4.6	4.8	—	9.4
Loss (Gain) on sale	4.0	(0.3)	—	3.7
Gain on derivative instruments	(120.6)	—	—	(120.6)
Change in contingent consideration asset <sup>(1)</sup>	—	—	(0.9)	(0.9)
Loss on foreign currency repatriation <sup>(2)</sup>	—	4.0	—	4.0
Other expenses (income)	22.6	(16.6)	1.1	7.1
<b>Adjusted EBITDA</b>	<b>\$ 1,036.9</b>	<b>\$ 97.1</b>	<b>\$ 1.4</b>	<b>\$ 1,135.4</b>

<sup>(1)</sup> The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations expired on April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

<sup>(2)</sup> Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the peso contingent asset arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is offset against the contingent consideration asset when received and therefore, is not reflected in the income statement.

<sup>(3)</sup> Elimination and Other includes amounts relating to preferred shares, change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

**ATLAS CORP.**  
**NON-GAAP RECONCILIATIONS**  
**OPERATING NET DEBT TO ADJUSTED EBITDA**

(in millions of U.S. dollars, unaudited)	As at December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(4)</sup>	Total
Long-term debt <sup>(1)</sup>	\$ 3,593.4	\$ 155.7	\$ (57.3)	\$ 3,691.8
Other financing arrangements <sup>(1)</sup>	2,087.8	—	—	2,087.8
Finance leases	222.2	—	—	222.2
Deferred financing fees	74.7	2.1	—	76.8
<b>Total Borrowings</b>	<b>5,978.1</b>	<b>157.8</b>	<b>(57.3)</b>	<b>6,078.6</b>
Cash and cash equivalents	(165.2)	(114.8)	—	(280.0)
Restricted cash	—	(11.0)	—	(11.0)
<b>Net Debt</b>	<b>5,812.9</b>	<b>32.0</b>	<b>(57.3)</b>	<b>5,787.6</b>
Vessels under construction	(1,422.5)	—	—	(1,422.5)
<b>Operating Net Debt</b>	<b>\$ 4,390.4</b>	<b>\$ 32.0</b>	<b>\$ (57.3)</b>	<b>\$ 4,365.1</b>

(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2022			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(4)</sup>	Total
<b>GAAP Net earnings</b>	<b>\$ 583.0</b>	<b>\$ 37.1</b>	<b>\$ 2.2</b>	<b>\$ 622.3</b>
Interest expense	219.4	16.7	(0.7)	235.4
Interest income	(5.5)	(0.7)	(0.3)	(6.5)
Income tax expense	1.9	0.5	—	2.4
Depreciation and amortization	327.5	51.6	—	379.1
Loss on debt extinguishment	4.6	4.8	—	9.4
Loss (Gain) on sale	4.0	(0.3)	—	3.7
Gain on derivative instruments	(120.6)	—	—	(120.6)
Change in contingent consideration asset <sup>(2)</sup>	—	—	(0.9)	(0.9)
Loss on foreign currency repatriation <sup>(3)</sup>	—	4.0	—	4.0
Other expenses (income)	22.6	(16.6)	1.1	7.1
<b>Adjusted EBITDA</b>	<b>\$ 1,036.9</b>	<b>\$ 97.1</b>	<b>\$ 1.4</b>	<b>\$ 1,135.4</b>
<b>Net Debt to Adjusted EBITDA</b>	<b>5.6x</b>	<b>0.3x</b>		<b>5.1x</b>
<b>Operating Net Debt to Adjusted EBITDA</b>	<b>4.2x</b>	<b>0.3x</b>		<b>3.8x</b>

(1) Debt and other financing arrangements include both current and long-term portions.

(2) The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations expired on April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

(3) Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the peso contingent asset arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is offset against the contingent consideration asset when received and therefore, is not reflected in the income statement.

(4) Elimination and Other includes amounts relating to preferred shares, change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

(in millions of U.S. dollars, unaudited)	As at December 31, 2021			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(4)</sup>	Total
Long-term debt <sup>(1)</sup>	\$ 4,075.4	\$ 260.3	\$ (52.9)	\$ 4,282.8
Other financing arrangements <sup>(1)</sup>	1,339.8	—	—	1,339.8
Deferred financing fees	75.1	5.8	—	80.9
<b>Total Borrowings</b>	<b>5,490.3</b>	<b>266.1</b>	<b>(52.9)</b>	<b>5,703.5</b>
Debt discount and fair value adjustment	5.1	—	—	5.1
Cash and cash equivalents	(188.1)	(100.5)	—	(288.6)
Restricted cash	—	(38.2)	—	(38.2)
<b>Net Debt</b>	<b>5,307.3</b>	<b>127.4</b>	<b>(52.9)</b>	<b>5,381.8</b>
Vessels under construction	(1,095.6)	—	—	(1,095.6)
<b>Operating Net Debt</b>	<b>\$ 4,211.7</b>	<b>\$ 127.4</b>	<b>\$ (52.9)</b>	<b>\$ 4,286.2</b>

(in millions of U.S. dollars, unaudited)	Twelve Months Ended December 31, 2021			
	Containership Leasing	Mobile Power Generation	Elimination and Other <sup>(4)</sup>	Total
<b>GAAP Net earnings</b>	<b>\$ 387.0</b>	<b>\$ 16.7</b>	<b>\$ (3.2)</b>	<b>\$ 400.5</b>
Interest expense	178.8	20.2	(1.9)	197.1
Interest income	(0.3)	(2.8)	—	(3.1)
Income tax expense	0.8	32.2	—	33.0
Depreciation and amortization	307.9	58.8	—	366.7
Loss on debt extinguishment	127.0	—	—	127.0
Gain on sale	(15.9)	(0.5)	—	(16.4)
Gain on derivative instruments	(14.1)	—	—	(14.1)
Change in contingent consideration asset <sup>(2)</sup>	—	—	5.1	5.1
Loss on foreign currency repatriation <sup>(3)</sup>	—	13.9	—	13.9
Other expenses (income)	7.2	(2.1)	1.4	6.5
<b>Adjusted EBITDA</b>	<b>\$ 978.4</b>	<b>\$ 136.4</b>	<b>\$ 1.4</b>	<b>\$ 1,116.2</b>
<b>Net Debt to Adjusted EBITDA</b>	<b>5.4x</b>	<b>0.9x</b>		<b>4.8x</b>
<b>Operating Net Debt to Adjusted EBITDA</b>	<b>4.3x</b>	<b>0.9x</b>		<b>3.8x</b>

(1) Debt and other financing arrangements include both current and long-term portions.

(2) The change in contingent consideration asset relates to the mark to market impact of contingent consideration related to the acquisition of APR. Pursuant to the acquisition agreement, the sellers of APR agreed to compensate the Company for losses on cash repatriation from a foreign jurisdiction related to cash generated from specified contracts less relevant costs. The sellers' indemnification obligations ended on April 30, 2022. The sellers of APR further agreed to compensate the Company for losses on sale or disposal of certain fixed asset and inventory items. The value of compensation receivable from the sellers is accounted for as a contingent consideration asset.

(3) Loss on foreign currency repatriation relates to losses recognized on cash repatriation from a foreign jurisdiction, where compensation is receivable through the Peso Contingent Asset Arrangement. Compensation is made by the sellers in cash or return of previously issued equity, which is offset against the contingent consideration asset when received and therefore, is not reflected in the income statement.

(4) Elimination and Other includes amounts relating to preferred shares, change in contingent consideration asset, elimination of intercompany transactions and unallocated amounts.

#### ATLAS CORP. NON-GAAP RECONCILIATIONS OPERATING BORROWINGS

(in millions of U.S. dollars, unaudited)	As at December 31,			
	2022			2021
	Total outstanding	Interest rate	Years to maturity	Total outstanding
Revolving credit facilities <sup>(2)</sup>	\$ —	—	—	\$ —
Term loan credit facilities <sup>(1)(2)</sup>	1,233.0	6.4 %	3.59	2,341.8
Senior unsecured notes <sup>(2)(3)</sup>	1,302.4	5.9 %	4.92	1,302.4
Senior unsecured exchangeable notes <sup>(2)(4)</sup>	201.3	3.8 %	2.96	201.3
Senior secured notes <sup>(1)(2)(5)</sup>	1,000.0	4.7 %	10.86	500.0

Debt discount and fair value adjustment				(5.1)
Deferred financing fees on long term debt	(44.9)	—	—	(57.6)
<b>Long term debt</b>	<b>3,691.8</b>			<b>4,282.8</b>
Other financing arrangements <sup>(2)</sup>	2,119.7	6.6 %	9.32	1,363.1
Deferred financing fees on other financing arrangements	(31.9)	—	—	(23.3)
<b>Other financing arrangement</b>	<b>2,087.8</b>			<b>1,339.8</b>
<b>Finance leases</b>	222.2	5.9 %	0.37	—
Total deferred financing fees	76.8	—	—	80.9
<b>Total borrowings</b>	<b>6,078.6</b>			<b>5,703.5</b>
Vessels under construction <sup>(6)</sup>	(1,422.5)	—	—	(1,095.6)
<b>Operating borrowings</b>	<b>\$ 4,656.1</b>			<b>\$ 4,607.9</b>

(1) As at December 31, 2022, \$2,132.5 million of the Company's term loan credit facilities and notes was secured by vessels.

(2) These exclude deferred financing fees and include both current and long-term portions.

(3) Corresponds to the following: (i) 7.125% senior unsecured notes due in 2027, (ii) 6.5% senior unsecured sustainability-linked bonds issued in the Nordic bond market, due in 2024 and 2026, and (iii) 5.5% senior unsecured notes due 2029.

(4) Corresponds to the 3.75% senior unsecured notes where the holder has the option to exchange into Atlas common shares, cash or combination of Atlas common shares or cash, at Seaspan's discretion, on or after September 2025 or earlier upon the occurrence of certain conditions. The notes are due in December 2025.

(5) Corresponds to Sustainability-Linked Senior Secured Notes with fixed interest rates ranging from 3.91% to 5.49% and maturities between 2031 and 2037.

(6) As at December 31, 2022, this represents the installment payments and other capitalized costs related to 58 vessels under construction.

## Definitions of Non-GAAP Financial Measures

This release includes various financial measures that are non-GAAP financial measures as defined under the rules of the SEC. These non-GAAP financial measures, which include FFO, FFO Per Share, Diluted ("FFO Per Share"), Adjusted Earnings, Adjusted Earnings Per Share, Diluted ("Adjusted EPS"), Adjusted EBITDA, Net Debt, Operating Net Debt and Total Borrowings, are intended to provide additional information and are not prepared in accordance with, and should not be considered substitutes for financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Investors are cautioned that there are material limitations associated with the use of the non-GAAP financial measures as an analytical tool.

*FFO* and *FFO Per Share* represent net earnings adjusted for depreciation and amortization, gains/losses on sale, unrealized change in fair value of derivative instruments, loss on foreign currency repatriation, change in contingent consideration asset, preferred share dividends accumulated, impairment, loss on debt extinguishment and certain other items that management believes are not representative of its operating performance. *FFO* and *FFO Per Share* are useful performance measures because they exclude those items that management believes are not representative of its performance.

*FFO* and *FFO Per Share* are not defined by GAAP and should not be considered as an alternative to net earnings, earnings per share or any other indicator of the Company's performance required to be reported by GAAP. In addition, these measures may not be comparable to similar measures presented by other companies.

*Adjusted Earnings* and *Adjusted EPS* represent net earnings adjusted for preferred share dividends accumulated, impairment, loss on debt extinguishment, unrealized change in fair value on derivative instruments and certain other items that management believes are not representative of its ongoing performance.

*Adjusted Earnings* and *Adjusted EPS* are not defined by GAAP and should not be considered as an alternative to net earnings, net earnings per share or any other indicator of the Company's performance required to be reported by GAAP. In addition, these measures may not be comparable to similar measures presented by other companies and the closest measure is net earnings. Management believes that these metrics are helpful in providing investors with information to assess the ongoing operations of the business.

*Adjusted EBITDA* represents net earnings before interest expense and income, tax expense, depreciation and amortization, impairment, write-down and gains/losses on sale, gains/losses on derivative instruments, loss on foreign currency repatriation, change in contingent consideration asset, loss on debt extinguishment, other expenses and certain other items that management believes are not representative of its operating performance.

*Adjusted EBITDA* provides useful information to investors in assessing the Company's results from operations. Management believes that this measure is useful in assessing performance and highlighting trends on an overall basis. Management also believes that this performance measure can be useful in comparing its results with those of other companies, even though other companies may not calculate this measure in the same way. The GAAP measure most directly comparable to *Adjusted EBITDA* is net earnings. *Adjusted EBITDA* is not defined by GAAP and should not be considered as an alternative to net earnings, or any other indicator of the Company's performance required to be reported by GAAP.

*Total Borrowings* represents long-term debt, other financing arrangements and finance leases, excluding deferred financing fees. *Operating borrowings* represents Total Borrowings less amounts related to vessels under construction.

*Net Debt* represents Total Borrowings before debt discount and fair value adjustments, net of cash and cash equivalents and restricted cash. *Operating Net Debt* represents Net Debt less amounts related to vessels under construction.

Net Debt and Total Borrowings provide useful information to investors in assessing the Company's leverage. Management believes these measures are useful in assessing the Company's ability to settle contracted debt payments. Management also believes that these leverage measurements can be useful in comparing the Company's position with those of other companies, even though other companies may not calculate these measures in the same way. The GAAP measure most directly comparable to Net Debt and Total Borrowings is the total of long-term debt and other financing arrangements. Net Debt and Total Borrowings are not defined by GAAP and should not be considered as an alternative to long-term debt and other financing arrangements, or any other indicator of the Company's financial position required to be reported by GAAP.

## ATLAS CORP.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This release contains forward-looking statements (as such term is defined in Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act). Statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as

"continue," "expects," "anticipates," "intends," "plans," "believes," "estimates," "projects," "forecasts," "will," "may," "potential," "should" and similar expressions are forward looking statements. These forward-looking statements represent Atlas' estimates and assumptions only as of the date of this release and are not intended to give any assurance as to future results. As a result, you are cautioned not to rely on any forward-looking statements. Forward-looking statements appear in a number of places in this release. Although these statements are based upon assumptions Atlas believes to be reasonable based upon available information, they are subject to risks and uncertainties. These risks and uncertainties include, but are not limited to:

- the impact and timing of the pending transaction between Atlas and Poseidon;
- Atlas' future operating and financial results;
- Atlas' future growth prospects;
- Atlas' business strategy and capital allocation plans, and other plans and objectives for future operations;
- Atlas' primary sources of funds for short, medium and long-term liquidity needs;
- potential acquisitions, financing arrangements and other investments, and the expected benefits from such transactions;
- Atlas' financial condition and liquidity, including its ability to realize the benefits of recent financing activities, borrow and repay funds under its credit facilities, its ability to obtain waivers or secure acceptable replacement charters under the credit facilities, its ability to refinance existing facilities and notes, and to obtain additional financing in the future to fund capital expenditures, acquisitions and other general corporate activities;
- conditions in the public equity market and the price of Atlas' shares;
- changes in governmental rules and regulations or actions taken by regulatory authorities, and the effect of governmental regulations on Atlas' business;
- the financial condition of Seaspan's and APR's customers, lenders and other counterparties and their ability to perform their obligations under their agreements with Seaspan and APR, respectively;
- the continued ability to meet specified restrictive covenants in Atlas' and its subsidiaries' financing and lease arrangements, notes and preferred shares;
- any economic downturn in the global financial markets and potential negative effects of any recurrence of such disruptions on the demand for the services of Seaspan's containerships or APR's mobile power solutions or on our customers' ability to charter our vessels, lease our power generation assets and pay for our services;
- the ultimate length and severity of the COVID-19 pandemic, including as a result of new variants of the virus, and its impact on Atlas' business;
- a major customer experiencing financial distress or bankruptcy due to the COVID-19 pandemic, the Russia-Ukraine conflict or otherwise;
- global economic and market conditions and shipping industry trends, including charter rates and other factors affecting supply and demand for our containerships and power generation solutions;
- disruptions in global credit and financial markets as the result of the COVID-19 pandemic, the Russia-Ukraine conflict or otherwise;
- the impact of inflation, recession or other actual or anticipated economic pressures;
- Atlas' expectations as to impairments of its vessels and power generation assets, including the timing and amount of potential impairments;
- the future valuation of Atlas' vessels, power generation assets and goodwill;
- future time charters and vessel deliveries, including future long-term charters for certain existing vessels;
- estimated future capital expenditures needed to preserve the operating capacity of Seaspan's containership fleet and comply with regulatory standards, as well as Atlas' expectations regarding future dry-docking and operating expenses, including ship operating expense and expenses related to performance under our contracts for the supply of power generation capacity, and general and administrative expenses;
- availability of crew, number of off-hire days and dry-docking requirements;
- Seaspan's continued ability to maintain, enter into or renew primarily long-term, fixed-rate time charters for its vessels and leases of our power generation assets;
- the potential for early termination of long-term time charters and Seaspan's potential inability to enter into, renew or replace long-term time charters;
- Seaspan's ability to leverage to its advantage its relationships and reputation in the containership industry;
- changes in technology, prices, industry standards, environmental regulation and other factors which could affect Atlas' competitive position, revenues and asset values;
- disruptions and security threats to our technology systems;
- taxation of Atlas and of distributions to its shareholders;
- Atlas' exemption from tax on U.S. source international transportation income;
- the continued availability of services, equipment and software from subcontractors or third-party suppliers required to provide APR's power generation solutions;
- APR's ability to protect its intellectual property and defend against possible third-party infringement claims relating to its power generation solutions;
- Atlas' ability to achieve or realize expected benefits from ESG initiatives;
- potential liability from future litigation;
- other factors detailed from time to time in Atlas' periodic reports; and
- other risks that are not currently material or known to us.

Certain participants in the pending transaction described herein have filed with the SEC a Schedule 13E-3 Transaction Statement, which contains important information on Atlas, Poseidon, the transaction and related matters, including the terms and conditions of the transaction. Shareholders of Atlas are urged to carefully read these documents, as they may be amended from time to time, before making any decision with respect to the transaction. The Schedule 13E-3 and all other documents filed with the SEC in connection with the transaction are available, free of charge, on the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, these documents will be made available, free of charge, to shareholders of Atlas who make a written request to the investor contacts named in this release. This announcement is neither a solicitation of a proxy, an offer to purchase nor a solicitation of an offer to sell any securities and it is not a substitute for any filings that may be made with the SEC should the transaction proceed.

Forward-looking statements in this release are estimates and assumptions 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 Atlas' control. Actual results may differ materially from those expressed or implied by such forward-looking statements. Accordingly, all forward-looking statements should be considered in light of various important factors listed above and including, but not limited to, those set forth in "Item 3. Key Information—D. Risk Factors" in Atlas' Annual Report for the year ended December 31, 2021 on Form 20-F filed with the SEC on March 24, 2022.

Atlas does not intend to revise any forward-looking statements in order to reflect any change in its expectations or events or circumstances that may subsequently arise. Atlas expressly disclaims any obligation to update or revise any of these forward-looking statements, whether because of future events, new information, a change in Atlas' views or expectations, or otherwise. You should carefully review and consider the various disclosures included in Atlas' Annual Report and in Atlas' other filings made with the SEC that attempt to advise interested parties of the risks and factors that may affect Atlas' businesses, prospects and results of operations.

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<https://ir.atlascorporation.com/2023-02-15-ATLAS-REPORTS-FOURTH-QUARTER-2022-RESULTS>